

**THE VILLAS AT DISNEYLAND HOTEL
A LEASEHOLD CONDOMINIUM**

This public offering statement contains important matters to be considered in acquiring an interest in a vacation ownership plan. The statements contained in this public offering statement are only summary in nature. A prospective purchaser should refer to all references, accompanying exhibits, contract documents, and sales materials. You should not rely upon oral representations as being correct. Refer to this document and accompanying exhibits for correct representations. The seller is prohibited from making any representations other than those contained in the contract and this public offering statement.

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I. DEFINITIONS AND ABBREVIATIONS

All terms used in this Public Offering Statement and in its exhibits shall have the meanings ascribed to them by California law or the Condominium Documents. The following definitions shall prevail to the extent that they are not in conflict with the California law or Condominium Document definitions.

Additional Ownership Interest means any Ownership Interest purchased to supplement an existing Ownership Interest.

Ad Valorem Real Estate Taxes means those real property taxes and special assessments assessed against the Units and their respective undivided interests in the Common Areas by Orange County, California and Anaheim, California. The Association shall serve as the agent of the Owners of Units committed to the Vacation Ownership Plan for the purpose of collection of Ad Valorem Real Estate Taxes.

Annual Dues means that portion of the Estimated Budgets that has been assessed against an individual Owner's Ownership Interest together with the Owner's proportionate share of the Ad Valorem Real Estate Taxes for the Ownership Interest.

Articles of Incorporation means the Articles of Incorporation of the Association, as they may be amended from time to time.

Association means The Villas at Disneyland Hotel Condominium Association, Inc., a California nonprofit mutual benefit corporation, and its successors, which is responsible for the operation of the Disneyland Hotel Villas.

Association Property means all real and personal property owned by the Association. All personal property related to the Home Resort Reservation Component and the DVC Reservation Component made available to the Disneyland Hotel Villas, including all computer hardware and software and intellectual property, is not Association Property and is and always will be the personal property of the owner of such property.

Board means the board of directors of the Association, as it is constituted from time to time.

BVTC means Buena Vista Trading Company, a Florida corporation, its successors and assigns. BVTC is an exchange company registered under Chapter 721, Florida Statutes.

Bylaws means the Bylaws of the Association, as they may be amended from time to time.

Club or Disney Vacation Club means the *Disney Vacation Club*®. The Club is not a legal entity or association of any kind, but rather is a service name for the services and benefits appurtenant to and the restrictions imposed upon the use and enjoyment of Ownership Interests. These services presently include, among other things, the operation of a central reservation system consisting of the Home Resort Reservation Component and the DVC Reservation Component.

Club Member or Member means the owner of record of an Ownership Interest in a DVC Resort. A Club Member is sometimes referred to as an Owner.

Common Area shall include (i) all of those items defined by applicable law as Common Areas and the items declared in the Declaration to be included within the Common Areas and (ii) DVD's interest in the Ground Lease for that portion of the property described in the Ground Lease that is declared as part of the Disneyland Hotel Villas for which the Association will assume the obligations of DVD under the

Ground Lease to the extent of that portion of the property described in the Ground Lease that is declared as part of the Disneyland Hotel Villas.

Common Expenses shall include expenses related to the operation, maintenance, repair, replacement, or protection of the Common Areas and Association Property; related costs of carrying out the powers and duties of the Association; and any other expense, whether or not included in the foregoing, designated as a common expense by applicable law, the Condominium Documents, or the Property Management Agreement.

Common Surplus means any excess of all receipts of the Association over the amount of Common Expenses.

Condominium Documents means the documents establishing or governing Disneyland Hotel Villas, as they may be amended from time to time.

Condominium Plan means the Condominium Plan for The Villas at Disneyland Hotel, a Leasehold Condominium, filed for record in the Office of the County Recorder, Orange County, California, as such may be amended from time to time and attached as Exhibit "A" to the Declaration.

Condominium Property means the lands, leaseholds, easements, and personal property that are subjected to the condominium form of ownership from time to time as part of the Disneyland Hotel Villas, whether or not contiguous, and all improvements located on such property and all easements and rights appurtenant to such property and intended for use in connection with the Disneyland Hotel Villas.

Cotenant means the owner of an Ownership Interest and includes all other Cotenants who own Ownership Interests in that Unit as tenants in common.

Declaration means the Declaration of Covenants, Conditions, and Restrictions and Condominium and Vacation Ownership Plan of The Villas at Disneyland Hotel, a leasehold condominium, as it may be amended from time to time.

Disneyland Hotel means the existing hotel commonly known as Disneyland Hotel located near Disneyland Hotel Villas.

Disneyland Hotel Villas shall mean The Villas at Disneyland Hotel, a leasehold condominium.

DVCM means Disney Vacation Club Management, LLC, a Florida limited liability company, its successors and assigns. DVCM is the Management Company for Disneyland Hotel Villas.

DVC Reservation Component means the exchange component of the Club central reservation system through which Vacation Homes in any DVC Resort may be reserved using DVC Vacation Points pursuant to priorities, restrictions, and limitations established by BVTC from time to time.

DVC Resort means each resort, including the Disneyland Hotel Villas, with certain Club Members who are entitled to access and use the DVC Reservation Component and other applicable Club services and benefits provided by BVTC by virtue of and pursuant to the terms and conditions of a Resort Agreement.

DVC Resort Agreement means the agreement pursuant to which a resort becomes and remains a DVC Resort in accordance with the terms and conditions of such agreement.

DVC Vacation Points means Vacation Points used by a Club Member to make a reservation through the DVC Reservation Component at a DVC Resort.

DVD means Disney Vacation Development, Inc., a Florida corporation, its successors and assigns. DVD is the developer of Disneyland Hotel Villas.

Estimated Budgets means the operating and capital reserves budgets that sets forth the estimated annual Common Expenses and reserves of the Disneyland Hotel Villas.

Exclusive Use Common Areas means those Common Areas reserved for the use of a certain Unit or Units to the exclusion of other Units.

External Exchange Company means any company that owns, operates, or owns and operates an External Exchange Program.

External Exchange Program means the contractual arrangement between or among DVC, the Association, or individual Club Members, or an External Exchange Company or Companies pursuant to which Club Members may request and reserve, under certain conditions, the use of accommodations in resorts other than the Disneyland Hotel Villas or other DVC Resorts.

Fixed Ownership Interest means an Ownership Interest whose Owner has the right to reserve and use a specific Vacation Home type during a specific time period in each Use Year. A Vacation Home of that Vacation Home type will be automatically reserved every year for use by the Owner of a Fixed Ownership Interest during the applicable time period.

Ground Lease means that certain Amended and Restated Ground Lease by and between W DPR as lessor and DVD as lessee effective the 1st day of March, 2021. That certain Amended and Restated Memorandum of Ground Lease dated the 1st day of March, 2021 and recorded as Document Number 2022000416011 in the Public Records of Orange County, California.

Home Resort means the DVC Resort in which an Owner owns an Ownership Interest and which is symbolized by Home Resort Vacation Points.

Home Resort Priority Period means the period of time at each DVC Resort, including the Disneyland Hotel Villas with respect to the Vacation Homes at Disneyland Hotel Villas, during which only Owners having an Ownership Interest at that DVC Resort are entitled to request a reservation for the accommodations at that DVC Resort through that DVC Resort's Home Resort Reservation Component.

Home Resort Reservation Component means the component of the Club central reservation system through which Vacation Homes may be reserved using Home Resort Vacation Points pursuant to the priorities, restrictions, and limitations of the Vacation Ownership Plan and as set forth in the Condominium Documents.

Home Resort Rules and Regulations means the rules and regulations which DVC, in its sole, absolute, and unfettered discretion determines are necessary or desirable from time to time in order to implement and enforce the provisions of the Membership Agreement.

Home Resort Vacation Points means Vacation Points symbolizing an Ownership Interest at a Home Resort, which Vacation Points may be used to reserve accommodations at that Home Resort where that Ownership Interest is held.

Management Company means DVC or any successor entity engaged to manage the Disneyland Hotel Villas.

Master Declaration means the Master Declaration of Covenants, Conditions, and Restrictions, effective March 1, 2021, and recorded as Document Number 2022000416010, in the Public Records of Orange County, California.

Master Declaration Property means the lands, leaseholds, easements, and all improvements on such property that are subject to Master Declaration from time to time, whether or not contiguous.

Membership Agreement means the Disney Vacation Club Membership Agreement for Disneyland Hotel Villas, as it may be amended from time to time. The Membership Agreement provides for the operation of the Vacation Ownership Plan and the Home Resort Reservation Component.

Owner means the owner of a Unit. Unless the context requires otherwise, the term Owner includes Cotenants but does not include owners of Ownership Interests at DVC Resorts other than the Disneyland Hotel Villas.

Ownership Interest means the real property interest in a DVC Resort. In the case of the Disneyland Hotel Villas, an Ownership Interest is an undivided percentage interest in a Unit and in the Unit's undivided interest in the Common Areas and Common Surplus.

Property Management Agreement means the agreement between the Association and any Management Company pursuant to which the Association assigns its responsibilities and duties relating to the management and operation of the Disneyland Hotel Villas to the Management Company.

Purchaser means a prospective Owner, but shall not include DVD.

Resort Agreement means the DVC Resort Agreement for The Villas at Disneyland Hotel, as amended from time to time, and pursuant to which Disneyland Hotel Villas becomes and remains a DVC Resort in accordance with the terms and conditions of the agreement.

Special Event Right shall mean the right of a Club Member who owns a designated Fixed Ownership Interest to reserve Use Days during which a special event, as designated by DVCM in its sole, absolute, and unfettered discretion, occurs in each calendar year

The TWDC Companies means TWDC and all subsidiaries of TWDC, including but not limited to, DVD, DVCM, WDPR, and BVTC.

TWDC means The Walt Disney Company, a Delaware corporation, its successors and assigns.

Unit means a condominium unit as that term is defined in Article 5 of the Declaration and refers to that portion of the Condominium Property which is subject to exclusive ownership by one or more persons.

Use Day means a twenty-four (24) hour period (or such lesser period as may be designated by DVCM from time to time) during which a Vacation Home is subject to reservation and use by Club Members.

Use Year means the twelve (12) month period beginning on the first day of the month designated by DVD in each purchase agreement selling an Ownership Interest to a Club Member and in each special warranty deed conveying an Ownership Interest to a Club Member. The Use Year shall continue for successive twelve (12) month periods for so long as the Vacation Ownership Plan continues. There may be different Use Years for Ownership Interests in the same Unit.

Vacation Home means and refers to those portions of a Unit designed and intended for separate use and occupancy.

Vacation Ownership Plan means the arrangement pursuant to California law, the Declaration, and the Membership Agreement whereby an Owner receives an Ownership Interest under which the exclusive right of use, possession, or occupancy of Units in the Condominium circulates among the various Owners of Ownership Interests on a recurring basis during the term of the plan.

Vacation Point means the symbolic unit of measuring the respective rights of an Owner to enjoy the benefits of the Ownership Interest within the Club.

WDPR means WALT DISNEY PARKS AND RESORTS U.S., INC., a Florida corporation, its successors or assigns, and the lessor under the Ground Lease.

II. REQUIRED DISCLOSURES

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The right to reserve a timeshare period is subject to rules and regulations of the Vacation Ownership Plan reservation system. [Paragraph 1.a.(3) and 7.c. of this Public Offering Statement]

The managing entity shall have the right to forecast anticipated reservation and use of the accommodations of the Vacation Ownership Plan and is authorized to reasonably reserve, deposit, or rent the accommodations for the purpose of facilitating the use or future use of the accommodations or other benefits made available through the Vacation Ownership Plan. [Paragraph 1.a.(3) and Paragraph 5.a.(1)(b) of this Public Offering Statement]

There is a lien or lien right against each Ownership Interest to secure the payment of assessments or other exactions coming due for the use, maintenance, upkeep, or repair of one or more facilities. A Purchaser's failure to make these payments may result in foreclosure of the lien. [Paragraph 2. of this Public Offering Statement]

The managing entity has a lien against each Ownership interest to secure the payment of assessments, ad valorem assessments, tax assessments, and special assessments. Your failure to make any required payments may result in the judicial or trustee foreclosure of an assessment lien and the loss of your Ownership Interest. If the managing entity initiates a trustee foreclosure procedure, you shall have the option to object to the use of the trustee foreclosure procedure and the managing entity may only proceed by filing a judicial foreclosure action. [Paragraph 7.b.(2) of this Public Offering Statement.]

Facilities may be expanded or added without consent of the Purchasers or the Association. [Paragraph 5.c.(5) of this Public Offering Statement]

The developer has the right to retain control of the Association after a majority of the Ownership Interests have been sold. [Paragraph 5.g. of this Public Offering Statement]

The sale, lease or transfer of Ownership Interests is restricted and controlled. [Paragraph 7.d. of this Public Offering Statement]

The purchase of an Ownership Interest should be based upon its value as a vacation experience or for spending leisure time, and not considered for purposes of acquiring an appreciating investment or with an expectation that the Ownership Interest may be resold. [Paragraph 7.d. of this Public Offering Statement]

DVD has reserved the right, as set forth in the Membership Agreement and the DVC Resort Agreement, to prohibit or limit persons who do not purchase an Ownership Interest directly from DVD, or from an approved seller, from participating in other aspects of Club membership or benefits, including prohibiting or limiting access to other DVC Resorts through the DVC Reservation Component or restricting, limiting, or changing certain Home Resort Reservation Component or DVC Reservation Component reservation features. Such prohibitions, restrictions, limitations, or changes may adversely affect a Club Member's ability to resell the Club Member's Ownership Interest or at a value that the Club Member might seek. [Section 7.d. of this Public Offering Statement]

Further, DVD has implemented prohibitions on Club Members who purchase an Ownership Interest at Disneyland Hotel Villas from an unapproved third party from reserving a Vacation Home at any other DVC Resorts, including future DVC Resorts. [Section 7.d. of this Public Offering Statement]

A Vacation Ownership Plan will be created with respect to Units in the condominium. [Article 2.5 of the Declaration of Condominium]

DVD is required to provide the managing entity of the Club with a copy of the approved public offering statement text and exhibits filed with the Division and any approved amendments thereto, and any other component site documents as described in Section 721.07 or Section 721.55, Florida Statutes, that are not required to be filed with the Division, to be maintained by the managing entity for inspection as part of the books and records of the plan. [Purchase Agreement]

For the purpose of ad valorem assessment, taxation and special assessments, the managing entity will be considered the taxpayer as your agent pursuant to the Condominium Documents. [Purchase Agreement]

Property tax disclosure summary: Purchaser should not rely on DVD's current property taxes as the amount of property taxes that purchaser may be obligated to pay in the year subsequent to purchase. A change of ownership or property improvements triggers reassessments of the property that could result in higher property taxes. If you have any questions concerning valuation, contact the county property appraiser's office for information. [Purchase Agreement]

Any resale of this Ownership Interest must be accompanied by certain disclosures in accordance with Section 721.065, Florida Statutes. [Purchase Agreement]

You may cancel this purchase contract without any penalty or obligation within 10 calendar days after the date you sign this purchase contract or the date on which you receive the last of all documents required to be provided to you pursuant to Section 721.07(6), Florida Statutes, whichever is later. If you decide to cancel this purchase contract, you must notify the developer in writing of your intent to cancel. Your notice of cancellation shall be effective upon the date sent and shall be sent to Disney Vacation Development, Inc., Attention: Quality Assurance at 1936 Broadway, Suite 2200, Lake Buena Vista, Florida 32830. Your notice of cancellation may also be sent via fax to 407-938-6586 or by e-mail at WDWDVCCancelRequests@Disney.com. Any attempt to obtain a waiver of your cancellation rights is void and of no effect. While you may execute all closing documents in advance, the closing, as evidenced by delivery of the deed or other documents, before expiration of your 10-day cancellation period, is prohibited. [Purchase Agreement]

Please refer to the Multi-site Public Offering Statement for a summary of additional required disclosures pertaining to the Vacation Club.

II-A. DVD DISCLOSURES

None of The TWDC Companies, including, but not limited to, DVD, make any warranty of any kind, express or implied, and each of DVD and The TWDC Companies disclaim any and all warranties, including implied warranties of merchantability and fitness for a particular purpose, with respect to the construction of the Units and the Common Areas and with respect to the personal property located within the Units or on the Condominium Property, and the Owners assume all risk and liability resulting from the use and Ownership of this property. [Paragraph 5.b.(1) of this Public Offering Statement and Section 5.3 of the Declaration]

Since the Ownership Interest acquired by Purchasers is an interest in real estate under California law, Purchasers may be entitled to deduct, for federal income tax purposes: (i) interest paid under a promissory note which is secured by a mortgage encumbering the Ownership Interest, and (ii) the Purchaser's allocable share of Ad Valorem Real Estate Taxes (paid via Annual Dues). Purchasers should understand that DVD intends to report such mortgage interest to Purchasers and to the United States Internal Revenue Service as mortgage interest paid on form 1098. [Paragraph 7.b.(2) of this Public Offering Statement]

Purchasers should understand, however, that since there can be no assurance as to this federal income tax treatment, as well as the fact that actual tax results will depend upon a Purchaser's particular circumstances (including, among other factors, whether or not the Purchaser itemizes deductions on the Purchaser's federal income tax return or whether the Purchaser already owns an existing vacation home), neither DVD nor any of The TWDC Companies make any representations as to the income tax treatment of the purchase, use, or exchange of an Ownership Interest and related rights and appurtenances or as to the deductibility of related expenses such as interest, taxes, and depreciation. Each Purchaser should consult his or her own tax advisor as to these issues. An Ownership Interest should not be purchased in reliance upon any anticipated tax benefits or any particular kind of tax treatment. [Paragraph 7.b.(2) of this Public Offering Statement]

Each Owner, and each Owner's successor in title, has an obligation and responsibility to pay assessments for as long as he or she owns an Ownership Interest in the Disneyland Hotel Villas. [Paragraph 7.d. of this Public Offering Statement]

The budget contained in this public offering statement has been prepared pursuant to California Law, and is a good faith estimate only and represents an approximation of future expenses based on facts and circumstances existing at the time of its preparation. Actual costs of such items may exceed the estimated costs. Such changes in cost do not constitute material adverse changes. [Paragraph 6 of this Public Offering Statement]

The Management Company reserves the right to charge a surcharge in an amount set by the Management Company from time to time to cover the added or increased costs for Club Members residing outside of the United States including for postage, personal delivery, long distance, or international communications, and deliveries. [Paragraph 7.b.(2) of this Public Offering Statement]

The use of certain services, including housekeeping, janitorial, engineering, and landscaping; certain utilities, including electricity, storm water, sanitary sewer, natural gas, telephone, and cable television; and certain facilities, including check-in facilities, back office facilities, and system equipment rooms are being or may be provided to the Disneyland Hotel Villas pursuant to the terms of either the Property Management Agreement or the Master Declaration as a shared service, shared utility, or shared area, as applicable. The costs of providing such services and utilities and the cost of operating and maintaining such facilities are or may be equitably apportioned among its users including Owners. If the Disneyland Hotel Villas were required to obtain, provide, or maintain such services, utilities, or facilities within the Condominium Property and solely for the use and benefit of the Owners, the costs of operating the Condominium Property would increase. [Paragraph 5.f.(2) of this Public Offering Statement]

Ownership Interests are offered for personal use and enjoyment only and should not be purchased by any prospective Purchaser for resale or as an investment opportunity or with any expectation of achieving rental income, capital appreciation, or any other financial return or valuable benefit, including any tax benefit. Owners attempting to resell or rent their Ownership Interests would have to compete, at a substantial disadvantage, with DVD in the sale or rental of its Ownership Interests. The many restrictions upon the use of an Ownership Interest may adversely affect its marketability or rentability. [Paragraph 7.d. of this Public Offering Statement]

Ownership Interests should also not be purchased with any expectation that any Vacation Home located at the Disneyland Hotel Villas can be rented, or if it is rented, that any particular rental rate can be obtained for such rental. Owners should be aware that several resort hotels are in operation within and around the Disneyland Hotel Villas and the other DVC Resorts, including hotels owned or operated by The TWDC Companies, and that DVD will also rent its Ownership Interests to the general public. Accordingly, any Owner who attempting to rent reserved Vacation Homes for his or her own account would compete with these resort hotels and DVD for renters without any assistance from The TWDC Companies, and would be at a substantial competitive disadvantage. Owners should not purchase an Ownership Interest based upon any expectation of deriving any rental or other revenue or profit therefrom. [Paragraph 7.d. of this Public Offering Statement]

There is no guaranty that any portion of the Disneyland Hotel (which is not part of this Condominium Property) (including restaurants, bars and other hotel amenities) will continue in operation and The TWDC Companies shall be entitled to cease operations of those portions of the Disneyland Hotel at any time. Do not purchase an interest in the Disneyland Hotel Villas in reliance upon the continued operation of the Disneyland Hotel. [Paragraph 5.f.(1) of this Public Offering Statement]

DVD has reserved the right to sell Fixed Ownership Interests, meaning that Members with those Ownership Interests have a guaranteed right to use a specific type of Vacation Home (for example a Studio) during a specific time period (for example, the week that includes Christmas day or the week that includes special event dates). Reservations for Fixed Ownership Interests are confirmed automatically on a priority basis. This is an exception to the first-come, first-served basis for reservations in the Plan, and may adversely affect a Member's ability to make reservations for Vacation Homes in the Plan during high demand seasons. However, DVD will not sell Fixed Ownership Interests that include more than 35% of any specific Use Day for any specific Vacation Home Type in the Plan. This means, for example, that Christmas day will be available for reservations on a first-come, first served basis in at least 65% of the Studio Vacation Homes. [Paragraph 1.a.(4) of this Public Offering Statement]

Notwithstanding the ownership of a Special Event Right, Club Members are not guaranteed that any special event will be held in any calendar year. Club Members should not purchase a Fixed Ownership Interest with a Special Event Right in reliance on the continued occurrence of the special event. [Paragraph 1.a.(4) of this Public Offering Statement]

California law permits a closing prior to the completion of construction if the Department of Real Estate approves an alternate assurance in lieu of completion of construction. If such alternate assurance is approved and construction of such Units, Vacation Homes, recreational facilities, or other commonly used facilities is not completed in accordance with the purchase agreement, the Purchaser shall be entitled to all the rights and remedies set forth in the Purchaser's purchase agreement. [Paragraph 7.e. of this Public Offering Statement]

The closing of the sale of an Ownership Interest located in any phase of the Disneyland Hotel Villas may take place prior to the completion of construction of the Units, Vacation Homes, recreational facilities, and other commonly used facilities contained in such phases. In such event, Owners will not be entitled to use such Units, Vacation Homes, recreational facilities, and other commonly used facilities until a certificate of occupancy is obtained. Because of safety concerns, Owners will

be prohibited from accessing many portions of the Condominium Property during the construction process. [Paragraph 5.b.(2) of this Public Offering Statement]

Section 2 of Article XIII A of the California Constitution (enacted by Proposition 13) establishes an acquisition-value assessment system. It provides that real property is to be assessed at its value when acquired through a change of ownership or by new construction. Thereafter, increases in the taxable value of property are limited. As a result, similar properties may have different taxable values. However, the Condominium Documents permit the Association to allocate Ad Valorem Taxes in any equitable manner, including in the same manner which Common Expenses are allocated. [Purchase Agreement]

If DVD determines, in its sole, absolute, and unfettered discretion, that any amendments or additions to the Offering Documents (“Amendments or Additions”) do not materially alter or modify the offering in a manner that is adverse to a Purchaser, then DVD may, but is not obligated to, deliver the Amendments or Additions to Purchaser prior to or after closing. If the Amendments or Additions do not materially alter or modify the offering in a manner that is adverse to a Purchaser, the Purchaser shall not be entitled to an additional ten-day cancellation period pursuant to Florida law. If, however, DVD determines, in its sole, absolute, and unfettered discretion, that the Amendments or Additions do materially alter or modify the offering in a manner that is adverse to the Purchaser, DVD shall deliver to Purchaser copies of the Amendments or Additions prior to closing for those Purchasers who have not yet closed, and the Purchaser shall be entitled to an additional ten-day cancellation period from the date that DVD delivers such Amendments or Additions to the Purchaser. [Paragraph 7.a. of this Public Offering Statement]

While the Vacation Ownership Plan for the Disneyland Hotel Villas continues until January 31, 2074, the vacation ownership plans for all other DVC Resorts expire earlier (significantly earlier in many cases). Do not purchase an Ownership Interest in a DVC Resort in reliance upon the continued existence of any other DVC Resort beyond the express termination dates for such other DVC Resort. Each DVC Resort has its own termination date. [Paragraph 3. of this Public Offering Statement]

DVD, DVCM, and BVTC are affiliates of TWDC and WDPR; however, DVD, DVCM, and BVTC are separate and distinct entities from TWDC and WDPR. Neither TWDC, WDPR, nor any other of The TWDC Companies, has agreed or will agree to assume, guarantee, or otherwise be responsible for any of the obligations, acts, or omissions of DVD, DVCM, or BVTC in connection with this offering, any other DVC Resort, or the Club. [Paragraph 4.a.(2) of this Public Offering Statement]

Owners, their guests, licensees, lessees, invitees, and exchangers do not receive any special access or entry rights to any attraction or recreational facility located within the WALT DISNEY WORLD® Resort, DISNEYLAND® Resort or in any other Disney theme park or other facility or attraction. [Paragraph 1.a.(5). of this Public Offering Statement]

Neither DVD nor any of The TWDC Companies shall be responsible for any loss, damage, or injury to any person or property relating to or arising out of the authorized or unauthorized use of the lakes, ponds, streams, or other bodies of water within or adjacent to the Condominium Property. [Paragraph 5.a.(1)(a) of this Public Offering Statement]

Please refer to the Multi-site Public Offering Statement for a summary of additional DVD disclosures pertaining to the Vacation Club.

III. PUBLIC OFFERING STATEMENT TEXT

1. The Vacation Ownership Plan.

a. The Plan. The legal name of the condominium is The Villas at Disneyland Hotel, a leasehold condominium, and it is located at 1150 Magic Way, Anaheim, CA 92802.

(1) Ground Lease. The Disneyland Hotel Villas is being created on a Ground Lease, and the portion of DVD's interest in the Ground Lease that will be declared to the condominium form of ownership is a Common Area of the Disneyland Hotel Villas.

(2) Ownership Interests. Ownership Interests are fee interests in real property and are defined as "timeshare estates" pursuant to Section 721.05(34), Florida Statutes, and Section 721.57, Florida Statutes. Purchasers of an Ownership Interest receive an undivided percentage real property interest in a Unit as a tenant-in-common with other Purchasers of undivided percentage interests in that Unit in accordance with the Declaration. Fee title to an Ownership Interest will be conveyed to the Purchaser until January 31, 2074, unless otherwise extended in accordance with the Condominium Documents, at which time the Ground Lease will expire, the Disneyland Hotel Villas will terminate and title to the Ownership Interest and the Condominium Property will vest in WDPR as the lessor. Ownership Interests in the Disneyland Hotel Villas are conveyed by virtue of the delivery of a special warranty deed.

(3) Vacation Ownership Plan and the Disney Vacation Club. Each Ownership Interest is subject to the Vacation Ownership Plan, as set forth in the Declaration and the Membership Agreement. Notwithstanding the specific Unit in which a Purchaser acquires an Ownership Interest, and except for Fixed Ownership Interests, the Vacation Ownership Plan requires that all Vacation Homes at the Disneyland Hotel Villas be available for use by all Purchasers of Ownership Interests at the Disneyland Hotel Villas at all times on a first come, first served reservation basis, through the Home Resort Reservation Component and in accordance with the provisions of the Condominium Documents.

The right to reserve a timeshare period is subject to rules and regulations of the Vacation Ownership Plan reservation system.

The managing entity shall have the right to forecast anticipated reservation and use of the accommodations of the Vacation Ownership Plan and is authorized to reasonably reserve, deposit, or rent the accommodations for the purpose of facilitating the use or future use of the accommodations or other benefits made available through the Vacation Ownership Plan.

(4) Reservation Priority for Fixed Ownership Interests. **DVD has reserved the right to sell Fixed Ownership Interests, meaning that Members with those Ownership Interests have a guaranteed right to use a specific type of Vacation Home (for example a Studio) during a specific time period (for example, the week that includes Christmas day, or the week that includes special event dates). Reservations for Fixed Ownership Interests are confirmed automatically on a priority basis. This is an exception to the first-come, first-served basis for reservations in the Plan, and may**

adversely affect a Member's ability to make reservations for Vacation Homes in the Plan during high demand seasons. However, DVD will not sell Fixed Ownership Interests that include more than 35% of any specific Use Day for any specific Vacation Home Type in the Plan. This means, for example, that Christmas day will be available for reservations on a first-come, first served basis in at least 65% of the Studio Vacation Homes.

Notwithstanding the ownership of a Special Event Right, Club Members are not guaranteed that any special event will be held in any calendar year. Club Members should not purchase a Fixed Ownership Interest with a Special Event Right in reliance on the continued occurrence of the special event.

(5) Club Membership. In addition to the Vacation Ownership Plan, membership in the Club is an appurtenance to each Ownership Interest in accordance with the terms of the Condominium Documents and the DVC Resort Agreement. As an appurtenance, the Club membership, as it is comprised from time to time, may not be partitioned, hypothecated, bought, sold, exchanged, rented, or otherwise transferred separately from each Ownership Interest. Provided that the Owner complies with all restrictions on the transfer of an Ownership Interest, the transferor will cease to be a Club Member unless he or she owns another Ownership Interest. See the Multi-site Public Offering Statement for details regarding a description of the Club's central reservation system, including operation of the Home Resort Reservation Component and the DVC Reservation Component.

Owners do not acquire any legal or beneficial interest in any of The TWDC Companies or their assets, including, but not limited to, the Club, and no right or interest in the property, contract rights, or businesses of any of The TWDC Companies. Owners will not be entitled to any share of income, gain or distribution by or of any of The TWDC Companies and will not acquire any voting rights in respect of any of The TWDC Companies.

Owners, their guests, licensees, lessees, invitees, and exchangers do not receive any special access or entry rights to any attraction or recreational facility located within the WALT DISNEY WORLD® Resort, DISNEYLAND® Resort or in any other Disney theme park or other facility or attraction.

b. Apportionment of Common Expenses and Ownership of Common Areas. Each Unit and each Ownership Interest has appurtenant to it a share of the Common Expenses and Common Surplus and an undivided interest in the Common Area of the Disneyland Hotel Villas on a fractional basis as set forth in the Percentage Interest in the Common Area attached as Exhibit "D" to the Declaration.

The Common Expenses consist of the Condominium Common Expenses and the Vacation Ownership Common Expenses. The Condominium Common Expenses are expenses of the Condominium as a whole (as more particularly described in the Declaration) and are shared by and allocated between non-Vacation Ownership Plan Units, if any, and the Vacation Ownership Units in accordance with the allocation methodologies set forth in the Declaration. Each Vacation Ownership Unit (and each Ownership Interest in a Vacation Ownership Unit) and each non-Vacation Ownership Plan

Units has appurtenant to it a share of the Condominium Common Expenses allocated in accordance with such allocation methods. The Vacation Ownership Expenses are the expenses incurred in maintaining, managing, and operating the Vacation Ownership Plan, Vacation Ownership Units and Vacation Homes (including Vacation Home furnishings and Vacation Homes EUCAs) and are the sole responsibility of the Vacation Ownership Units. Because the non-Vacation Ownership Units are not included in the Vacation Ownership Plan and do not receive any benefit from the Vacation Ownership Expenses, the non-Vacation Ownership Units are not responsible for any share of the Vacation Ownership Expenses. Each Vacation Ownership Unit (and each Ownership Interest in a Vacation Ownership Unit) has appurtenant to it a share of the Vacation Ownership Common Expenses on a fractional basis as set forth in the Percentage Interest in the Common Areas exhibit.

The number of Home Resort Vacation Points available for use by a Purchaser in connection with the Home Resort Reservation Component of the Club's central reservation system is determined as more particularly described in the Master Cotenancy Agreement. The total number of Home Resort Vacation Points currently declared at the Disneyland Hotel Villas is 575,037. The total number of Home Resort Vacation Points will increase if additional accommodations are added by DVD to the Disneyland Hotel Villas pursuant to the process described in paragraph 5.b. of this Public Offering Statement or decrease if accommodations are removed from the Disneyland Hotel Villas pursuant to the Declaration. Purchasers should refer to their Purchase Agreement and special warranty deed for the amount of the undivided percentage interest that they are purchasing and the number of Home Resort Vacation Points that symbolize that Ownership Interest.

2. Club Membership and Recreational Leases. With respect to the Disneyland Hotel Villas, none of the recreational facilities or other facilities offered by DVD for use by Owners are leased or part of a recreational club.

There is a lien or lien right against each Ownership Interest to secure the payment of assessments or other exactions coming due for the use, maintenance, upkeep, or repair of one or more facilities. A Purchaser's failure to make these payments may result in foreclosure of the lien.

The recreational and other commonly used facilities of the Disneyland Hotel Villas will be used by Club Members, their guests, exchangers and renters; by renters of Vacation Homes not yet declared as part of the Disneyland Hotel Villas; and potentially by owners of interests in property common to the Disneyland Hotel Villas under the Master Declaration, in adjoining resort properties, or guests, or invitees of The TWDC Companies. A portion of the costs of maintenance, repair, and replacement of such facilities will be borne by the Owners and shall be assessed to the Owners, pursuant to the terms of the Declaration and the Master Declaration. There is a lien or lien right against each Ownership Interest to secure the payment of these assessments.

3. Duration of the Vacation Ownership Plan. The term of the Vacation Ownership Plan with respect to the Disneyland Hotel Villas will continue through January 31, 2074, the expiration date of the Ground Lease and the Disneyland Hotel Villas, unless the Ground Lease is sooner terminated in accordance with its terms, or unless the Vacation Ownership Plan is sooner terminated in accordance with the

Condominium Documents, or unless the term is otherwise extended in accordance with the Condominium Documents.

While the Vacation Ownership Plan for the Disneyland Hotel Villas continues until January 31, 2074, the vacation ownership plans for all other DVC Resorts expire earlier (significantly earlier in many cases). Do not purchase an Ownership Interest in a DVC Resort in reliance upon the continued existence of any other DVC Resort beyond the express termination dates for such other DVC Resort. Each DVC Resort has its own termination date.

4. The Disneyland Hotel Villas Operations; Judgments and Pending Lawsuits.

a. The Disneyland Hotel Villas Operations.

(1) DVD. The developer of the Disneyland Hotel Villas is DVD. The General Manager and Senior Vice President of DVD is William C. Dierksen, who has experience in the resort and leisure industries as a result of his tenure at The TWDC Companies. DVD has developed and operated the vacation ownership plan at:

Disney Vacation Club at WALT DISNEY WORLD Resort, a leasehold condominium, since October 1991,
Disney Vacation Club at Vero Beach, a condominium, since September 1995,
Disney Vacation Club at Hilton Head Island Horizontal Property Regime since March 1996,
Disney Vacation Club at Disney's BoardWalk Villas, a leasehold condominium, since June 1996,
The Villas at Disney's Wilderness Lodge, a leasehold condominium, since January 2001,
Disney's Beach Club Villas, a leasehold condominium, since July 2002,
Disney's Saratoga Springs Resort, a leasehold condominium, since May 2004,
Disney's Animal Kingdom Villas, a leasehold condominium, since July 2007,
Bay Lake Tower at Disney's Contemporary Resort, a leasehold condominium, since September 2009,
The Villas at Disney's Grand Californian Hotel, a leasehold condominium, since September 2009,
Aulani, Disney Vacation Club Villas, Ko Olina, Hawaii, a condominium, since August 2011,
The Villas at Disney's Grand Floridian Resort, a leasehold condominium, since October 2013,
Disney's Polynesian Villas & Bungalows, a leasehold condominium, since April 2015,
Copper Creek Villas & Cabins at Disney's Wilderness Lodge, a leasehold condominium, since July 2017,
Disney's Riviera Resort, a leasehold condominium, since December 2019,
The Villas at Disneyland Hotel, a leasehold condominium, beginning Fall 2023.

DVD may or may not be the developer of future DVC Resorts, if any.

(2) The TWDC Companies. **DVD, DVCM, and BVTC are affiliates of TWDC and WDPR; however, DVD, DVCM, and BVTC are separate and distinct entities from TWDC and WDPR. Neither TWDC, WDPR, nor any other of The TWDC Companies, has agreed or will agree to assume, guarantee, or otherwise be responsible for any of the obligations, acts or omissions of DVD, DVCM, or BVTC in connection with this offering or any other DVC Resort or the Club.**

(3) The Association and DVCM. The Villas at Disneyland Hotel Condominium Association, Inc., a California nonprofit mutual benefit corporation, is the entity responsible for the maintenance and operation of the Disneyland Hotel Villas. Pursuant to the Property Management

Agreement, the Association has delegated its management, maintenance, and operation duties for the Disneyland Hotel Villas to DVCM.

DVCM, whose address is 215 Celebration Place Suite 300, Celebration, Florida 34747, is responsible for providing for the operation of the Home Resort Reservation Component and for providing for the site management of the Disneyland Hotel Villas. DVCM has acted as the management company for:

Disney Vacation Club at WALT DISNEY WORLD Resort, a leasehold condominium, since October 1991,
Disney Vacation Club at Vero Beach, a condominium, since September 1995,
Disney Vacation Club at Hilton Head Island Horizontal Property Regime since March 1996,
Disney Vacation Club at Disney's BoardWalk Villas, a leasehold condominium, since June 1996,
The Villas at Disney's Wilderness Lodge, a leasehold condominium, since January 2001
Disney's Beach Club Villas, a leasehold condominium, since July 2002,
Disney's Saratoga Springs Resort, a leasehold condominium, since May 2004,
Disney's Animal Kingdom Villas, a leasehold condominium, since July 2007,
Bay Lake Tower at Disney's Contemporary Resort, a leasehold condominium, since September 2009,
The Villas at Disney's Grand Californian Hotel, a leasehold condominium, since September 2009,
The Villas at Disney's Grand Floridian Resort, a leasehold condominium, since October 2013,
Disney's Polynesian Villas & Bungalows, a leasehold condominium, since April 2015,
Copper Creek Villas & Cabins at Disney's Wilderness Lodge, a leasehold condominium, since July 2017
Disney's Riviera Resort, a leasehold condominium, since December 2019, and
The Villas at Disneyland Hotel, a leasehold condominium, beginning Fall 2023.

There are no service, maintenance, management, recreational contracts, or leases with a term in excess of one (1) year that may be canceled by the Owners, except for the Property Management Agreement. The Property Management Agreement has an initial term of five (5) years, and shall automatically renew for successive three (3) year periods unless sooner terminated in accordance with its provisions. DVD may not change the managing entity or its control without the approval of the Board or the Association. Until transfer of control of the Board occurs, DVD shall have the right to appoint a majority of the directors of the Board. After transfer of control, the Owners shall have the right to elect a majority of the directors of the Board through DVD as the voting representative of each Unit as set forth in paragraph 5.g. of this Public Offering Statement.

As set forth in the Property Management Agreement, DVCM will be compensated for its site management services by receiving an annual management fee equal to the sum of twelve percent (12%) of the total Estimated Budgets and special assessments or any other charges required to be collected from Owners. The twelve percent (12%) portion of the Management Fee shall be calculated on all line items of the Estimated Budgets, and any special assessments or other charges required to be collected from Owners, except transportation fees and the resulting twelve percent (12%) amount itself. The Management Fee is in addition to, all other compensation, reimbursements, costs, or expenses paid to DVCM by the Association, including fees, profits, revenue, or monies, if any, generated from the concessions as described in the Property Management Agreement. It is anticipated that, for the first year of operation at the Disneyland Hotel Villas, DVCM will receive an annual management fee equal to \$235,463 per month or \$2,825,550 per year. This percentage level for compensation may not be increased without the approval of the Board controlled by DVD; however, the actual compensation received by DVCM for these services will increase as the Estimated Budgets increase.

Pursuant to the Membership Agreement, as compensation for operation of the Home Resort Reservation Component, the Association has assigned to DVCM any and all rights of the Association to rent unreserved Vacation Homes and to receive the proceeds from such rentals in excess of the following: (i) the rental proceeds equaling an amount up to two and one-half percent (2 1/2%) of the Estimated Budgets shall be remitted by DVCM to the Association; and (ii) a portion of the rental proceeds, if any, in an amount equal to BVTC's costs for providing services as set forth in the DVC Resort Agreement for the Disneyland Hotel Villas plus five percent (5%) of such costs. The portion of rental proceeds, if any, set forth in (ii) of the preceding sentence shall be remitted by DVCM to BVTC in consideration for BVTC's performance of services under the DVC Resort Agreement for the Disneyland Hotel Villas.

b. Judgments and Pending Lawsuits. There are no judgments or pending litigation against DVD, DVCM, BVTC, or the Association that are material to the Vacation Ownership Plan at the Disneyland Hotel Villas.

5. Description of the Disneyland Hotel Villas.

a. Resort Accommodations and Facilities. The buildings, Vacation Homes, and Use Day availability periods currently **declared** consist of the following:

Number of Residential Buildings (Residential Buildings):	2
Number of Vacation Homes in Each Building:	Garden: 8 Tower: 318
Number of Seven (7) Use Day Availability Periods in Each Vacation Home:	52
Total Number of Vacation Homes Declared:	61
Total Number of Each Type of Vacation Home:	
Grand Villa Vacation Home (3 Bedroom/4 Bath)	1
Two-Bedroom Vacation Home- can be locked-off into One-Bedroom and Studio Vacation Homes (2 Bedroom/3 Bath)	1
Two-Bedroom Vacation Home- cannot be locked-off into One-Bedroom and Studio Vacation Homes (2 Bedroom/3 Bath)	2
One-Bedroom Vacation Home (1 Bedroom/2 Bath)	1
Deluxe Studio Garden Unit Vacation Home (1 Bedroom/1Bath)	2
Deluxe Studio Vacation Home (1 Bedroom/1 Bath)	46
Duo Studio Garden Unit Vacation Home (1 Bedroom/1 Bath)	2
Duo Studio Vacation Home (1 Bedroom/ 1 Bath)	6
Total Number of Seven (7) Use Day Availability Periods:	3,172

The Vacation Ownership Plan uses a flexible Vacation Point system. Under the Vacation Point system, the Ownership Interest purchased by an individual will vary from that purchased

by another individual depending upon his or her respective vacation needs. Therefore, it is impossible to anticipate the exact number of undivided Ownership Interests that will be sold in each Unit; however, as the chart reflects, it is anticipated that individuals will generally purchase an Ownership Interest equal to the right to reserve seven (7) Use Days. In all events, DVD will not sell a number of Ownership Interests that would result in a greater than “one-to-one use right to use night requirement ratio” as that term is defined in Section 721.05(25), Florida Statutes.

(1) Restrictions on Use of Units and Vacation Homes.

(a) Disneyland Hotel Villas Restrictions.

Purchase of an Ownership Interest or use of the Vacation Homes and facilities of the Disneyland Hotel Villas for commercial purposes (excluding use by any of the TWDC Companies) or for any purpose other than the personal use described in this Public Offering Statement is expressly prohibited. To encourage purchase for personal use, Owners (except for DVD or any of the other of The TWDC Companies) may not currently aggregate Ownership Interests so as to compile more than 4,000 Home Resort Vacation Points per DVC Resort or an aggregate of 8,000 Home Resort Vacation Points at all DVC Resorts, except with the prior written approval of DVD in its sole, absolute, and unfettered discretion. Use by corporations or other business entities (other than DVD or any of the other of The TWDC Companies) is strictly limited to recreational use by their directors, officers, principals, or employees. For the purpose of determining the total number of Vacation Points compiled, no separation shall be made of Ownership Interest owned by a person from another person or entity if such person has an arrangement, partnership, membership, beneficial, or ownership interest with such other person or entity.

There are no restrictions upon children, but pets are prohibited at the Disneyland Hotel Villas.

No use of lakes, ponds, streams, or other bodies of water, within or adjacent to the Condominium Property is permitted, except for approved commercial activities permitted by DVD, WDPR or any of the other of the TWDC Companies in their discretion. Such prohibited uses include fishing, bathing, swimming, wading, diving, snorkeling, canoeing, kayaking, paddle boarding, or boating.

Neither DVD nor any of The TWDC Companies shall be responsible for any loss, damage, or injury to any person or property related to or arising out of the authorized or unauthorized use of the lakes, ponds, streams, or other bodies of water within or adjacent to the Condominium Property.

For a complete list of restrictions on the use of the Vacation Homes and facilities of the Disneyland Hotel Villas, Owners should refer to the Master Declaration and the Condominium Documents, including the Declaration, and the Condominium Rules and Regulations promulgated by the Board.

(b) Use of the Central Reservation System. As previously noted, the services provided through the Club include the operation of the central reservation system which consists of the Home Resort Reservation Component for the Disneyland Hotel Villas and the DVC Reservation Component. Owners' rights to reserve Vacation Homes at the Disneyland Hotel Villas through the Home

Resort Reservation Component are set forth in the Membership Agreement and the Home Resort Rules and Regulations for the Disneyland Hotel Villas. See the Multi-site Public Offering Statement for a detailed explanation of Owners' rights to reserve Vacation Homes at the Disneyland Hotel Villas through the Home Resort Reservation Component or at DVC Resorts through the DVC Reservation Component, including the beginning and ending dates for the period during which the Purchaser must make a reservation and any contingencies which may result in the Purchaser's loss of occupancy rights.

The managing entity shall have the right to forecast anticipated reservation and use of the accommodations of the Vacation Ownership Plan and is authorized to reasonably reserve, deposit, or rent the accommodations for the purpose of facilitating the use or future use of the accommodations or other benefits made available through the Vacation Ownership Plan.

(2) Lock-Out Provisions. Should an Owner fail to pay the Owner's Annual Dues (with respect to any of Owner's Ownership Interests) as provided in the Condominium Documents, DVCM is authorized to deny to the Owner or the authorized user, the use and enjoyment of the Vacation Homes and facilities of the Vacation Ownership Plan in accordance with applicable law and the Condominium Documents, including the Master Cotenancy Agreement entered into by DVCM, the Cotenants in each Unit, and the Association. In addition, in accordance with applicable law, DVCM may, but is not obligated to, rent out the Ownership Interests of delinquent Owners and apply the proceeds of such rental (less any rental commissions, cleaning charges, travel agent commissions, or any other commercially reasonable charges reasonably and usually incurred by the managing entity in securing rentals) to the delinquent Owner's account.

b. Phasing and Completion of Construction.

(1) Phasing Plan. The Disneyland Hotel Villas is being developed as a phased condominium, and additional land or Units may be added to the Disneyland Hotel Villas from time to time. The overall boundary of the property which DVD contemplates adding to the Disneyland Hotel Villas is described in the survey, floor and plot plan attached to the Declaration; provided, however, that DVD reserves the right to add additional property which may not be included within the overall boundary. DVD further reserves the right not to add any additional property or all of the property included within the overall boundary. DVD specifically reserves the right to declare one or more phases that contain only residential Units or Common Areas. In addition, DVD specifically reserves the right to declare one or more phases that contain any combination of residential Units and Common Areas. The Condominium Documents for a particular phase will be recorded prior to the closing of the purchase of any Ownership Interest in that phase. The Common Expense, Common Surplus, and Common Area ownership reallocation caused by the addition of any proposed phase is set forth in the Percentage Interest in the Common Areas.

DVD is under no obligation to submit phases to the Disneyland Hotel Villas in any sequence or to construct, develop, or add any phase other than those phases that DVD may initially declare as part of the Disneyland Hotel Villas. DVD may, from time to time, file phases for sale under applicable law without selling Ownership Interests in those phases or ultimately adding such phases to the Disneyland Hotel Villas. DVD has specifically reserved the right to vary DVD's phasing plans as to

phase boundaries, plot plans, floor plans, Unit types, Unit sizes, Unit type mixes, numbers of Units, recreational areas and facilities, Common Areas, Exclusive Use Common Areas, and commonly used facilities with respect to each subsequent phase. DVD also specifically reserves the right to amend the Condominium Documents with respect to phases already added to the Condominium, without the approval of the Owners or Purchasers, as may be necessary in DVD's sole, absolute, and unfettered discretion as may be required by any lending institution, title insurance company or public body; as may be necessary to conform the Condominium Documents to the requirements of law; or as DVD determines, in its discretion, to facilitate the operation and management of the Disneyland Hotel Villas or the Disney Vacation Club or the sale of Ownership Interests; or as permitted under applicable law; provided, however, that no amendment is permitted to be unilaterally made by DVD if such amendment would prejudice or impair to any material extent the rights of the Owners as a whole.

None of The TWDC Companies, including, but not limited to, DVD, make any warranty of any kind, express or implied, and each of DVD and The TWDC Companies disclaims any and all warranties, including implied warranties of merchantability and fitness for a particular purpose, with respect to the construction of the Units and the Common Areas and with respect to the personal property located within the Units or on the Condominium Property, and the Owners assume all risk and liability resulting from the use of this property.

(2) Completion of Construction. The construction, equipping, and finishing of all proposed Phases of the Disneyland Hotel Villas, is estimated to be completed in fall of 2023.

The closing of the sale of an Ownership Interest located in any phase of the Disneyland Hotel Villas may take place prior to the completion of construction of the Units, Vacation Homes, recreational facilities, or other commonly used facilities contained in such phases. In such event, Owners will not be entitled to use such Units, Vacation Homes, recreational facilities, and other commonly used facilities until a certificate of occupancy is obtained. Because of safety concerns, Owners will be prohibited from accessing many portions of the Condominium Property during the construction process.

In the year of closing on the purchase of an Ownership Interest, the Purchaser is responsible for the Purchaser's portion of the Annual Dues, calculated by prorating the Annual Dues to the end of the calendar year from either the date of the Purchase Agreement, the first day of the Purchaser's Use Year, or the date on which the Unit containing Purchaser's Ownership Interest is available for occupancy by Owners, or any other method of proration as determined by DVD in its sole, absolute, and unfettered discretion.

c. Recreational Facilities. The construction, equipping, and finishing of the recreational facilities of Disneyland Hotel Villas, that are currently being offered for sale, are estimated to be completed in fall, 2023.

(1) Maximum Number of Vacation Ownership Periods that will Use the Accommodations and Facilities. The maximum number of vacation ownership periods that will use the accommodations and facilities of the Disneyland Hotel Villas will vary. The Vacation Ownership Plan uses a flexible Vacation Point system, under which the Ownership Interest purchased by an individual will vary from that purchased by another individual depending on his or her vacation needs. Therefore, it is impossible to anticipate the exact number, or maximum number, of undivided Ownership Interests in a Unit that will be sold; however, it is anticipated that individuals will generally purchase an Ownership Interest equal to the right to reserve seven (7) use days.

(2) Description of Recreational and Other Commonly Used Facilities Used Only by Owners. There are no recreational or other commonly used facilities that will be used only by Owners.

(3) Description of Recreational and Other Commonly Used Facilities that will not be Used Only by Owners. The recreational and other commonly used facilities of the Disneyland Hotel Villas will be used by Club Members, their guests, exchangers, and renters; by renters of Vacation Homes not yet declared as part of the Disneyland Hotel Villas; by owners of interests in property common to the Disneyland Hotel Villas under the Master Declaration and their invitees, guests, exchangers, and renters; by owners of adjoining properties and their invitees, guests, exchangers, and renters; and by The TWDC Companies and their invitees, guests, exchangers, and renters. A portion of the costs of maintenance, repair, and replacement of any such additional recreational or other commonly used facilities will be borne by the Owners and shall be assessed to the Owners, pursuant to the terms of the Declaration and the Master Declaration. The recreational and other commonly used facilities that have been declared as part of the Disneyland Hotel Villas and will be filed for sale under applicable law, are described as follows:

(i) Feature Swimming Pool and Sunbathing Deck. One (1) heated feature swimming pool and one (1) sun/bathing deck will be available for use.

(ii) Hot Tub at Feature Swimming Pool. One (1) hot tub at the feature swimming pool will be available for use.

(iii) Children's Interactive Water Area. One (1) children's interactive water area will be located near the feature swimming pool and will be available for use.

(4) Leases and Options to Purchase. There are no leases or options to purchase associated with the facilities available for use by Owners.

(5) Additions to Recreational Facilities.

Facilities may be expanded or added without consent of the Purchasers or the Association.

DVD is not required to construct or declare as part of the Disneyland Hotel Villas any recreational or other commonly used facilities other than the recreational or other commonly used facilities declared in the initial phase or phases. However, DVD has reserved the right to add recreational or other commonly use facilities to the Disneyland Hotel Villas without the consent of the Owners, Club Members, or the Association; provided, however, that all costs of construction of such additional facilities shall be borne exclusively by DVD.

If DVD does add recreational or other commonly used facilities to the Disneyland Hotel Villas, those facilities will be included as part of the Common Areas of the Disneyland Hotel Villas, all costs of maintenance, repair, and replacement of any such additional recreational facilities will be borne by the Owners and shall be assessed to the Owners as a part of their Annual Dues.

d. Financial Arrangements for Promised Improvements. DVD has sufficient cash reserves or other internal financial resources so that it will not be required to borrow money from any other source in order to complete construction of all promised improvements.

e. Insurance Coverage. The Association will obtain and maintain casualty and public liability insurance as to all buildings, Units, Vacation Homes, facilities, and furnishings located on the Condominium Property in an amount as required by applicable law and the Condominium Documents. The cost of such insurance is a Common Expense and will be included in the Estimated Budgets.

f. Unusual and Material Features of the Condominium Property.

(1) Master Declaration of Covenants, Conditions, and Restrictions. Disneyland Hotel Villas is subject to the Master Declaration of Covenants, Conditions, and Restrictions, which govern the use of the Condominium Property and the property in the surrounding area not declared as part of the Disneyland Hotel Villas. Pursuant to the Master Declaration, Owners have easements to certain of the Shared Areas (as defined in the Master Declaration) of the Master Property (as defined in the Master Declaration) as provided under the Master Declaration.

The use of certain services, including housekeeping, janitorial, engineering, and landscaping; certain utilities, including electricity, storm water, sanitary sewer, natural gas, telephone, and cable television; and certain facilities, including check-in facilities, back office facilities, and system equipment rooms are being or may be provided to the Disneyland Hotel Villas pursuant to the terms of either the Property Management Agreement or the Master Declaration as a shared service, shared utility, or shared area, as applicable. The costs of providing such services and utilities and the cost of operating and maintaining such facilities are or may be equitably apportioned among its users including Owners. If the Disneyland Hotel Villas were required to obtain, provide, or maintain such services, utilities, or facilities within the Condominium Property and solely for the use and benefit of the Owners, the costs of operating the Condominium Property would increase.

(2) Disneyland Hotel. The nearby Disneyland Hotel is not a part of the Condominium Property. Purchasers receive no special access to or use rights in the Disneyland Hotel.

(3) Ground Lease. The Disneyland Hotel Villas is subject to the terms and conditions of the Ground Lease. Unless terminated or extended in accordance with its terms, the Ground Lease will expire on January 31, 2074, and the Condominium and the Vacation Ownership Plan will also terminate.

(4) Commercial Uses; Light and Noise. It is expressly contemplated that commercial areas in the Disneyland Hotel Villas and portions of the adjacent Master Declaration Property

and Disneyland® Resort, and nearby properties owned by The TWDC Companies may be operated as commercial spaces containing stores, restaurants, entertainment areas, or other public or private establishments which may have nighttime hours of operation and which may result in noise or light levels in excess of levels typically occurring in areas that include accommodations designed for residential use, including, without limitation, fireworks and concerts.

(5) Description of Land Available for Use by Owners, but not Owned or Leased by the Owners or the Association. There is no land that will be made available for use by Owners, but not owned or leased by the Owners or the Association, except as set forth in the Condominium Documents or the Master Declaration.

(6) Permitted Activities and Permitted Users. In recognition of the location of the Condominium Property within the Disneyland® Resort and in recognition of the TWDC Companies as a world leader in providing family travel and leisure experiences, the Condominium Documents set forth restrictions that apply to the Condominium Property to provide that the Condominium Property is used in conformity with the overall theme, concept, atmosphere, and extraordinarily high standards of quality which have come to be known and expected at the Disneyland® Resort and to meet the objective of protecting the safety, enjoyment, and peace of mind of Owners, lessees, guests, invitees, licensees, and exchangers. The Association, through the Board or the Management Company, shall have the right to remove, or have removed, from the Condominium Property or refuse or prevent entry onto the Condominium Property, or refuse to accept a reservation or cancel an existing a reservation for occupancy at the Condominium Property, of any person, including any Owner, lessee, guest, invitee, licensee, or exchanger who violates or poses a threat to violate the provisions of the Condominium Documents, whether or not such person owns a Unit or Vacation Home or has a confirmed reservation for occupancy of a Unit or a Vacation Home. Purchasers should refer to the Condominium Documents for more information concerning these restrictions.

g. Control of the Association.

The developer has the right to retain control of the Association after a majority of the Ownership Interests have been sold.

As set forth in the Declaration, DVD will control the Association through the appointment of a majority of the Board until such time as transfer of control of the Association occurs pursuant to the Condominium Documents or is required under applicable law. Refer to the Declaration for details concerning transfer of control.

Pursuant to paragraph 4 of the Master Cotenancy Agreement, DVD is the authorized voting representative of the Owners who own Ownership Interests in each Unit at meetings of the Association and will cast all votes for such Owners at such meetings. Pursuant to paragraph 5 of the Master Cotenancy Agreement, DVD will notify the Owners in each Unit in advance of those Association meetings at which the Owners are entitled to elect directors. DVD will be authorized to cast the vote of a given Unit at Association meetings in whatever manner it deems appropriate unless it is otherwise instructed in writing in advance of such meetings by the Owners who own sixty percent (60%) of the Ownership Interests in that Unit. In this regard, DVD has agreed in the Master Cotenancy Agreement that it will not

cast the Unit's vote in any of the following respects without the prior concurrence of the Owners of sixty percent (60%) of the Ownership Interests in the Unit:

- (1) waiver of any material rights of the Association or of the Cotenants against DVD or any of its affiliates;
- (2) waiver or reduction of required replacement reserves;
- (3) any increase in the Association's annual operating budget in excess of one hundred fifteen percent (115%) of the previous year's budget, excluding capital reserves and Ad Valorem Real Estate Taxes;
- (4) any increase in the calculation of compensation paid to DVCM under the Property Management Agreement;
- (5) reallocation of the undivided interests in the Common Areas appurtenant to each Unit other than the automatic reallocation that results from the addition of phases to the Disneyland Hotel Villas;
- (6) amendment of the Declaration, the Articles of Incorporation, or the Bylaws in any manner that is materially adverse to the Owners as a whole; or
- (7) voluntary termination of the Disneyland Hotel Villas, or any proposition not to reconstruct, repair, or replace any portion of any Unit or Common Areas after casualty.

In addition, during any period of time in which DVD owns in excess of forty percent (40%) of the Ownership Interests in a given Unit, the Owners who own sixty percent (60%) of the Ownership Interests in that Unit, other than those Ownership Interests owned by DVD, may instruct DVD as to the manner in which the Unit's vote will be cast.

6. Estimated Budgets and Schedule of Purchasers' Expenses; Developer Subsidy.

The budget contained in this public offering statement has been prepared in accordance California law, and is a good faith estimate only and represents an approximation of future expenses based on facts and circumstances existing at the time of its preparation. Actual costs of such items may exceed the estimated costs. Such changes in cost do not constitute material adverse changes.

a. Estimated Budgets and Schedule of Purchasers' Expenses. The Estimated Budgets are comprised of the Common Expenses and reserve requirements of the Disneyland Hotel Villas, as set forth in the Condominium Documents, and the Ad Valorem Real Estate Taxes assessed against Ownership Interests. DVCM will assess the Estimated Budgets and Ad Valorem Real Estate Taxes to each Ownership Interest each year in the ratio that the number of Home Resort Vacation Points assigned to that Ownership Interest bears to the total number of Home Resort Vacation Points in the Disneyland Hotel Villas at that time.

As set forth in paragraph 4 of the Master Cotenancy Agreement, DVD as the voting representative of a Unit may not cast the Unit's vote at a meeting of the Association to increase the Estimated Budgets in excess of one hundred fifteen percent (115%) of the previous year's Estimated

Budgets, excluding capital reserves, without the prior concurrence in writing of the Owners who own sixty percent (60%) of the Ownership Interests in that Unit. If the requisite approval to increase the Estimated Budgets beyond the fifteen percent (15%) cap is not obtained, DVCM as the Management Company would be forced to reduce services to keep expenses within the approved budgeted amount. Owners are only responsible for the expenses and taxes assessed against them at the Disneyland Hotel Villas, and Owners are not liable for the cost of maintenance or repair of DVC Resorts other than the Disneyland Hotel Villas. Pursuant to the Resort Agreement and the Declaration, all Owners are required to pay Annual Dues which include their share of the cost and expenses of the Club attributed to the Disneyland Hotel Villas.

As set forth in the Declaration, the Association has a lien right against each Unit and each undivided Ownership Interest in each Unit to secure the payment of assessments for Common Expenses and assessed Ad Valorem Real Estate Taxes, including interest, costs of collection, and reasonable attorneys' fees. Pursuant to the Master Cotenancy Agreement, DVD also has the option but not the obligation to acquire a lien against the Ownership Interest of any Cotenant who fails to timely pay all assessments due by paying the delinquent amounts due by the Cotenant. If DVD does not exercise its option to acquire the lien, any other Cotenant may pay the delinquent amounts and acquire the lien. If no Cotenant pays the delinquent assessments of another Cotenant, the Association has the right to collect the delinquency through foreclosure of its lien against the Ownership Interest of the delinquent Cotenant.

If one hundred percent (100%) of the Ad Valorem Real Estate Taxes assessed against interests in the Disneyland Hotel Villas are not timely paid to the appropriate county tax collector, a tax lien will attach to the entire Disneyland Hotel Villas, which lien can be sold at public auction. Consequently, a tax lien can be placed on all of the Disneyland Hotel Villas for the failure of any Cotenant to pay his or her portion of the Unit's portion of the Ad Valorem Real Estate Taxes assessed against all of the Disneyland Hotel Villas.

Certain of the variable and semi-variable expenses related to the provision of hospitality services to the Disneyland Hotel Villas as set forth in the Estimated Budgets, including expenses for housekeeping, maintenance, and front desk operations, may be lower than they otherwise would be if such services were being provided by independent third parties, because such services are being provided by WDPR through a property management arrangement that takes into account that the services are also being provided to adjacent accommodations that are not part of the Disneyland Hotel Villas.

b. Basis for Assessments.

Pursuant to a maintenance/subsidy agreement between DVD and the Association, DVD has agreed to guarantee to each Purchaser and Owner that they will only be required to pay an assessment for operating expenses of \$8.0995 per Vacation Point through December 31, 2023, exclusive of ad valorem real estate taxes which are billed separately. In consideration of this guarantee and pursuant to California law, DVD will be excused from the payment of its share of the expenses which otherwise would have been assessed against its unsold Ownership Interests during the term of the guarantee. As a consequence of this exemption, during the term of this guarantee, existing Owners and current Purchasers will not be specially assessed with regard to Common Expenses if Common

Expenses exceed the guarantee per Vacation Point amount and DVD will pay any difference between actual expenses and assessments collected from all Owners and income from other sources. DVD will pay such expenses as needed to meet expenses as they are incurred. However, any expenses incurred during the guarantee period resulting from a natural disaster or an act of God and/or repair or replacement of damage to the Condominium, which are not covered by insurance proceeds from the insurance maintained by the Association, will be assessed against all Owners owning Ownership Interests on the date of such natural disaster or act of God or other damage, or their successors or assigns, including DVD. Any special assessment imposed for amounts excluded from the guarantee pursuant to this paragraph shall be paid proportionately by all Owners, including DVD with respect to the Ownership Interests owned by DVD, in accordance with the Condominium Documents. The maintenance/subsidy agreement shall automatically be renewed for successive one-year periods unless DVD elects to terminate the Maintenance/Subsidy Agreement upon thirty (30) days prior written notice to the Association. DVD is under no obligation to extend and/or increase the amount of this guarantee beyond December 31, 2023. Your 2023 annual assessment (exclusive of ad valorem real estate taxes) will be calculated by multiplying the number of Vacation Points associated with your Ownership Interest by \$8.0995.

The 2023 annual assessment (exclusive of Ad Valorem Real Estate Taxes) will be calculated by multiplying the number of Vacation Points associated with your Ownership Interest by \$8.0995 per Vacation Point.

7. Purchase of a Vacation Ownership Interest.

a. Purchasers' Right of Cancellation. Purchasers may cancel their Purchase Agreement without any penalty or obligation within ten (10) days after the date of execution of their Purchase Agreement or the date on which they receive the last of all documents required to be provided pursuant to Section 721.07(6), Florida Statutes, whichever is later. If Purchasers decide to cancel their Purchase Agreement, then the Purchasers must notify DVD in writing of their intent to cancel. The notice of cancellation shall be sent to DVD, Attention: Quality Assurance at 1936 Broadway, Suite 2200, Lake Buena Vista, Florida 32830. Purchaser's notice of cancellation may also be sent via fax to 407-938-6586 or by e-mail at WDWDVCCancelRequests@Disney.com. Any attempt to obtain a waiver of Purchasers' cancellation rights is void and of no effect. While Purchasers may execute all closing documents in advance, the closing, as evidenced by delivery of the Purchasers' deed to the appropriate recording office, before expiration of the 10 day cancellation period is prohibited. If your notice of cancellation is sent more than ten (10) days after the date you sign the Purchase Agreement, DVD shall have the right to retain the total of all funds and property received under the Purchase Agreement. The notice of cancellation shall be considered given on the date postmarked if mailed, or the date transmitted, so long as the notice is actually received by DVD. If given by means other than by mail or telegraph, the notice of cancellation shall be considered given at the time delivered to DVD at its address stated above. You may receive a separate and distinct cancellation right in the event that DVD makes amendments or additions which are material changes, but you should not rely on that possibility.

Amendments, additions, or changes to the Condominium Documents may be made after closing in accordance with the terms of the Condominium Documents and applicable law. DVD may make changes to the documents comprising the offering, including this component site public offering

statement, multi-site public offering statement, and the exhibits to such public offering statements, including the Condominium Documents (collectively, “Offering Documents”) prior to closing.

If DVD determines, in its sole, absolute, and unfettered discretion, that any amendments or additions to the Offering Documents (“Amendments or Additions”) do not materially alter or modify the offering in a manner that is adverse to a Purchaser, then DVD may, but is not obligated to, deliver the Amendments or Additions to Purchaser prior to or after closing. If the Amendments or Additions do not materially alter or modify the offering in a manner that is adverse to a Purchaser, the Purchaser shall not be entitled to an additional ten-day cancellation period pursuant to Florida law. If, however, DVD determines, in its sole, absolute, and unfettered discretion, that the Amendments or Additions do materially alter or modify the offering in a manner that is adverse to the Purchaser, DVD shall deliver to Purchaser copies of the Amendments or Additions prior to closing for those Purchasers who have not yet closed, and the Purchaser shall be entitled to an additional ten-day cancellation period from the date that DVD delivers such Amendments or Additions to the Purchaser.

Examples of amendments or Additions that are not considered to materially alter or modify the offering in a manner that is adverse to a Purchaser may include changes such as an increase in the component site budget of no more than 115% of such budget for the previous year; updates to component site or Club disclosure information as required by applicable law (including changes in the officers or directors of DVD, DVCM, or BVTC); actions taken pursuant to any reserved and previously disclosed right; completion of promised improvements; transfer of control of the Association; correction of grammatical or typographical errors; formatting changes; any change to or addition of a document affecting future purchasers only; any substitution of an executed, filed, or recorded document for the same unexecuted, filed, or recorded copy; or any increase in insurance coverage.

b. Total Financial Obligation of the Purchaser.

(1) Schedule of Estimated Closing Costs. As set forth in the Purchase Agreement, Purchaser shall pay (i) a document preparation fee; (ii) the cost of recording the special warranty deed; (iii) the documentary stamp tax due on the special warranty deed as required under California law; and (iv) the premium cost for an owner’s policy of title insurance. In addition, if any portion of the purchase price is financed through DVD, Purchaser shall pay the documentary stamp tax due on the mortgage as required under California law, the intangible tax due on the promissory note secured by the mortgage as required under California law, and the cost of recording the mortgage. DVD shall pay the premium for a mortgagee policy of title insurance if it elects to obtain a mortgagee policy.

(2) Total Obligation. A Purchaser’s total financial obligation includes the purchase price paid for the Ownership Interest, closing costs, Ad Valorem Real Estate Taxes, External Exchange Company use fees, Annual Dues, all finance charges, and the following additional charge:

(a) International Members Surcharge. The Management Company reserves the right to charge a surcharge in an amount set by the Management Company from time to time to cover the added or increased costs for Club Members residing outside of the United States including for postage, personal delivery, long distance, or international communications and deliveries.

(b) Taxes. Since the Ownership Interest acquired by Purchasers is an interest in real estate under California law, Purchasers may be entitled to deduct, for federal income tax purposes: (i) interest paid under a promissory note which is secured by a mortgage encumbering the Ownership Interest, and (ii) the Purchaser's allocable share of Ad Valorem Real Estate Taxes (paid via Annual Dues). Purchasers should understand that DVD intends to report such mortgage interest to Purchasers and to the United States Internal Revenue Service as mortgage interest paid on form 1098.

Purchasers should understand, however, that since there can be no assurance as to this federal income tax treatment, as well as the fact that actual tax results will depend upon a Purchaser's particular circumstances (including, among other factors, whether or not the Purchaser itemizes deductions on the Purchaser's federal income tax return or whether the Purchaser already owns an existing vacation home), neither DVD nor any of The TWDC Companies make any representations as to the income tax treatment of the purchase, use, or exchange of an Ownership Interest and related rights and appurtenances or as to the deductibility of related expenses such as interest, taxes, and depreciation. Each Purchaser should consult his or her own tax advisor as to these issues. An Ownership Interest should not be purchased in reliance upon any anticipated tax benefits or any particular kind of tax treatment.

The managing entity has a lien against each Ownership interest to secure the payment of assessments, ad valorem assessments, tax assessments, and special assessments. Your failure to make any required payments may result in the judicial or trustee foreclosure of an assessment lien and the loss of your Ownership Interest. If the managing entity initiates a trustee foreclosure procedure, you shall have the option to object to the use of the trustee foreclosure procedure and the managing entity may only proceed by filing a judicial foreclosure action.

(3) Charges by Other Entities. The following entities may alter the charges to which the Purchaser may be subject: the Board; any applicable governmental entities including the county tax assessor and the City of Anaheim; WDPR, pursuant to its assessment rights for shared expenses as defined in and pursuant to the terms of the Master Declaration; any External Exchange Company; DVCM;

WDPR; and BVTC. The owners of commercial areas at the Disneyland Hotel Villas or surrounding commercial areas may also increase or decrease the user fees for the use of any service or enterprise conducted in such areas. Owners, their guests, exchangers, and renters must pay for parking at a location near the Resort at the then current parking rates. Additionally, the City of Anaheim requires the operator of the Disneyland Hotel Villas to collect, at checkout, from the occupant of an accommodation (whether such occupant is a Purchaser, a Club Member, a transient guest, an exchanger, or other occupant), a payment for each night that is occupied.

c. Status of Title to Property Underlying the Disneyland Hotel Villas. Each Purchaser's Ownership Interest in a Unit shall be free and clear of all liens, encumbrances, defects, judgments, and mortgages, except that each such Ownership Interest shall be subject to the following matters of title: the Condominium Documents; the Master Declaration; the Master Cotenancy Agreement; membership in the Club, which is an appurtenance to each Ownership Interest pursuant to the Declaration, the Membership Agreement, and the Resort Agreement; any mortgage placed upon the Purchaser's Ownership Interest in connection with purchase-money or third-party financing; taxes and assessments for the year of purchase and subsequent years; and restrictions, reservations, conditions, limitations, and easements of record prior to closing or imposed by governmental authorities having jurisdiction or control over the subject property. In addition, Ownership Interests shall be subject to the Ground Lease.

The right to reserve a timeshare period is subject to rules and regulations of the Vacation Ownership Plan reservation system.

Please refer to the Multi-site Public Offering Statement for more details.

d. Restrictions Upon the Sale, Transfer, Conveyance or Leasing of Units or Ownership Interests.

The purchase of an Ownership Interest should be based upon its value as a vacation experience or for spending leisure time, and not considered for purposes of acquiring an appreciating investment or with an expectation that the Ownership Interest may be resold.

Ownership Interests are offered for personal use and enjoyment only and should not be purchased by any prospective Purchaser for resale or as an investment opportunity or with any expectation of achieving rental income, capital appreciation, or any other financial return or valuable benefit, including any tax benefit. Owners attempting to resell or rent their Ownership Interests would have to compete, at a substantial disadvantage, with DVD in the sale or rental of its Ownership Interests. The many restrictions upon the use of an Ownership Interest may adversely affect its marketability or rentability.

Each Owner, and each Owner's successor in title, has an obligation and responsibility to pay assessments for as long as he or she owns an Ownership Interest in the Disneyland Hotel Villas.

Ownership Interests should also not be purchased with any expectation that any Vacation Home located at the Disneyland Hotel Villas can be rented, or if it is rented, that any particular rental rate can be obtained for such rental. Owners should be aware that several resort hotels are in operation within and around the Disneyland Hotel Villas and the other DVC Resorts, including hotels owned or operated by The TWDC Companies, and that DVD will also rent its Ownership Interests to the general public. Accordingly, any Owner who attempting to rent reserved Vacation Homes for his or her own account would compete with these resort hotels and DVD for renters without any assistance from The TWDC Companies, and would be at a substantial competitive disadvantage. Owners should not purchase an Ownership Interest based upon any expectation of deriving any rental or other revenue or profit therefrom.

The sale, lease or transfer of Ownership Interests is restricted and controlled.

While Owners are not prohibited from selling their Ownership Interest on their own terms, Owners are only permitted to sell their entire Ownership Interest in a single transaction. No Owner may directly rent, exchange, or otherwise use his or her Ownership Interest without making a prior reservation of an available Vacation Home at the Disneyland Hotel Villas on a first come, first served basis. DVD's approval of a rental by an Owner is not required after a reservation has been made in the renter's own name. However, Ownership Interests should not be purchased with any expectation that Vacation Homes may be reserved and rented to third parties. Any permitted sale between an Owner and a bona fide third party shall be deemed to contain a provision requiring that any sums due to the Association as assessments must be paid in full as a condition of closing of the sale. Any lease or rental agreement shall be deemed to contain a provision requiring that any sums due to the Association as assessments must be deducted from the gross rentals and paid directly to the Association. Resale of an Ownership Interest is also subject to a right of first refusal in favor of DVD as set forth in the Declaration and in the Purchase Agreement.

From time to time, DVD, BVTC, DVCM, or other of The TWDC Companies may establish special Club Member benefit programs to enhance membership for Club Members. Participation in any Club Member benefit program is completely voluntary. These special programs are not a component of or an appurtenance to any Ownership Interest. Some or all Club Member benefit programs may be limited, modified, canceled, or terminated at any time. In addition, some or all of Club Member benefit programs may be offered solely with respect to Ownership Interests purchased and owned by Club Members who purchased the Ownership Interests directly from DVD and these special programs, including those benefits marketed as incidental benefits under applicable law, may not be hypothecated, bought, sold, exchanged, rented, or otherwise transferred, except upon written approval of DVD, and are solely for the original Club Member's benefit and not for the benefit of that Club Member's assigns or successors-in-interest. If an Owner sells the Owner's Ownership Interest, these benefit programs do not

automatically transfer to that Owner's buyer. The availability of these benefit programs may or may not be renewed or extended to such assigns or successors-in interest.

DVD has reserved the right, as set forth in the Membership Agreement and the DVC Resort Agreement, to prohibit or limit persons who do not purchase an Ownership Interest directly from DVD, or from an approved seller, from participating in other aspects of Club membership or benefits, including prohibiting or limiting access to other DVC Resorts through the DVC Reservation Component or restricting, limiting, or changing certain Home Resort Reservation Component or DVC Reservation Component reservation features. Such prohibitions, restrictions, limitations, or changes may adversely affect a Club Member's ability to resell the Club Member's Ownership Interest or at a value that the Club Member might seek.

Further, DVD has implemented prohibitions on Club Members who purchase an Ownership Interest at Disneyland Hotel Villas from an unapproved third party from reserving a Vacation Home at any other DVC Resorts, including future DVC Resorts.

Club Members who purchase an Ownership Interest at Disneyland Hotel Villas from a third party other than directly from DVD or other seller approved by DVD, are not permitted to convert their Disneyland Hotel Villas Home Resort Vacation Points related to that Ownership Interest to DVC Vacation Points for the purpose of reserving Vacation Homes at any other DVC Resort, including any future DVC Resorts, through the DVC Reservation Component. Purchasers should refer to the DVC Resort Agreement for details.

e. Pre-completion of Construction Closing. The purchase of an Ownership Interest may be closed prior to completion of construction of the Units, Vacation Homes, recreational facilities, or other commonly used facilities contained in a phase of the Disneyland Hotel Villas, as permitted by applicable law.

California law permits a closing prior to the completion of construction if the Department of Real Estate approves an alternate assurance in lieu of completion of construction. If such alternate assurance is approved and construction of such Units, Vacation Homes, recreational facilities, and other commonly used facilities is not completed in accordance with the purchase agreement, the Purchaser shall be entitled to all the rights and remedies set forth in the Purchaser's purchase agreement.

8. Exchange Program Opportunities. See the Multi-site Public Offering Statement Text for details regarding exchange program opportunities.

SUMMARY OF DOCUMENTS NOT DELIVERED TO PURCHASERS

Unless otherwise defined in this document, the terms which are used in this document are intended to have the same meanings as are set forth in the Public Offering Statement text. Below is a list of documents (and their descriptions) for The Villas at Disneyland Hotel, a leasehold condominium, (the "**Disneyland Hotel Villas**") that Disney Vacation Development, Inc. ("**DVD**"), is required to file with the Division of Florida Condominiums, Timeshares, and Mobile Homes, but is not required to deliver to the purchasers of Ownership Interests in the Disneyland Hotel Villas ("**Purchasers**"). Copies of the following documents are available upon request at no cost to Purchasers.

1. Memorandum of Ground Lease. The Memorandum of Ground Lease is the document that summarizes the provisions of the Ground Lease for the Disneyland Hotel Villas between Walt Disney Parks and Resorts U.S., Inc. ("**WDPR**"), as lessor, and DVD as lessee (the "**Ground Lease**"). The Ground Lease provides that DVD will lease the property that is declared as part of the Disneyland Hotel Villas from WDPR until January 31, 2074, at which time the property reverts back to WDPR and the Disneyland Hotel Villas will terminate.
2. Property Management Agreement. The Property Management Agreement is a three (3) year automatically renewable agreement between The Villas at Disneyland Hotel Condominium Association, Inc. (the "**Association**") and Disney Vacation Club Management, LLC ("**DVCM**") pursuant to which the Association delegates its management, maintenance, and operational duties (which may properly be delegated under applicable law) to DVCM in consideration for the payment of a management fee. The services to be provided by DVCM include: hiring, paying and supervising maintenance personnel; arranging for the maintenance and repair of the Disneyland Hotel Villas property; enforcing compliance with all laws, rules, regulations, and the Disneyland Hotel Villas documents; purchasing equipment and supplies necessary to properly maintain and operate the Disneyland Hotel Villas; ensuring that all insurance required by the Disneyland Hotel Villas documents is obtained and kept in full force and effect; maintaining the Association's financial record books, accounts and other records in accordance with the Bylaws and applicable law; collecting all maintenance assessments; providing all required annual financial reports to Owners; and arranging for an annual independent audit.
3. Survey, Floor, and Plot Plans. The survey, floor, and plot plans for the Disneyland Hotel Villas are graphic descriptions of the property and improvements of the Disneyland Hotel Villas which, together with the Declaration, are in sufficient detail to identify Common Areas and each Unit and their relative locations and approximate dimensions.
4. Purchaser Deposit Escrow Agreement. The Purchaser Deposit Escrow Agreement for the Disneyland Hotel Villas is an agreement, required under California law, pursuant to which DVD has agreed to deposit all funds collected from Purchasers into an escrow account, maintained by an independent escrow agent. The funds contained in the escrow account cannot be released to either DVD or the Purchaser unless one of the following has occurred: (i) the Purchaser's rescission period has expired and the purchase and sale of the Ownership Interest has closed; (ii) the Purchaser or DVD has defaulted under the Purchase Agreement; (iii) the Purchaser has validly exercised his or her cancellation rights; or (iv) DVD has provided for an alternate assurance arrangement acceptable under California and Florida law.
5. Letter of Escrow Agent. The independent escrow agent pursuant to the Purchaser Deposit Escrow Agreement in California is First American Title Insurance Company, with its offices located in Las Vegas, Nevada and Orlando, Florida. The independent escrow agent in Florida is Manley Deas Kochalski, LLC, with offices located in Orlando, Florida.
6. Percentage Interest in the Common Elements. The Percentage Interest in the Common Elements exhibit to the Declaration describes the share of Common Expenses and Common Surplus, and the undivided interest in the Common Elements that is appurtenant to each Unit and Ownership Interest in the Disneyland Hotel Villas.
7. Home Resort Rules and Regulations. Purchasers will receive a copy of this document as part of the Multi-site Public Offering Statement.



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**RECORDING REQUESTED
AND WHEN RECORDED MAIL TO:**

Walt Disney Parks and Resorts U.S., Inc.
215 Celebration Place, Suite 300
Celebration, FL 34747
Attn: Regulatory Affairs

THIS SPACE IS FOR RECORDERS USE ONLY

*Declaration of Covenants, Conditions
and Restrictions and Condominium and Unit
Ownership Plan*
(Title of Document)

Per Government Code 27388.1(a)(1) "A fee of \$75 dollars shall be paid at the time of recording on every real estate instrument, paper, or notice required or permitted by law to be recorded, except those expressly exempted from payment of recording fees, per each single transaction per parcel or real property. "

- Exempt from SB2 fee per GC 27388.1(a)(2); is a transfer subject to the imposition of documentary transfer tax", or
- Exempt from SB2 fee per GC 27388.1(a)(2); recorded concurrently "in connection with" a transfer subject to the imposition of documentary transfer tax", or
- Exempt from SB2 fee per GC 27388.1(a)(2); is a transfer of real property that is a residential dwelling to an owner-occupier", or
- Exempt from SB2 fee per GC 27388.1(a)(2); recorded concurrently "in connection with" a transfer of real property that is a residential dwelling to an owner-occupier", or
- Exempt from SB2 fee per GC 27388.1(a)(1); fee cap of \$225 reached"
- Exempt from SB2 fee per GC 27388.1(a)(1); not related to real property

Failure to include an exemption reason will result in the imposition of the SB2 Building Homes and Jobs Act Fee.

This instrument prepared by and return to:
Disney Vacation Development, Inc.
Attn: Regulatory Affairs
1851 Community Drive,
Lake Buena Vista, FL 32830

Mail Tax Statements to:
P.O. Box 5046
Glendale, CA 91221-2046

DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
AND CONDOMINIUM AND VACATION OWNERSHIP PLAN
OF
THE VILLAS AT DISNEYLAND HOTEL,
A LEASEHOLD CONDOMINIUM

PREAMBLE

DISNEY VACATION DEVELOPMENT, INC., a Florida corporation, whose address is 215 Celebration Place, Suite 300, Celebration, Florida 34747, the lessee of those certain lands located in Orange County, California, and more particularly described in this Declaration of Covenants, Conditions, and Restrictions and Condominium and DVC Plan of The Villas at Disneyland Hotel, a leasehold condominium, and in its exhibits (the "**Declaration**"), submits its interest described in Section 2.3 of this Declaration to the condominium form of ownership, effective as of the 13th day of December, 2022, (the "**Effective Date**"), in accordance with California law and the following provisions:

1. **DEFINITIONS.** The terms used in this Declaration and in its exhibits are defined in accordance with the provisions of the Time-Share Act (as defined in Section 1.57 of this Declaration) and as follows unless the context otherwise requires.

1.1 **Ad Valorem Real Estate Taxes** means those real property taxes and special assessments assessed against the Units and their respective undivided interests in the Common Areas by Orange County, California. To the extent permitted by Applicable Law, and at the election of the Association, the Association will serve as the agent of the Owners of Ownership Interests in Units committed to the DVC Plan for the purpose of collection of Ad Valorem Real Estate Taxes.

1.2 **Applicable Law** means any and all applicable statutes, common laws, judicial determinations, ordinances, requirements, orders, directions, rules, and regulations having the force of law enacted or promulgated or issued by federal, state, regional, county, or municipal governments or courts or by any of their respective departments, bureaus, or offices or by any other governmental authorities with jurisdiction over the Condominium Property or the ownership, design, construction, installation, operation, management, maintenance, repair, refurbishment, preservation, protection, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, alteration, or condition (including environmental and non-environmental conditions of the Condominium Property. Applicable Law shall be determined as it exists from time to time, unless it is provided in this Declaration that a particular Applicable Law shall be determined as of the date this Declaration is recorded or unless as otherwise provided in this Declaration.

1.3 **Articles of Incorporation** means the Articles of Incorporation of the Association, as they may be amended from time to time. A copy of the initial Articles of Incorporation are attached as Exhibit "B" and incorporated in this Declaration by this reference.

1.4 **Association** means The Villas at Disneyland Hotel Condominium Association, Inc., a California nonprofit mutual benefit corporation, and its successors, which is responsible for the operation of the Condominium. If

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the Property Management Agreement terminates for any reason, the name of the Association will be, at the option of DVD or DVCM, and without any action to be taken by the Board, simultaneously and automatically changed to "Villas Condominium Association, Inc." If the name "Villas Condominium Association, Inc." is unavailable for use by the Association, the Board will be empowered to select an alternative name for the Association; provided, however, that prior to the use of any name to identify the Association, whether the name change is as a result of the termination of the Property Management Agreement or otherwise, such name will be submitted to WDPR for its approval.

1.5 Association Property means all real and personal property owned by the Association. All personal property related to the Home Resort Reservation Component and the DVC Reservation Component made available to the Condominium, including all computer hardware and software and intellectual property, is not Association Property and is and always will be the personal property of the owner of such property.

1.6 Board of Directors or Board means the board of directors of the Association, as it is constituted from time to time.

1.7 BVTC means Buena Vista Trading Company, a Florida corporation, its successors and assigns. BVTC is an exchange company registered under the Time-Share Act.

1.8 Bylaws means the Bylaws of the Association, as they are amended from time to time. A copy of the initial Bylaws are attached as Exhibit "C" and incorporated in this Declaration by this reference.

1.9 Club or Disney Vacation Club means the *Disney Vacation Club*®. The Club is not a legal entity or association of any kind, but rather is a service name for the services and benefits appurtenant to and the restrictions imposed on the use and enjoyment of Ownership Interests. These services presently include, among other things, the operation of a central reservation system consisting of the Home Resort Reservation Component and the DVC Reservation Component.

1.10 Common Areas include:

1.10.1 All of those items declared in this Declaration to be included within the Common Areas, including as set forth in this Section 1.10.

1.10.2 All those portions of the Condominium not included in the Units.

1.10.3 Exterior windows and exterior doors serving a Unit, including window and door trim and window and door hardware; structural components and mechanical systems for a Unit; fixtures for a Unit; infrastructure with respect to the provision of Utility Services for the Unit, including conduits, ducts, plumbing, wiring, cables, wires, conduits, fiber optic lines or similar types of personal property for internet access, data transmission, telephonic communication, media transmission or any other similar uses serving the Unit; and all installations with respect to the provisions of heat and ventilation, including any air conditioner, air handler or other cooling device and any and all related equipment and appurtenances to such air conditioner, air handler or other cooling device.

1.10.4 DVD's leasehold interest in the Ground Lease for that portion of the property described in the Ground Lease that is declared as part of this Condominium. The Association will assume the obligations of DVD under the Ground Lease to the extent of the portion of the property demised to DVD in the Ground Lease that is declared as part of the Condominium.

1.11 Common Expenses means Condominium Common Expenses and DVC Plan Common Expenses. It shall be an affirmative and perpetual obligation of the Board to fix annual assessments for Common Expenses in an amount estimated by the Board to be sufficient to cover the aforementioned costs and maintain the Condominium Property and to maintain and operate the Common Areas in conformance with the Disney Standard. The amount of monies for annual assessments for Common Expenses of the Association deemed necessary by the Board and the manner of expenditure of such monies shall be a matter for the discretion of the Board

1.12 Common Furnishings means all furniture, furnishings, wall coverings, floor coverings, appliances, systems, equipment, and other personal property located on or within the Common Areas.

1.13 Common Surplus means any excess of all receipts of the Association over the amount of Common Expenses.

1.14 Condominium means The Villas at Disneyland Hotel, a leasehold condominium.

1.15 Condominium Common Expenses shall include:

1.15.1 Expenses of administration and management of the Condominium Property, the Association Property, and of the Association, including compensation paid by the Association to the Management Company, accountants, attorneys, or other employees or independent contractors.

1.15.2 Expenses of construction, installation, operation, management, maintenance, repair, refurbishment, preservation, protection, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, or alteration of the Common Areas (excluding Exclusive Use Common Areas), Common Furnishings, and Association Property, as determined by the Board, as well as other costs and expense properly incurred by the Association.

1.15.3 Expenses designated as a Common Expense by Applicable Law, the Condominium Documents, or the Property Management Agreement.

1.15.4 Any valid charge against the Condominium Property or the Association Property as a whole.

1.15.5 All costs and expenses arising under the Master Declaration or the Ground Lease and assessed against the Condominium Property, Association Property, or the Association, including such costs and expenses contemplated under Article 7 of the Master Declaration

1.15.6 Expenses incurred by the Association in connection with compliance with Applicable Laws.

1.15.7 Expenses of carrying out the powers and duties of the Association, including managing Common Areas, Common Furnishings and Association Property.

1.15.8 All reserves for replacement and maintenance of the Common Areas and Common Furnishings as required by the Condominium Documents, Applicable Law, or as determined by the Board.

1.15.9 Any taxes assessed directly against the Condominium Property or Association Property.

1.15.10 Casualty, flood or liability insurance on the Association Property, Common Furnishings and Common Areas.

1.16 Condominium Documents means this Declaration together with all exhibits attached to this Declaration and all other documents expressly incorporated in this Declaration by reference, as the same may be amended from time to time.

1.17 Condominium Parcel means a Unit together with the undivided share in the Common Areas and Common Surplus which are appurtenant to such Unit as set forth in Exhibit "D," and together with all other appurtenances to the Unit including, with respect to the DVC Units, membership in the Disney Vacation Club, which is an appurtenance to each Ownership Interest in accordance with the terms of this Declaration, the terms of the Membership Agreement, and the terms of the DVC Resort Agreement.

1.18 Condominium Plan means the condominium plan for The Villas at Disneyland Hotel, a leasehold Condominium, Anaheim, California filed for record contemporaneously with this Declaration in the Office of the County

Recorder, Orange County, California, as such may be amended from time to time. A reduced copy of the Condominium Plan is attached to this Declaration as Exhibit "A."

1.19 Condominium Property means the lands, leaseholds, easements and personal property that are subjected to the condominium form of ownership from time to time as part of the Condominium, whether or not contiguous, and all appurtenant easements and rights intended for use in connection with this Condominium. Unless specifically stated otherwise, references to the Condominium Property shall be deemed to apply to all portions and any portion of the Condominium Property.

1.20 Condominium Rules and Regulations means the rules and regulations concerning the use of Condominium Property as may be promulgated and amended from time to time by the Board in the manner provided by the Bylaws. A copy of the initial Condominium Rules and Regulations are attached as Exhibit "E" and incorporated in this Declaration by this reference.

1.21 Cotenant means the owner of an Ownership Interest and includes all other Cotenants who own Ownership Interests in that DVC Unit as tenants in common.

1.22 Declaration means this Declaration of Covenants, Conditions, and Restrictions and Condominium and Vacation Ownership Plan of The Villas at Disneyland Hotel, a leasehold condominium, as it may be amended from time to time pursuant to its provisions.

1.23 Demised Property means the property that is the subject of the Ground Lease.

1.24 Disney Standard means the overall theme, concept, atmosphere, and extraordinarily high standards of quality which have come to be known and expected at the Disneyland® Resort, as set forth in the Master Declaration and the Ground Lease.

1.25 DVC Common Expenses means all costs and expenses incurred in operating the DVC Plan at the Condominium and operation of the DVC Units, including the following:

1.25.1 The DVC Units' share of Condominium Common Expenses.

1.25.2 All expenses incurred in the construction, installation, operation, management, maintenance, repair, refurbishment, preservation, protection, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, or alteration of the interior of the DVC Units including DVC Furnishings and all EUCAs for the DVC Units.

1.25.3 All reserves for construction, installation, operation, management, maintenance, repair, refurbishment, preservation, protection, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, or alteration of the interior of the DVC Units, DVC Furnishings, and all EUCAs for the DVC Units.

1.25.4 Insurance coverage relating to the operation of the DVC Plan and the DVC Units, including the interior of the DVC Units, DVC Furnishings, and all EUCAs for the DVC Units and including business interruption or loss of use insurance if obtained by the Board.

1.25.5 Utility Service for the DVC Units to the extent that any such Utility Services serve the DVC Units and are not included in Condominium Common Expenses.

1.25.6 All costs, fees and expenses incurred in the operation of the reservation system (including the Home Resort Reservation Component and the DVC Resort Reservation Component) and the Disney Vacation Club that are allocable to the Condominium pursuant to the Membership Agreement, the DVC Resort Agreement, and the Home Resort Rules and Regulations.

1.25.7 Any other expenses incurred in the operation and maintenance of the DVC Units (and their Exclusive Use Common Areas) that cannot be attributed to a particular Owner.

1.25.8 Expenses declared DVC Common Expenses by the provisions of the Condominium Documents, the Time-Share Act, or the Property Management Agreement.

1.25.9 To the extent collectively assessed against the Owners of Ownership Interests in DVC Units as a whole or collected and paid by the Association on behalf of all DVC Units, all Ad Valorem Real Estate Taxes assessed against DVC Units.

1.25.10 Uncollected Ad Valorem Real Estate Taxes assessed against DVC Units and uncollected TOT Payments owed the City of Anaheim.

1.25.11 A proportionate share of the costs and expenses relating to transportation to, from and around the Disneyland® Resort for the use and benefit of the Owners, which may be charged to the Association by any of the TWDC Companies from time to time.

1.26 DVC Furnishings means all furniture, furnishings, wall coverings, floor coverings, appliances, systems, fixtures and equipment, and other personal property located and contained within the DVC Units and within the EUCAs of the DVC Units from time to time and which are not the property of individual Owners. The Board has the right, in its sole, absolute, and unfettered discretion and without the approval of the Owners, to maintain, repair, refurbish, preserve, protect, enhance, renovate, replace, reconstruct, relocate, remove, modify, change, add to, or alter any or all DVC Furnishings from time to time.

1.27 DVCM means Disney Vacation Club Management, LLC, a Florida limited liability company, its successors and assigns.

1.28 DVC Plan is the arrangement pursuant to the Time-Share Act, this Declaration, the Membership Agreement, the DVC Resort Agreement, and the Home Resort Rules and Regulations whereby an Owner receives an Ownership Interest under which the exclusive right of use, possession, or occupancy of all DVC Units in the Condominium and the other DVC Resorts circulates among the various Owners of Ownership Interests on a recurring basis during the term of the plan.

1.29 DVC Reservation Component means the exchange component of the Club central reservation system through which accommodations in any DVC Resort may be reserved using DVC Vacation Points pursuant to priorities, restrictions and limitations established by BVTC from time to time.

1.30 DVC Resort means each resort, including the Condominium, which is entitled to access and use the DVC Reservation Component and other applicable Club services and benefits provided by BVTC, from time to time, by virtue of and pursuant to the terms and conditions of a DVC Resort Agreement.

1.31 DVC Resort Agreement means the agreement pursuant to which a resort becomes and remains a DVC Resort in accordance with the terms and conditions of such agreement. The DVC Resort Agreement for the Condominium is the DVC Resort Agreement for The Villas at Disneyland Hotel, as amended from time to time, a copy of the initial version of which is attached as Exhibit "G" and incorporated in this Declaration by this reference.

1.32 DVC Unit means a Unit that has been subjected to the DVC Plan. A Unit becomes subjected to the DVC Plan at such time as the first Ownership Interest is conveyed to an Owner or DVD designates that such Unit is a DVC Unit in an instrument recorded in the official records of Orange County, California, which can be an amendment to this Declaration including a phase amendment.

1.33 DVC Vacation Points means the Vacation Points used by an Owner who is a member of the Club to make a reservation through the DVC Reservation Component at a DVC Resort.

1.34 DVD means Disney Vacation Development, Inc., a Florida corporation, its successors and assigns. No Person other than DVD shall exercise the rights and privileges reserved in this Declaration to DVD unless such Person receives and records in the official records of Orange County, California, a written assignment from DVD of all or a portion of such rights and privileges.

1.35 Exclusive Use Common Areas or EUCAs means those Common Areas reserved for the use of a certain Unit or Units to the exclusion of other Units. Those physical areas designated as Exclusive Use Common Areas are shown and located on the Condominium Plan.

1.36 Fixed Ownership Interest means an Ownership Interest whose Owner has the right to reserve and use a specific Vacation Home during a specific time period each year. A Vacation Home of that Vacation Home type will be automatically reserved every year for use by the Owner of the Fixed Ownership Interest during the applicable time period in accordance with the Membership Agreement.

1.37 Ground Lease means that certain Amended and Restated Ground Lease by and between WDPR, as lessor, and DVD, as lessee, effective as of March 1, 2021, a short form of which is described in that certain Amended and Restated Memorandum of Ground Lease effective March 1, 2021, and recorded concurrently herewith in the Public Records of Orange County, California. A copy of the Memorandum of Ground Lease is attached as Exhibit "H" and incorporated in this Declaration by this reference.

1.38 Home Resort means any DVC Resort in which an owner owns an Ownership Interest, which Ownership Interest is symbolized by Home Resort Vacation Points.

1.39 Home Resort Priority Period means the period of time at each DVC Resort, including the Condominium with respect to the Vacation Homes, during which only owners having an Ownership Interest at that DVC Resort are entitled to request a reservation for the accommodations at that DVC Resort through that DVC Resort's Home Resort Reservation Component.

1.40 Home Resort Reservation Component means the component of the Club central reservation system through which Vacation Homes may be reserved using Home Resort Vacation Points pursuant to the priorities, restrictions and limitations of the and as set forth in this Declaration and the Membership Agreement.

1.41 Home Resort Vacation Points means the Vacation Points symbolizing an Ownership Interest at a Home Resort and which Vacation Points may be used to reserve accommodations at that Home Resort where that Ownership Interest is held.

1.42 Incomplete Improvements means Units or Common Areas for which construction has not been completed as of the recording of this Declaration or any amendment adding a phase to the Condominium in accordance with Article 20, in the Public Records of Orange County, California.

1.43 Insurance Trustee means the Person appointed by the Association or DVD, as applicable, to act as the insurance trustee pursuant to this Declaration. If neither the Association nor DVD elects to appoint an Insurance Trustee, the Insurance Trustee will be the Association acting through the Board. Any Insurance Trustee (other than the Association or DVD) will be a commercial bank with trust powers authorized to do business in California, an attorney licensed to practice in the State of California, or another Person acceptable to the Board and DVD for so long as DVD owns a Unit or Ownership Interest.

1.44 Management Company means DVCM or any subsequent Person engaged to manage the Condominium.

1.45 Master Declaration means the Master Declaration of Covenants, Conditions and Restrictions (The Villas at Disneyland Hotel) as recorded concurrently herewith in the Public Records of Orange County, California, and all amendments to such instrument.

1.46 Master Declaration Property means the lands, leaseholds, easements, and all improvements on such property that are subject to Master Declaration from time to time, whether or not contiguous.

1.47 Membership Agreement means the Disney Vacation Club Membership Agreement for The Villas at Disneyland Hotel, as amended from time to time. The Membership Agreement provides for the operation of the DVC

Plan and the Home Resort Reservation Component. A copy of the initial Membership Agreement is attached as Exhibit "F" and incorporated in this Declaration by this reference.

1.48 Mortgage means DVD, any successor in interest to DVD as to a purchase-money deed of trust or mortgage provided by DVD or any of the TWDC Companies, and any Person who provides hypothecation lending or a securitization of such purchase-money deed of trusts or mortgages.

1.49 Non-DVC Unit means a Unit that is not subject to the DVC Plan. A DVC Unit can become a Non-DVC Unit at such time as all of the Ownership Interests in that DVC Unit are owned by the same Person; provided, however, that DVD approves the change for so long as it owns a Unit or Ownership Interest.

1.50 Owner means the owner of a Unit. Unless the context requires otherwise, the term Owner includes Cotenants in a DVC Unit. The term Owner does not include owners of Ownership Interests at DVC Resorts other than the Condominium.

1.51 Ownership Interest means the property interest in a DVC Resort. In the case of the Condominium, an Ownership Interest is an undivided percentage interest in a DVC Unit and in the DVC Unit's undivided interest in the Common Areas and Common Surplus.

1.52 Permitted Commercial Activity means the exclusive right to conduct commercial activity on the Condominium Property, or the use or operation of portions of the Condominium Property for commercial activity, by DVD, WDPR, the TWDC Companies, or by other Persons with DVD or WDPR approval.

1.53 Person means any natural person, corporation, partnership, limited liability company, firm, entity, or association. With respect to Persons permitted or not permitted to be on the Condominium Property, "Person" means any Owner, lessee, guest, invitee, licensee, or other Person whether such other Person is permitted or not permitted to be on the Condominium Property, excluding any of the TWDC Companies, and their respective directors, officers, representatives, employees, or agents.

1.54 Property Management Agreement means the agreement between the Association and any Management Company pursuant to which the Association assigns its responsibilities and duties relating to the management and operation of the Condominium to the Management Company.

1.55 Supplemental Tax Assessment means any supplemental tax assessment for Ad Valorem Real Estate Taxes levied by Orange County, California from time to time against the Condominium Property, a DVC Unit, or an Ownership Interest as a result of any reassessment pursuant to the provisions Sections 75 through 75.80 of the California Revenue and Taxation Code (Chapter 498 of Statutes of 1983)(as amended).

1.56 Special Event Right shall mean the right of an Owner who owns a designated Fixed Ownership Interest to reserve Use Days during which a special event, as designated by DVCM in its discretion, occurs in each calendar year.

1.57 Time-Share Act means the provisions of California's Vacation Ownership and Time-share Act of 2004, as the same is constituted on the date of the recording of this Declaration in the Public Records of Orange County, California, except when specifically noted otherwise. Any reference to a provision or specific article, section, paragraph, sub-article, sub-section, or sub-paragraph of the Time-Share Act shall be a reference to the same as it is constituted on the date of the recording of this Declaration in the Public Records of Orange County, California, except when specifically noted otherwise.

1.58 TOT Agreement means the agreement with the City of Anaheim that requires the collection of the TOT Payment.

1.59 TOT Payment means the transient occupancy tax imposed by the City of Anaheim on operators and timeshare vacation club resorts required to be collected, at checkout, from the occupant of a DVC Unit (whether such

occupant is an Owner, a transient guest, an or other occupant), for each night that the DVC Unit was occupied in accordance with the TOT Agreement.

1.60 TWDC Companies means TWDC and all subsidiaries of TWDC, including DVD, DVCM, WDPR, and BVTC.

1.61 TWDC means The Walt Disney Company, a Delaware corporation, its successors and assigns.

1.62 Unit means a condominium unit and refers to that portion of the Condominium Property which is a separate interest in space as defined in Section 4125 and 4185 of the California Civil Code, and which is subject to exclusive ownership by one or more Persons. Each Unit shall be a separate freehold estate, as separately shown, numbered and designated in the Condominium Plan. In interpreting deeds, declarations, and plans, the existing physical boundaries of a Unit constructed or reconstructed in substantial accordance with the Condominium Plan and the original plans for the Condominium Plan, if such plans are available, shall be conclusively presumed to be its boundaries, rather than the description expressed in the deed, Condominium Plan, or Declaration, regardless of settling or lateral movement of the building and regardless of minor variations between boundaries, as shown on the Condominium Plan or defined in the deed or this Declaration, and the boundaries of the building as constructed or reconstructed. Unless the context requires otherwise and except with respect to the DVC Plan and Club, all references to "Unit" include DVC Units and Non-DVC Units.

1.63 Utility Services means electric power, water, steam, heat, fuel, gas, hot water, refuse water, surface water drainage, fire alarm services, garbage and sewage disposal, telephone service, internet services, cable television or other cable provided services, and all other public services and convenience facilities servicing the Condominium Property.

1.64 Vacation Home means and refers to those portions of a DVC Unit designed and intended for separate use and occupancy.

1.65 Vacation Point means the symbolic unit of measuring the respective rights of an owner of an Ownership Interest to enjoy the benefits of the Ownership Interest within the Club. There are Home Resort Vacation Points and DVC Vacation Points.

1.66 Voting Certificate means, when the Unit is owned by more than one Owner, the document that designates one of the Owners or Cotenants in such Unit as the authorized representative to vote on behalf of all of the other Owners and Cotenants in that Unit and to represent all of the Owners and Cotenants in that Unit in all Association matters and any other matters pertaining to that Unit.

1.67 Voting Representative means the Owner or Cotenant (as designated in a Voting Certificate) who is authorized to vote on behalf of the Unit and to represent the Unit in all Association matters and any other matters pertaining to that Unit, except as may be limited by the provisions of a Voting Certificate where applicable.

1.68 WDPR means Walt Disney Parks and Resorts U.S., Inc., a Florida corporation, its successors or assigns, and the lessor under the Ground Lease.

2. NAME; LEASEHOLD INTEREST; MASTER DECLARATION; LEGAL DESCRIPTION; INCOMPLETE IMPROVEMENTS.

2.1 Name. The name of this Condominium is The Villas at Disneyland Hotel, a leasehold condominium and the name of the Association is The Villas at Disneyland Hotel Condominium Association, Inc.

2.1.1 Name Change. If the Property Management Agreement between the Association and DVCM terminates for any reason, the name of this Condominium will, at the option of DVD or DVCM and without requiring any action to be taken by the Board or the Association, simultaneously and automatically be changed to "Villas Condominium, a leasehold condominium," and the Board shall promptly take all steps necessary to officially change the Association's name to "Villas Condominium Association, Inc." If either of these replacement names are

unavailable for use by the Condominium or the Association, the Board is empowered to select an alternative name for the Condominium and the Association; provided, however, that prior to the use of any name to identify the Condominium or the Association, whether the name change is as a result of the termination of the Property Management Agreement or otherwise, such name must be submitted to WDPR for its consent. If the name of the Condominium is changed or the name of the Association is changed for any reason, the Board and all Owners are prohibited from using the name "Disney" (or any other form of the name "Disney") in any manner whatsoever, unless WDPR consents to such use, which consent may be given or withheld in WDPR's discretion, and the Association, at its expense, is immediately required to:

2.1.1.1 Remove all signs containing the name "Disney" (or any other form of the name "Disney") from the Condominium Property and from any offsite location to the extent the sign refers to the Condominium;

2.1.1.2 Destroy all stationary, descriptive literature or printed or written matter bearing the name "Disney" (or any other form of the name "Disney") other than the prior books and records of the Association for so long as they are required to be retained by the Association;

2.1.1.3 Cease and desist from using the name "Disney" (or any other form of the name "Disney") orally or in writing in referring to the Association or the Condominium;

2.1.1.4 Take immediate action to effect changes to the documents and materials that reference the Association and the Condominium and use of the name "Disney" (or any other form of the name "Disney") to eliminate the use of such names in any manner; and

2.1.1.5 Remove any architectural or landscaping features from the Condominium Property which contain the "Disney" name (or any other form of the name "Disney") or any caricature, fanciful character, logo, or other trademark of the TWDC Companies, unless otherwise approved by WDPR. In this regard, the Association is responsible, at its cost, for altering, repairing, or replacing the structure or landscaping from which any such symbol has been removed so as to ensure that the structural integrity of such structure or landscaping is not jeopardized and that the appearance of the structure or landscaping remains consistent with the surrounding area and in compliance with the Master Declaration, the Ground Lease, this Declaration, and the other Condominium Documents.

2.1.2 Use of Name. Other than DVD, DVCM, WDPR, the TWDC Companies and other persons who are specifically authorized, in writing by DVD, DVCM, WDPR, the TWDC Companies, or the Board, to use the name of the Condominium or the Association, no Person shall use the name, or any derivative of the name, of the Condominium or the Association, or any related logo in any advertising or promotional material. Owners may use the name of the Condominium to identify their Unit or Ownership Interest and in connection with the legal and permitted transfer of their Unit or Ownership Interest. Other than the Association (and DVCM in its capacity as the Management Company), no Person, including any Owner, may use the name of the Condominium or the Association in any manner that appears to be an official or sanctioned communication from the Association or the Board.

2.1.3 Enforcement. The provisions of this Section 2.1 may be enforced by any remedy at law or equity, including mandatory or prohibitory injunctions, and by accepting a deed to a Unit or an Ownership Interest, each Owner acknowledges that in the event of non-performance of any of the restrictions described in this Section 2.1, remedies at law are deemed inadequate to enforce the terms of this Section 2.1.

2.2. Leasehold Interest; Master Declaration. DVD is the lessee of that certain real property in Orange County, California, more particularly described in the Ground Lease, all or a portion of which will be submitted to the condominium form of ownership under this Declaration and amendments to this Declaration, if any. The Ground Lease will expire on January 1, 2074, unless sooner terminated in accordance with the terms of the Ground Lease or unless the Ground Lease is extended pursuant to its terms. The Condominium automatically terminates upon the expiration or sooner termination of the Ground Lease, unless the Ground Lease and the Condominium are extended in accordance with the Ground Lease and this Declaration.

This Declaration is subject to the terms and conditions of the Ground Lease. This Declaration and the Ground Lease are both subject to the terms, conditions and restrictions of the Master Declaration, which Master Declaration places additional restrictions on the Condominium Property. The provisions of the Ground Lease control and supersede any inconsistent provisions contained in this Declaration and the provisions of the Master Declaration control and supersede any inconsistent provisions contained in this Declaration or in the Ground Lease.

2.3. Legal Description; Declaration. The property that is submitted to the condominium form of ownership under this Declaration consists of that portion of the land and any improvements demised in the Ground Lease that is more particularly described in Condominium attached as Exhibit "A" and incorporated as part of this Declaration by this reference, together with any easements and appurtenances described in this Declaration. This Declaration is subject to that subject to that certain Declaration of Covenants recorded as Document No. 2022000175950 in the Official Records of Orange County, California until such as such instrument terminates or expires.

2.4. Incomplete Improvements. DVD reserves the right to close on the sale of Units and Ownership Interests in Units within a given phase of the Condominium (including the phases of the Condominium Property declared pursuant to the recording of this Declaration, if applicable) prior to completion of construction of Incomplete Improvements that have not been completed at the time that the phase containing the Incomplete Improvements is submitted to the condominium form of ownership by the recordation of this Declaration or by the recordation of an amendment to this Declaration submitting the additional phase to the Condominium Property, as applicable. As such, to the extent that there are Incomplete Improvements in any phase at the time this Declaration, or at the time of an amendment to this Declaration adding a phase to the Condominium Property is recorded, it is intended that the Units and Vacation Homes shall encompass the airspace delineated in Exhibit "A" to this Declaration or in the Exhibit "A" to the amendment (in case of a future phase) prior to completion of the Incomplete Improvements. During construction and until a certificate of occupancy is obtained, Owners are not permitted and shall be prohibited from accessing any Units within any phases of the Condominium Property containing Incomplete Improvements, except as specifically permitted by DVD and only in those areas designated by DVD.

2.5. DVC Plan.

A DVC PLAN WILL BE CREATED WITH RESPECT TO UNITS IN THE CONDOMINIUM.

The degree, quantity, nature and extent of the DVC Plan that will be created is defined and described in detail in this Declaration. This Condominium is also a DVC Resort as described in detail in this Declaration. Notwithstanding the creation of the DVC Plan pursuant to this Declaration, DVD reserves the right to convey Units that have not been committed to the DVC Plan, or have been removed from the DVC Plan pursuant to this Declaration, as whole Non-DVC Units.

3. EXHIBITS. The Exhibits referred to in this Declaration include the following, which exhibits are attached to this Declaration and incorporated as part of this Declaration by this reference:

- 3.1 Exhibit "A." The initial copy of the Condominium Plan.
- 3.2 Exhibit "B." Copy of the initial Articles of Incorporation of the Association.
- 3.3 Exhibit "C." Copy of the initial Bylaws of the Association.
- 3.4 Exhibit "D." Percentage Interest in the Common Areas.
- 3.5 Exhibit "E." Copy of the initial Condominium Rules and Regulations.
- 3.6 Exhibit "F." Copy of the initial Disney Vacation Club Membership Agreement.
- 3.7 Exhibit "G." Copy of the initial DVC Resort Agreement.
- 3.8 Exhibit "H." Copy of the Amended and Restated Memorandum of Ground Lease.

4. **EASEMENTS.** Easements are expressly reserved or granted, as follows:

4.1 **General Easements.** Non-exclusive easements over, under, across, and through the Condominium Property are expressly provided for, reserved, and granted, in favor of DVD, the Association and the Owners, and their respective successors or assignees, and their respective lessees, guests, invitees, licensees, and exchangers, as follows:

4.1.1 **Utility Easements Reserved by DVD.** DVD reserves the right to grant easements and easements are specifically reserved in favor of DVD, and its successors and assignees, are reserved over, under, across, and through the Condominium Property as DVD determines for: (i) the construction, installation, operation, management, maintenance, repair, refurbishment, preservation, protection, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, or alteration of the infrastructure necessary for the delivery of Utility Services; and (ii) the delivery of Utility Services for the Condominium, as well as for the Master Declaration Property, the Demised Property, or any properties located outside the Condominium Property, Master Declaration Property, or Demised Property and that are designated by DVD from time to time; including easements providing for such access rights as are necessary to use and service any lift station, utility transformer boxes, utility lines, or transmission lines located within the Condominium Property.

4.1.2 **Encroachments.** If any Unit encroaches on any of the Common Areas or on any other Unit, or if any Common Area encroaches on any Unit, then an easement exists to permit such encroachment so long as the encroachment exists.

4.1.3 **Traffic Easements.** A non-exclusive easement is reserved and exists for pedestrian traffic over, across, and through sidewalks, paths, walks, halls, lobbies, and other portions of the Common Areas as may be from time to time intended and designated for such purpose and use; and for vehicular and pedestrian traffic over, across, and through such portions of the Common Areas as may from time to time be paved, intended, used or designated for such purposes; and for vehicular parking on such portions of the Common Areas as may from time to time be paved, intended, used or designated for such purposes. Such easements are for the use and benefit of the Owners, the owners of interests and permitted users of the Master Declaration Property, the owners of interests and permitted users of the Demised Property, and the owners of interests and permitted users of properties outside of the Condominium Property, Master Declaration Property, or Demised Property and that are designated by DVD from time to time, and those claiming by, through or under such Persons; provided, however, that nothing in this Declaration is to be construed to give or create in any Person the right to park any vehicle on any portion of the Condominium Property except to the extent that the space may be specifically designated or assigned for parking purposes, and as may be limited, as determined by the Board and approved by DVD with respect to DVD's reserved rights to park, allow others to park on the Condominium Property, or charge for parking. Easements also exist for ingress and egress over streets, walks and other rights of way serving the Units as are necessary to provide for reasonable access to the public ways. In addition, an easement exists for ingress and egress over such streets, walks and other rights of way serving the Condominium Property as is necessary to provide for delivery and pickup services, fire protection, emergency services, United States mail carriers, police and other authorities of the law. Subject to DVD's approval, the Board shall have the reasonable right to limit the easement for ingress and egress to defined sizes and locations as it determines in its discretion; provided, however, that it does not eliminate or unreasonably restrict such ingress and egress.

4.2 **Association Easements.** Except as limited by this Article, the Board may grant, modify, or move easements from time to time over the Common Areas or association real property without obtaining the approval of the Owners. The Board also may enter into easements or licenses benefiting all or a portion of the Condominium Property or Association real property, with all costs incurred in connection with such easements or licenses to be Common Expenses. For so long as DVD owns a Unit or an Ownership Interest, such powers may only be exercised with the approval of DVD.

4.3 **DVD's Easements.** DVD reserves exclusive easements (except as specifically designated as non-exclusive), and DVD reserves the right to grant, reserve, modify or move easements, without obtaining the approval of the Association, Board or Owners, as follows:

4.3.1 Marketing, Sales and Rental. DVD reserves exclusive easement rights over, across, under, and through the Condominium Property, including any Unit, Vacation Home or Common Area, for the purpose of marketing, sales, rentals, and resales of Units and Ownership Interests in the DVC Plan and in other DVC Resorts, or other hospitality, realty, or consumer products, including for the purpose of leasing accommodations that have not yet been declared as part of the Condominium. Such rights include the right to establish models; conduct property tours; conduct sales presentations; conduct closings; solicit prospective purchasers; construct and maintain marketing or sales desks, kiosks, booths, and similar facilities; and to erect, distribute, post, maintain and relocate signs, notices, advertisements, and other promotional information on the Condominium Property. Lessees of DVD-owned in non-declared accommodations have, for the term of their leases, the same easement rights over, across, under, and through the Condominium Property and for the use of the Common Areas as are reserved for Owners. DVD's exclusive easement rights pursuant to this Subsection 4.3.1 may be assigned to or used by such other Persons as DVD designates in its discretion from time to time.

4.3.2 Governmental Requirements. DVD, for so long as DVD owns a Unit or an Ownership Interest, reserves the right to grant, reserve, modify or move such easements or enter into such development or conservation agreements, from time to time, as may be required by any government agency. Such easements or agreements specifically include any environmental easements or agreements required by state or federal environmental agencies, and such easements or agreements are binding on the Association and all Owners.

4.3.3 Access and Use of Common Areas. DVD reserves the right to grant such easements, from time to time, to any other third party for the purpose of providing such parties with the same access and use rights over, across, under, and through the Condominium Property and the use of the Common Areas, including recreational or commonly used facilities, as reserved and made available for Owners.

4.3.4 DVD Easements.

(a) DVD reserves unto itself and grants to the TWDC Companies, their successors and assigns, the same easement rights granted to Owners under this Declaration, and reserves the right to permit lessees, guests, invitees, licensees and exchangers of DVD or the TWDC Companies to have the same easement rights as determined by DVD in its discretion. DVD reserves unto itself and grants to the TWDC Companies, their successors and assigns, specific and exclusive easement rights over, across, under, and through the Condominium Property as DVD or the TWDC Companies may deem necessary or desirable in their discretion from time to time for: (i) use and access; (ii) to conduct Permitted Commercial Activities, provided DVD and the TWDC Companies, as applicable, shall use commercially reasonable efforts, excluding the payment of monies, to minimize any adverse impact on the use and enjoyment of the DVC Units by the Owners; and (iii) to provide services or facilities for fees or charges, including exclusive easement rights to provide transportation, valet parking services, guest services, concessions (including ATM machines, vending machines or operations, and laundry facilities), food and beverage facilities, merchandise facilities, ticket or admission sales, or other commercial and non-commercial ventures, including the exclusive right to charge for parking, offered or made available by or through DVD or by or through any of the TWDC Companies, including any of their lessees, guests, invitees, licensees, and exchangers as determined by DVD in its discretion. DVD and the TWDC Companies easement rights reserved or granted for transportation, valet parking services, guest services, concessions, ticket or admission sales, or other commercial and non-commercial ventures and Permitted Commercial Activities may be exclusive in the discretion of DVD.

(b) DVD reserves unto itself, in its discretion, the right to limit or deny any Persons, including Owners and their respective lessees, guests, invitees and licensees access to any portion of the Common Areas (including swimming pools, spas, wading pools, pool bars, play areas, open space, lawns, decks, walkways, lobby areas, meeting rooms, banquet rooms, ballrooms and parking areas); provided, however, that such restriction shall not prevent the Owners from accessing a public right of way or their reserved Vacation Home. Such right to limit or deny access includes the right to restrict access to a limited number of users, the right to limit or deny access during specific hours, or the right to limit or deny access for any event (including conventions, parties, banquets, receptions, weddings, corporate or commercial events, celebrations, sales and marketing events, or private events and including for use for Permitted Commercial Activities by DVD or any of the TWDC Companies) throughout the year as designated

by DVD in its discretion, even if such restrictions occur for multiple days. DVD will use commercially reasonable efforts to provide advance written notice of its implementation of such restriction to the Association.

4.3.5 Construction Easements. DVD reserves easement rights over, under, across, and through the Condominium Property as is necessary, from time to time, as determined by DVD in its discretion, in connection with the excavation, construction and completion of improvements located on portions of the Master Declaration Property or Demised Property that have not yet been, and may never be, declared to the Condominium. DVD also reserves exclusive easements over, across, under, and through the Condominium Property pursuant to this Declaration to access, ingress, egress, excavate, construct and complete construction of any Incomplete Improvements.

4.3.6 Communications Easement. DVD reserves specific and exclusive easement rights for the provision of communication, internet, telephone, cable and services to the Condominium Property and the right to derive any and all revenue from such use by the Association, the Owners, and any other Persons.

4.4 WDPR's Easement. Pursuant to the Master Declaration and the Ground Lease, WDPR has reserved unto itself certain easements over, across, under, and through the Condominium Property and the right to grant, reserve, modify and move certain easements over, across, under, and through the Condominium Property. If the easement rights described in this Section are exercised, it may result in noise or light levels in excess of that typically occurring in areas that include residential accommodations and may result in an obstruction of views.

4.5 Non-Condominium Property. DVD reserves an easement for itself and grants to the TWDC Companies, their successors and assigns, the same easement rights granted to Owners under this Declaration for those portions of the land demised under the Ground Lease that are adjacent to but not included in the Condominium, including access to and use of the Common Areas and Condominium Property infrastructure necessary or integral to the structure, support, operation, use, or enjoyment of improvements on such adjacent land.

4.6 Easements on Adjacent Property in Favor of Association. Non-exclusive easements exist in favor of the Association and Owners over, across, under, and through property adjacent to the Condominium, including:

4.6.1 Master Declaration and Ground Lease. Non-exclusive easements exist or may be granted in favor of the Association and Owners over, across, under, and through adjacent property in the Master Declaration and the Ground Lease.

4.6.2 Access and Parking Easement. A non-exclusive access and parking easement exists in favor of the Association, Owners, and their respective lessees, guests, invitees and licensees over, across, and through property situated adjacent to the Condominium Property pursuant to that certain Access and Parking Easement Agreement recorded concurrently herewith, in the Official Records of Orange County, California.

4.6.3 Utilities and Surface Water Management Easement. A non-exclusive easement exists in favor of the Association, Owners, and their respective lessees, guests, invitees and licensees over, across, under, and through property situated adjacent to the Condominium Property for the purposes of providing Utility Services and access to the surface water management for the Condominium Property pursuant to that certain Utilities Services and Surface Water Management Easement Agreement recorded concurrently herewith, in the Official Records of Orange County, California.

5. UNITS.

5.1 Description of Units and Vacation Homes.

5.1.1 Units. Each Unit declared to the Condominium will consist of all or a portion of an improvement that lies within the boundaries of the Unit. The upper and lower boundaries and the perimeter boundaries of each Unit are described in the Condominium Plan and may consist of non-contiguous spaces and improvements. The upper and lower boundaries and the perimeter boundaries of each Unit contained in any future phase of the Condominium will be described in the amendment to this Declaration adding such phase to the Condominium.

5.1.2 Vacation Homes. Within a DVC Unit there are Vacation Homes that are subject to separate use and reservation by DVC Unit Owners in accordance with the terms and conditions of the DVC Plan.

5.1.3 Numbering. Each Unit is or will be identified by a Unit number so that no Unit bears the same designation as any other Unit. For administrative convenience, each Vacation Home within each Unit is also or will also be identified by a number.

5.2 Exclusive Use Common Areas. Those Common Areas reserved for the use of a certain Unit, to the exclusion of other Units, are designated as Exclusive Use Common Areas. Those physical areas designated as Exclusive Use Common Areas are shown and located on the Condominium Plan.

5.3 Special Designated Floors or Areas. The Board, or the Management Company on behalf of the Board, and with the approval of DVD in its discretion for so long as it owns an Ownership Interest, may designate certain floors or areas of the Condominium Property as being exclusively available for reservation or use by designated Persons from time to time and establish such terms and conditions for such reservation and use.

5.4 Warranty Limitation.

TO THE EXTENT PERMITTED BY APPLICABLE LAW, NEITHER DVD NOR ANY OF THE TWDC COMPANIES MAKE ANY WARRANTY OF ANY KIND, EXPRESS OR IMPLIED, AND EACH OF DVD AND THE TWDC COMPANIES EXPRESSLY DISCLAIMS ANY AND ALL WARRANTIES, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, WITH RESPECT TO THE CONSTRUCTION OR USE OF THE UNITS AND THE COMMON AREAS AND WITH RESPECT TO THE PERSONAL PROPERTY LOCATED WITHIN THE UNITS OR ON THE CONDOMINIUM PROPERTY, INCLUDING THE COMMON FURNISHINGS AND DVC FURNISHINGS, AND THE ASSOCIATION, OWNERS, LESSEES, GUESTS, INVITEES, LICENSEES, AND ALL OTHER PERSONS ASSUME ALL RISK AND LIABILITY RESULTING FROM THE USE OR OWNERSHIP OF THIS PROPERTY. FURTHER, THE ASSOCIATION AND OWNERS ASSUME THE ENTIRE COST OF CONSTRUCTION, INSTALLATION, OPERATION, MANAGEMENT, MAINTENANCE, REPAIR, REFURBISHMENT, PRESERVATION, PROTECTION, ENHANCEMENT, RENOVATION, REPLACEMENT, RECONSTRUCTION, RELOCATION, REMOVAL, MODIFICATION, CHANGE, ADDITION, OR ALTERATION OF THIS PROPERTY.

6. APPURTENANCES.

6.1 Appurtenant Interests. Each Unit has, as an appurtenance, that undivided share of the Common Areas and Common Surplus as more specifically described in Exhibit "D." Each Ownership Interest has as an appurtenance an undivided percentage share of the DVC Unit's percentage share of the Common Areas and Common Surplus equal to the percentage ownership of the Ownership Interest in that DVC Unit. Each Unit shall also have those further appurtenances more specifically described in the Time-Share Act and in Section 1.17.

6.2 Partition of Common Areas. The share of the undivided percentage interest in the Common Areas appurtenant to each Unit must remain undivided, and no Owner may bring, or have any right to bring, any action for partition or division of same.

6.3 Partition of DVC Units, Vacation Homes, or Ownership Interests. No action for partition of any DVC Unit, any appurtenance to a DVC Unit, or any Vacation Home may be brought. No Person may seek or obtain, through any legal procedures, judicial partition of any Ownership Interest or sale of any Ownership Interest, in lieu of partition and each Owners shall subordinate all rights that such Owner might otherwise have as a tenant-in-common in real property to the terms of this Declaration. The foregoing shall not be deemed to prohibit a sale of a DVC Unit upon termination of the DVC Plan or the removal of a DVC Unit from the DVC Plan in accordance with applicable provisions of this Declaration or the other Condominium Documents.

6.4 Disney Vacation Club.

6.4.1 Membership in the Disney Vacation Club, being a Common Area, is an appurtenance to each Ownership Interest, which is conveyed by virtue of the execution and delivery of a deed, in accordance with and subject to the terms, conditions, and limitations of this Declaration, the Membership Agreement, the DVC Resort Agreement, and the Home Resort Rules and Regulations. Upon recording of the deed, the Owner of an Ownership Interest is automatically entitled to enjoy the services and benefits associated with membership in the Club and in accordance with the terms, conditions, and limitations of this Declaration, the Membership Agreement, the DVC Resort Agreement, and the Home Resort Rules and Regulations. As an appurtenance, the Club membership, as it is comprised from time to time, may not be partitioned, hypothecated, bought, sold, exchanged, rented or otherwise transferred separately from each Ownership Interest.

6.4.2 The Club does not own any property or assets. Members of the Club do not acquire any legal or beneficial interest in the TWDC Companies or their assets, including the Club, and no right or interest in the property, contract rights or business of the TWDC Companies. Members of the Club will not be entitled to any share of income, gain or distribution by or of the TWDC Companies and will not acquire any voting rights with respect to the TWDC Companies.

6.4.3 The terms and conditions governing the use of the Home Resort Reservation Component, including rights to terminate the Membership Agreement and Owners' rights to access the Home Resort Reservation Component of the Club upon the termination of the Membership Agreement, are set forth in and governed by the Membership Agreement. A copy of the initial Membership Agreement is attached as Exhibit "F." The terms and conditions governing the use of the DVC Resort Component, including rights to terminate the DVC Resort Agreement and Owners' rights to access the DVC Resort Reservation Component upon termination of the DVC Resort Agreement, are set forth in and governed by the DVC Resort Agreement. A copy of the initial DVC Resort Agreement is attached as Exhibit "G."

6.4.4 Provided that an Owner complies with all restrictions on the transfer of an Ownership Interest, if any, the transferee of such Ownership Interest automatically becomes a member of the Club. Membership in the Club automatically terminates for a given Owner upon the occurrence of any of the following: (i) the Owner voluntarily or involuntarily transfers the Owner's Ownership Interest and owns no other Ownership Interest; (ii) the Owner no longer owns an Ownership Interest as a result of assessment lien or deed of trust or mortgage foreclosure proceedings; (iii) this Declaration terminates; (iv) the Unit in which the Owner owns an Ownership Interest is removed from the Condominium by virtue of a casualty or eminent domain action where the Unit is not reconstructed or replaced; or (v) both the Membership Agreement and the DVC Resort Agreement terminate.

7. **MAINTENANCE, ALTERATION AND IMPROVEMENT.** Responsibility for the maintenance of the Condominium Property, and restrictions on its alteration and improvement, are as follows:

7.1 Units and Common Areas.

7.1.1 By the Association. Except as set forth in Subsection 7.1.2, the Association is to construct, install, operate, manage, maintain, repair, refurbish, preserve, protect, enhance, renovate, replace, reconstruct, relocate, remove, modify, change, add to, or alter at the Association's expense:

7.1.1.1 The interior of each DVC Unit, EUCAs of any DVC Unit, and of each Vacation Home, except as otherwise provided in the Condominium Documents.

7.1.1.2 All damage caused to a DVC Unit or a Vacation Home by reason of maintenance, refurbishment, preservation, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, or alteration performed pursuant to the provisions of Subsection 7.1.1.

7.1.1.3 All Common Areas.

7.1.2 Alterations and Improvement. Notwithstanding the responsibilities of the Association set forth in this Subsection 7.1.2, prior to the commencement of any construction, installation, maintenance, repair, refurbishment, preservation, protection, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, or alteration of any Common Area, or any portion of any Common Area, the Association must obtain the approval of DVD, for so long as DVD owns a Unit or an Ownership Interest. The Board has the right, and without the approval of the Owners, to construct, install, maintain, repair, refurbish, preserve, protect, enhance, renovate, replace, reconstruct, relocate, remove, modify, change, add to, or alter the DVC Units, Common Areas, EUCAs of DVC Units, Association-owned real property, and any or all DVC Furnishings (other than furnishings in the Non-DVC Units, all subject to the approval of DVD, for so long as DVD owns a Unit or Ownership Interest; provided, however that such is done in accordance with the Master Declaration and Ground Lease.

7.1.3 By the Owner. The responsibilities of the Owner are as follows:

7.1.3.1 To not paint or otherwise decorate or change the appearance of any portion of the Condominium Property (excluding the interior of a Non-DVC Unit and the EUCA of a Non-DVC Unit by Non-DVC Unit Owners) without the prior written approval of the Association.

7.1.3.2 To promptly report to the Association any defect or need for repairs for which the Association is responsible.

7.1.3.3 To bear in their entirety any expenses ("**Repair Expenses**") of construction, installation, maintenance, repair, refurbishment, preservation, protection, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, or alteration to the Condominium Property, a Unit, a Vacation Home in a DVC Unit, EUCA, DVC Furnishings, or Association Property required, as determined by the Board, by the misuse or abuse (and excluding ordinary wear and tear and normal use) by any Owner or any of Owner's lessees, guests, invitees, licensees and exchangers. The Association shall have a lien on any such Owner's Ownership Interest for such expenses as is more fully described in, and enforced pursuant to, Article 8.

7.1.3.4 As to Owners of Ownership Interests, to not alter any Unit or Vacation Home or divide or subdivide any Unit or Vacation Home into a smaller Unit or Vacation Home.

7.1.3.5 As to Owners of Non-DVC Units, such Owners shall maintain, repair, refurbish, preserve, protect, enhance, renovate, replace, reconstruct, relocate, remove, modify, change, add to, or alter, at such Owner's expense, the interior of such Owner's non-DVC Unit and respective Non-DVC Unit EUCA and shall do so in compliance with this Declaration, the Master Declaration, and the Ground Lease and in accordance with the Disney Standard. Notwithstanding the foregoing, the Owner of each Non-DVC Unit shall have the discretion to determine all aspects of the aesthetic standards, design standards, maintenance and repair standards for that Owner's Unit provided, however, that at a minimum, the Disney Standard is maintained and the requirements of the Master Declaration and the Ground Lease are met, and no Owner of a DVC Unit shall have approval rights over such standards.

7.2 Property and DVC Plan Management. As set forth in Section 9.11, the Association may enter into such management agreements, from time to time, as it deems necessary to engage the services of a management company to carry out all or any part of the duties and obligations of the Association in accordance with the Condominium Documents, including the operation of the DVC Plan at the Condominium. In this regard, the Association has engaged DVCM as the Management Company for the purposes of performing the duties and obligations contemplated for the Association under the Condominium Documents and the Time-Share Act and as set forth in the Property Management Agreement. If the Property Management Agreement is terminated, the maintenance or operational duties and obligations of the Association performed by DVCM, as set forth in the Property Management Agreement, will be the responsibility of the Association to perform. In addition, DVCM has been engaged by the Association to operate the DVC Plan at the Condominium and as set forth in the Membership Agreement, a copy of the initial version of which is attached as Exhibit "F." If the Membership Agreement is terminated, the operation of the vacation ownership plan for the Condominium will be the responsibility of the Association, acting through its Board.

7.3 Standard. The Association and Management Company shall conduct its obligations under this Declaration to construct, install, operate, manage, maintain, repair, refurbish, preserve, protect, enhance, renovate, replace, reconstruct, relocate, remove, modify, change, add to, or alter the Condominium Property in accordance with the requirements of the Disney Standard.

7.4 Association's Access to Units and Vacation Homes. The Association and the Management Company has the irrevocable right of access to each Unit and each Vacation Home when necessary for: (i) inspecting, maintaining refurbishing, preserving, enhancing, renovating, replacing, reconstructing, relocating, removing, modifying, changing, adding, or altering the Condominium Property (except the interior of a Non-DVC Unit or EUCA of a Non-DVC Unit); (ii) making emergency repairs necessary to prevent damage to the Common Areas or to any Unit or Vacation Home, including in the exercise of the powers authorized pursuant to Section 9.18; and (iii) determining compliance with the provisions of the Master Declaration, the Ground Lease, this Declaration, and the other Condominium Documents.

7.5 Maintenance Period. Pursuant to the requirements of the Property Management Agreement, DVC/M, as the initial Management Company, has the obligation as the agent of the Association to maintain and repair each Vacation Home in each DVC Unit during those time periods made available to it for such purpose pursuant to the DVC Plan as set forth in the Membership Agreement. If the Membership Agreement is terminated for any reason, the Association, acting through the Management Company, will have the obligation to schedule all required maintenance within each DVC Unit and Vacation Home as a priority over the use of such DVC Units and Vacation Homes by the Owners of such DVC Units and Vacation Homes.

8. COMMON EXPENSES, ASSESSMENTS AND ASSOCIATION FINANCES.

8.1 Common Expenses. It is anticipated that all Units will ultimately be subjected to the DVC Plan, and as such the Owners of Ownership Interests, including DVD with respect to Ownership Interests it owns, will be responsible for all Common Expenses of the Condominium. If DVD determines to create Non-DVC Units and not add such Non-DVC Units to the DVC Plan, then the Owners of the Non-DVC Units are not responsible for, and shall not be assessed for, any DVC Common Expenses.

8.2 Budget and Assessments. On an annual basis, the Association shall levy an assessment for Common Expenses against each Owner of an Ownership Interest and each Owner of a Non-DVC Unit, if any, in accordance with the budget adopted pursuant to the Bylaws. The budget for the operation and maintenance of the Condominium and DVC Plan for each fiscal year shall be distributed to Owners not less than fifteen (15) days prior to the beginning of each fiscal year, except the first fiscal year, when the budget shall be distributed as soon as reasonably possible. Assessments shall be calculated as follows:

8.2.1 If there are Non-DVC Units in the Condominium, the Condominium Common Expenses will be equitably divided between the DVC Units and the Non-DVC Units by the Board in accordance with GAAP, but the Board may take into account the operational and maintenance costs attributable to the DVC Units and the Non-DVC Units, all as determined by the Board in its discretion. Such determination may be on the basis of the: (i) number of arrivals; (ii) occupancy rates; (iii) room nights; (iv) guest population; (v) square footage of the Units; (vi) number of Vacation Homes in the DVC Units and accommodations in the Non-DVC Units; (vii) labor hours incurred in serving the Vacation Homes in the DVC Units and accommodations in the Non-VOP; (viii) number of employees engaged to manage and operate the Vacation Homes in the DVC Units and accommodations in the Non-DVC Units; and (ix) number of housekeeping hours incurred in maintaining the Vacation Homes in the DVC Units and accommodations in the Non-DVC Units. In addition, the Board may use, in its discretion, use different allocation methodologies to equitably allocate different components of the Condominium Common Expenses between the DVC Units and the Non-DVC Units.

8.2.2 The Association shall levy assessments for DVC Plan Expenses against an Ownership Interest according to the size that Ownership Interest bears to all the Ownership Interests in the Condominium. Regular assessments shall commence on the first day of the month following the closing of the escrow of the first sale of an

Ownership Interest in the DVC Plan. Voting rights attributable to any Owner's Ownership Interest shall not vest until assessments against such Ownership Interest have been levied by the Association.

8.2.3 If there are Non-DVC Units, unless the Owners of the Non-DVC Units agree otherwise, the Association shall levy assessments for the Condominium Common Expenses allocated to the Non-DVC Units according to the square footage of the interior of the Non-DVC Unit divided by the total square footage of the interior of all Non-DVC Units in the Condominium.

8.3 DVD Assessments. DVD shall pay the full maintenance fee for each of the Ownership Interests and Non-DVC Units, if any, owned by DVD. Alternatively, if approved by the California Department of Real Estate, DVD may enter into a subsidy agreement with the Association to cover any shortfall between expenses incurred and assessments collected from other Owners, and shall furnish the Association with an executed copy of the agreement within ten (10) days after closing of escrow of the first sale or lease of an Ownership Interest.

8.4 Assessment Increases. The Board may impose, without the vote or written approval of the Owners, a regular annual assessment that is as much as twenty percent (20%) greater than the regular annual assessment charged for the immediately preceding year. A regular annual assessment that is greater than twenty percent (20%) higher than the regular annual assessment charged for the immediately preceding year may only be levied with the approval of a majority of the Owners other than DVD. Any increase in the annual assessment resulting from an increase in Ad Valorem Real Estate Taxes shall be excluded in determining whether the annual assessment is greater than twenty percent (20%) higher than the regular annual assessment charged for the immediately preceding year.

8.5 Ad Valorem Real Estate Taxes.

8.5.1 To the extent that Ad Valorem Real Estate Taxes with respect to Ownership Interests are assessed and billed by the taxing authority directly to the Owners of the Ownership Interests, such Ad Valorem Real Estate Taxes shall not be included in DVC Common Expenses but shall be paid directly by Owners. To the extent that Ad Valorem Real Estate Taxes with respect to Ownership Interests are not separately assessed but assessed against the Condominium Property as a whole, such Ad Valorem Real Estate Taxes shall be included in DVC Common Expenses and shall be equitably allocated. To the extent that Ad Valorem Real Estate Taxes are separately assessed against each Unit or each Ownership Interest but billed to the Association, the Association shall pay the Ad Valorem Real Estate Taxes, and each Unit or each Ownership Interest shall be billed by the Association its amount of Ad Valorem Real Estate Taxes as calculated by such assessment. Delinquent Ad Valorem Real Estate Taxes assessed against DVC Units shall be a DVC Common Expense.

8.5.2 To the extent that any Supplemental Tax Assessments with respect to Ownership Interests are assessed and billed by the taxing authority directly to the Owners of the Ownership Interests, such Supplemental Tax Assessments shall not be included in DVC Common Expenses but shall be paid directly by such Owners. To the extent that Supplemental Tax Assessments with respect to Ownership Interests are not separately assessed but assessed against the Condominium Property as a whole, such Supplemental Tax Assessments shall be included in DVC Common Expenses and shall be equitably allocated. To the extent that Supplemental Tax Assessments are separately assessed against one or more specific Units or Ownership Interests but billed to the Association, the Units or Ownership Interests responsible for such Supplemental Tax Assessment shall be directly billed by the Association for such Supplemental Tax Assessment. At the Association's election, Supplemental Tax Assessments may either be collected together with assessments for Common Expenses or may be separately billed and collected as and when such Supplemental Tax Assessments become due to the taxing authority.

8.5.3 To the extent permitted by Applicable Law, the Association shall have the authority to elect, from time to time, the manner in which Ad Valorem Real Estate Taxes and Supplemental Tax Assessments are assessed against the Condominium. To the extent that Ad Valorem Taxes and Supplemental Tax Assessments are not separately assessed but assessed against the Condominium Property as a whole, the Association shall be permitted to allocate such taxes among the Owners in any equitable manner, including the manner in which DVC Common Expenses are allocated.

8.5.4 The assessment, levy, and collection of Ad Valorem Real Estate Taxes and Supplemental Tax Assessments shall be subject to and assessed, levied, and collected in accordance with all of the provisions of this Article 8. For purposes of this Article 8, any references to assessments shall be deemed to include Ad Valorem Real Estate Taxes and Supplemental Tax Assessment.

8.6 Special Assessments. If the assessments are or will become inadequate to meet all expenses incurred by the Association for any reason, including nonpayment by any Owner of assessments on a current basis, the Association may determine the approximate amount of the inadequacy, prepare and distribute a supplemental budget, and levy against each Owner according to the formula and in the manner used for regular assessments, a special assessment in an amount sufficient to provide for the inadequacy. The special assessment for any purpose other than to restore, repair, or rebuild because of damage or destruction to a Unit, shall not, in the aggregate, exceed five percent (5%) of budgeted gross expenses of the Association for the applicable fiscal year, unless there is a vote or written assent of a majority of Owners other than DVD. A special assessment for the repair, restoration, reconstruction, or rebuilding of a Unit shall not exceed ten percent (10%) of the budgeted gross expenses of the Association for the applicable fiscal year, unless there is a vote or written assent of a majority of Owners other than DVD. The Association may also levy a special assessment against an individual Owner or Owners for the purpose of reimbursing the Association for costs incurred in bringing the Owner or Owners into compliance with the provisions of the Condominium Documents.

8.7 TOT Payment. The Association shall have the obligation and the authority to charge and collect TOT Payments and remit such TOT Payments to the City of Anaheim, all in accordance with the TOT Agreement.

8.8 Payments During Disputes. No Owner may withhold payment of all or any portion of any regular or special assessment or other sums due the Association because of any dispute which may exist between that Owner and another Owner, the Association, the Board, the Management Company, or DVD or among any of them, but rather each Owner must pay all amounts due the Association when due pending resolution of any dispute.

8.9 Notice of Assessment. The Association shall notify the Owners in writing of any increase in the amount of regular or special assessments. The Association shall provide this notice by first-class mail not less than thirty (30) or more than sixty (60) days prior to the due date of the increased assessment.

8.10 Effect of Nonpayment of Amounts Due. Any assessment or other sums due the Association not paid within thirty (30) days after the due date shall be delinquent. If payment of an assessment or other sum due the Association is delinquent, the Association may recover all of the following from the Owner:

8.10.1 Reasonable costs incurred in collecting the delinquent amount, including reasonable attorneys', paralegals, and professional fees and collection agency fees;

8.10.2 An administrative late fee on delinquent accounts in an amount equal to the greater of ten dollars or \$10.00 or ten percent (10%) of each installment of the assessment or other sum that is due for which payment is late;

8.10.3 To the extent permitted by Applicable Law, a non-sufficient funds fee of \$25.00 for payments by check or electronic direct debit returned by the payor's bank or other depository institution; and

8.10.4 Interest on the foregoing sums, including the delinquent assessment or other sum that is due, reasonable fees and cost of collection, and reasonable attorneys' fees, at the highest interest rate permitted by Applicable Law, commencing thirty (30) days after the assessment becomes due until paid.

8.11 Collection: Collection Services. The collection of amounts due the Association against each Owner for Common Expenses, for the costs or expenses for which an individual Owner may be solely responsible pursuant to the terms of the Condominium Documents, for reserves as may from time to time be established by the Association, and for any other sums due the Association are pursuant to the Bylaws of the Association. The Association is authorized to use the services of a collection agency for collection of delinquent accounts. Any costs of collection, including reasonable collection agency fees and reasonable attorneys' fees, incurred in the collection of a delinquent

assessment shall be paid by the Owner and shall be secured by a lien in favor of the Association upon the Unit or Ownership Interest, as applicable, with respect to which the delinquent assessment has been incurred.

8.12 Application of Payments. All payments on accounts will be first applied to interest that has accrued, then to any late charges, then to any collection costs and reasonable attorneys' fees incurred in collection (including any incurred in bankruptcy and probate proceedings), and then to the assessment payment or other sum first due. The Board may increase or decrease the amount of the administrative late fee, interest rate, or non-sufficient funds fee within the limits imposed by Applicable Law. The Board has the right to waive any interest, late fees, or collection costs that accrue or that are incurred as a result of delinquent payment.

8.13 Lien. The Association has a lien against each Unit or Ownership Interest, as applicable, for any unpaid assessments, special assessments, Repair Expenses, or other sum due the Association from the date such amount became due, and for interest and late charges accruing on such unpaid assessments, special assessments, Repair Expense, or other amount due to the Association which lien also secures reasonable attorneys' fees and costs incurred by the Association incident to the collection of such delinquent payment or enforcement of such lien, whether or not legal proceedings are initiated and including those incurred in all bankruptcy and probate proceedings, and all sums advanced and paid by the Association for taxes and payments on account of superior deeds of trust, liens, or encumbrances which may be advanced by the Association in order to preserve and protect its lien. The lien is effective from and after recording a claim of lien in the Public Records of Orange County, California, stating the legal description of the Unit or Ownership Interest, as applicable, the name of the Owner of record, the amount claimed to be due and the due dates. The lien is to continue in effect until all sums secured by the lien have been fully paid or until such time as is otherwise permitted by Applicable Law. Such claims of lien must be signed and verified by an officer of the Association, or by an authorized agent of the Association. Upon full payment, the Person making payment is entitled to a recordable satisfaction of lien, to be prepared by and recorded at such Person's expense. All such liens are subordinate to any deed of trust or mortgage recorded prior to the date of recording the claim of lien. The Association may bring a judicial action in the Association's name to foreclose the lien in the manner a mortgage of real property is foreclosed and may also bring an action to recover a money judgment for the unpaid assessments or Repair Expenses without waiving any claim of lien. As an alternative to initiating a judicial action, the Association may initiate a non-judicial procedure if available under Applicable Law. The Association may also sue to recover a money judgment for unpaid assessments, special assessments, Repair Expenses, or other amounts due the Association without waiving any claim of lien.

8.14 Mortgagee Liability. If a Mortgagee (or its successors or assigns) obtains title to a Unit or an Ownership Interest as a result of the foreclosure of its deed of trust or mortgage, or if such Mortgagee obtains title to a Unit or an Ownership Interest as the result of a conveyance in lieu of foreclosure of such deed of trust or mortgage, the Mortgagee shall be exempt from liability for the Common Expenses or assessments or Repair Expenses chargeable to the Unit or Ownership Interest in the Unit, or the Owner of such Unit or Ownership Interest, which became due prior to the acquisition of title by such Mortgagee, to the extent permitted pursuant to Applicable Law. Any such unpaid Common Expenses, special assessments, Repair Expenses, or other amounts due the Association shall be deemed a Common Expense to be paid in the same manner as other Common Expenses by all of the Owners.

8.15 Personal Liability. Each Owner is personally liable for all assessments and special assessments made against the Unit or Ownership Interest, as applicable, pursuant to the Condominium Documents and Applicable Law. The Association may bring an action for a money judgment against a delinquent Owner to collect such assessments and special assessments as well as all sums due the Association, including interest, late charges, costs and reasonable attorneys' fees. If a Unit is owned by more than one Person such Owners are jointly and severally liable for all assessments and special assessments made against the Unit.

8.16 Partial Redemption. If the Association places a lien against an entire DVC Unit for all or a portion of unpaid amounts for that Unit, the Association may accept a partial payment from a Cotenant in that DVC Unit, which partial payment is deemed to remove the lien as to that Cotenant's Ownership Interest in that DVC Unit. The Association's acceptance of a partial payment does not preclude the Association from enforcing the remaining portion

of the lien against the DVC Unit nor does it preclude the Association from making a special assessment to cover all other unpaid amounts for the DVC Unit.

8.17 Certificate. Within thirty (30) days after receiving a written request from an Owner or an agent designated in writing by the Owner, the Association must provide a certificate, signed by an officer or agent of the Association, such as the Management Company, to the Person requesting the certificate, that states the amount of any assessment, transfer fee, or other moneys currently owed to the Association.

8.18 Audit. An audit of the financial statements of the Association by an independent certified public accountant consisting of the following: (i) a balance sheet as of the end of the fiscal year; (ii) an operating (income) statement for the fiscal year; (iii) a statement of net changes in the financial position for the fiscal year; (iv) for any fiscal year in which the gross income to the Association exceeds Seventy Five Thousand Dollars (\$75,000), a copy of the review of the annual report prepared in accordance with GAAP; and (v) a list of the names, mailing addresses, and telephone numbers of the members of the Board. If this report is not prepared by an independent accountant, it shall be prepared by the Management Company or by an officer of the Association and shall be accompanied by a certificate of the preparer that the statement was prepared without independent audit or review from the books and records of the Association. The annual report shall be made available upon request by an Owners one hundred twenty (120) days after the close of the fiscal year.

8.19 Rights of Association. Nothing contained in this Declaration is to be construed as a modification of any rights or remedies of the Association related to assessments pursuant to Applicable Law, except to the extent that the Condominium Documents allow additional remedies to those expressly set forth in Applicable Law and to the extent that such additional remedies are permitted by Applicable Law.

8.20 DVD's Right of First Refusal; Assignment of Association Liens. For so long as DVD owns an Ownership Interest, DVD shall have a right of first refusal, which right of first refusal is a covenant running with the land, for the purchase from the Association of any lien on any Ownership Interest or of title to any Ownership Interest obtained by the Association through the lien foreclosure process or by acceptance of a deed in lieu of foreclosure in return for the payment by DVD to the Association of the reasonable costs incurred by the Association to foreclose the lien, if any, and any unpaid assessments, Repair Expenses (and interest and late charges accruing on such unpaid assessments or Repair Expenses) and Ad Valorem Real Estate Taxes for such Ownership Interest. Alternatively, at the election of DVD in its discretion, DVD and the Board may agree to other terms and conditions for the assignment of the lien or acquired Ownership Interest. Accordingly, after filing of a lien but in no event later than thirty (30) days after receipt of a certificate of title or acceptance of a deed in lieu of foreclosure, the Association must notify DVD of its filing of the lien or its receipt of a certificate of title or its acceptance of a deed in lieu of foreclosure. Upon receipt of such notice, DVD shall determine whether to exercise its right of first refusal as set forth in this Section. If DVD elects to exercise its right of first refusal, DVD shall notify the Association of such election, and the purchase by DVD shall be closed on or before a closing date reasonably established by DVD. If DVD fails to notify the Association of its election to exercise such right of first refusal within sixty (60) days after its receipt of notice from the Association, the Association may retain or dispose of the lien or title to the Ownership Interest as it determines.

8.21 Management Company Exercise of Rights. The Management Company is authorized to exercise all Association rights as set forth in this Article 8 in the name of or on behalf of the Association.

8.22 Common Surplus. Each Owner owns a share of the Common Surplus attributable to each Unit owned in accordance with Exhibit "D."

8.23 Refunds of Common Surplus. If the Association refunds all or a portion of any Common Surplus to the Owners for any fiscal year in which DVD paid any assessment, such refund will be prorated as of the date of closing of any sale of a Unit or Ownership Interest upon which the sale was closed by DVD during such year, and the prorated amount allocable to the period of time of DVD's ownership will be refunded directly to DVD by the Association. Except as to DVD, on transfer of a Unit or an Ownership Interest, the transferor shall not be entitled to any Common Surplus existing at the time of the transfer, which shall remain with the Association.

9. **THE ASSOCIATION.**

9.1 **Powers and Duties.** The Association is responsible for the operation of the Condominium and must fulfill its functions pursuant to Applicable Law, the provisions of this Declaration, and the provisions of the Articles of Incorporation and the Bylaws. The powers of the Association shall be exercisable by the Board without the vote or approval of the Owners or any Owner, except as required under Applicable Law or the Condominium Documents, but shall be subject to the right of the WDPR to approve such exercise of power where and to the extent provided in the Master Declaration and the Ground Lease and the right of DVD to approve such exercise of power where and to the extent provided in the Ground Lease and the other Condominium Documents.

9.2 **Membership in Association.** Each Owner becomes a member of the Association pursuant to the provisions of the Articles of Incorporation and Bylaws. Each Owner other than DVD is a Class A Member, DVD is the sole Class B Member. Class B membership shall automatically be converted to Class A membership and Class B membership shall thereafter cease to exist when DVD has sold more than eighty percent (80%) of the Ownership Interests in DVC Units in all phases of the Condominium. Each Unit shall be entitled to one (1) vote for every bedroom contained within the Unit. The vote of a Non-DVC Unit must be cast by its Owner or a Voting Representative. For DVC Units, the Cotenants must file a Voting Certificate with the Association, in accordance with the Articles of Incorporation and Bylaws, setting forth which Cotenant is designated as the Voting Representative for that DVC Unit, and only the Voting Representative can vote on behalf of that DVC Unit.

9.3 **Articles of Incorporation.** A copy of the initial Articles of Incorporation are attached as Exhibit "B" and incorporated in this Declaration by this reference.

9.4 **Bylaws.** A copy of the initial Bylaws are attached as Exhibit "C" and incorporated in this Declaration by this reference.

9.5 **Limitation On Liability of Association.** Notwithstanding the duty of the Association to construct, install, maintain, repair, refurbish, preserve, protect, enhance, renovate, replace, reconstruct, relocate, remove, modify, change, add to, or alter portions of the Condominium Property, the Association is not liable to Owners for injury or damage, other than for the costs caused by any latent condition of the property to be maintained and repaired by the Association, or caused by the elements or other Owners or Persons and not timely addressed by the Association.

9.6 **Association Powers On Merger; Operation of Other Condominiums.** If this Condominium is merged with another independent and separate condominium to form a single condominium, the Association is expressly empowered to manage and operate the resulting single condominium as provided for in this Declaration. The Association is also specifically empowered to manage, operate and maintain any other separate and independent condominiums that the Board elects to manage, operate and maintain from time to time in accordance with Applicable Law, this Declaration and the declaration of condominium of such other separate and independent condominium.

9.7 **Restraint on Assignment of Shares and Assets.** Each Owner's share in the funds and assets of the Association cannot be assigned, hypothecated or transferred in any manner except as an appurtenance to the Owner's Unit or Ownership Interest.

9.8 **Administration Powers and Services.** Administration of the Condominium and DVC Plan, construction, installation, maintenance, repair, refurbishment, preservation, protection, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, or alteration of the DVC Units and their respective DVC Furnishings shall be vested in the Association, and may be conducted by the Board without the consent of the Owners, so long as such comply with the terms of the Master Declaration and Ground Lease. The Association acting alone (through the Board, its officers, or other duly authorized representatives) may, subject to the provisions of the Articles of Incorporation, the Bylaws, this Declaration and the Condominium Rules and Regulations, exercise any and all rights and powers under the Condominium Documents and all the rights and powers of a nonprofit mutual-benefit corporation under the laws of the State of California.

9.9 Board of Directors. The Board shall initially consist of appointees of DVD. At the time of the first annual meeting of the Owners, the Owners (including DVD) shall elect, in accordance with the Bylaws, a Board replacing the initial Board. From and after the first election of the Board by the Owners, not less than one (1) of the Directors shall be elected solely by the votes of Owners other than DVD; provided, however, that all such votes shall be cast by the Voting Representatives.

9.10 Inspection and Copying of Association's Books and Records and Properties. The Association or Management Company shall make available for inspection and copying, to any Owner or the Owner's duly appointed representative, the records maintained by the Association, including books of accounts and minutes of all meetings, as required by Applicable Law. Records shall be made available for inspection at the office where the records are maintained during normal business hours. Owners shall provide to the Association a written request that states the purpose for the inspection and copying of the Association's books and records. The purpose must be reasonably related to Owner's membership in the Association. Owners shall also provide a fee prescribed by the Board to defray the costs of reproduction.

9.11 Property Management Agreement. The Association, on behalf of the Owners, is authorized to contract for management of the Condominium and to delegate to such contractor all powers and duties of the Association except such as are specifically required by Applicable Law, the Master Declaration, the Ground Lease, this Declaration, or the other Condominium Documents to have approval of the Board or members of the Association. The initial Property Management Agreement is between the Association and DVCM, as the Management Company. Notwithstanding any provisions contained in this Declaration to the contrary, it is the intent of this Declaration that the Board does not have the power to independently terminate the Property Management Agreement. The Property Management Agreement may only be terminated in accordance with its own terms or by the vote of the Owners in accordance with Applicable Law.

9.12 DVC Plan. The Association, on behalf of the Owners, is authorized to contract for the operation of the DVC Plan and to delegate to such contractor all powers and duties of the Association in this regard. A copy of the initial Membership Agreement, providing for the operation of the DVC Plan, with DVCM is attached as Exhibit "F." Notwithstanding any provisions contained in this Declaration to the contrary, it is the intent of this Declaration that the Board does not have the power to independently terminate the Membership Agreement. The Membership Agreement may only be terminated in accordance with its own terms.

9.13 Possession and Use of Vacation Homes. The Association, on behalf of the Owners, is authorized to arrange for the assignment of the possession and use of Vacation Homes by owners from other resorts, including other DVC Resorts, and the possession and use of accommodations at other resorts by Owners. In this regard and with respect to the DVC Reservation Component, the Association has entered into the DVC Resort Agreement for the Condominium, a copy of the initial version of which is attached as Exhibit "G." Notwithstanding any provisions contained in this Declaration to the contrary, it is the intent of this Declaration that the Board does not have the power to independently terminate the DVC Resort Agreement. The DVC Resort Agreement may only be terminated in accordance with its own terms.

9.14 Board's Authority Respecting DVD Easements and Rights. The Board does not have the authority to grant, modify, terminate, or move any easement or right granted to or reserved by DVD, with respect to this Declaration or the Condominium Property, without the prior approval of DVD.

9.15 Power to Acquire, Convey, Mortgage, Lease, and License Property. The Association has the power, through its Board, to acquire title to and hold, convey or mortgage non-Condominium Property and Condominium Property, including Association Property and Common Areas; provided, however, that the Association first obtains approval of a majority of the voting interests and DVD. The Board shall have the power, and without the approval of Owners, but subject to the approval of DVD, for so long as DVD owns a Unit or an Ownership Interest to (a) lease, license, or obtain easements to non-Condominium Property for the Association as lessee or grantee, (b) lease, license, or grant easements with respect to the Condominium Property, including Association Property and Common Areas, for the Association as lessor or grantor, and (c) enter into agreements to acquire leaseholds, memberships, licenses, and

other possessory or use interests in lands or facilities, including country clubs, golf courses, marinas, and other recreational facilities. All costs associated with the foregoing shall be Common Expenses. The Board shall also have the power to charge Owners a use fee for the use of Common Areas or Association Property, subject to the approval of DVD, for so long as DVD owns a Unit or an Ownership Interest. Neither the Association nor the Board has the power to convey, mortgage or lease any Unit not owned by the Association. In addition, neither the Association nor the Board may convey, mortgage, lease, or license any EUCAs without the approval of the Owners of the Unit to which the EUCA is appurtenant.

9.16 Open Meetings. The Board and the Association shall at all times comply with the Common Interest Development Open Meeting Act.

9.17 Utility Services. The Association, through its Board, will acquire and maintain Utility Services for the Condominium Property; provided, however, that with respect to internet access, data transmission, telephonic communication, media transmission or any other similar uses such acquisition and maintenance shall be subject to the right of DVD to derive any and all revenue from such use by the Association, the Owners, and any other Persons.

9.18 Emergency Powers. The Board, or the Management Company on behalf of the Board, may adopt an emergency plan or issue instructions or restrictions on Persons and property within or with respect to the Condominium Property in the event of an emergency, or impending emergency, or for security or safety reasons. Such emergency plan or instructions or restrictions may include: (i) shutting down or off elevators, security system, air handling systems, or Utility Services; (ii) determining all or any portion of the Condominium Property is unavailable for entry, use, or occupancy by any Persons to protect the health, safety, or welfare of such Persons or protect the Condominium Property, which closure may be on a temporary or extended basis as the Board, or the Management Company, determines in its discretion; (iii) mitigate or prevent damage, including taking action to contract for the removal of debris and to prevent or mitigate the spread of fungus, including mold or mildew, by removing and disposing of wet drywall, insulation, carpet, cabinetry, or other fixtures on or within the Condominium Property; (iv) contract, on behalf of any Owner or Owners, for items or services for which the Owners are otherwise individually responsible, but which are necessary as a result of the emergency or similar situation, in which case the Owner or Owners on whose behalf the Board, or Management Company, has contracted are responsible for reimbursing the Association for the actual costs of the items or services; (v) require the evacuation of all or any portion of the Condominium Property; and (vi) take such other actions as necessary to protect the health, safety, and welfare of Persons or protect the Condominium Property, as the Board, or the Management Company, determines in its discretion. In the event of a required evacuation, Owners, lessees, guests, invitees, licensees, and other Persons on the Condominium Property shall not be entitled to any rebate or compensation for occupancy precluded by such order. Should any Owner, lessees, guests, invitees, licensees, or other Person fail or refuse to evacuate the Condominium Property where the Board, or Management Company, has required evacuation, or otherwise fail to comply with the emergency plan or instructions or restrictions, the Association and the Management Company, and their respective directors, officers, employees, agents, and representatives shall be immune from liability or injury to Persons or property arising from such failure or refusal. Further, neither the Board nor the Management Company shall be liable for any damage, injury, or other losses arising out of an emergency or other similar situation occurring at the Condominium Property, including as a result of an emergency evacuation unless caused by such Person's willful misconduct or gross negligence. The special powers authorized under this Section shall be limited to that time reasonably necessary to protect the health, safety, and welfare of the Association, and the Owners and the Owners' lessees, guests, invitees, licensees, and exchangers and such other Persons who may lawfully be entitled to come on the Condominium Property and shall be reasonably necessary to mitigate further damage and make emergency repairs.

10. INSURANCE. The insurance, other than title insurance, if any, that is to be carried on the Condominium Property will be governed by the following provisions:

10.1 Authority to Purchase; Named Insured.

10.1.1 All insurance policies on the Condominium Property will be purchased by the Association from a fiscally responsible company authorized to do business in the State of California and will have a minimum term of one (1) year.

10.1.2 Except for any insurance acquired for Non-DVC Units, the named insured will be the Association individually and as agent for the Owners, without naming them, and as agent for their respective Mortgagees or other lienholder or owner of any other interest in the Condominium Property. Such policies must provide that payments by the insurer for losses must be made to the Association or the Insurance Trustee, and all policies and endorsements on such policies must be deposited with the Association or the Insurance Trustee. The Board will endeavor to obtain, if reasonably available and where applicable, insurance policies that provide that the insurer waives its rights to subrogation as to any claim against Owners, the Association, or their respective lessees, guests, invitees, licensees and exchangers.

10.1.3 Notwithstanding the certain types of insurance required to be obtained pursuant to this Article, in obtaining insurance the Board may consider such factors as available insurance coverages and related premiums in the marketplace; amounts of any related deductibles, types of exclusions, and coverage limitations; probable maximum loss relating to the insured property during the policy term; the extent to which a given peril is insurable under commercially reasonable terms; amounts of any deferred maintenance or replacement reserves on hand; geography and any special risks associated with the location of the property; and the age and type of construction of the property; provided, however, that in no event will the Association purchase less insurance (in terms of coverage or type) than is required by Applicable Law.

10.2 Mortgagees. Provisions must be made for the issuance of Mortgagee endorsements and memoranda of insurance to the Mortgagees of Owners on request. Such policies must provide that payments by the insurer for losses must be made to the Association or the Insurance Trustee, and all policies and endorsements on such policies must be deposited with the Association or the Insurance Trustee.

10.3 Personal Property of Owners. If desired, Owners may obtain property insurance coverage on their personal property at their own expense and for their own personal liability and living expenses. Such insurance is not the responsibility of the Association. Insurance policies issued to individual Owners shall provide that the coverage afforded by such policies is primary over the amount recoverable under any other policy covering the same property and shall include a waiver of subrogation in favor of the Association.

10.4 Coverage.

10.4.1 Casualty. All improvements on the Condominium Property must be insured in an amount equal to the maximum insurable replacement value (subject to reasonable deductibles), exclusive of foundation and excavation costs and items normally excluded from coverage, as determined by the Board from time to time; provided, however, that the amount of insurance shall not be less than eighty percent (80%) of the full replacement value of the Condominium Property. All Association Property must be insured for its current replacement cost, and all personal property owned by the Association shall be insured for its value, as determined from time to time by the Board. The Condominium Property may be covered by a blanket insurance policy in addition to the Master Declaration Property or Demised Property with respect to any shared facilities, provided that the DVD and the Association, as agent for the Owners and their respective Mortgagees, are named as loss payees as their respective interests may appear.

10.4.1.1 To the extent such coverages are available and reasonably affordable, coverage must include and afford protection against:

- (i) Loss or damage by fire, flood, wind and other hazards normally covered by a standard extended coverage endorsement;
- (ii) Such other risks as from time to time are customarily covered with respect to buildings similar in construction, location and use as the building on the Condominium Property, including all perils

normally covered by the special policy (f/k/a "all risk") where such is available, including vandalism, malicious mischief, sprinkler leakage, sprinkler damage, water and flood damage, and such other coverage, as and to the extent available, that may from time to time be required by law or be deemed by the Board to be necessary, proper, and in the best interests of the Association as a whole;

(iii) The cost of demolition and debris removal; and

(iv) If the Condominium contains a steam boiler, a broad form policy of repair and replacement steam boiler and machinery insurance (or endorsement) in the lesser of (i) the amount of the insurable value of the building housing the boiler, or (ii) two million dollars (\$2,000,000) (or such other amount as the Board deems advisable).

10.4.1.2 Every property insurance policy shall at a minimum provide primary coverage for all portions of the Condominium Property as initially installed or replacements of like kind and quality in accordance with the original plans and specifications or, if the original plans and specifications are not available, as they existed at the time that the first Unit or Ownership Interest is conveyed to an Owner by DVD.

10.4.2 Liability Insurance. The Association will obtain and maintain in full force and effect commercial general liability insurance (including bodily injury, libel, slander, false arrest and invasion of privacy coverage) and property damage insurance with such limits as the Board may from time to time determine, insuring the Association against any liability to the public or the Owners (and their lessees, guests, invitees, licensees and exchangers) arising out of or incident to the ownership, control, existence, operation, management, maintenance or use of the Common Areas, Association Property and any other areas under the control of the Association. All Owners as a class shall be named as additional insureds in the policy issued to the Association, but only for claims and liabilities arising in connection with the ownership, existence, use or management of the Common Areas and Association Property. Except as required in this Declaration, nothing in this Declaration is to be construed to require the Board to obtain such coverage as a condition precedent to the Association conducting business. Upon the agreement of the Board, WDPR may obtain and maintain such insurance for the benefit of the Condominium and in such event the Association shall be made a named insured. The Association's share of the cost of any such insurance shall be a Common Expense. The insurance will cover claims of one or more insured parties against other insured parties and the amount of the insurance will not be less than five hundred thousand dollars (\$500,000) to one million dollars (\$1,000,000) for personal injury and one hundred thousand dollars (\$100,000) for property damage for any single occurrence.

10.4.2.1 Coverage for contractual liability, liability for non-owned and hired automobiles, and, if applicable, bailee's liability, garage keeper's liability, host liquor liability, employer's liability, and such other risks as will customarily be covered with respect to projects similar to the Condominium in construction, location, and use.

10.4.2.2 The waiver by the insurer of its right to subrogation under the policy against any Owner or member of such Owner's household.

10.4.2.3 A cross liability endorsement under which the rights of a named insured under the policy will not be prejudiced with respect to an action against another insured.

10.4.2.4 A "severability of interest" endorsement which will preclude the insurer from denying liability coverage to an Owner because of the negligent acts of the Association or another Owner.

10.4.2.5 A provision or endorsement that no act or omission by an Owner will void the policy or operate as a condition to recovery under the policy by any other Person.

10.4.3 Worker's Compensation. Worker's compensation insurance coverage is to be obtained to the extent necessary to meet the requirements of law.

10.4.4 Fidelity Bond. The Board will obtain and maintain a policy for fidelity insurance or bond for the activities of the Association, payable to the Association that shall be in an amount no less than the sum of the

largest amount of funds expected to be held or controlled by the Association at any time during the year, pursuant to the budget.

10.4.5 Flood Insurance. If the Condominium is located within an area having special flood hazards for which flood insurance has been made available under the National Flood Insurance Program ("**NFIP**"), then the Association will obtain and pay, as a Common Expense, the premiums on a "master" or "blanket" policy of flood insurance on the buildings and any other Condominium Property covered by the required form of policy ("**insurable property**"), in an amount deemed appropriate, but not less than the lesser of: the maximum coverage available under the NFIP for all buildings and other insurable property within any portion of the Condominium located within a designated flood hazard area; or one hundred percent (100%) of current "replacement cost" of all such buildings and other insurable property. Such policy will be in a form that meets the criteria set forth in the most current guidelines on the subject issued by the Federal Insurance Administration.

10.4.6 Business Interruption. If obtainable and economically feasible, the Board may obtain business interruption or loss of use insurance on any or all DVC Units and Vacation Homes. The named insured must be the Association individually and as agent for the Owners, without naming them, and as agent for the Mortgagees as their interests may appear.

10.4.7 Other. Such other insurance may be carried as the Board determines from time to time to be desirable.

10.5 Premiums and Deductibles. Premiums for obtaining and maintaining insurance policies and other expenses in connection with insurance policies purchased by the Association (or prorated shares of the premiums on insurance policies purchased by or on behalf of WDPR to the extent such insurance covers the Condominium or the Association) are a Common Expense. Any insurance policy required under this Article 10 may include reasonable deductibles as determined by the Board (a deductible of 5 percent or less shall be deemed to be reasonable per se). Any deductible required to be paid, if any, on insurance policies purchased by the Association shall be a Common Expense. The Board may cause a reserve account to be established to pay the amount of deductibles, if any, on insurance policies purchased by the Association. In computing the deductible reserve account the Board may use any "expected life" calculation that it deems reasonable.

10.6 Insurance Trustee; Share of Proceeds. All insurance policies purchased by the Association are to be for the benefit of the Association, the Owners, and any Mortgagees as their interests may appear, and must provide that all proceeds covering property losses are to be paid to the Association or, at the election of either (i) the Board or (2) DVD, in its discretion, for so long as DVD owns a Unit or Ownership Interest, to a named Insurance Trustee. The Insurance Trustee is not liable for payment of premiums or for the failure to collect any insurance proceeds. The duty of the Insurance Trustee is to receive such proceeds as are paid and hold the proceeds in trust for the purposes stated in this Declaration for the benefit of the Association, the Owners, and any Mortgagees in the following shares; provided, however, that such shares need not be set forth on the records of the Insurance Trustee:

10.6.1 Proceeds on Account of Damage to Common Areas and EUCAs. Proceeds on account of damage to Common Areas and EUCAs, when such Common Areas or EUCAs are not to be restored, is to be held in undivided shares for each Owner, such share being the same as the undivided share in the Common Areas and EUCAs appurtenant to each Unit or Ownership Interest.

10.6.2 Proceeds on Account of Damage to Units. Proceeds on account of damage to Units shall be held in the following undivided shares:

10.6.2.1 When the Condominium Property is to be Restored. For the Owners of damaged Units in proportion to the cost of correcting the damage, which cost shall be determined by the Board.

10.6.2.2 When the Condominium Property is not to be Restored. An undivided share for each Owner, such share being the same as the undivided share in the Common Areas appurtenant to that Owner's interest in that Unit.

10.6.3 Mortgagees. If a Mortgagee endorsement has been issued, any share for the Owner will be held in trust for the Mortgagee and the Owner as their interests may appear; provided, however, that no Mortgagee has the right to determine or participate in the determination as to whether or not any damaged property is reconstructed or repaired, and no Mortgagee has any right to apply or have applied to the reduction of a mortgage debt any insurance proceeds except distributions of such insurance proceeds made to the Owner and Mortgagee pursuant to the provisions of this Declaration. Notwithstanding the foregoing, the Mortgagee has the right to apply or have applied to the reduction of its mortgage debt any or all sums of insurance proceeds applicable to its mortgaged interest if the damaged property is not reconstructed or repaired as permitted under this Declaration.

10.7 Distribution of Proceeds. Proceeds of insurance policies received by the Insurance Trustee are to be distributed to or for the benefit of the beneficial owners of such proceeds in the following manner:

10.7.1 All expenses of the Insurance Trustee are to be paid first or provisions made for such payment.

10.7.2 If the damage for which the proceeds are paid is to be repaired or reconstructed, the remaining proceeds will be paid to defray the cost of such repair or reconstruction as provided in this Declaration. Any proceeds remaining after defraying such cost will be added to the Association's capital reserve accounts.

10.7.3 If it is determined in the manner provided in this Declaration that the damage for which proceeds are paid will not be reconstructed or repaired, the remaining proceeds are to be distributed to the Owners and Mortgagees; remittances to Owners and their Mortgagees being payable jointly to them. This is a covenant for the benefit of, and may be enforced by, any Mortgagee. In this regard any insurance proceeds resulting from the failure to reconstruct or replace a Unit (or from an eminent domain action as set forth in Section 11.6) will be disbursed to affected Owners for their share of the non-reconstructed or replaced Unit resulting in their withdrawal from participation in the Home Resort Reservation Component and the DVC Reservation Component so that members of the Club will not be attempting to make reservations for available DVC Resort Vacation Homes on a greater than the "one-to-one ratio," as that term is defined in Section 11250 of the Time-Share Act.

10.7.4 In making a distribution to Owners and their Mortgagees, the Insurance Trustee may rely on a certificate of the Association made by its president and secretary as to the names of the Owners and their respective shares of the distribution.

10.8 Association as Agent and Attorney-in-Fact. The Association, through its Board, is irrevocably appointed agent and attorney-in-fact for each Owner, Mortgagee, or other lienholder or owner of any other interest in the Condominium Property for the purposes of purchasing and maintaining insurance under this Article 10, the collection and appropriate disposition of the proceeds of insurance or any condemnation award, the adjustment of all claims, the negotiation of losses and the execution of releases of liability, the execution of all documents, and the performance of all other acts necessary to accomplish such purposes.

11. RECONSTRUCTION, REPLACEMENT, OR REPAIR AFTER CASUALTY OR EMINENT DOMAIN.

11.1 Obligation to Reconstruct or Repair. If any part of the Condominium Property, including any Unit, Vacation Home, Common Area, EUCA, or Association Property, is damaged or destroyed by casualty, then the Association has the obligation to promptly reconstruct, replace, or repair the damaged property to the extent the insurance proceeds cover the cost of the reconstruction, replacement, or repair. If such proceeds are insufficient, the Association has the obligation to impose and collect a special assessment as provided for in Section 11.4. Notwithstanding the foregoing, the damaged Condominium Property will not be reconstructed, replaced, or repaired if either it is determined that the Condominium will be terminated in accordance with Article 19, or such reconstruction, replacement, or repair is prohibited under Applicable Law. The Insurance Trustee may rely on a certificate of the Association made by its president and attested by its secretary as to whether or not the damaged property is to be reconstructed, or repaired.

11.2 Plans and Specifications. Any reconstruction, replacement, or repairs must be in accordance with the provisions of the Master Declaration and the Ground Lease and substantially in accordance with (i) the plans and specifications for the damaged property as originally constituted or (ii) plans and specifications approved by the Board and DVD.

11.3 Estimates of Cost. Promptly after the Association determines the need to reconstruct, replace, or repair damaged property for which the Association has the responsibility of reconstruction, replacement, and repair, the Association must obtain reliable and detailed estimates of the cost to rebuild, replace or repair.

11.4 Assessments. If the amount by which an award of insurance proceeds to the Insurance Trustee is reduced on account of a deductible clause in an insurance policy; if the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction, replacement or repair by the Association; or if at any time during reconstruction, replacement or repair or on completion of reconstruction, replacement, or repair, the funds from insurance for the payment of the costs of reconstruction, replacement, or repair are insufficient, amounts shall be collected from the Owners as part of the next regular assessment or as a special assessments to cover the difference. The assessment amount paid by each Owner will be in proportion to the Owner's respective obligations for Common Expenses.

11.5 Construction Funds. The funds for payment of costs of reconstruction, replacement, and repair after casualty, which consist of proceeds of insurance held by the Association or the Insurance Trustee and funds collected by the Association through assessments against Owners, or funds otherwise obtained by the Association, will be disbursed in payment of such costs in the following manner:

11.5.1 Association. If the total of assessments made by the Association in order to provide funds for the payment of costs of reconstruction, replacement, or repair that are the responsibility of the Association is more than Five Hundred Thousand Dollars (\$500,000.00), then the sums paid on such assessments are to be deposited by the Association with the Insurance Trustee. In all other cases the Management Company, on behalf of the Association, is to hold the sums paid on such assessments and disburse them in payment of the costs of reconstruction, replacement, or repair.

11.5.2 Insurance Trustee. The proceeds of insurance collected on account of casualty, and the sums deposited with the Insurance Trustee by the Association from collections of assessments against Owners on account of such casualty, constitute a construction fund to be disbursed in payment of the costs of reconstruction, replacement, or repair in the following manner and order:

11.5.2.1 Association - Minor Damage. If the amount of the estimated costs of reconstruction, replacement, or repair that is the responsibility of the Association is less than Five Hundred Thousand Dollars (\$500,000.00), then the construction fund is to be disbursed in payment of such costs on the order of the Board; provided, however, that on request by a Mortgagee that is a beneficiary of an insurance policy, the proceeds of which are included in the construction fund, such fund is to be disbursed in the manner provided for the reconstruction, replacement, or repair of major damage.

11.5.2.2 Association - Major Damage. If the amount of the estimated costs of reconstruction, replacement, or repair that are the responsibility of the Association is more than Five Hundred Thousand Dollars (\$500,000.00), then the construction fund is to be applied by the Insurance Trustee to the payment of such costs and paid to, or for the account of, the Association from time to time as the work progresses. The Insurance Trustee must make payments on the written request of the Association for withdrawal of insurance proceeds accompanied by a certificate, dated not more than fifteen (15) days prior to such request, signed by a responsible officer of the Association and by an architect in charge of the work, who is to be selected by the Association. The certificate shall: (i) set forth that the sum then requested either has been paid by the Association or is justly due to contractors, subcontractors, materialmen, architects, or other Persons who have rendered services or furnished materials in connection with the work; (ii) provide a brief description of the services and materials and any amounts paid prior to the request; (iii) state that the sum requested does not exceed the value of the services and material described in the certificate; (iv) state that except for the amount stated in such certificate to be due, there is no

outstanding indebtedness known to the Person signing such certificate after due inquiry, which might become the basis of a vendor's, mechanic's, materialman's or similar lien on such work against the Common Areas or any Unit; and (v) state that the cost, as estimated by the Person signing such certificate of the work, remaining to be done subsequent to the date of such certificate does not exceed the amount of insurance proceeds or other funds remaining in the control of the Insurance Trustee after the payment of the sum so requested.

11.5.2.3 Surplus. The first monies disbursed in payment of costs of reconstruction, replacement, or repair will be from insurance proceeds. If there is a balance in a construction fund after payment of all costs of the reconstruction, replacement, or repair for which the fund is established, such balance is to be deposited into the Association's capital reserve accounts.

11.5.2.4 Insurance Trustee Obligations. Notwithstanding any other provision of this Declaration, the Insurance Trustee is not required to determine any of the following: (i) whether sums paid by the Owners on assessments are deposited by the Association with the Insurance Trustee; (ii) whether the disbursements from the construction fund are to be on the order of the Association or approval of an architect or otherwise; (iii) whether a disbursement is to be made from the construction fund; (iv) the identity of the payee; or (v) the amount to be paid. Instead, the Insurance Trustee may rely on a certificate of the Association made by its president or secretary as to any or all of such matters and stating that the sums to be paid are due and properly payable and stating the name of the payee and the amount to be paid; provided, however, that when a Mortgagee is required in this instrument to be named payee, the Insurance Trustee must also name the Mortgagee as a payee of any distribution of insurance proceeds to an Owner; and further provided, that when the Association, or a Mortgagee that is the beneficiary of an insurance policy whose proceeds are included in the construction fund, so requires, the approval of an architect named by the Association must be first obtained by the Association prior to disbursements in payment of costs of reconstruction, replacement, or repair.

11.6 Eminent Domain. The Association, through its Board, is empowered to defend or settle any action or threatened action with respect to the taking in condemnation of all or any portion of the Common Areas or EUCAs or any Unit or portion of any Unit. Upon obtaining knowledge of such action or threatened action, the Association will notify all affected Mortgagees of record of same.

11.6.1 Common Areas and EUCAs. Any award or settlement made as a result of the taking in condemnation of all or a portion of the Common Areas or EUCAs must be made payable to the Association. The Board is responsible or arranging for the reconstruction, replacement, or repair of the Common Areas or EUCAs and disbursing to the contractors engaged for such purpose, in appropriate progress payments, as much of the proceeds of such award or settlement as is reasonably necessary to effect reconstruction, replacement, or repair. The balance of such proceeds, or all of such proceeds, will be disbursed by the Association in the same manner as insurance proceeds under Section 10.7.

11.6.2 Units. Due to the unique nature of the DVC Plan created with respect to this Condominium, any taking in condemnation which involves a portion of a DVC Unit is deemed a taking of the entire Unit, and any award or settlement must be made on the basis of the taking in condemnation of the entire DVC Unit. Under such circumstances, all interests in any such DVC Unit are deemed conveyed to the governmental or other entity responsible for the taking and the DVC Unit ceases to be part of the Condominium Property. Any award or settlement for the taking in condemnation of a DVC Unit is to be made payable to the Association for the benefit of the Owners of such DVC Unit and any Mortgagees, in proportion to their respective interests in such DVC Unit. Any award or settlement, including any award or settlement received for a temporary taking, is to be disbursed by the Association in the same manner as insurance proceeds under Section 10.7.

12. **CONDOMINIUM PROPERTY RESTRICTIONS**. In recognition of the location of the Condominium Property within the Disneyland® Resort and in recognition of the TWDC Companies as a world leader in providing family travel and leisure experiences, the following restrictions apply to the Condominium Property to provide that the Condominium Property is used in conformity with the Disney Standard and to meet the objective of protecting the safety, enjoyment, and peace of mind of Owners, lessees, guests, invitees, licensees, exchangers, and all other Persons properly on the

Condominium Property. To the extent permitted by Applicable Law, the Association, through the Board or the Management Company, shall have the right to remove, or have removed, from the Condominium Property or refuse or prevent entry onto the Condominium Property, or refuse to accept a reservation or cancel an existing a reservation for occupancy at the Condominium Property, of any Person, including any Person who violates or poses a threat to violate the provisions of this Article 12, whether or not such Person owns a Unit or Ownership Interest or has a confirmed reservation for occupancy of a Unit or a Vacation Home.

12.1 Personal Use.

12.1.1 Each of the Vacation Homes may be occupied only as vacation accommodations. The reservation or use of the Units, Vacation Homes, EUCAs, and Common Areas of the Condominium is limited solely to the personal use of Persons and for recreational uses by corporations and other entities owning Ownership Interests in a Unit.

12.1.2 Except as expressly stated in this Declaration otherwise, use of Units, Vacation Homes, EUCAs, or the Common Areas for commercial purposes or any purposes other than the personal use described in this Declaration is expressly prohibited.

12.1.3 The Association, through the Board or the Management Company, shall be the sole determiner of any use or activity that does not constitute personal use or constitutes commercial use. For example, the Board or Management Company may conclude that an Owner is engaged in a commercial enterprise as a result of a pattern of rental activity of reserved Vacation Homes or frequent occupancy by others of reserved Vacation Homes other than an Owner or the Owner's family; use of regular rental or resale advertising; creating, maintaining, or frequent use of a rental or resale website; repeated or frequent purchase and resale of Ownership Interests whether in the name of an Owner or those related to such Owner or through the use of entities, partnerships, or trusts; or the acquisition of a number of Ownership Interests in excess of the amount of the maximum permitted ownership whether in the name of an Owner or those related to such Owner or through the use of entities, partnerships, or trusts.

12.1.4 The provisions of this Section 12.1 do not apply to DVD, the Management Company or any of the TWDC Companies.

THE CONDOMINIUM IS STRUCTURED TO OPERATE AS A VACATION OWNERSHIP RESORT AND MAY INCLUDE NON-DVC UNITS. OWNERS OF OWNERSHIP INTERESTS DO NOT EXERCISE THE CONTROL OVER THE OPERATION OF THE CONDOMINIUM THROUGH THE ASSOCIATION AS IS NORMALLY FOUND IN RESIDENTIAL CONDOMINIUMS.

12.2 Permitted Commercial Activities. It is expressly contemplated that the portions of the Condominium Property owned, used, or operated by DVD, the Management Company, any of the TWDC Companies, or others with the express written permission of DVD, the Management Company, or any of the TWDC Companies including with respect to portions of the adjacent Master Declaration Property or Demised Property owned or leased by any of the TWDC Companies may be used for Permitted Commercial Activities. Nothing contained within this Declaration is to be deemed to prohibit such Permitted Commercial Activities, including by DVD with respect to any of its sales, marketing, or operations on the Condominium Property, or by the Association or Management Company with respect to its operation, maintenance, or management of the Condominium Property, or to the TWDC Companies.

12.3 Common Areas and EUCAs. The Common Areas and EUCAs may be used only for the purposes for which they are intended as contemplated under the Master Declaration, the Ground Lease, this Declaration, and the other Condominium Documents, including use in the furnishing of services and facilities for the enjoyment of the personal use of the Owners. No portion of the Condominium Property shall be used as storage areas, either on a temporary or permanent basis other than by the Management Company or DVD; provided, however, that the Board, or the Management Company on behalf of the Board, may designate portions of the Condominium Property to be used as storage areas by the Board or Management Company. The provisions of this Section do not apply to DVD, the Management Company, or any of the TWDC Companies.

12.4 Non-Permissible Activities and Persons.

12.4.1 No Person is permitted to engage in any activity on or in connection with, or permit any use of, all or any portion of the Condominium Property, including within a Unit or a Vacation Home, and whether or not such Person is on the Condominium Property, that is a nuisance; is threatening, abusive, vulgar, discriminatory or disturbs or annoys other Persons; threatens to violate or violates another Person's privacy; interferes with the peaceful possession and proper use of all or any portion of the Master Declaration Property, the Demised Property, or the Condominium Property; causes injury or harm, or poses a threat of injury or harm, to any other Person or to all or any portion of the Master Declaration Property, the Demised Property, or the Condominium Property; disturbs the peace or is disruptive; or interferes with, or threatens to interfere with, the operations of all or any portion of the Master Declaration Property, the Demised Property, or the Condominium Property. Further, no threatening, abusive or vulgar actions, including verbal or written communications, by any Person to employees, representatives, or agents of the Association, DVD, DVCM, or any of TWDC Companies is permitted, including with respect to any communications made in connection with reservations for Vacation Homes.

12.4.2 No immoral, improper, offensive or unlawful use may be made of the Condominium Property, and all Applicable Laws must be observed. No Person is permitted to make or permit any use of the Condominium Property that will increase the cost of insurance on the Master Declaration Property, the Demised Property, or the Condominium Property. Possession, sale, or use of any illegal drug or drug paraphernalia on the Condominium Property is prohibited. Inhaling, exhaling, burning, consuming, possessing, or using marijuana or any similar products, in any manner or any form, is prohibited whether or not such use is legalized in the State of California.

12.4.3 No Person is permitted to engage in any activity on or in connection with, or permit any use of, the Condominium Property, including within a Unit or Vacation Home, that is in violation of, or infringes on, any rights, interests or use of any of the brands, trademarks, copyrights, or other intellectual property of any of the TWDC Companies or that damages, disparages, or demeans any of the brands, trademarks, copyrights, or other intellectual property of any of the TWDC Companies.

12.4.4 No Person is permitted to enter onto or remain on the Condominium Property, occupy a Unit or Vacation Home, or make a reservation for occupancy of a Unit or a Vacation Home, whether or not such Person is an Owner or has a confirmed reservation for occupancy of a Unit or Vacation Home, if such Person is prohibited from using the Master Declaration Property; the Demised Property; the Condominium Property; any property under the ownership, lease or control of any of the TWDC Companies; or any property affiliated with the Disney Vacation Club, including as a result of the violation of the Master Declaration, the Ground Lease, this Declaration, and the other Condominium Documents, or is the subject of a trespass or restraining order with respect to the Master Declaration Property; the Demised Property; the Condominium Property; any property under the ownership, lease, or control of any of the TWDC Companies; or any property affiliated with the Disney Vacation Club.

12.4.5 The rights of access and use established with respect to the Master Property, the Demised Property, and the Condominium Property may be subject to security checks and restrictions. The Management Company, including any employed security personnel, have the right to stop and question Persons and to require satisfactory evidence of any such Person's right to be on the Master Property, the Demised Property, or the Condominium Property. Persons not establishing that right to the satisfaction of the Management Company, or any employed security personnel, or who are in violation of any of the provisions of the Master Declaration, the Ground Lease, this Declaration, or the Condominium Documents may be required to leave (even if such person actually has the right to be on such property). Nothing in this paragraph shall be deemed to require the hiring or retention of security personnel.

12.4.6 The Office of Foreign Assets Control ("**OFAC**") prohibits DVD, the Association, the Management Company and any Owner from engaging, directly or indirectly, in transactions with individuals or entities on the Specially Designated Nationals and Blocked Persons list (the "**SDN List**"). OFAC also administers, from time

to time, sanction and embargo programs involving certain countries (the "**Embargoed Countries**"). If at any time an Owner (and the Owner's shareholders, owners, and affiliates if the Owner is an entity) becomes, or is discovered to: (i) be an individual, organization or other entity included on the SDN List or is owned or controlled by, or acting for or on behalf of, an individual, organization, or other entity included on the SDN List; (ii) be a resident or national of any Embargoed Country; (iii) be affiliated with, or gives support to or receives support from, any terrorist, terrorist organization, narcotics trafficker or Person engaged in activities related to the proliferation of weapons of mass destruction; (iv) be an individual, organization or other entity with whom other Owners, DVD, the Association or the Management Company or any affiliates of DVD, the Association or the Management Company are prohibited from transacting business; (v) be out of compliance with any applicable anti-money laundering laws, and the laws and regulations implemented, enforced, or administered by OFAC; (vi) have any employee, director, officer, funding source, or other Person or entity with a controlling interest in an Owner or any of an Owner's affiliates that is on the SDN List; (vii) be directly or indirectly controlled by the government of any Embargoed Country; or (viii) be acting on behalf of an Embargoed Country (collectively, a "**Prohibited Owner**"), a Prohibited Owner shall, immediately and without further action or notice on behalf of DVD, the Association or the Management Company, forfeit any use, voting and other rights attached to the Unit or Ownership Interest owned by the Prohibited Owner until such Prohibited Owner is no longer a Prohibited Owner. During such time that an Owner is a Prohibited Owner or Prohibited Transferee (as defined in this Subsection 12.4.6), the use, voting and other rights attached to the Unit or Ownership Interest owned by the Prohibited Owner shall be held by the Association. Further, no Owner shall transfer or attempt to transfer Owner's Unit or Ownership Interest to any individual, organization or other entity which would be considered a Prohibited Owner under the terms of the Condominium Documents or the DVC Plan (a "**Prohibited Transferee**"). Any such transfer or attempted transfer may subject Owner to fines or other liabilities, and such transaction may be declared null and void. Each Owner agrees to indemnify and hold harmless the Association, DVD, DVC and the TWDC Companies and their employees, agents, officers and directors from any losses incurred by them arising from Owner's transfer or attempted transfer of Owner's Unit or Ownership Interest to any Prohibited Transferee. Each Prohibited Owner and Prohibited Transferee is deemed to waive any claims it may have against the Association, DVD, DVC or any of the TWDC Companies and their employees, agents, officers and directors as a result of the forfeiture of any rights pursuant to this Subsection and will indemnify the Association, DVD, DVC and the TWDC Companies and their employees, agents, officers and directors for any losses incurred by them arising from such Person's status as a Prohibited Owner or Prohibited Transferee.

12.5 No Disturbance or Invasions of Privacy. While on the Condominium Property, no Person is permitted to make or cause to be made any noises, or use musical instruments, radios, televisions, speakers, amplifiers, cameras, phones, recording devices, laser pointers, computers, or other such equipment or technology in a manner that disturbs or invades the privacy of other Persons. It is expressly contemplated that Permitted Commercial Activity may include nighttime hours of operation, uses of equipment or technology, and uses of the Condominium Property, the Master Property, the Demised Land, or property adjacent to or near the Condominium Property that may result in noise, interferences, or light levels in excess of levels typically occurring in areas that include accommodations used as a residence, including fireworks and concerts, and such Permitted Commercial Activity is not prohibited by this Section.

12.6 Condition of Condominium Property. In order to preserve the attractiveness and desirability of the Condominium Property and to integrate its overall appearance with that of the Disneyland® Resort, all parts of the Condominium Property are to be kept in a clean and sanitary condition, and no garbage litter, trash, refuse, waste, or rubbish is permitted to be deposited, dumped, or kept upon the Condominium Property except in closed containers, dumpsters, or other garbage collection facilities suitable for such use and in compliance with all Applicable Law and as permitted by the Board, the Management Company on behalf of the Board, or DVD. All centrally located containers, dumpsters, and other garbage collection facilities shall be screened from view of a casual passersby and shall at all times be kept in a clean condition with no noxious or offensive odors emanating therefrom. Individual waste receptacles located throughout the Condominium Property shall be designed and maintained in conformity with the overall care and maintenance standards set forth in this Declaration and in conformity with the Disney Standard. No fire hazard is allowed to exist. No clothing, towels, bedding, or other similar items may be dried or aired in any outdoor area or hung

over or on balconies, except in areas as designated for that purpose or approved by the Board, the Management Company on behalf of the Board, or DVD.

12.7 No Mining or Drilling. There shall be no mining, quarrying, or drilling for minerals, oil, gas, or otherwise, undertaken within any portion of the Condominium Property. Activities in dredging any lakes; creating, excavating or maintaining the surface water management system, drainage or other facilities or easements; or installing wells, pumps, or sprinkler systems for any portion of the Condominium Property, in compliance with Applicable Law, the Master Declaration, and the Ground Lease shall not be deemed a mining, quarrying or drilling activity as contemplated in this Section.

12.8 Signs. No signs, notices, displays, or advertising may be placed, posted, displayed, maintained, painted, or affixed on any part of the Condominium Property, except: (i) the right is specifically reserved to DVD to place, post, display, maintain, paint, and affix signs, notices, displays, or advertising in connection with the conduct of DVD's or any of the TWDC Companies' business on the Condominium Property, including related to the advertising, solicitation, marketing, rental, or sale of Ownership Interests, Vacation Homes, or other related hospitality, realty, or consumer products and the Permitted Commercial Activities; or (ii) as permitted in writing by the Board from time to time.

12.9 No Aerial or Interference. No exterior aerial, radio or television mast, tower, pole, wire, satellite receiving stations or dish, antenna, or related appurtenances or equipment, shall be erected or maintained on the Condominium Property, without the approval of the Board, the Management Company on behalf of the Board, or DVD. No electrical or electromagnetic signals, machinery, devices, or apparatus of any sort shall be used or maintained on the Condominium Property which causes interference with any television, radio, or other wireless reception received or broadcast on any other portion of the Master Property or Condominium Property except as approved by the Board, the Management Company on behalf of the Board, or DVD.

12.10 No Animals. No animals, household pets, livestock, or poultry of any kind shall be raised, bred or kept on the Condominium Property unless approved by the Board, the Management Company on behalf of the Board, or DVD.

12.11 No Chain-Link Fences. The installation of chain-link fences on the Condominium Property is prohibited, except temporarily in connection with construction work related to the development of the Condominium Property or with the approval of the Board, the Management Company on behalf of the Board, or DVD.

12.12 Prohibited vehicles, toys, transportation devices or similar equipment. No vehicle shall be parked on any part of the Condominium Property, except on areas designed for parking. Trailers, oversized vehicles, commercial vehicles, recreational vehicles, buses, and trucks with more than six (6) wheels (excluding those vehicles owned by DVD or the TWDC Companies) shall not be permitted on the Condominium Property except in temporary or designated parking spaces, if any, and as permitted by the Board, or the Management Company on behalf of the Board, or DVD. No commercial vehicles shall be parked on the Condominium Property, except those present on business for DVD, the TWDC Companies, the Management Company, the Association, or those permitted to engage in Permitted Commercial Activity (and in connection with such Permitted Commercial Activity) or with the approval of Board, the Management Company on behalf of the Board, or DVD. No inoperative automobiles, trucks, trailers, or other types of vehicles shall be allowed to remain on or adjacent to any portion of the Condominium Property for a period in excess of forty-eight (48) hours without the prior written approval of DVD, the Board, or the Management Company on behalf of the Board. Nothing contained in this Section shall prohibit the entry or parking of trailers, mobile homes, or other temporary structures to be used as field construction offices by contractors in connection with construction, installation, operation, management, maintenance, repair, refurbishment, preservation, protection, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, or alteration of the Condominium Property as permitted under the Master Declaration, the Ground Lease, this Declaration, and the other Condominium Documents. No bicycles, hoverboards, skateboards, motorized riding toys, motorized personal vehicles, pocket bikes, scooters, personal transportation devices, or similar vehicles, toys, devices, or equipment may be used on the Condominium Property except in such areas and under such conditions, if any, designated by the Board, the

Management Company on behalf of the Board, or DVD for this purpose, or with the approval of the Board, the Management Company on behalf of the Board, or DVD, or unless such is classified as a device used for medical purposes.

12.13 No Private Watercraft. No private watercraft of any kind may be used, stored, or brought onto the Condominium Property by any Person except in such areas and under such conditions, if any, designated by the Board, or the Management Company, for such purposes, or with the approval of the Board, the Management Company on behalf of the Board, or DVD.

12.14 No Remote Controlled Devices or Drones. No remote controlled devices such as helicopters, airplanes, boats, cars, unmanned aerial vehicles, unmanned aircraft systems, drones, or similar machinery, aircraft, or equipment is permitted to be maintained or used on the Condominium Property except in such areas and under such conditions, if any, designated by the Board, the Management Company on behalf of the Board, or DVD for such purposes, or with the approval of the Board, the Management Company on behalf of the Board, or DVD.

12.15 Construction; Accessory Structures. It is expressly contemplated that the construction, installation, operation, management, maintenance, repair, refurbishment, preservation, protection, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, or alteration of the Condominium Property may result in noise or light levels in excess of levels typically occurring in areas consisting solely of accommodations that are used as a residence and may result in an obstruction of views. Nothing contained within this Declaration is to be deemed to prohibit such activities. No tent, shack, garage, trailer, barn, or other temporary or accessory structures shall at any time be erected and used temporarily or permanently as a residence or for any other purpose, except as approved by Board, the Management Company on behalf of the Board, or DVD; provided, however, that temporary structures, mobile homes, or field construction offices may be used by contractors in connection with construction work for the construction, installation, operation, management, maintenance, repair, refurbishment, preservation, protection, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, or alteration of the Condominium Property with the approval of the Board, the Management Company on behalf of the Board, or DVD. Other temporary or accessory structures may be used during time of emergency with the approval of the Board, the Management Company on behalf of the Board, or DVD.

12.16 Hazardous Materials and Waste. There shall be no possession, storage, use, or handling of any hazardous materials on the Condominium Property, except in compliance with Applicable Law. To the extent that any hazardous waste is generated on or at the Condominium Property during the term of this Declaration, whether as a result of ongoing business or recreational activities or as a result of cleanup or remedial activities, it shall be the sole obligation of the Person handling or generating the hazardous waste to comply with Applicable Law relating to the generation, collection, and offsite disposition of any such hazardous waste.

12.17 No Solicitation. No solicitation of any kind, whether commercial, religious, educational, or otherwise, shall be conducted anywhere on the Condominium Property except in connection with Permitted Commercial Activity or with the approval of the Board, the Management Company on behalf of the Board, or DVD. This restriction on solicitation shall not apply to DVD or its designees (including any of the TWDC Companies), and DVD or its designees may make such use of the Condominium Property as DVD determines and as may facilitate the advertising, solicitation, marketing, rental or sale of Units or Ownership Interests in the Units or other DVC Resorts or other products by DVD or its designees, including showing of the property and the display of signs and other promotional devices.

12.18 Decoration of Units or Vacation Homes. No Owner may alter the DVC Furnishings or décor of any Unit or any Vacation Home without the prior written consent of the Board, except for Owners of Non-DVC Units as to those Non-DVC Units. DVD shall only be responsible for declaring a DVC Unit to the DVC Plan with the DVC Furnishing or décor within a Unit, or any Vacation Home within that Unit, as represented to the purchasers of Ownership Interests in that DVC Unit. After the recording of the first deed of an Ownership Interest in a DVC Unit, the Board shall have the obligation and the authority to determine the interior color scheme, décor, and DVC Furnishings of the DVC Unit, and each Vacation Home within that DVC Unit, as well as the proper time for redecorating and renovating such DVC Unit, Vacation Home and their contents, and DVD shall have no further obligations in this regard. This authority shall include

the right to install, maintain, repair, refurbish, preserve, protect, enhance, renovate, replace, reconstruct, relocate, remove, modify, change, add to, or alter any DVC Furnishings or decor in a DVC Unit and any Vacation Home without the approval of any Owner; provided, however, that no such change shall be made without the approval of DVD so long as it owns an Ownership Interest in such DVC Unit. Except for Owners of Non-DVC Units, and as to the interiors of those Non-DVC Units only, no Owner, or Owner's lessee, guest, invitee, licensee, or exchanger shall paint or otherwise decorate or change the appearance of any part of the Condominium Property nor shall any Owner or Owner's lessee, guest, invitee, licensee, or exchanger conduct any construction, installation, operation, management, maintenance, repair, refurbishment, preservation, protection, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, or alteration of the Condominium Property.

12.19 No Domiciliary Intent. No Person may enter, stay, or dwell on or about the Condominium Property with the intent or desire to be or become legally domiciled in the State of California or any political subdivision of the State of California, or merely as a result of such entrance onto or occupation of the Condominium Property, and all such Persons waive, release, and remise any such intent or desire. No Person may enter, stay, or dwell on or about a Unit or Vacation Home with the intent that the Unit or Vacation Home be or become that Person's principal dwelling, and such Person shall maintain a principal dwelling at all times at a location other than within the confines of the Condominium Property.

12.20 No Use When Not in Residence. No Owner of an Ownership Interest, or lessee, guest, invitee, licensee, or exchanger of such Owner, other than DVD, may access the Condominium Property when such Owner or lessee, guest, invitee, licensee, or exchanger is not in permitted occupancy of a Vacation Home during a properly reserved use period pursuant to the rules of the DVC Plan; provided, however, that, the Board, or the Management Company on behalf of the Board, may establish rules for limited access and use by Owners, lessees, guests, invitees, licensees or exchangers not in occupancy from time to time in the Condominium Rules and Regulations, subject to the approval of DVD.

12.21 No Smoking. Smoking is prohibited in all parts of the Condominium Property, including in Units and Vacation Homes, except in areas where smoking is permissible as designated by the Board and with the approval of DVD, in its discretion. For purposes of this provision, "smoking" includes the burning of cigarettes, pipe tobacco, cigars or any similar tobacco-based or smoke-producing substances.

12.22 Inspection. Notwithstanding the use of a sign on the door of a Unit or Vacation Home that it is occupied or a request to forgo housekeeping services or any other request not to be disturbed that is made by the occupant of the Unit or Vacation Home or other Person, the Association, the Management Company, and each of their respective employees, agents, or designees ("**Authorized Persons**") shall have the right to enter the Unit or Vacation Home for any purpose, including for the purpose of cleaning, housekeeping service, maintenance, repair including emergency repairs, abating a nuisance or a known or suspected dangerous or unlawful activity, conducting a visual inspection of the Unit or Vacation Home, or checking on the safety and security of occupants, other Persons, and property. An Authorized Person will give reasonable notice prior to entry by knocking and announcing the intent to enter the Unit or Vacation Home. Such entry shall not be deemed a trespass or make the Association, the Management Company, or any Authorized Person liable in any way to any Person for any damages on account of such entry or for any abatement, removal, reconstruction, repair, or remedy that is performed.

12.23 Owner Responsibility. Owners are responsible for the conduct of, and for any violations of this Declaration or the Condominium Documents by, any and all of their lessees, guests, invitees, and licensees, including family members or relatives.

12.24 Condominium Rules and Regulations. In addition to the provisions of this Declaration, rules and regulations concerning the use of Condominium Property may be promulgated and amended from time to time by a vote or written assent of at least a majority of the Board, in the manner provided for by the Bylaws. A copy of the initial Condominium Rules and Regulations are attached as Exhibit "E."

12.25 Enforcement. In addition to the rights and remedies available pursuant to other provisions of this Declaration, this Article 12 may be enforced by the Association, through the Board or the Management Company, as each may determine in their discretion, including a temporary or permanent ban from coming on to the Condominium Property or removal from the Condominium Property, and including the exercise of all remedies available.

13. **DVC PLAN AND OTHER PLANS**

13.1 Description of the DVC Plan. Membership in the Disney Vacation Club is an appurtenance to each Ownership Interest as set forth in Section 6.4, and governs the assignment and use of such Ownership Interest. DVCM and BVTC, respectively, have been engaged by the Association to administer the assignment and use of all Ownership Interests through a central reservation system consisting of the Home Resort Reservation Component (administered by DVCM), as set forth in the Membership Agreement, and the DVC Reservation Component (administered by BVTC), as set forth in the DVC Resort Agreement.

13.1.1 The DVC Plan and the Home Resort Reservation Component. Notwithstanding the specific DVC Unit in which an Owner owns an Ownership Interest, it is the express intent of this Declaration, which intent is consented to by each Owner through acceptance of ownership of an Ownership Interest, that, except for Fixed Ownership Interests, all Units committed to the DVC Plan will be available for use by all Owners of Ownership Interests in DVC Units committed to the DVC Plan at all times on a first come, first served reservation basis, through the Home Resort Reservation Component, subject to priority rights established in the Membership Agreement, and subject to the terms, conditions, and limitations of this Declaration and the Membership Agreement, a copy of the initial version of which is attached as Exhibit "F."

13.1.1.1 Operation of DVC Plan. In this regard, the Association has entered into the Membership Agreement with DVCM pursuant to which the Association has delegated all of its responsibilities and obligations for operating the DVC Plan to DVCM. Under this authority, DVCM has established the reservation rules and regulations governing the DVC Plan and the Home Resort Reservation Component as set forth in the Membership Agreement. DVCM has the right to amend the terms and conditions of the Membership Agreement from time to time as set forth in the Membership Agreement. Owners, their lessees, guests, invitees, licensees or exchangers do not receive, by virtue of the ownership of an Ownership Interest, any special access or entry rights to any attraction or recreational facility located within the Disneyland® Resort or any other attraction or recreational facilities owned or operated by the TWDC Companies, other than to those recreational facilities made a part of this Condominium, if any.

13.1.1.2 DVD's Reserved Right to Sell Fixed Ownership Interests. Notwithstanding the first-come, first-served nature of the reservation system for the DVC Plan, DVD may, and reserves the right to, sell Fixed Ownership Interests and Special Event Rights that provide Owners with such Fixed Ownership Interests with the guaranteed right to use a specific type of Vacation Home (for example a "Studio") during a specific time period (for example, the week that includes Christmas day). Reservations for Fixed Ownership Interests are confirmed automatically on a priority basis. This is an exception to the first-come, first-served reservation basis of the DVC Plan, and may adversely affect the ability of other Owners who are members of the DVC Plan to make reservations for Vacation Homes in the DVC Plan during high demand seasons. However, DVD will not sell Fixed Ownership Interests that include more than thirty-five percent (35%) of any specific day for any specific Vacation Home Type in the DVC Plan. This means, for example, that Christmas day will be available for reservations on a first-come, first served basis in at least sixty-five percent (65%) of the "Studio" Vacation Homes. Notwithstanding the ownership of a Special Event Right, Owners are not guaranteed that any special event will be held in any calendar year. Owners should not purchase a Fixed Ownership Interest with a Special Event Right in reliance on the continued occurrence of the special event.

13.1.1.3 Termination of Membership Agreement. If the Membership Agreement is terminated, the Association has the authority to establish reservation rules and regulations for the operation of the DVC Plan, which may or may not be identical to the reservation procedures set forth in the Membership Agreement, by which use of the DVC Units and Vacation Homes among all of the Cotenants is determined; provided, however, that any such reservation rules and regulations must allow for the continued automatic reservations for Fixed Ownership Interest on a priority basis in the same manner as the reservation rules and regulations established by DVCM governing

the DVC Plan and the Home Resort Reservation Component as set forth in the Membership Agreement. In addition, if the Membership Agreement terminates, irrespective of whether the termination is voluntary or involuntary and irrespective of the cause of such termination, the Association and all Owners must cease using and thereafter abstain from using all personal property belonging to or used by DVCM, including all personal property relating to the operation of the Home Resort Reservation Component, and return same to DVCM within fifteen (15) days after the date of termination.

13.1.1.4 Term of DVC Plan. The term of the DVC Plan at the Condominium is the term of this Condominium, and the DVC Plan at the Condominium automatically terminates upon the termination of the Condominium. If the term of the Condominium is extended in accordance with Section 19.2, the term of the DVC Plan will also automatically be extended for the additional term, unless the Condominium is sooner terminated in accordance with this Declaration.

13.1.2 DVC Reservation Component.

13.1.2.1 This Condominium is a DVC Resort entitling eligible Owners of Ownership Interests in Units committed to the DVC Plan to participate in the DVC Reservation Component subject to the terms, conditions, and limitations of the DVC Resort Agreement, a copy of the initial version of which is attached as Exhibit "G." BVTC has the right to change the terms, conditions, and limitations of the DVC Resort Agreement from time to time as set forth in the DVC Resort Agreement. Under the terms of the DVC Resort Agreement, eligible owners at a particular DVC Resort will be able to access the DVC Reservation Component and use DVC Vacation Points to reserve the use of Vacation Homes and accommodations at other DVC Resorts on a first come, first served basis along with the other eligible Owners who are members of the Club, subject to the priority rights (through the Home Resort Reservation Component) of the Owners with Home Resort Priority Period rights and of Owners of Fixed Ownership Interests, if any. An Owner has the right to make a reservation for the use of a Vacation Home through the Home Resort Reservation Component using Home Resort Vacation Points during the Home Resort Priority Period without owners at other DVC Resorts being permitted to make a reservation for a Vacation Home. The length of the Home Resort Priority Period for the Condominium is determined by DVCM and is set forth in the Membership Agreement; provided, however, that, subject to the provisions of Sub-Subsection 13.1.2.2, in no event can DVCM set a Home Resort Priority Period of less than one (1) month prior to the period during which the owners at the other DVC Resorts have the right to make a reservation for the use of Vacation Homes in the Condominium.

13.1.2.2 An eligible Owner will be able to reserve the use of accommodations at other DVC Resorts on the same first come, first served basis subject to the Home Resort Priority Period and other priority restrictions in favor of the owners in those DVC Resorts, although such priority restrictions may be of different durations for each DVC Resort. DVCM shall have the right to modify the Home Resort Priority Period for a new DVC Resort, including the Condominium, during the initial year of opening of such new DVC Resort. DVCM reserves the right to modify the Home Resort Priority Period for the new DVC Resort to give greater priority ("**Opening Priority Period**") for reservations for, and access to, Vacation Homes at such new DVC Resort to members of the Club with Home Resort Priority at the new DVC Resort. The Opening Priority Period may vary for each new DVC Resort. DVCM, in its discretion, will determine how long the Opening Priority Period will be for members of the Club with Home Resort Priority as well as for members of the Club who own at other DVC Resorts.

13.1.2.3 This Condominium's participation in the DVC Reservation Component will continue until the expiration or earlier termination of the Condominium, unless sooner terminated in accordance with the terms and conditions of the DVC Resort Agreement. If the term of this Condominium is extended pursuant to Section 19.2, the Condominium's participation in the DVC Reservation Component will automatically be extended for the additional term, unless sooner terminated in accordance with the terms and conditions of this Declaration or the DVC Resort Agreement.

13.1.3 Non-Direct Purchases. In addition to any other reserved right, DVD reserves the right, as set forth in the Membership Agreement and the DVC Resort Agreement, to prohibit or limit Persons who do not purchase an Ownership Interest directly from DVD, or from a seller approved by DVD in its discretion, from participating

in other aspects of DVC Plan membership or benefits, including prohibiting or limiting access to other DVC Resorts through the DVC Reservation Component or restricting, limiting, or changing certain Home Resort Reservation Component or DVC Reservation Component reservation features.

13.2 Right of Occupancy - Holdover Owners. If any Owner, lessee, guest, invitee, licensee, or exchanger fails to vacate a Vacation Home at the expiration of any reserved use period, as may be required by the rules and regulations governing occupancy of the Vacation Home or as otherwise established by the Management Company, such Person is deemed a "holdover owner," or, to the extent permitted by law and at the election of the Association or Management Company, such Person shall be deemed not to be using an Ownership Interest but rather be deemed a "trespasser," in which case the Association or Management Company shall be entitled to exercise the remedies available to it under Applicable Law and this Declaration. The Association will take such steps as may be necessary to remove such holdover owner from the Vacation Home, and assist the holder of any subsequent reserved use period who may be affected by the holdover owner's failure to vacate, in finding alternate accommodations during such holdover period.

13.2.1 Alternative Accommodations. In addition to such other remedies as may be available to it, the Association has the right to secure, at its expense, alternate accommodations for any holder of a subsequent reserved use period who may not occupy the Vacation Home due to any holdover owner's failure to vacate. When available, and commercially practicable, such accommodations must be as near in value as possible to the Vacation Home reserved. The holdover owner will be charged for the cost of such alternate accommodations, any other costs incurred due to the holdover owner's failure to vacate, and an administrative fee of One Hundred Dollars (\$100.00) per day during this period of holding over. If it is necessary that the Association contract for a period greater than the actual period of holding over in order to secure alternate accommodations as set forth in this Subsection 13.2.1, the entire period is the responsibility of the holdover owner; provided, however, that the One Hundred Dollars (\$100.00) per day administrative fee ceases on the date that the holdover owner actually vacates.

13.2.2 Association's Rights. The foregoing provisions do not abridge the Association's right to take such other action against a holdover owner as is permitted by California law including eviction proceedings or self-help remedies. Further, the foregoing provisions do not limit the Association's right to take any action permitted by California law against trespassers who are not Owners.

13.3 Interruption of Use. During any construction, installation, maintenance, repair, refurbishment, preservation, protection, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, or alteration period, including as a result of an eminent domain action or casualty or the exercise of emergency powers by the Board pursuant to Section 9.18, Owners may temporarily attempt to make reservations for available Vacation Homes under the DVC Plan on a greater than "one-to-one ratio," as that term is defined in Section 11250 of the Time-Share Act. In no event is the interruption of use to be deemed to relieve affected Owners from any obligation to pay assessments or other sums due under this Declaration or from any obligation to make payments due to a Mortgagee. If the Association has acquired business interruption insurance as contemplated under Subsection 10.4.6, such insurance proceeds may be used, at the Board's election, to secure replacement accommodations or related facilities for Owner use during any such period. If the Association has not acquired business interruption insurance, the Board has the right, but not the obligation, to secure, at the Association's expense, alternate accommodations or related facilities for Owner use during any such period. Should the Board determine to use Association funds to acquire alternate accommodations or related facilities, increases in regular assessments or special assessment may be made against all Owners in sufficient amounts to provide funds for the payment of such costs, in proportion to the Owners' respective obligations for Common Expenses.

14. TIMESHARE PLANS, FRACTIONAL PLANS, OTHER PLANS, AND WHOLE UNITS. Except for the DVC Plan, no timeshare plans, fractional plans, exchange programs, short-term or long-term vacation products, hospitality products, vacation rentals or vacation rental plans, or travel or vacation clubs, including any such products using a trust, corporation, cooperative, limited liability company, partnership, equity plan, non-equity plan, membership program, contractual, internet program, or any other similar programs, structures, schemes, devices, or plans of any kind ("**Other Plan**") shall be created, established, operated, marketed, sold, advertised, or maintained with respect to

the Condominium Property or any of the Ownership Interests. No Person shall use the Condominium Property or acquire or use an Ownership Interest in connection with, or inclusion or incorporation in, any Other Plan. The provisions of this Article 14 shall not apply to DVD or any Person who has the prior written authorization from DVD, which authorization may be given or withheld in DVD's discretion, and which authorization shall be evidenced by a written instrument executed by DVD, recorded in the Public Records of Orange County, California, and containing a reference to this Article. Additionally, DVD reserves the right to declare Non-DVC Units to the Condominium without committing such Units to the DVC Plan and to sell such Non-DVC Units as whole units or commit such Non-DVC Units to an Other Plan as it determines in its discretion. Further, DVD reserves the right to include its unsold Ownership Interests, and to allow other Owners of Ownership Interests, to subject such Ownership Interests to an Other Plan, in its discretion, and such reserved right shall not be deemed to obligate DVD to do so.

15. **ALIENABILITY OF UNITS OR OWNERSHIP INTERESTS.**

15.1 **No Alienability Restrictions; DVD's Right of First Refusal to Acquire; Payment of Amounts Owed.**

15.1.1 **Association Approval Not Required.** Except with respect to Subsection 15.1.3, the right of Owners to sell, transfer, assign, or hypothecate their Unit or Ownership Interest is not subject to the approval of the Association.

15.1.2 **DVD Right of First Refusal.** If an Owner desires to sell, transfer, assign or hypothecate that Owner's Unit or Ownership Interest, DVD has the right of first refusal to acquire the Unit or Ownership Interest in the Unit under the same terms and conditions as are offered to or by a bona fide third party, including financing, and in accordance with the following:

15.1.2.1 Owners desiring to transfer their Unit or Ownership Interest must notify DVD in writing no less than thirty (30) days in advance of the proposed transfer date of their intent to transfer and must include a copy of the proposed transaction reduced to writing in all respects. Such notice shall include the full terms and conditions of the transfer, and the full name and primary address of the prospective true transferee (as distinguished from agents and intermediaries). Such notice of intent to sell shall be sent to DVD for verification at to the attention of Membership Administration, at 1936 Broadway, Franklin Square, 2nd Floor, Lake Buena Vista, Florida 32830, or such other department or address as may be designated by DVD for this purpose from time to time.

15.1.2.2 After receipt of such written notice, DVD may determine prior to the proposed transfer date whether to exercise its right of first refusal set forth in this Subsection 15.1.2. If DVD elects to exercise its right of first refusal, DVD must notify the Owner in writing of such election, and the transfer to DVD must be completed on or before the proposed transfer date.

15.1.2.3 If DVD fails to notify the Owner of its election to exercise its right of first refusal prior to the proposed transfer date, then the Owner may proceed to complete the transfer with such bona fide third party on terms or conditions substantially similar to terms or conditions that were offered to DVD in the notice, including at a price not lower than offered to DVD, if applicable. Should, however, such transfer to a third party not be properly consummated within four (4) months after the date the notice is transmitted to DVD, the terms and limitations of this Section 14.1.2 shall again be imposed on any transfer by the Owner.

15.1.2.4 The provisions of this Subsection 15.1.2 shall not apply to transfers under powers contained in mortgages and similar instruments or to transfers upon the death of an Owner, a divorce decree, a gift or bequest of an Ownership Interest from an Owner to the Owner's spouse or descendants, to the trustee of a trust or other entity established primarily for the benefit of the Owner or the Owner's spouse or descendants, or to the Owner's legal guardian, but the provisions of this Subsection 15.1.2 shall apply to any further assignment (whether voluntarily, by operation of law, at judicial sale, or otherwise) by such Owner's spouse, other heirs or devisees, such trustees, or such guardian to the same extent that such provisions would have applied to the Owner.

15.1.2.5 DVD may impose an administrative charge in connection with the waiver or processing of this right of first refusal.

15.1.2.6 In all events, DVD's right of first refusal, as set forth in this Subsection 15.1.2, are covenants running with the land and shall be binding upon any successor in title to any Owner. Furthermore, subject to the Condominium Documents, membership in the Disney Vacation Club is always a requirement of any successor in title to an Owner and is an appurtenance to each Condominium Parcel.

15.1.3 Payments of Amounts Owed. **ANY TRANSFER FROM AN OWNER TO ANY THIRD PARTY IS DEEMED TO CONTAIN A PROVISION REQUIRING THAT ANY ASSESSMENTS OR OTHER SUMS DUE TO THE ASSOCIATION MUST BE PAID IN FULL AS A CONDITION OF CLOSING OF THE TRANSFER.** The Owner or third party transferee must pay any outstanding assessments or other sums due to the Association prior to or as part of the transfer of a Unit or Ownership Interest. The Association is not required to accept any transfer and change the ownership of a Unit or Ownership Interest on its books and records until all such outstanding assessments or other sums due to the Association are paid.

15.2 Leasing and Rental Restrictions.

15.2.1 Association Approval Not Required. Except with respect to the provisions of Subsection 15.2.2 and Subsection 15.2.3, the right of Owners to lease or rent their Unit or Ownership Interest is not subject to the approval of the Association.

15.2.2 Compliance With Documents. All leasing or rental agreements relating to the use, occupancy and possession of any Unit or Vacation Home must be in writing and must set forth an acknowledgment and consent on the part of the lessee-sublessee-tenant to use, occupy and possess such Vacation Home in conformance and compliance with the provisions of the Master Declaration, the Ground Lease, this Declaration, and the other Condominium Documents. If an Owner fails to secure a written lease or rental agreement, the Association has the right to require the lessee-sublessee-tenant, prior to the lessee-sublessee-tenant's use, occupancy or possession of any Vacation Home, to execute an acknowledgment to use and occupy the rental or leased Vacation Home in conformance with the Master Declaration, the Ground Lease, this Declaration, and the other Condominium Documents. If the lessee-sublessee-tenant or guests, lessees, licensees and invitees of such lessee-sublessee-tenant do not comply with the provisions of the Master Declaration, the Ground Lease, this Declaration, and the other Condominium Documents, the Association or DVCM acting on behalf of the Association, may terminate the lease or rental agreement and require lessee-sublessee-tenant or guests, lessees, licensees and invitees of such lessee-sublessee-tenant to vacate the Condominium Property without any liability to any rebate or compensate for precluding the occupancy and use of the Condominium Property.

15.2.3 Payments of Amounts Owed. **ANY LEASE OR RENTAL AGREEMENT IS DEEMED TO CONTAIN A PROVISION REQUIRING THAT ANY ASSESSMENTS OR OTHER SUMS DUE TO THE ASSOCIATION MUST BE DEDUCTED FROM THE GROSS RENTALS AND PAID DIRECTLY TO THE ASSOCIATION.** The Owner must pay any outstanding assessments or other sums due to the Association out of any gross rentals in connection with the lease or rental of a Unit or Ownership Interest.

15.3 Approval of the Management Company. The Management Company has the right to create such reservation approval restrictions as it deems necessary from time to time, and compliance with such restrictions is required before and during possession and occupancy of a Vacation Home.

16. **RIGHTS OF DVD.** Notwithstanding anything in this Declaration to the contrary, and in addition to any other rights which may be reserved to DVD in this Declaration, DVD has the following rights:

16.1 Alteration of Vacation Home Boundaries and Dimensions. DVD reserves the right to change the interior design and arrangement of any DVC Unit or any Vacation Home, so long as DVD owns the entire DVC Unit so changed and altered, and any Non-DVC Unit. Such a change or alteration for the purpose of altering the interior design or arrangement of a Unit or any Vacation Home may be approved only by DVD and need not be approved by the Association or other Owners, whether or not elsewhere required for an amendment, except that no change may be made by DVD which would conflict with the provisions of California law.

16.2 Sharing of Common Areas. DVD also reserves the right to unilaterally amend this Declaration to provide for the sharing of any portion of Common Areas with the owners of interests in other properties located adjacent to or in near proximity to this Condominium, including the granting of any ingress and egress easements necessary to effectuate same.

16.3 Transient Rental Activity. Notwithstanding anything contained in this Declaration to the contrary (including the use restrictions set forth in Article 12), DVD intends and expressly reserves the right, and the right of any TWDC Company, to operate or permit transient rental activity, including the operation of a nightly rental program or hotel, with respect to Ownership Interests, Vacation Points, or Non-DVC Units owned or otherwise possessed or controlled by DVD or any TWDC Company.

17. COMPLIANCE AND DEFAULT.

17.1 Compliance and Default. Each Owner is governed by and must comply with the terms of the Master Declaration, the Ground Lease, this Declaration, and the other Condominium Documents. Failure of an Owner to comply with the provisions of the Master Declaration, the Ground Lease, this Declaration, and the other Condominium Documents entitles the Association or other Owners to pursue any and all legal and equitable remedies for the enforcement of such provisions, an action for damages, an action for injunctive relief, an action for declaratory judgment, or, with respect to DVC Units, suspension of the right of an Owner to access the benefits of the use of such Owner's Ownership Interest as contemplated under the Master Declaration, the Ground Lease, this Declaration, and the other Condominium Documents, including prohibiting the reservation or use of Units or Vacation Homes. All provisions of the Master Declaration, the Ground Lease, this Declaration, and the other Condominium Documents are enforceable equitable servitudes and run with the land and are effective until the Condominium is terminated.

17.2 Forfeiture; Suspension; and Penalties.

17.2.1 Forfeiture. The Association shall not be authorized to cause the absolute forfeiture of an Owner's right, title, or interest in a Unit or an Ownership Interest on account of the Owner's failure to comply with provisions of this Declaration or the rules and regulations for the Condominium except pursuant to either the judgment of a court as provided in this Declaration or a foreclosure or sale under a power of sale for the failure of an Owner to pay assessments duly levied by the Association.

17.2.2 Suspension. The Board, or the Management Company acting on behalf of the Board, may suspend the right to the occupancy of a Vacation Home, and all related rights and privileges as an Owner of an Ownership Interest, during the period of time that the Owner of the Ownership Interest is delinquent in the payment of regular or special assessments or other charges duly levied by the Association. The Owner shall be given written notice of the suspension these rights and privileges immediately after the decision to suspend has been made.

17.2.3 Penalties. The Association may impose a monetary penalty to suspend the right to use a DVC Unit or other facility that is part of the DVC Plan or to take other disciplinary action that is appropriate against the Owner of an Ownership Interest, short of the forfeiture of the Owner's right, title, and interest in the Ownership Interest, for violations of the provisions of this Declaration and of the rules and regulations for operation of the DVC Plan at the Condominium by the Owner or the Owner's lessees, guests, invitees, licensees, and exchangers including all of the following: (i) failure to vacate DVC Unit upon expiration of the Owner's use period; (ii) damage to a DVC Unit or any other real or personal property that is part of the Condominium; (iii) permitting the Ownership Interest to be subject to a lien, other than the lien of nondelinquent real property taxes or assessments, claim, or charge that could result in the sale of Ownership Interests of other Owners; and (iv) creating a disturbance that interferes with the use and enjoyment of facilities of the Condominium by other Owners. Before disciplinary action authorized under this Subsection 17.1.3 can be imposed by the Association, the Owner against whom the action is proposed to be taken shall be given thirty (30) days prior written notice and the opportunity to present a written or oral defense to the charges, and the Owner is notified of the decision of the Board. The Board shall decide whether the Owner's defense shall be oral or written. The Association may delegate to the Management Company, the power and authority to carry out disciplinary actions duly imposed by the Board.

17.3 Costs and Fees. In any proceeding arising because of an alleged failure of an Owner or the Association to comply with the terms of the Condominium Documents, as they may be amended from time to time, the substantially prevailing party is entitled to recover the costs of the proceeding, and recover such reasonable fees for attorneys, paralegals, legal assistants and other professionals as may be awarded by the Court, including all appeals and all proceedings in bankruptcy and probate.

17.4 No Waiver of Rights. The failure of DVD, the Association or any Owner to enforce any covenant, restriction or other provision of Applicable Law or the Condominium Documents does not constitute a waiver of the right to do so in the future, and no custom or practice at variance with the terms of this Declaration, shall constitute a waiver by DVD, the Association or any Owner of the right to demand strict and exact compliance with all terms and conditions of this Declaration.

17.5 Injunctive Relief. The Association may seek an injunction from a court of equity to compel compliance or prohibit violation of the Condominium Documents regardless of whether an adequate remedy at law exists.

17.6 Waiver of Jury Trial; Venue of Actions. All claims or disputes respecting this Declaration shall be resolved pursuant to a judicial process and judicial remedies in accordance with the laws of the State of California. **TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, THE ASSOCIATION, AN OWNER OR OWNERS, DVD, THE MANAGEMENT COMPANY, AND ANY OTHER PERSON CLAIMING RIGHTS OR OBLIGATIONS BY, THROUGH, OR UNDER THE CONDOMINIUM DOCUMENTS, EACH WAIVE ANY RIGHT THEY MAY HAVE UNDER ANY APPLICABLE LAW TO A TRIAL BY JURY WITH RESPECT TO ANY SUIT OR LEGAL ACTION WHICH MAY BE COMMENCED BY OR AGAINST ANY PERSON CONCERNING THE INTERPRETATION, CONSTRUCTION, VALIDITY, ENFORCEMENT OR PERFORMANCE OF THE CONDOMINIUM DOCUMENTS OR ANY OTHER AGREEMENT OR INSTRUMENT EXECUTED IN CONNECTION WITH THIS DECLARATION.** If any such suit or legal action is commenced by any Person concerning this Condominium, this Declaration, or any of the Condominium Documents, all other Persons agree, consent and submit to the personal jurisdiction of the federal, county and local courts located in Orange County, California (the "**Orange County Courts**") with respect to such suit or legal action, and each Person also consents and submits to and agrees that venue in any such suit or legal action is proper in the Orange County Courts, and each Person waives any and all personal rights under Applicable Law or in equity to object to the jurisdiction and venue in the Orange County Courts. Such jurisdiction and venue are exclusive of any other jurisdiction and venue.

18. AMENDMENTS.

18.1 By Owners. This Declaration may be amended at any regular or special Association meeting, called and convened in accordance with the provisions of the Bylaws. Unless a different vote is required by the specific provisions of this Declaration or Applicable Law, an amendment to this Declaration by the Owners shall require the affirmative vote or written assent of a majority of the total votes eligible to be voted; provided, however, that: (i) the amendment is adopted with the vote or written assent of at least twenty-five percent (25%) of the voting power of the Association residing in members other than DVD; and (ii) and, for so long as there exists two classes of membership, the consent of the Class B Member is required. Each such amendment of this Declaration may be evidenced by an instrument in writing, signed and acknowledged by any two (2) officers of the Association, setting forth the full text of such amendment, the appropriate recording data of this Declaration and certifying that such amendment has been approved by the affirmative vote of a majority of the total votes eligible to be voted. An amendment becomes effective on the recording of the amendment in the Public Records of Orange County, California. Furthermore, the Owners have no power to enact any amendment to this Declaration which materially affects the rights or security interests of DVD or any Mortgagee of record, without first obtaining the written consent of DVD or such affected Mortgagee of record, such consent not to be unreasonably withheld. All amendments must be in accordance with the Disney Standard, as determined in the discretion of DVD.

18.2 By DVD. DVD reserves the right to unilaterally amend this Declaration as may be required by any lending institution, title insurance company, or public body; as may be necessary to conform this Declaration to the

requirements of law; as DVD determines, in its discretion, to facilitate the operation and management of the Condominium or the DVC Plan or the sale of Ownership Interests; or, if applicable, as DVD determines is necessary or useful in connection with its right to declare Non-DVC Units to the Condominium without committing such Units to the DVC Plan, to market, sell, or operate such Non-DVC Units as whole units, to commit such Non-DVC Units to an Other Plan, or to include its unsold Ownership Interests, and to allow other Owners of Ownership Interests to subject such Ownership Interests, to an Other Plan. Any amendments to this Declaration which may be unilaterally made by DVD become effective upon the recording in the Public Records of Orange County, California, of an instrument executed by DVD, setting forth the text of such amendment in full, together with the appropriate recording data of this Declaration. DVD may also make other amendments as may be reserved elsewhere in the Condominium Documents.

18.3 Amendments to Units. Except for DVD's reserved rights pursuant to Section 16.1, no amendment changing the configuration or size of any Unit declared to the Condominium in any material fashion, altering or modifying the appurtenances to such Unit, or changing the proportion or percentage by which the Owner shares the Common Expenses and owns the Common Surplus is permitted unless such amendment is approved by DVD, for so long as DVD owns a Unit or an Ownership Interest, and approved by a majority of the total voting interests of the Owners. If such amendment is required by any governmental entity, such amendment shall be permitted with the affirmative vote of the Board and approval by DVD, for so long as DVD owns a Unit or Ownership Interest.

18.4 Amendments to Common Areas. For so long as DVD owns a Unit or Ownership Interest, DVD, at DVD's capital expense, may, from time to time, and without the approval of the Association, the Board, or any Owner, add facilities to the Condominium Property including recreational areas and facilities. In addition, for so long as DVD owns a Unit or Ownership Interest, DVD, at DVD's capital expense, may substantially, materially or otherwise alter, modify, rearrange, relocate, or replace the Common Areas or real property that is Association property, without the approval of the Association, the Board, or any Owner; provided, however, no amendment may, without the affirmative vote of a majority of the total votes eligible to be voted at any regular or special Association meeting called and convened in accordance with the Bylaws (which shall include at least twenty-five percent (25%) of the voting interests of Owners other than DVD), result in the alteration, modification, rearrangement, relocation, or replacement of the Common Areas or the real property that is Association property in such a manner that the Common Areas or real property that is Association Property no longer provide a similar use or function as, or is not a reasonable substitution for, the existing Common Areas or real property that is Association property, as DVD determines in its discretion. Subject to DVD's approval, for so long as DVD owns a Unit or Ownership Interest, the Owners, at the Association's capital expense, may add property to the Condominium or substantially, materially or otherwise alter, modify, rearrange, relocate, or replace the Common Areas or real property that is Association property with the affirmative vote of a majority of the total votes eligible to be voted at any regular or special Association meeting called and convened in accordance with the Bylaws (which shall include at least twenty-five percent (25%) of the voting interests of Owners other than DVD). Notwithstanding the obligation of DVD or the Association to bear the capital expense of making any addition, alteration, modification, rearrangement, relocation, or replacement authorized under this Section, the cost of ongoing maintenance, operation, repair, and replacement will be borne by the Association. Any substantial alteration, modification, rearrangement, relocation, or replacement authorized under this Section may be made effective by the filing of an amendment to this Declaration in the Public Records of Orange County, California. All amendments, alterations, and modifications described in this Section shall be in accordance with the Disney Standard.

19. TERMINATION. The Condominium may be terminated in the following manners:

19.1 Agreement. The Condominium may be terminated at any time by the approval in writing of all Owners and all Mortgagees of record. Notice of a meeting at which the proposed termination is to be considered must be given not less than thirty (30) days prior to the date of such meeting.

19.2 Expiration of Ground Lease. Upon the expiration or earlier termination of the Ground Lease, the Condominium automatically terminates and all Ownership Interests and all Mortgagee liens on any Condominium Property terminate. If DVD renews the Ground Lease or enters into another lease of the property underlying the Condominium prior to the expiration or termination of the Ground Lease, DVD may, in DVD's discretion, unilaterally elect to continue the Condominium for the duration of such renewal. Such election shall be evidenced by the recording

of an amendment to this Declaration. If DVD elects to continue the Condominium for an additional term as contemplated in this Section 19.2 then, at the election of DVD, all rights and obligations of Owners and Mortgagees as set forth in this Declaration, including with respect to the DVC Plan, may continue in full force and effect for the duration of the extended term, pursuant to such terms and conditions as DVD establishes in its discretion.

19.3 Termination Through Condemnation. The Condominium may only be terminated due to condemnation if all of the Condominium Property is taken in condemnation. If less than all of the Condominium Property is taken in condemnation, the Condominium continues as to those portions of the Condominium Property not so taken.

19.4 Liability for Amounts Due. No termination of this Declaration shall affect DVD's or the Association's right to collect any monetary amounts due to it for the period prior to termination.

19.5 Certificate. Termination of the Condominium in any of the foregoing manners is evidenced by a certificate of the Association executed by its president and secretary certifying to the facts effecting the termination. Termination is effective upon the recording of the certificate in the Public Records of Orange County, California.

20. PHASE DEVELOPMENT.

20.1 Description of Phasing. It is the intention of DVD to develop the Condominium in phases. A description of the initial boundary of the property which DVD contemplates adding to the Condominium may be described in in this Declaration or the Condominium Plan, however, DVD reserves the right not to submit any or all of such property or to add additional property to the Condominium which may not be included within the initial overall boundary. The Common Expense, Common Surplus and Common Area ownership reallocation caused by the addition of any phase is set forth in Exhibit "D." DVD reserves the right to submit phases to the Condominium in any sequence.

20.2 Reservation of Right to Change Phasing Plan. DVD reserves the right to change the phase boundaries, plot plans and floor plans, Unit types (including upper and lower boundaries and perimeter boundaries descriptions), Unit sizes and Unit type mixes and numbers of Units for any future phase, in its discretion, prior to adding such future phase to the Condominium. DVD specifically reserves the right to declare one or more phases that contain only Units or Common Areas. In addition, DVD specifically reserves the right to declare one or more phases that contain any combination of Units and Common Areas.

20.3 Land. The land which may ultimately become part of the Condominium may be described in this Declaration or the Condominium Plan however, DVD reserves the right, in its discretion, not to submit any or all of such property or to add additional property to the Condominium. Any phase legal description used by DVD is for convenience of identifying proposed phases only, and once a phase has been declared to the Condominium, the separate phase legal description is subsumed in the overall legal description of the Condominium Property as then constituted and does not have separate identity.

20.4 Recreational Areas or Facilities. DVD expressly reserves the right to add additional recreational areas or facilities to the Condominium as a part of a future phase without the consent of Owners. Any additional recreational areas or facilities will be constructed at DVD's sole expense.

20.5 Impact of Phasing; Change in Ownership of Common Areas and Common Surplus and Share of Common Expenses. The impact, if any, which the completion of subsequent phases would have on the Condominium, if such phase contains a Unit, would be to increase the number of Units and the number of Owners for the Condominium. The change in ownership of Common Areas and Common Surplus and the change in the share of Common Expenses attributable to each Unit by the addition of subsequent phases is to be determined in accordance with the formula set forth in Exhibit "D."

20.6 Completion of Phases. DVD will submit each successive phase, if at all, to condominium ownership in its discretion. The declaration of all phases to the Condominium will be completed within the time limit as determined by DVD, in its discretion, although DVD reserves the right not to submit any or all of the subsequent phases to condominium ownership. DVD also specifically reserves the right to amend this Declaration, without the approval of the Owners, for the purpose of changing any of the items included in this Declaration for a particular phase.

20.7 DVC Plan.

A VACATION OWNERSHIP PLAN MAY BE CREATED WITH RESPECT TO UNITS IN EVERY PHASE.

It is DVD's intent that Units in every phase will be declared as part of the DVC Plan; however, DVD reserves the right to declare Units to the Condominium that will not be included as part of the DVC Plan or that may be included in an Other Plan. The degree, quantity, nature and extent of the DVC Plan is as described in this Declaration. Phases declared to this Condominium and included in the DVC Plan are also subject to the terms and conditions of the Membership Agreement and DVC Resort Agreement as described in this Declaration.

20.8 Notice. DVD is not required to notify Owners of existing Units in the Condominium of the commencement of, or decision not to add, any subsequent phase.

20.9 Amendment. Phases may be added to this Condominium by the execution of an amendment to this Declaration executed by DVD, its successors or assigns only, and such amendment does not require the execution or consent of any Owners other than DVD.

21. ANNEXATION AND DEANNEXATION.

21.1 Annexation by Consent of Owners. In addition to DVD's right to add additional phases pursuant to Article 20, upon approval in writing of the Association, pursuant to the affirmative vote or written consent of DVD and a majority of the voting interests of Owners other than DVD, the owner of any property who desires to add to the scheme of this Declaration as part of the Condominium and to subject it to the jurisdiction of the Association, may cause the same to be done as provided in this Article 21, or in any other manner permitted by Applicable Law.

21.2 Annexation Procedures. Any annexation authorized by this Article shall be made by recording in the Official Records of Orange County, California, a Declaration of Annexation with respect to the property to be annexed, which shall extend the scheme of this Declaration to the property to be annexed. The Declaration of Annexation shall contain at least the following:

21.2.1 A legal description of the property being annexed;

21.2.2 A statement submitting the property being annexed, to this Declaration, which shall be referred to by title and date and document number of recording;

21.2.3 A statement that the use restrictions imposed upon the property being annexed, are those set forth in this Declaration;

21.2.4 A statement reserving easements to DVD with respect to any of the annexed Units for model Unit purposes in accordance with the provisions of this Declaration;

21.2.5 A Unit Plan describing the relative location of the Units in the property being annexed;

21.2.6 A schedule of identification numbers for the property being annexed, set forth in the same manner as those set forth for the Condominium Property;

21.2.7 Such other terms and conditions as DVD deems advisable or necessary so that this Declaration, as modified by such terms and conditions, provides more accurately for any different nature of the property being annexed; provided, however, that such terms and conditions shall not be inconsistent or in conflict with the terms and provisions hereof nor adversely or materially affect the interests of Owners, and

21.2.8 A written commitment by DVD to pay to the Association, concurrently with the closing of the escrow for the first sale of an Ownership Interest in the property being annexed, appropriate amounts for reserves for replacement of deferred maintenance of common area improvements in the property being annexed necessitated by or arising out of the use and occupancy of Units under a rental program conducted by DVD which has been in effect

for a period of at least one (1) year as of the date of closing of the escrow for the first sale of a Unit in the property being annexed.

21.3 Deannexation. DVD may deannex from this Declaration all or any of the Units upon a legally described lot within the Condominium:

21.3.1 Prior to the closing of the first Ownership Interest to an Owner by DVD in a DVC Unit (the "**Starting Date**"), upon the recordation of a Declaration of Deannexation in the Office of the Orange County Recorder; or

21.3.2 Subsequent to the Starting Date, upon approval in writing of the Association, pursuant to the affirmative vote or written consent of Developer and a majority of the voting interests of the Owners other than the DVD and the recordation of a Declaration of Deannexation in the Office of the Orange County Recorder.

Notwithstanding the foregoing, from and after the Starting Date, the number of Units that are subject to this Declaration shall not be less than eighty percent (80%) of the number of Units previously subject to this Declaration. Further notwithstanding the foregoing, DVD may not deannex from this Declaration any DVC Unit in which an Ownership Interest has already been conveyed.

22. **MERGER**. This Declaration, the Association and the Common Areas of this Condominium described in this Declaration may be merged with the declaration of condominium, condominium association and Common Areas of another independent and separate condominium to form a single condominium with the consent of and at least sixty-six and two-thirds percent (66 2/3%) of the total number of voting interests and the approval of all record owners of liens on the Units and Ownership interests. If such consent and approval is obtained, a new or amended declaration of condominium, articles of incorporation and bylaws of the Association will be recorded and contain such provisions as are necessary to amend and modify the apportionments to the Units and the percentages by which the Owners share the Common Expenses and own the Common Surplus and Common Areas in order to create a consolidated single condominium.

23. **MISCELLANEOUS.**

23.1 Governing Law. The Condominium Documents, including this Declaration, are to be governed by, and construed in accordance with, the laws of the State of California.

23.2 No Representations. Each Owner shall inspect and examine the Condominium Property and DVD is not responsible for and does not provide any warranties as to the condition of the Condominium Property (except with respect to any express warranties required by Applicable Law).

23.3 Indemnification. Each Person shall jointly and severally indemnify, defend, and hold harmless DVD, the Association, the Management Company and each of the TWDC Companies and their respective partners, shareholders, officers, directors, employees and agents ("**Indemnitees**"), against and in respect of, and to reimburse Indemnitees on demand for, any and all claims, demands, losses, costs, expenses, obligations, liabilities, damages, recoveries and deficiencies, including, interest, penalties, attorney and paralegal fees and disbursements (even if incident to any appeals), that any Indemnitee may incur or suffer, which arise out of, result from or relate to any violation by such Person of any provision of this Declaration.

23.4 Severability. The invalidity in whole or in part of any covenant or restriction, or any article, section, subsection, paragraph, subparagraph, sentence, clause, phrase or word, or other provision of the Condominium Documents, including this Declaration, do not affect the validity of the remaining portions.

23.5 Conflict. If it should appear that any of the provisions of this Declaration are in conflict with the Master Declaration or the Ground Lease, then such provisions are deemed inoperative and null and void insofar as they may be in conflict with the Master Declaration or the Ground Lease, and are deemed modified to conform to the Master Declaration or the Ground Lease, in that order.

23.6 Run with the Land. The covenants, conditions, and restrictions in this Declaration run with the land described in this Declaration and shall benefit or be binding upon each successive Owner, during such Owner's ownership, of any portion of the Condominium Property affected thereby and upon each Person having any interest in the Condominium Property derived through any Owner.

23.7 Interpretation. Where the context so indicates, a word in the singular form shall include the plural. The term "include" and similar terms (e.g., includes, including, included, comprises, comprising, such as, e.g., including but not limited to and for example), when used as part of a phrase including one or more specific items, are not words of limitation and are not to be construed as being limited to only the listed items. This Declaration shall be construed without regard to any presumption or other rule requiring construction against DVD as a result of DVD causing this Declaration to be drafted. Whenever the consent or approval of DVD, DVCM, WDPR, or any of the TWDC Companies is referred to in this Declaration or the taking of any action under this Declaration is subject to the consent or approval of DVD, DVCM, WDPR, or any of the TWDC Companies, it shall mean prior written approval to be given or withheld in the discretion of DVD, DVCM, WDPR or the TWDC Company. Any reserved right in favor of DVD, DVCM, WDPR, or any of the TWDC Companies may be implemented, taken, or withheld in the discretion of DVD, DVCM, WDPR, or any of the TWDC Companies. Further, any references to the use, exercise or grant of the right of discretion of DVD, DVCM, WDPR, or any of the TWDC Companies as set forth in this Declaration shall mean the sole, absolute, and unfettered discretion of DVD, DVCM, WDPR or the TWDC Company to the exclusion of all other Persons unless specifically provided otherwise. DVD, in its discretion, shall have the authority to interpret the provisions of this Declaration and such interpretation shall be binding upon all Persons unless wholly unreasonable. The use of headings, captions and numbers in this Declaration is solely for the convenience of identifying and indexing the various provisions of this Declaration and shall in no event be considered otherwise in construing or interpreting any provision of this Declaration.

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IN WITNESS WHEREOF, DVD has executed this Declaration as of the Effective Date.

WITNESSES

Shawn Becker
(signature)

Shawn Becker
(print name)

[Signature]
(signature)

James Vetting
(print name)

DISNEY VACATION DEVELOPMENT, INC.,
a Florida corporation

By: Yvonne Chang
(signature)

Yvonne Chang
(print name)

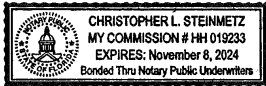
As its: ASSISTANT SECRETARY
(title)

STATE OF FLORIDA) ss.
COUNTY OF OSCEOLA)

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this 13
day of December 2022, by Yvonne Chang, as Assistant Secretary of Disney Vacation Development, Inc., a Florida
corporation, on behalf of the corporation. She is personally known to me.

(NOTARY SEAL)

Christopher L. Steinmetz
(Notary Signature)



CONSENT OF LESSOR
TO DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS AND
CONDOMINIUM AND VACATION OWNERSHIP PLAN
OF
THE VILLAS AT DISNEYLAND HOTEL,
A LEASEHOLD CONDOMINIUM

THIS CONSENT (this "**Consent**") is effective as of the 13th day of December, 2023 (the "**Effective Date**"), by WALT DISNEY PARKS AND RESORTS U.S., INC., a Florida corporation, whose address is Post Office Box 10000, Lake Buena Vista, Florida 32830-1000 ("**WDPR**").

RECITALS

- A. WDPR is the fee simple owner of that certain property (the "**Master Declaration Property**") more particularly described in and subject to the covenants, conditions and restrictions contained in that certain Master Declaration of Covenants, Conditions and Restrictions, as recorded concurrently herewith, in the Public Records of Orange County, California ("**Master Declaration**");
- B. WDPR, as lessor, has leased a portion of the Master Declaration Property to Disney Vacation Development, Inc., a Florida corporation ("**DVD**"), as lessee, pursuant to that certain Amended and Restated Ground Lease by and between WDPR and DVD with the same Effective Date; a short form of which is described in that certain Amended and Restated Memorandum of Ground Lease with the same Effective Date and recorded concurrently herewith, in the Public Records of Orange County, California (the "**Ground Lease**");
- C. DVD has declared a portion of the Master Declaration Property to the condominium form of ownership pursuant to the Declaration of Covenants, Conditions, and Restrictions and Condominium and DVC Plan for The Villas at Disneyland Hotel, a leasehold condominium, to be recorded in the Public Records of Orange County, California, and to which this Consent is attached (the "**Declaration**");
- D. The Ground Lease encumbers the land and certain of the improvements located on such land, inclusive of the Phase 1 as described in the Declaration; and
- E. WDPR, as declarant under the Master Declaration and as lessor under the Ground Lease, has agreed to consent to the recordation of the Declaration.

NOW, THEREFORE, WDPR provides as follows:

1. Recitals and Definitions. The recitals are true and correct and are incorporated in this Consent. All terms used in this Consent have the same meaning as the identical terms used in the Declaration unless the context otherwise requires.
2. Consent. WDPR, as declarant under the Master Declaration and as lessor under the Ground Lease, agrees and does consent to the recordation of the Declaration; provided, however, that no amendment to the Declaration is effective against WDPR unless WDPR has executed a joinder and consent as to such amendment. Pursuant to the requirements of the Ground Lease, by the execution of this Consent, WDPR provides DVD, the Association, the Owners and DVCM with its consent and approval to the following specific matters:
 - a. The provisions of Article 11 of the Declaration regarding reconstruction, replacement, or repair of the Condominium Property after casualty or eminent domain;
 - b. DVCM, as the Management Company for the Condominium, and the Property Management Agreement between the Association and DVCM, a copy of which has been provided to WDPR;

c. The automatic assumption by the Association of the obligations of DVD as the tenant under the Ground Lease with respect to the property comprising Phases 1 of the Condominium and as limited pursuant to the terms of the Ground Lease; and

d. The use of the name "The Villas at Disneyland Hotel, a leasehold condominium" to describe the Condominium and the management or operation of the Condominium as set forth in the Condominium Documents, and the use of the name "The Villas at Disneyland Hotel Condominium Association, Inc." to describe the Association, all subject to the terms and conditions set forth in the Master Declaration and the Condominium Documents.

IN WITNESS WHEREOF, WDPR has executed this Consent of Lessor To Declaration of Condominium as of the Effective Date.

WITNESSES

Shamron Becker
(signature)

Shamron Becker
(print name)

Shamron Sevenskar
(signature)

SHAMRON SEWSANKAR
(print name)

STATE OF FLORIDA) ss.
COUNTY OF ORANGE)

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this 13th day of December 2022 by John M. McGowan, as Vice President of WALT DISNEY PARKS AND RESORTS U.S., INC., a Florida corporation, on behalf of the corporation. He is personally known to me.

WALT DISNEY PARKS AND RESORTS U.S., INC.,
a Florida corporation

By: John McGowan
(signature)

John McGowan
(print name)

As its: Vice President
(title)

(NOTARY SEAL)

Shamron Sevenskar
(Notary Signature)



CONDOMINIUM PLAN
THE VILLAS AT DISNEYLAND HOTEL
A LEASEHOLD CONDOMINIUM – PHASE 1
PARCEL 1, PARCEL MAP NO. 2020-111,
M.B. 409, PAGES 34-36, INCLUSIVE
COUNTY OF ORANGE
STATE OF CALIFORNIA

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CONDOMINIUM PLAN
 THE VILLAS AT DISNEYLAND HOTEL
 A LEASEHOLD CONDOMINIUM - PHASE 1
 PARCEL 1, PARCEL MAP NO. 2020-111,
 M.B. 409, PAGES 34-36, INCLUSIVE
 COUNTY OF ORANGE
 STATE OF CALIFORNIA

OWNER'S CERTIFICATE

WE, THE UNDERSIGNED, BEING ALL THE OWNERS OF AND THE GROUND LESSEE OF THE REAL PROPERTY HEREIN BEFORE DESCRIBED, DO HEREBY CERTIFY THAT WE CONSENT TO THE RECORDATION OF THIS PLAN OF CONDOMINIUM OWNERSHIP PURSUANT TO THE PROVISIONS OF SECTION 4285 OF THE CALIFORNIA CIVIL CODE, CONSISTING OF: (1) THE DESCRIPTION OF THE SURVEY MAP OF THE SURFACE OF THE LAND INCLUDED WITHIN THE PROJECT AS SET FORTH HEREIN; (2) THE UNIT AND PARCEL BOUNDARIES AND THE TYPICAL AIRSPACE PLAN AND PERSPECTIVE TO BE BUILT ON SAID LAND, IN SUFFICIENT DETAIL TO IDENTIFY EACH SEPARATE INTEREST, AS SAID AIRSPACE ARE SET FORTH HEREIN; AND (3) THIS CERTIFICATE.

DISNEY VACATION DEVELOPMENT, INC.,
 A FLORIDA CORPORATION

BY Yvonne Chang
 NAME Yvonne Chang
 ITS ASSISTANT SECRETARY

WALT DISNEY PARKS AND RESORTS U.S. INC.,
 A FLORIDA CORPORATION

BY John McGowan
 NAME John McGowan
 ITS Vice President

CONDOMINIUM PLAN
 THE VILLAS AT DISNEYLAND HOTEL
 A LEASEHOLD CONDOMINIUM – PHASE 1
 PARCEL 1, PARCEL MAP NO. 2020-111,
 M.B. 409, PAGES 34-36, INCLUSIVE
 COUNTY OF ORANGE
 STATE OF CALIFORNIA

NOTARY ACKNOWLEDGEMENT:

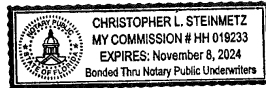
A NOTARY PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY OF THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED, AND NOT THE TRUTHFULNESS, ACCURACY, OR VALIDITY OF THAT DOCUMENT

STATE OF FLORIDA
 COUNTY OF OSCEOLA SS

THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BEFORE ME BY MEANS OF PHYSICAL PRESENCE OR ONLINE NOTARIZATION, THIS 13th DAY OF December, 2022, BY YVONNE CHANG, AS ASSISTANT SECRETARY OF DISNEY VACATION DEVELOPMENT, INC., A FLORIDA CORPORATION, ON BEHALF OF THE CORPORATION. SHE IS PERSONALLY KNOWN TO ME.

NOTARY SIGNATURE: _____

Christopher L. Steinmetz

**NOTARY ACKNOWLEDGEMENT:**

A NOTARY PUBLIC OR OTHER OFFICER COMPLETING THIS CERTIFICATE VERIFIES ONLY THE IDENTITY OF THE INDIVIDUAL WHO SIGNED THE DOCUMENT TO WHICH THIS CERTIFICATE IS ATTACHED, AND NOT THE TRUTHFULNESS, ACCURACY, OR VALIDITY OF THAT DOCUMENT

STATE OF FLORIDA
 COUNTY OF OSCEOLA SS

THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BEFORE ME BY MEANS OF PHYSICAL PRESENCE OR ONLINE NOTARIZATION, THIS 13th DAY OF December, 2022, BY JOHN M. MCGOWAN, AS VICE PRESIDENT OF WALT DISNEY PARKS AND RESORTS U.S., INC., A FLORIDA CORPORATION, ON BEHALF OF THE CORPORATION. HE IS PERSONALLY KNOWN TO ME.

NOTARY SIGNATURE: _____

Shamroon Sewsankar



CONDOMINIUM PLAN**THE VILLAS AT DISNEYLAND HOTEL
A LEASEHOLD CONDOMINIUM — PHASE 1**

PARCEL 1, PARCEL MAP NO. 2020-111,
M.B. 409, PAGES 34-36, INCLUSIVE
COUNTY OF ORANGE
STATE OF CALIFORNIA

NOTES AND DEFINITIONS:

1. THIS CONDOMINIUM PROJECT (THE "CONDOMINIUM") IS A CONDOMINIUM DEVELOPMENT LOCATED ON PARCEL 1 OF PARCEL MAP NO. 2020-111, IN THE CITY OF ANAHEIM, COUNTY OF ORANGE, STATE OF CALIFORNIA, AS PER MAP FILED IN BOOK 409, PAGES 34 TO 36, INCLUSIVE, OF MAPS IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY OF ORANGE ("PARCEL MAP NO. 2020-111"). THE CONDOMINIUM IS BEING DEVELOPED BY DISNEY VACATION DEVELOPMENT, INC., A FLORIDA CORPORATION (THE "DECLARANT").
2. DECLARANT INTENDS TO SUBDIVIDE PARCEL 1 AS AUTHORIZED BY SECTION 66427 OF THE CALIFORNIA GOVERNMENT CODE INTO ONE (1) "CONDOMINIUM" AS DEFINED IN SECTION 783 OF THE CALIFORNIA CIVIL CODE.
3. "CONDOMINIUM PLAN" SHALL MEAN THIS CERTAIN CONDOMINIUM PLAN AND ANY AMENDMENTS THERETO RECORDED IN OFFICE OF THE COUNTY RECORDER OF THE COUNTY OF ORANGE PURSUANT TO SECTION 4285 OF THE CALIFORNIA CIVIL CODE, OR ANY SUCCESSOR STATUTE THEREOF.
4. "UNIT" SHALL MEAN AND REFER TO A SEPARATE INTEREST IN SPACE AS DEFINED IN SECTION 4125 AND 4185 OF THE CALIFORNIA CIVIL CODE. EACH UNIT IS SHOWN AND DESCRIBED HEREIN BY THE UNIT NUMBER PRECEDED BY "U-." THE BOUNDARIES OF THE UNITS ARE SET FORTH IN THIS CONDOMINIUM PLAN. GENERALLY, THE BOUNDARIES SHALL BE AS FOLLOWS:
 - A. THE LATERAL BOUNDARIES OF EACH UNIT ARE (I) THE INTERIOR FACE OF WINDOWS, (II) THE INTERIOR FACE OF THE STRUCTURE AT THE PERIMETER OF THE BUILDING, (III) THE INSIDE FACE OF WALLS SHARED WITH COMMON AREA CORRIDORS AND WITH CERTAIN OTHER COMMON AREA ELEMENTS (E.G., ELECTRICAL ROOMS) AND (IV) THE CENTER LINE OF UNIT DEMISING WALLS (I.E., WALLS BETWEEN TWO ADJACENT UNITS) AND WALLS SHARED WITH ELEVATOR VESTIBULES AT THE LIMITS SHOWN.
 - B. THE LOWER VERTICAL BOUNDARIES (L.E.) OF EACH UNIT ARE THE INTERIOR SURFACES OF THE UNFINISHED CONCRETE FLOORS THEREOF AT THE LIMITS SHOWN.
 - C. THE UPPER VERTICAL BOUNDARIES (U.E.) OF EACH UNIT ARE THE INTERIOR SURFACES OF THE CEILING THEREOF AT THE LIMITS SHOWN.
5. "COMMON AREAS" SHALL MEAN THE ENTIRE CONDOMINIUM EXCEPT THE SEPARATE INTERESTS THEREIN AND SHALL INCLUDE: (A) COMMON FACILITIES AND (B) CERTAIN AREAS DESIGNATED ON THIS CONDOMINIUM PLAN OVER WHICH EXCLUSIVE EASEMENTS ARE RESERVED FOR THE EXCLUSIVE USE OF ONE OR MORE, BUT FEWER THAN ALL, OF THE OWNERS OF UNITS ("EXCLUSIVE USE COMMON AREA") WHICH MAY BE DESIGNATED ON THIS CONDOMINIUM PLAN AS EITHER "B-" OR "P-" FOLLOWED BY THE UNIT NUMBER TO WHICH IT IS ASSIGNED (E.G., B-1C or P-1A) AND IF THERE IS MORE THAN ONE EXCLUSIVE USE COMMON AREA FOR A UNIT THEN FOLLOWED BY LETTER A, B, C, ETC. (E.G., B-1F-A).
6. THE FOLLOWING ELEMENTS IN THE ENTIRE BUILDING THAT IS INCLUDED IN THE CONDOMINIUM, WHICH MAY BE LOCATED WITHIN THE BOUNDARIES OF A UNIT, SHALL BE TREATED AS A PART OF THE COMMON AREA:

CONDOMINIUM PLAN**THE VILLAS AT DISNEYLAND HOTEL
A LEASEHOLD CONDOMINIUM — PHASE 1****PARCEL 1, PARCEL MAP NO. 2020-111,
M.B. 409, PAGES 34-36, INCLUSIVE
COUNTY OF ORANGE
STATE OF CALIFORNIA**

A. BEARING WALLS, STRUCTURAL COLUMNS, FALSE COLUMNS, VERTICAL SUPPORTS, UNFINISHED FLOORS, ROOFS, FOUNDATIONS, BEAMS, BALCONY RAILINGS, EXTERIOR WINDOW SURFACES; AND

B. CENTRAL (OR COMMON) PIPES, DUCTS, FLUES, CHUTES, CONDUITS, WIRES, AND OTHER UTILITY INSTALLATIONS WHICH SERVE MORE THAN ONE UNIT, WHEREVER LOCATED, EXCEPT THE OUTLETS THEREOF WHEN LOCATED WITHIN THE UNIT, AND EXCEPT ANY SURFACE NOTED HEREIN WHICH MAY FORM A PART OF A UNIT.

7. UNLESS OTHERWISE DEPICTED IN THE CONDOMINIUM PLAN, ALL PORCHES, BALCONIES AND TERRACES APPURTENANT TO A UNIT ARE EXCLUSIVE USE AREAS OF THAT UNIT AND ARE RESTRICTED IN USE TO THOSE VACATION HOMES WITHIN THE UNIT THAT ARE DIRECTLY ADJACENT TO SUCH EXCLUSIVE USE AREAS.

8. THIS CONDOMINIUM PLAN AND THE DIMENSIONS SHOWN HEREIN ARE INTENDED TO CONFORM TO SECTION 4285 OF THE CALIFORNIA CIVIL CODE, WHICH REQUIRES, IN PART, THE INCLUSION HEREIN OF DIAGRAMMATIC PLANS IN SUFFICIENT DETAIL TO IDENTIFY THE COMMON AREA AND EACH UNIT. THE DIMENSIONS SHOWN HEREIN ARE NOT INTENDED TO BE SUFFICIENTLY ACCURATE ENOUGH TO USE FOR THE COMPUTATION OF FLOOR AREA, FLOOR OPENING AREAS, OR AIRSPACE VOLUME IN ANY OR ALL OF THE UNITS. THIS CONDOMINIUM PLAN IS PREPARED FOR DIAGRAMMATIC PURPOSES ONLY AND IS NOT INTENDED TO BE USED FOR SALES PURPOSES TO DETERMINE SQUARE FOOTAGE. THE DIAGRAMMATIC PLANS CONTAINED HEREIN INTENTIONALLY OMIT INFORMATION CONCERNING ANY CONSTRUCTED IMPROVEMENTS IN THE UNITS. IN INTERPRETING THIS CONDOMINIUM PLAN, THE EXISTING PHYSICAL BOUNDARIES OF THE UNITS SHALL BE CONCLUSIVELY PRESUMED TO BE THEIR BOUNDARIES RATHER THAN THE METES AND BOUNDS OR ANY OTHER FIGURES EXPRESSED IN THIS CONDOMINIUM PLAN, REGARDLESS OF SETTLING OR LATERAL MOVEMENT OF THE PROJECT STRUCTURE AND REGARDLESS OF MINOR VARIANCE BETWEEN THE BOUNDARIES SHOWN ON THIS CONDOMINIUM PLAN AND THOSE OF THE PROJECT STRUCTURE.

9. THIS CONDOMINIUM PLAN INTENTIONALLY OMITTS DETAILED INFORMATION WITHIN INDIVIDUAL UNITS, INCLUDING THE FOLLOWING (IF ANY): SKYLIGHTS; INTERNAL PARTITIONING; SLOPED CEILINGS; SOFFITS; FURRED CEILINGS AND DROPPED CEILINGS; STEPS AND STAIRWAYS; FLOOR OPENING AREAS; PROTRUSIONS OF VENTS, BEAMS, COLUMNS, BAY WINDOWS AND WINDOW CASINGS; AND OTHER SUCH FEATURES.

10. THIS CONDOMINIUM PLAN INTENTIONALLY OMITTS SPECIFIC DETAILS OF ANY BUILDINGS OR OTHER STRUCTURES.

11. IF ANY PORTION OF THE COMMON AREA ENCLOSED UPON ANY UNIT OR IF ANY UNIT ENCLOSED UPON ANY PORTION OF THE COMMON AREA AS SHOWN ON THIS CONDOMINIUM PLAN, WHETHER AS A RESULT OF CONSTRUCTION, RECONSTRUCTION, REPAIR, SHIFTING, SETTLEMENT OR MOVEMENT OF ANY PORTION OF THE PROJECT, A VALID EASEMENT FOR SUCH ENCROACHMENT AND FOR THE MAINTENANCE OF SAME SHALL EXIST SO LONG AS SAID ENCROACHMENT EXISTS.

12. BASIS OF ELEVATIONS SHOWN HEREON ARE FROM THE CITY OF ANAHEIM BENCHMARK NO. 8B-11B, ELEVATION: 136.65 FEET, ADJUSTMENT: 1995 (NAVDB88)

13. THE DIMENSIONS SHOWN HEREON ARE IN FEET AND DECIMALS THEREOF. ANGULAR DIMENSIONS SHOWN HEREIN ARE AT RIGHT ANGLES, UNLESS OTHERWISE NOTED.

CONDOMINIUM PLAN
 THE VILLAS AT DISNEYLAND HOTEL
 A LEASEHOLD CONDOMINIUM – PHASE 1
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14. THIS CONDOMINIUM PLAN WAS DERIVED FROM UNDATED ARCHITECTURAL PLANS AND SUPPLIED TO PSOMAS BY THE CLIENT AND MARNELL COMPANIES ON APRIL 29, 2022.

15. CERTAIN DEFINITIONS CONTAINED HEREIN ARE AS SET FORTH IN THAT CERTAIN DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS AND VACATION OWNERSHIP PLAN (THE "DECLARATION") TO BE RECORDED SEPARATELY. IN THE EVENT OF ANY INCONSISTENCY BETWEEN THIS CONDOMINIUM PLAN AND THE DECLARATION, THE PROVISIONS OF THE DECLARATION SHALL PREVAIL.

16. ALL REFERENCES TO FUTURE PHASES IN THIS CONDOMINIUM MAP ARE PROPOSED PHASES ONLY, AND DVD IS UNDER NO OBLIGATION TO SUBMIT PHASES TO THE CONDOMINIUM IN ANY SEQUENCE OR TO CONSTRUCT, DEVELOP OR ADD ANY PHASE OTHER THAN THOSE PHASES THAT DVD MAY INITIALLY DECLARE AS PART OF THE CONDOMINIUM.

SURVEYORS STATEMENT

I HEREBY STATE THAT I AM A PROFESSIONAL LAND SURVEYOR OF THE STATE OF CALIFORNIA AND THAT THIS CONDOMINIUM PLAN, CONSISTING OF 29 SHEETS, CORRECTLY (1) REPRESENTS THE TRUE AND COMPLETE SURVEY OR THE BOUNDARY OF THE LAND MADE UNDER MY SUPERVISION WHICH IS INCLUDED WITHIN THE PROJECT AND (2) SHOWS THE LOCATION OF THE UNITS.


 DANIEL L. RAHE, PLS 9425

12-7-22
 DATE



BASIS OF BEARINGS

THE BEARING NORTH 00°40'55" EAST OF THE CENTERLINE OF WALNUT STREET, AS SHOWN ON PARCEL MAP NO. 2020-111, RECORDED ON MAY 6, 2022, IN BOOK 409, PAGES 34 TO 36, INCLUSIVE, OF PARCEL MAPS, IN THE OFFICIAL RECORDS OF ORANGE COUNTY, CALIFORNIA.

BASIS OF ELEVATIONS

THE ELEVATIONS SHOWN ON THIS MAP ARE BASED ON COUNTY OF ORANGE B.M. 8B-11B, BRASS CAP MARKED "C OF A BM" IN THE TOP OF A CATCH BASIN EAST OF THE NORTHEAST BCR AT THE INTERSECTION OF HARBOR BOULEVARD AND DISNEY WAY.

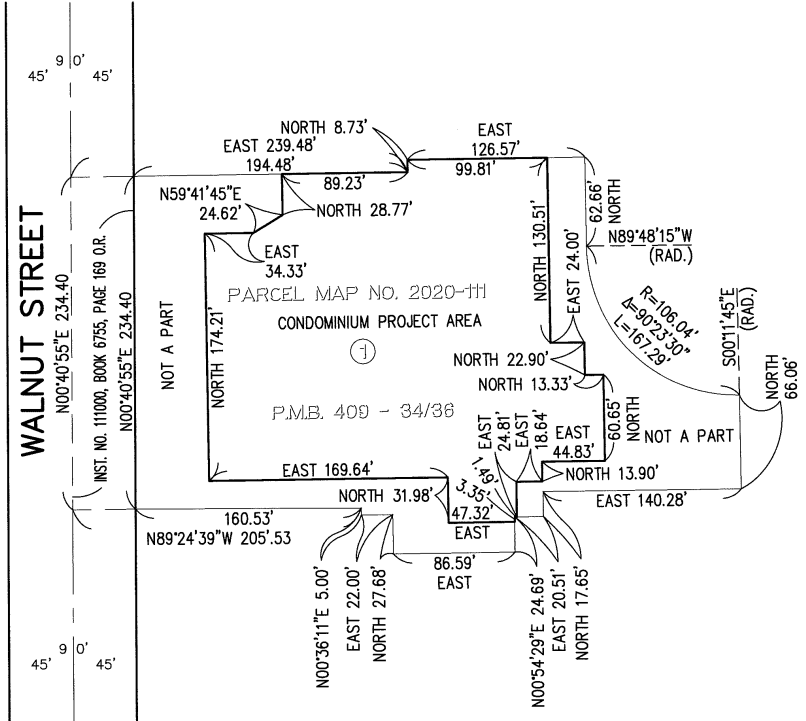
ELEVATION = 136.85 FEET, ADJUSTMENT: 1995 (NAVD88)

LEGEND

U-1A MEANS UNIT 1A
 _____ UNIT LINE
 _____ CONDOMINIUM PLAN BOUNDARY
 - - - - - FUTURE PHASE LINE
 - - - - - NOT A PART

L.E. LOWER ELEVATION
 U.E. UPPER ELEVATION
 (3) LOT NUMBER

CONDOMINIUM PLAN
 THE VILLAS AT DISNEYLAND HOTEL
 A LEASEHOLD CONDOMINIUM - PHASE 1
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 STATE OF CALIFORNIA





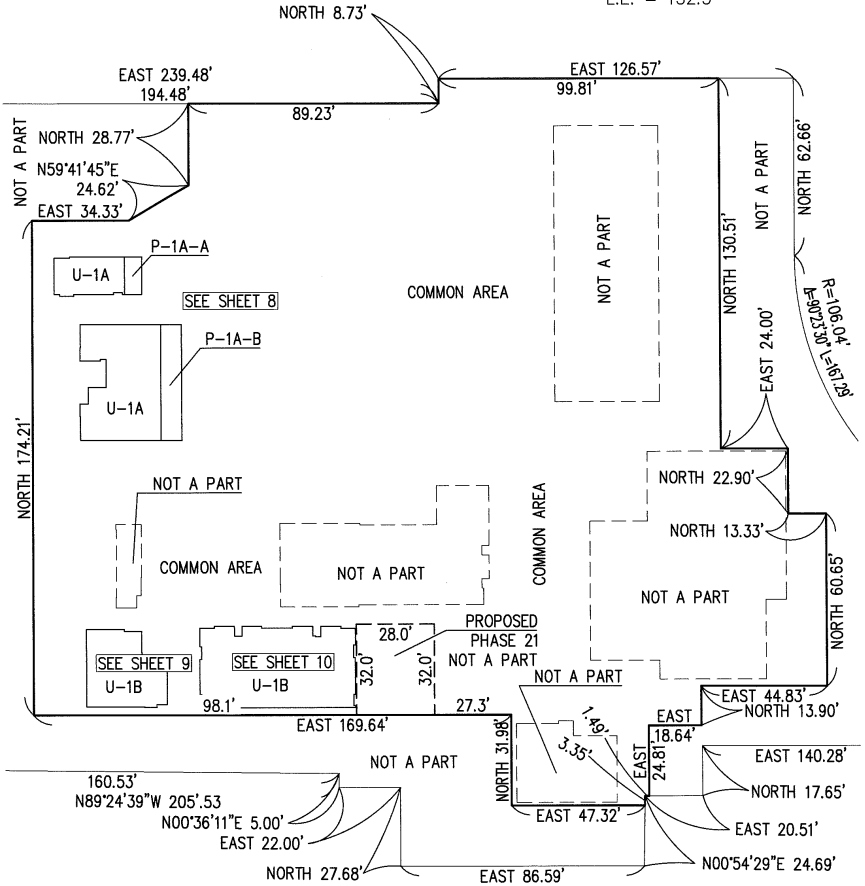
CONDOMINIUM PLAN

THE VILLAS AT DISNEYLAND HOTEL
A LEASEHOLD CONDOMINIUM - PHASE 1
PARCEL 1, PARCEL MAP NO. 2020-111,
M.B. 409, PAGES 34-36, INCLUSIVE
COUNTY OF ORANGE
STATE OF CALIFORNIA

FLOOR 1

U.E. = 141.5'

L.E. = 132.5'





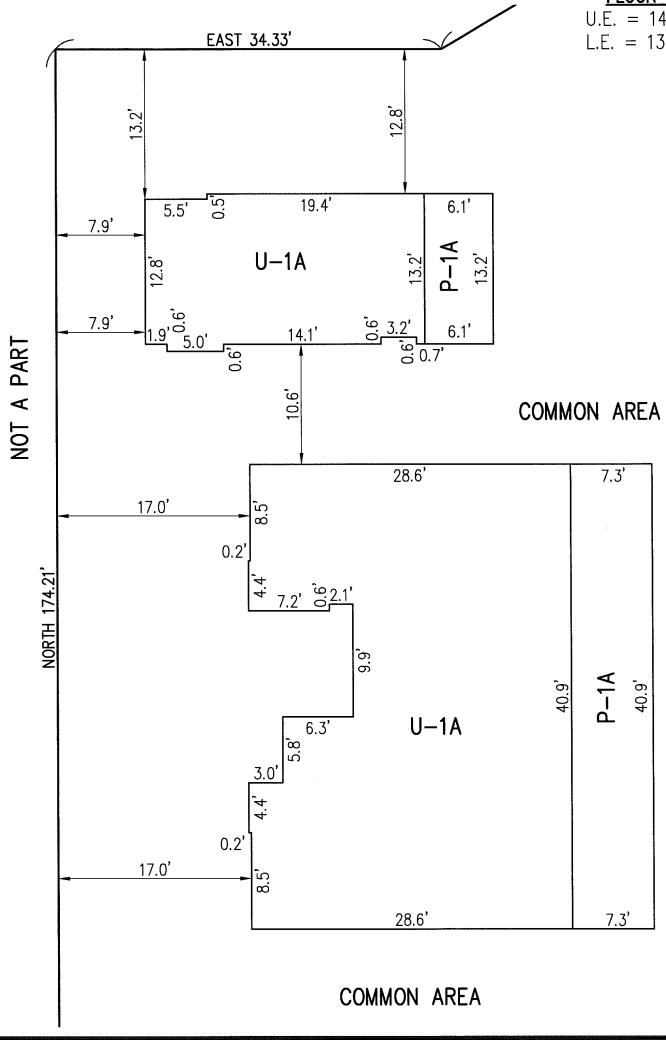
CONDOMINIUM PLAN

THE VILLAS AT DISNEYLAND HOTEL
A LEASEHOLD CONDOMINIUM - PHASE 1

PARCEL 1, PARCEL MAP NO. 2020-111,
M.B. 409, PAGES 34-36, INCLUSIVE
COUNTY OF ORANGE
STATE OF CALIFORNIA

FLOOR 1

U.E. = 141.5'
L.E. = 132.5'





CONDOMINIUM PLAN
 THE VILLAS AT DISNEYLAND HOTEL
 A LEASEHOLD CONDOMINIUM - PHASE 1
 PARCEL 1, PARCEL MAP NO. 2020-111,
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 COUNTY OF ORANGE
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FLOOR 1

U.E. = 141.5'

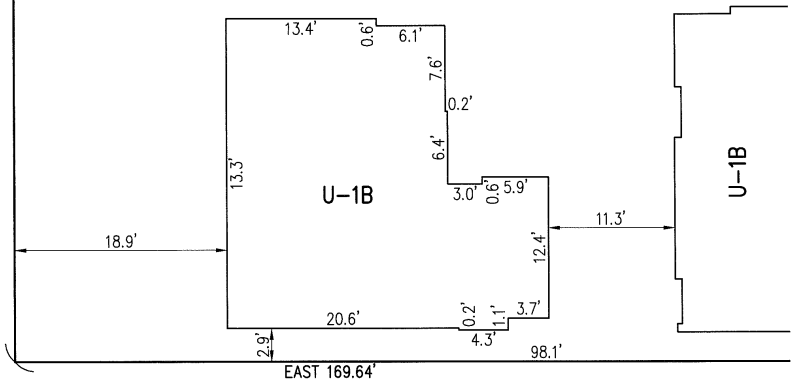
L.E. = 132.5'

NOT A PART

NORTH 174.21'

NOT A PART

COMMON AREA



NOT A PART

SCALE: 1" = 10'

SHEET 11 OF 30

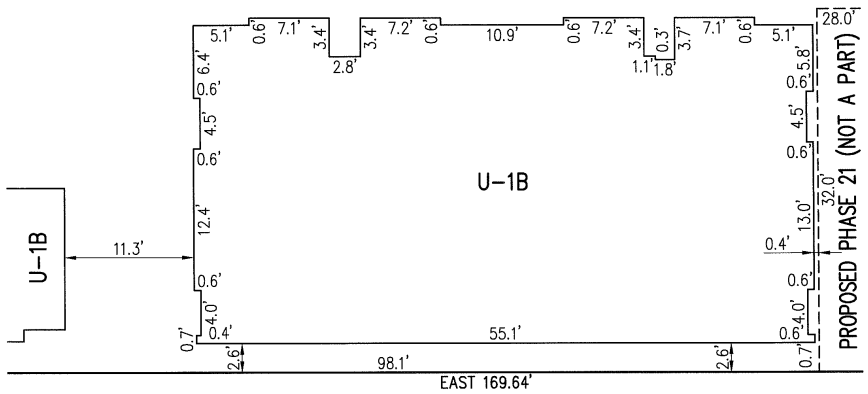


CONDOMINIUM PLAN
 THE VILLAS AT DISNEYLAND HOTEL
 A LEASEHOLD CONDOMINIUM - PHASE 1
 PARCEL 1, PARCEL MAP NO. 2020-111,
 M.B. 409, PAGES 34-36, INCLUSIVE
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FLOOR 1
 U.E.=141.5'
 L.E.=132.5'

COMMON AREA

NOT A PART



NOT A PART

SCALE: 1" = 40'

SHEET 12 OF 30



CONDOMINIUM PLAN

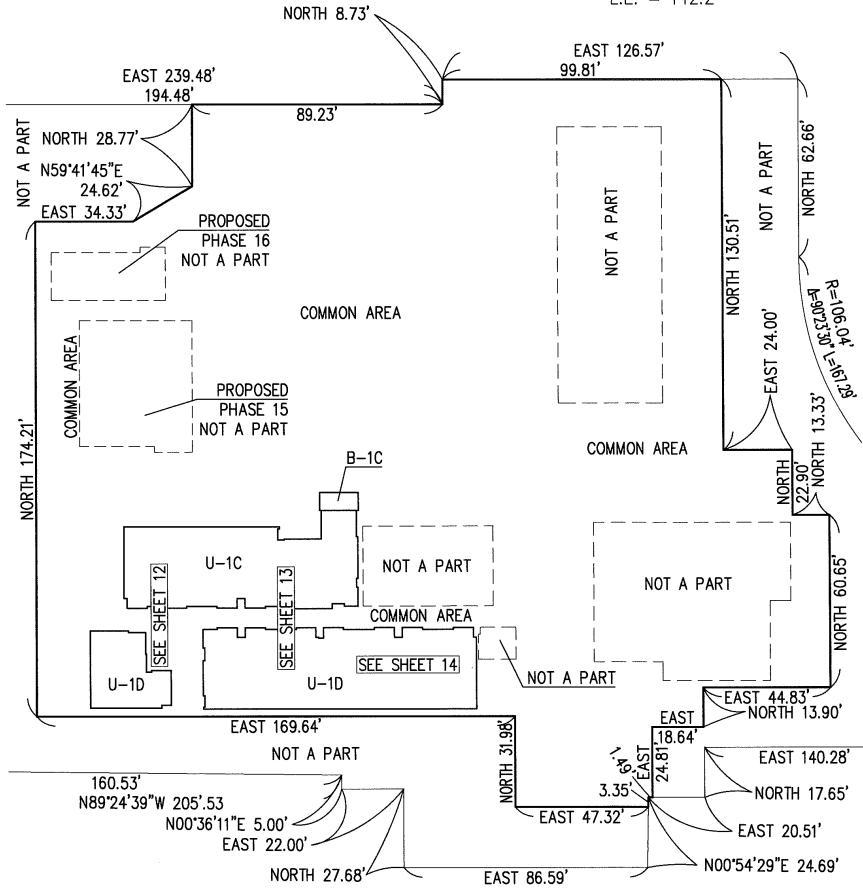
THE VILLAS AT DISNEYLAND HOTEL
A LEASEHOLD CONDOMINIUM - PHASE 1

PARCEL 1, PARCEL MAP NO. 2020-111,
M.B. 409, PAGES 34-36, INCLUSIVE
COUNTY OF ORANGE
STATE OF CALIFORNIA

FLOOR 2

U.E. = 151.2'

L.E. = 142.2'



SCALE: 1" = 10'

SHEET 13 OF 30



CONDOMINIUM PLAN
 THE VILLAS AT DISNEYLAND HOTEL
 A LEASEHOLD CONDOMINIUM — PHASE 1
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FLOOR 2
 U.E.=151.2'
 L.E.=142.2'

NOT A PART

NORTH 174.21'

COMMON AREA

U-1C

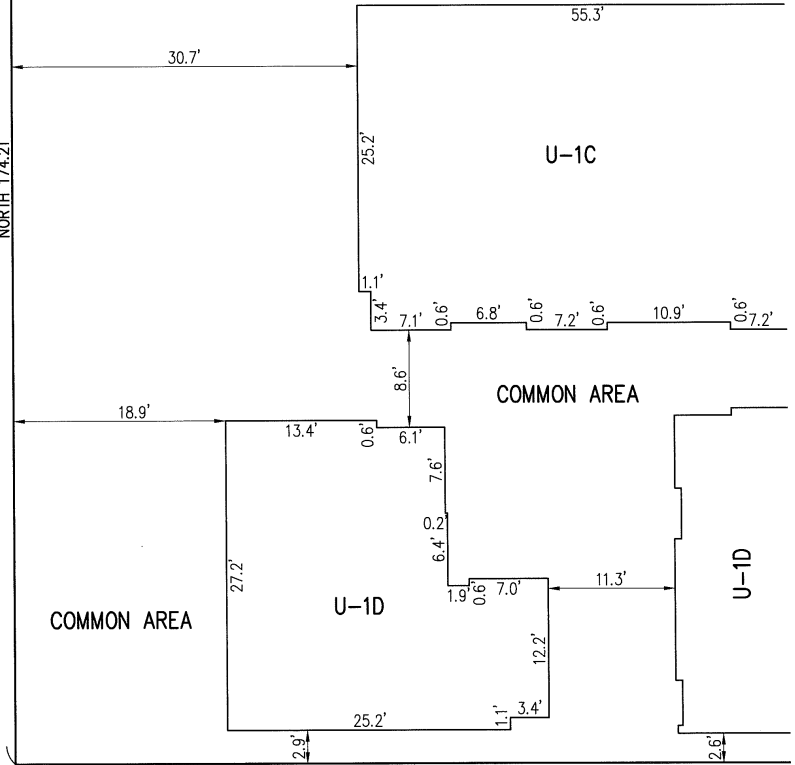
COMMON AREA

COMMON AREA

U-1D

U-1D

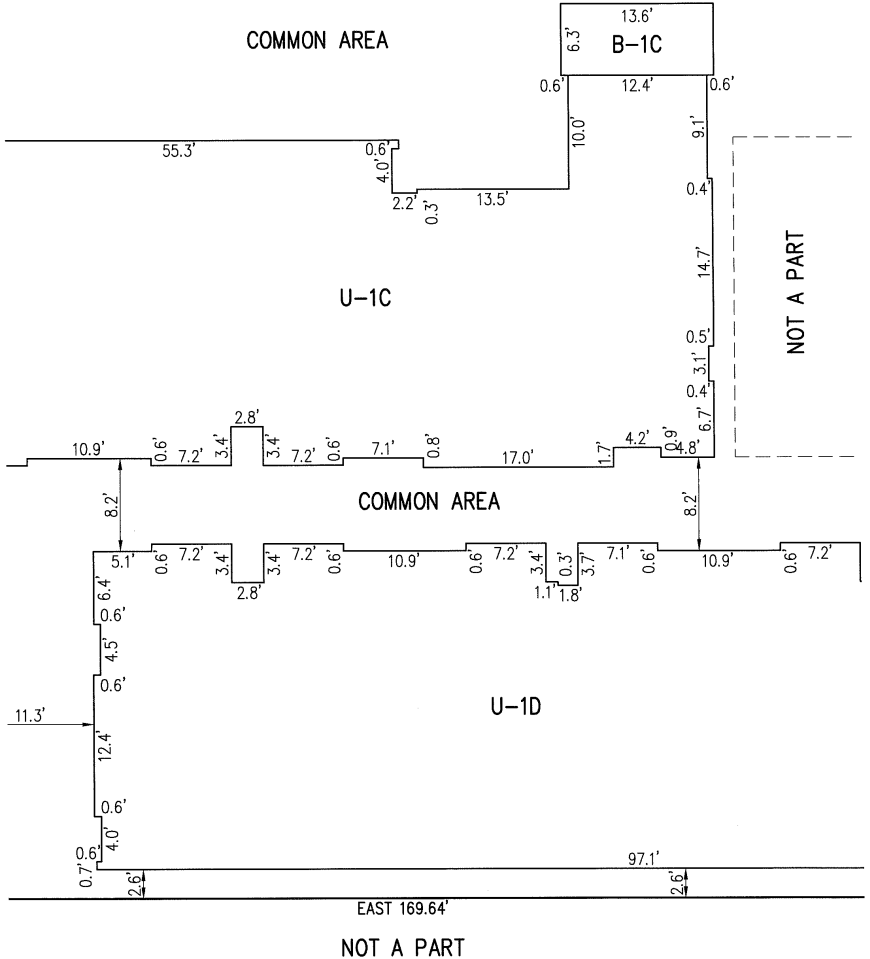
EAST 169.64'





CONDOMINIUM PLAN
 THE VILLAS AT DISNEYLAND HOTEL
 A LEASEHOLD CONDOMINIUM - PHASE 1
 PARCEL 1, PARCEL MAP NO. 2020-111,
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FLOOR 2
 U.E.=151.2'
 L.E.=142.2'



SCALE: 1" = 10'

SHEET 15 OF 30

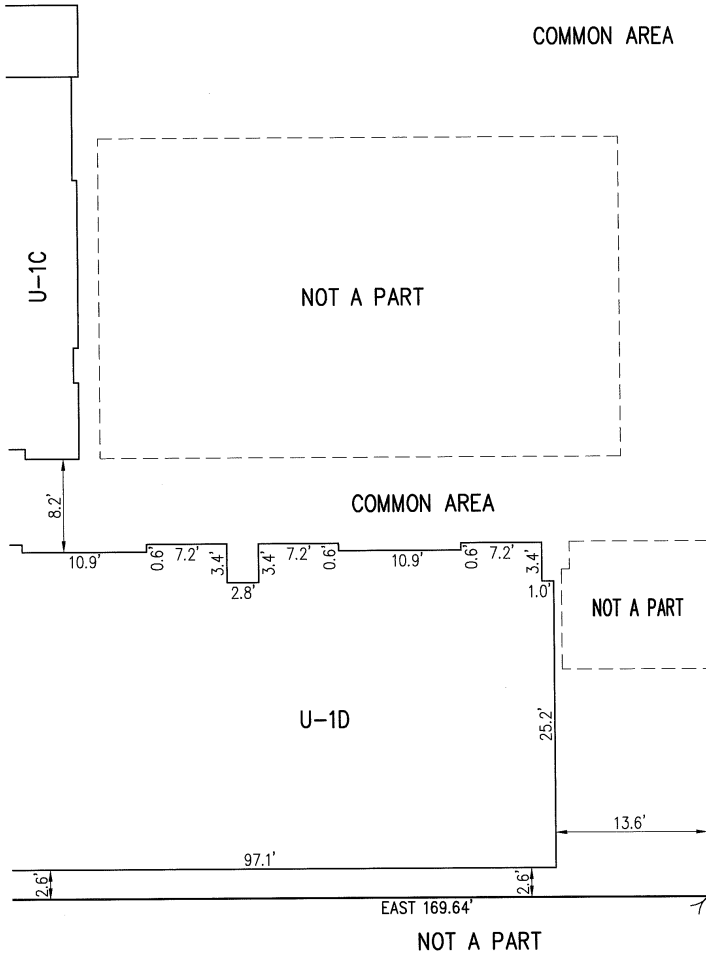


CONDOMINIUM PLAN
THE VILLAS AT DISNEYLAND HOTEL
A LEASEHOLD CONDOMINIUM - PHASE 1
PARCEL 1, PARCEL MAP NO. 2020-111,
M.B. 409, PAGES 34-36, INCLUSIVE
COUNTY OF ORANGE
STATE OF CALIFORNIA

FLOOR 2

U.E.=151.2'

L.E.=142.2'



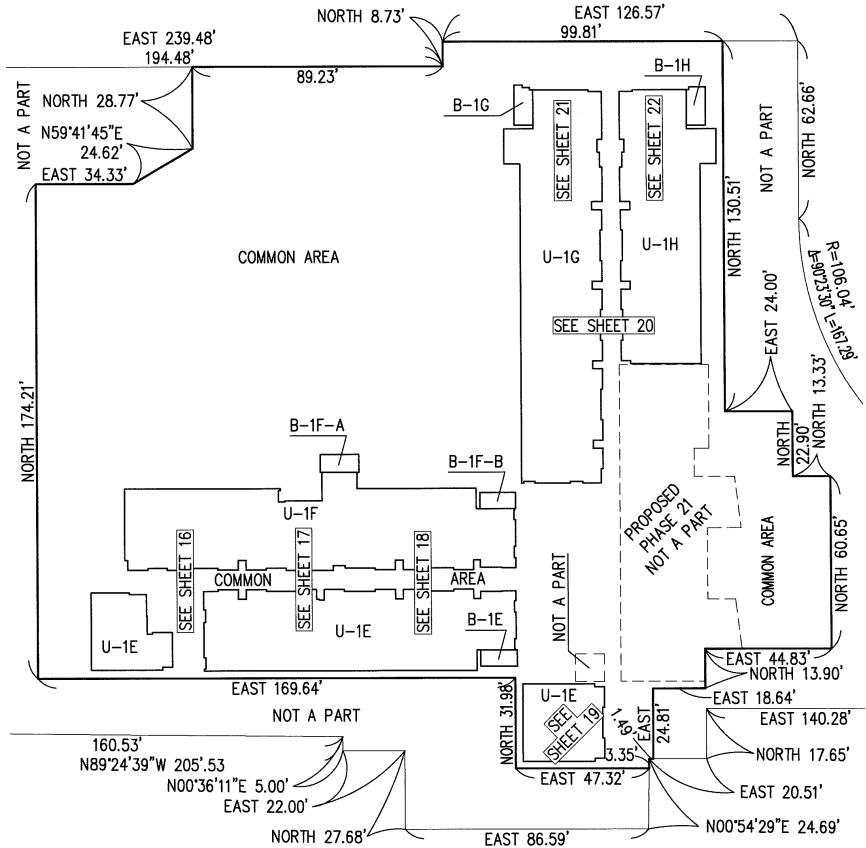


CONDOMINIUM PLAN
 THE VILLAS AT DISNEYLAND HOTEL
 A LEASEHOLD CONDOMINIUM - PHASE 1
 PARCEL 1, PARCEL MAP NO. 2020-111,
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FLOOR 3

U.E. = 160.8'

L.E. = 151.8'





CONDOMINIUM PLAN
 THE VILLAS AT DISNEYLAND HOTEL
 A LEASEHOLD CONDOMINIUM — PHASE 1
 PARCEL 1, PARCEL MAP NO. 2020-111,
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FLOOR 3

U.E.=160.8'

L.E.=151.8'

COMMON AREA

NOT A PART

NORTH 174.21'

COMMON AREA

U-1F

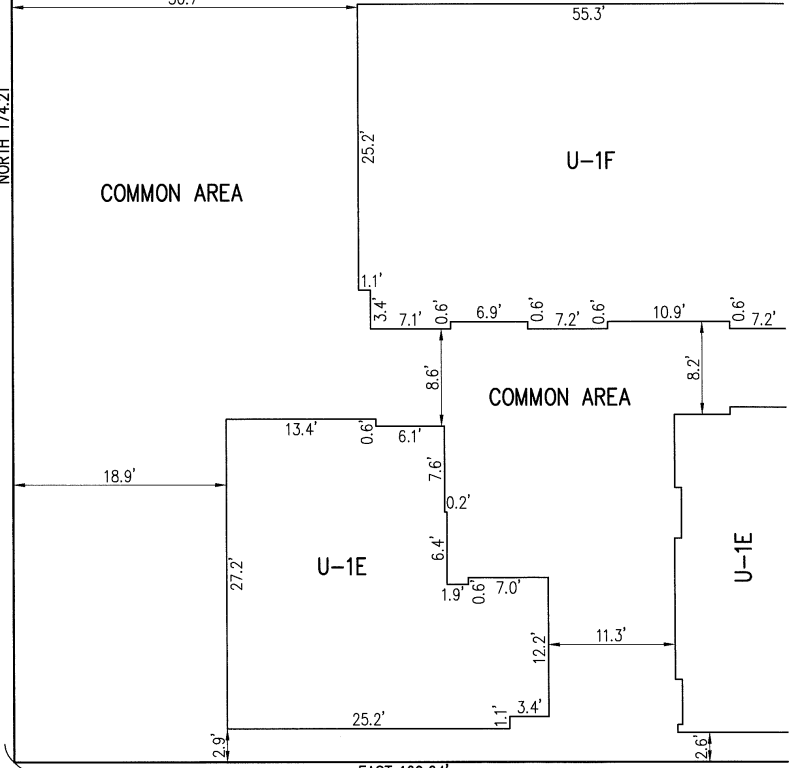
COMMON AREA

U-1E

U-1E

EAST 169.64'

NOT A PART





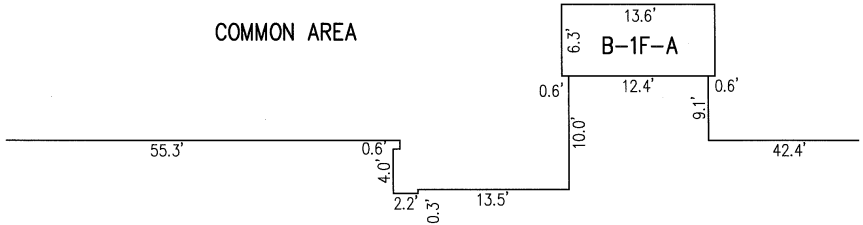
CONDOMINIUM PLAN
 THE VILLAS AT DISNEYLAND HOTEL
 A LEASEHOLD CONDOMINIUM - PHASE 1
 PARCEL 1, PARCEL MAP NO. 2020-111,
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FLOOR 3

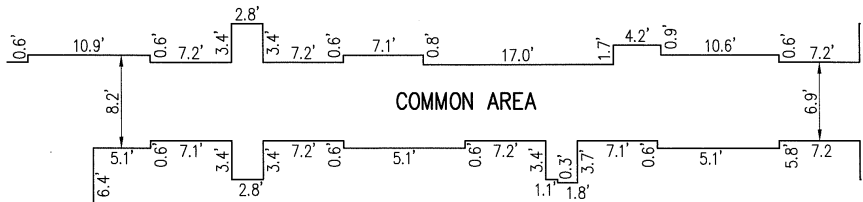
U.E.=160.8'

L.E.=151.8'

COMMON AREA

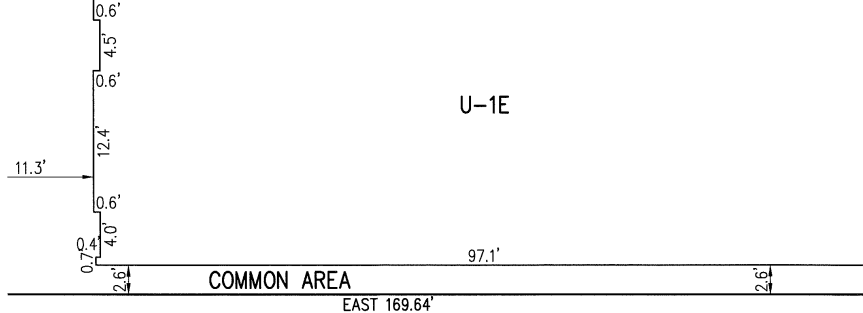


U-1F



COMMON AREA

U-1E



COMMON AREA

EAST 169.64'

NOT A PART

SCALE: 1" = 10'

SHEET 19 OF 30

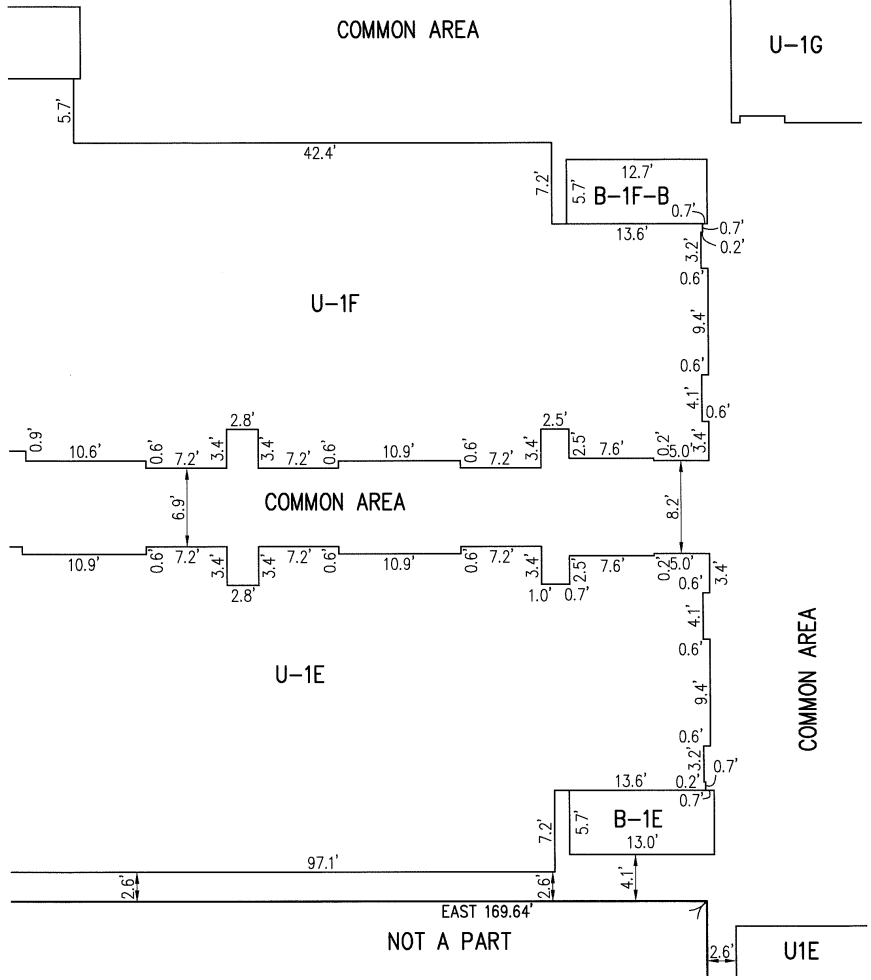


CONDOMINIUM PLAN
THE VILLAS AT DISNEYLAND HOTEL
A LEASEHOLD CONDOMINIUM - PHASE 1
PARCEL 1, PARCEL MAP NO. 2020-111,
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COUNTY OF ORANGE
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FLOOR 3

U.E.=160.8'

L.E.=151.8'



SCALE: 1" = 10'

SHEET 20 OF 30

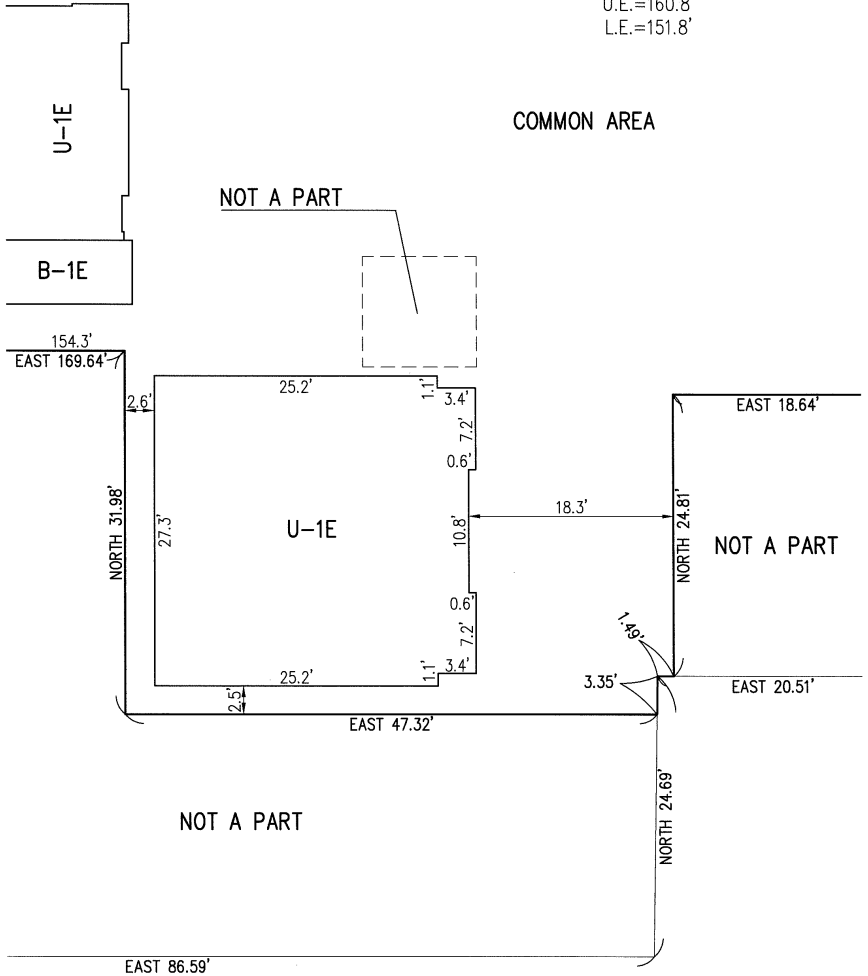


CONDOMINIUM PLAN
 THE VILLAS AT DISNEYLAND HOTEL
 A LEASEHOLD CONDOMINIUM - PHASE 1
 PARCEL 1, PARCEL MAP NO. 2020-111,
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FLOOR 3

U.E.=160.8'

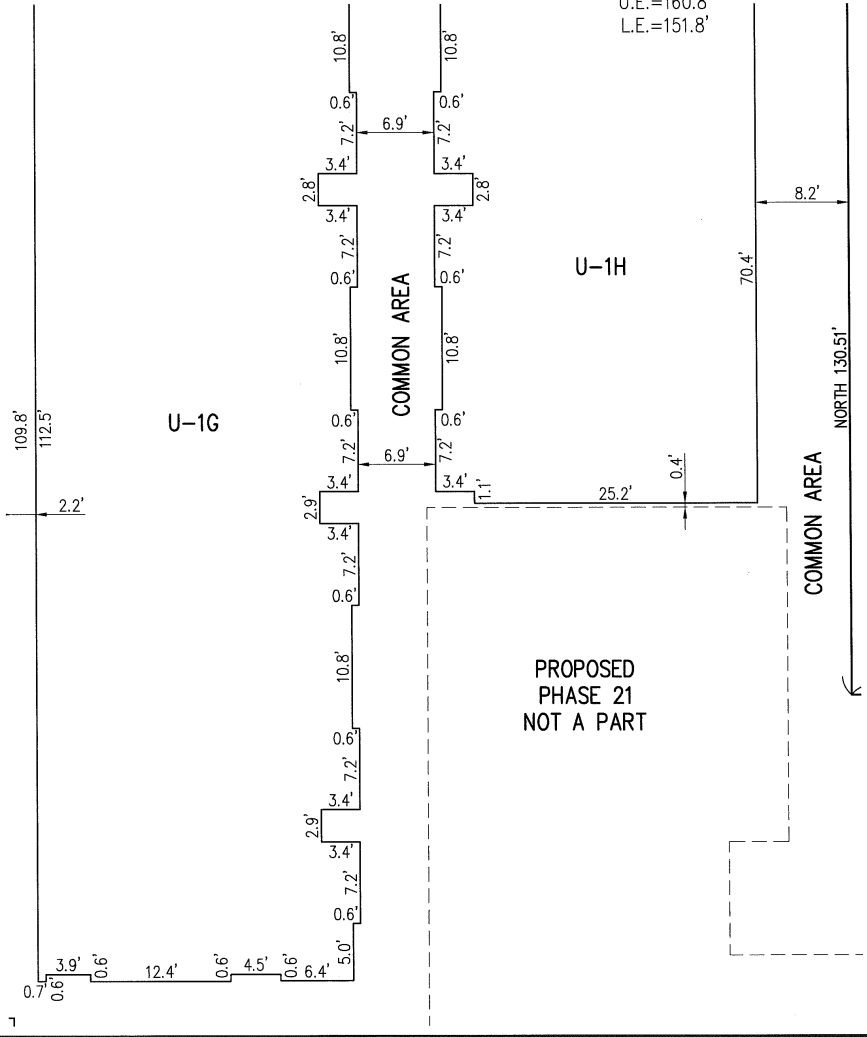
L.E.=151.8'





CONDOMINIUM PLAN
 THE VILLAS AT DISNEYLAND HOTEL
 A LEASEHOLD CONDOMINIUM - PHASE 1
 PARCEL 1, PARCEL MAP NO. 2020-111,
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 COUNTY OF ORANGE
 STATE OF CALIFORNIA

FLOOR 3
 U.E.=160.8'
 L.E.=151.8'



SCALE: 1" = 10'

SHEET 22 OF 30

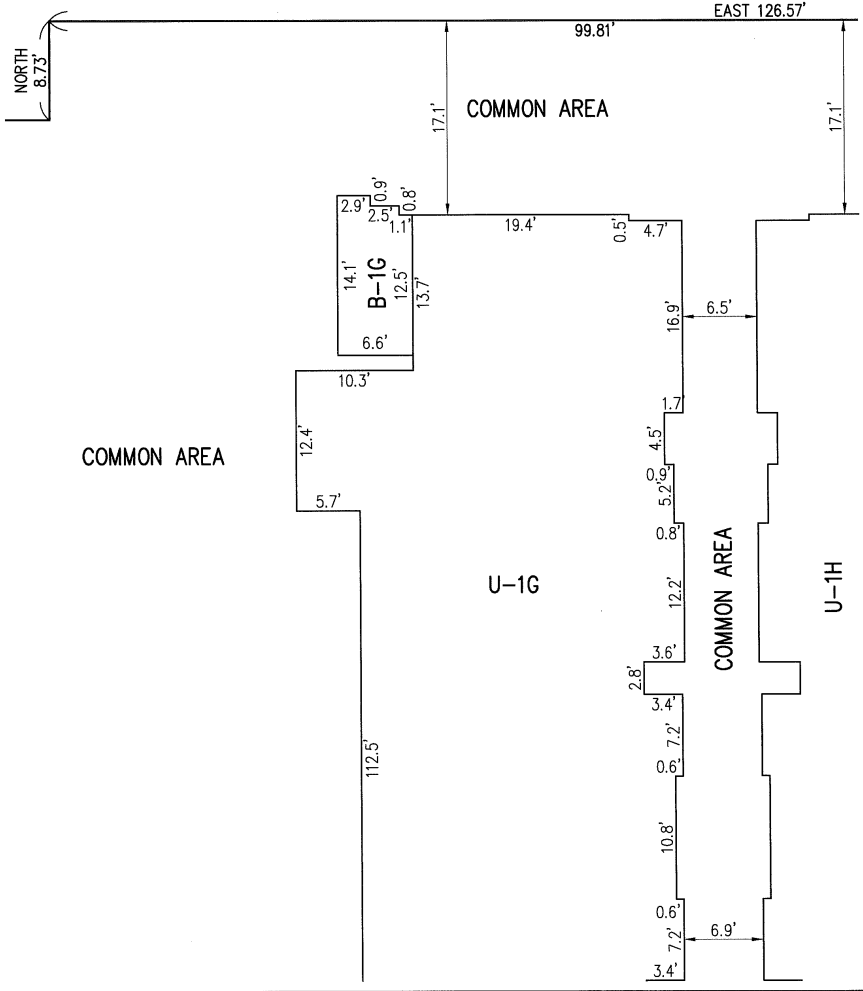


CONDOMINIUM PLAN
 THE VILLAS AT DISNEYLAND HOTEL
 A LEASEHOLD CONDOMINIUM - PHASE 1
 PARCEL 1, PARCEL MAP NO. 2020-111,
 M.B. 409, PAGES 34-36, INCLUSIVE
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FLOOR 3

U.E.=160.8'

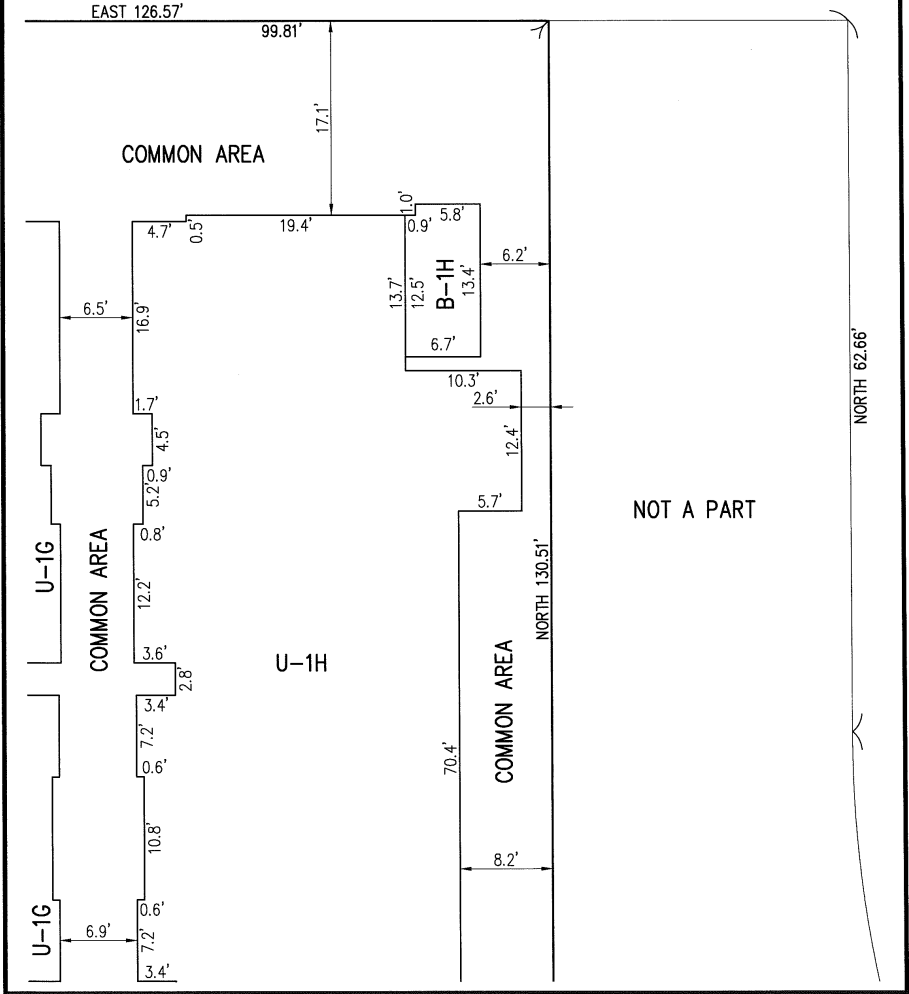
L.E.=151.8'





CONDOMINIUM PLAN
THE VILLAS AT DISNEYLAND HOTEL
A LEASEHOLD CONDOMINIUM - PHASE 1
PARCEL 1, PARCEL MAP NO. 2020-111,
M.B. 409, PAGES 34-36, INCLUSIVE
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FLOOR 3
U.E.=136.0'
L.E.=127.0'



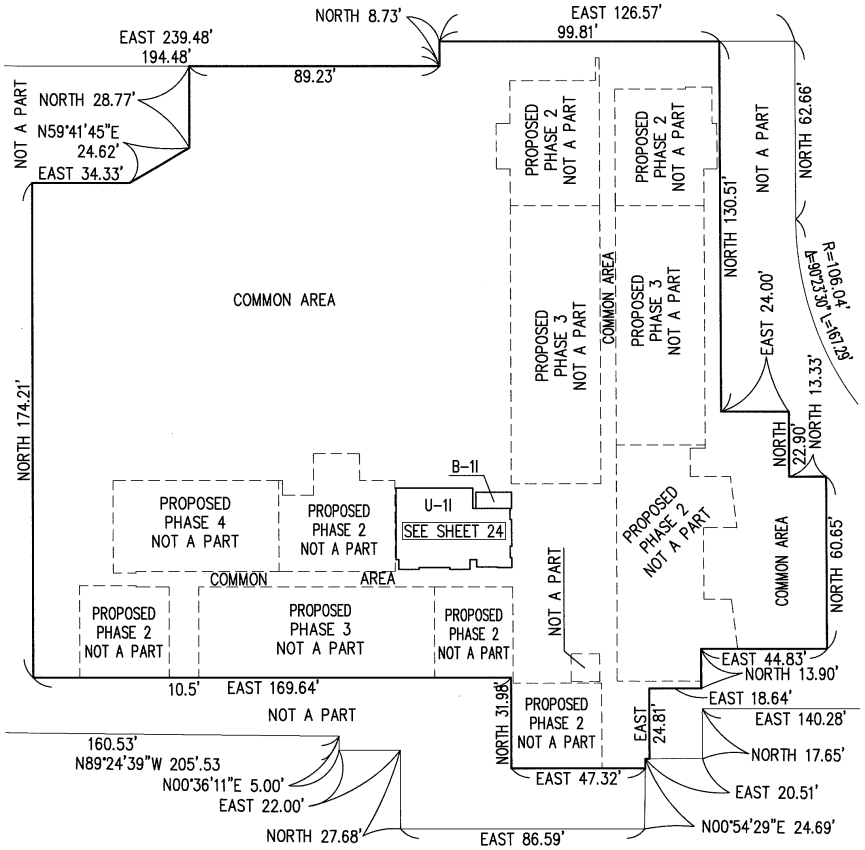


CONDOMINIUM PLAN
 THE VILLAS AT DISNEYLAND HOTEL
 A LEASEHOLD CONDOMINIUM - PHASE 1
 PARCEL 1, PARCEL MAP NO. 2020-111,
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 COUNTY OF ORANGE
 STATE OF CALIFORNIA

FLOOR 4

U.E. = 170.5'

L.E. = 161.5'



SCALE: 1" = 10'

SHEET 25 OF 30



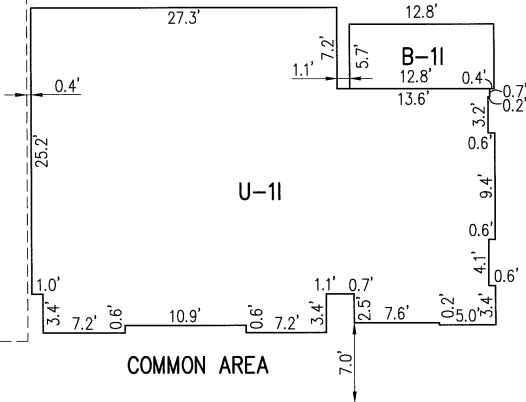
CONDOMINIUM PLAN
 THE VILLAS AT DISNEYLAND HOTEL
 A LEASEHOLD CONDOMINIUM — PHASE 1
 PARCEL 1, PARCEL MAP NO. 2020-111,
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FLOOR 4
 U.E.=170.5'
 L.E.=161.5'

**PROPOSED
 PHASE 3
 NOT A PART**

COMMON AREA

**PROPOSED
 PHASE 2
 NOT A PART**



COMMON AREA

COMMON AREA

**PROPOSED
 PHASE 3
 NOT A PART**

**PROPOSED
 PHASE 2
 NOT A PART**

EAST 169.64'

NOT A PART

NORTH 31.98'

**PROPOSED
 PHASE 2
 NOT A PART**

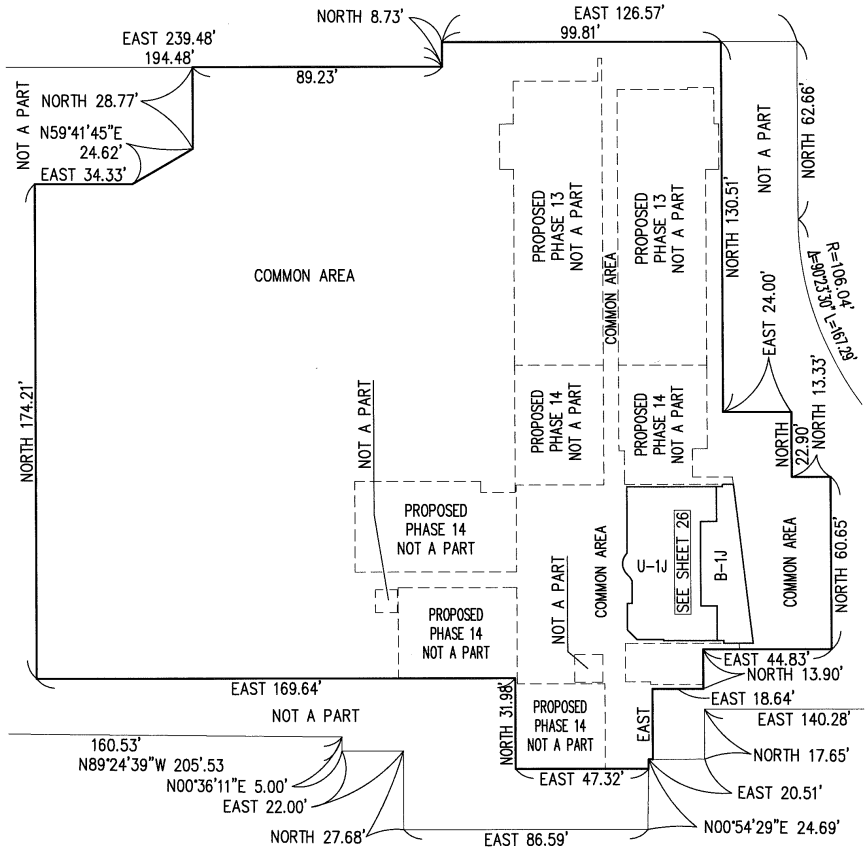


CONDOMINIUM PLAN
 THE VILLAS AT DISNEYLAND HOTEL
 A LEASEHOLD CONDOMINIUM - PHASE 1
 PARCEL 1, PARCEL MAP NO. 2020-111,
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FLOOR 9

U.E. = 220.3'

L.E. = 211.3'





CONDOMINIUM PLAN
THE VILLAS AT DISNEYLAND HOTEL
A LEASEHOLD CONDOMINIUM — PHASE 1
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FLOOR 9
 U.E.=220.3'
 L.E.=211.3'

PROPOSED
 PHASE 14
 NOT A PART

PROPOSED
 PHASE 14
 NOT A PART

COMMON AREA

U-1J

B-1J

COMMON AREA

NOT A PART

PROPOSED
 PHASE 14
 NOT A PART

COMMON AREA

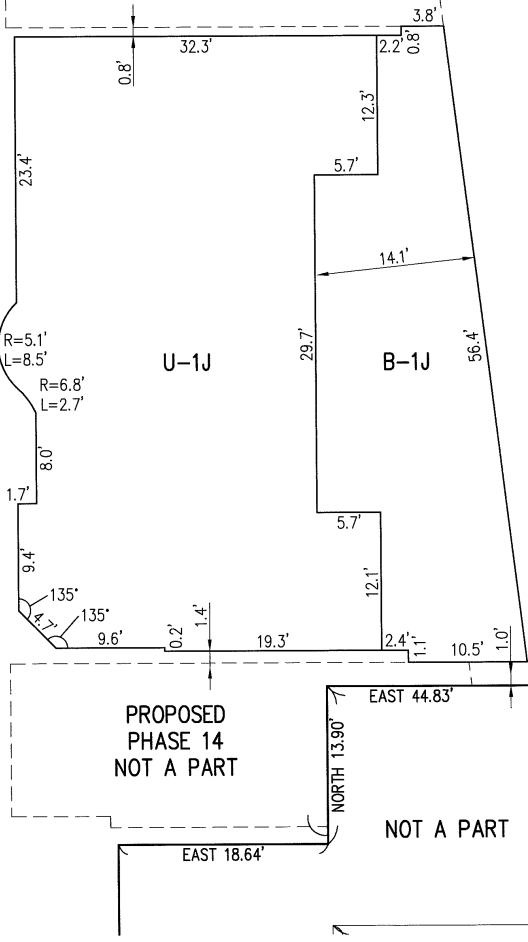
NOT A PART

PROPOSED
 PHASE 14
 NOT A PART

EAST 18.64'

EAST 44.83'

NORTH 13.90'



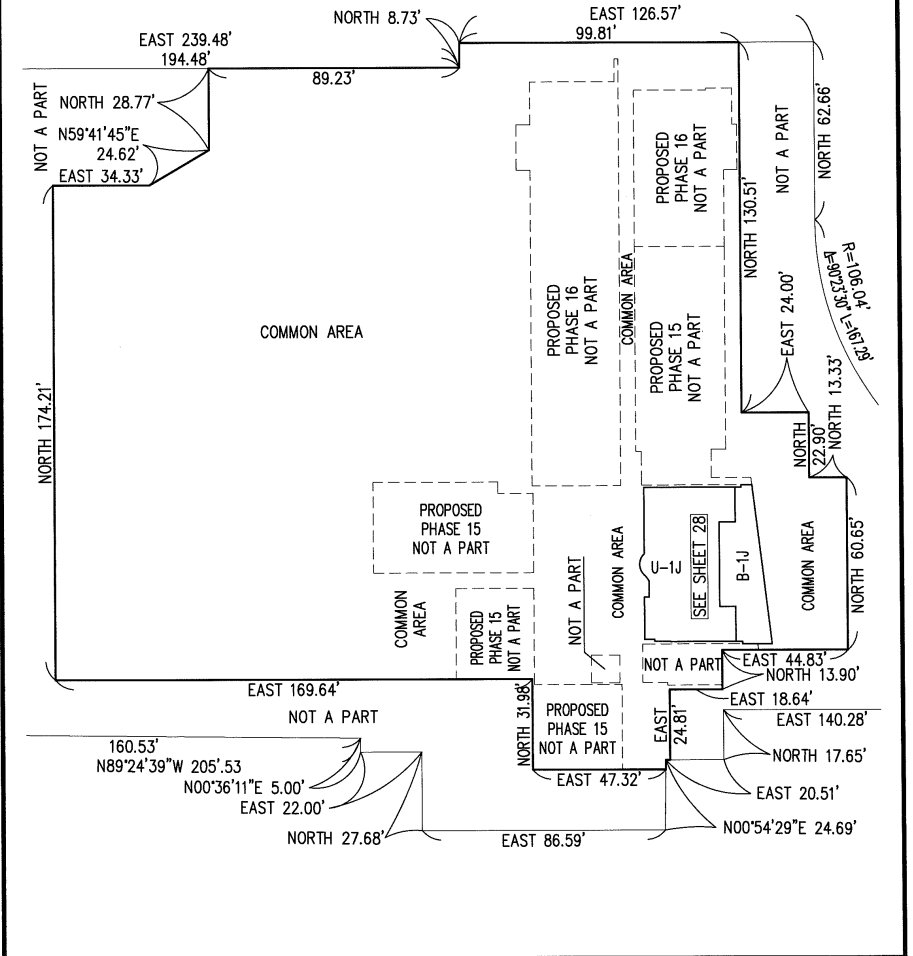


CONDOMINIUM PLAN
 THE VILLAS AT DISNEYLAND HOTEL
 A LEASEHOLD CONDOMINIUM - PHASE 1
 PARCEL 1, PARCEL MAP NO. 2020-111,
 M.B. 409, PAGES 34-36, INCLUSIVE
 COUNTY OF ORANGE
 STATE OF CALIFORNIA

FLOOR 10

U.E. = 230.00'

L.E. = 221.0'





CONDOMINIUM PLAN

THE VILLAS AT DISNEYLAND HOTEL

A LEASEHOLD CONDOMINIUM - PHASE 1

PARCEL 1, PARCEL MAP NO. 2020-111,
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FLOOR 10

U.E. = 230.0'

L.E. = 221.0'

PROPOSED
PHASE 16
NOT A PART

PROPOSED
PHASE 15
NOT A PART

COMMON AREA

U-1J

B-1J

COMMON AREA

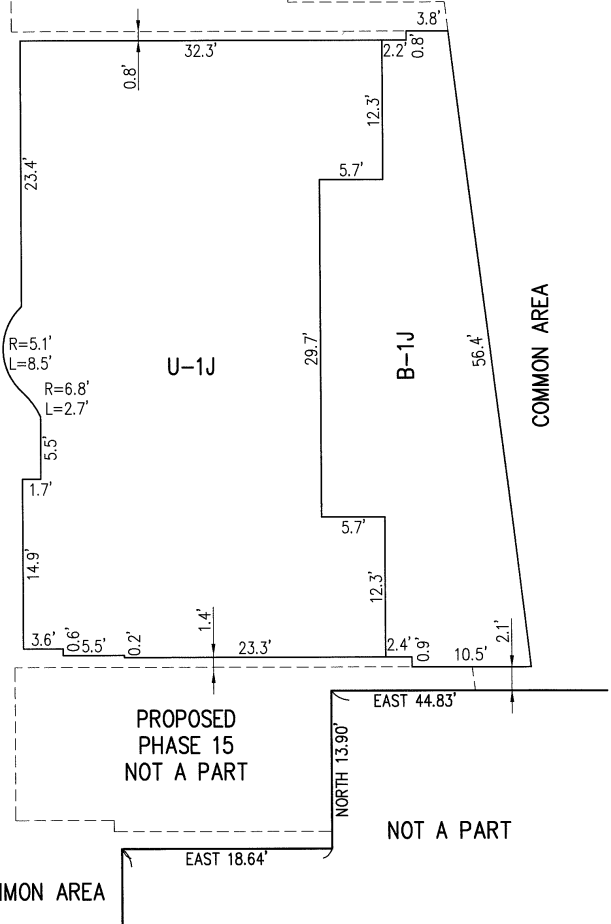
NOT A PART

PROPOSED
PHASE 15
NOT A PART

PROPOSED
PHASE 15
NOT A PART

COMMON AREA

NOT A PART



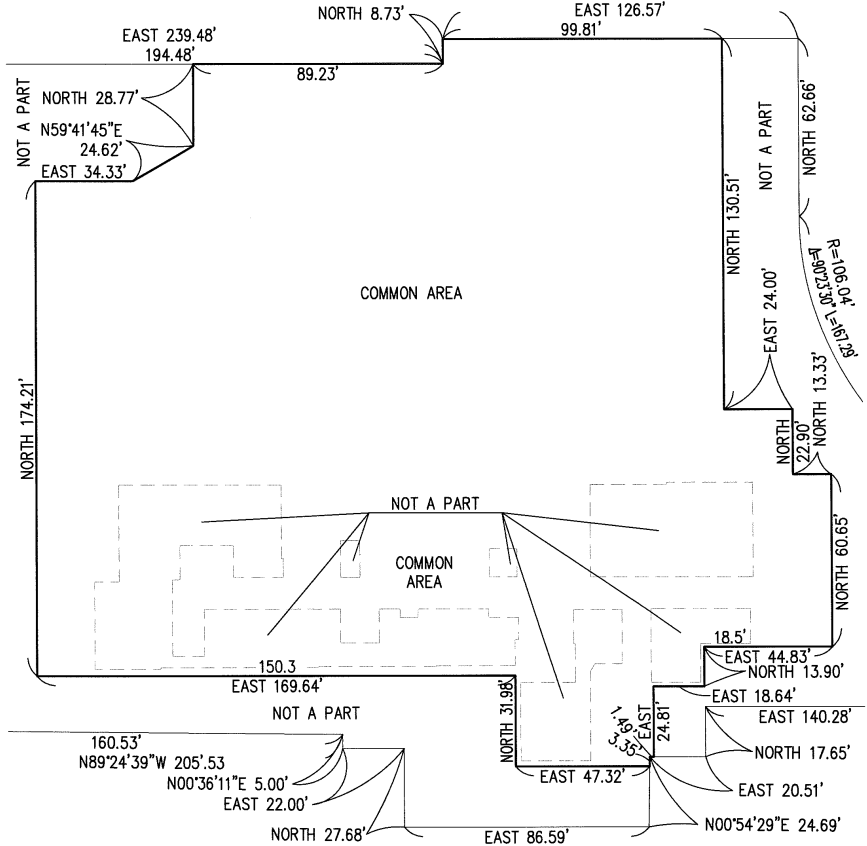


CONDOMINIUM PLAN
THE VILLAS AT DISNEYLAND HOTEL
A LEASEHOLD CONDOMINIUM - PHASE 1
PARCEL 1, PARCEL MAP NO. 2020-111,
M.B. 409, PAGES 34-36, INCLUSIVE
COUNTY OF ORANGE
STATE OF CALIFORNIA

BASEMENT

U.E. = 127.00'

L.E. = 113.50'





253.00

2022000416010 2:17 pm 12/22/22

90 CR-SC06 D02 57

0.00 0.00 0.00 0.00 168.00 0.00 0.000.0075.00 3.00

This instrument prepared by and return to:
Disney Vacation Development, Inc.
Attn: Regulatory Affairs
1851 Community Drive,
Lake Buena Vista, FL 32830

Mail Tax Statements to:
P. O. Box 5046
Glendale, CA 91221-2046

MASTER DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS
(The Villas at Disneyland Hotel)

THIS MASTER DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS ("Master Declaration") is made effective as of the 1st day of March, 2021 (the "**Effective Date**"), by **WALT DISNEY PARKS AND RESORTS U.S., INC. ("WDPR")**, whose address is Post Office Box 10000, Lake Buena Vista, Florida 32830-1000.

RECITALS

- A. WDPR (as more particularly defined in Article I) is the owner of that certain real property located in Orange County, State of California, and more particularly described in **Exhibit A** attached to this Master Declaration, and by this reference incorporated as a part of this Master Declaration (the "**Master Property**") and as more particularly defined in Article I).
- B. WDPR anticipates that the Master Property will be developed and operated as a multi-use master planned project.
- C. WDPR also anticipates that the multi-use master planned project may include accommodations and facilities that are subjected to the condominium form of ownership or included as part of a vacation ownership plan pursuant to the Vacation Ownership and Time-share Act of 2004.
- D. WDPR further anticipates that the Master Property will also include certain Shared Areas (as defined in Article I) which will or may be located on portions of the Master Property under separate ownership and control but commonly used for the benefit of persons other than the owner of the Shared Areas and include support facilities, open space green belt areas, amenities, and other facilities, which Shared Areas may be inside buildings or other infrastructure located on the Master Property.
- E. WDPR desires to provide for the preservation and enhancement of the desirability and attractiveness of the Master Property; to ensure that any improvements on the Master Property will at all times be developed, designed, constructed, used, operated, managed, and maintained in compliance with Applicable Law (as defined in Article I) and in compliance with this Master Declaration, and in conformity with the overall theme, concept, atmosphere, and extraordinarily high standards of quality which have come to be known and expected at the Disneyland® Resort; to provide for the common use of and the allocation and sharing of expenses and reserves for the construction, installation, operation, management, maintenance, repair, refurbishment, preservation, protection, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, or alteration of Shared Areas; to permit the development and operation of the Shared Areas and the construction, installation, operation, management, maintenance, repair, refurbishment, preservation, protection, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, or alteration of the Shared Areas to integrate with, enhance and support the surrounding portions of the Master Property and the Disneyland® Resort; and to recognize that as a result of the development and operation of the Master Property as an integrated property and in order to maximize efficiencies and cost savings, certain services and operational and maintenance costs that might otherwise

be separately obtained or incurred for the benefit of separately-owned portions of the Master Property may, and in some instances must, be obtained or incurred on a consolidated basis and then allocated and shared by owners of such separately-owned portions on the same basis that expenses are allocated and shared for the Shared Areas as more particularly described in this Master Declaration, in order to avoid unnecessary increases in the cost of administration attendant to accounting for such expenses on a cost accounting basis.

NOW, THEREFORE, WDPR declares that all of the Master Property shall be held, transferred, sold, conveyed, leased, mortgaged, occupied, and otherwise dealt with subject to the covenants, conditions, restrictions, reservations, easements, charges, and liens, as set forth in this Master Declaration, all of which are in furtherance of the foregoing purposes. Such covenants, conditions, restrictions, reservations, easements, charges, and liens shall run with the title to all or any portion of the Master Property, shall be binding upon all persons having or acquiring any right, title, or interest in or lien upon the Master Property, their successors, assigns, and legal representatives and shall inure to the benefit of each and every person from time to time, owning or holding an interest in or lien upon the Master Property or any portion of the Master Property.

I. **DEFINITIONS.** The following words when used in this Master Declaration shall have the following meanings:

"Access Ways" means all ingress and egress infrastructure constructed upon or across the Master Property including streets, roadways, driveways, parking areas, paths, and sidewalks.

"Accommodation" means a unit used for any transient or residential occupancy purposes, including a hotel or other lodging establishment, and whether or not declared as part of a Condominium or Vacation Ownership Plan.

"Applicable Law" means any and all applicable statutes, common laws, judicial determinations, ordinances, requirements, orders, directions, rules, and regulations having the force of law enacted or promulgated or issued by federal, state, regional, county, or municipal governments or courts or by any of their respective departments, bureaus, or offices or by any other governmental authorities with jurisdiction over the Master Property or the ownership, design, construction, installation, operation, management, maintenance, repair, refurbishment, preservation, protection, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, alteration, or condition (including environmental and non-environmental conditions of the Master Property). Applicable Law shall be determined as it exists from time to time, unless it is provided in this Master Declaration that a particular Applicable Law shall be determined as of the date this Master Declaration is recorded or unless as otherwise provided in this Master Declaration.

"ARO" means the person or persons designated by WDPR as the architectural review officer and further described in Article V of this Master Declaration.

"Association" means any owners' association, including any Condominium or vacation ownership association, responsible for the maintenance and operation of any portion of the Master Property subject to subdivision restrictions or other similar restrictive documents pursuant to which an owners' association is created, including a Condominium or Vacation Ownership Plan. With respect to those portions of the Master Property that an Association is responsible for maintaining and operating, that Association, through its governing board, shall be the only representative authorized to act on behalf of a member or members of such Association, including any Owners, with respect to such property and the provisions of this Master Declaration. Whenever the governing board of the Association gives its acknowledgment, consent, understanding or agreement with respect to this Master Declaration, such acknowledgment, consent, understanding or agreement shall be deemed to also have been given by each member of such Association and shall be absolutely binding upon each such member. Nothing contained in this Master Declaration shall be deemed to relieve any individual member of an Association, as both a member of an Association and as an individual Owner, from being bound by and complying with the provisions, restrictions, and conditions set forth in this Master Declaration or from being responsible for any costs, fees, assessments, taxes or charges applicable to such member's ownership interest.

"Capital Improvement Expense" means a charge against an Owner and such Owner's portion of the Master Property, representing a portion of the costs incurred for construction, repair, refurbishment, preservation, protection, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, or alteration of any capital improvement to or for any portion of the Shared Areas for which another Owner is responsible as provided in this Master Declaration, or any construction, repair, refurbishment, preservation, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, or alteration of such an Improvement amounting to a capital expenditure under generally accepted accounting principles, which may be undertaken pursuant to this Master Declaration. The term "construction" in this definition does not refer to the initial construction of any portion of the Shared Area or other Improvements.

"Common Structure" means any Improvement that is not owned exclusively by just one Owner, such as a party wall or common building foundation. Common Structures are part of the Shared Areas.

"Condominium" means the condominium form of ownership of real property, whether created on land owned in fee simple or held under lease.

"Condominium Property" means any portion of the Master Property, or rights or interests in the Master Property, which is made subject to a recorded Condominium declaration. If any Condominium so created is a phased Condominium, all portions of the Master Property made subject to the Condominium form of ownership by amendments or supplements to the Condominium declaration to add a phase shall be deemed included within and a part of the Condominium Property, if and when such amendments or supplements are recorded in the Public Records of Orange County, California. Condominium Property includes any portion of an Improvement that is located on property that is not part of the Condominium Property if such portion of the Improvement is specifically included as part of the Condominium.

"Disney Standard" means the overall theme, concept, atmosphere, and extraordinarily high standards of quality which have come to be known and expected at the Disneyland® Resort.

"Ground Lease" means and refers to any ground lease that WDPR may enter into with a person for the purpose of leasing WDPR's interest in all or a portion of the Master Property. In such event, this Master Declaration will govern and control and shall be superior to the terms of such ground lease, and such lessee, its successors and assigns and anyone claiming through the lessee, its successors or assigns, shall be governed by this Master Declaration.

"Improvements" consist of any and all structures, buildings, infrastructure, and all appurtenant and related facilities together with any and all additions to and replacements of such structures, buildings, infrastructure, and all appurtenant and related facilities, and all other improvements now or hereafter located on the Master Property. Improvements shall include the Accommodations, Surface Water Management System, and infrastructure necessary for Utility Services.

"Insurance Trustee" means WDPR or, if WDPR elects not to be the Insurance Trustee, a commercial bank with trust powers authorized to do business in California selected by WDPR or such other person acceptable to WDPR in its discretion.

"Master Declaration" means this Master Declaration of Covenants, Conditions, and Restrictions, as the same may be amended or supplemented from time to time.

"Master Property" means that certain real property lying and situated in Orange County, State of California, which real property is more particularly described in **Exhibit A** attached to this Master Declaration, and by this reference incorporated as a part of this Master Declaration, together with all Improvements on the Master Property and any property added to the Master Property in accordance with this Master Declaration. Unless specifically stated otherwise, references to the Master Property shall be deemed to apply to all portions and any portion of the Master Property whether or not such portions are separately owned, managed, or developed.

"Non-Declared Property" means and refers to all of the Master Property that is not declared as Condominium Property, declared as Vacation Ownership Property, or subject to a declaration of covenants, conditions or restrictions or other similar restrictive document that creates a separate subdivision within the Master Property, and includes the Improvements located on such property from time to time unless such Improvements are specifically excluded from inclusion in the Non-Declared Property. Any portion of an Improvement located on the Non-Declared Property that are included in property subject to a Condominium Declaration, Vacation Ownership Plan Declaration, declaration of covenants, conditions or restrictions, or other similar restrictive document that creates a separate subdivision are not part of the Non-Declared Property.

"Open Area" means those areas of open space located from time to time on the Master Property and that are not included within the Improvements.

"Orange County Courts" means the federal, county, and local courts located in Orange County, California.

"Owner" means the record owner of fee title or a lessee, whether one or more persons or entities, in any portion of the Master Property. Owner shall not mean any lienor or mortgagee unless and until such lienor or mortgagee has acquired title pursuant to foreclosure or any alternative in lieu of foreclosure. As to any portion of the Master Property declared as Condominium Property, declared as Vacation Ownership Property, or subject to subdivision restrictions or other similar restrictive documents pursuant to which an Association is created, such Association shall be deemed the Owner for that portion of the Master Property that the Association is responsible to operate and maintain pursuant to the applicable Condominium, Vacation Ownership Plan, subdivision or similar restrictive documents. With respect to the provisions of this Master Declaration, each Association, through its governing board, shall be the representative authorized to act on behalf of the members of such Association, including any Owners. Whenever the governing board of the Association gives its acknowledgment, consent, understanding, or agreement with respect to this Master Declaration, or whenever any notice is served or delivered to such governing board pursuant to this Master Declaration, such acknowledgment, consent, understanding, agreement, service or delivery shall be deemed to also have been given or received by each member of the Association and shall be absolutely binding on each member. Nothing contained in this Master Declaration, including the provisions of this definition, shall be deemed to relieve any individual member of an Association, as both a member of an Association and as an individual Owner, from being bound by and complying with the provisions, restrictions, and conditions set forth in this Master Declaration or from being responsible for any costs, fees, assessments, taxes, or charges applicable to such member's ownership interest.

"Permitted Commercial Activity" means the conduct of commercial activity on the Master Property, or the use or operation of portions of the Master Property for commercial activity, by WDPR, any of the TWDC Companies, or by others with WDPR approval.

"Person" means any Owner, lessee, guest, invitee, or licensee or other person whether such other person is permitted or not permitted to be on the Master Property, excluding any of the TWDC Companies, and their respective directors, officers, representatives, employees, or agents.

"Shared Areas" means those portions of the Master Property, whether now existing or subsequently constructed, any portions of the Access Ways, any Open Areas, the Surface Water Management System, security gates, central security systems, interior hallways, interior spaces of units or buildings, entranceways, elevators, stairs, fire escapes, fire command center, fire panels, fire equipment room, emergency generator room, fire pump room, switch gear equipment, generator, fuel tank, fire pump and fire sprinkler systems, water pump, water distribution systems, piping systems, exfiltration systems, sewage collection system, lift systems, plumbing, electrical systems, main electrical room (and appurtenant equipment), mechanical rooms, exterior lighting, generators, lighting protection systems, load bearing walls, party walls, shared roofs, shared slabs, pipes, conduits, support beams, HVAC, HVAC shafts, chiller, cooling tower, exhaust chases, smoke evacuation systems, ventilation chases, boilers, pipes, compressors, conduits, ducts, engines, building control systems, communication and data transmission systems, trash compactors, trash dumpsters, delivery area and loading docks, other Utility Services and related systems, infrastructure necessary for the support and operation of any transportation system, or infrastructure for or

any other Improvements that are made available for common use or are integral to the structure, operation, use or enjoyment of the Master Property all as determined by the ARO, in its discretion from time to time. The ARO shall have the right, in its discretion, to determine that any area should be included as part of the Shared Areas even if it was previously not part of the Shared Areas, or that any area no longer needs to be a Shared Area. Shared Areas shall not include any facilities used for the conduct of a business, as offices, for Permitted Commercial Activity, or for profit-making ventures except to the extent of those portions of such facilities that are necessary to support the structural integrity or use of any other Improvement, all as determined by the ARO, in its discretion.

"Shared Area Expenses" means all costs and expenses of maintenance and operation of the Shared Areas, including the payment of insurance on the Shared Areas; all expenses of construction, installation, operation, management, maintenance, repair, refurbishment, preservation, protection, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, or alteration of the Shared Areas; all Capital Improvement Expenses for the Shared Areas; all costs of labor, equipment, materials, insurance, and landscaping related to the Shared Areas; and all costs related to services provided to or from the Shared Areas, including Utility Services, check in/check out services, concierge and valet services, housekeeping, and janitorial services if so designated by the ARO, in its discretion.

"Surface Water Management System" means the surface water management system located on the Master Property consisting of any swales, inlets, culverts, retention ponds, outfalls, storm drains, lift or pump stations, connecting pipes, and similar systems used in connection with the retention, drainage, and control of surface water.

"TWDC Companies" means The Walt Disney Company, a Delaware corporation, its successors and assigns, affiliates, related entities, and subsidiaries.

"Utilities Infrastructure" means the infrastructure necessary to provide Utility Services, including electric and telephone poles, wires, cables, conduits, sewers, water mains, pipes, machinery, and other related suitable equipment or improvement, whether public or private, used in connection with, or in any way related to, the production, transmission, conveyance, distribution, or use of Utility Services, storm water, security, or any other public conveniences or utilities.

"Utility Services" means electric power, water, steam, heat, fuel, gas, hot water, refuse water, surface water drainage, fire alarm services, garbage and sewage disposal, telephone service, internet services, cable television or other cable provided services, and any other public service or convenience facilities servicing the Master Property.

"Vacation Ownership Plan" means a vacation ownership plan created pursuant to Vacation Ownership and Time-share Act of 2004 and approved by WDPR to be created or established with respect to any part of the Master Property as set forth in this Master Declaration.

"Vacation Ownership Property" means any portion of the Master Property that is made subject to a Vacation Ownership Plan.

"Visible Area" means any portion of the Improvements (including any curtain, wall, facade, window shades, blinds, other window covering, roof, or other area of the Improvements) visible from the exterior of such Improvements.

"WDPR" means Walt Disney Parks and Resorts U.S., Inc., a California corporation, its successors and any assigns, who take assignment of all or any of the rights and duties under this Master Declaration pursuant to a written instrument recorded in the Official Records of Orange County, California.

"Work" means any grading, site work, construction, installation, repair, refurbishment, preservation, protection, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, or alteration of any Improvements or Open Areas, including any planting or removal of plants, trees, shrubs or other landscaping and including any change in the Visible Area of any Improvement such as repainting in a different color, adding decorative sculptures, wrought iron grills, or the like. A modification shall be deemed "material"

if it would involve a visible change or addition to the Visible Area, if it would impact the structural integrity of any Improvement, if it would substantially change the original plans as approved by the ARO and as determined by the ARO in its discretion, or which would not comply with the Master Declaration or Applicable Law, all as determined by the ARO and WDPR in its discretion. Work does not include non-structural changes to the interior of any Improvements.

II. **PROPERTY SUBJECT TO THIS MASTER DECLARATION, ADDITIONS, AND DELETIONS.**

2.1 **Master Property.** The real property which is, and shall hereafter be, held, transferred, sold, conveyed, leased, mortgaged, occupied, and otherwise dealt with subject to this Master Declaration is the Master Property. The initial Master Property is more particularly described in **Exhibit A.**

2.2 **Additions to Master Property.** WDPR, from time to time, may, in its discretion, cause additional real property to become subject to this Master Declaration, but under no circumstance shall WDPR be required to make such additions.

2.2.1 **Other WDPR Property.** No other real property owned by WDPR or any of the TWDC Companies shall in any way be affected by or become subject to this Master Declaration, except as specifically provided for in this Master Declaration, until such time, if ever, such real property is added to the Master Property.

2.2.2 **Development of Additions.** Any real property added to the Master Property and made subject to this Master Declaration shall be developed in the same manner as described for the Master Property including compliance with this Master Declaration and in conformity with the Disney Standard in the same manner as described for the Master Property.

2.2.3 **Amendment to Master Declaration/Supplemental Declaration.** Any additions to the Master Property authorized under this Master Declaration shall be made by the filing of record in the Public Records of Orange County, California of an amendment to this Master Declaration or a supplemental or amended and restated Master Declaration of Covenants, Conditions, and Restrictions, executed by WDPR, which shall extend the covenants, conditions, easements, and restrictions contained in this Master Declaration to such property. Such amended Master Declaration or supplemental or amended and restated Master Declaration of Covenants, Conditions, and Restrictions may contain such amendments or additional provisions as WDPR may deem necessary in its discretion. WDPR shall not be required to obtain the approval or consent of any Owner or any person claiming by, through, or under any Owner, to add any property to the Master Property pursuant to this Section 2.2.

2.3 **Deletions from Master Property.**

2.3.1 **WDPR Rights.** Unless specifically provided otherwise in this Master Declaration, WDPR may, without the consent of any Owner or any person claiming by, through, or under any Owner, at any time delete any portion of the Master Property owned by WDPR from encumbrance by this Master Declaration by executing and filing of record a Notice of Deletion from Master Declaration of Covenants, Conditions, and Restrictions. No Owner, or any person claiming by, through, or under any Owner, shall have any right to claim detrimental reliance on this Master Declaration with regard to any portion of the Master Property deleted from these Master Declaration by WDPR pursuant to this Section 2.3. Once such property is deleted in the manner set forth in this Section 2.3, it shall no longer be subject to this Master Declaration and this Master Declaration shall no longer be a covenant running with the title to such deleted property.

2.3.2 **Prohibited Deletions.** WDPR shall not delete, without approval of all Owners, any portion of the Master Property which deletion would result in the elimination of all reasonable Utility Services easements pursuant to Subsection 3.5.2, elimination of all reasonable ingress and egress rights to a dedicated right of way granted pursuant to Subsection 3.5.3, or the elimination of all reasonable drainage or Surface Water Management System easement rights granted pursuant to Subsection 3.5.4.

2.4 **Subdivision.** WDPR shall have the right in its discretion to cause or permit the subdivision, platting, or division of the Master Property, subject to this Master Declaration and Applicable Law. No portion of the

Master Property shall be subdivided, platted, or divided by any Owner or any persons claiming an interest in the Master Property by, through, or under any Owner, without the consent of WDPR.

III. RIGHTS IN THE MASTER PROPERTY.

3.1 Title to Master Property. At the time of the recording of this Master Declaration, WDPR is the fee title holder of the entire Master Property. Nothing contained in this Master Declaration is intended to prohibit or in any manner restrict WDPR's ability to sell, transfer, convey, assign, lease, mortgage, encumber, or otherwise dispose of any or all of its interest in the Master Property to any person. Nothing in this Master Declaration is intended to grant by implication any rights in or to the Master Property other than the rights specifically set forth in this Master Declaration. This Master Declaration is subject to that subject to that certain Declaration of Covenants recorded as Document No. 2022000175950 in the Official Records of Orange County, California, until such as such instrument terminates or expires.

3.2 Development and Use Permitted.

3.2.1 Permitted Development. The Master Property may be developed and used for any lawful purpose approved by WDPR in its discretion, including the construction, installation, operation, management, maintenance, repair, refurbishment, preservation, protection, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, or alteration of Improvements or Open Areas. All development of the Master Property shall be in accordance with this Master Declaration and Applicable Law. It is expressly contemplated that such development may involve the creation and operation of a Condominium, a Vacation Ownership Plan, or any number of combinations of the two. The development may also involve operation of Permitted Commercial Activity.

3.2.2 Use Plans. No timeshare plans, fractional plans, exchange programs, short-term or long-term vacation products, hospitality products, vacation rentals or vacation rental plans, or travel or vacation clubs, including any such products using a trust, corporation, cooperative, limited liability company, partnership, equity plan, non-equity plan, membership program, contractual, internet program, or any other similar programs, structures, schemes, devices, or plans of any kind shall be created, established, operated, marketed, sold, advertised, or maintained with respect to the Master Property without the approval of WDPR in its discretion.

3.3 WDPR Rights in the Master Property.

3.3.1 WDPR Rights. Notwithstanding anything to the contrary contained in this Master Declaration, WDPR shall have, and reserves unto itself, use and access rights on, over, upon, under, through, and across the Master Property, including the right to: (i) construct, install, operate, maintain, repair, refurbish, preserve, protect, enhance, renovate, replace, reconstruct, relocate, remove, modify, change, add to, alter, or use all or any portion of the Utilities Infrastructure; (ii) plant, maintain, remove, relocate, or replace any trees, bushes, shrubbery, or other landscaping; (iii) perform any excavation, filling, digging, earth moving, or grading activities; (iv) construct, install, operate, maintain, repair, refurbish, preserve, protect, enhance, renovate, replace, reconstruct, relocate, remove, modify, change, add to, alter, or use Improvements and Open Areas of every kind or nature as may be permitted by Applicable Law and this Master Declaration, including Access Ways that service other property owned by WDPR or the TWDC Companies; (v) take such actions to maintain or enhance the aesthetic quality of the Master Property and the Improvements and Open Areas on the Master Property; (vi) construct, install, operate, maintain, repair, refurbish, preserve, protect, enhance, renovate, replace, reconstruct, relocate, remove, modify, change, add to, alter, or use all or any portion of the Surface Water Management System; (vii) take any other action necessary to provide maintain, at all times, high standards of health, safety, and appearance with respect to the Master Property; (viii) share in the license and easement rights granted to Owners pursuant to this Master Declaration; (ix) access and use and allow its lessees, guests, invitees, and licensees to access and use any Shared Area and the Non-Declared Property, as it determines in its discretion; (x) conduct marketing, sales, and rental of Accommodations or ownership interests in the Master Property and products and property owned or offered by or through WDPR or any of the TWDC Companies or any persons permitted by WDPR; (xi) develop, construct, remodel, or otherwise do any and all

acts necessary or desirable to develop the Master Property in any manner deemed desirable by WDPR, as it determines in its discretion, from time to time; (xii) perform maintenance on and otherwise manage the Non-Declared Property in accordance with the provisions of this Master Declaration; (xiii) employ or contract with a manager (which may be a TWDC Company) with respect to the operation or maintenance of the Non-Declared Property and delegate its powers to committees, officers, and employees; (xiv) assign and delegate for the term of any management contract, any or all of its obligations, privileges, and immunities under this Master Declaration; (xv) impose restrictions and controls with respect to the appearance of the exterior of any Improvements located on the Master Property and the appearance of any Visible Area; and (xvi) otherwise do any and all acts necessary or desirable to develop the Master Property in any manner deemed desirable by WDPR and in WDPR's discretion; provided, however, that such reserved rights and granting powers shall not be considered to create, impose, or imply any obligation of WDPR to provide any of the items listed in this Subsection.

3.3.2 Right to Approve Name or Use of a Name, Revoking Approval. Prior to the use of any name to identify: (i) any Improvements constructed, operated, or maintained on the Master Property, including any Condominium or Vacation Ownership Plan; (ii) any person having management duties with respect to any Improvement or any portion of the Master Property, including any Association or management company or any subsidiary or affiliate of any of the foregoing; or (iii) any Permitted Commercial Activity or non-commercial venture or enterprise operated on the Master Property; such name or use of such name shall be submitted to WDPR for its approval. WDPR may approve or disapprove of the name or the use of such name in its discretion and under such terms, conditions, and limitations as WDPR determines in its discretion. WDPR's consent to the name or the use of such name, if given, shall be set forth in writing, shall only apply to the specific Improvements, person, Permitted Commercial Activity, or non-commercial venture or enterprise to whom such approval is given, and shall only be used in connection with the Master Property and for so long as that connection is in effect and subject to WDPR's right to revoke such approval in its discretion. If WDPR revokes the approval of any name or the use of such name, the Person who received such approval (or their successors, assigns, or user) shall, at such Person's expense, immediately:

3.3.2.1 Remove all signs containing the name (or any other form of the name) from the Master Property and from any offsite location to the extent the sign refers to the Master Property or any portion of the Master Property, including any infrastructure or operation on the Master Property;

3.3.2.2 Destroy all stationery, descriptive literature or printed or written matter bearing the name (or any other form of the name) other than the prior books and records for so long as they are required to be retained;

3.3.2.3 Cease and desist from using the name (or any other form of the name) orally or in writing in referring to the Master Property or any portion of the Master Property, including any infrastructure or operation on the Master Property;

3.3.2.4 Take immediate action to effect changes to the documents and materials that reference the Master Property, including any infrastructure or operation on the Master Property, that includes the use of the name (or any other form of the name) to eliminate the use of such names in any manner; and

3.3.2.5 Remove any architectural or landscaping features from the Master Property which contain the name (or any other form of the name) or any caricature, fanciful character, logo, or other trademark of the TWDC Companies, unless otherwise approved by WDPR. In this regard, such Person is responsible, at its cost, for altering, repairing, or replacing the structure or landscaping from which any such symbol has been removed so as to ensure that the structural integrity of such structure or landscaping is not jeopardized and that the appearance of the structure or landscaping remains consistent with the surrounding area and in compliance with this Master Declaration.

3.3.3 Right to Approve Instruments Affecting the Master Property. Prior to the recording of any Condominium declaration, Vacation Ownership Plan instrument, subdivision instrument, easements, restrictions,

restrictive covenants, or related instruments concerning any portion of the Master Property, or any amendment to any of the foregoing, such instruments shall be submitted to WDPR for its review and approval and, if given, under such terms, conditions, and limitations as WDPR determines to apply in its discretion. WDPR may require that any written consent be recorded with such instruments.

3.3.4 Access Ways. Unless required under Applicable Law or as determined by WDPR in its discretion, Access Ways shall not be dedicated or required for public use, and such Access Ways are not, and will not be, a part of the government system of roads; provided, however, that WDPR may, without the consent and joinder of any Owner, dedicate or grant easements to any governmental entity for all or any part of the Access Ways as to which the such governmental entity has agreed to maintain and service. The Access Ways shall be the sole and exclusive property of WDPR or the Owner of the property upon which such Access Ways are located, as applicable; provided, however, that WDPR reserves unto itself and grants to its lessees, guests, invitees, licensees, purchasers, prospective purchasers, domestic help, delivery and pickup services, fire protection and emergency services, police and other authorities of the law, United States mail carriers, representatives of utilities to serve the Master Property as authorized by WDPR or any Owner, holders of mortgage liens on interests in the Master Property, and such other persons as WDPR may from time to time designate, a non-exclusive license and limited right of enjoyment for reasonable ingress and egress on, over, through, and across the Access Ways and to any dedicated rights of way solely in connection with the limited purpose for which such persons are permitted on the Master Property. Nothing contained in this Master Declaration shall require WDPR or any Owner to construct any Access Ways other than as WDPR or such Owner may be required by any Applicable Law, and nothing contained in this Master Declaration shall prevent the construction and maintenance of Improvements or Open Area on the Master Property. Notwithstanding anything to the contrary contained in this Master Declaration, WDPR may regulate the use of any parking areas on the Master Property in its discretion, including providing designating parking spaces for specific persons or uses or providing valet parking services, the cost of which may be charged either as a Shared Area Expense or for a fee, all in WDPR's discretion. WDPR shall have the right to construct and operate a security gate on any portion of the Access Ways located within the Master Property for the purpose of regulating access to the parking spaces or other areas of the Master Property and to limit such access in its discretion and from time to time.

3.3.5 Dedication of Surface Water Management System. No portion of the Surface Water Management System, existing, constructed, or maintained on the Master Property, shall be dedicated or required for public use or dedicated or subject to a granted easement to any governmental entity except by WDPR in its discretion.

3.3.6 Utilities. WDPR reserves unto itself and reserves the right to grant such easements on, over, upon, under, through, and across the Master Property, without the consent of any Owners, as are reasonably necessary to enable any person to provide Utility Services to the Master Property. Each Owner may grant such easements on, over, upon, under, through, and across the portion of the Master Property owned by such Owner as are reasonably necessary to enable any person to provide Utility Services to the Master Property. Should an Improvement be constructed such that it encroaches upon a utility easement, such Improvement shall be removed to the extent necessary to ensure the continuation of uninterrupted service and to affect the construction, installation, operation, management, maintenance, repair, refurbishment, preservation, protection, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, or alteration of any Utilities Infrastructure within the easement, at the cost and expense of the Owner of such Improvement.

3.3.7 Signage Easements. WDPR reserves for itself, and any of the TWDC Companies or any persons permitted by WDPR in its discretion, exclusive easements for the location, construction, installation, operation, maintenance, repair, refurbishment, preservation, protection, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, alteration, or use of signs, notices, other displays, or advertising on the Open Areas and the Visible Area of any Improvements, together with non-exclusive rights of the use, access, ingress, and egress on, over, upon, under, through, and across the Master Property as may be necessary and appropriate to exercise the easements granted in this Subsection.

3.3.8 Sales and Marketing Easements. WDPR reserves the exclusive easements for the use, access, ingress, and egress on, over, upon, under, through, and across the Master Property, as may be necessary and appropriate for marketing, sales, resales, and rental of Accommodations, commercial areas or spaces, timeshare interests, ownership interests in the Master Property, and products and property owned or offered by or through WDPR or any of the TWDC Companies or any persons permitted by WDPR in its discretion. Such rights may include the right to establish models; conduct property tours; conduct sales presentations; conduct closings; solicit prospective purchasers; and to distribute, erect, post, maintain, and relocate signs, notices, advertisements, and other promotional information on the Master Property.

3.4 Shared Areas Easements. The following provisions shall govern with respect to easements concerning the Shared Areas:

3.4.1 Easements. Non-exclusive easements are reserved in favor of WDPR, and any of its lessees, guests, invitees, and licensees, and granted to Owners, their respective lessees, guests, invitees, and licensees, on, over, upon, under, through, and across the applicable portions of the Master Property as are necessary and reasonable for access, use, support, ingress and egress respecting all Shared Areas and for the construction, installation, operation, maintenance, repair, refurbishment, preservation, protection, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, alteration, or use of all Shared Areas. Notwithstanding the foregoing, WDPR shall be entitled, in its discretion, to: (a) close or discontinue use of any portion of the Non-Declared Property, including all or any portion of any Shared Areas and including any recreational facilities or amenities located on the Non-Declared Property (including swimming pools, spas, wading pools, pool bars, play areas, open space, lawns, decks, walkways, lobby areas, meeting rooms, banquet rooms, ballrooms, and parking areas); provided, that such closure or discontinuation does not compromise the structural integrity of any Improvement other than in connection with reserved rights to construct, install, operate, maintain, repair, refurbish, preserve, protect, enhance, renovate, replace, reconstruct, relocate, remove, modify, change, add to, alter, or use any Improvement; and (b) establish, adopt, and enforce rules and regulations governing the use of any portion of the Non-Declared Property, including any Shared Areas, and including any recreational facilities or amenities located on the Non-Declared Property. WDPR, in its discretion, shall also be entitled to limit or deny any persons, including any Owners, and their respective lessees, guests, invitees, and licensees, access to any portion of the Non-Declared Property, including any Shared Areas and including any recreational facilities or amenities located on the Non-Declared Property. Such right to limit or deny access includes the right to restrict access to a limited number of users, the right to limit or deny access during specific hours, or the right to limit or deny access due to the holding of any event (including conventions, parties, banquets, receptions, weddings, corporate or commercial events, celebrations, sales and marketing events, or private events) throughout the year as determined by WDPR in its discretion, even if such restrictions occur for multiple days. For purpose of clarification, the easement granted in this Subsection 3.4.1 does not grant any Owners, or their respective lessees, guests, invitees, and licensees, with dedicated rights of access or use, or any rights in or to, any portion of the Non-Declared Property, including any Shared Area, and including any recreational facility or amenity located on the Non-Declared Property. In addition, these non-exclusive easements to access the Shared Areas are reserved to WDPR, as the owner of properties adjacent to the Master Property, and its respective lessees, guests, invitees, and licensees, which access includes a non-exclusive access, ingress, and egress easement on, over, upon, under, through, and across the Access Ways.

3.4.2 Improvements or Alterations. No structural improvements or alterations to a Shared Area may be made which will jeopardize the structural integrity of the Shared Area without the approval of the ARO and of WDPR. No Owner shall alter, modify, rearrange, relocate, replace, reconstruct, or remove any Improvement constructed or located on any Shared Area without the approval of the ARO and WDPR. WDPR may alter, modify, rearrange, relocate, replace, reconstruct, or remove any Improvement constructed or located on Shared Areas owned by WDPR, including any facility or amenity, and including the right to add to such Improvements, facilities, or amenities. To the extent that WDPR exercises its rights reserved pursuant to this Subsection 3.4.2, then such addition, alteration, modification, rearrangement, relocation, reconstruction, replacement, or removal shall be at WDPR's sole capital expense; provided, however, that the same may result in an increase of the Shared Area Expenses.

3.4.3 Encroachment Easements. Non-exclusive easements are reserved in favor of each Owner for minor encroachments of Improvements on such Owner's portion of the Master Property that are located in, on, through, under, or over a Shared Area which encroachments do not interfere with the use and operation of the Shared Areas and that are created by the construction, reconstruction, renovation, settling, or shifting of the Improvements, or other causes of movement, and for overhangs. In exercising the rights under this Subsection 3.4.3, each Owner, and its successors and assigns, agree to indemnify WDPR and the Owner of the Shared Areas from any losses, costs, damages, or expenses incurred by WDPR or such Owner, as the case may be, as a result of the exercise by the indemnifying person of its rights under this Subsection 3.4.3, unless such losses, costs, damages, or expenses are incurred as a result of the gross negligence or willful misconduct of such Owner or WDPR, as the case may be, or their successors and assigns.

3.4.4 Maintenance and Other Easements. WDPR reserves an easement for access and temporary encroachments by WDPR, its agents, invitees, contractors, and subcontractors (and the equipment and employees or agents of each) in, on, or through the Shared Areas to the extent reasonably necessary for WDPR to perform construction, installation, operation, maintenance, repair, refurbishment, preservation, protection, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, alteration, or use as contemplated under this Master Declaration.

3.4.5 Improvements or Alterations. No structural improvements or alterations to a Shared Area may be made which will jeopardize the structural integrity of the Shared Area without the approval of the ARO and WDPR. No Owner shall alter, modify, rearrange, relocate, replace, reconstruct, or remove any Improvement constructed or located on any Shared Area without the approval of the ARO and WDPR. Subject to the limitations imposed on WDPR as set forth in Section 2.3, WDPR may alter, modify, rearrange, relocate, replace, reconstruct, or remove any Improvement constructed or located on Shared Areas owned by WDPR. To the extent that WDPR exercises its right to make such unilateral additions of facilities, amenities, or other similar Improvements to the Shared Areas, then such addition, alteration, modification, rearrangement, relocation, replacement, reconstruction, or removal shall be at WDPR's sole capital expense; provided, however, that the same may result in an increase of the Shared Area Expenses.

3.4.6 Common Structure Easements. Each Owner owning property adjacent to any Common Structure shall have an easement in that part of the premises of the other Owner on which such Common Structure is located for the purposes of such Common Structure and to carry out the responsibility to construct, install, operate, maintain, repair, refurbish, preserve, protect, enhance, renovate, replace, reconstruct, relocate, remove, modify, change, add to, alter, or use such Common Structure as determined in Section 6.5.

3.5 WDPR Reserved Easements and Grant of Easements to Owners. WDPR reserves to itself and grants to each Owner the following non-exclusive easements on, over, upon, under, through, and across the Master Property, for as long as such Owner owns an interest in the Master Property, as appurtenances to such Owner's interest but subject to the provisions of this Master Declaration, including the right of WDPR or the ARO to amend, delete, restrict, more specifically define, or limit such easement in their discretion, from time to time:

3.5.1 Emergency Access Easements. WDPR reserves to itself (and its lessees, guests, invitees, and licensees) and grants to the Owners (and their respective lessees, guests, invitees, and licensees) non-exclusive easements, rights, and privileges appurtenant to the Master Property for emergency ingress, egress, and access to, from, through, or across those portions of the Master Property as may be needed for emergency access, provided the Owner (and their lessees, guests, invitees, and licensees) using the easement shall use good faith efforts to limit any emergency ingress, egress, and access within the Master Property to those parts of such Master Property which are generally available for use by the Owners within such Master Property (e.g., lobby area, stairwells, and common hallways).

3.5.2 Utility Services Easements. WDPR reserves to itself and grants to the Owners non-exclusive easements appurtenant to WDPR's or such Owner's portion of the Master Property for ingress, egress, access, passage, and use on, over, upon, under, through, and across those portions of the Master Property which

contain Utilities Infrastructure that serve WDPR's or such Owner's portion of the Master Property, or the easement areas appurtenant to such property, on an exclusive or non-exclusive basis for the purposes of using such Utility Infrastructure to provide Utility Services; provided, however, in exercising the rights granted under this Subsection 3.5.2, the Owner, and its successors and assigns, agree to and do hereby indemnify and hold harmless the WDPR and the other Owners from any losses, costs, damages, and expenses incurred as a result of the exercise by an indemnifying person of any rights under this Subsection 3.5.2, unless such losses, costs, damages or expenses are incurred as a result of the gross negligence or willful misconduct of the indemnified person or its successors and assigns.

3.5.3 Access Ways. WDPR reserves for itself and for its lessees, guests, invitees, and licensees, and grants to each Owner and their respective lessees, guests, invitees, and licensees, a non-exclusive easement on, over, upon, under, through, and across the Access Ways and easements appurtenant thereto for the purposes of ingress and egress to and from dedicated rights of way.

3.5.4 Surface Water Management. WDPR reserves to itself and grants to the Owners non-exclusive easements appurtenant to WDPR's or such Owner's portion of the Master Property for ingress, egress, access, passage, and use on, over, upon, under, through, and across those portions of the Master Property which contain the Surface Water Management System that serve WDPR's or such Owner's portion of the Master Property, or the easement areas appurtenant to such property, on an exclusive or non-exclusive basis for the purposes of using such Surface Water Management System to provide surface water management; provided, however, in exercising the rights granted under this Subsection 3.5.4, the Owner, and its successors and assigns, agree to and do hereby indemnify and hold harmless the WDPR and the other Owners from any losses, costs, damages, and expenses incurred as a result of the exercise by an indemnifying person of any rights under this Subsection 3.5.4, unless such losses, costs, damages or expenses are incurred as a result of the gross negligence or willful misconduct of the indemnified person or its successors and assigns.

3.6 Use of Easement Areas and No Liens. Any Owner of a portion of the Master Property that is subject to any easements established, created, or reserved in this Master Declaration shall retain all right, title, and interest in and to such property subject to the easements so established, created, or reserved, and such Owner may use such property for any and all purposes not inconsistent with the reasonable use of the easement areas as expressly permitted in this Master Declaration. All Work or other activity performed by or at the request of any person in any easement area as provided in this Master Declaration shall be performed in a manner, which will not cause, suffer, or permit any lien, notice of lien, or claim of lien to attach to or encumber any such easement area. In the event such lien, notice of lien, or claim of lien is filed, the person at whose request the services were performed or the materials were supplied shall remove, or cause to be removed, or bond, or cause to be bonded, such lien, notice of lien, or claim of lien within fifteen (15) business days after the later of (i) the date of the filing of such lien, notice of lien, or claim of lien, or (ii) delivery of a demand to remove the same. If such person fails to remove, or cause to be removed, or bond, or cause to be bonded, such lien, notice of lien, or claim of lien as required in this Master Declaration, the Owner of the property which is the subject of the lien, notice of lien, or claim of lien, in addition to any other right or remedy it may have at law or in equity, may, but shall not be obligated to, remove such lien, notice of lien, or claim of lien by paying or bonding the amount claimed to be due. Within thirty (30) days after receiving written notice of the payment or bonding of the amount claimed to be due by such Owner, the person at whose request the services were performed or the materials were supplied shall either reimburse such Owner all amounts paid by such Owner in connection with the removal of such lien, notice of lien, or claim of lien, including any and all reasonable costs and expenses (including attorney's fees) incurred by such Owner in conjunction with the same or, in the event of bonding by the Owner, pay the amount claimed to be due or substitute a bond for the Owner's bond and reimburse the Owner for all reasonable costs and expenses (including attorney's fees) incurred by such Owner in conjunction with the bonding.

3.7 No Rights in Public Generally. The easements and rights created in this Article III do not, are not intended to, and shall not be construed to create any easements or rights in or for the benefit of the general public.

3.8 Liability for Use of Easements. The Owner, on such Owner's own behalf and on behalf of such Owner's agents, employees, lessees, guests, invitees, and licensees who use the easements provided for in this Master Declaration shall be responsible for any and all damages or violations incurred or sustained as the result of the use of such easements created, granted, conveyed, or reserved in this Master Declaration by such Owner, agent, employee, lessee, guest, invitee or licensee.

3.9 Scope of Easements. Each of the easements created by this Master Declaration shall (unless expressly provided in this Master Declaration to the contrary) continue for so long as this Master Declaration is in effect and shall, both as to the benefits and the burdens thereof, run with the title to, and benefit or burden the title to, the property identified in the granting or reservation of a particular easement. The easements created by this Master Declaration are subject to a general reservation and right in WDPR to locate within any easement area so-called "street furniture," including trash containers, signs, directories, security desks, kiosks, benches, chairs, public art, and other similar elements of aid or entertainment, so long as such "street furniture" does not materially impede access to and from any Improvements or the intended use of the easements.

3.10 Extent of Owners' Rights and Easements. Except as expressly provided in this Master Declaration to the contrary, any right and easement created by any provision of this Master Declaration shall be subject to the following:

3.10.1 The right of WDPR, without the need to obtain the approval or written assent of any other Owner, to borrow money for the purpose of improving property within the Master Property owned by WDPR or any of the Shared Areas located on any portions of the Master Property owned by WDPR, and in furtherance of such right to borrow, mortgage, pledge, or hypothecate such property and assessments for Shared Area Expenses as security for money borrowed or debts incurred; provided, however, that the rights of the mortgagee or secured party in any such case shall be subordinate to the rights and easements of the Owners under this Master Declaration, including their rights in the Shared Areas and the Owners' use of such rights. Further, any assessments that are pledged or hypothecated pursuant to this Subsection 3.10.1 shall be available for use only for, and used only for, the purpose for which assessments were levied, assessed, and collected, and any such pledge or hypothecation of assessments shall be subordinate to the rights and easements of the Owners under this Master Declaration, including their rights in the Shared Areas.

3.10.2 The right of WDPR to construct, install, operate, maintain, repair, refurbish, preserve, protect, enhance, renovate, replace, reconstruct, relocate, remove, modify, change, add to, alter, or use any Improvement upon any portion of the Master Property owned by WDPR or the Shared Areas, subject to those conditions and limitations set forth elsewhere in this Master Declaration.

3.10.3 The rights and easements of WDPR and other matters provided elsewhere in this Master Declaration.

3.10.4 The right of WDPR to change, modify, alter, delete, relocate, or redefine the areas covered by such easements so long as the resulting easement area provides essentially the same benefit to the Owners and does not materially and adversely interfere with rights that such Owners previously maintained under this Master Declaration. Such changes, modifications, alterations, deletions, relocations, or redefinitions are made at no expense to the other Owners and with as minimum interruption and interference to the other Owners and their respective lessees, guests, invitees, and licensees as commercially reasonable, unless such are made at the request of, or a result of the use by, an Owner.

3.10.5 The right of WDPR to temporarily close an easement area or interrupt the use of an easement; provided, however, that WDPR provides an alternate easement area that provides essentially the same benefit to the Owners and does not materially and adversely interfere with rights that such Owners previously maintained under this Master Declaration.

3.10.6 The right of WDPR to enter upon any easement area to inspect the operation, sanitation, safety, maintenance, and use of any of the easement area, and to perform any construction, installation, operation,

management, maintenance, repair, refurbishment, preservation, protection, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, or alteration of the easement area, and to enter upon the easement area to remedy any condition on the easement area, including in the event of an emergency.

3.10.7 The right of WDPR or the ARO to establish and enforce rules and regulations governing the use of such easements and to limit or deny the Owners and their respective lessees, guests, invitees, or licensees access to designated portions of the Master Property owned by WDPR, charge use fees or otherwise regulate the use by the Owners and their respective lessees, guests, invitees, and licensees of the portions of the Master Property owned by WDPR; provided that Owners and their respective lessees, guests, invitees, and licensees shall at all times have reasonable ingress and egress to any dedicated rights of way and use of the Shared Areas supporting the structural integrity of any Improvement on an Owner's portion of the Master Property.

3.10.8 The right of WDPR to suspend the enjoyment and use rights of any Owner and such Owner's lessees, guests, invitees, and licensees for any period during which any monies due by the Owner under this Master Declaration remain unpaid, and the right of WDPR, in its discretion, to suspend the enjoyment and use rights of any person for violation of any provision of this Master Declaration, including the rules and regulations governing the use of any easements established by WDPR or the ARO.

3.10.9 The right of WDPR to transfer all or any part of its interest in the Master Property to any public agency, authority, utility, Association, Owner, or other person, and subject to such conditions as WDPR determines in its discretion.

3.10.10 The easements granted in this Master Declaration shall in no way prevent or limit WDPR's right to subsequently develop any portion of the Master Property for whatever purposes or uses WDPR chooses in its discretion.

3.10.11 Unless specifically provided otherwise, the easements granted in this Master Declaration shall be non-exclusive and the Owners shall have no use priority over any other users of similar easements or over WDPR, its lessees, guests, invitees, licensees, successors, or assigns. Subject to the rights created in this Master Declaration, WDPR expressly reserves the right to use, or to grant to others the right to use by virtue of any rights, licenses, rights-of-way, reservations, or easements, any and all portions of any easement area, in WDPR's discretion for any purpose whatsoever not inconsistent with the rights granted in this Master Declaration, including the right of ingress and egress upon, over, across, and through any of the easement areas onto any adjacent or contiguous property, provided such right does not unreasonably interfere with an Owner's permitted use of the easement area pursuant to the terms of this Master Declaration.

3.10.12 All plats, restrictions, covenants, conditions, reservations, limitations, easements, and other matters of record affecting the Master Property.

3.11 Surface Water Management System. The following provisions will govern the Surface Water Management System:

3.11.1 WDPR is responsible for operating and maintaining the Surface Water Management System unless WDPR determines to assign such responsibility.

3.11.2 WDPR shall also be responsible for successfully completing any initial wetland mitigation maintenance and monitoring that may be required, including meeting all conditions associated with mitigation maintenance and monitoring as may be described in any surface water management permit. In addition, no construction, installation, operation, maintenance, repair, refurbishment, preservation, protection, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, or alteration activities may be conducted on any portion of the Surface Water Management System except as approved by the ARO. The water management district with jurisdiction over the Master Property has the right to take enforcement measures, including a civil action or injunction or penalties against WDPR to compel WDPR to correct any outstanding problems with the Surface Water Management System. If WDPR ceases to exist or own any portion of the Master Property

and does not assign its interests, rights, and obligations under this Master Declaration as a declarant to any person, all of the Owners shall be jointly and severally responsible for the construction, installation, operation, maintenance, repair, refurbishment, preservation, protection, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, or alteration of the Surface Water Management System in accordance with the requirements of the water management district unless and until (i) the Surface Water Management System is conveyed to a local government agency or a non-profit corporation; or (ii) an alternate person assumes such responsibilities, which person is acceptable to the water management district.

3.11.3 The Surface Water Management System is a Shared Area.

3.11.4 The costs and expenses of maintaining the Surface Water Management System will be a Shared Area Expense and WDPR is responsible for assessing and collecting fees for the operation, maintenance, repair, refurbishment, preservation, protection, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, alteration, or use of the Surface Water Management System.

3.11.5 Any amendment proposed to this Master Declaration which would materially and adversely affect the Surface Water Management System, conservation areas, or water management portions of Master Property shall be submitted to the water management district for review prior to finalization of the amendment. The water management district shall determine if the proposed amendment will require a modification of the environmental resource or surface water management permit. If a permit modification is necessary, the modification must be approved by the water management district prior to the amendment of this Master Declaration.

3.12 Water Areas. Neither WDPR, nor any of the TWDC Companies, make any representations or warranties regarding the use, character or the appearance of water areas, including water levels, water quality, appearance, aquatic or shore line vegetation, fish, insects, or wildlife, and WDPR and the TWDC Companies specifically disclaim any liabilities arising therefrom.

IV. INSURANCE.

4.1 Shared Area Insurance. Except as otherwise provided in this Master Declaration, if it is determined by WDPR, in its discretion, that it is necessary or beneficial to obtain a blanket property insurance policy as to any Shared Area, such insurance policy shall insure against loss or damage caused by fire and other hazards and such other risks normally covered with respect to improvements similar in construction, location, and use as the Improvements on the Master Property, including all perils normally covered by the standard "Special Perils" endorsement where such is available, including vandalism and malicious mischief. WDPR and the TWDC Companies shall be included as additional insureds in any commercial general liability policy obtained by or for the benefit of any Owner, and any additional premium as a result thereof shall be the responsibility of such Owner.

4.2 Property Insurance. WDPR shall keep the Master Property (including all Improvements) insured against loss or damage by fire, water, lightning, windstorm, hail, explosion, riot, damage from aircraft, collapse, smoke damage, and such other risks, casualties, and hazards as may from time to time be carried for similar buildings within the Disneyland® Resort, with "Special Perils" extended coverage, vandalism, and malicious mischief endorsements, in an amount equal to the full replacement value thereof less any applicable deductibles, the cost of which shall be a Shared Area Expense. Such property insurance shall also contain a "Building Code" or similar endorsement providing coverage for costs associated with compliance and conformance with codes required under Applicable Law at the time of reconstruction. Any amount of a loss advanced by WDPR by reason of not being paid under any deductible provision or retained loss provision in any insurance policy shall be treated as a Shared Area Expense, but may be allocated among the Owners, to the extent reasonably practicable, based upon the extent of the loss. Notwithstanding the foregoing, WDPR may elect from time to time, in its discretion, to obtain property insurance only for those portions of the Master Property owned by WDPR in which case, the Owner of those portions of the Master Property not owned by WDPR shall be required to obtain such property insurance covering the property owned by such Owner in accordance with the requirements of this Section; provided, however, that any such insurance costs, including deductibles, shall not be a Shared Area Expense.

All property insurance policies maintained by an Owner, other than WDPR pursuant to the preceding paragraph, and covering any portion of the Master Property owned by such Owner shall provide that all monies for losses payable under such policies shall be paid to the Insurance Trustee to be disbursed as set forth in this Master Declaration. Such policies shall name as additional insureds: (i) WDPR and the TWDC Companies; (ii) every Owner; and (iii) at the request of the Board of Directors of each Association, the Association. At the request of any Owner, such policies shall contain standard mortgagee clauses in favor of any mortgagee of the Master Property owned by such Owner or any holder of a mortgage on a leasehold interest in all or any portion of such property, as their interests may appear, provided that the cost of adding any standard mortgagee clause shall be borne by the Owner requesting such addition. Nevertheless, all monies payable under such policies shall be payable in accordance with the provisions of this Master Declaration. Each such policy shall provide that the acts of any insured person shall not invalidate the policy as against any other insured person or otherwise adversely affect the rights of any other insured person under the policy. Each such policy shall contain waivers of subrogation for the benefit of WDPR, the TWDC Companies, all Owners, and Associations and waivers of any defense based on co-insurance or other insurance, and shall provide that such policies may not be cancelled or modified without at least thirty (30) days (ten (10) days in the event of a cancellation for non-payment of premium) prior written notice to all of the named insureds.

4.3 Liability Insurance for Master Property. Each Owner shall maintain (a) commercial general liability insurance and automobile liability insurance protecting WDPR and the TWDC Companies and the Owners against claims for bodily injury, death, or property damage occurring upon, in or about the Master Property, and (b) worker's compensation insurance to the extent required by law with respect to the Master Property and employers liability insurance with minimum limits of \$500,000 each accident. In no event, however, shall the policies for commercial general liability insurance required by clause (a) above afford protection for combined limits of less than \$15,000,000 in respect to any occurrence and \$5,000,000 combined single limit for automobile liability, nor shall the amount of worker's compensation insurance policies required under clause (b) above be less than the amount required by Applicable Law or the insurance policies for employers liability insurance be less than the limits described above. Each Owner's commercial general liability insurance shall name as additional insured persons, as their interests may appear and as applicable, (i) WDPR and the TWDC Companies, (ii) at the request of any Owner, the managing agent for the portion of the Master Property owned by such Owner; (iii) at the request of any Owner, the partners, members, directors, officers, or employees of such Owner; and (iv) at the request of the board of directors of any Association, the directors and officers of such Association. Each such policy, to the extent obtainable, shall provide that the acts of any insured person shall not invalidate the policy as against any other insured person or otherwise adversely affect the rights of any other insured person under the policy. Each such policy shall contain waivers of subrogation (except in the case of worker's compensation and employer's liability policies) for the benefit of all additional insureds, contain waivers of any defense based on coinsurance or other insurance, and provide that such policies may not be cancelled or modified without at least thirty (30) days (ten (10) days in the event of a cancellation for non-payment of premium) prior written notice to all of the insureds. Any amount of a loss advanced by WDPR by reason of not being paid under any deductible provision or retained loss provision in any insurance policy shall be treated as a Shared Area Expense, but may be allocated among the Owners, to the extent reasonably practicable, based upon the extent of the loss. Notwithstanding the foregoing, WDPR may elect from time to time, in its discretion, to obtain liability insurance in whole for all of the Master Property, in which case the Owners shall not be required to maintain such insurance, but only to the extent such insurance is maintained by WDPR, and the premium for such insurance shall be a Shared Area Expense.

4.4 Insurance Trustee; Share of Proceeds. All insurance policies maintained by Owners are to be for the benefit of WDPR, the TWDC Companies, the Owners, and any mortgagees, as their interests may appear. All insurance policies maintained by Owners other than WDPR must provide that all proceeds covering property losses are to be paid to the Insurance Trustee. The Insurance Trustee (other than WDPR with respect to its obligations as the declarant under this Master Declaration) is not liable for payment of premiums or for the failure to collect any insurance proceeds. The duty of the Insurance Trustee is to receive such proceeds as are paid and hold the proceeds in trust for the purposes stated in this Master Declaration for the benefit of WDPR, the TWDC Companies, the Owners, and any mortgagees, as their interests may appear.

4.5 Insurance for Associations and Owners. An Association or an Owner of Accommodations may carry insurance for their own benefit, provided such required insurance shall contain waivers of subrogation for the benefit of the Association and the Owner, and further provided that the liability of the carriers issuing the insurance obtained pursuant to this Article IV shall not be affected or diminished by reason of any such insurance carried by the Owners of the individual Accommodations.

4.6 Right to Self-Insure. Notwithstanding anything in this Article IV to the contrary, WDPR may elect, from time to time, to self-insure all or any portion of the risks for which insurance is required under this Article IV, in which event WDPR shall be solely responsible for any costs or expenses incurred by the Owners as a result of casualty or other events for which WDPR has self-insured and which would have been covered by the insurance required under this Article IV if such insurance had been obtained. The provisions of this Section 4.6 shall not limit or reduce any Owner's obligation to obtain the insurance required by this Article IV with respect to the Owner's portion of the Master Property if WDPR directs the Owners to obtain such insurance (or as may be otherwise required by this Master Declaration or Applicable Law), and no Owner (other than WDPR) shall have the right to self-insure any risk without the approval of WDPR.

V. ARCHITECTURAL REVIEW AND ARCHITECTURAL REVIEW OFFICER.

5.1 Architectural Review Officer. WDPR, upon the recording of this Master Declaration, may designate one or more persons as ARO in its discretion, which person or persons will continue to serve in such capacity until WDPR determines otherwise, in its discretion. To the extent WDPR does not designate a person or persons as ARO, WDPR will act as the ARO. WDPR may increase or decrease the number of persons who make up the composition of the ARO from time to time in its discretion.

5.2 Duties and Powers. The ARO shall have the following duties and powers:

5.2.1 The ARO shall have the right to adopt, promulgate, rescind, amend, and revise rules and regulations governing architectural control and landscaping; provided, however, such rules and regulations shall at all times remain consistent with the Disney Standard as determined by WDPR in its discretion.

5.2.2 The ARO shall have the right of specific approval or veto in its discretion of all architectural, engineering, platting, planning, and landscaping aspects of any Improvement as well as the general plan for development of the Master Property.

5.2.3 The ARO may appoint one or more persons to make preliminary review of all applications and report recommendations to the ARO for ARO action on the recommendations, which preliminary review shall be subject to regulations and limitations as the ARO deems advisable, and the reasonable cost of which preliminary review shall be charged and collected from the Owner requesting approval, at the discretion of the ARO.

5.2.4 The ARO shall consider all matters submitted for approval as to the conformity of the design and location in relation to surrounding Improvements, topography, and landscaping and with respect to the Disney Standard, as determined by the ARO in its discretion.

5.2.5 The ARO shall have the right to require the submission, for approval, of samples of building materials proposed or any other data or information it deems necessary in its review process.

5.3 Architectural Review. No Improvements shall be located, constructed, installed, operated, maintained, repaired, refurbished, preserved, protected, enhanced, renovated, replaced, reconstructed, relocated, removed, modified, changed, added to, or altered upon the Master Property, including any exterior addition or change to the Improvements, be made, nor shall any tree removal or other landscaping changes be commenced or completed until the plans and specifications showing the nature, kind, shape, height, materials, color, approximate cost, and location of the same shall have been submitted to and approved by the ARO, as set forth in this Article, as to consistency with the Disney Standard, as determined by the ARO in its discretion. Any construction, installation, operation, management, maintenance, repair, refurbishment, preservation, protection, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, or alteration on account of casualty

or other damage on the Master Property shall be conducted in accordance with this Master Declaration and with the original ARO approved design and construction for the damaged Improvements or with new plans approved by the ARO. Prior to commencing any Work on any portion of the Master Property, the Owner of such property shall submit to the ARO, and obtain the approval of the ARO of, detailed plans and specifications for all proposed Work. The ARO may require that the set of plans and specifications be submitted to the ARO prior to obtaining a building permit. Disapproval of plans and specifications may be based upon any grounds, including purely aesthetic considerations, which the ARO, in its discretion deems sufficient. If the ARO fails to approve or disapprove such plans and specifications within one hundred twenty (120) days after the plans and specifications have been submitted to it, approval will not be required and compliance with this Section will be deemed to have been granted. Copies of plans and specifications submitted to the ARO shall become the property of WDPR. The Work contemplated must be performed in accordance with the plans and specifications as approved.

5.4 Ownership of Plans; Modifications to Final Plans. The submitting Owner shall be the owner of the final construction plans for all Improvements on the Owner's property; provided, however, that ARO shall, at its request, be provided with a copy, for record purposes, of all final construction plans filed with any governmental authority. Any changes or revisions to the final construction plans shall be at Owner's sole cost and expense and shall be subject to the ARO's additional review and approval if such changes or revisions materially alter or modify aspects of the final construction plans as the ARO determines in its discretion. If the nature or extent of such changes to the final plans are sufficiently material that, pursuant to Applicable Law the Owner is required to submit such changes to the appropriate governmental authority for a plan revision and approval, the ARO shall be furnished with copies of any modifications to the final plans prior to submission to the governmental authority. The ARO shall also be furnished with a complete set of "as-built" drawings upon the completion of construction of any Improvements. The ARO shall provide all copies in its possession of plans and specifications, "as-built" drawings, and final construction plans to WDPR at WDPR's request.

5.5 Enforcement.

5.5.1 If any Work is performed in violation of this Article V, or if any Improvements or alterations to Improvements, or any portions of any of the foregoing, do not substantially and materially conform to the approved plans and specifications for such Work, Improvements, or alterations, and such non-conformity pertains to any aspect of the Work, Improvements, or alterations that were subject to the ARO's approval rights, the same shall be removed or reconstructed by Owner at Owner's cost if so required by the ARO, in addition to, and not in limitation of the other rights and remedies of the ARO or WDPR under this Master Declaration.

5.5.2 Upon written request from the ARO, an Owner shall, at its own cost and expense, remove any non-conforming Improvement or landscaping on or in such Owner's portion of the Master Property and restore such property or Improvements to substantially the same condition as existed prior to the construction of the non-conforming Improvement or landscaping or undertake Work to construct or install a conforming Improvement or landscaping. Should an Owner fail to remove and restore as required within fifteen (15) days after delivery of the written request or such longer period as may be necessary to restore or construct as required (provided that the ARO agree in writing to such longer period of time, in its discretion), the ARO or WDPR shall have the right, but not the obligation, to enter the Owner's portion of the Master Property, remove the non-conforming Improvement or landscaping and restore such property or Improvements to substantially the same condition as previously existed or undertake such Work as is necessary to cause the non-conforming Improvement or landscaping to conform to and be in compliance with the Master Declaration and the plans and specifications for such Improvement or landscaping. Any such action shall not be deemed a trespass, and an easement is granted to the ARO and WDPR for this purpose. The ARO or WDPR, as applicable, shall charge the reasonable cost of such corrections or modifications to the Owner responsible for the violation. Should the ARO or WDPR be required or elect to enforce the provisions of this Subsection 5.5.2 by legal action, the reasonable attorneys' fees, other professionals' fees, and costs incurred, whether or not judicial proceedings are involved, including the attorneys' fees, other professionals' fees, and costs incurred on appeal of such judicial proceedings and those incurred in all bankruptcy and probate proceedings, shall be collectible from the breaching person. Upon demand, the Owner of the portion of the Master Property upon which

the non-conforming Improvement is located shall reimburse all reasonable costs incurred by the ARO and WDPR in exercising its rights under this Subsection 5.5.2.

5.5.3 The ARO or WDPR may preclude any contractor, subcontractor, agent, employee, or other invitee of an Owner who fails to comply with the terms and provisions of this Article V from continuing or performing any further activities within the Master Property in which such person is performing such activity; provided, however, this right shall not be utilized to preclude any Owner or its contractors, subcontractors, agents, employees, or other invitees from performing further activities in the Master Property which are in compliance with the terms and provisions of this Article V.

5.6 Exculpation of WDPR and ARO. Neither WDPR, nor its officers, directors or agents nor the ARO shall be held liable to any person for exercising the rights granted by this Article V. WDPR and the ARO shall not be held responsible for any loss or damage to any person arising out of the approval of any plans and specifications with respect to either construction errors or noncompliance with any Applicable Law. The approval of any plans and specifications submitted to WDPR or the ARO pursuant to this Master Declaration shall not be construed as approval or certification of the structural adequacy of the structures detailed in such plans and specifications or their conformity to or compliance with applicable building codes or other legal requirements or Applicable Law Plans, it being agreed that Owner shall indemnify and hold WDPR, the TWDC Companies, the ARO, and their respective representatives, officers, directors, employees, or agents harmless from all claims and liabilities arising from: (i) use of any such plans and specifications, including any liability or damages to an Owner or to any other person if such plans and specifications, or the design represented by such plans and specifications are deficient in any manner; (ii) for any mistake in judgment, negligence, misfeasance, or nonfeasance related to or in connection with any such decision, approval or disapproval, including any violation of Applicable Law or any defect in the design or construction of any building, structure or other aspect of the Improvements or landscaping constructed, erected, placed or installed pursuant to or in accordance with the approved plans and specifications for such Improvements or landscaping; and (iii) for the Work performed by Owner or its contractors, subcontractors, agents, employees, or other invitees. An Owner, or any third party, shall not be entitled to bring, and shall not bring any action, proceeding, or suit against WDPR, the TWDC Companies, or the ARO for the purpose of recovering any damages or other relief in connection with the approval or disapproval of such plans and specifications or materials.

5.7 Indemnity During Construction. Each Owner that engages in any Work shall indemnify, protect, defend, and hold WDPR, the TWDC Companies, other Owners, any management company hired by an Association, and the ARO harmless from and against all claims, expenses, liabilities, loss, damage, and costs, including any actions or proceedings in connection therewith (including reasonable attorneys' and other professionals' fees) actually incurred in connection with, arising from, due to or as a result of the death of or any accident, injury, loss, damage, or other harm caused to any person or loss, damage, or other harm to the property of any person, to the extent such death, accident, injury, loss or damage was caused by such Owner or its agents, servants, employees, lessees, guests, invitees or licensees except claims that result from the gross negligence or willful misconduct of such indemnified person or the agents, servants, employees, lessees, guests, invitees, or licensees of such indemnified person.

5.8 Permits and Approvals. Each Owner that engages in any Work shall be responsible for obtaining all governmental permits and for filing copies of the same with the ARO prior to commencement of any Work. Such Owner shall be responsible for payment of any application, impact, tap in, deposit, hookup, connection, and similar fees and charges applicable to or a prerequisite for the issuance of any governmental permits, any utility connections, or other permits, authorizations, or approvals necessary to the construction, occupancy, and use of the proposed Improvements. WDPR, ARO, and Owner shall cooperate in connection with applications for any and all such governmental permits.

5.9 Stormwater Design and Runoff. Each Owner shall insure that any Work performed by such Owner complies with all conditions imposed by any stormwater discharge permits applicable to such property or the Master Property as a whole, and shall employ best management practices during construction to prevent runoff sedimentation.

VI. REQUIREMENTS REGARDING OPERATION, MANAGEMENT, AND MAINTENANCE OF MASTER PROPERTY.

6.1 **General Intent.** It shall be the intent and purpose of this Master Declaration to preserve and enhance the desirability and attractiveness of the Master Property and to ensure that all permitted development on the Master Property will be designed, constructed, and at all times operated, managed, and maintained in compliance with Applicable Law and this Master Declaration and in conformity with the Disney Standard, as determined by the ARO or WDPR in their discretion. In this regard, all and each portion of the Master Property, including any Improvements and Open Spaces, will be subject, at a minimum, to the standards set forth in this Master Declaration and to such standards as are applied to resort hotels in the Disneyland® Resort, as determined by the ARO or WDPR in their discretion. The ARO and WDPR shall have the right to require all Owners to comply with established construction, installation, management, operation, maintenance, repair, refurbishment, preservation, protection, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, or alteration standards which are in effect for similar improvements in the Disneyland® Resort, as determined in their discretion.

6.2 **Open Areas and Improvements.** In order to (i) fulfill the intent, purpose, terms, provisions, covenants, conditions, and restrictions contained in this Master Declaration and (ii) ensure that the Master Property is managed and maintained for the best recreation, use, enjoyment, welfare, and benefit of WDPR or any Owner, there is imposed upon the persons or entities charged with the responsibility of operating, managing, and maintaining any portion of the Master Property, including any Improvements or Open Areas developed on the Master Property, the specific duty and obligation to perform the following:

6.2.1 Maintain and care for the Open Areas so that such Open Areas are at all times neat, presentable, and attractive, including completing such routine tasks as planting new flowers and shrubs, grass cutting, tree and plant trimming, sprinkling, fertilizing, spraying, and the like, and keeping the landscaped portion of the Open Areas free of weeds, tall grass, undergrowth, dead trees, dangerous or dead tree limbs, weeds, trash and rubbish, and any other unsightly objects, which such tasks may be required by the ARO to be performed on a daily basis;

6.2.2 Maintain, preserve, and protect those portions of the Master Property designated or used for water management and drainage purposes, including maintenance and operation of the Surface Water Management System, and any Improvements established within such areas, and any efforts to control the levels of, chemically treat or otherwise alter any waters on the Master Property;

6.2.3 Operate, maintain, repair, refurbish, preserve, protect, enhance, renovate, replace, reconstruction, relocate, remove, modify, change, add to, or alter any and all Improvements placed or erected upon the Master Property so that such Improvements are at all times in good, clean, attractive, sanitary condition, order, and repair; and operate, maintain, repair, refurbish, preserve, protect, enhance, renovate, replace, reconstruction, relocate, remove, modify, change, add to, or alter any and all Shared Areas so that such Shared Areas are at all times in good, clean, attractive, sanitary condition, order, and repair and do not become in such a state of disrepair that the structural integrity of the Shared Area is jeopardized or that the appearance of the Shared Area becomes inconsistent with the surrounding area or the standard of care required under this Master Declaration. Any Shared Area that is partially or totally destroyed or damaged must be repaired, reconstructed, relocated, removed, modified, changed, added to, or altered in accordance with this Master Declaration except as ARO or WDPR agree otherwise.

6.3 **Casualties.** If any Improvements are damaged or destroyed by any casualty or otherwise, the Owner of such Improvements shall promptly clear all debris resulting from such event and promptly commence either to repair, reconstruct, relocate, remove, modify, change, add to, or alter the Improvements in accordance with the terms and provisions of this Master Declaration, or in the case of Open Areas, to landscape the land in a manner consistent with their pre-damaged or pre-destroyed condition and the surrounding area. If the Owner or Owners decide not to rebuild destroyed Improvements, the land previously underlying such Improvements shall be developed and maintained as Open Areas in accordance with this Master Declaration. Any repair, reconstruction,

relocation, removal, modification, change, addition, or alteration on account of casualty or otherwise shall be in accordance with this Master Declaration and with the plans and specifications for such property and areas as originally constructed or with new plans and specifications approved by the ARO.

6.4 Safety Standards. Nothing contained in this Master Declaration is intended to set any acceptable minimum safety or welfare standards, and it shall remain the sole responsibility of the persons or entities charged with the responsibility for the construction, installation, operation, maintenance, repair, refurbishment, preservation, protection, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, or alteration of any portion of the Master Property to determine the minimum levels of safety or welfare standards for the Master Property or the relevant portions of the Master Property, which shall not be inconsistent with the provisions of this Master Declaration and in compliance with Applicable Law. Notwithstanding the foregoing, WDPR shall have the right to require that any Improvement or Open Area be closed, have access restricted, have use limited, or be subject to rules and restrictions as a result of a determination by WDPR or the ARO, in their discretion, that such Improvement or Open Area is not safe, poses a health or safety risk, is required by reason of non-compliance with this Master Declaration or Applicable Law, or is required by any governmental entity with jurisdiction over the Master Property.

6.5 Responsibility for Shared Areas. Except as specifically provided otherwise in this Master Declaration, the responsibility to operate, maintain, repair, refurbish, preserve, protect, enhance, renovate, replace, reconstruct, relocate, remove, modify, change, add to, or alter any Shared Area is as follows:

6.5.1 For Shared Areas that are owned exclusively by an Owner, the responsibility to construct, install, operate, maintain, repair, refurbish, preserve, protect, enhance, renovate, replace, reconstruct, relocate, remove, modify, change, add to, or alter shall be the responsibility of such Owner, and the costs associated therewith shall be a Shared Area Expense.

6.5.2 For Shared Areas that are exclusively part of the Condominium Property or the Vacation Ownership Property, the responsibility to construct, install, operate, maintain, repair, refurbish, preserve, protect, enhance, renovate, replace, reconstruct, relocate, remove, modify, change, add to, or alter such Shared Area Open Areas and Improvements shall be the responsibility of the applicable Association, and the costs associated therewith shall be a Shared Area Expense.

6.5.3 Improvements that are Common Structure shall be governed by the following:

6.5.3.1 The Owner who bears the responsibility to construct, install, operate, manage, maintain, repair, refurbish, preserve, protect, enhance, renovate, replace, reconstruct, relocate, remove, modify, change, add to, or alter a Common Structure shall be determined by the ARO or WDPR in their discretion, and the costs associated therewith shall be a Shared Area Expense. The other Owner or Owners shall cooperate with the responsible Owner with respect to such required activities.

6.5.3.2 If one Owner's negligence or willful act causes damage to or destruction of any Common Structure, such Owner shall bear the entire cost of any construction, installation, repair, refurbishment, preservation, protection, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, or alteration.

6.5.3.3 No Owner shall enhance, renovate, remove, modify, change, add to, or alter a Common Structure in any manner, except for non-structural interior decoration without the prior approval of the other affected Owner or Owners and the ARO, and such Common Structures shall remain in the same location as where originally erected.

6.5.4 If all or any portion of any Shared Area that is included as part of a Shared Area is not cared for or operated as required by this Master Declaration, WDPR, and each Owner shall have the right to enforce compliance with the requirements of this Master Declaration in the manner reserved for enforcement of the provisions of this Master Declaration as set forth in this Master Declaration. Notwithstanding the provisions of this

Section 6.5, the ARO shall have the right, but not the obligation, to require that the performance of all or any activities necessary to meet the responsibility to construct, install, operate, manage, maintain, repair, refurbish, preserve, protect, enhance, renovate, replace, reconstruct, relocate, remove, modify, change, add to, or alter a Shared Area or Improvement that is included as part of a Shared Area be performed by a third party (which may be one of the TWDC Companies), and not by the Owner of such Shared Area, and the costs associated with such third party performance shall be a Shared Area Expense.

6.5.5 In the event of a dispute concerning the Shared Areas or as to the cause of damage or the cost of construction, installation, operation, management, maintenance, repair, refurbishment, preservation, protection, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, or alteration of any Shared Area, the ARO shall make a determination that shall be binding on all interested persons. If the ARO declines to make a determination as to the cause of damage or the cost of construction, installation, operation, management, maintenance, repair, refurbishment, preservation, protection, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, or alteration of any Shared Area, then an independent licensed engineer shall be retained by the disputing persons, the cost of which shall be borne equally by such persons and whose determination shall be binding on such persons.

6.6 Minimize Interference. All activities by or on behalf of any Owner in the use and occupancy of such Owner's portion of the Master Property, including construction, installation, operation, management, maintenance, repair, refurbishment, preservation, protection, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, or alteration or other Work, shall be performed, insofar as possible, in a manner which minimizes interference with the use and enjoyment of any part of the Master Property.

6.7 Professional Management. In order to discharge any additional duties or obligations imposed under this Master Declaration, WDPR, any Owner or such other persons or entities which are, from time to time, charged with or responsible for the operation, management, and maintenance of the Master Property may delegate all or any portion of such person's obligations to a professional management company, which may include a subsidiary or an affiliate of WDPR or the TWDC Companies.

VII. EXPENSES.

7.1 Expenses Generally. WDPR or the applicable Owner, as the case may be, shall be solely responsible for the expenses associated with the construction, installation, operation, management, maintenance, repair, refurbishment, preservation, protection, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, or alteration contemplated under this Master Declaration of any Open Areas or Improvements on the portion of the Master Property owned by WDPR or such Owner, except as set forth in this Article VII or elsewhere in this Master Declaration.

7.2 Shared Area Expenses and Other Shared Expenses. WDPR and each Owner, by the Owner's acceptance of a conveyance of all or a portion of the Master Property, covenants and agrees to share in the Shared Area Expenses to be fixed and collected from time to time as provided in this Master Declaration. Furthermore, as a result of the development and operation of the Master Property as an integrated property, and in order to maximize efficiencies and cost savings and to avoid any unnecessary increases in administrative costs arising from cost accounting, certain services or operational or maintenance functions (including those Utility Services that are not separately metered or are provided to the Master Property on a consolidated basis) that might otherwise be separately obtained or incurred for the benefit of WDPR and the Owners, with respect to each portion of the Master Property owned by WDPR and such Owners and which are not necessarily Shared Area Expenses may, and in some instances must, be obtained or performed on a consolidated basis, and the expense associated therewith allocated and shared by Owners on the same basis that Shared Area Expenses are allocated and shared. WDPR, in its discretion, will designate those services and operational and maintenance functions that will be so consolidated and determine the allocation and sharing of the expenses associated therewith pursuant to this Article VII. Further, by agreement (including any property management agreement), WDPR may designate additional

services and operational and maintenance functions to be consolidated and allocated and shared pursuant to this Article VII. All such expenses will be deemed to be Shared Area Expenses for purposes of this Article VII.

7.2.1 Determination of Shared Area Expenses. Shared Area Expenses will be determined on an annual basis by WDPR and shall be used exclusively for the payment of the costs and expenses associated with the construction, installation, operation, management, maintenance, repair, refurbishment, preservation, protection, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, or alteration of the Shared Areas or the payment of the cost and expense of providing the consolidated services and operational and maintenance functions as set forth in Section 7.2 and elsewhere in this Master Declaration. The Shared Area Expenses shall be apportioned among Owners in accordance with any allocation methodology that reasonably allocates in an equitable manner the Shared Area Expenses among such Owners, as determined by WDPR in its discretion. Any one or more of the following allocation methodologies may be used by WDPR in its discretion: (i) number of arrivals; (ii) occupancy rates; (ii) room nights; (iii) guest population; (iv) square footage; (v) number of Accommodations; (vi) labor hours incurred; (vii) number of employees engaged to perform function; (viii) number of housekeeping hours incurred; or (ix) any other allocation methodology that WDPR determines in its discretion. In addition, WDPR may use, in its discretion, different allocation methodologies to allocate different components of the Shared Area Expenses. The calculations of each Owner's share of the Shared Area Expense shall be made in accordance with generally accepted accounting principles.

7.2.2 Additional Shared Area Expenses. In addition to the annual Shared Area Expenses authorized by this Article VII, additional Shared Area Expenses may be required in any given year for the purpose of defraying, in whole or in part, any unexpected Shared Area Expense or the expense (net of insurance proceeds after a casualty loss) arising out of any construction, installation, operation, management, maintenance, repair, refurbishment, preservation, protection, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, or alteration of a Shared Area.

7.2.3 Annual Surplus or Deficit. Any monies collected in a given year in excess of Shared Area Expenses shall be carried forward and applied to the Shared Area Expenses of the next year. Any deficits incurred in a given year, which deficits are not eliminated by additional Shared Area Expenses, will be carried forward and included in the Shared Area Expenses charged for the next year.

7.2.4 Notification, Due Date, and Creation of Lien and Personal Obligation for Shared Area Expenses. WDPR shall notify each Owner of such Owner's share of the Shared Area Expenses each year and shall set a due date by which all Owners must pay their share of the Shared Area Expenses, which date shall not be sooner than thirty (30) days after delivery of the notification by WDPR. The Shared Area Expenses, together with such interest on the Shared Area Expenses and costs of collection of the Shared Area Expenses, as provided in Subsection 7.2.5, shall be a lien against the property of any Owner obligated to pay a share of the Shared Area Expenses pursuant to this Master Declaration and shall also be the personal obligation of the person who was the Owner of such property at the time when the Shared Area Expense was due. When any portion of the Master Property has been declared as Condominium Property or Vacation Ownership Property, the Shared Area Expenses shall be a common expense of the Condominium or Vacation Ownership Plan and the Association responsible for managing the Condominium Property or Vacation Ownership Property shall be the entity responsible for collecting and remitting the share of the Shared Area Expenses due from the members of the Association. While each member of the Association shall be responsible for the payment of his or her share of the Shared Area Expenses, the failure of any member to pay his or her share of the Shared Area Expenses shall not relieve the Association from the obligation to timely pay the entire amount of the Shared Area Expenses due from the members of the Association.

7.2.5 Effect of Nonpayment.

7.2.5.1. Personal Obligation of Owner, the Lien. If an Owner's share of the Shared Area Expenses are not paid when due, then such obligation shall become delinquent and shall, together with interest and the costs of collection on such obligation as provided in Sub-Subsection 7.2.5.2, become a continuing lien on the Owner's portion of the Master Property which shall bind such property in the hands of the then Owner and such

Owner's heirs, successors, devisees, personal representatives, and assigns. The personal obligation of the then Owner to pay such obligation, however, shall remain such Owner's personal obligation.

7.2.5.2. Remedies. If an Owner's share of the Shared Area Expenses is not paid by the due date, the obligation shall bear interest from the due date at the maximum rate permitted by California law. WDPR may bring an action at law against the Owner personally obligated to pay the same or to foreclose the lien against the property in the manner provided for such perfection and foreclosure of liens against real and personal property, respectively, by California law, and there shall be added to the amount of such obligation the costs of collection including the preparing and filing the complaint in any such action. If a judgment is obtained, such judgment shall include interest on the obligation as above provided and the reasonable attorneys' fees, other professionals' fees, and costs incurred, whether or not judicial proceedings are involved, including the attorneys' fees, other professionals' fees, and costs incurred on appeal of such judicial proceedings and those incurred in all bankruptcy and probate proceedings.

7.2.5.3. Association's Responsibility. When any portion of the Master Property has been declared as Condominium Property or Vacation Ownership Property, the Association responsible for managing the Condominium Property or Vacation Ownership Property shall be responsible for the administration and collection of the share of Shared Area Expenses due from members of such Association together with applicable interest, late charges, and costs of collection (including the reasonable attorneys' fees, other professionals' fees, and costs incurred, whether or not judicial proceedings are involved, including the attorneys' fees, other professionals' fees, and costs incurred on appeal of such judicial proceedings and those incurred in all bankruptcy and probate proceedings), and such obligation, if not timely paid, shall be secured by a lien against the Condominium Property or Vacation Ownership Property (as applicable) as a whole. WDPR shall have the power to perfect and to foreclose such lien in the manner generally provided for such perfection and foreclosure of liens against real and personal property, respectively, by California law. The Association shall collect Shared Area Expense obligations from their members as common expenses in the same manner and at the same time as they collect other common expenses from their members. The Association may use all the assessment, collection, and enforcement provisions of their respective declarations and governing documents which pertain to the assessment and collection of common expenses of the Condominium Property or Vacation Ownership Property when collecting Shared Area Expenses payable pursuant to this Master Declaration.

7.2.5.4. No Avoidance of Shared Area Expenses. The liability for Shared Area Expenses may not be avoided by waiver of the use or enjoyment of the Master Property or by the abandonment of the Owner's portion of the Master Property.

7.2.6. Subordination of the Lien to Mortgages. The lien provided for in this Master Declaration shall be subordinate to the lien of any first mortgage now or hereafter placed upon any portion of the Master Property by a mortgagee prior to the recording of such lien; provided, however, that such subordination shall apply only to the obligations which have become due and payable prior to a sale or transfer of such property pursuant to a decree of foreclosure of the mortgage, or any other proceeding in lieu of foreclosure of the mortgage. Such sale or transfer shall not relieve such property from liability for any Shared Area Expense obligation thereafter becoming due, nor from the lien of any such subsequent obligation.

7.2.7. Assignment. WDPR may assign and delegate its rights and duties under this Article VII to any person, in its discretion, including the assignment to a ground lessee if WDPR enters into a Ground Lease for all or a portion of the Master Property. Such ground lessee may further assign and delegate such rights and duties with WDPR's consent.

VIII. ADDITIONAL RESTRICTIONS.

8.1. Permitted Use.

8.1.1. The Master Property may be used from time to time during the term of this Master Declaration for any lawful purpose, subject to the provisions of this Master Declaration. It is expressly contemplated

that all or a portion of the Master Property may be declared as part of a Condominium, as part of a Vacation Ownership Plan or as part of both. It is also expressly contemplated that the Master Property, including the Non-Declared Property, may only be used for Permitted Commercial Activity, including for stores, restaurants, entertainment areas, and other public establishments, by WDPR, the TWDC Companies, or by Persons authorized by WDPR in its discretion.

8.1.2 Except for the TWDC Companies or as expressly stated in this Master Declaration otherwise, use of portions of the Master Property that is Vacation Ownership Property for commercial purposes or any purposes other than the personal use described in this Master Declaration is expressly prohibited. WDPR shall be the sole determiner of any use or activity that does not constitute personal use or constitutes commercial use. For example, WDPR may conclude that an Owner is engaged in a commercial enterprise as a result of a pattern of rental activity of reserved accommodations located on the Vacation Ownership Property or frequent occupancy by others of reserved such accommodations other than an Owner or the Owner's family; use of regular rental or resale advertising; creating, maintaining, or frequent use of a rental or resale website; repeated or frequent purchase and resale of interests in the Vacation Ownership Property whether in the name of an Owner or those related to such Owner or through the use of entities, partnerships, or trusts; or the acquisition of a number of such interests in excess of the amount of the maximum permitted ownership whether in the name of an Owner or those related to such Owner or through the use of entities, partnerships, or trusts.

8.2 Non-Permissible Activities

8.2.1 No Person, whether or not such Person is on the Master Property, is permitted to engage in any activity on or in connection with, or permit any use of, the Master Property, including within an Accommodation, that is a nuisance; is threatening, abusive, vulgar, discriminatory, or disturbs or annoys other persons; threatens to violate or violates another person's privacy; interferes with the peaceful possession and proper use of the Master Property; causes injury or harm, or poses a threat of injury or harm, to any other person or the Master Property; disturbs the peace or is disruptive; interferes with, or threatens to interfere with, the operations, management, or maintenance of the Master Property. Further, no threatening, abusive, or vulgar actions, including verbal or written communications, by any Person to employees, representatives, or agents of any Association, DVD, the any management company, or any of TWDC Companies is permitted, including with respect to any communications made in connection with reservations for Accommodations.

8.2.2 No immoral, improper, offensive, or unlawful use may be made of the Master Property, and all Applicable Laws must be observed. No Person is permitted to make or permit any use of the Master Property that will increase the cost of insurance on the Master Property. Possession, sale, or use of any illegal drug or drug paraphernalia on the Master Property is prohibited. Inhaling, exhaling, burning, or using marijuana or any similar products, in any manner or any form, is prohibited whether or not such use is legalized in the State of California.

8.2.3 No Person is permitted to engage in any activity on or in connection with, or permit any use of, the Master Property, including within an Accommodation, that is in violation of, or infringes on, any rights, interests, or use of any of the brands, trademarks, copyrights, or other intellectual property of any of the TWDC Companies or that damages, disparages, or demeans any of the brands, trademarks, copyrights, or other intellectual property of any of the TWDC Companies.

8.2.4 No Person is permitted to enter onto or remain on the Master Property, occupy an Accommodation, or make a reservation for occupancy of an Accommodation, whether or not such Person owns an interest in the Master Property or has a confirmed reservation for occupancy of an Accommodation, if such Person is prohibited from using the Master Property, any property under the ownership or control of any of the TWDC Companies, or any property affiliated with the Disney Vacation Club, including as a result of the violation of this Master Declaration, any Ground Lease, or any governing documents for any Association or Condominium Property, or is the subject of a trespass or restraining order with respect to the Master Property, any property under the ownership or control of any of the TWDC Companies, or any property affiliated with the Disney Vacation Club.

8.2.5 No Disturbances or Invasions of Privacy. While on the Master Property, no Person is permitted to make, or cause to be made, any noises or use musical instruments, radios, televisions, speakers, amplifiers, cameras, phones, recording devices, laser pointers, computers, or other such equipment or technology in a manner that disturbs or invades the privacy of other persons. It is expressly contemplated that Permitted Commercial Activity may include nighttime hours of operation and use of such spaces may result in noise or light levels in excess of levels typically occurring in areas that include Accommodations used as a residence, including fireworks and concerts.

8.3 Condition of Master Property. In order to preserve the attractiveness and desirability of the Master Property and to integrate its overall appearance with that of the Disneyland® Resort, all parts of the Master Property are to be kept in a clean and sanitary condition, and no garbage, litter, trash, refuse, waste, or rubbish is permitted to be deposited, dumped, or kept upon the Master Property except in closed containers, dumpsters, or other garbage collection facilities suitable for such use and in compliance with Applicable Law and as permitted by the ARO in its discretion. All centrally located containers, dumpsters, and other garbage collection facilities shall be screened from view of a casual passersby and shall at all times be kept in a clean condition with no noxious or offensive odors emanating therefrom. Individual waste receptacles located throughout the Master Property shall be designed and maintained in conformity with the overall care and maintenance standards set forth in this Master Declaration and in conformity with the Disney Standard, as determined by the ARO in its discretion. No fire hazard is allowed to exist. No clothing, towels, bedding, or other similar items may be dried or aired in any outdoor area or hung over or on balconies, except in areas as designated for that purpose or approved by the ARO.

8.4 No Mining or Drilling. There shall be no mining, quarrying, or drilling, including for minerals, oil, or gas, undertaken within any portion of the Master Property without the specific consent of WDPR. Activities of WDPR or any Owner in creating, excavating, or maintaining the Surface Water Management System, drainage, or other facilities or easements; or installing wells, pumps, or sprinkler systems for any portion of the Master Property, in compliance with Applicable Law, shall not be deemed a mining, quarrying, or drilling activity as contemplated in this Section.

8.5 Signs. No signs, notices, or other displays or advertising may be placed, posted, displayed, maintained, painted, or affixed on any part of the Master Property, except: (i) the right is specifically reserved to WDPR to place, post, display, maintain, paint, and affix signs, notices, and displays and advertising in connection with the conduct of WDPR's business on the Master Property, including related to the advertising, solicitation, marketing, rental, or sale of property or other products; (ii) persons engaged in Permitted Commercial Activity may maintain such signs on their property, in connection with such commercial use; or (iii) as permitted in writing by the ARO in its discretion.

8.6 No Aerial or Interference. No exterior aerial, radio, television, or communication mast, tower, pole, wire, aerial, satellite receiving stations or dishes, antenna, or related appurtenances or equipment, shall be erected or maintained on the Master Property, without the approval of the ARO. No electrical or electromagnetic signals, machinery, devices, or apparatus of any sort shall be used or maintained on the Master Property which causes interference with any television, radio, or other wireless reception received or broadcast on any other portion of the Master Property except as approved by WDPR.

8.7 No Animals. No animals, household pets, livestock, or poultry of any kind shall be raised, bred, or kept on the Master Property unless approved by WDPR.

8.8 No Chain-Link Fences. The installation of chain-link fences on the Master Property is prohibited, except temporarily in connection with construction work related to the development of the Master Property or with the approval of the ARO.

8.9 Prohibited vehicles, toys, transportation devices or similar equipment. No vehicle shall be parked on any part of the Master Property, except on areas designed for parking. Trailers, oversized vehicles, commercial vehicles, recreational vehicles, buses, and trucks with more than six (6) wheels (excluding those vehicles owned by

WDPR or the TWDC Companies) shall not be permitted on the Master Property except in temporary or designated parking spaces, if any, and as permitted by WDPR. No commercial vehicles shall be parked on the Master Property, except those present on business for Owners engaged in providing Utility Services or Permitted Commercial Activity on their property and in connection with such services or commercial use or with the approval of WDPR. No inoperative automobiles, trucks, trailers, or other types of vehicles shall be allowed to remain on or adjacent to any portion of the Master Property for a period in excess of forty-eight (48) hours without the prior written approval of WDPR and unless concealed from public view. Nothing contained in this Section shall prohibit the entry or parking of construction vehicles to be used in connection with construction, installation, operation, management, maintenance, repair, refurbishment, preservation, protection, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, or alteration of or on the Master Property. No bicycles, hoverboards, skateboards, motorized riding toys, motorized personal vehicles, pocket bikes, scooters, personal transportation devices or similar vehicles or equipment may be used on the Master Property except in such areas and under such conditions, if any, designated by WDPR for this purpose or with WDPR's approval or unless such is classified as a device used for medical purposes.

8.10 No Private Watercraft. No private watercraft of any kind may be used, stored, or brought onto the Master Property by any Person except in such areas and under such conditions, if any, designated by WDPR for such purposes or with WDPR's approval.

8.11 No Remote Controlled Devices or Drones. No remote controlled devices such as helicopters, airplanes, boats, cars, unmanned aerial vehicles, unmanned aircraft systems, drones, or similar devices, machinery, aircraft, or equipment is permitted to be maintained or used on the Master Property except in such areas and under such conditions, if any, designated by WDPR for such purposes, or with WDPR's approval.

8.12 Construction; Accessory Structures. It is expressly contemplated that the construction, installation, operation, management, maintenance, repair, refurbishment, preservation, protection, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, or alteration of or on the Master Property may result in noise or light levels in excess of levels typically occurring in areas consisting solely of Accommodations used as a residence and may result in an obstruction of views. Nothing contained within this Master Declaration is to be deemed to prohibit such activity. No tent, shack, garage, trailer, barn, or other temporary or accessory structures shall at any time be erected and used temporarily or permanently as a residence or any other purpose, except as approved by WDPR; provided, however, that temporary structures, mobile homes, or field construction offices may be used by contractors in connection with construction, installation, operation, management, maintenance, repair, refurbishment, preservation, protection, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, or alteration of or on the Master Property with the approval of the ARO. Other temporary or accessory structures may be used during time of emergency caused by fire or other casualty with the approval of the ARO.

8.13 Hazardous Materials and Waste. There shall be no possession, storage, use, or handling of any hazardous materials on the Master Property, except in compliance with Applicable Law. To the extent that any hazardous waste is generated on or at the Master Property during the term of this Master Declaration, whether as a result of ongoing business or recreational activities or as a result of cleanup or remedial activities, it shall be the sole obligation of WDPR, the Owner, the management company, or other person handling or generating the hazardous waste to comply with Applicable Law relating to the generation, collection, and offsite disposition of any such hazardous waste.

8.14 No Solicitation. No solicitation of any kind, whether commercial, religious, educational, or otherwise, shall be conducted anywhere on the Master Property except by persons engaged in Permitted Commercial Activity and in connection with such commercial use or with the approval of WDPR. This restriction on solicitation shall not apply to WDPR or its designees (including any of The TWDC Companies), and WDPR or its designees may make such use of the Master Property as WDPR determines in its discretion.

8.15 No Domiciliary Intent. No person may enter, stay or dwell on or about the Master Property or any Accommodation constructed or maintained on the Master Property with the intent or desire to be or become legally domiciled in the State of California or any political subdivision of the State of California, or merely as a result of such entrance onto or occupation of the Master Property, and all such persons waive, release, and remise any such intent or desire. No person may enter, stay, or dwell upon or about the Master Property or any Accommodation constructed on the Master Property with the intent that the same be or become that person's principal dwelling, and such person shall maintain a principal dwelling at all times at a location other than within the confines of the Master Property.

8.16 No Smoking. Smoking is prohibited in all parts of the Master Property, including in Accommodations, except in areas where smoking is permissible as designated by WDPR or with the approval of WDPR. For purposes of this provision, "smoking" includes vaping or the burning of cigarettes, pipe tobacco, cigars, or any similar tobacco-based or smoke-producing substances.

8.17 Security. The rights of access and use established with respect to the Master Property may be subject to security checks and restrictions. If security personnel are employed they will have the right to stop and question persons and to require satisfactory evidence of any such person's right to be where such person is stopped. Persons not establishing that right to the satisfaction of the security personnel or who are in violation of any of the provisions of this Master Declaration may be required to leave (even if such person actually has the right to be on the Master Declaration). Nothing in this Section shall be deemed to require the hiring or retention of security personnel.

8.18 Emergencies. All Owners, lessees, guests, invitees, licensees, and any other person on the Master Property must adhere to any emergency plan implemented by WDPR or any instructions or restrictions imposed by WDPR, in its discretion, on persons and property within or with respect to the Master Property in the event of an emergency or for security or safety reasons. Such emergency plan or instructions or restrictions may include: (i) shutting down or off elevators, security system, air handling systems, or Utility Services; (ii) determining all or any portion of the Master Property is unavailable for entry, use, or occupancy by any persons to protect the health, safety, or welfare of such persons or protect the Master Property, which closure may be on a temporary or extended basis as WDPR determines in its discretion; (iii) mitigate or prevent damage, including taking action to contract for the removal of debris and to prevent or mitigate the spread of fungus, including mold or mildew, by removing and disposing of wet drywall, insulation, carpet, cabinetry, or other fixtures on or within the Master Property; (iv) contract, on behalf of any Owner or Owners, for items or services for which the Owners are otherwise individually responsible, but which are necessary as a result of the emergency or similar situation, in which case the Owner or Owners on whose behalf WDPR has contracted are responsible for reimbursing WDPR for the actual costs of the items or services; (v) require the evacuation of all or any portion of the Master Property; and (vi) take such other actions, including requiring the wearing of protective clothing or masks or impose other health measures, as necessary to protect the health, safety, and welfare of persons or protect the Master Property, all as WDPR determines in its discretion. In the event of a required evacuation, Owners, lessees, guests, invitees, licensees, and other persons on the Master Property shall not be entitled to any rebate or compensation for occupancy precluded by such order. Should any Owner, lessees, guests, invitees, licensees, or other person fail or refuse to evacuate the Master Property where WDPR has required evacuation, or otherwise fail to comply with the emergency plan or instructions or restrictions, WDPR and all other of the TWDC Companies, and their respective directors, officers, employees, agents, and representatives shall be immune from liability or injury to persons or property arising from such failure or refusal. Further, neither WDPR nor any of the TWDC Companies shall be liable for any damage, injury, or other losses arising out of an emergency or other similar situation occurring at the Master Property, including as a result of an emergency evacuation unless caused by such person's willful misconduct or gross negligence.

8.19 Owner Responsibility. Owners are responsible for the conduct of, and for any violations of this Master Declaration by, any and all of their lessees, guests, invitees, and licensees, including family members or relatives.

8.20 Rules and Regulations. WDPR or the ARO, in their discretion, may promulgate any rules and regulations governing the ownership, use, occupation, management, and operation of the Master Property, and the Owners and their respective lessees, guests, invitees, and licensees shall comply with all such rules and regulations. WDPR or the ARO, in their discretion, may exempt certain Owners, Improvements, or portions of the Master Property from the use, restrictions, and rules and regulations applicable to the Master Property.

8.21 Interpretation. WDPR or the ARO, in their discretion, shall have the authority to interpret the provisions of this Article VIII and whether any action or inaction is a violation of such provisions. Such interpretation shall be binding upon all persons unless wholly unreasonable.

IX. AMENDMENT OF THIS MASTER DECLARATION.

9.1 By WDPR as to all Master Property. Except as otherwise provided in this Master Declaration, no amendment may be made to this Master Declaration by WDPR as to the Master Property without the prior written consent of all Owners if such amendment would prejudice or impair to any material extent the rights of the Owners as a whole. Notwithstanding the foregoing, WDPR may amend this Master Declaration, in its discretion, at any time, and from time to time, as to the Master Property unilaterally and without the consent of any Owner or other person claiming an interest in the Master Property by, through, or under any Owner in the following situations:

9.1.1 if such amendment is necessary to bring any provision of this Master Declaration into compliance with any Applicable Law;

9.1.2 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 Master Declaration;

9.1.3 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 Master Declaration;

9.1.4 if such amendment is necessary to enable any governmental agency or reputable private insurance company to insure mortgage loans encumbering any property subject to this Master Declaration;

9.1.5 if such amendment is necessary for the purpose of curing any error, ambiguity in or inconsistency between or among the provisions contained in this Master Declaration;

9.1.6 if such amendment is necessary to allow the development or expansion of the Master Property or any Condominium Property or Vacation Ownership Plan or to allow the development of other residential accommodations or commercial or other profit-making ventures as contemplated under this Master Declaration; or

9.1.7 if WDPR determines in its discretion that such amendment is necessary; provided, however, that such amendment made under this Subsection 9.1.7 does not prejudice or impair to any material extent the rights of the Owners as a whole.

9.2 By WDPR as to Portions of Master Property Held by WDPR. For so long as WDPR holds fee title in any portion of the Master Property, WDPR shall have, and reserves to itself, in addition to those rights specified in Section 9.1, and notwithstanding the limitations of Section 9.1, the sole and exclusive right with regard to such portions of the Master Property held by WDPR to take the following actions, in its discretion, at any time, and from time to time unilaterally and without the consent of any Owner or any other person claiming an interest in the Master Property by, through or under any Owner:

9.2.1 To amend, modify or grant exceptions or variances from any of the use restrictions set forth in this Master Declaration;

9.2.2 To add or delete portions of the Master Property as otherwise provided in this Master Declaration, unless such deletion is specifically prohibited by this Master Declaration; or

9.2.3 To include in any contract, deed, lease agreement or other instrument, any additional covenants, conditions, and restrictions deemed desirable by WDPR.

9.3 By an Owner as to Portions of the Master Property Not Held by WDPR. This Master Declaration may be amended by any Owner as to the portions of the Master Property held by that Owner; provided, however, that no such amendment shall be effective without the prior written consent of WDPR in its discretion.

9.4 Ingress and Egress Easements, Utility Services Easements, and Drainage and Surface Water Management Easements. Neither WDPR nor any Owner shall amend this Master Declaration, without approval of WDPR and all Owners, if such amendment would result in the elimination of: (i) all reasonable ingress and egress rights to a dedicated right of way granted pursuant to Subsection 3.5.3; (ii) Utility Services easements pursuant to Section 3.5.2; or (iii) drainage and Surface Water Management System easement rights granted pursuant to Subsection 3.5.4.

9.5 Recording of Amendments or Supplements; No Reliance. Any amendment or supplement to this Master Declaration shall become effective immediately upon recordation in the Public Records of Orange County, California, or otherwise as permitted in this Master Declaration. No Owner or any persons claiming by, through, or under any Owner shall have any right to claim detrimental reliance upon this Master Declaration with regard to any amendments to this Master Declaration affected by WDPR pursuant to this Article.

X. REMEDIES; INSPECTIONS

10.1 Violations. In addition to any remedies set forth in this Master Declaration with respect to a particular violation of a provision or provisions of this Master Declaration, WDPR, any Owner, or any Association shall each have the right to enforce, including by proceeding at law or in equity, whether in an action for damages, injunctive relief or both, all covenants, conditions, restrictions, reservations, easements, charges, and liens now or hereafter imposed by the provisions of this Master Declaration, or, with respect to Accommodations, the right to suspend the right to reserve or use any such Accommodations. Further, WDPR, any Owner, or any Association (with respect to that portion of the Master Property owned by WDPR or such Owner or managed by such Association) shall have the right to remove, or have removed, from the Master Property (or applicable portion of the Master Property) or refuse or prevent entry onto the Master Property (or applicable portion of the Master Property) or refuse to accept a reservation or cancel an existing a reservation for occupancy of an Accommodation, of any person who violates or poses a threat to violate the provisions of this Master Declaration, even if such person owns an interest in the Master Property (or applicable portion of the Master Property) or has a confirmed reservation for occupancy of an Accommodation. In addition to the enforcement provisions provided in this Master Declaration, whenever there shall exist on the Master Property, or WDPR has reason to believe that there exists, any condition which is in violation of this Master Declaration, WDPR shall have the right, but not the obligation, to enter upon the property where such violation, or potential violation exists to inspect or to summarily abate, remove, reconstruct, repair, or remedy the same, all at the expense of the person responsible for such violation, which expense shall be due and payable by such person to WDPR on demand. Such entry for inspection, abatement, removal, reconstruction, repair, or remedy shall not be deemed a trespass or make WDPR liable in any way to any person for any damages on account of such entry or for abatement, removal, reconstruction, repair, or remedy. All costs incurred in abating, removing, reconstructing, repairing, or remedying as contemplated in this Section shall become a charge and continuing lien against the non-complying person's interest, if any, in the Master Property as well as an individual and personal obligation of such breaching person.

10.2 Easement for Enforcement. In furtherance of the enforcement provisions provided for in this Master Declaration, WDPR reserves an easement on, over, upon, under, through, and across the Master Property for the purpose of enforcing the provisions in this Master Declaration, and may go upon any portion of the Master Property to inspect, abate, remove, or remedy any violations of these provisions. If WDPR, after notice to a person of any violation, and such person's continued failure to cure the same, does in fact exercise its right to cure violations, all costs incident to any action by WDPR shall become a charge and continuing lien against the non-

complying person's interest, if any, in the Master Property as well as an individual and personal obligation of such breaching person.

10.3 Costs of Enforcement. Should WDPR, any Owner, or any Association find it necessary to employ an attorney or institute legal action against any person to enforce any provisions of this Master Declaration, the non-complying person shall pay all costs in connection with such action, including court costs, reasonable attorneys' fees, and other professionals' fees for pretrial, trial, and appellate proceedings, whether or not judicial proceedings are involved, and including those incurred in any bankruptcy or probate proceedings. All such costs shall become a charge and continuing lien against the non-complying person's interest, if any, in the Master Property, as well as an individual and personal obligation of such breaching person.

10.4 Accommodations; Inspections. Notwithstanding the use of a sign on the door of an Accommodation that it is occupied or a request to forgo housekeeping services or any other request not to be disturbed that is made by the occupant of the Accommodation or other Person, WDPR, its affiliates, any Association, any management company, or any operator of transient accommodations who is authorized to conduct business on the Master Property, and each of their respective employees, agents, or designees ("**Authorized Persons**") shall have the right to enter the Accommodation for any purpose, including performing maintenance and repairs, conducting a visual inspection of the Accommodation, or checking on the safety and security of occupants, other persons, and property. An Authorized Person will give reasonable notice prior to entry by knocking and announcing the intent to enter the Accommodation. Such entry shall not be deemed a trespass or make WDPR or any Authorized Person liable in any way to any person for any damages on account of such entry or for any abatement, removal, reconstruction, repair, or remedy that is performed.

10.5 No Obligation. Nothing in this Article shall be construed to require WDPR, any Owner, or any Association to take any enforcement action.

XI. MISCELLANEOUS

11.1 Approvals. Wherever the consent or approval of WDPR or any Owner is required to be obtained, no act requiring such consent or approval shall be commenced or undertaken until after a request in writing seeking the required approval has been submitted to WDPR or such Owner, as applicable. Unless specified to the contrary, if WDPR or the Owner fails to act on any such written request within the period required for response or, if no response period is provided, within sixty (60) days after the same has been submitted to it, an additional request may be submitted in writing to WDPR or the Owner and then, if no response is provided within sixty (60) days after the additional request has been submitted, the consent or approval of WDPR or the Owner to the particular action sought in such written request shall be conclusively and irrefutably presumed. However, no act shall be taken by or on behalf of the person or persons submitting such written request that violates any of the provisions of this Master Declaration.

11.2 Limited Effect of Certain Liens and Encumbrances.

11.2.1 WDPR's Interest. WDPR's interest in the Master Property shall not be subjected to liens or encumbrances of any nature, including mortgages, mechanics' and materialman's liens, or other liens arising pursuant to Applicable Law, by reason of any act or omission of any other person, including the construction, installation, operation, management, maintenance, repair, refurbishment, preservation, protection, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, or alteration of any Improvements on the Master Property or any other act or omission by or on behalf of any Owner or Association or any person claiming by, through, or under an Owner or Association. All persons dealing with any Owner, any Association or any person claiming by, through, or under any Owner or any Association are placed on notice that such persons shall not look to WDPR's credit or assets for payment or satisfaction of any obligations incurred in connection with such construction, installation, operation, management, maintenance, repair, refurbishment, preservation, protection, enhancement, renovation, replacement, reconstruction, relocation, removal, modification, change, addition, or alteration. No person other than WDPR itself has the power, right or authority to subject

WDPR's interest in the Master Property or in any Improvements to any mortgage, mechanic's or materialman's lien or claim of lien. If a lien, a claim of lien or an order for the payment of money shall be imposed against the Master Property or any Improvements on the Master Property on account of Work performed, or alleged to have been performed, for or on behalf of an Owner, Association or any person claiming by, through, or under an Owner or Association, the person for or on behalf of which the Work was performed or alleged to have been performed shall, within thirty (30) days after written notice of the imposition of such lien, claim, or order, cause the Master Property and the Improvements to be released from such lien, claim, or order by the payment of the obligation secured thereby or by furnishing a bond or by any other method prescribed or permitted by Applicable Law. If a lien is released, the person obtaining the release shall thereupon furnish WDPR with a written instrument of release or otherwise in form for recording in the office of the Clerk of the Circuit Court, Orange County, California, or other applicable public records, sufficient to establish the release as a matter of record.

11.2.2 Right to Contest Liens. WDPR, any Owner, any Association or any person claiming by, through, or under WDPR, any Owner or any Association, as applicable, may, at its option, contest the validity of any lien or claim of lien if such person shall have first posted an appropriate and sufficient bond in favor of the claimant or paid the appropriate sum into court, if permitted by Applicable Law, and thereby obtained the release of the Master Property and the Improvements from such lien. If judgment is obtained by the claimant of any lien, such person shall pay the same immediately after the time for appeal from such judgment has expired without appeal having been taken or after such judgment has otherwise become final. Such person shall, at its own expense, defend the interests of itself and WDPR in any and all such suits; provided, however, that WDPR may, at its election, engage its own counsel and assert its own defenses, in which event such person shall cooperate with WDPR and make available to WDPR all information and data which WDPR deems necessary or desirable for such defense.

11.2.3 Notice of Commencement. Prior to commencement of any work by or on behalf of WDPR, an Owner, or Association on the Master Property for which a notice of commencement is required pursuant to Applicable Law, WDPR, the Owner, Association or the person causing the work to be commenced shall record such a notice in the office of the Clerk of the Circuit Court, Orange County, California in accordance with Applicable Law.

11.3 Taxes and Assessments. During the term of this Master Declaration, WDPR or each Owner (or an Association on behalf of Owners), as applicable, shall timely pay and discharge, or shall arrange for the timely payment or discharge of, all taxes (including sales and use taxes on rents), assessments, governmental impositions, and charges of every kind and nature whatsoever, which shall or may during the term be charged, laid, levied, assessed, imposed, or become due and payable or liens upon, or that arise in connection with the ownership, use, occupancy, or possession of, or become due or payable out of or for, the portion of the Master Property owned by WDPR or such Owner or any interest in the Master Property, so that no such liens, charges, assessments, or impositions shall be payable by WDPR or any other Owner (or any Association on behalf of Owners) by virtue of its interest in the Master Property.

11.4 Condemnation.

11.4.1 Right to Terminate Master Declaration. If all or any portion of the Master Property or any Improvements shall be taken or condemned for any public or quasi-public use or purpose, by right of eminent domain or by purchase in lieu of eminent domain, or if a portion of the Master Property or the Improvements shall be so taken or condemned that the portion remaining is not sufficient and suitable for any other use permitted by this Master Declaration, then, with the consent of WDPR, this Master Declaration shall cease and terminate as of the date on which the condemning authority takes possession as to that portion of the Master Property or any Improvements.

11.4.2 Continuation of Master Declaration. If a portion of the Master Property or the Improvements is taken and the remaining portion can be adapted and used for the conduct of WDPR's or an Owner's operations, then this Master Declaration shall continue in full force and effect as to the remaining portion.

11.4.3 Temporary Taking. If the temporary use (but not title) of the Master Property or any Improvements is taken, this Master Declaration shall remain in full force and effect.

11.4.4 Judicial Determination. If any interested person cannot agree in respect of any matters to be determined under this Section, a determination shall be requested of a court having jurisdiction over the taking.

11.4.5 Condemnation of Condominium Property or Vacation Ownership Property. With respect to any portion of the Master Property which becomes a part of the Condominium Property or Vacation Ownership Property, the Condominium declaration or Vacation Ownership Plan instrument shall provide for the circumstances under which the Accommodations, facilities, common areas of the Condominium Property or Vacation Ownership Property if taken or condemned for public or quasi-public use or purpose, by right of eminent domain or by purchase in lieu of eminent domain, shall be reconstructed, or the circumstances under which the Condominium Property or Vacation Ownership Property shall be terminated as a result of such taking or condemnation. The provisions of the Condominium declaration or Vacation Ownership Plan instrument shall control the disposition of proceeds received as a result of such taking or condemnation. Notwithstanding the provisions of Subsection 11.4.1., this Master Declaration shall only terminate as to the Condominium Property or Vacation Ownership Property, with WDPR's prior written consent and to the extent that the Condominium Property or Vacation Ownership Property is not reconstructed in accordance with the Condominium declaration or Vacation Ownership Plan instrument.

11.5 Force Majeure. If the performance by any person obligated under this Master Declaration (excluding monetary obligations) is limited, delayed or prevented in whole or in part by a force majeure event, performance shall be excused, discharged, and released of performance but only to the extent and for such time that such performance or obligation (excluding any monetary obligation) is so limited, delayed, or prevented by such force majeure event. For purposes of this Section, a "force majeure event" means any of the following events, regardless of where it occurs or its duration: events occasioned exclusively by violence of nature without the interference of any human agency (including hurricanes, typhoons, tornadoes, cyclones, and other severe storms, winds, lightning, floods, earthquakes, volcanic eruptions, and fires and explosions); fires and explosions caused wholly or in part by human agency; acts of war, including declared or undeclared war, revolution, insurrection; riots, coups, boycotts, civil disobedience, acts of piracy, blockade, embargo, or other civil commotion; terrorism (including hijacking, sabotage, bombing, murder, assault, and kidnapping); disease related events (including pandemics, epidemics, diseases, viruses, pathogens, or quarantine including those caused by any illness, virus or other disease); strikes, lock-out, or similar labor disturbances or unrest; shortage of critical materials or supplies; delay or defaults caused by public or common carriers; action or inaction of public authorities (including governmental orders or public health emergencies regardless of whether declared by an applicable government or health agency), the imposition of restrictions on employee wages or other material aspects of operation or the revocation or refusal to grant licenses or permits where such revocation or refusal is not due to the fault of the person whose performance is to be excused for reasons of force majeure); or any other events or by any other significant cause not reasonably within such person's control (excluding, however, (i) lack of financing, and (ii) general economic and market factors) that results in delay or inability to perform or results in a situation where it would be impractical, financial unfeasible, or commercially unviable to perform under such circumstances.

11.6 Assignments. WDPR shall have the sole and exclusive right at any time to transfer and assign to any person any or all rights, powers, easements, privileges, authorities, or reservations given to or reserved by WDPR or any obligation imposed upon WDPR by any part, section, or paragraph of this Master Declaration as to all or a portion of the Master Property. Such transfer or assignment shall be evidenced by a writing, such as a memorandum of Ground Lease, a written assignment, or a deed of conveyance from WDPR to a successor in title to all or a portion of the Master Property, recorded in the Public Records of Orange County, California, which such writing shall specifically indicate WDPR's intent to transfer and assign any or all rights, powers, easements, privileges, authorities, or reservations given to or reserved by WDPR or any obligation imposed upon WDPR under this Master Declaration.

11.7 Termination; Rule Against Perpetuities. Unless sooner terminated as provided in this Master Declaration, this Master Declaration shall run with and bind the land until WDPR and all Owners owning an interest

in the Master Property (including WDPR as applicable) agree in writing that it shall terminate. If (and only if) the term of this Master Declaration is deemed to violate the "Rule Against Perpetuities," or any similar law or rule, then in that event this Master Declaration shall continue in effect until 21 years after the death of the last survivor of the now living descendants of Queen Elizabeth II, Queen of the United Kingdom.

11.8 No Representations. Each Owner shall inspect and examine the Master Property and shall not rely on any representations or warranties as to the condition of all or any portion of the Master Property (except with respect to any express representations or warranties that WDPR may provide in a writing signed by WDPR and authorizing such reliance). Prior to the commencement of any construction on the Master Property, an Owner shall conduct such tests of the subsurface and soil conditions as the Owner may deem necessary or desirable to ascertain the existence of any hazards as well as the suitability of the Master Property for the contemplated development or use and shall furnish such fill and take such other steps as may be required prior to the commencement of construction, all in accordance with Applicable Law. WDPR shall not have any liability because of, or as a result of, the existence (either upon the commencement of the term of this Master Declaration or at any time during the term) of any subsurface or soil or hazardous condition, either at the Master Property or land adjacent to the Master Property, which might affect an Owner's construction or use or otherwise cause an Owner or any person claiming by, through, or under an Owner to suffer or incur any damage, loss, fine, penalty, liability, cost, or expense.

11.9 Notices. Except as may be otherwise provided in this Master Declaration, any notice, demand, request, consent, approval, or communication under this Master Declaration shall be in writing and shall be deemed duly given or made: (i) three (3) days after deposit, postage prepaid, in the United States mail, certified or registered mail with a return receipt requested, addressed to the person at the last known address of the person; (ii) when delivered personally to the person at the last known address of the person; or (iii) one (1) day after deposit with a reliable overnight courier service, fee prepaid, with receipt of confirmation requested, addressed to the person at the last known address. A person may designate a different address for receiving notices under this Master Declaration by notice to the other persons given in the manner set forth in this Section. All notices required to be given to Owners who own property declared as Condominium Property, declared to a Vacation Ownership Plan, or subject to subdivision restrictions or other similar restrictive documents pursuant to which an Association is created, shall be deemed given in accordance with this Master Declaration when delivered to such Association in accordance with this Section. Such Association is authorized to receive all notices required to be given to the members of the Association by the provisions of this Master Declaration. Any notice, demand, request, consent, approval, or communication under this Master Declaration to be given to WDPR under this Master Declaration shall be given at the address noted on the first page of this Master Declaration unless a notice of an alternative address is recorded in the Public Records of Orange County, and deemed delivered when received by WDPR.

11.10 Severability. If any covenant, condition, restriction, term or provision of this Master Declaration to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Master Declaration, or the application of such covenant, condition, restriction, term, or provision to persons whose circumstances are other than those as to which it is held invalid and unenforceable, shall not be affected thereby and shall remain in full force and effect.

11.11 No Waiver. The rights of WDPR, any Owner, or any Association under this Master Declaration shall be cumulative and WDPR's, any Owner's, or any Association's pursuit of any one or more of the rights or remedies provided for in Article XI shall not preclude pursuit of any other right, remedy, or remedies provided in this Master Declaration or any other right, remedy, or remedies provided for or allowed by Applicable Law or in equity, separately or concurrently or in any combination. WDPR's, any Owner's, or any Association's pursuit of any one or more of its rights or remedies shall not constitute an election of remedies excluding the election of another right, remedy or other remedies, or a forfeiture or waiver of any right or remedy or of any damages or other sums accruing to WDPR, such Owner, or Association by reason of any obligated person's failure to fully and completely keep, observe, perform, satisfy, and comply with all of the covenants, conditions, and restrictions set forth in this Master Declaration. No action taken by or on behalf of WDPR, Owner, or Association shall be construed to be an

acceptance of a surrender of this Master Declaration. WDPR's, an Owner's, or Association's forbearance in pursuing or exercising one or more of its or their rights or remedies, or the failure of WDPR, an Owner, or Association to enforce any of the covenants, conditions, and restrictions set forth in this Master Declaration or to promptly pursue and exercise any right or remedy contained in this Master Declaration, shall not be deemed or construed to constitute a waiver of any other right or remedy or any waiver of the further enforcement or the provision or the exercise of the right or remedy that was the subject of the forbearance or failure. No waiver by WDPR, an Owner, or Association of any right or remedy on one occasion shall be construed as a waiver of that right or remedy on any subsequent occasion or as a waiver of any other right or remedy then or thereafter existing. No failure of WDPR, an Owner, or Association to pursue or exercise any of their respective powers, rights, or remedies, or to insist upon strict and exact compliance by any obligated person with this Master Declaration, and no custom or practice at variance with the terms of this Master Declaration, shall constitute a waiver by WDPR, such Owner, or Association of the right to demand strict and exact compliance with all terms and conditions of this Master Declaration. No termination of this Master Declaration shall affect WDPR's, an Owner's, or Association's right to collect any monetary amounts due to it for the period prior to termination.

11.12 Waiver of Jury Trial. TO THE EXTENT PERMITTED BY APPLICABLE LAW, WDPR, EACH OWNER, ANY ASSOCIATION, AND ALL OTHER PERSONS WHO MAY ACQUIRE ANY RIGHT, TITLE, INTEREST, LIEN, OR ENCUMBRANCE IN OR TO ALL OR ANY PART OF THE MASTER PROPERTY, AND ALL PERSONS WHO MAKE ANY CLAIM WITH RESPECT TO THIS MASTER DECLARATION, WAIVE ANY RIGHT THEY MAY HAVE UNDER ANY APPLICABLE LAW TO A TRIAL BY JURY WITH RESPECT TO ANY SUIT OR LEGAL ACTION WHICH MAY BE COMMENCED BY OR AGAINST ANY OTHER CONCERNING THE INTERPRETATION, CONSTRUCTION, VALIDITY, ENFORCEMENT, OR PERFORMANCE OF THIS MASTER DECLARATION OR ANY OTHER AGREEMENT OR INSTRUMENT EXECUTED IN CONNECTION WITH THIS MASTER DECLARATION.

11.13 Governing Law; Venue. This Master Declaration shall be governed by, and shall be construed in accordance with, the laws of the State of California. If any such suit or legal action is commenced by any person, all other persons are deemed to agree, consent, and submit to the personal jurisdiction of the Orange County Courts, with respect to such suit or legal action, and each person also agrees and consents that venue in any such suit or legal action is only proper in the Orange County Courts, and each person waives any and all personal rights under Applicable Law or in equity to object to the jurisdiction and venue in the Orange County Courts. Such jurisdiction and venue shall be exclusive of any other jurisdiction and venue.

11.14 Indemnification. Each Owner, and their respective lessees, guests, invitees, and licensees, and all other persons on the Master Property shall jointly and severally indemnify, defend, and hold harmless WDPR, the ARO, and each of the TWDC Companies, and their respective partners, shareholders, officers, directors, employees, and agents ("Indemnitees"), against, and in respect of, and to reimburse Indemnitees on demand for, any and all claims, demands, losses, costs, expenses, obligations, liabilities, damages, recoveries, and deficiencies, including, interest, penalties, attorneys' fees, other professionals' fees, and disbursements (even if incident to any appeals), that any Indemnitee may incur or suffer, which arise out of, result from or relate to any violation of by such person of any provision of this Master Declaration.

11.15 Interpretation. Where the context so indicates, a word used in this Master Declaration in the singular form shall include the plural. The use of the term "include," and similar terms (e.g., includes, including, included, comprises, comprising, such as, e.g., including but not limited to, and for example) in this Master Declaration, when used as part of a phrase including one or more specific items, are not words of limitation and are not to be construed as being limited to only the listed items. This Master Declaration shall be construed without regard to any presumption or other rule requiring construction against WDPR as a result of WDPR causing this Master Declaration to be drafted. Whenever the consent or approval of WDPR or the ARO is referred to in this Master Declaration or the taking of any action under this Master Declaration is subject to the consent or approval of WDPR or the ARO, it shall mean WDPR's or the ARO's prior written approval to be given or withheld in its discretion. Any reserved right in favor of WDPR or the ARO may implemented, taken, or withheld in the discretion of

WDPR or the ARO. Further, any references to the use, exercise, or grant of the right of WDPR's or the ARO's discretion as set forth in this Master Declaration shall mean WDPR's or ARO's sole, absolute, and unfettered discretion to the exclusion of all other persons or entities unless specifically provided otherwise. The use of headings, captions, and numbers in this Master Declaration is solely for the convenience of identifying and indexing the various provisions of this Master Declaration and shall in no event be considered otherwise in construing or interpreting any provision of this Master Declaration. The recitals set forth on the first page of this Master Declaration are true and correct and incorporated as part of this Master Declaration by this reference.

11.16 Estoppel Certificates. Each Owner agrees, within fifteen (15) days after written request by WDPR or by any other Owner, to execute and deliver to WDPR or such other Owner or to any existing or prospective purchaser, mortgagee, or lessee designated by WDPR or such other Owner, a certificate in recordable form stating to the best of its knowledge: (a) whether or not there is any existing default under this Master Declaration by any Owner in the payment of any sum of money owing to the Owner executing such certificates; (b) whether or not there is any existing default by any Owner with respect to which a notice of default has been given nor received by the Owner executing such certificate, and if there is any such default, specifying the nature and extent thereof; (c) whether or not there are any sums which the Owner executing such certificate is entitled to receive or demand from any other Owner under this Master Declaration, and if there is any such sum specifying the nature and extent thereof; (d) whether or not WDPR has performed or caused to be performed, or is then performing or causing to be performed, any maintenance or Work, the cost of which WDPR may be entitled to charge in whole or in part to any Owner but has not yet charged to such other Owner, and if there be any such maintenance or Work, specifying the nature and extent of such maintenance or Work; (e) whether or not there are any set-offs, defenses, or counterclaims then being asserted or otherwise known against enforcement of any obligations under this Master Declaration which are to be performed by the Owner executing such certificate and, if so, the nature and extent of such set-offs, defenses or counterclaims; (f) whether or not WDPR or any Owner has given any notice to the Owner executing such certificate making a demand or claim under this Master Declaration which has not yet been discharged or otherwise resolved, or given any notice of a dispute and, if so, a copy of any such notice shall be delivered with the certificate; (g) whether or not there is any pending dispute involving the Master Declaration or any portion of the Master Property, and the Owner executing such certificate and, if so, specifying the nature and extent of the dispute; and (h) whether or not there is any ruling or decision involving the Master Declaration or any portion of the Master Property and the Owner executing such certificate within the ninety (90) days preceding the date of such certificate and, if so, identifying such ruling or decision. In the event of the recording of a Condominium declaration or Vacation Ownership Plan instrument, any such certificates which are required of the Owners of property submitted to the Condominium or Vacation Ownership Plan shall be given by the president or vice president of the Association.

[THE REMAINDER OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, WDPR has caused this instrument to be duly executed effective as of the Effective Date.

WITNESSES:

"WDPR"

WALT DISNEY PARKS AND RESORTS U.S., INC.,
a Florida corporation

Shawn Becker
(signature)

John McGowan
(signature)

Shawn Becker
(print name)

John McGowan
(print name)

Shamroon Sewsankar
(signature)

Vice President
(title)

SHAMROON SEWSANKAR

(print name)

STATE OF FLORIDA) ss.
COUNTY OF ORANGE)

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this 13th day of December 22 by John M. McGowan, as Vice President of WALT DISNEY PARKS AND RESORTS U.S., INC., a Florida corporation, on behalf of the corporation. He is personally known to me.

(NOTARY SEAL)

Shamroon Sewsankar
(Notary Signature)



EXHIBIT "A"
Master Property Legal Description

WHEN RECORDED MAIL TO:

CITY OF ANAHEIM
PUBLIC WORKS - RECORDS SECTION
P.O. BOX 3222
ANAHEIM, CA 92803

Recorded in Official Records, Orange County
Hugh Nguyen, Clerk-Recorder



64.00

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202000288488 2:12 pm 06/22/20
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CITY OF ANAHEIM LOT LINE ADJUSTMENT LLA-0000804

71
199
MS
FF

PARCEL 1 OF THAT CERTAIN LOT LINE ADJUSTMENT LLA-0000776, IN THE CITY OF ANAHEIM, COUNTY OF ORANGE, STATE OF CALIFORNIA, RECORDED JUNE 13, 2019 AS INSTRUMENT NO. 2019000206993 TOGETHER WITH PARCEL 2 OF THAT CERTAIN LOT LINE ADJUSTMENT NO. 0000504, IN THE CITY OF ANAHEIM, COUNTY OF ORANGE, STATE OF CALIFORNIA, RECORDED DECEMBER 28, 2001 AS INSTRUMENT NO. 20010949825, BOTH IN OFFICIAL RECORDS OF SAID COUNTY.

RECORD OWNERS' CERTIFICATION

(I/WE) HEREBY CERTIFY THAT:

1. (I/AM/WE ARE) THE RECORD OWNER(S) OF ALL PARCELS PROPOSED FOR ADJUSTMENT BY THIS APPLICATION,
2. (I/WE) HAVE KNOWLEDGE OF AND CONSENT TO THE FILING OF THIS APPLICATION, AND
3. THE INFORMATION SUBMITTED IN CONNECTION WITH THIS APPLICATION IS TRUE AND CORRECT.

EXISTING PARCEL'S AP NO(S): 129-311-03 & 129-321-12, 13, 14, 15 & 17 AND PORTION OF 129-321-16

PROPOSED PARCEL'S LLAP SEE ATTACHED EXHIBIT A

REFERENCE NO.:

NAME: WALT DISNEY PARKS AND RESORTS U.S. INC., A FLORIDA CORPORATION, SUCCESSOR BY MERGER WITH WALT DISNEY WORLD CO., A FLORIDA CORPORATION WHO ACQUIRED TITLE AS WALT DISNEY WORLD CO., A DELAWARE CORPORATION

ADDRESS: C/O DEANNA DETCHEMENDY, 500 S. BUENA VISTA STREET, MC 1204, BURBANK, CA 91521

WALT DISNEY PARKS AND RESORTS U.S., Inc.

SIGNATURE

By:
Deanna Detchemendy, VP

SURVEYOR'S STATEMENT

THIS DOCUMENT CONSISTING OF 18 PAGES WAS PREPARED BY ME OR UNDER MY DIRECTION

JOSEPH G. TRUXAW, PLS 6871
MY REGISTRATION LICENSE EXPIRES: 9/30/2020
JOSEPH C. TRUXAW & ASSOCIATES, INC.
1915 W. ORANGEWOOD AVENUE, SUITE 101
ORANGE, CA 92868

PHONE NO.: (714) 935-0265



Date

6.5.2020

CITY OF ANAHEIM
LOT LINE ADJUSTMENT
LLA-0000804



CITY APPROVAL:

EXAMINED AND APPROVED BY:

[Signature]

RICHARD W. HILL, LS 8588
CITY SURVEYOR
CITY OF ANAHEIM

Date

6/17/2020

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of LOS ANGELES

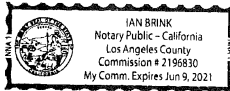
On JUNE 8, 2020 before me, IAN BRINK, Notary Public, personally appeared DEANNA DETCHMENDY who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature *[Signature]*

(Seal)



A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California
County of Orange

On June 17, 2020 before me, Cynthia Alejandra Rodriguez Notary Public, personally appeared Richard Wayne Hill who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature *[Signature]*

(Seal)

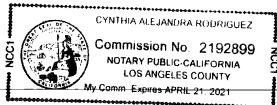


EXHIBIT "A"
LOT LINE ADJUSTMENT LLA-0000804 (LEGAL DESCRIPTION)
APN 129-311-03 & 129-321-12, 13, 14, 15 & 17 AND PORTION OF 129-321-16
ANAHEIM, CALIFORNIA
PAGE 3 OF 18

PARCEL 1

THAT PORTION OF PARCEL 1 OF THAT CERTAIN LOT LINE ADJUSTMENT NO. LLA-0000776, IN THE CITY OF ANAHEIM, COUNTY OF ORANGE, STATE OF CALIFORNIA, RECORDED JUNE 13, 2019 AS INSTRUMENT NO. 2019000206903, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SECTION 21, TOWNSHIP 4 SOUTH, RANGE 10 WEST, SAN BERNARDINO BASE AND MERIDIAN, IN THE RANCHO SAN JUAN CAJON DE SANTA ANA AS SHOWN ON RECORD OF SURVEY NO. 92-1104, FILED IN BOOK 144, PAGES 24 THROUGH 30, INCLUSIVE OF RECORDS OF SURVEY OF SAID COUNTY, SAID CORNER BEING THE CENTERLINE INTERSECTION OF DISNEYLAND DRIVE (FORMERLY WEST STREET) AND KATELLA AVENUE AS SHOWN ON SAID RECORD OF SURVEY; THENCE, ALONG SAID CENTERLINE OF DISNEYLAND DRIVE (FORMERLY WEST STREET), NORTH 00°39'34" EAST 1322.75 FEET TO THE SOUTHEAST CORNER OF PARCEL 2 OF SAID LOT LINE ADJUSTMENT NO. LLA-0000776; THENCE, ALONG THE SOUTHERLY LINE OF SAID PARCEL 2, NORTH 89°30'26" WEST 519.00 FEET TO THE SOUTHEAST CORNER OF PARCEL 2 OF LOT LINE ADJUSTMENT NO. 0000504 RECORDED DECEMBER 28, 2001 AS INSTRUMENT NO. 20010949825, OFFICIAL RECORDS; THENCE, ALONG THE SOUTHERLY LINE OF PARCEL 2 OF SAID LOT LINE ADJUSTMENT NO. 0000504, NORTH 89°30'26" WEST 803.39 FEET TO THE SOUTHWEST CORNER OF SAID PARCEL 2 OF LOT LINE ADJUSTMENT NO. 0000504 AND SOUTHERLY PROLONGATION OF THE WESTERLY LINE OF PARCEL 1 OF SAID LOT LINE ADJUSTMENT NO. LLA-0000776; THENCE, ALONG SAID SOUTHERLY PROLONGATION AND WESTERLY LINE OF SAID PARCEL 1, NORTH 00°40'55" EAST 277.78 FEET TO THE **TRUE POINT OF BEGINNING** OF THIS DESCRIPTION;

THENCE, SOUTH 89°24'39" EAST 205.53 FEET;
THENCE, SOUTH 00°36'11" WEST 5.00 FEET;
THENCE, EAST 22.00 FEET;
THENCE, SOUTH 27.68 FEET;
THENCE, EAST 86.59 FEET;
THENCE, NORTH 00°54'29" EAST 24.69 FEET;
THENCE, EAST 20.51 FEET;
THENCE, NORTH 17.65 FEET;
THENCE, EAST 140.28 FEET;
THENCE, NORTH 66.06 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE TO THE NORTHEAST HAVING A RADIUS OF 106.04 FEET, A RADIAL LINE TO SAID BEGINNING BEARS SOUTH 00°11'45" EAST;
THENCE, NORTHWESTERLY 167.29 FEET ALONG SAID NON-TANGENT CURVE THROUGH A CENTRAL ANGLE OF 90°23'30";
THENCE, ALONG A NON-TANGENT LINE, NORTH 62.66 FEET;
THENCE, WEST 126.57 FEET;
THENCE, SOUTH 8.73 FEET;
THENCE, WEST 239.48 FEET TO THE WESTERLY LINE OF THE SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 21;
THENCE, ALONG SAID WESTERLY LINE, SOUTH 00°40'55" WEST 233.94 FEET TO THE **TRUE POINT OF BEGINNING**.

CONTAINING AN AREA OF APPROXIMATELY 2.292 ACRES (GROSS) AND 2.050 ACRES (NET).

EXHIBIT "A"
LOT LINE ADJUSTMENT LLA-0000804 (LEGAL DESCRIPTION)
APN 129-311-03 & 129-321-12, 13, 14, 15 & 17 AND PORTION OF 129-321-16
ANAHEIM, CALIFORNIA
PAGE 4 OF 18

PARCEL 2

THAT PORTION OF PARCEL 1 OF THAT CERTAIN LOT LINE ADJUSTMENT NO. LLA-0000776, IN THE CITY OF ANAHEIM, COUNTY OF ORANGE, STATE OF CALIFORNIA, RECORDED JUNE 13, 2019 AS INSTRUMENT NO. 2019000206903, OFFICIAL RECORDS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID ORANGE COUNTY TOGETHER WITH PARCEL 2 OF THAT CERTAIN LOT LINE ADJUSTMENT NO. 0000504, IN THE CITY OF ANAHEIM, COUNTY OF ORANGE, STATE OF CALIFORNIA RECORDED DECEMBER 28, 2001 AS INSTRUMENT NO. 20010949825, BOTH IN OFFICIAL RECORDS OF SAID COUNTY AS DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHEAST CORNER OF SAID SECTION 21 AS SHOWN ON RECORD OF SURVEY NO. 92-1104, FILED IN BOOK 144, PAGES 24 THROUGH 30, INCLUSIVE OF RECORDS OF SURVEY OF SAID COUNTY, SAID CORNER BEING THE CENTERLINE INTERSECTION OF DISNEYLAND DRIVE (FORMERLY WEST STREET) AND KATELLA AVENUE AS SHOWN ON SAID RECORD OF SURVEY; THENCE, ALONG SAID CENTERLINE OF DISNEYLAND DRIVE (FORMERLY WEST STREET), NORTH 00°39'34" EAST 1,322.75 FEET TO THE SOUTHEAST CORNER OF PARCEL 2 OF SAID LOT LINE ADJUSTMENT NO. LLA-0000776; THENCE, ALONG THE SOUTHERLY LINE OF SAID PARCEL 2, NORTH 89°30'26" WEST 519.00 FEET TO THE SOUTHEAST CORNER OF PARCEL 2 OF SAID LOT LINE ADJUSTMENT NO. 0000504; THENCE, ALONG THE SOUTHERLY LINE OF SAID PARCEL 2 OF SAID LOT LINE ADJUSTMENT NO. 0000504, NORTH 89°30'26" WEST 803.39 FEET TO THE SOUTHWEST CORNER OF SAID PARCEL 2 OF LOT LINE ADJUSTMENT NO. 0000504 AND SOUTHERLY PROLONGATION OF THE WESTERLY LINE OF SAID PARCEL 1 OF LOT LINE ADJUSTMENT NO. LLA-0000776 AND THE **TRUE POINT OF BEGINNING** OF THIS DESCRIPTION;

THENCE, ALONG SAID SOUTHERLY PROLONGATION AND WESTERLY LINE, NORTH 00°40'55" EAST 277.78 FEET;
THENCE, SOUTH 89°24'39" EAST 205.53 FEET;
THENCE, SOUTH 00°36'11" WEST 5.00 FEET;
THENCE, EAST 22.00 FEET;
THENCE, SOUTH 27.68 FEET;
THENCE, EAST 86.59 FEET;
THENCE, NORTH 00°54'29" EAST 24.69 FEET;
THENCE, EAST 20.51 FEET;
THENCE, NORTH 17.65 FEET;
THENCE, EAST 140.28 FEET;
THENCE, NORTH 66.06 FEET TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE NORTHEAST, HAVING A RADIUS OF 106.04 FEET, A RADIAL LINE TO SAID BEGINNING BEARS SOUTH 00°11'45" EAST;
THENCE, NORTHWESTERLY 167.29 FEET ALONG SAID NON-TANGENT CURVE THROUGH A CENTRAL ANGLE OF 90°23'30";
THENCE, NORTH 62.66 FEET;
THENCE, WEST 126.57 FEET;
THENCE, SOUTH 8.73 FEET;
THENCE, WEST 239.48 FEET TO SAID WESTERLY LINE;
THENCE, ALONG SAID WESTERLY LINE, NORTH 00°40'55" EAST 819.91 FEET TO THE SOUTHWEST CORNER OF SOUTHEAST QUARTER OF THE NORTHEAST QUARTER OF SAID SECTION 21;
THENCE, NORTH 00°40'23" EAST 1,387.29 FEET TO THE NORTHWEST CORNER OF PARCEL 1 OF SAID LOT LINE ADJUSTMENT NO. LLA-0000776;
THENCE, ALONG SAID NORTHERLY LINE OF SAID PARCEL 1, SOUTH 89°45'45" EAST 1,321.65 FEET TO THE NORTHEAST CORNER OF SAID PARCEL 1 AND THE EASTERLY LINE OF SAID PARCEL 1;

EXHIBIT "A"
LOT LINE ADJUSTMENT LLA-0000804 (LEGAL DESCRIPTION)
APN 129-311-03 & 129-321-12, 13, 14, 15 & 17 AND PORTION OF 129-321-16
ANAHEIM, CALIFORNIA
PAGE 5 OF 18

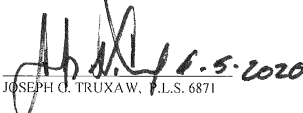
THENCE ALONG SAID EASTERLY LINE, SOUTH 00°39'47" WEST 1,402.87 FEET TO THE SOUTHEAST QUARTER CORNER OF SAID SECTION 21;
THENCE SOUTH 00°39'34" WEST 1,146.93 FEET TO THE NORTHEAST CORNER OF PARCEL 2 OF SAID LOT LINE ADJUSTMENT NO. LLA-0000776;
THENCE, ALONG THE NORTHERLY LINE OF SAID PARCEL 2 OF LOT LINE ADJUSTMENT NO. LLA-0000776, NORTH 89°30'26" WEST 499.50 FEET TO THE NORTHWEST CORNER OF SAID PARCEL 2 OF LOT LINE ADJUSTMENT NO. LLA-0000776;
THENCE, ALONG THE WESTERLY LINE OF SAID PARCEL 2 OF LOT LINE ADJUSTMENT NO. LLA-0000776, SOUTH 59.00 FEET TO THE BEGINNING OF A CURVE CONCAVE TO THE NORTHWEST, HAVING A RADIUS OF 30.00 FEET;
THENCE, SOUTHWESTERLY 31.64 FEET ALONG SAID CURVE THROUGH A CENTRAL ANGLE OF 60°25'28" TO THE BEGINNING OF A REVERSE CURVE CONCAVE TO THE SOUTHEAST, HAVING A RADIUS OF 54.00 FEET, A RADIAL LINE TO SAID BEGINNING BEARS SOUTH 29°34'32" EAST; THENCE, SOUTHWESTERLY 21.75 FEET ALONG SAID REVERSE CURVE THROUGH A CENTRAL ANGLE OF 23°04'45" TO THE BEGINNING OF A REVERSE CURVE CONCAVE TO THE NORTHWEST, HAVING A RADIUS OF 35.00 FEET, A RADIAL LINE TO SAID BEGINNING BEARS SOUTH 52°39'17" EAST;
THENCE, SOUTHWESTERLY 19.35 FEET ALONG SAID REVERSE CURVE THROUGH A CENTRAL ANGLE OF 31°40'29" TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE EASTERLY, HAVING A RADIUS OF 62.00 FEET, A RADIAL LINE TO SAID BEGINNING BEARS NORTH 69°53'52" WEST;
THENCE, SOUTHERLY 43.52 FEET ALONG SAID NON-TANGENT CURVE THROUGH A CENTRAL ANGLE OF 40°13'21" TO THE BEGINNING OF A NON-TANGENT CURVE CONCAVE TO THE SOUTHWEST, HAVING A RADIUS OF 35.00 FEET, A RADIAL LINE TO SAID BEGINNING BEARS NORTH 20°57'43" EAST;
THENCE, SOUTHEASTERLY 19.35 FEET ALONG SAID NON-TANGENT CURVE THROUGH A CENTRAL ANGLE OF 31°40'29" TO THE BEGINNING OF A REVERSE CURVE CONCAVE TO THE NORTHEAST, HAVING A RADIUS OF 54.00 FEET, A RADIAL LINE TO SAID BEGINNING BEARS NORTH 52°38'12" EAST;
THENCE SOUTHEASTERLY 14.15 FEET ALONG SAID REVERSE CURVE THROUGH A CENTRAL ANGLE OF 15°00'37" TO THE SOUTHERLY LINE OF SAID PARCEL 2 OF LOT LINE ADJUSTMENT NO. 0000504 ALSO BEING THE SOUTHWEST CORNER OF SAID PARCEL 2 OF LOT LINE ADJUSTMENT NO. LLA-0000776;
THENCE, ALONG SAID SOUTHERLY LINE, NORTH 89°30'26" WEST 803.39 FEET TO THE **TRUE POINT OF BEGINNING.**

CONTAINING AN AREA OF APPROXIMATELY 78.221 ACRES (GROSS) AND 68.307 ACRES (NET)

AS SHOWN ON THE ATTACHED EXHIBIT "B" AND BY THIS REFERENCE MADE A PART HEREOF.

SUBJECT TO EASEMENTS, COVENANTS, CONDITIONS, RESTRICTION, RESERVATIONS, RIGHTS, RIGHT-OF-WAY AND OTHER MATTERS OF RECORD, IF ANY.

LEGAL DESCRIPTION PREPARED UNDER THE SUPERVISION OF:


JOSEPH G. TRUXAW, P.L.S. 6871



CITY OF ANAHEIM LOT LINE ADJUSTMENT LLA-000804

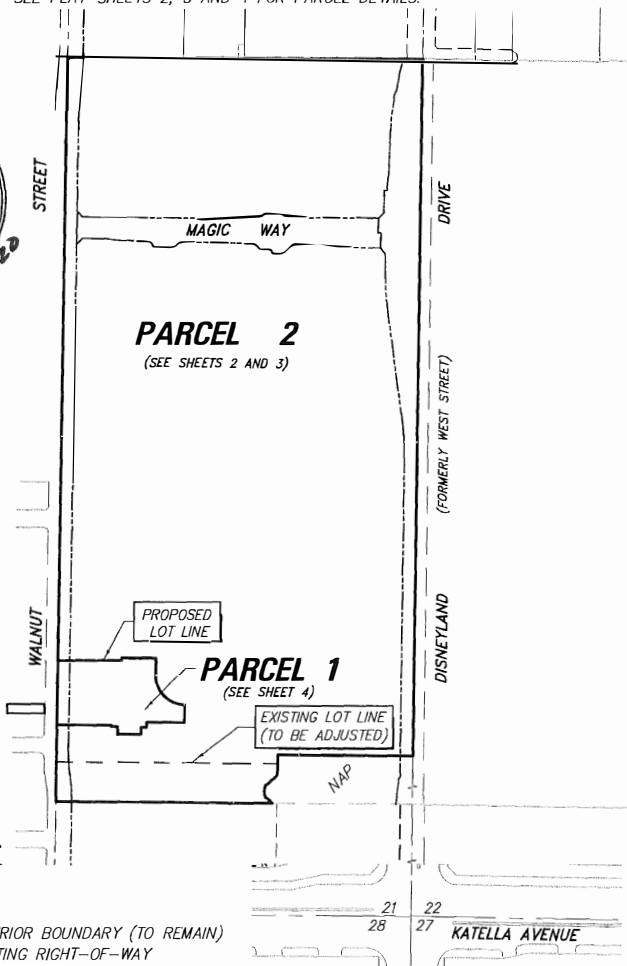
(PLAT~SHEET 1 OF 13) EXHIBIT "B"

SKETCH TO ACCOMPANY
LEGAL DESCRIPTION

NOTE:

SEE PLAT~SHEETS 2, 3 AND 4 FOR PARCEL DETAILS.

SCALE: 1" = 400'



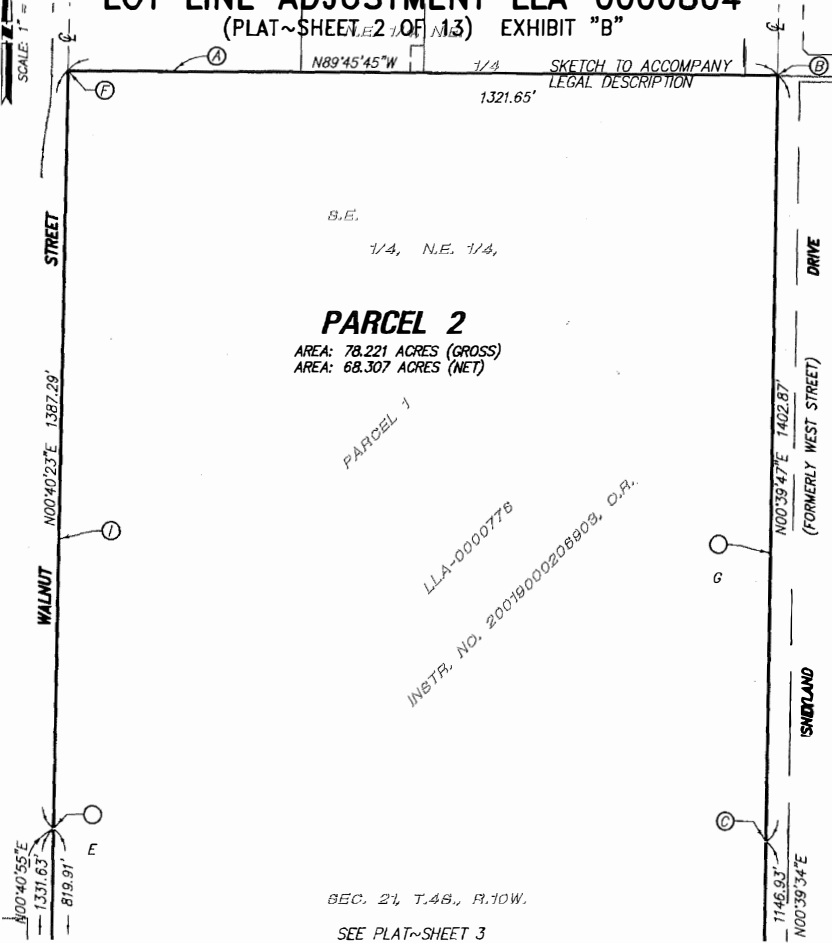
INDEX TO SHEETS

LEGEND:

- DENOTES EXTERIOR BOUNDARY (TO REMAIN)
- - - - - DENOTES EXISTING RIGHT-OF-WAY
- — — — DENOTES EXISTING LOT LINE (TO BE ADJUSTED)

CITY OF ANAHEIM LOT LINE ADJUSTMENT LLA-000804 (PLAT~SHEET 2 OF 13) EXHIBIT "B"

SCALE: 1" = 200'



LEGEND:

— DENOTES EXTERIOR BOUNDARY (TO REMAIN)

NOTE:

SEE PLAT~SHEETS 6 AND 7 FOR PLOTTED EASEMENTS.

SEE EASEMENT NOTES~SHEETS 8 THROUGH 13 FOR EASEMENT NOTES.

CITY OF ANAHEIM

LOT LINE ADJUSTMENT LLA-0000804

(PLAT~SHEET 3 OF 13) EXHIBIT "B"

NOTE:

SEE PLAT~SHEETS 6 AND 7 FOR PLOTTED EASEMENTS.

SEE EASEMENT NOTES~SHEETS 8 THROUGH 13 FOR EASMENT NOTES.

SKETCH TO ACCOMPANY LEGAL DESCRIPTION

SEE PLAT~SHEET 2

BEG. 21, T.4S., R.10W.

CURVE DATA TABLE

CURVE	DELTA	RADIUS	LENGTH
C1	15°00'57"	54.00'	14.15'
C2	31°40'29"	35.00'	19.35'
C3	40°13'21"	62.00'	43.52'
C4	31°40'29"	35.00'	19.35'
C5	23°04'45"	54.00'	21.75'
C6	60°25'28"	30.00'	31.64'

RADIAL DATA TABLE

LINE	BEARING	RAD.
R1	N37°37'35"E	
R2	N52°38'12"E	
R3	N69°52'47"E	62.00'
R4	N20°57'43"E	35.00'
R5	N20°58'48"W	35.00'
R6	N69°53'52"W	62.00'
R7	N29°34'32"W	

SCALE: 1" = 200'
N00°40'23"E
1387.29'

STREET
819.91'

WALNUT
233.94'
-N00°40'55"E 2658.48'-
1331.63'

1326.85'
277.78'
1322.92'

1402.87'
N00°39'47"E

DRIVE
1402.87'

(FORMERLY WEST STREET)

DISNEYLAND
N00°39'54"E 1146.93'

INSTRA. NO. 20180002008003, O.R.
N89°30'26"W 499.50'

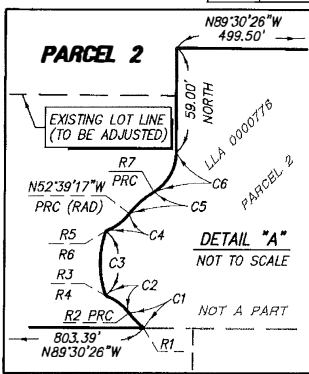
519.00'
N00°39'54"E
1497.75'
1322.75'

PARCEL 2

AREA: 78.221 ACRES (GROSS)
AREA: 68.307 ACRES (NET)

PARCEL 1

AREA: 2.292 ACRES (GROSS)
AREA: 2.050 ACRES (NET)
(SEE SHEET 4)



T.P.O.B. PARCEL 1

LLA NO. 0000804
PARCEL 2
INSTRA. NO. 20010848826, O.R.

T.P.O.B. PARCEL 2

803.39'
N89°30'26"W 1322.39'
EXISTING LOT LINE
(TO BE ADJUSTED)

SEE DETAIL "A" HEREON

KATELLA AVENUE

P.O.B. PARCELS 1 & 2

LEGEND:

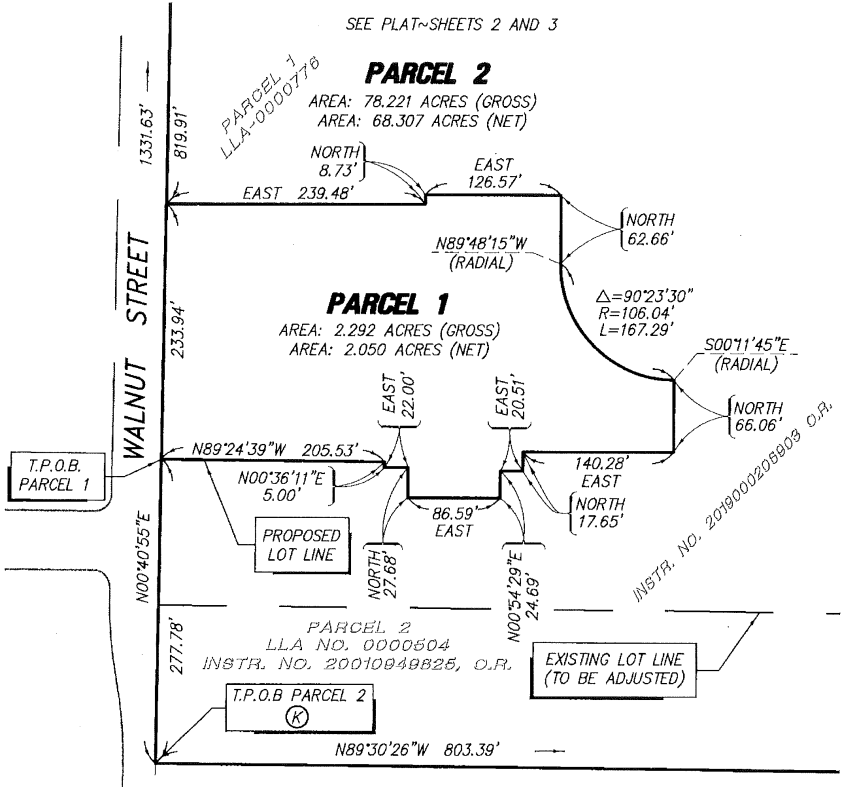
- DENOTES EXTERIOR BOUNDARY (TO REMAIN)
- - - DENOTES EXISTING LOT LINE (TO BE ADJUSTED)

CITY OF ANAHEIM LOT LINE ADJUSTMENT LLA-0000804 (PLAT~SHEET 4 OF 13) EXHIBIT "B"

SCALE: 1" = 100'

NOTE:
SEE PLAT~SHEETS 6 AND 7 FOR PLOTTED EASEMENTS.
SEE EASEMENT NOTES~SHEETS 8 THROUGH 13 FOR EASMENT NOTES.

SKETCH TO ACCOMPANY LEGAL DESCRIPTION



LEGEND:
 ——— DENOTES EXTERIOR BOUNDARY (TO REMAIN)
 - - - DENOTES EXISTING LOT LINE (TO BE ADJUSTED)

CITY OF ANAHEIM
LOT LINE ADJUSTMENT LLA-0000804
(PLAT NOTES~SHEET 5 OF 13) EXHIBIT "B"

SKETCH TO ACCOMPANY
LEGAL DESCRIPTION

NOTES:

- (A) NORTHERLY LINE OF PARCEL 1 OF LOT LINE ADJUSTMENT NO. LLA-0000776, RECORDED JUNE 13, 2019 AS INSTRUMENT NO. 2019000206903, OFFICIAL RECORDS.
- (B) NORTHEAST CORNER OF PARCEL 1 OF LOT LINE ADJUSTMENT NO. LLA-0000776, RECORDED JUNE 13, 2019 AS INSTRUMENT NO. 2019000206903, OFFICIAL RECORDS.
- (C) EAST QUARTER CORNER OF SECTION 21, TOWNSHIP 4 SOUTH, RANGE 10 WEST OF RANCHO SAN JUAN CAJON DE SANTA ANA, BOOK 51, PAGE 10 OF MISCELLANEOUS MAPS.
- (D) SOUTHEAST CORNER OF SECTION 21, TOWNSHIP 4 SOUTH, RANGE 10 WEST OF RANCHO SAN JUAN CAJON DE SANTA ANA, BOOK 51, PAGE 10 OF MISCELLANEOUS MAPS.
- (E) SOUTHWEST CORNER OF S.E. 1/4, N.E. 1/4 OF SECTION 21, TOWNSHIP 4 SOUTH, RANGE 10 WEST OF RANCHO SAN JUAN CAJON DE SANTA ANA, BOOK 51, PAGE 10 OF MISCELLANEOUS MAPS.
- (F) NORTHWEST CORNER OF PARCEL 1 OF LOT LINE ADJUSTMENT NO. LLA-0000776, RECORDED JUNE 13, 2019 AS INSTRUMENT NO. 2019000206903, OFFICIAL RECORDS.
- (G) EASTERLY LINE OF SECTION 21, TOWNSHIP 4 SOUTH, RANGE 10 WEST OF RANCHO SAN JUAN CAJON DE SANTA ANA, BOOK 51, PAGE 10 OF MISCELLANEOUS MAPS.
- (H) SOUTHERLY LINE OF SECTION 21, TOWNSHIP 4 SOUTH, RANGE 10 WEST OF RANCHO SAN JUAN CAJON DE SANTA ANA, BOOK 51, PAGE 10 OF MISCELLANEOUS MAPS.
- (I) WESTERLY LINE OF THE S.E. 1/4, N.E. 1/4 OF SECTION 21, TOWNSHIP 4 SOUTH, RANGE 10 WEST OF RANCHO SAN JUAN CAJON DE SANTA ANA, BOOK 51, PAGE 10 OF MISCELLANEOUS MAPS.
- (J) NORTH LINE OF PARCEL 2 OF LOT LINE ADJUSTMENT NO. 0000504 RECORDED DECEMBER 28, 2001 AS INSTRUMENT NO. 20010949825, OFFICIAL RECORDS.
- (K) SOUTHWEST CORNER OF PARCEL 2 OF LOT LINE ADJUSTMENT NO. 0000504 RECORDED DECEMBER 28, 2001 AS INSTRUMENT NO. 20010949825, OFFICIAL RECORDS.
- (L) NORTHEAST CORNER OF PARCEL 2 OF LOT LINE ADJUSTMENT NO. LLA-0000776, RECORDED JUNE 13, 2019 AS INSTRUMENT NO. 2019000206903, OFFICIAL RECORDS.
- (M) SOUTHEAST CORNER OF PARCEL 2 OF LOT LINE ADJUSTMENT NO. LLA-0000776, RECORDED JUNE 13, 2019 AS INSTRUMENT NO. 2019000206903, OFFICIAL RECORDS.

RECORD DATA NOTE:

RECORD OF SURVEY NO. 92-1104, IN THE CITY OF ANAHEIM, COUNTY OF ORANGE, STATE OF CALIFORNIA PER MAP FILED IN BOOK 144, PAGES 24 THROUGH 30, INCLUSIVE OF RECORDS OF SURVEY, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

BASIS OF BEARING:

THE BEARINGS SHOWN HEREON ARE BASED ON THE BEARING BETWEEN O.C.S. HORIZONTAL CONTROL STATION GPS NO. 3060 AND STATION GPS NO. 3071 BEING SOUTH 89°11'53" EAST PER RECORD OF SURVEY NO. 92-1104, IN THE CITY OF ANAHEIM, COUNTY OF ORANGE, STATE OF CALIFORNIA PER MAP FILED IN BOOK 144, PAGES 24 THROUGH 30, INCLUSIVE OF RECORDS OF SURVEY, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY.

NOTES:

- (1) GROSS AREA IS CALCULATED TO THE STREET CENTERLINES.
- (2) NET AREA IS CALCULATED TO THE STREET RIGHT-OF-WAY LINES, TYPICAL, AS APPLICABLE.

PARCEL AREA:

PARCEL 1: 2.292 ACRES (GROSS) - 2.050 ACRES (NET)
 PARCEL 2: 78.221 ACRES (GROSS) - 68.307 ACRES (NET)

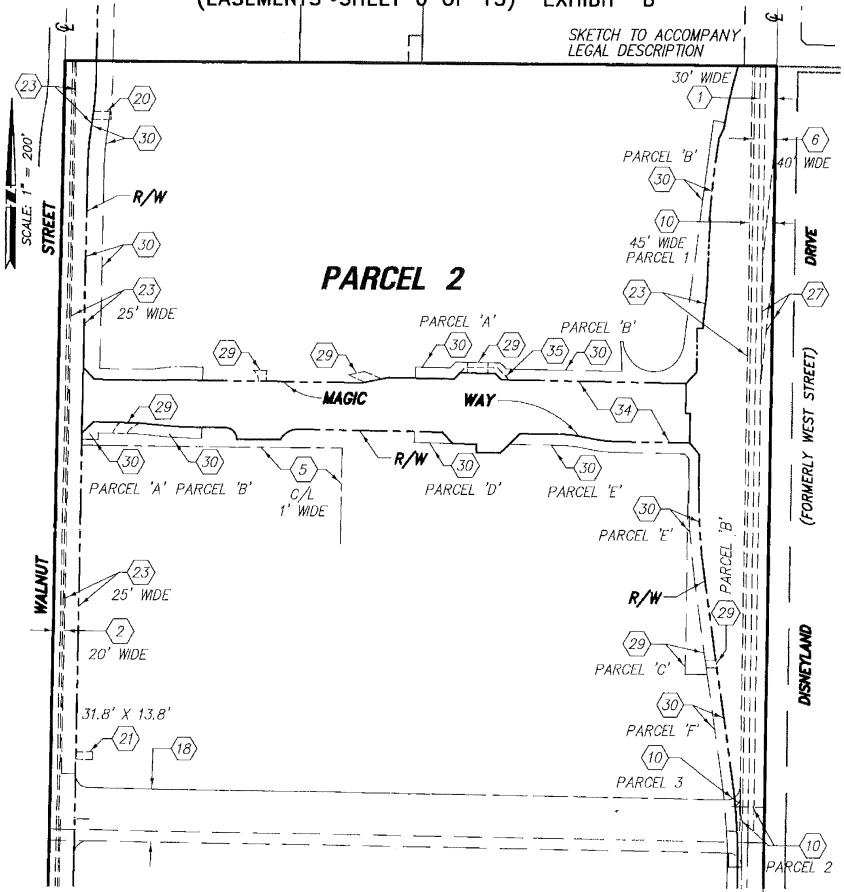
CITY BASE MAP DISTRICT NO.'S 65 AND 66

CITY OF ANAHEIM

LOT LINE ADJUSTMENT LLA-000804

(EASEMENTS~SHEET 6 OF 13) EXHIBIT "B"

SKETCH TO ACCOMPANY
LEGAL DESCRIPTION



SEE EASEMENTS~SHEET 7

NOTE:

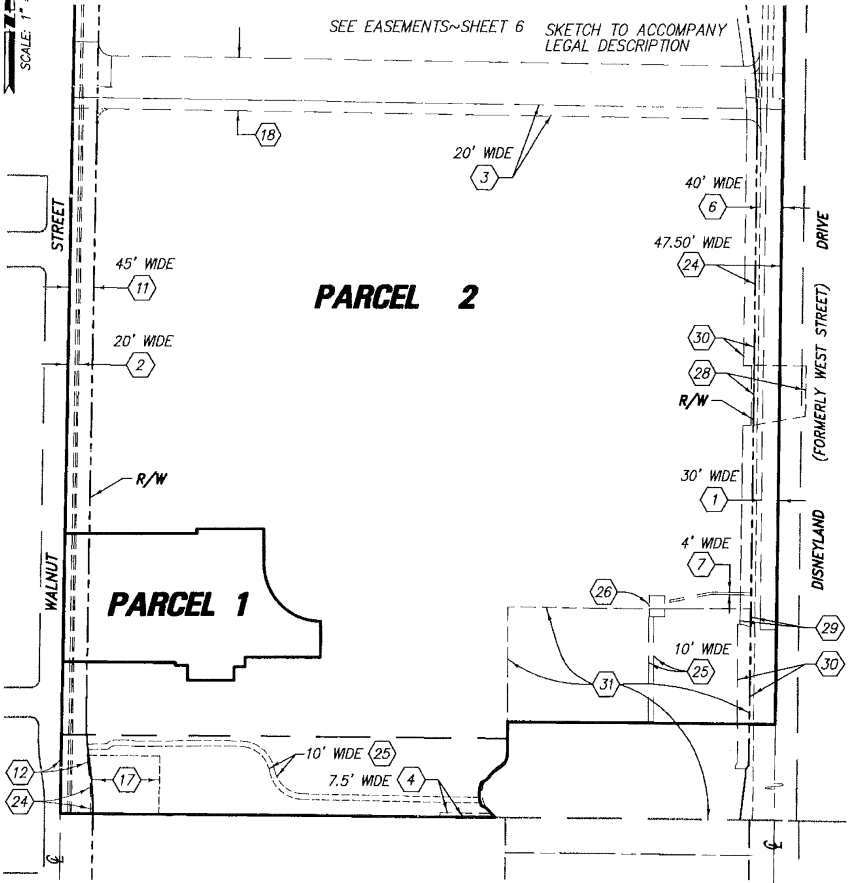
SEE EASEMENT NOTES~SHEETS 8 THROUGH 13 FOR EASEMENT NOTES.

KATELLA AVENUE	21	22
	28	27

CITY OF ANAHEIM LOT LINE ADJUSTMENT LLA-000804 (EASEMENTS~SHEET 7 OF 13) EXHIBIT "B"

SEE EASEMENTS~SHEET 6 SKETCH TO ACCOMPANY
LEGAL DESCRIPTION

SCALE: 1" = 200'



KATELLA AVENUE

21	22
28	27

NOTE:
SEE EASEMENT NOTES~SHEETS 8 THROUGH 13 FOR
EASEMENT NOTES.

CITY OF ANAHEIM
LOT LINE ADJUSTMENT LLA-000804
(EASEMENT NOTES~SHEET 8 OF 13) EXHIBIT "B"

NOTE: SEE EASEMENT~SHEETS 6 AND 7 FOR
PLOTTED EASEMENTS.

SKETCH TO ACCOMPANY
LEGAL DESCRIPTION

PRELIMINARY TITLE REPORT BY: COMMONWEALTH LAND TITLE INSURANCE COMPANY
ORDER NO. 09197039-919-EG1-EG1
DATED: APRIL 21, 2020

① EASEMENT FOR ROADS, RAILROADS AND DITCHES OVER THE EAST 30 FEET OF
PARCEL 2 OF SAID LAND. ALSO THE USE AND CONTROL OF CIENEGAS AND
NATURAL STREAMS OF WATER, IF ANY, NATURALLY UPON, FLOWING ACROSS,
INTO OR BY SAID TRACT, AND THE RIGHT OF WAY FOR AND TO CONSTRUCT
IRRIGATION OR DRAINAGE DITCHES THROUGH SAID LAND TO IRRIGATE OR
DRAIN THE ADJACENT LAND, AS RESERVED IN A DEED

RECORDING NO.: IN BOOK 29, PAGE 21 OF DEEDS, LOS ANGELES COUNTY

② EASEMENT(S) FOR THE PURPOSE(S) SHOWN BELOW AND RIGHTS INCIDENTAL
THERETO, AS GRANTED IN A DOCUMENT:

GRANTED TO: COUNTY OF ORANGE
PURPOSE: ROAD
RECORDING DATE: FEBRUARY 5, 1914
RECORDING NO: IN BOOK 244, PAGE 377 OF DEEDS

③ EASEMENT(S) FOR THE PURPOSE(S) SHOWN BELOW AND RIGHTS INCIDENTAL
THERETO, AS GRANTED IN A DOCUMENT:

GRANTED TO: COUNTY OF ORANGE
PURPOSE: ROAD AND PUBLIC UTILITY
RECORDING DATE: SEPTEMBER 3, 1914
RECORDING NO: IN BOOK 259, PAGE 43 OF DEEDS

AND RECORDING DATE: JULY 6, 1960
AND RECORDING NO: IN BOOK 5316, PAGE 536 OF OFFICIAL RECORDS

④ EASEMENT(S) FOR THE PURPOSE(S) SHOWN BELOW AND RIGHTS INCIDENTAL
THERETO, AS GRANTED IN A DOCUMENT:

GRANTED TO: ERNEST Z. COMBS, THELMA H. COMBS, ELDREDGE E.
COMBS, ERNEST F. COMBS, FRENDE W. COMBS
PURPOSE: INGRESS AND EGRESS
RECORDING DATE: APRIL 3, 1943
RECORDING NO: IN BOOK 1183, PAGE 377 OF OFFICIAL RECORDS
AFFECTS: SAID LAND MORE PARTICULARLY DESCRIBED THEREIN.

⑤ EASEMENT(S) FOR THE PURPOSE(S) SHOWN BELOW AND RIGHTS INCIDENTAL
THERETO, AS GRANTED IN A DOCUMENT:

GRANTED TO: SOUTHERN CALIFORNIA EDISON COMPANY, A CORPORATION
PURPOSE: POLE LINES
RECORDING DATE: NOVEMBER 21, 1951
RECORDING NO: AS INSTRUMENT NO. 24518, CERTIFICATE NO. 9154, IN
THE OFFICE OF THE REGISTRAR OF TITLES OF ORANGE
COUNTY

CITY OF ANAHEIM
LOT LINE ADJUSTMENT LLA-000804
(EASEMENT NOTES~SHEET 9 OF 13) EXHIBIT "B"

NOTE: SEE EASEMENT~SHEETS 6 AND 7 FOR
PLOTTED EASEMENTS.

SKETCH TO ACCOMPANY
LEGAL DESCRIPTION

⑥ EASEMENT(S) FOR THE PURPOSE(S) SHOWN BELOW AND RIGHTS INCIDENTAL
THERE TO, AS GRANTED IN A DOCUMENT:

GRANTED TO: CITY OF ANAHEIM
PURPOSE: ROAD AND PUBLIC UTILITY
RECORDING DATE: JUNE 20, 1955
RECORDING NO: AS INSTRUMENT NO. 74003, IN BOOK 3109, PAGE 530 OF
OFFICIAL RECORDS

⑦ EASEMENT(S) FOR THE PURPOSE(S) SHOWN BELOW AND RIGHTS INCIDENTAL
THERE TO, AS GRANTED IN A DOCUMENT:

GRANTED TO: SOUTHERN CALIFORNIA EDISON COMPANY, A CORPORATION
PURPOSE: UNDERGROUND ELECTRIC SYSTEMS CONSISTING OF WIRES,
CABLES AND NECESSARY APPURTENANCES
RECORDING DATE: JULY 20, 1955
RECORDING NO: IN BOOK 3146, PAGE 103 OF OFFICIAL RECORDS

8 A PERPETUAL EASEMENT FOR A RIGHT OF WAY FOR THE CONSTRUCTION,
RECONSTRUCTION, OPERATION, MAINTENANCE, REPAIR AND REMOVAL OF AN
UNDERGROUND PIPE LINE AS ACQUIRED BY THE UNITED STATES OF AMERICA
BY DECREE OF CONDEMNATION IN THE UNITED STATES DISTRICT COURT, CASE
NO. 16687, A CERTIFIED COPY OF WHICH WAS RECORDED APRIL 18, 1956 IN
BOOK 3479, PAGE 136 OF OFFICIAL RECORDS, AND AS AMENDED BY AN
INSTRUMENT RECORDED APRIL 21, 1961 IN BOOK 5698, PAGE 530 OF
OFFICIAL RECORDS.

THE EXACT LOCATION AND EXTENT OF SAID EASEMENT IS NOT DISCLOSED OF RECORD.

⑩ EASEMENT(S) FOR THE PURPOSE(S) SHOWN BELOW AND RIGHTS INCIDENTAL
THERE TO, AS GRANTED IN A DOCUMENT:

GRANTED TO: CITY OF ANAHEIM, A MUNICIPAL CORPORATION
PURPOSE: ROAD AND PUBLIC UTILITY
RECORDING DATE: JUNE 21, 1961
RECORDING NO: IN BOOK 5761, PAGE 737 OF OFFICIAL RECORDS

AN AGREEMENT TO MODIFY THE TERMS AND PROVISIONS OF THE SAID
DOCUMENT, AS THEREIN PROVIDED

RECORDING DATE: DECEMBER 1, 1997
RECORDING NO: AS INSTRUMENT NO. 19970615543 OF OFFICIAL RECORDS

CITY OF ANAHEIM
LOT LINE ADJUSTMENT LLA-0000804
(EASEMENT NOTES~SHEET 10 OF 13) EXHIBIT "B"

NOTE: SEE EASEMENT~SHEETS 6 AND 7 FOR
PLOTTED EASEMENTS.

SKETCH TO ACCOMPANY
LEGAL DESCRIPTION

11 EASEMENT(S) FOR THE PURPOSE(S) SHOWN BELOW AND RIGHTS INCIDENTAL
THERE TO, AS GRANTED IN A DOCUMENT:

GRANTED TO: CITY OF ANAHEIM, A MUNICIPAL CORPORATION
PURPOSE: ROAD AND PUBLIC UTILITY
RECORDING DATE: OCTOBER 10, 1963
RECORDING NO: AS INSTRUMENT NO. 11100, IN BOOK 6755, PAGE 169
OF OFFICIAL RECORDS

12 EASEMENT(S) FOR THE PURPOSE(S) SHOWN BELOW AND RIGHTS INCIDENTAL
THERE TO, AS GRANTED IN A DOCUMENT:

GRANTED TO: CITY OF ANAHEIM, A MUNICIPAL CORPORATION
PURPOSE: ROAD AND PUBLIC UTILITY
RECORDING DATE: OCTOBER 12, 1965
RECORDING NO: AS INSTRUMENT NO. 9776, IN BOOK 7700, PAGE 764

17 MATTERS CONTAINED IN THAT CERTAIN DOCUMENT

ENTITLED: GRANT OF EASEMENT AND RESTRICTIVE COVENANT
DATED: NOVEMBER 12, 1997
EXECUTED BY WALT DISNEY WORLD CO., A FLORIDA CORPORATION AND
SOUTHERN CALIFORNIA EDISON COMPANY A CALIFORNIA
CORPORATION

RECORDING DATE: NOVEMBER 26, 1997
RECORDING NO. AS INSTRUMENT NO. 19970612763, OFFICIAL RECORDS

REFERENCE IS HEREBY MADE TO SAID DOCUMENT FOR FULL PARTICULARS.
PARTIAL QUITCLAIM DEED

RECORDING DATE: MAY 4, 1998
RECORDING NO. AS INSTRUMENT NO. 19980270045, OFFICIAL RECORDS

MATTERS CONTAINED IN THAT CERTAIN DOCUMENT

ENTITLED: CONSENT TO ENCROACHMENT AND RESTRICTIVE COVENANT
DATED: NOT SET OUT
EXECUTED BY WALT DISNEY WORLD CO., A FLORIDA CORPORATION AND
SOUTHERN CALIFORNIA EDISON COMPANY A CALIFORNIA
CORPORATION

RECORDING DATE: JANUARY 25, 2000
RECORDING NO. AS INSTRUMENT NO. 20000044469, OFFICIAL RECORDS

CITY OF ANAHEIM
LOT LINE ADJUSTMENT LLA-000804
(EASEMENT NOTES~SHEET 11 OF 13) EXHIBIT "B"

NOTE: SEE EASEMENT~SHEETS 6 AND 7 FOR
PLOTTED EASEMENTS.

SKETCH TO ACCOMPANY
LEGAL DESCRIPTION

18 ANY IRREGULARITIES, RESERVATIONS, EASEMENTS OR OTHER MATTERS IN THE
PROCEEDINGS OCCASIONING THE ABANDONMENT OR VACATION OF THE
STREET/ROAD SHOWN BELOW:

NAME: CERRITOS AVENUE
RECORDING DATE: DECEMBER 1, 1997
RECORDING NO: AS INSTRUMENT NO. 19970615543 OF OFFICIAL RECORDS

20 EASEMENT(S) FOR THE PURPOSE(S) SHOWN BELOW AND RIGHTS INCIDENTAL
THERE TO, AS GRANTED IN A DOCUMENT:

GRANTED TO: CITY OF ANAHEIM, A MUNICIPAL CORPORATION
PURPOSE: PUBLIC UTILITY, INCLUDING INGRESS AND EGRESS FOR
THE INSTALLATION AND MAINTENANCE OF ELECTRICAL
FACILITIES
RECORDING DATE: DECEMBER 18, 1998
RECORDING NO: AS INSTRUMENT NO. 19980876193 OF OFFICIAL RECORDS

21 EASEMENT(S) FOR THE PURPOSE(S) SHOWN BELOW AND RIGHTS INCIDENTAL
THERE TO, AS GRANTED IN A DOCUMENT:

GRANTED TO: CITY OF ANAHEIM, A MUNICIPAL CORPORATION
PURPOSE: PUBLIC UTILITY, INCLUDING INGRESS AND EGRESS FOR
THE INSTALLATION AND MAINTENANCE OF ELECTRICAL
FACILITIES
RECORDING DATE: DECEMBER 18, 1998
RECORDING NO: AS INSTRUMENT NO. 19980876194 OF OFFICIAL RECORDS

23 EASEMENT(S) FOR THE PURPOSE(S) SHOWN BELOW AND RIGHTS INCIDENTAL
THERE TO, AS GRANTED IN A DOCUMENT:

GRANTED TO: CITY OF ANAHEIM, A MUNICIPAL CORPORATION
PURPOSE: ROAD AND PUBLIC UTILITY
RECORDING DATE: AUGUST 11, 1999
RECORDING NO: AS INSTRUMENT NO. 19990585343 OF OFFICIAL RECORDS

24 EASEMENT(S) FOR THE PURPOSE(S) SHOWN BELOW AND RIGHTS INCIDENTAL
THERE TO, AS GRANTED IN A DOCUMENT:

GRANTED TO: CITY OF ANAHEIM, A MUNICIPAL CORPORATION
PURPOSE: ROAD AND PUBLIC UTILITY
RECORDING DATE: AUGUST 11, 1999
RECORDING NO: AS INSTRUMENT NO. 19990585345 OF OFFICIAL
RECORDS

CITY OF ANAHEIM
LOT LINE ADJUSTMENT LLA-000804
(EASEMENT NOTES~SHEET 12 OF 13) EXHIBIT "B"

NOTE: SEE EASEMENT~SHEETS 6 AND 7 FOR
PLOTTED EASEMENTS.

SKETCH TO ACCOMPANY
LEGAL DESCRIPTION

25 EASEMENT(S) FOR THE PURPOSE(S) SHOWN BELOW AND RIGHTS INCIDENTAL
THERE TO, AS GRANTED IN A DOCUMENT:
GRANTED TO: CITY OF ANAHEIM, A MUNICIPAL CORPORATION
PURPOSE: PUBLIC UTILITY INCLUDING ABOVEGROUND INGRESS AND
EGRESS FOR THE INSTALLATION AND MAINTENANCE OF
UNDERGROUND ELECTRICAL FACILITIES
RECORDING DATE: DECEMBER 2, 1999
RECORDING NO: AS INSTRUMENT NO. 19990827481 OF OFFICIAL
RECORDS

26 EASEMENT(S) FOR THE PURPOSE(S) SHOWN BELOW AND RIGHTS INCIDENTAL
THERE TO, AS GRANTED IN A DOCUMENT:
GRANTED TO: CITY OF ANAHEIM, A MUNICIPAL CORPORATION
PURPOSE: PUBLIC UTILITY
RECORDING DATE: DECEMBER 2, 1999
RECORDING NO: AS INSTRUMENT NO. 19990827482 OF OFFICIAL
RECORDS

27 EASEMENT(S) FOR THE PURPOSE(S) SHOWN BELOW AND RIGHTS INCIDENTAL
THERE TO, AS GRANTED IN A DOCUMENT:
GRANTED TO: CITY OF ANAHEIM, A MUNICIPAL CORPORATION
PURPOSE: PUBLIC UTILITY FOR THE INSTALLATION AND
MAINTENANCE OF STORM DRAIN FACILITIES
RECORDING DATE: DECEMBER 20, 1999
RECORDING NO: AS INSTRUMENT NO. 19990861771 OF OFFICIAL RECORDS

28 MATTERS CONTAINED IN THAT CERTAIN DOCUMENT
ENTITLED: NOTICE OF CONSENT TO USE LAND
RECORDING DATE: MARCH 8, 2001
RECORDING NO. AS INSTRUMENT NO. 20010134664, OFFICIAL RECORDS
REFERENCE IS HEREBY MADE TO SAID DOCUMENT FOR FULL PARTICULARS.

29 EASEMENT(S) FOR THE PURPOSE(S) SHOWN BELOW AND RIGHTS INCIDENTAL
THERE TO, AS GRANTED IN A DOCUMENT:
GRANTED TO: CITY OF ANAHEIM, A MUNICIPAL CORPORATION
PURPOSE: PUBLIC UTILITY FOR THE INSTALLATION AND
MAINTENANCE OF IRRIGATION FACILITIES
RECORDING DATE: JULY 20, 2001
RECORDING NO: AS INSTRUMENT NO. 20010493137 OF OFFICIAL RECORDS

CITY OF ANAHEIM
LOT LINE ADJUSTMENT LLA-0000804
(EASEMENT NOTES~SHEET 13 OF 13) EXHIBIT "B"

NOTE: SEE EASEMENT~SHEETS 6 AND 7 FOR SKETCH TO ACCOMPANY
PLOTTED EASEMENTS. LEGAL DESCRIPTION

30 EASEMENT(S) FOR THE PURPOSE(S) SHOWN BELOW AND RIGHTS INCIDENTAL
THERE TO, AS GRANTED IN A DOCUMENT:

GRANTED TO: CITY OF ANAHEIM, A MUNICIPAL CORPORATION
PURPOSE: LANDSCAPING, INSTALLATION AND MAINTENANCE
RECORDING DATE: JULY 20, 2001
RECORDING NO: AS INSTRUMENT NO. 20010493138 OF OFFICIAL RECORDS

31 MATTERS CONTAINED IN THAT CERTAIN DOCUMENT

ENTITLED: NON-EXCLUSIVE PARKING EASEMENT AGREEMENT
DATED: DECEMBER 16, 2008
EXECUTED BY: WALT DISNEY WORLD CO., A FLORIDA CORPORATION
AND DISNEY VACATION DEVELOPMENT, INC., A
FLORIDA CORPORATION
RECORDING DATE: DECEMBER 26, 2008
RECORDING NO: AS INSTRUMENT NO. 2008000590365 OF OFFICIAL
RECORDS
REFERENCE IS HEREBY MADE TO SAID DOCUMENT FOR FULL PARTICULARS.

33 COVENANT AND AGREEMENT WHEREIN THE OWNERS AGREE TO HOLD SAID LAND AS
ONE PARCEL AND NOT TO SELL ANY PORTION THEREOF SEPARATELY. SAID COVENANT
IS EXPRESSED TO RUN WITH THE LAND AND BE BINDING UPON FUTURE OWNERS.

RECORDING DATE: APRIL 25, 2018
RECORDING NO: AS INSTRUMENT NO. 2018000148287 OF OFFICIAL RECORDS
AFFECTS: BLANKET IN NATURE COVERING A PORTION OF SAID LAND

34 EASEMENT(S) FOR THE PURPOSE(S) SHOWN BELOW AND RIGHTS INCIDENTAL
THERE TO, AS GRANTED IN A DOCUMENT:

GRANTED TO: CITY OF ANAHEIM, A MUNICIPAL CORPORATION
PURPOSE: ROAD, PUBLIC UTILITIES AND OTHER PUBLIC PURPOSES
RECORDING DATE: OCTOBER 16, 2018
RECORDING NO: AS INSTRUMENT NO. 2018000375782 OF OFFICIAL RECORDS

35 EASEMENT(S) FOR THE PURPOSE(S) SHOWN BELOW AND RIGHTS INCIDENTAL
THERE TO, AS GRANTED IN A DOCUMENT:

GRANTED TO: CITY OF ANAHEIM, A MUNICIPAL CORPORATION
PURPOSE: TRAFFIC SIGNAL FACILITIES
RECORDING DATE: APRIL 23, 2019
RECORDING NO: AS INSTRUMENT NO. 2019000132152 OF OFFICIAL RECORDS

CALIFORNIA ALL- PURPOSE CERTIFICATE OF ACKNOWLEDGMENT

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California)

County of Orange)

On June 17, 2020 before me, Cynthia Alejandra Rodriguez,
(Here insert name and title of the officer)

personally appeared Richard Wayne Hill,
who proved to me on the basis of satisfactory evidence to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/her/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Cynthia Alejandra Rodriguez
Notary Public Signature (Notary Public Seal)



ADDITIONAL OPTIONAL INFORMATION

DESCRIPTION OF THE ATTACHED DOCUMENT

(Title or description of attached document)

(Title or description of attached document continued)

Number of Pages _____ Document Date _____

CAPACITY CLAIMED BY THE SIGNER

Individual (s)

Corporate Officer

_____ (Title)

Partner(s)

Attorney-in-Fact

Trustee(s)

Other _____

INSTRUCTIONS FOR COMPLETING THIS FORM

This form complies with current California statutes regarding notary wording and, if needed, should be completed and attached to the document. Acknowledgments from other states may be completed for documents being sent to that state so long as the wording does not require the California notary to violate California notary law.

- State and County information must be the State and County where the document signer(s) personally appeared before the notary public for acknowledgment.
- Date of notarization must be the date that the signer(s) personally appeared which must also be the same date the acknowledgment is completed.
- The notary public must print his or her name as it appears within his or her commission followed by a comma and then your title (notary public).
- Print the name(s) of document signer(s) who personally appear at the time of notarization.
- Indicate the correct singular or plural forms by crossing off incorrect forms (i.e. he/she/they- is /are) or circling the correct forms. Failure to correctly indicate this information may lead to rejection of document recording.
- The notary seal impression must be clear and photographically reproducible. Impression must not cover text or lines. If seal impression smudges, re-seal if a sufficient area permits, otherwise complete a different acknowledgment form.
- Signature of the notary public must match the signature on file with the office of the county clerk.
 - ❖ Additional information is not required but could help to ensure this acknowledgment is not misused or attached to a different document.
 - ❖ Indicate title or type of attached document, number of pages and date.
 - ❖ Indicate the capacity claimed by the signer. If the claimed capacity is a corporate officer, indicate the title (i.e. CEO, CFO, Secretary).
- Securely attach this document to the signed document with a staple.

Exhibit B

ARTICLES OF INCORPORATION OF
THE VILLAS AT DISNEYLAND HOTEL CONDOMINIUM ASSOCIATION

For Office Use Only
-FILED-
File No.: 5218282
Date Filed: 8/25/2022

All terms used in these Articles of Incorporation of THE VILLAS AT DISNEYLAND ASSOCIATION, INC. (the "**Articles**") shall have the same meaning as the identical terms in the Covenants, Conditions, and Restrictions and Condominium and Vacation Ownership Plan of The Villas at Disneyland Hotel, a leasehold condominium (the "**Declaration**").

ARTICLE I - Name

1. The name of the corporation shall be THE VILLAS AT DISNEYLAND HOTEL CONDOMINIUM ASSOCIATION, INC. (the "**Association**").

Pursuant to the terms of the Master Declaration, the Ground Lease, and the Declaration, if the Property Management Agreement between the Association and Disney Vacation Club Management, LLC, a Florida limited liability company ("DVCMI") terminates for any reason, at the option of Disney Vacation Development, Inc. ("DVD") or DVCMI, the Association will no longer have the right to use the name "The Villas at Disneyland Hotel Condominium Association" for the Association or "The Villas at Disneyland Hotel Condominium, a leasehold condominium (the "Condominium") for the Condominium. The Association will be required to change the name of the Association and the Condominium to a name that is acceptable to DVC or DVCMI, and to WALT DISNEY PARKS AND RESORTS U.S., INC., a Florida corporation ("WDPR"). The Board shall select an alternative name for the Association and the Condominium and these Articles shall be amended to reflect the new name pursuant to a Certificate of Amendment duly approved by the Board and the members pursuant to California law; provided, however, that prior to the use of any name to identify the Association or the Condominium, whether the name change is as a result of the termination of the Property Management Agreement or otherwise, such name will be submitted to DVD and WDPR for their consent. For purposes of this provision, the names CALIFORNIA VILLAS CONDOMINIUM ASSOCIATION, INC. and CALIFORNIA VILLAS CONDOMINIUM, A LEASEHOLD CONDOMINIUM, are acceptable.

2. If the name of the Condominium and the Association is changed for any reason, the Board and all Owners are prohibited from using the name "Disney" or "Disneyland" (or any other form of the name "Disney" or "Disneyland") in any manner whatsoever, unless WDPR consents to such use, and the Association is immediately required to:

- a. Remove all signs containing the name "Disney" or "Disneyland" (or any other form of the name "Disney" or "Disneyland") from the condominium property and from any offsite location to the extent the sign refers to the Association or the Condominium;
- b. Destroy all stationary, descriptive literature or printed or written matter bearing the name "Disney" or "Disneyland" (or any other form of the name "Disney" or "Disneyland") other than the prior books and records of the Association;
- c. Cease and desist from using the name "Disney" or "Disneyland" (or any other form of the name "Disney" or "Disneyland") orally or in writing in referring to the Association or the Condominium;
- d. Take immediate action to effect changes to the documents and materials that reference the Association and the Condominium and use of the name "Disney" or "Disneyland" (or any other form of the name "Disney" or "Disneyland") to eliminate the use of such names in any manner; and
- e. Remove any architectural or landscaping features from the condominium property which contain the "Disney" name, the "Disneyland" name or any "Disney" caricature, fanciful character, logo or other trademark of The Walt Disney Company, a Delaware corporation, its successors and assigns or any of the subsidiaries of The Walt Disney Company, including DVD, DVCMI, and WDPR, unless otherwise approved by WDPR. In this regard, the Association is responsible, at its cost, for repairing or replacing the structure or landscaping from which any such symbol has been removed so as to ensure that the structural integrity of such structure or landscaping is not jeopardized

and that the appearance of the structure or landscaping remains consistent with the surrounding area and in compliance with the Master Declaration, the Ground Lease and the Condominium Documents.

3. Other than DVD, DVCM, the TWDC Companies and other persons who are specifically authorized in writing by DVD, DVCM, the TWDC Companies or the Board, to use the name of the Condominium or the Association, no person shall use the name, or any derivative of the name, of the Condominium or the Association, or any related logo in any advertising or promotional material. Owners may only use the name of the Condominium to identify their Unit or Ownership Interest and in connection with the legal and permitted transfer of their Unit or Ownership Interest. Other than the Association (and DVCM in its capacity as the Management Company), no person, including any Owner, may use the name of the Condominium or the Association in any manner that appears to be an official or sanctioned communication from the Association or the Board.

ARTICLE II – Nature; Purpose

1. This corporation is a nonprofit mutual benefit corporation organized under the Nonprofit Mutual Benefit Corporation Law. The purpose of this corporation is to engage in any lawful act or activity, other than credit union business, for which a corporation may be organized under such law. The purposes of the Association shall include constructing, operating, maintaining, repairing, refurbishing, preserving, enhancing, renovating, or replacing the Condominium in accordance with the Master Declaration, the Ground Lease, the Condominium Documents, and Applicable Law.

2. The Association shall not be operated for profit. The Association shall have no capital stock and shall make no distribution of income or profit to its directors or officers or the Owners. The Association may only make distribution to its Owners upon dissolution or final liquidation, as permitted by a court of competent jurisdiction. No such payment, benefit, or distribution shall be deemed to be a dividend or distribution of income or profit. Any assessments or fees collected by the Association, or by any agent acting on behalf of the Association, are held for the benefit of the Owners and shall not be considered income of the Association.

ARTICLE III – Powers

1. Notwithstanding any of the above statements of purposes and powers, this corporation shall not, except to an insubstantial degree, engage in any activities or exercise any powers that are not in furtherance of the specific purposes of this corporation.

2. The Association shall have all of the common law and statutory powers of a California non profit mutual benefit corporation, together with such specific powers as are necessary to implement the purpose of the Association including the following:

- a. To adopt an operating and reserve budget and to make and collect assessments against Owners to defray the costs of operating the Condominium, the Association, and the Vacation Ownership Plan, and to fund reserves.
- b. To use the proceeds of assessments in the exercise of its powers and duties.
- c. To construct, operate, maintain, repair, refurbish, preserve, enhance, renovate, or replace the condominium property.
- d. To obtain and maintain adequate insurance to protect the Association and the condominium property.
- e. To reconstruct improvements after casualty or condemnation and construct further improvements to the condominium property.
- f. To promulgate and amend the Condominium Rules and Regulations respecting the use of condominium property and respecting the governance of the Association.

- g. To enforce the provisions of the Condominium Documents, and the provisions of the Master Declaration and Ground Lease to the extent permitted in such instruments, and including by legal means.
- h. To contract for the management of the Condominium and the Vacation Ownership Plan and to delegate to such contractor all powers and duties of the Association except such as are specifically required by Applicable Law or the Condominium Documents to have approval of the Board or Owners. Notwithstanding any provisions contained in these Articles to the contrary, it is the intent of these Articles that the Board shall not have the power to independently terminate the Property Management Agreement, as defined in the Declaration. The Property Management Agreement may only be terminated in accordance with its own terms or by the vote of both the Board and the Owners in accordance with Applicable Law.
- i. To pay taxes and assessments which are liens against any part of the Condominium, and to assess the same against the Owner subject to such liens.
- j. To pay the cost of all power, water, sewer, and other utility services rendered to the Condominium and not billed directly to an Owner.
- k. To employ personnel and professionals for reasonable compensation to perform the services required for proper administration of the purposes of the Association, including accountants and attorneys.
- l. To bond any or all employees, officers, directors, or agents of the Association, for which the Association shall bear the costs.
- m. To construct, operate, maintain, repair, refurbish, preserve, enhance, renovate, or replace the property of a single condominium resulting from a merger of this Condominium with another independent and separate condominium pursuant to the merger provisions of the Declaration.
- n. To maintain all books and records concerning the Condominium and the Vacation Ownership Plan including the maintenance of a complete list of the names, addresses, and e-mail addresses of all Owners, which list shall not be provided to any person except as required under Applicable Law or the Condominium Documents.
- o. Except as otherwise provided in the Condominium Documents or by separate agreement, to operate and administer or assign the operation or administration of any reservation system created for the Condominium or the Vacation Ownership Plan, and to amend or revise the reservation system as is necessary from time to time. Notwithstanding any provisions contained in these Articles to the contrary, it is the intent of these Articles that the Board shall not have the power to independently terminate the DVC Membership Agreement, as defined in the Declaration, or the DVC Resort Agreement, as defined in the Declaration, for the Vacation Ownership Plan, which agreements may only be terminated as set forth in such DVC Membership Agreement or the DVC Resort Agreement, respectively.
- p. To lease or license non-condominium property for the Association, as lessee or licensor; to lease or license condominium property, including Association Property, Units and Ownership Interests owned by the Association, or the Common Elements, as lessor or licensor; and to acquire title to and hold, convey, transfer, assign, encumber, lease, license, or mortgage non-condominium property, condominium property, and Association Property.
- q. To convey a portion of the Common Elements to a condemning authority for the purpose of providing utility easements, right-of-way expansions, or other public purposes, whether negotiated or as a result of eminent domain proceedings.
- r. To accept a certificate of compliance from a licensed electrical contractor or electrician as evidence of compliance of the Condominium with the applicable fire and life safety code.
- s. To borrow money in furtherance of its rights and obligations.
- t. To acquire title to and hold, convey, transfer, assign, encumber, lease, license, or mortgage non-condominium property, condominium property, and Association Property.

u. To grant, modify, or move easements from time to time over the condominium property and Association Property in accordance with the Condominium Documents.

v. To institute, maintain, compromise, settle, or appeal claims, actions or hearings in its name on behalf of all Owners concerning matters of interest to the Association, the Board, or most or all Owners, including settling claims of lien for past due assessments and related foreclosure actions.

w. To adopt reasonable rules and regulations regarding the frequency and manner of responding to Owner inquiries. Unless provided by the Board otherwise, the Association is only obligated to respond to one (1) written inquiry per Ownership Interest in any given thirty (30) day period, and any additional inquiry or inquiries must be responded to in a subsequent thirty (30) day period.

x. To exercise those powers specifically granted to condominium associations pursuant to those provisions of the Davis-Stirling Common Interest Development Act applicable to vacation ownership condominiums, the Vacation Ownership and Time-share Act of 2004, and the California Nonprofit Mutual Benefit Corporation Law.

3. The powers of the Association shall be subject to and shall be exercised in accordance with the provisions of the Master Declaration, the Ground Lease, the Condominium Documents, and Applicable Law.

ARTICLE IV - Owners

The qualifications of Owners as members of the Association, the manner of their admission to the Association, and voting by Owners shall be as follows:

1. All Owners of Units shall be members of this Association, and no other persons or entities shall be entitled to membership. Each Unit shall be entitled to one (1) vote at Association meetings. The vote for a Unit shall be cast by its Voting Representative. Voting Representatives for Units owned by more than one person, a corporation, or other entity shall be cast by the Voting Representative named in a Voting Certificate signed or accepted by all of the Owners of that Unit (including by virtue of accepting title to an Ownership Interest or other interest in the Unit) and filed with the secretary of the Association. Cumulative voting is expressly prohibited.

2. Changes in membership in the Association shall be established by the recording in the Public Records of Orange County, California, of a deed or other instrument establishing a change of record title to a Unit or Ownership Interest or other interest in a Unit. The Association shall recognize a change in membership upon delivery to the Association of a copy of such recorded instrument. The new Owner designated by such instrument shall automatically become a member of the Association. The membership of the prior Owner shall then be deemed terminated.

3. The share of Owners in the funds and assets of the Association cannot be assigned, hypothecated, or transferred in any manner except as an appurtenance to their Unit.

ARTICLE V - Directors

1. The affairs of the Association will be managed by a Board of not less than three (3) nor more than seven (7) directors as shall be determined by the Bylaws.

2. Directors of the Association shall be appointed or elected at the annual Owners' meeting in the manner determined by the Bylaws.

ARTICLE VI - Officers

The officers of the Association shall consist of a president, a vice president, a secretary, and a treasurer. The Board may appoint such other officers and grant them the duties as it deems appropriate, which other officers may include assistant vice presidents, assistant secretaries, and assistant treasurers. Officers shall serve without compensation and at the pleasure of the Board. Any officer may be removed by the Board at any time, with or without cause. The same person may hold two offices, the duties of which are not incompatible; provided, however, that the offices of

president and vice president shall not be held by the same person, nor shall the offices of president, secretary, assistant secretary, treasurer, or assistant treasurer be held by the same person.

ARTICLE VII – Indemnification; No Liability for Obligations

1. The corporation is authorized to indemnify agents, as defined under California Corporations Code Section 7237, to the fullest extent permitted by California law.
2. No officer, director, or Owner shall be personally liable for any debt or other obligation of the Association.

ARTICLE VIII - Bylaws

The Bylaws shall be adopted by the Board and may be altered, amended, or rescinded as provided in the Bylaws, except as provided in Section 7150 of the California Corporations code.

ARTICLE IX - Amendments

Amendments to these Articles shall be proposed and adopted in the following manner:

1. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.
2. A resolution approving a proposed amendment may be proposed by either the Board or by the Owners, and after being proposed and approved or ratified by one of such bodies, requires the approval or ratification of the other body. Except as otherwise provided in these Articles, such approvals or ratifications must be by not less than a majority of all the directors and by not less than a majority of the voting interests of the represented and voting at a duly held meeting at which a quorum is present (which affirmative votes also constitute a majority of the required quorum) or written ballot in conformity with Applicable Law at a duly called meeting of the Association. Directors and Owners not present at the meeting considering the amendment may express their approval in writing within ten (10) days after such meeting.
3. An amendment shall be considered effective when filed with the California Secretary of State.
4. Notwithstanding the provisions of this Article, these Articles may be amended by DVD as may be required by any governmental entity; as may be necessary to conform these Articles to any governmental statutes; as may be in the best interests of the Association as determined by DVD, in its discretion; or as DVD may deem appropriate, in its discretion, to carry out the purposes of the Condominium or the Vacation Ownership Plan after duly being approved by the Board or Owners.
5. No amendment affecting DVD or DVD's interests in the Condominium or the Vacation Ownership Plan shall be permitted or effective without the approval of DVD in its discretion.
6. Article I may not be amended unless 100% approval of the Board and Owners.

ARTICLE X - Term

The term of the Association shall cease to exist on midnight of January 31, 2074, or earlier upon the termination of the Condominium in accordance with the Declaration; provided, however, that the Association may continue in existence as long as reasonably necessary to wind-up the affairs of the Association upon termination of the Condominium.

ARTICLE XI - Special Meetings

Special Owners' meetings shall be held if called by the president, vice president, or a majority of the Board. A special Owners' meeting must be called by the president upon receipt of a written request from five percent (5%) of the voting interests of the Association unless otherwise provided by Applicable Law or the Condominium Documents. The Board shall designate the time, date and place of any special Owners' meeting; provided, however, that it shall be held within a reasonable time after the special Owners' meeting is called.

ARTICLE XII - Additional Provisions

1. When interpreting these Articles, unless the context indicates otherwise, a word in the singular form shall include the plural. The term "include" and similar terms (e.g., includes, including, included, comprises, comprising, such as, e.g., including but not limited to and for example), when used as part of a phrase including one or more specific items, are not words of limitation and are not to be construed as being limited to only the listed items. These Articles shall be construed without regard to any presumption or other rule requiring construction against DVD as a result of DVD causing these Articles to be drafted. Whenever the consent or approval of DVD, DVCM, or WDPR is referred to in these Articles or the taking of any action under these Articles is subject to the consent or approval of DVD, DVCM, or WDPR, it shall mean DVD's, DVCM's, or WDPR's prior written approval to be given or withheld in its discretion. Any reserved right in favor of DVD, DVCM, or WDPR may be implemented, taken, or withheld in the discretion of DVD, DVCM, or WDPR. Further, any references to the use, exercise or grant of the right of DVD's, DVCM's, or WDPR's discretion as set forth in these Articles shall mean DVD's, DVCM's, or WDPR's sole, absolute and unfettered discretion to the exclusion of any other person or entity unless specifically provided otherwise. The use of headings, captions and numbers in these Articles is solely for the convenience of identifying and indexing the various provisions of these Articles and shall in no event be considered otherwise in construing or interpreting any provision of these Articles.

2. Should any paragraph, sentence, phrase, or portion of any provision of these Articles be held invalid or held inapplicable to certain circumstances, it shall not affect the validity of the remaining parts, remaining instruments, or the application of such provisions to different circumstances.

ARTICLE XIII - Initial Agent

The Association appoints Corporation Service Company Which Will Do Business in California as CSC – Lawyers Incorporating Services (C1592199), as its initial agent to accept service of process within the state of California.

ARTICLE XIV - Principal Office

The street address of the principal office of the Association is 215 Celebration Place, Suite 300, Celebration, Florida 34747. The mailing address of the principal office of the Association is 1851 Community Drive, Lake Buena Vista, FL 32830.

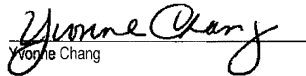

Yvonne Chang

Exhibit C

BYLAWS

OF

THE VILLAS AT DISNEYLAND HOTEL CONDOMINIUM ASSOCIATION, INC.,

a California nonprofit mutual benefit corporation

The terms used in these Bylaws of The Villas at Disneyland Hotel Condominium Association, Inc. (the "**Bylaws**") shall have the same meaning as the identical terms used in the Declaration of Covenants, Conditions, and Restrictions, and Condominium and DVC Plan of The Villas at Disneyland Hotel, a leasehold condominium (the "**Declaration**"). Regarding the interpretation of these Bylaws, the Vacation Ownership Act and Time-share Act of 2004 (the "**Act**") and the Davis-Stirling Common Interest Development Act mean those acts as they are constituted on the date of the recording of the Declaration.

I. IDENTITY

These are the Bylaws of THE VILLAS AT DISNEYLAND HOTEL CONDOMINIUM ASSOCIATION, INC., a nonprofit mutual benefit corporation under the laws of the State of California (the "**Association**"), and under the Articles of Incorporation of The Villas at Disneyland Hotel Condominium Association, Inc. (the "**Articles**") which have filed in the office of the California Secretary of State. The Association has been organized for the purpose of administering a leasehold condominium upon certain lands in Orange County, California known as "The Villas at Disneyland Hotel, a leasehold condominium" (the "**Condominium**"), subject to a multisite vacation ownership plan pursuant to the Act, and in accordance with the Master Declaration, the Ground Lease, and the Condominium Documents.

1. The office of the Association shall be at 215 Celebration Place, Suite 300, Celebration, Florida 34747, or at such other place as may be designated by the board of directors of the Association (the "**Board**") from time to time.
2. The fiscal year of the Association shall be the calendar year.
3. The seal of the Association shall bear the name of the Association, the word "California," the words "Nonprofit Mutual Benefit Corporation," and the year of incorporation.

II. MEMBERSHIP AND VOTING RIGHTS

1. Each Owner of a Non-DVC Unit and each Owner of Ownership Interest shall be a member of the Association and no other persons or entities shall be entitled to membership. Each Owner other than Disney Vacation Development, Inc., is a Class A Member. Disney Vacation Development, Inc. ("**DVD**"), is the sole Class B Member. Class B membership shall automatically be converted to Class A membership and Class B membership shall cease to exist when DVD has sold more than eighty percent (80%) of the Ownership Interests in all phases of the Condominium.
2. Each Unit shall be entitled to one (1) vote for every bedroom contained within that Unit. Votes shall only be cast by the Voting Representative for the Unit.
3. No membership in the Association may be separated from any Unit or Ownership Interest to which it is appurtenant nor shall the membership be assigned, transferred, pledged, conveyed, or alienated in any way except upon transfer of title to the Unit or Ownership Interest to which the membership is appurtenant and then only to the transferee of title to the Ownership Interest. If title to a Unit or an Ownership Interest is transferred, the membership in the Association appurtenant to such Unit or Ownership Interest shall automatically transfer to the new Owner. Any attempt to make a prohibited separate transfer of membership is void.
4. Changes in membership in the Association shall be established by the recording in the Official Records of Orange County, California, of a deed or other instrument establishing a change of record title to a Unit or an Ownership Interest. The Association shall recognize a change in membership upon delivery to the Association of a copy of such recorded instrument. The new Owner designated by such instrument shall thereby become a member of the Association. The membership of the prior Owner shall be thereby terminated unless the prior Owner owns another Ownership Interest.
5. Each Owner's share of in the funds and assets of the Association cannot be assigned, hypothecated, or transferred in any manner except as an appurtenance to the Owner's Unit or Ownership Interest.

III. OWNERS' MEETINGS

1. An annual Owners' meeting shall be held at such time, place, and date as may be designated by the Board, and held for the purpose of electing directors and transacting any other business authorized to be transacted by the Owners. At the determination of the Board, such annual Owners' meeting may be held jointly with the annual owners' meetings of other associations for vacation ownership plans that are affiliated with the Disney Vacation Club; provided, however, that to the extent required by Applicable Law, Owners' meetings shall be held at a suitable location that is readily accessible at reasonable cost to the largest possible number of Owners. The first Owners' meeting shall be held within one (1) year following the closing of escrow for the first sale of an Ownership Interest in the Condominium.

2. Special Owners' meetings shall be held if called by the president or vice president or by a majority of the Board, and must be called by such officers upon receipt of a written request from five percent (5%) of the voting interests other than DVD. The Board shall designate the time, date, and place of any special Owners' meeting; provided, however, that it shall be held within a reasonable time after the special Owners' meeting is called as set forth in this Article. Business transacted at a special meeting shall be confined to the purposes as set forth in the notice for the special Owners' meeting.

3. Notices of Owners' meetings shall be given in accordance with the following:

A. Unless waived in writing, written notice of any Owners' meeting must be sent to each Owner at the Owner's address or e-mail address (to the extent permitted by Applicable Law), as it appears on the books of the Association and shall be sent by first class mail or e-mail (to the extent permitted by Applicable Law) to each Owner not less than fourteen (14) days nor more than ninety (90) days prior to the date of the meeting, mailed, hand delivered, or electronically transmitted to each Owner at least fourteen (14) days before the annual meeting, and posted in a conspicuous place on the Condominium Property at least fourteen (14) continuous days before the annual meeting.

B. Notice of the Owners' meeting must also be posted on the Condominium Property or Association Property. Upon notice to the Owners, the Board shall, by duly adopted rule, designate the specific location on the Condominium Property or Association Property where all notices of Owner meetings shall be posted. This requirement does not apply if there is no Condominium Property or Association Property for posting notices. If permitted by Applicable Law, in lieu of, or in addition to, the physical posting of meeting notices, the Association may, by reasonable rule, adopt a procedure for conspicuously posting and repeatedly broadcasting the notice and the agenda on a closed-circuit cable television system serving the Association. However, if broadcast notice is used in lieu of a notice posted physically on the Condominium Property, the notice and agenda must be broadcast at least four (4) times every broadcast hour of each day that a posted notice is otherwise required under this Paragraph 3. If broadcast notice is provided, the notice and agenda must be broadcast in a manner and for a sufficient continuous length of time so as to allow an average reader to observe the notice and read and comprehend the entire content of the notice and the agenda.

C. Notices sent by mail are effective when sent by the Association regardless of when the notice is actually received by the Owner, if correctly sent to the address last furnished by the Owner. If permitted by Applicable Law, any notice by electronic transmission shall only be valid if the Owner has first consented to the use of electronic transmission for notice purposes. Any consent to receive notice by electronic transmission is effective until revoked by the Owner. An Owner, by consenting to notice by electronic transmission, accepts the risk of not receiving electronic notice so long as the Association correctly directed the transmission to the address, location, or number last furnished by the Owner. Notices of a meeting sent by electronic transmission are effective when sent by the Association, regardless of when the notice is actually received by the Owner, if the transmission is correctly directed to the address, location, or number last furnished by the Owner, or if posted on a web site or the internet location to which the Owner has consented as a place for the posting of notices. If a Unit or an Ownership Interest is owned by more than one person, the Association must provide notice to the address that DVD identifies for that purpose and thereafter as one or more of the Owners last furnished to the Association.

D. An officer of the Association, or the Management Company, or other person providing notice of the Association meeting, must provide an affidavit or United States Postal Service certificate of mailing, to be included in the official records of the Association affirming that the notice was sent in accordance with this Paragraph 3.

E. Owners may waive notice of any meeting and may take action by written consent without meetings, and any Owner's attendance at a meeting shall constitute a waiver of the notice of that meeting. Mortgagees shall, upon prior written request, be entitled to receive notice of all Owners' meetings. Failure to provide such notice shall not invalidate any action taken at an otherwise properly noticed meeting.

F. Any Owner's name or address or e-mail address provided to or obtained by the Association pursuant to this Paragraph 3 or otherwise shall be maintained by the Association as part of the books and records of the Association.

G. Written notice of any Owners' meeting shall specify the place, day, and hour of the meeting and a brief statement of the matters which the Board intends to present, or believes that others will present, for action by the Owners. The proposed annual budget, as referenced in these Bylaws, may accompany the notice of the annual meeting.

4. The presence in person or by proxy of Voting Representatives representing one-third (1/3) of the total voting interests eligible to vote shall constitute a quorum, other than DVD. In the absence of a quorum as prescribed by these Bylaws, no business shall be conducted and the presiding officer shall adjourn the meeting sine die. If any meeting of Owners cannot be organized because a quorum has not attended, the Owners who are present, either in person or by proxy, may adjourn the meeting from time to time until a quorum is present.

5. The vote of the Owners of a Unit shall only be cast by its Voting Representative. Voting Representatives for Units owned by more than one person or by a corporation or other entity shall only be cast by the Voting Representative named in a Voting Certificate signed or accepted by all of the Owners of that Unit and filed with the secretary of the Association. If the Voting Representative is a legal entity but not an individual, the vote may be cast by an employee or agent of such entity on behalf of such entity, and such employee or agent need not be a member of the Association. The Voting Certificate shall provide that all notices or other information required to be delivered to Owners by the Association shall be delivered by the Association to the Voting Representative; provided, however, that the Voting Certificate shall require the Voting Representative to provide the Owners of a Unit with all notices required by Applicable Law. Each Voting Certificate shall be valid until revoked by a subsequent Voting Certificate. If a Voting Certificate is not on file with respect to a Unit that is owned by more than one Owner, the vote of such Owners shall not be considered in determining the requirements for a quorum nor for any other purposes. By execution or acceptance of a deed for transfer of an Ownership Interest in a Unit in the Condominium, Cotenants of a DVC Unit shall evidence their joinder in the Master Cotenancy Agreement recorded in the Public Records of Orange County, California which Agreement shall be recognized by the Association as the Voting Certificate for that Unit, and nothing in these Bylaws shall affect the terms and conditions of the Voting Certificate established in the Master Cotenancy Agreement for each DVC Unit.

6. Votes may be cast in person or by proxy. Any proxy given shall be effective only for the specific meeting for which originally given and any lawfully adjourned meetings, and must be filed with the secretary at or before the appointed time of the meeting. Each proxy shall specifically set forth the name of the person voting by proxy, the name of the person authorized to vote the proxy, and the date the proxy was given. Each proxy shall contain the date, time, and place of the meeting for which the proxy is given. In addition, limited proxies shall set forth those items which the holder of the proxy may vote and the manner in which the vote is to be cast. Except as provided under Applicable Law, no proxy shall be valid for a period of longer than ninety (90) days after the date of the first meeting, and any lawful adjournments of such meeting, for which the proxy was given. Every proxy shall be revocable at any time at the pleasure of the Owner executing it. If a proxy expressly provides, any proxy holder may appoint, in writing, a substitute to act in the Owner's place. If such provision is not made, substitution is not authorized. Proxies or written consents on votes may be received by electronic transmission and used for votes of the Owner; provided, however, that the electronic transmission signature is authorized through use of a password, cryptography software, or other reasonable means and proof of such authentication is made available to the Board at the Board's request.

7. Decisions are made by the vote of a majority of the voting interests at a meeting at which a quorum is present unless Applicable Law or the Condominium Documents require a different vote, in which case the express provision as it pertains to voting percentages shall govern and control, and with the approval of the Class B Member for so long as the Class B membership exists. Approval or disapproval upon any matter, whether or not the subject of an Association meeting, shall be by the same person, corporation, or other entity who would cast the vote of such Owner if in an Association meeting. If less than one-third of the total voting power of the Association is in attendance, in person or by proxy, at a regular or special meeting of the Association, only those matters of business, the general nature of which was given in the notice of the meeting may be voted upon by the Owners.

8. If approved by the Board and permitted by Applicable Law, Owners and any Voting Representative may attend any Owners meeting via telephone, real-time videoconferencing, or similar real-time electronic or video communication. Those Owners and Voting Representative may be counted toward obtaining a quorum and may vote as if physically present. A speaker must

be used so that the conversation of such Owners or Voting Representatives may be heard by the Board and other Owners attending in person.

9. The presiding officer of all Owners' meetings shall be the president of the Association who shall serve as the chairperson of the meeting. In the absence of the president, the vice president of the Association shall preside. In the absence of the president or vice president, the Board shall determine who shall preside.

10. Unless modified by the Board or by a vote of the Owners, the order of business at annual Owners' meetings and, as far as practicable at all other Owners' meetings, shall be:

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|---|---------------------------|
| A. Call to order. | G. Report of officers. |
| B. Election of chairperson (if president or vice president not present) | H. Report of committees. |
| C. Calling of the roll and certifying of proxies. | I. Election of directors. |
| D. Verification of a quorum. | J. Unfinished business. |
| E. Proof of notice of meeting or waiver of notice. | K. New business. |
| F. Approval of minutes and disposal of any unapproved minutes. | L. Adjournment. |

Notwithstanding the foregoing, if any item listed above is not applicable or relevant to a particular meeting, as determined by the Board in its sole, absolute, and unfettered discretion, such item shall not be required to be addressed at that particular meeting.

11. Unless the Board determines otherwise for a particular meeting, Robert's Rules of Order (latest edition) shall govern the conduct of the Owners' meetings when not in conflict with the Condominium Documents or with Applicable Law. The Board shall have the right to suspend the use of Robert's Rules of Order (latest) addition at any time during a meeting.

12. For so long as Disney Vacation Development, Inc. ("**DVD**") holds Units or Ownership Interests for sale in the ordinary course of business, none of the following actions may be taken without the prior approval in writing by DVD:

- A. Assessment of DVD as the Owner of Units or Ownership Interests for capital improvements.
- B. Any action by the Association that would be detrimental to the sale of Units or Ownership Interests by DVD.
- C. Any other action by the Association for which the Condominium Documents require the prior approval of DVD.

IV. DIRECTORS

1. The affairs of the Association shall be managed by the Board comprised of directors who shall be members of the Association, excepting where Ownership Interests are owned by a legal entity that is not an individual, including DVD, the officers, directors, employees, or other appointed representatives or agents of such legal entity shall be eligible to serve on the Board on behalf of the legal entity and need not individually be members of the Association. The initial Board shall consist of five (5) directors, and thereafter the Board shall consist of not less than five (5) nor more than seven (7) directors. The Board may from time to time increase or decrease the number of persons to serve on the Board; provided, however, that the Board shall always consist of an odd number of directors. In the absence of a specific determination, the Board shall consist of five (5) directors.

2. Election or appointment of directors shall be conducted in the following manner:

A. Except as otherwise set forth in these Bylaws, directors shall be elected by a plurality of the votes cast at an annual Owners' meeting. There shall be no cumulative voting. Proxies may be used in electing the Board in general elections or elections to fill vacancies caused by recall, resignation, or otherwise. Directors may be elected by written ballot. The Board may appoint a search committee for the purpose of locating and encouraging qualified persons to become candidates.

B. Subject to the provisions of Paragraph 2E of this Article, any vacancy occurring on the Board before the expiration of a term may be filled by the affirmative vote of the majority of the remaining directors, even if the remaining directors constitute less than a quorum, or by the sole remaining director. In the alternative, the Board may hold an election to fill the vacancy in accordance with these Bylaws. A director appointed or elected to fill a vacancy shall serve the remainder of the term of the former director.

C. An election is not required if the number of vacancies equals or exceeds the number of candidates. If the number of directors whose terms expire at the annual meeting equals or exceeds the number of candidates, the candidates become directors effective upon the adjournment of the annual meeting. Any remaining vacancies shall be filled by the affirmative vote of the majority of the directors making up the newly constituted Board even if the directors constitute less than a quorum or there is only one director.

D. The initial directors shall be appointed by DVD and shall serve until the first meeting of the Association at which time an election of all of the directors for the Association. Any vacancies in office occurring before an election shall be filled by the remaining directors.

E. At the first annual meeting and at all times thereafter, Owners other than DVD, are entitled to elect not less than one director; provided, however, that all such votes shall be cast by the Voting Representatives.

3. The term of office of each director elected by the Owners shall extend until the next annual Owners' meeting and thereafter until a successor is duly elected or qualified or until the director is removed in the manner provided in these Bylaws.

4. The first meeting of a newly elected Board shall be held within ten (10) days of their election at such place and time as shall be fixed by the directors at the meeting at which they were elected (and may be held immediately after the meeting at which they were elected), and no further notice of the first meeting shall be necessary provided a quorum of the Board shall be present.

5. Regular and special meetings of the Board shall be held in or near the location of the Condominium unless a meeting at another location would significantly reduce the cost to the Association or the inconvenience to directors, as shall be determined from time to time by a majority of the directors. Notice of regular meetings shall be given to each director personally, by mail, or by electronic transmission at least three (3) days prior to the date set forth for such meeting unless such notice is waived or unless such meeting is required on an emergency basis, in which case as much advance notice of the emergency meeting shall be provided as practically possible.

6. Any item not included in the agenda provided in the notice of the meeting may be taken up: (i) upon a determination made by a majority of the Board present at the meeting that an emergency situation exists, which situation exists if there are circumstances that could not have been reasonably foreseen by the Board, that require immediate attention and possible action by the Board, and that, of necessity, make it impracticable to provide notice; (ii) upon a determination made by the Board by a vote of two-thirds of the directors present at the meeting, or, if less than two-thirds of total membership of the Board is present at the meeting, by a unanimous vote of the directors present, that there is a need to take immediate action and that the need for action came to the attention of the Board after the agenda was distributed; (iii) the item appeared on the agenda that was distributed for a prior meeting of the Board that occurred not more than thirty (30) calendar days before the date that action is taken on the item and, at the prior meeting, action on the item was continued to the meeting at which the action is taken.

7. Special meetings of the Board may be called by the president of the Association and must be called by the secretary of the Association at the written request of two (2) of the directors. Not less than three (3) days' notice of the meeting shall be given personally, by mail, or by electronic transmission, which notice shall set forth the time, place, and purpose of the meeting.

8. Any director may waive notice of a meeting before or after the meeting, and such waiver shall be deemed equivalent to the giving of notice. Any director's attendance at a meeting shall constitute a waiver of the notice of that meeting.

9. A quorum at Board meetings shall consist of the directors entitled to cast a majority of the votes of the entire Board. The acts of the Board, approved by a majority of votes present at a meeting at which a quorum is present, shall constitute the acts of the Board, except as specifically otherwise provided in the Condominium Documents. If at any meeting of the Board there is less than a quorum present, the majority of those present may adjourn the meeting from time to time until a quorum is present. Once a quorum is present, the meeting may resume and any business which might have been transacted at the meeting as originally called may be transacted without further notice.

10. A director's participation in a meeting via telephone, real-time videoconferencing, or similar real-time electronic or video communication counts toward a quorum, and such director may vote as if physically present. A speaker must be used so that the conversation of such director may be heard by the directors of the Board attending in person as well as by any Owners present at the meeting. Directors may use e-mail as a means of communication but may not cast a vote on an Association matter via e-mail.

11. The presiding officer of the Board meetings shall be the president of the Association. In the absence of the president the vice president presides. If neither the president nor the vice president is present, the directors of the Board who are present shall elect a chairperson to preside.
12. Except as otherwise set forth in these Bylaws, regular and special meetings of the Board shall be open to all Owners provided that the Owners who are not on the Board may not participate in any deliberations or discussions unless expressly so authorized by the Board. The Board may, with the approval of a majority of a quorum of the directors, adjourn a meeting and reconvene in executive session to discuss and vote upon personnel matters, litigation in which the Association is or may become involved, and orders of business of a similar nature. The nature of any and all business to be considered in executive session shall first be announced in open session.
13. Directors' fees, if any, shall be determined by the Owners, and no director shall receive a fee prior to the election of a majority of the directors of the Board by Owners other than DVD. The Association shall be responsible for reimbursement of transportation expenses incurred and reasonable per diem payments to directors for attendance at regular and special meetings of the Board.
14. When permitted by Applicable Law, any action required or permitted to be taken at a Board meeting may be taken without a meeting if the action is taken by all directors of the Board. The action must be evidenced by one or more written consents describing the action taken and signed by each director. Actions taken under this Paragraph are effective when the last director signs the consent, unless the consent specifies a different effective date. A consent signed under this Paragraph has the effect of a meeting vote.
15. Owner directors may be removed from the Board by the majority vote of the Voting Representatives present at a meeting at which a quorum is present or by the Class B Member; provided, however, that a director that has been elected to office by the Owners, other than DVD, may only be removed from office prior to expiration of that director's term by a majority vote of the Owners, other than DVD, as cast by the Voting Representatives.
16. Notwithstanding anything to the contrary contained in these Bylaws, any director elected or appointed by DVD may be removed by DVD at any time. Upon such removal, DVD shall appoint a replacement director and notify the remaining directors, if any, of such removal and appointment.
17. Unless the Board determines otherwise for a particular meeting, Robert's Rules of Order (latest edition) shall govern the conduct of the Board meetings when not in conflict with the Condominium Documents or with Applicable Law. The Board shall have the right to suspend the use of Robert's Rules of Order (latest) edition at any time during a meeting.

V. POWERS AND DUTIES OF THE BOARD OF DIRECTORS

All of the powers and duties of the Association shall be exercised by the Board, including those existing under Applicable Law and the Condominium Documents. Such powers and duties of the Board shall be exercised in accordance with the provisions of the Declaration, and shall include the following:

1. To adopt an operating and reserve budget and to make and collect assessments against Owners to defray the costs of operating the Condominium, the Association, and the DVC Plan and to fund reserves.
2. To use the proceeds of assessments in the exercise of its powers and duties.
3. To maintain, manage, repair, replace, renovate, and operate the Condominium Property, including obtaining and maintaining adequate insurance to protect the Association and the Condominium Property.
4. To reconstruct improvements after casualty or condemnation and to construct further improvements to the Condominium Property.
5. To promulgate and amend the Condominium Rules and Regulations respecting the use of Condominium Property.
6. To enforce by legal means the provisions of the Condominium Documents, and the provisions of the Master Declaration and Ground Lease to the extent permitted in such instruments.
7. To contract for the management of the Condominium and the DVC Plan and to delegate to such contractor all powers and duties of the Association except such as are specifically required by Applicable Law or the Condominium Documents to

have approval of the Board or Owners. Notwithstanding any provisions contained in these Bylaws to the contrary, it is the intent of these Bylaws that the Board shall not have the power to independently terminate the Property Management Agreement. The Property Management Agreement may only be terminated in accordance with its own terms or by the vote of the Owners in accordance with Applicable Law.

8. To pay taxes and assessments which are liens against any part of the Condominium, and to assess the same against the Owner subject to such liens.
9. To pay the cost of all power, water, sewer, and other utility services rendered to the Condominium and not billed directly to an Owner.
10. To employ personnel and professionals for reasonable compensation to perform the services required for proper administration of the purposes of the Association, including accountants and attorneys.
11. To bond any or all employees, officers, and directors of the Association, for which the Association shall bear the costs.
12. To maintain, manage, repair, replace, renovate, and operate the property of the single condominium resulting from a merger of this Condominium with another independent and separate condominium pursuant to the merger provisions of the Declaration.
13. To maintain all books and records concerning the Condominium and the DVC Plan in accordance with Applicable Law. The Association shall maintain among its records a complete list of the names and addresses of all Owners. The Association shall update this list no less frequently than every six (6) months. The Association may not publish this owner's list or provide a copy of it to Owner or to any third party or use or sell the list for commercial purposes.
14. To operate and administer, or assign the operation and administration of, any reservation system created for the Condominium or the DVC Plan, and to amend or revise the reservation system as is necessary from time to time. Notwithstanding any provisions contained in these Bylaws to the contrary, it is the intent of these Bylaws that the Board shall not have the power to independently terminate the Membership Agreement or DVC Resort Agreement which agreements may only be terminated as set forth in the Membership Agreement or the DVC Resort Agreement, respectively.
15. To lease or license non-Condominium Property for the Association, as lessee or licensee; to lease Condominium Property, including Association Property, Units owned by the Association, and Common Areas, as lessor or licensor; and to acquire title to and hold, convey, transfer, assign, encumber, lease, license, or mortgage non-Condominium Property, Condominium Property, and Association Property.
16. To convey a portion of the Common Areas to a condemning authority for the purpose of providing utility easements, right-of-way expansions, or other public purposes, whether negotiated or as a result of eminent domain proceedings.
17. To accept a certificate of compliance from a licensed electrical contractor or electrician as evidence of compliance of the Units with the applicable fire and life safety code.
18. To borrow money in furtherance of its rights and obligations.
19. To acquire title to and hold, convey, transfer, assign, encumber, lease, license or mortgage non-Condominium Property, Condominium Property, and Association Property.
20. To grant, modify, or move easements from time to time over the Condominium Property and Association Property.
21. To institute, maintain, compromise, settle, or appeal claims, actions or hearings in its name on behalf of all Owners concerning matters of interest to the Association, the Board, or most or all Owners, including settling claims of lien for past due assessments and related foreclosure actions.
22. To adopt reasonable rules and regulations regarding the frequency and manner of responding to Owner inquiries. Unless provided by the Board otherwise, the Association is only obligated to respond to one (1) written inquiry per Ownership Interest in any given thirty (30) day period, and any additional inquiry or inquiries must be responded to in the subsequent thirty (30) day period.
23. To exercise those powers specifically granted to time-share or condominium associations pursuant to Applicable Law, including the Act.

The powers of the Board shall be subject to and shall be exercised in accordance with the provisions of the Master Declaration, the Ground Lease, the Condominium Documents, and Applicable Law.

VI. OFFICERS AND COMMITTEES

1. The executive officers of the Association shall consist of a president, a vice president, a secretary, and a treasurer, all of whom may be directors of the Association and who shall be appointed by the Board. The Board may appoint such other officers and grant them the duties as it deems appropriate, which other officers may include assistant vice presidents, assistant secretaries, and assistant treasurers. The officers do not have to be members of the Association. Officers shall serve without compensation and at the pleasure of the Board. Any officer may be removed by the Board at any time, with or without cause. The same person may hold two offices, the duties of which are not incompatible; provided, however, that the offices of president and vice president shall not be held by the same person, nor shall the offices of president, secretary, assistant secretary, treasurer or assistant treasurer be held by the same person.
2. The president shall be the chief executive officer of the Association. The president shall have all of the powers and duties which are usually vested in the office of president including the power of appointing committees from among the Owners from time to time, as the president may in the president's discretion determine appropriate, to assist in the conduct of the affairs of the Association.
3. The vice president shall, in the absence or disability of the president, exercise the powers and duties of the president. The vice president shall also generally assist the president and exercise such other powers and perform such other duties as shall be prescribed by the Board.
4. The secretary shall keep, or cause to be kept, the minutes of the proceedings of the Board and the Owners in a book available for inspection at any reasonable time by the directors or Owners, or their authorized representatives. The Association shall retain these minutes for a period of not less than seven (7) years. The secretary shall attend to the giving and serving of all notices required by law. The secretary shall have custody of the seal of the Association and affix the same to instruments requiring a seal when duly signed.
5. The treasurer shall have custody of all property of the Association including financial records, funds, securities, and evidences of indebtedness. The treasurer shall keep the financial records of the Association and shall keep the assessment rolls, the accounts of the Owners, and the books of the Association in accordance with good accounting practices. The treasurer shall perform all other duties incident to the office of treasurer of an Association and as may be required by the directors or the president of the Association.
6. The compensation of all employees of the Association shall be fixed by the Board. This provision shall not preclude the Board from employing a director or an officer as an employee of the Association nor from contracting with a director for the management of the Condominium.
7. Committee meetings shall be governed by the following:
 - A. Meetings of a committee to take final action on behalf of the Board or make recommendations to the Board regarding the Association budget are subject to the same provisions governing the giving of notice and the right of Owners to attend and speak at the committee meeting as those governing Board meetings.
 - B. Meetings of a committee that does not take final action on behalf of the Board or make recommendations to the Board regarding the Association budget are exempt from the same provisions governing the giving of notice and the right of Owners to attend and speak at the committee meeting as those governing Board meetings. Such meetings may be called by the committee chair and must be called by the committee chair of the Association at the written request of one-third (1/3) of the votes of the committee. Not less than three (3) days' notice of the committee meeting shall be given personally, by mail, or by electronic transmission, which notice shall set forth the time, place, and purpose of the meeting. Owners may attend and speak at such committee meetings only with the approval of the committee.
 - C. Notwithstanding any other law or provision of these Bylaws, the requirement that committee meetings be open to the Owners does not apply to meetings between the committee and the Association's attorney, with respect to proposed or pending litigation, if the meeting is held for the purpose of seeking or rendering legal advice.

D. Any action required or permitted to be taken at a committee meeting may be taken without a meeting if the action is taken by all members of the committee. The action must be evidenced by one or more written consents describing the action taken and signed by each committee member. Actions taken under this Subparagraph are effective when the last committee member signs the consent, unless the consent specifies a different effective date. A consent signed under this Subparagraph has the effect of a meeting vote.

E. A committee member's participation in a meeting via telephone, real-time videoconferencing, or similar real-time electronic or video communication counts toward a quorum, and such committee member may vote as if physically present. A speaker must be used so that the conversation of such committee members may be heard by the committee members attending in person as well as by any Owners present at the meeting.

VII. FISCAL MANAGEMENT

The provisions for fiscal management of the Association set forth in the Declaration and the Articles shall be supplemented by the following:

1. Assessments for the Association shall be in compliance with the following:

A. The Board shall fix and determine from time to time the sum or sums that shall constitute the Common Expenses. Common Expenses shall include the expenses for the operation, maintenance, repair, renovation, or replacement of the Common Areas and the Exclusive Use Common Areas, costs of carrying out the powers and duties of the Association, all insurance premiums and expenses relating thereto, including fire insurance and extended coverage, and any other expenses designated as Common Expenses from time to time by the Board, or under the provisions of the Declaration. The Board is specifically empowered, on behalf of the Association, to make and collect assessments and to lease, maintain, repair, renovate, and replace the Common Areas and Exclusive Use Common Areas of the Condominium. Funds for the payment of Common Expenses shall be assessed against the Owners in the proportions of percentages of sharing Common Expenses, as provided in the Declaration. Assessments shall be due on the fifteenth (15th) day of January each year and shall be considered delinquent if payment has not been received before the fourteenth (14th) day of February each year, unless otherwise determined by the Board. Special assessments, should such be required by the Board, shall be levied in the same manner as provided for regular assessments, and shall be payable in the manner determined by the Board. If an Owner shall be in default in the payment of any assessment or taxes, the Association shall have all collection rights available to it under Applicable Law, including the Act. If any unpaid share of Common Expenses or assessments is extinguished by foreclosure or deed in lieu of foreclosure of a superior lien or otherwise, the unpaid share of Common Expenses or assessments shall be Common Expenses collectible from all the Owners.

B. The assessment roll shall be maintained in a set of accounting books or records in which there shall be an account for each Unit and Ownership Interest. Such an account shall designate the name and address of the Owners or Owner, the dates and amounts in which the assessments come due, the amounts paid upon the account and the balance due upon assessments. Assessments shall be made against Owners in an amount not less than required to provide funds in advance for payment of all of the anticipated current operating expenses and for all of the unpaid operating expenses previously incurred. In the absence of a determination by the Board as to the frequency of assessments, assessments shall be due and payable annually. The personal liability of an Owner for assessments shall survive the termination of such Owner's membership in the Association.

C. Within thirty (30) days after receiving a written request from an Owner, an agent designated in writing by the Owner, or a person authorized to make a written request, the Association will provide a certificate, signed by an officer or agent of the Association, including the Management Company, to the person requesting the certificate, that states the amount of any assessment, transfer fee, or other moneys currently owed to the Association. A person who relies upon such certificate shall be protected thereby. The Association may charge a reasonable fee for the preparation and delivery of the certificate.

2. The budget for the Association shall be adopted in accordance with the following:

A. The Board shall adopt an operating budget and a capital reserves budget for each fiscal year which shall include estimated annual expenses of the Association along with the estimated revenue of the Association from all sources, including the amounts collectible from Owners as assessments, and stated for a period of at least twelve (12) months. The estimated payments by the Owners for assessments shall also be stated in the estimated amounts for the times when they will be due. Expenses shall be shown in a manner that enables the Owner to calculate the annual expenses associated with the Non-DVC

Unit or Ownership Interest, as applicable. Expenses that are personal to an Owner or that are not uniformly incurred by all Owners or that are not provided for or contemplated by the Condominium Documents may be excluded from this estimate.

B. The estimated items of expenses of the Association, except as excluded under Subparagraph A, including, if applicable, the following items, that shall be stated either as Association expenses collectible by assessments or as expenses of the Owner payable to persons other than the Association: (i) administration of the Association; (ii) management fees; (iii) maintenance; (iv) rent for accommodations; (v) taxes upon Condominium Property or Association Property; (vi) taxes upon leased areas; (vii) insurance; (ix) security provisions; (x) other expenses; (xi) operating capital; and (xii) equitable apportionment of expenses between time-share and non-time-share uses of the common area, inapplicable.

C. The estimated items shall also include reserves for deferred maintenance and reserves for capital expenditures. All reserves for any DVC Units and Common Areas shall be based upon the estimated life and replacement cost of the DVC Units and Common Areas. The Association shall include in the budget a reasonable reserve accumulation plan in accordance with Applicable Law.

D. Copies of the proposed budget and proposed assessments for each fiscal year shall be transmitted to each Owner not less than fifteen (15) days prior to the beginning of the fiscal year to which the budget applies. A notice shall be sent to the Owners at least fourteen (14) days prior to the meeting at which the budget will be considered, and shall state the time and place of the meeting. Such notice shall be sent in writing, hand delivered, or sent by electronic transmission (if permitted under Applicable Law) to each Owner at the Owner's address as it appears on the books of the Association. The meeting shall be open to all Owners. An officer or the Management Company, or other person providing notice of such meeting shall execute an affidavit evidencing compliance with this notice requirement, and such affidavit shall be filed among the official records of the Association. If the budget is subsequently amended before the assessments are made, a copy of the amended budget or a description of any changes in the adopted budget and a disclosure regarding the Owner's rights to receive a copy of the adopted budget shall be furnished to each Owner.

E. The Board may impose as part of the budgeting process, without the vote or written approval of the Owners, a regular annual assessment that is as much twenty percent (20%) greater than the regular annual assessment charged for the immediately preceding fiscal year. A regular annual assessment that is greater than twenty percent (20%) higher than the regular annual assessment charged for the immediately preceding fiscal year may only be levied with the approval of a majority of the Class A Members other than DVD. Any increase in the annual assessment resulting from an increase in Ad Valorem Taxes shall be excluded in determining whether the annual assessment is greater than twenty percent (20%) higher than the regular annual assessment charged for the immediately preceding fiscal year. The Board may propose a budget containing a regular annual assessment which exceeds twenty percent (20%) higher than the regular annual assessment for the immediately preceding fiscal year to the Owners at a meeting of the Owners or in writing, and if the budget or proposed budget is approved at the meeting or by a majority of the Class A Members other than DVD in writing, the budget shall be adopted.

3. An audit of the financial statements of the Association by an independent certified public accountant shall be performed each year and shall be made available upon request by an Owner one hundred twenty (120) days after the close of the fiscal year. The audited financial statements shall be included in a report that includes all of the following: (i) a balance sheet as of the end of the fiscal year; (ii) an operating (income) statement for the fiscal year; (iii) statement of the net changes in the financial position of the association during the fiscal year; (iv) for any fiscal year in which the gross income to the Association exceeds seventy-five thousand dollars (\$75,000), a copy of the review of the annual report prepared in accordance with generally accepted accounting principles; and (v) a list of the names and methods of contacting the members of the governing body of the association.

4. In lieu of the distribution of the budget and report required by Paragraphs 2 and 3 of this Article, the Board may elect to distribute a summary of the budget and report to all Owners along with a written notice that the budget and report is available at the business office of the Association or at another suitable location within the boundaries of the Condominium, and that copies will be provided upon request and at the expense of the Association. If any Owner requests that a copy of the budget and report be provided to the Owner, the Association shall provide the copy to the Owner by facsimile, electronic mail, or first-class United States mail at the expense of the Association and delivered within 10 days. The written notice that is distributed to each of the Owners shall be in conspicuous 14-point type on the front page of the summary of the budget and report.

5. The Board may impose, without the vote or written approval of the Owners, (i) special assessments against all Owners, other than a special assessment to restore or rebuild because of damage or destruction to an accommodation, which in the

aggregate in any fiscal year do not exceed five percent (5%) of the budgeted gross expenses of the Association for that calendar year; (ii) special assessments for the repair or rebuilding of an accommodation that does not exceed ten percent (10%) of the budgeted gross expenses of the Association for the calendar year in which the assessment is levied; and (iii) special assessments against an Owner or Owners for the purpose of reimbursing the Association for costs incurred in bringing the Owner or Owners into compliance with the provisions of the Declaration.

6. The Board shall do all of the following: (i) review, on a monthly basis, a current reconciliation of the Association's operating accounts; (ii) review, on a monthly basis, a current reconciliation of the Association's reserve accounts; (iii) review, on a monthly basis, the current year's actual operating revenues and expenses compared to the current year's budget; (iv) review, on a monthly basis, the latest account statements prepared by the financial institutions where the Association has its operating and reserve accounts; (v) review, on a monthly basis, an income and expense statement for the Association's operating and reserve accounts; and (vi) review, on a monthly basis, the check register, monthly general ledger, and delinquent assessment receivable reports. These review requirements may be met when every individual director, or a subcommittee of the Board consisting of the treasurer and at least one other director, reviews the documents and statements independent of a Board meeting, so long as the review is ratified at the Board meeting subsequent to the review and that ratification is reflected in the minutes of that meeting.

7. The depository of the Association shall be such bank or other institution as permitted by Applicable Law, as shall be designated from time to time by the Board and from which the monies in such accounts shall be withdrawn only by checks signed by such persons as are authorized by the Board.

8. The Board shall obtain fidelity bonding of all officers and directors who control or disburse funds of the Association, as required under Applicable Law, including the Act. The premiums on such bonds shall be paid by the Association as a Common Expense.

9. Transfers shall not be authorized from the Association's reserve or operating accounts without prior written approval from the Board of the association unless the amount of the transfer is less than ten thousand dollars (\$10,000) or five percent (5%) of the estimated income in the annual operating budget. The signatures of at least two persons, who shall be directors, or one officer who is not a director and one who is a director, shall be required for the withdrawal of moneys from the Association's reserve accounts. The Board shall not expend funds designated as reserve funds for any purpose other than the repair, restoration, replacement, or maintenance of, or litigation involving the repair, restoration, replacement, or maintenance of, major components that the Association is obligated to repair, restore, replace, or maintain and for which the reserve fund was established.

VIII. BOOKS AND RECORDS

1. The books of account, minutes of Owners' and Board meetings, and all other records of the Association and DVC Plan maintained by the Association or the Management Company shall be made available for inspection and copying by any member, or by his or her duly appointed representative, at any reasonable time for a purpose reasonably related to membership in the Association.

2. The records shall be made available for inspection at the office where the records are maintained. Upon receipt of an authenticated written request from an Owner along with the fee prescribed by the Board to defray the costs of reproduction, the Association or other custodian of records of the Association shall prepare and transmit to the member a copy of any and all records requested.

3. The Board shall establish reasonable rules with respect to all of the following:

A. Notice to be given to the Association or other custodian of the records by the Owner desiring to make the inspection or to obtain copies.

B. Hours and days of the week when a personal inspection of the records may be made.

C. Payment of the cost of reproducing copies of records requested by an Owner.

4. The Association shall maintain among its records a complete list of the names and addresses of all Owners. The Association shall update this list no less frequently than every six (6) months. The Association may not publish this Owner's list or provide a copy of it to any Owner or to any third party or use or sell the list for commercial purposes.

IX. AMENDMENTS

Amendments to these Bylaws shall be proposed and adopted in the following manner:

1. Notice of the subject matter of a proposed amendment shall be included in the notice of any meeting at which a proposed amendment is considered.
2. An amendment of these Bylaws may not be enacted without the vote or written consent (acting through the Voting Representatives) of not less than ten percent (10%) of the votes of the Class A Members, and, for so long as there exists two classes of membership, the consent of the Class B Member is required.
3. These Bylaws shall be amended by DVD, if necessary, to make the same consistent with the provisions of the Declaration, the Master Declaration or the Ground Lease, to conform these Bylaws to meet the requirements of any governmental entity or statute, as may be in the best interests of the Association, and as it may deem appropriate, in its sole, absolute and unfettered discretion, to carry out the purposes of the project and to expand or enhance the DVC Plan or the Disney Vacation Club.
4. No amendment shall be made that is in conflict with Applicable Law, the Master Declaration, the Ground Lease, or the Declaration, nor shall any amendment abridge, alter, or amend the rights of DVD without the DVD's prior written approval in its sole, absolute, and unfettered discretion, for so long as DVD owns an interest in the Condominium Property, including a Unit or Ownership Interest.
5. An amendment when adopted or made shall become effective only after being recorded in the Official Records of Orange County, California. No Bylaw shall be revised or amended by reference to its title or number only. Proposals to amend existing Bylaws shall contain the full text of the Bylaws to be amended; new words shall be inserted in the text double underlined, and words to be deleted shall be lined through. However, if the proposed change is so extensive that this procedure would hinder rather than assist the understanding of the proposed amendment, it is not necessary to use double underlining and lining as indicators of words added or deleted, but, instead, a notation must be inserted immediately preceding the proposed amendment in substantially the following language "Substantial rewording of Bylaw. See Bylaw . . . for present text." Nonmaterial errors or omissions in the Bylaw amendment process shall not invalidate an otherwise properly promulgated amendment.

X. SEVERABILITY; CONFORMITY TO STATE LAW; INTERPRETATION

These Bylaws are to be governed by and construed according to the laws of the State of California. If it should appear that any of the provisions of these Bylaws are in conflict with the Master Declaration, the Ground Lease, the Declaration, or the Articles or Applicable Law, as of the date of the recording of the Declaration, then such provisions of these Bylaws shall be deemed inoperative and null and void insofar as they may be in conflict therewith, and shall be deemed modified to conform to the Master Declaration, the Ground Lease, the Declaration, or the Articles, or such Applicable Law. Where the context so indicates, a word in the singular form shall include the plural. The term "include" and similar terms (e.g., includes, including, included, comprises, comprising, such as, e.g., including but not limited to and for example), when used as part of a phrase including one or more specific items, are not words of limitation and are not to be construed as being limited to only the listed items. These Bylaws shall be construed without regard to any presumption or other rule requiring construction against DVD as a result of DVD causing these Bylaws to be drafted. The use of headings, captions and numbers in these Bylaws is solely for the convenience of identifying and indexing the various provisions of these Bylaws and shall in no event be considered otherwise in construing or interpreting any provision of these Bylaws.

**The Villas at Disneyland Hotel Condominium Association, Inc.
 Estimated Operating Budget For The Year
 January 1, 2023 Through December 31, 2023**

	72 Vacation Homes	
	2023 Annual Budget	2023 Annual Budget (Per Vacation Point)
Revenue Components		
Member Late Fees and Interest	9,612	0.0166
Breakage Income	120,264	0.2077
Member Annual Dues Assessment	3,727,016	6.4367
TOTAL REVENUES AND INCOME	\$3,856,892	\$6.6610
Cost Components		
Administration and Front Desk	\$876,761	\$1.5142
Annual Audit	2,650	0.0046
DVC Reservation Component	2,312	0.0040
Housekeeping	1,418,738	2.4502
Income Taxes	29,878	0.0516
Insurance	163,170	0.2818
Legal	356	0.0006
Maintenance	425,468	0.7348
Management Fee	502,479	0.8678
Member Activities	204,396	0.3530
Security	36,363	0.0628
Utilities	194,321	0.3356
TOTAL OPERATING EXPENSES	\$3,856,892	\$6.6610

ESTIMATED OPERATING BUDGET NOTES

All capitalized terms not defined in these budget notes will have the same meanings ascribed to such terms in the Component Site Public Offering Statement for The Villas at Disneyland Hotel Condominium Association, Inc. ("Resort"). See also Additional Budget Notes.

Description of Revenue Components:

1. **Interest Income - Taxes and Operating** - Interest earned on (i) ad valorem tax deposits held in escrow and (ii) operating budget deposits invested until expended for operating expenses.
2. **Member Late Fees and Interest** - All delinquent Annual Dues payments are subject to a late fee in an amount equal to the greater of \$10.00 or ten percent (10 percent) of the delinquent Annual Dues, plus interest at the maximum rate permitted by law (currently 12 percent) accrued on the amount outstanding from the date which is thirty (30) days after the original due date.
3. **Breakage Income** - As stated in the Condominium Documents, Disney Vacation Club Management LLC ("DVC") rents, during the Breakage Period, certain accommodations that have not been reserved by Members. The Association is entitled to receive, as breakage income, the proceeds of such rentals not to exceed 2.5 percent of the aggregate of the Condominium Operating Budget (total operating expenses less the sum of interest income and Member late fees and interest) and Capital Reserve Budget in each calendar year.
4. **Member Annual Dues Assessment** - The amount assessed to Owners with an Ownership Interest in The Villas at Disneyland Hotel Condominium Association, Inc..

Description of Cost Components:

1. **Administration and Front Desk** - Cost of front desk operations and resort management, including operating supplies and equipment rental. Also includes costs for operational and administrative support from the Disneyland® Hotel ("DLH").
2. **Annual Audit** - Fee for the independent audit of the Association's financial statements.
3. **DVC Reservation Component** - Fee paid to Buena Vista Trading Company for providing the exchange component of the Club central reservation system.
4. **Housekeeping** - Cost of cleaning Vacation Homes and public areas and replacement of disposable amenities in Vacation Homes. Also includes the purchase, replacement and cleaning of linens and towels.
5. **Income Taxes** - Federal income taxes. Timeshare condominium associations may not claim non-profit status for federal income tax purposes under current regulations.
6. **Insurance** - Cost of insurance premiums for property coverage, general liability, workers' compensation, crime and Director's and Officer's liability.
7. **Legal** - Cost of legal counsel regarding Association business.
8. **Maintenance** - Cost of interior and exterior maintenance and repairs not paid for out of replacement reserves. Also includes landscaping, pest control and fire alarm monitoring.
9. **Management Fee** - Fee paid to DVC for providing management services to the Association according to the Property Management Agreement. The fee is equal to 12 percent of the total Operating Budget (total operating expenses less the sum of interest income, Member late fees and interest, and breakage income) and Capital Reserve Budget exclusive the management fee.

10. Member Activities - Cost of recreation operations, certain Member activities and events at the Resort. Cost of quarterly Member newsletter, annual Association meetings and printing and postage for Association legal mailings.
11. Security - Cost of guard coverage at the Resort.
12. Utilities - Cost of electricity, gas, water, sewer, solid waste disposal, cable television and telephone service at the Resort.

General Notes:

1. Property Management Subcontract - Certain of the variable and semi-variable expenses related to the provision of certain services to the Condominium as set forth in the 2023 Estimated Annual Operating Budget, including expenses for housekeeping, maintenance and front desk operations, may be lower than they otherwise would be if such services were being provided only to the Condominium instead of included in a property management subcontract that takes into account that the services are also being provided to adjacent accommodations that are not part of the Condominium.
2. Developer Guarantee - Pursuant to a Maintenance/Subsidy Agreement, DVD has agreed to guarantee to the Association that for the calendar year of this Budget no Owner will be required to pay more than the Annual Dues Assessment (exclusive of Ad Valorem Taxes) set forth in this Budget and that DVD will pay the difference between the actual costs incurred in operating the Condominium during the calendar year and all amounts assessed to Owners other than DVD with respect to such operating costs. Provided DVD timely performs its obligations under the Maintenance/Subsidy Agreement, DVD's payments thereunder to the Association shall satisfy fully its obligation to pay assessments attributable to each Ownership Interest owned by DVD. However, any expenses incurred during the calendar year resulting from a natural disaster or an act of God and/or required repair or replacement of damage to the Condominium, which are not covered by insurance proceeds from the insurance maintained by the Association, will be assessed against all Owners on the date of such natural disaster, act of God or other damage, or their successors or assigns, including DVD as to its unsold Ownership Interest. The Maintenance/Subsidy Agreement shall automatically be renewed for successive one-year periods unless DVD elects to terminate the Maintenance/Subsidy Agreement upon thirty (30) days prior written notice to the Association

See also Additional Budget Notes.

Estimated Capital Reserves Budget For January 1, 2023 Through December 31, 2023

Replacement Fund Components	72 Vacation Homes	
	2023 Annual	2023 Annual
	Budget	Budget
Capital Reserves	\$962,793	\$1,6628
Interest Income	0	0.0000
TOTAL CAPITAL RESERVES BUDGET	\$962,793	\$1,6628

Capital Reserve Analysis For The Year Ended December 31, 2023

Replacement Fund Components	Estimated Fund Balance as of December 31, 2022	Estimated Useful Lives (Years)	Estimated Remaining Useful Lives (Years)	Estimated Current Replacement Costs (72 Vacation Homes)
Roof Replacement/Repair		10 - 30	10 - 30	\$ 179,241
Interior Refurbishment		7 - 28	7 - 28	9,484,282
External Building Painting		9	9	194,324
Common Element Renovation		3 - 30	3 - 30	3,116,809
Capital Reserves	\$0			
TOTAL	\$0			\$12,974,656

ESTIMATED CAPITAL RESERVES BUDGET NOTES

All capitalized terms not defined in these budget notes will have the same meanings ascribed to such terms in the Component Site Public Offering Statement for The Villas at Disneyland Hotel Condominium Association, Inc.. See also Additional Budget Notes.

1. **Funds Covered** - The annual budget for Capital Reserves covers funds set aside for the repair or replacement of major items pertaining to the Units and Common Elements with a useful life of greater than one year. The interest earned on these funds remains in the Capital Reserves account and is not absorbed into the Operating Budgets.

See also Additional Budget Notes.

ADDITIONAL BUDGET NOTES

1. **2023 Dollars** - All costs are stated in 2023 dollars unless otherwise indicated.
2. **Shared Facilities** - The use of certain facilities, including without limitation, hotel check-in facility, back office facilities, telephone equipment rooms, etc., are being provided to the Resort pursuant to the terms of either the Property Management Agreement or the Master Declaration as a shared area, the cost of operating and maintaining such facilities being apportioned among its users including Owners. If the Resort was required to provide such facilities within the Condominium Property and solely for the use and benefit of the Owners, the cost of operating the Condominium Property would increase.
3. **Annual Budgets** – The 2023 Estimated Budgets are annual budgets based upon 72 units at the The Villas at Disneyland Hotel Condominium Association, Inc. being open the full year in 2023 for the purpose of calculating annual assessments. Because it is estimated that The Villas at Disneyland Hotel Condominium Association, Inc. will actually only be open for less than 12 months during 2023, assessments for 2023 will be prorated. These Estimated Budgets are prepared pursuant to and to comply with California law, and is a good faith estimate only and represents an approximation of future expenses based on facts and circumstances existing at the time of its preparation.
4. **Books and Records** - The books and records for the Association are maintained at: 215 Celebration Place, Suite 300, Celebration, Florida 34747. The person responsible for the upkeep and custodianship of the books and records of the Association is the Treasurer of the Association, (407) 566-3000.
5. **Related Party Transactions** - DVD is a Florida corporation and a related entity of The Walt Disney Company ("TWDC"), a Delaware corporation. DVD acquired a term-for-years interest in certain property, located in Anaheim, California. DVD developed the Condominium on the property, and sells ownership interests in Condominium units, as part of the vacation ownership plan. DVD developed the Condominium under the terms of a ground lease by and between Walt Disney Parks and Resorts U.S., Inc. ("WDPR"), a Florida corporation (formerly Walt Disney World Co.), its successors and assigns, as successor by merger to Walt Disney World Hospitality & Recreation Corporation, ("WDWHRC"), and DVD. WDPR is also a subsidiary of TWDC. The terms of the ground lease permit DVD to develop certain real property in Orange County, California, for the purpose of offering prospective purchasers ownership interests in Condominium units as part of the vacation ownership plan. Unless otherwise extended, the ground lease will expire on January 31, 2074 and vest to the benefit of WDPR.

Certain directors or officers of DVD or DVCM serve on the Board or as officers of the Association. Certain directors or officers of the Association are also employees of TWDC or its affiliates.

DVD retains no less than 2 percent of the total ownership interests in each unit declared in the Condominium and is responsible for annual dues with respect to its retained or unsold ownership interests.

DVCM, a Florida limited liability company, is the manager of the Association and is also a subsidiary of TWDC.

Management fees payable to DVCM are 12 percent of the total Operating and Reserve Budget exclusive of real estate taxes, transportation fees, and the management fee.

DVCM has entered into an agreement with the Association whereby DVCM may operate a resort hotel operation with respect to the rental of unreserved Vacation Homes in the Condominium. Gross proceeds, resulting from the rental of unreserved Vacation Homes, are retained by the Association up to an amount equal to 2.5 percent of the adjusted Operating and Reserve Budget in each calendar year, as breakage revenue.

Substantially all operating expenses have been allocated to the Association from DVCM, and certain operating expenses have been rendered by or incurred through other TWDC entities.

Amounts due to or from DVCM are payable in full and due on demand.

7. Management Agreement - The Association has a three-year management agreement ending September, 2026 with DVCM. Thereafter, the management agreement automatically renews for successive periods of three (3) years each, upon its scheduled expiration, unless either party gives the other written notice of nonrenewal, as stipulated in the agreement. DVCM provides on-site management and maintenance services, and off-site administrative and accounting services.

Pursuant to the management agreement, DVCM has been delegated the authority by the Association to provide all services, through employees and experts retained by it, incidental to the management and operation of the Condominium. In connection therewith, substantially all operating expenses have been allocated to the Association from DVCM. However, certain operating expenses may be incurred through other TWDC entities.

8. Vacation Homes - Wherever used throughout this budget, the term Vacation Home does not include studio or one bedroom accommodations that comprise part of a two bedroom lockoff Vacation Home.

ESTIMATED AD VALOREM TAXES FOR JANUARY 1, 2023 THROUGH DECEMBER 31, 2023

The amount of ad valorem taxes assessed against the Condominium as a whole will be determined by the Orange County Assessor. The estimated ad valorem tax assessments to be included on your 2023 Annual Dues billing statement will be \$0.9538 per Vacation Point. This is DVCM's best estimate of the actual taxes, which will be assessed for the tax year 2023. DVCM does not certify this ad valorem tax estimate. Each Owner is responsible for his or her per Vacation Point share of the actual tax bill received each year from the tax collector's office. Any difference between the tax estimate and actual taxes paid on the Owner's behalf will be applied towards the Owner's subsequent year's tax assessment. Section 2 of Article XIII A of the California Constitution (enacted by Proposition 13) establishes an acquisition-value assessment system. It provides that real property is to be assessed at its value when acquired through a change of ownership or by new construction. Thereafter, increases in the taxable value of property are limited. As a result, similar properties may have different taxable values. However, the Condominium Documents permit the Association to allocate Ad Valorem Taxes in any equitable manner, including in the same manner in which Common Expenses are allocated. For tax year 2023, the ad valorem taxes are allocated in the same manner as Common Expenses are allocated (on a per Vacation Point basis). In the future, ad valorem tax assessments may be specifically assessed against each Ownership Interests which would result in Owners paying different amounts of taxes depending on when Owners purchased their Ownership Interest

2023 ESTIMATED ANNUAL DUES ASSESSMENT

The estimated Annual Dues for the year January 1, 2023 through December 31, 2023 are \$9.0533 per Vacation Point, which is comprised of the estimated Annual Operating Budget (\$6.4367 per Vacation Point), the estimated Annual Capital Reserves Budget (\$1.6628 per Vacation Point) and the estimated ad valorem taxes (\$0.9538 per Vacation Point). The total amount of Annual Dues paid by a Purchaser or Owner is determined by multiplying the total number of Vacation Points represented by the Ownership Interest purchased by \$9.0533. For example, if the Ownership Interest is represented by 230 Vacation Points, the estimated Annual Dues would be \$2,082.26

Rev. 10/04/2022

Exhibit E

**CONDOMINIUM RULES AND REGULATIONS OF
THE VILLAS AT DISNEYLAND HOTEL, A LEASEHOLD CONDOMINIUM**

All terms used in these Condominium Rules and Regulations of The Villas at Disneyland Hotel, a leasehold condominium (the "**Condominium Rules and Regulations**") shall have the same meaning as the identical terms used in the Declaration of Covenants, Conditions, and Restrictions and Condominium and Vacation Ownership Plan for The Villas at Disneyland Hotel, a leasehold condominium (the "**Declaration**").

Each Owner, lessee, guest, invitee, licensee, exchanger, and other occupant or person on the Condominium Property shall be governed by and shall comply with the terms of the Condominium Documents, including these Condominium Rules and Regulations adopted pursuant to the Condominium Documents. Failure of such persons to comply with the provisions of these Condominium Rules and Regulations shall entitle the Management Company to pursue any and all legal and equitable remedies for the enforcement of such provisions, including an action for damages, an action for injunctive relief, an action for declaratory judgment, removal from the Condominium Property, prohibition or cancellation of a reservation for a Vacation Home or remedies available under California law. Violations of these Condominium Rules and Regulations, or other matters of concern, should be brought to the attention of the Management Company for proper resolution.

Where the context so indicates, a word in the singular form shall include the plural. The term "include" and similar terms (e.g., includes, including, included, comprising, comprising, such as, e.g., including but not limited to and for example), when used as part of a phrase including one or more specific items, are not words of limitation and are not to be construed as being limited to only the listed items. Whenever the consent or approval of the Board or the Management Company is referred to in these Condominium Rules and Regulations or the taking of any action under these Condominium Rules and Regulations is subject to the consent or approval of the Board or the Management Company, it shall mean the Board's or the Management Company's prior written approval to be given or withheld in its discretion. Any reserved right in favor of the Board or the Management Company may be implemented, taken, or withheld in the discretion of the Board or Management Company. Further, any references to the use, exercise, or grant of the right of discretion of the Board or the Management Company as set forth in these Condominium Rules and Regulations shall mean the Board's or the Management Company's sole, absolute, and unfettered discretion to the exclusion of any other person or entity unless specifically provided otherwise.

1. Cleaning Fee for Violation of Non-Smoking Restriction. Pursuant to the Declaration, smoking in any portion of the Condominium Property, other than those areas specifically designated for smoking by the Management Company, is expressly prohibited. On behalf of the Association, the Management Company is authorized to charge a cleaning or other fee for any violation of this restriction in an amount to be determined at the discretion of the Management Company.
2. Common Passageways and Balconies. Sidewalks, entrances, driveways, courts, vestibules, stairways, corridors, halls, landings, or all other Common Areas and areas intended for common use ("**Common Passageways**") must be kept open and shall not be obstructed in any manner. Rugs or mats, except those permitted or placed by the Management Company, must not be placed outside of doors or in Common Passageways. Bicycles, garbage cans, laundry, dry cleaning, supplies, or other articles shall not be placed in the Common Passageways. No Owner shall allow doors to any Common Passageways to remain open for any purpose other than for immediate ingress and egress. Plants, pots, receptacles, and other movable objects must not be kept, placed, or maintained in the Common Passageways or on balconies or patios, except as permitted by the Management Company. No objects shall be hung from balconies, patios, or window sills except as permitted by the Management Company. No cloth, clothing, rugs, or mops shall be hung up or shaken from windows, doors, or balconies. No cooking shall be permitted in Common Passageways or any balcony or patios. Cooking is only permitted in a Vacation Home or at designated areas on the Condominium Property, if any. Owners shall not allow anything to be thrown or to fall from windows, doors, balconies, patios, or the interior of any building. All personal property of Owners shall be stored within the Vacation Home.
3. Children. Children are to play only in areas either designated or clearly intended for play, and they are not to play in public halls, Common Passageways, or other Common Areas. Supervision by parents or guardians must be

exercised at all times with respect to children on the Condominium Property. Parents or guardians are responsible for the actions of their children.

4. Inspection. Notwithstanding the use of a sign on the door of a Unit or Vacation Home that it is occupied or a request to forgo housekeeping services or any other request not to be disturbed that is made by the occupant of the Unit or Vacation Home or other person, the Association, the Management Company, and each of their respective employees, agents, or designees ("**Authorized Persons**") shall have the right to enter the Unit or Vacation Home for any purpose, including performing maintenance and repairs, conducting a visual inspection of the Unit or Vacation Home, or checking on the safety and security of occupants, other persons, and property. An Authorized Person will give reasonable notice prior to entry by knocking and announcing the intent to enter the Unit or Vacation Home. Such entry shall not be deemed a trespass or make the Association, the Management Company, or any Authorized Person liable in any way to any person for any damages on account of such entry or for any abatement, removal, reconstruction, repair, or remedy that is performed.
5. Plumbing. Plumbing shall not be used for any purposes other than those for which it was constructed, and no sweepings, rubbish, rags, or other foreign substances shall be deposited into the plumbing.
6. Roof. Owners are not permitted on the roof of any building within the Condominium Property for any purpose without the express approval of the Management Company.
7. Parking. No vehicle belonging to or used by any Owner, lessee, guest, invitee, licensee, or exchanger is permitted to be parked in any unauthorized area or in such manner as to impede or prevent access to streets, other parking spaces or any fire lanes. The Management Company has the right to limit the number of vehicles permitted to be parked on the Condominium Property. No repair of vehicles shall be made within the Condominium Property. Boats, trailers, mobile homes, recreational vehicles and the like may be parked on the Condominium Property if the vehicle is less than the width of the interior of the lines of one (1) individual parking space and do not exceed twenty-four (24) feet in length. If the vehicle is wider than the width of the interior lines of one (1) individual parking space or if the vehicle exceeds twenty-four (24) feet in length, then such vehicle may not be parked on the Condominium Property without the prior written permission of the Management Company in its discretion. Parking spaces are not assigned as appurtenances to particular Units or Vacation Homes. Owners, lessees, guests, invitees, licensees and exchangers may not park vehicles in spaces designated for handicapped persons, unless they fall within this category of individuals, and the Management Company shall have the right to notify local authorities of any such violations. Owners, lessees, guests, invitees, licensees and exchangers must obey all posted parking regulations. Vehicles parked in any unauthorized area or in violation of this Paragraph or the Declaration are subject to being towed away at the expense of the Owner, guest, lessee, licensee, or invitee. All users, including Owners, lessees, guests, invitees, licensees, and exchangers may be required to pay for parking and valet services, if any. DVD and the TWDC Companies, and their lessees, guests, invitees, licensees, or exchangers, including employees, may be allowed to park and use valet services at no cost, even if others are charged for these services or rights.
8. Use of Swimming Pools, Whirlpools, or Other Facilities. Owners, lessees, guests, invitees, licensees, or exchangers using the swimming pools, whirlpools, or other facilities do so at their own risk and must obey the posted rules. Children using any swimming pools, whirlpools, or other available facilities must be accompanied and supervised by a responsible adult. Swimming in the pools or whirlpools and use of other facilities is permitted only during the posted hours of operation. Persons using all facilities must be appropriately attired. No alcohol is permitted to be brought or consumed by Owners, lessees, guests, invitees, licensees, or exchangers at the swimming pools, whirlpools, or other facilities except for alcohol purchased from permitted vendors at such swimming pools, whirlpools, or other facilities.

The following are the basic rules for persons using the swimming pools or whirlpools:

- a. Shower thoroughly each and every time before entering.
- b. Pneumatic floats or other items of similar nature, except for Management Company-approved flotation devices, are not permitted in the pools or whirlpools.

- c. Running or ball playing or throwing objects is not permitted in the pool or whirlpool areas except in designated areas and in connection with various activities as permitted by the Management Company from time to time.
 - d. Beverages may be consumed within the pool or whirlpool areas, but absolutely no glass, glass bottles, or other glass containers shall be allowed within the pool or whirlpool areas. Anyone who hosts or participates in serving or consuming beverages will be held strictly responsible for cleaning up after such refreshments have been consumed and will further be held strictly liable for any injury resulting from broken glass.
 - e. If suntan oils, creams, or lotions are used, a towel or other form of protection must be placed on pool furniture to protect the attire of others who use the furniture.
 - f. No children in diapers will be allowed in the pools or whirlpools.
 - g. Pool towels may be provided at the pool for user convenience, but must be left at the pool.
 - h. No person may leave personal items, including towels to reserve pool chairs.
9. Employees or Agents Control. Employees or agents of the Association or Management Company, and employees or agents of any of the TWDC Companies, shall not be sent off the Condominium Property by any Owner, lessee, guest, invitee, licensee, or exchanger at any time for any purpose. No Owner, lessee, guest, invitee, licensee, or exchanger shall direct, supervise or in any manner attempt to assert any control over the employees of the Management Company or the Association or any of the TWDC Companies.
10. Complaints. Complaints regarding the operation of the Condominium shall be made in writing first to the Management Company, as long as the Property Management Agreement remains in effect, and thereafter, to the Board.
11. Payment of Maintenance Fees, Special Charges and Fines. Payment of maintenance fees, special charges, and fines shall be made at the office of the Management Company or at such other location as designated by the Management Company from time to time. Payments made in the form of checks shall be made to the order of such party as the Management Company shall designate. The Management Company is authorized to charge a non-sufficient funds fee on all returned checks or dishonored electronic debits in an amount not to exceed the amount permitted under California law in connection with the payment of maintenance fees, taxes, or any sums due the Association or the Management Company.
12. Weapons. No explosives, firearms, or weapons of any kind shall be permitted in any Unit or Vacation Home or anywhere on the Condominium Property without the approval of the Management Company.
13. Security. Owners shall at all times lock and secure their unattended motor vehicles parked or located upon the Condominium Property, and they shall not leave any valuables in plain sight within or upon such vehicles. During their occupancy, Owners shall at all times lock and secure all doors, windows, balconies, or other points of possible entry with respect to their Units or Vacation Homes (except when any such point of entry is in use by Owners, lessees, guests, invitees, licensees, or exchangers). Neither DVD, the Management Company, the Association, nor any of the TWDC Companies are responsible for the safekeeping or protection of personal property brought onto the Condominium Property.
14. Check-In, Check-Out Times. Check-in time for all Disney Vacation Club Resorts is 4:00 p.m. Check-out time for all Disney Vacation Club Resorts is 11:00 a.m. The Management Company, through its front desk staff, must approve any exceptions to these times. Check-in and check-out times are subject to change by the Management Company.
15. Designation of Parks and Park Areas. The Management Company is authorized, in its discretion, to designate portions of the Common Area as a park or park area for the purpose of providing for the use of such Common Area as a park or park area. Such designation may be evidenced by signage.



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RECORDING REQUESTED
AND WHEN RECORDED MAIL TO:
Walt Disney Parks and Resorts U.S., Inc.
215 Celebration Place, Suite 300
Celebration, FL 34747
Attn: Regulatory Affairs

THIS SPACE IS FOR RECORDERS USE ONLY

Master Coterancy Agreement

(Title of Document)

Per Government Code 27388.1(a)(1) *"A fee of \$75 dollars shall be paid at the time of recording on every real estate instrument, paper, or notice required or permitted by law to be recorded, except those expressly exempted from payment of recording fees, per each single transaction per parcel or real property. "*

- Exempt from SB2 fee per GC 27388.1(a)(2); is a transfer subject to the imposition of documentary transfer tax", or
- Exempt from SB2 fee per GC 27388.1(a)(2); recorded concurrently "in connection with" a transfer subject to the imposition of documentary transfer tax", or
- Exempt from SB2 fee per GC 27388.1(a)(2); is a transfer of real property that is a residential dwelling to an owner-occupier", or
- Exempt from SB2 fee per GC 27388.1(a)(2); recorded concurrently "in connection with" a transfer of real property that is a residential dwelling to an owner-occupier", or
- Exempt from SB2 fee per GC 27388.1(a)(1); fee cap of \$225 reached"
- Exempt from SB2 fee per GC 27388.1(a)(1); not related to real property

Failure to include an exemption reason will result in the imposition of the SB2 Building Homes and Jobs Act Fee.

This instrument prepared by and return to:
Attn: Regulatory Affairs
Disney Vacation Development, Inc.
215 Celebration Place, Suite 300
Celebration, Florida 34747

MASTER COTENANCY AGREEMENT

THIS MASTER COTENANCY AGREEMENT (this "**Agreement**") is entered into effective as of the Commencement Date (as defined in paragraph 9 of this Agreement) by and among DISNEY VACATION DEVELOPMENT, INC., a Florida corporation, whose address is 215 Celebration Place, Suite 300, Celebration, Florida 34747 ("**DVD**"); DISNEY VACATION CLUB MANAGEMENT, a Florida limited liability company, whose address is 215 Celebration Place, Suite 300, Celebration, Florida 34747 ("**DVCM**"); THE VILLAS AT DISNEYLAND HOTEL CONDOMINIUM ASSOCIATION, INC., a California nonprofit mutual benefit corporation, whose address is 215 Celebration Place, Suite 300, Celebration, Florida 34747 ("**Association**"); and the owners of Ownership Interests (as defined in this Agreement) as tenants-in-common in each Vacation Ownership Unit (as defined in this Agreement) in The Villas at Disneyland Hotel, a leasehold condominium, more specifically described in this Agreement (individually, "**Cotenant**" and collectively, "**Cotenants**," and including DVD unless DVD is specially noted otherwise). DVD, DVCM, Association, and the Cotenants may be referred to individually as a "**Party**" or collectively as the "**Parties**" in this Agreement.

RECITALS

- A. DVD is the developer of The Villas at Disneyland Hotel, a leasehold condominium (the "**Condominium**"), according to the Declaration of Covenants, Conditions and Restrictions and Condominium and Vacation Ownership Plan thereof and recorded concurrently herewith, in the Public Records of Orange County, California, and all amendments to such instrument (the "**Declaration**") pursuant to which "**Vacation Ownership Units**" and "**Common Areas**" have been created as provided for and defined in the Declaration; and
- B. DVD is offering to Cotenants undivided tenant-in-common interests in Vacation Ownership Units ("**Ownership Interests**"), and has made such Ownership Interests subject to a vacation ownership plan (the "**Vacation Ownership Plan**") pursuant to The Vacation Ownership and Time-Share Act of 2004, as it is constituted on the date of the recording of this Agreement in the Public Records of Orange County, California (the "**Act**"); and
- C. DVD will retain the ownership of a certain undivided interest in each Vacation Ownership Unit as a DVD-owned Ownership Interest and therefore as a cotenant with the Cotenants; and
- D. Pursuant to the Declaration, the Association has the responsibility and obligation to operate and manage the Condominium; and
- E. The Association has assigned its responsibilities and obligations to operate and manage the Condominium to DVCM pursuant to the terms of a property management agreement (the "**Property Management Agreement**") and the Disney Vacation Club Membership Agreement for the Condominium (the "**Membership Agreement**"); and
- F. DVD has provided for the creation of a central reservation system and related services (the "**Disney Vacation Club**" or "**Club**") to implement the Vacation Ownership Plan; and
- G. The Club includes the operation of a reservation system for the assignment and use of accommodations in each Vacation Ownership Unit designed for separate occupancy and use ("**Vacation Homes**") and the facilities of the Condominium pursuant to the priorities, restrictions, and limitations established by DVCM from time to time in accordance with the Vacation Ownership Plan (the "**Home Resort Reservation Component**"); and

H. The respective Ownership Interest of each Cotenant, including DVD, is symbolized by a number of "Home Resort Vacation Points;" and

I. Pursuant to the Declaration, each Vacation Ownership Unit will contain a certain number of Vacation Homes and the number of Vacation Homes may vary from Vacation Ownership Unit to Vacation Ownership Unit; and

J. Pursuant to the Declaration and to the Membership Agreement, each Cotenant must make a reservation through the Home Resort Reservation Component in order to use a Vacation Home within a Vacation Ownership Unit, regardless of the Vacation Ownership Unit in which the Cotenant has an Ownership Interest; and

K. In order to facilitate: (i) the Vacation Home reservation process within each Vacation Ownership Unit; (ii) the reservation process among all Vacation Ownership Units; (iii) the proper allocation and discharge of all of the duties and obligations appurtenant to Vacation Ownership Unit ownership pursuant to the Declaration, pursuant to applicable law including the Act; and (iv) the reservation process regarding the Vacation Homes and facilities of the Condominium, DVD and the other Cotenants, the Association, and DVCM agree as follows:

1. Definitions; Recitals. All terms used in this Agreement shall have the same meaning as the identical terms used in the Declaration or the Membership Agreement, as applicable, unless otherwise defined in this Agreement. The recitals set forth at the beginning of this Agreement are true and correct and are incorporated in this Agreement by this reference.

2. Allocation of Vacation Ownership Unit Expenses and Liabilities. Each Vacation Ownership Unit will be assessed at least annually for its share of the Common Expenses of the Condominium pursuant to the Declaration. Each Vacation Ownership Unit will also be assessed for ad valorem property taxes by Orange County, California and the City of Anaheim, California respectively. Pursuant to applicable law and the Declaration, the Cotenants as the owners of the Vacation Ownership Unit are jointly and severally liable for all Common Expenses of the Condominium attributable to that Vacation Ownership Unit. The Cotenants of each Vacation Ownership Unit are also jointly and severally liable for all taxes, including ad valorem taxes, assessed against such Vacation Ownership Unit and for which the failure to pay can give rise to the placing of a lien against the entire Vacation Ownership Unit. However, for purposes of this Agreement, the Cotenants agree that each individual Cotenant will be severally liable for that proportion of these and any other expenses or taxes that may be assessed against the Vacation Ownership Unit, or for which the Cotenants may otherwise become liable by virtue of being a cotenant in the Vacation Ownership Unit, that equals the Cotenant's Ownership Interest owned in the Vacation Ownership Unit. No Cotenant shall be liable for any assessment made against any other Cotenant pursuant to this paragraph, and any failure of a Cotenant to promptly pay the Cotenant's several share of such expenses, taxes, or liabilities shall constitute a default under this Agreement pursuant to paragraph 6 of this Agreement.

3. Allocation of Vacation Ownership Unit Rents, Profits, and Casualty or Condemnation Proceeds. As provided in the Declaration and in the Membership Agreement, each Cotenant must make a reservation prior to using any Vacation Home within any Vacation Ownership Unit, and any rents derived from the use of a reserved Vacation Home by a Cotenant will inure to the exclusive benefit of the person holding the reservation and securing the rental; therefore, it is not contemplated that any rents will be derived from any Vacation Ownership Unit that will inure to the benefit of the Cotenants as a whole, and no common rental pools shall be established with regard to the Vacation Ownership Unit. Subject to DVD's right of first refusal as set forth in the Declaration, each Cotenant is free to convey the Cotenant's Ownership Interest, and any proceeds derived from the sale of an Ownership Interest by a Cotenant will inure to the exclusive benefit of the person or entity who owned the Ownership Interest; therefore, it is not contemplated that any proceeds derived from the conveyance of any Ownership Interest will inure to the benefit of the Cotenants as a whole. However, as more particularly set forth in the Declaration, the Cotenants agree that each individual Cotenant will be entitled to share in any proceeds that are produced by or allocable to the Vacation Ownership Unit as a whole, including the proceeds of any insurance or eminent domain award, in that proportion that equals the Ownership Interest owned

in the Vacation Ownership Unit. DVD, the Association and DVCM are not obligated to provide any rental or resale assistance to any Cotenant. Any rental by a Cotenant of a Vacation Home or sale by a Cotenant of an Ownership Interest will occur, if at all, solely through the efforts of such Cotenant. The Declaration shall govern as to each Cotenant's rights with respect to any proceeds arising out of casualty to the Vacation Ownership Unit or as to a taking of the Vacation Ownership Unit in condemnation.

4. Voting Certificate.

Pursuant to this Agreement, Cotenants of Ownership Interests in each Vacation Ownership Unit designate DVD as their authorized voting representative at all meetings of the Association and with respect to all Association matters.

Pursuant to the Declaration, the Articles of Incorporation of the Association and the Bylaws of the Association, each Vacation Ownership Unit is allocated a vote in the affairs of the Association, and where a Vacation Ownership Unit is owned by more than one person, the Cotenant of the Vacation Ownership Unit must, pursuant to this Agreement, designate in a Voting Certificate the Cotenant authorized to cast the Vacation Ownership Unit's vote in meetings of the Association and to represent the Vacation Ownership Unit in all Association matters as the Voting Representative. In accordance with the foregoing, each Cotenant designates DVD as the Voting Representative and each Cotenant by the acceptance of a deed transferring ownership of an Ownership Interest in a particular Vacation Ownership Unit, confirms and evidences the designation of DVD as the Voting Representative for such Vacation Ownership Unit. In exercising this authority, DVD agrees to act at all times on behalf of the Cotenants as a whole pursuant to its fiduciary duties pursuant to the Act. DVD also agrees that it will not cast the Vacation Ownership Unit's vote in any of the following respects without the prior concurrence of the Cotenants who own sixty percent (60%) of the Ownership Interests in the Vacation Ownership Unit, which concurrence may be evidenced by a written consent signed by such Cotenants and placed in the books and records of the Association:

- a. waiver of any material rights of the Association or of the Cotenants against DVD or any of its affiliates;
- b. waiver or reduction of required replacement reserves;
- c. any increase in the Association's annual operating budget in excess of one hundred fifteen percent (115%) of the previous year's budget, excluding reserves and ad valorem taxes;
- d. any increase in the calculation of compensation paid to DVCM under the Property Management Agreement;
- e. reallocation of the undivided interests in the Common Areas of the Condominium appurtenant to each Vacation Ownership Unit other than the automatic reallocation that results from the addition of phases to the Condominium pursuant to the Declaration;
- f. amendment of the Declaration or of the Articles of Incorporation or the Bylaws of the Association in any manner that is materially adverse to the Cotenants as a whole; or
- g. voluntary termination of the Condominium, or any proposition not to reconstruct, repair, or replace any portion of any Vacation Ownership Unit or Common Areas after casualty.

Subject to the provisions of paragraph 8 of this Agreement, DVD shall continue to serve as the Voting Representative of the Vacation Ownership Unit until such time as the Cotenants who own sixty percent (60%) of the Ownership Interests in the Vacation Ownership Unit concur in writing that DVD should be removed from this position; provided, however, that during any period of time in which DVD owns in excess of forty percent (40%) of the Ownership Interests in a given Vacation Ownership Unit, the Cotenants who own sixty percent (60%) of the Ownership Interests

in that Vacation Ownership Unit (other than the Ownership Interests owned by DVD in that Vacation Ownership Unit) may remove DVD as the Voting Representative of the Vacation Ownership Unit. Should DVD be removed from this position for any reason, the provisions of this Agreement shall continue in full force and effect, and the Cotenants shall elect one of their number to serve as the Voting Representative of the Vacation Ownership Unit until such time as that person resigns or is replaced pursuant to the provisions of this paragraph. In all events, the Cotenants of each Vacation Ownership Unit must have elected a Voting Representative pursuant to this paragraph at all times until such time that the Condominium has been terminated.

5. Vacation Home Reservations. Subject to the provisions of paragraph 8 of this Agreement, the Cotenants agree that the Association shall serve as the reservation manager for the Vacation Ownership Unit in which they own an Ownership Interest. The Association is granted the authority to establish reservation procedures for the assignment and use of Vacation Homes within that Vacation Ownership Unit. Under the authority granted in this Agreement, the Association shall assign the use of Vacation Homes within a Vacation Ownership Unit to the Cotenants of that Vacation Ownership Unit and to the Cotenants in other Vacation Ownership Units and to assign the Cotenants the use of Vacation Homes in other Vacation Ownership Units, through the Home Resort Reservation Component. The Association's authority to perform these functions has been delegated to DVCM pursuant to the Membership Agreement. In the event that the Membership Agreement is terminated, the Association shall retain its authority to establish reservation procedures for the assignment and use of Vacation Homes in a Vacation Ownership Unit by the Cotenants who own in that Vacation Ownership Unit, as well as to establish reservation procedures, which may or may not be identical to those set forth in the Membership Agreement, by which use of all Vacation Ownership Units and Vacation Homes in the Condominium shall be determined.

6. Assessment Collections. Subject to the provisions of paragraph 8 of this Agreement, the Cotenants agree that the Association shall serve as the assessment collection manager for the Vacation Ownership Unit for the purpose of ensuring that all Common Expenses and taxes assessed against the Vacation Ownership Unit pursuant to paragraph 2 of this Agreement are timely remitted. The Association has assigned these duties to DVCM under the Property Management Agreement. As part of its duties, DVCM shall notify each Cotenant of the Cotenant's share of such expenses and shall provide for a reasonable time after receipt of the statement within which the Cotenant must pay the Cotenant's share to DVCM. The failure of any Cotenant to promptly pay the Cotenant's share of expenses or taxes to DVCM shall constitute a default under this Agreement, and the defaulting Cotenant shall be subject to the remedies in favor of non-defaulting Cotenants set forth in paragraph 7 of this Agreement and to the remedies in favor of the Association pursuant to the Act, the Declaration, the Articles of Incorporation of the Association and the Bylaws of the Association, as applicable.

7. Rights Against Defaulting Cotenant. Upon the default of a Cotenant pursuant to paragraph 6 of this Agreement, DVD has the right, but not the obligation, to pay the amounts due from the defaulting Cotenant to DVCM if collection attempts made by DVCM are unsuccessful. Each Cotenant agrees that upon such payment by DVD, DVD shall acquire a lien upon the Ownership Interest owned by the defaulting Cotenant. The lien shall secure the amount of monies paid by DVD to DVCM on behalf of the defaulting Cotenant together with interest on such amount at the highest rate permitted by law and together with the costs and reasonable attorneys' fees incurred by DVD in the collection of such sums from the defaulting Cotenant. The lien may be foreclosed upon the Ownership Interest of the defaulting Cotenant in the manner generally prescribed for the foreclosure of mortgages under California law. In the event DVD elects not to exercise its right pursuant to this paragraph, any other Cotenant may tender the amounts due to DVCM and acquire the lien described in this Agreement. Defaulting Cotenants may also be subject to legal actions for recovery of assessments as a personal liability and subject to the termination of their reservation rights if permitted under California law.

8. Insolvency or Bankruptcy. If DVD, the Association, or DVCM files for protection from creditors under any state or federal law or becomes the debtor in a bankruptcy proceeding, voluntarily or involuntarily (and if involuntarily, and the bankruptcy is not dismissed within ninety (90) days after filing), the filing Party shall be deemed to have

automatically resigned from its positions as Voting Representative, reservation manager, or assessment collection manager for the Vacation Ownership Unit, as applicable. If necessary, the Cotenants shall thereafter elect a successor Voting Representative pursuant to paragraph 4 of this Agreement.

9. Execution and Joinder by Cotenant; Commencement Date. Each Cotenant shall evidence acceptance of the terms and conditions of this Agreement by the acceptance of a deed for the transfer of ownership of an Ownership Interest and the recordation of such deed among the Public Records of Orange County, California, whether such transfer is from DVD or as a result of a subsequent transfer by the Cotenant to a new owner. The "**Commencement Date**" shall be the date of the first deed for an Ownership Interest in a Vacation Ownership Unit is so recorded.

10. Waiver of Partition. The Cotenants agree that no action for partition of any Vacation Ownership Unit or Vacation Home in the Condominium shall lie.

11. Notices. Except as may be otherwise provided in this Agreement, any notice, demand, request, consent, approval, or communication under this Agreement shall be in writing and shall be deemed duly given or made to DVD, the Association, or DVC/M: (i) three (3) days after being deposited, postage prepaid, in the Vacation Ownership United States mail, certified or registered mail with a return receipt requested, addressed to the Party at the address set forth in this Agreement; (ii) when delivered personally to the Party at the address specified set forth in this Agreement; or (iii) one (1) day after being deposited with a nationally recognized overnight courier service, fee prepaid, with receipt of confirmation requested, addressed to the Party as specified in this Agreement. A Party may designate a different address for receiving notices under this Agreement by notice to the other Parties given in accordance with this Agreement. Unless otherwise provided in this Agreement, all notices or information required to be delivered to Cotenants by the Association or this Agreement shall be delivered to DVD. DVD shall provide the Cotenants with all notices required by California law, or required under this Agreement, and all such notices shall be deemed given if delivered by regular U.S. mail or by electronic transmission to the Cotenant at the last known address of the Cotenant pursuant to the books and records maintained by DVC/M, or if provided to the Cotenants as a part of a newsletter or other periodic report directly by DVD or through the Association or DVC/M as the Management Company.

12. Governing Law; Successors in Title. This Agreement shall be governed by and construed under the laws of the State of California and shall run with the land, inuring to the benefit and burden of the successors in title of the Parties including all trustees in bankruptcy; and, therefore, this Agreement shall not be cancelable or cancelled until such time as the Condominium is terminated.

13. Interpretation. Where the context so indicates, a word in the singular form shall include the plural. The term "include" and similar terms (e.g., includes, including, included, comprises, comprising, such as, e.g., including but not limited to and for example), when used as part of a phrase including one or more specific items, are not words of limitation and are not to be construed as being limited to only the listed items. No provision of this Agreement shall be construed against a Party because the Party provided for the drafting of this Agreement. The use of headings, captions, and numbers in this Agreement is solely for the convenience of identifying and indexing the various provisions of this Agreement and shall in no event be considered otherwise in construing or interpreting any provision of this Agreement.

14. No Partnership or Joint Venture. It is the express intent of the Parties that neither this Agreement nor any provision of this Agreement be deemed or construed to create a partnership or joint venture by or between or among any or all Parties.

15. Severability. If any clause or provision of this Agreement is held to be invalid by any court of competent jurisdiction, the invalidity of such clause or provision shall not affect any other provision of this Agreement.

16. Ownership Interests and Home Resort Vacation Points. The Ownership Interest owned by a given Cotenant in a given Vacation Ownership Unit shall be symbolized as a number of Home Resort Vacation Points. The Cotenant's

specific Ownership Interest is the ratio of the number of Home Resort Vacation Points assigned by DVD to the Ownership Interest with respect to a given Vacation Ownership Unit to the total number of Home Resort Vacation Points assigned by DVD to that Vacation Ownership Unit.

17. Amendment

This Agreement may be amended by the concurrence of Cotenants owning seventy-five percent (75%) of the total Ownership Interests in a given Vacation Ownership Unit as to that Vacation Ownership Unit by an instrument in writing recorded among the Public Records of Orange County, California.

However, during any period of time in which DVD owns an Ownership Interest equal to more than twenty-five percent (25%) of the undivided interests in a given Vacation Ownership Unit, the Cotenants who own Ownership Interests of equal to at least seventy-five percent (75%) of the remaining undivided interests in that Vacation Ownership Unit (*i.e.*, other than the undivided interests owned by DVD in that Vacation Ownership Unit) may amend this Agreement as to that Vacation Ownership Unit. If required by any public body or by applicable law, DVD may unilaterally amend this Agreement by an instrument in writing executed by DVD and recorded among the Public Records of Orange County, California. DVD shall notify the Cotenants of any such unilateral amendment, the purpose of such unilateral amendment, and the nature of the public body or law that required same.

18. Waiver of Jury Trial.

To the extent permitted under applicable law, the Parties waive any right they may have under any applicable to a trial by jury with respect to any suit or legal action which may be commenced by or against another Party concerning the interpretation, construction, validity, enforcement, or performance of this Agreement or any other agreement or instrument executed in connection with this Agreement.

19. Venue of Actions. In the event any such suit or legal action is commenced by a Party, the other Parties agree, consent, and submit to the personal jurisdiction of the federal, county and circuit courts located in Orange County, California (the "**Orange County Courts**"), with respect to such suit or legal action, and each Party also consents and submits to and agrees that venue in any such suit or legal action is proper in Orange County and with the Orange County Courts, and each Party waives any and all personal rights under applicable law or in equity to object to the jurisdiction and venue in the Orange County Courts and Orange County. Such jurisdiction and venue shall be exclusive of any other jurisdiction and venue.

[THE REMAINDER OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK. SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties have executed this Agreement effective as of the Commencement Date.

WITNESSES

Shawn Becker
(signature)

Shawn Becker
(print name)

J Velby
(signature)

James Velting
(print name)

Shawn Becker
(signature)

Shawn Becker
(print name)

Donna H Kirkley
(signature)

Donna H. Kirkley
(print name)

Shawn Becker
(signature)

Shawn Becker
(print name)

[Signature]
(signature)

John Bianco
(print name)

DISNEY VACATION DEVELOPMENT, INC.,
a Florida corporation

By: Yvonne Chang
(signature)

Yvonne Chang
(print name)

As its: Assistant Secretary
(title)

DISNEY VACATION CLUB MANAGEMENT, LLC
a Florida limited liability company

By: [Signature]
(signature)

Leigh Anne Nieman
(print name)

As its: ASSISTANT SECRETARY
(title)

**THE VILLAS AT DISNEYLAND HOTEL
CONDOMINIUM ASSOCIATION, INC.,**
a Florida non-profit corporation

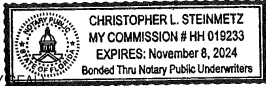
By: [Signature]
(signature)

Shannon Sakaske
(print name)

As its: Vice President
(title)

STATE OF FLORIDA) ss.
COUNTY OF OSCEOLA)

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this 13 day of December 2022, by Yvonne Chang, as Assistant Secretary of **Disney Vacation Development, Inc.**, a Florida corporation, on behalf of the corporation. She is personally known to me.



(NOTARY

Christopher L. Steinmetz
(Notary Signature)

STATE OF FLORIDA) ss.
COUNTY OF OSCEOLA)

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this 13 day of December 2022, by Leigh Anne Nieman, as Assistant Secretary of **DISNEY VACATION CLUB MANAGEMENT, LLC**, a Florida corporation, on behalf of the corporation. She is personally known to me.



(NOTARY SEAL)

TAMMY TSANG
Commission # HH 040640
Expires October 16, 2024
Bonded Thru Budget Notary Services

Tammy Tsang
(Notary Signature)

STATE OF FLORIDA) ss.
COUNTY OF OSCEOLA)

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this 14 day of December 2022, by Shannon Sakaske, as Vice President of **THE VILLAS AT DISNEYLAND HOTEL CONDOMINIUM ASSOCIATION, INC.**, a nonprofit mutual benefit corporation on behalf of the corporation. He is personally known to me.



(NOTARY SEAL)

John Bianco
(Notary Signature)

Exhibit G

DVC RESORT AGREEMENT
(The Villas at Disneyland Hotel)

THIS DVC RESORT AGREEMENT ("Agreement") is made and entered into effective the 13th day of December, 2024 (the "**Effective Date**") by and among **BUENA VISTA TRADING COMPANY**, a Florida corporation, having offices and its principal place of business at 1375 Buena Vista Drive, 4th Floor North, Lake Buena Vista, Florida, 32830 ("**BVTC**"); **DISNEY VACATION CLUB MANAGEMENT, LLC**, a Florida limited liability company, having offices and its principal place of business at 215 Celebration Place, Suite 300, Celebration, Florida 34747 ("**DVCM**"); **DISNEY VACATION DEVELOPMENT, INC.**, a Florida corporation having offices and its principal place of business at 215 Celebration Place, Suite 300, Celebration, Florida 34747 ("**DVD**"); and **THE VILLAS AT DISNEYLAND HOTEL CONDOMINIUM ASSOCIATION, INC.**, a California nonprofit mutual benefit corporation, having offices at 215 Celebration Place, Suite 300, Celebration, Florida 34747 (the "**Association**") (BVTC, DVCM, DVD, and the Association are sometimes individually referred to as a "**Party**" and collectively as the "**Parties**" in this Agreement).

RECITALS

A. DVD has developed a resort project known as The Villas at Disneyland Hotel, a leasehold condominium, located in Orange County, California (the "**Resort**") subject to a vacation ownership plan pursuant to California's Vacation Ownership and Time-share Act of 2004.

B. DVD has provided for a central reservation system and related services (the "**Club**") which includes the operation of an exchange system (the "**DVC Reservation Component**") through which some or all of the owners of ownership interests in the Resort and in any other resorts that are entitled to access and use the DVC Reservation Component ("**DVC Resorts**") have the ability to reserve the use of available accommodations and related facilities of any DVC Resort in accordance with and as restricted by rules and regulations established by BVTC from time to time.

C. The Association is the owners' association for the Resort.

D. DVCM and the Association have entered into that certain property management agreement and that certain membership agreement for the purpose of the Association assigning to DVCM all of the Association's management and assessment collection duties, obligations, and responsibilities (except those which cannot be delegated as a matter of law), including the Association's responsibility for managing the use of the accommodations and related facilities of the Resort in accordance with and as restricted by the vacation ownership plan for the Resort.

E. DVD, the Association, DVCM, and BVTC desire to enter into this Agreement for the purpose of enabling the Resort to become a DVC Resort and for BVTC to coordinate activities and perform services associated therewith in accordance with the provisions of this Agreement and in accordance with and as restricted by rules and regulations established by BVTC from time to time.

NOW, THEREFORE, in consideration of the mutual covenants and obligations contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which is agreed to by the Parties, the Parties agree as follows:

AGREEMENT

I. Definitions

The following definitions of terms used in this Agreement shall prevail unless the context requires a different meaning:

- 1.1 Act means California's Vacation Ownership and Time-share Act of 2004, as it is constituted on the Effective Date.
- 1.2 Agreement shall mean this DVC Resort Agreement for the Resort.
- 1.3 Annual Dues means that portion of the Resort Estimated Budgets that has been assessed against an individual Owner's Ownership Interest together with the Owner's proportionate share of the ad valorem taxes for the Ownership Interest.
- 1.4 Association shall mean The Villas at Disneyland Hotel Condominium Association, Inc., a California nonprofit mutual benefit corporation, and its successors and assigns, which is responsible for the operation and management of the Resort under the Act.
- 1.5 BVTC shall mean Buena Vista Trading Company, a Florida corporation, its successors and assigns. BVTC is an exchange company established under Florida law.
- 1.6 Club shall mean the Disney Vacation Club. The Club is not a legal entity or association of any kind, but rather is a service name for the services and benefits appurtenant to and the restrictions imposed upon the use and enjoyment of Ownership Interests. These

services presently include, among other things, the operation of a central reservation system consisting of the reservation component for the Vacation Ownership Plan and the DVC Reservation Component.

- 1.7 Club Member shall mean the owners of record of an Ownership Interest.
- 1.8 Disclosure Document shall mean the disclosure statement promulgated or amended by BVTC, and containing the rules and regulations that BVTC in its discretion determines are necessary or desirable from time to time in order to operate the DVC Reservation Component and implement and enforce the provisions of this Agreement.
- 1.9 DVCM shall mean Disney Vacation Club Management, a Florida limited liability company, its successors and assigns.
- 1.10 DVC Reservation Component shall mean the exchange component of the Club central reservation system through which Vacation Homes in any DVC Resort may be reserved by certain Club Members using DVC Vacation Points pursuant to priorities, restrictions, and limitations established by BVTC from time to time and as set forth in this Agreement and the Disclosure Document.
- 1.11 DVC Resort shall mean each resort, including the Resort, having Club Members who are entitled to access and use the DVC Reservation Component or afforded other applicable Club services and benefits provided by BVTC by virtue of and pursuant to the terms and conditions of a DVC Resort Agreement and the Disclosure Document.
- 1.12 DVC Resort Agreement shall mean the agreement pursuant to which a the Resort becomes and remains a DVC Resort in accordance with the terms and conditions of such agreement.
- 1.13 DVC Vacation Points shall mean Vacation Points utilized by a Club Member to make a reservation through the DVC Reservation Component at a DVC Resort.
- 1.14 DVD shall mean Disney Vacation Development, Inc., a Florida corporation, its successors and assigns, and the developer of the Resort.
- 1.15 Home Resort shall mean any DVC Resort in which a Club Member owns an Ownership Interest which is symbolized by Home Resort Vacation Points.
- 1.16 Home Resort Priority Period shall mean the period of time at each DVC Resort during which only Club Members having an Ownership Interest at that DVC Resort are entitled to request a reservation for the Vacation Homes at that DVC Resort through the Vacation Ownership Plan at that DVC Resort.
- 1.17 Home Resort Vacation Points shall mean Vacation Points symbolizing an Ownership Interest at a Home Resort which Vacation Points may be used to reserve Vacation Homes at that Home Resort where that Ownership Interest is held.
- 1.18 One-To-One Requirement shall have the meaning as defined in the Act.
- 1.19 Ownership Interest shall mean a real property interest in a Unit in a DVC Resort.
- 1.20 Resort Documents shall mean all of the documents, by whatever names denominated, and any amendments to such documents, which create and govern the rights and relationships of the Club Members in the Resort.
- 1.21 Resort Estimated Budgets shall mean the operating and capital reserves budgets that establish the estimated annual common expenses and reserves of the Resort.
- 1.22 The TWDC Companies shall mean TWDC and all subsidiaries and affiliates of TWDC, including DVD, DVCM, and BVTC.
- 1.23 TWDC shall mean The Walt Disney Company, a Delaware corporation, its successors and assigns.
- 1.24 Unit shall mean that portion of a DVC Resort which is subject to exclusive ownership by one or more persons.
- 1.25 Vacation Home shall mean those portions of a Unit designed and intended for separate use and occupancy.
- 1.26 Vacation Ownership Plan is the arrangement pursuant to the documents establishing the DVC Resort whereby a Club Member receives an Ownership Interest in a Unit in a DVC Resort under which the exclusive right of use, possession, or occupancy of Units in the DVC Resort circulates among the various Club Members at that DVC Resort on a recurring basis during the term of the plan.
- 1.27 Vacation Point shall mean the symbolic unit of measuring the respective rights of a Club Member to enjoy the benefits of the Club Member's Ownership Interest within the Club.

II. Assignment

- 2.1 The Association, on its own behalf and on behalf of all of the Club Members at the Resort, enters into and agrees to be bound by the terms and conditions of this Agreement and the Disclosure Document with the purpose of engaging BVTC to arrange for the assignment of the possession and use of the Resort's Vacation Homes by certain Club Members from other DVC Resorts and the possession and use of Vacation Homes at other DVC Resorts by certain Club Members from the Resort through the DVC Reservation Component. In this regard, the Association shall be deemed to be the "corporate member" entitled to act on behalf of the Club Members with respect to all provisions of this Agreement. Wherever Association acknowledgment, consent, understanding, or agreement is stated or implied in this Agreement or the Disclosure Document or in dealing with BVTC, such acknowledgment, consent, understanding, or agreement will be deemed to also have been given by each such Club Member, other than DVD. Each Club Member at the Resort shall expressly evidence acceptance of the terms and conditions of this Agreement and the Disclosure Document by acceptance of a deed transferring an Ownership Interest in a Unit to such Club Member.
- 2.2 DVD enters into this Agreement for the purpose of expressing its consent to and acceptance of the terms and conditions of this Agreement and the Disclosure Document.
- 2.3 DVCM, as the management company for the Resort, enters into this Agreement for the purpose of expressing its consent to and acceptance of the terms and conditions of this Agreement and the Disclosure Document. Whatever duties are imposed upon the Association by this Agreement and the Disclosure Document, the reference to the Association shall include DVCM as the management company authorized to act on behalf of the Association to the extent contemplated under the Resort Documents.
- 2.4 BVTC for itself and its successors and assigns agrees to assume all of the responsibilities and duties set forth in this Agreement and the Disclosure Document, and to faithfully discharge all of its obligations as assigned under this Agreement and the Disclosure Document.
- 2.5 The Parties agree that the rights assigned to BVTC pursuant to this Agreement and the Disclosure Document are exclusive to BVTC.

III. Acknowledgments

- 3.1 The Parties acknowledge the following:
- a. That the DVC Reservation Component shall be operated by BVTC pursuant to the terms of this Agreement and the Disclosure Document, as the same may be amended from time to time.
 - b. That membership in the Club is an appurtenance to each Ownership Interest at the Resort in accordance with the terms of the Resort Documents and this Agreement and may not be partitioned from such Ownership Interest and that this Agreement and the Disclosure Document are covenants running with the title to such Ownership Interests, in accordance with the terms and conditions of this Agreement and the Disclosure Document.
 - c. That the Club does not own any property or assets, and that Club Members will acquire no legal or beneficial interest in any of The TWDC Companies or their assets, including the Club, and no right or interest in the property, contract rights or business of The TWDC Companies. Furthermore, Club Members will not be entitled to any share of income, gain or distribution by or of The TWDC Companies and will not acquire any voting rights in respect of The TWDC Companies.
 - d. That DVD is only obligated to develop and construct the phases of the Resort initially declared as part of the Resort and described in the Resort Documents. DVD has the right, in its discretion, but not the obligation, to add other land, units, and facilities, whether or not developed by The TWDC Companies, as part of the Resort.
 - e. That BVTC has the right to delete a DVC Resort, including the Resort, in accordance with Section 6.3 below, in which case the Club Members at the remaining DVC Resorts will not be able to reserve the use of accommodations at the deleted DVC Resort through the DVC Reservation Component and owners of Ownership Interests at the deleted DVC Resort will not be able to reserve the use of Vacation Homes through the DVC Reservation Component.
 - f. That BVTC has the discretion to associate other resorts as DVC Resorts and the terms and conditions of such association and the right to delete existing DVC Resorts and neither the Association, DVCM, nor any Club Member will be entitled to participate in BVTC's decision in this regard.

g. That the relationship among DVCM, the Association, and BVTC pursuant to this Agreement and the Disclosure Document, together with the handling of all of the services and benefits provided by BVTC for the Club Members at the Resort, constitutes legitimate business of the Association.

h. That to encourage purchase for personal use, DVCM and BVTC shall have the right to limit the number of Home Resort Vacation Points that may be acquired at the Resort or at all DVC Resorts in the aggregate by Club Members (except for any of The TWDC Companies). Further, use by corporations or other business entities (other than any of The TWDC Companies) is strictly limited to recreational use by their directors, officers, principals, or employees.

IV. Covenants of DVD, DVCM and the Association

4.1 DVD agrees to notify BVTC of DVD's execution and delivery of deeds to each Club Member at the Resort indicating that DVD has transferred an Ownership Interest in the Resort to the Club Member.

4.2 The Association agrees that at the time that DVD transfers its control of the Association to the Club Members as set forth in the Resort Documents, the Resort shall continue to be a DVC Resort pursuant to the provisions of and in accordance with the terms and conditions of this Agreement and the Disclosure Document.

4.3 DVD, DVCM, and the Association represent and warrant to BVTC that: (a) DVD owns or leases, or shall own or lease prior to marketing or commencement of sales, the real estate and improvements constituting the Resort; and (b) each Club Member owning an Ownership Interest in the Resort shall acquire, possess, and enjoy the right to use his or her Ownership Interest in accordance with information contained in the deed submitted for each Club Member and in accordance with the Resort Documents. DVD, DVCM, and the Association shall immediately notify BVTC of any change or any other fact or circumstance affecting BVTC's delivery of services and benefits to Club Members at the Resort, including the termination of any existing management company for the Resort.

V. Operation and Management of Reservation Rights, Availability.

5.1 All reservations made by Club Members among the DVC Resorts using the DVC Reservation Component shall be made in accordance with this Agreement and the Disclosure Document as promulgated or amended from time to time by BVTC. BVTC reserves the right to amend the Disclosure Document in its discretion and as it determines is necessary or desirable in order to operate and manage the services and benefits made available through BVTC.

5.2 DVD, DVCM, and the Association acknowledge and understand that the operation and management of the DVC Reservation Component is based upon a Vacation Point structure. Under this structure, each Ownership Interest is symbolized by a number of Home Resort Vacation Points under the Vacation Ownership Plan for the DVC Resort representing the reservation power of that Ownership Interest in that DVC Resort's Vacation Ownership Plan. These Home Resort Vacation Points may be converted into DVC Vacation Points (as described in the Disclosure Document) if the Club Member participates in the DVC Reservation Component by making a reservation at other DVC Resorts. Home Resort Vacation Points may not be converted into DVC Vacation Points except in connection with making a reservation through the DVC Reservation Component. The number of DVC Vacation Points required to reserve Vacation Homes at a DVC Resort will be determined annually by BVTC in its discretion; provided, however, that in no event will BVTC reallocate DVC Vacation Points by more than twenty percent (20%) for a Vacation Home for any use day than what was required during the previous calendar year. This reallocation may be made across all or any Vacation Homes types or Units. The twenty percent (20%) reallocation limitation shall not apply to increases or decreases in reservation requirements relating to changes in special periods of high demand based upon Club Member use patterns and changes in Club Member use demand (including use demand during special or holiday seasons), as determined by BVTC in its discretion. In addition, with respect to certain DVC Resorts, including the Resort, BVTC reserves the right to charge an in-bound exchange fee, including if the DVC Resort experiences higher than anticipated use demand relative to other DVC Resorts.

5.3 DVD, DVCM, and the Association acknowledge and understand that different Home Resort Priority Periods may exist at each DVC Resort. BVTC reserves the right to associate a new DVC Resort with a modified Home Resort Priority Period during the initial year of opening of such new DVC Resort to give greater priority ("**Opening Priority Period**") for reservations for, and access to, Vacation Homes at such new DVC Resort to Members with Home Resort Priority at the new DVC Resort. The Opening Priority Period may vary for each new DVC Resort. The management company at the DVC Resort, in its discretion, will determine how long the Opening Priority Period will be for Club Members with Home Resort Priority as well as for Club Members who own at other DVC Resorts. BVTC, in its discretion, also reserves the right to establish (or honor a DVC Resort's management company's establishment of) other special or event preference periods for new DVC Resorts based on the particular circumstances of the new DVC Resort (for

example, a "continental" preference for the DVC Resorts located outside of the jurisdictional limits of the United States that are associated as DVC Resorts).

5.4 DVD, DVC, and the Association acknowledge and agree that all personal property related to BVTC's operation of the DVC Reservation Component, including all computer hardware and software and intellectual property, is and always shall be the personal property of BVTC.

5.5 DVD, DVC, AND THE ASSOCIATION ACKNOWLEDGE AND AGREE THAT BVTC IS PROVIDING THE SERVICES TO EACH OF THE PARTIES, THE DVC RESORTS, AND CLUB MEMBERS AS CONTEMPLATED UNDER THIS AGREEMENT AND THE DISCLOSURE DOCUMENT, INCLUDING THE OPERATION OF THE DVC RESERVATION COMPONENT, WITH NO WARRANTIES WHATSOEVER, INCLUDING ANY WARRANTIES ARISING FROM WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. BVTC FURTHER DOES NOT WARRANT THAT THE DELIVERY OF SUCH SERVICES, INCLUDING THE OPERATION OF THE DVC RESERVATION COMPONENT, WILL BE ERROR-FREE OR BE PROVIDED OR AVAILABLE WITHOUT INTERRUPTION AND BVTC DISCLAIMS ALL LIABILITY IN THIS REGARD. This Section shall survive the expiration or earlier termination of this Agreement.

5.6 The DVC Reservation Component has been established so as to comply with the One-to-One Requirement. Notwithstanding the foregoing, if there is a casualty, emergency, impending emergency, or other situation that results in a Vacation Home or Vacations Homes not being available for reservation, as determined by BVTC in its discretion, BVTC has the authority to temporarily suspend or modify the normal operation of the DVC Reservation Component as BVTC determines necessary, in its discretion, including suspending or modifying the reservation rules as set forth in this Agreement and the Disclosure Document (e.g., limit Banking or Borrowing, or extend current year Use Rights) or promulgating new or additional reservation rules. As the result of such suspension or modification, the DVC Reservation Component may temporarily operate on a greater than a One-To-One Requirement basis. In this regard, the Parties acknowledge and agree that the impact of such suspension and modification may occur through not only the end of the emergency but for a period of time thereafter until the DVC Reservation Component can resume normal operations and the effects of the suspension or modification have been addressed, as determined by BVTC in its discretion.

5.7 Except for Ownership Interests owned by DVD, rentals of Vacation Homes to the general public by any of the TWDC Companies including DVD and BVTC, reservation or use of Vacation Homes and facilities of a DVC Resort is limited solely to the personal use of Club Members, their guests, invitees, exchangers, and lessees and for recreational use by corporations or other similar business entities owning Ownership Interests while staying as a registered guest at the DVC Resort. Except for any of the TWDC Companies, purchase of an Ownership Interest and reservation or use of Vacation Homes and facilities of a DVC Resort for commercial purposes or for any purpose other than the personal use is expressly prohibited. BVTC shall be the sole determiner, in its discretion, of any use or activity that does not constitute personal use or constitutes commercial use under this Agreement. Such commercial purpose could include pattern of rental activity of reserved Vacation Homes or frequent occupancy by others of reserved Vacation Homes other than a Club Member or the Club Member's family; use of regular rental or resale advertising; creating, maintaining, or frequent use of a rental or resale website; repeated or frequent purchase and resale of Ownership Interests whether in the name of a Club Member or those related to such Club Member or through the use of entities, partnerships, or trusts; or the acquisition of a number of Ownership Interests in excess of the amount of the maximum permitted ownership whether in the name of a Club Member or those related to such Club Member or through the use of entities, partnerships, or trusts.

5.8 As additional consideration for DVD's agreement to enter into this Agreement and add the Resort to the Club, the Parties agree as follows:

a. Club Members who purchase an Ownership Interest at the Resort from a third party other than directly from DVD, or other seller approved by DVD, are not permitted to convert their Home Resort Vacation Points related to that Ownership Interest to DVC Vacation Points for the purpose of reserving Vacation Homes at any other DVC Resort, including any future DVC Resorts, through the DVC Reservation Component.

b. Club Members at all other DVC Resorts, including any future DVC Resorts, who purchase an Ownership Interest at any DVC Resort other than the Resort, including at any future DVC Resort, from a third party other than directly from DVD, or other seller approved by DVD, may not convert the Vacation Points related to the Ownership Interest from the other DVC Resort to DVC Vacation Points to reserve Vacation Homes at the Resort through the DVC Reservation Component. Purchasers who purchase an Ownership Interest at any DVC Resort, other than DVC Resorts created after January 19, 2019 such as the Resort, from a Club Member who owned the Ownership Interest prior to January 19, 2019, are excluded from the prohibition set forth in this Subsection 5.8b.

c. DVD and all of The TWDC Companies are excluded from the prohibitions set forth in this Section 5.8, including for any Home Resort Vacation Points or DVC Vacation Points owned or controlled by DVD or any of The TWDC Companies, transferred to DVD or any of The TWDC Companies, or in any way acquired by DVD or any of The TWDC Companies, including through foreclosure or deed in lieu of foreclosure.

d. DVD reserves the right, in its discretion to modify or revoke implementation of any of these prohibitions, or then reinstate implementation of any of these prohibitions as it determines in its discretion from time to time, or permit such conversions for such Club Members who pay a fee or acquire an additional Ownership Interest at the Resort or other DVC Resort, or to place additional prohibitions or limitations on certain Club Members including implementing such prohibitions or limitations to select Club Members or categories of Club Members or to set times. Such actions or decisions may be implemented by DVD, in its discretion, through a notice recorded in the public records, by requiring BVTC to make such an amendment to the Disclosure Document, or such other method, and such exercise of its reserved right shall not be subject to the approval or consent of any person, including the Association or any Club Member.

VI. Other DVC Resorts

6.1 The Parties agree that BVTC shall have the following rights with respect to the addition of resorts as DVC Resorts:

a. BVTC may elect to associate other resort properties as DVC Resorts from time to time pursuant to such terms and conditions as it determines in its discretion, subject to DVD's approval and its rights as set forth in this Agreement. These other DVC Resorts, if any, may be located within or outside the United States of America. Furthermore, it is contemplated that all the resorts that may be associated as DVC Resorts from time to time will be developed by DVD or another affiliate or subsidiary of The TWDC Companies and managed by DVCM; however, BVTC in its discretion reserves the right to enter into a DVC Resort Agreement with other Resorts that have not been developed by DVD or any of The TWDC Companies and that may or may not be managed by DVCM.

b. The association of additional DVC Resorts is not subject to the approval of DVCM, the Association, or any Club Member, and any decision to associate DVC Resorts, including the terms and conditions under which the DVC Resort is associated, will be made by BVTC subject to the approval of DVD. In making a decision to associate additional DVC Resorts, BVTC shall use its commercially reasonable efforts, in good faith and based upon all available evidence under the circumstances, to further the best interests of the Club Members taken as a whole with respect to the Club Members' opportunity to use and enjoy all of the Vacation Homes and related facilities made available through the DVC Reservation Component. In this regard, BVTC may consider such factors as it deems appropriate in its discretion including size, capacity, furnishings, maintenance impact, location (including geographic, topographic, and scenic considerations), recreational capabilities, and demand and availability for Club Member use and enjoyment.

c. If other resorts are associated as DVC Resorts, the addition of the DVC Resort will result in the addition of new Club Members who will have the opportunity to make reservations for the use of Vacation Homes and related facilities through the DVC Reservation Component along with existing Club Members, including the Club Members at the Resort, and may also result in an increase in the Annual Dues assessed against each Ownership Interest; provided, however, that BVTC may determine to add a DVC Resort under different terms and conditions and provide different rights of access by Club Members from such other DVC Resort to existing DVC Resorts or by Club Members at existing DVC Resorts to the added DVC Resort as it determines in its discretion. If other DVC Resorts are associated, demand for use may vary among the various DVC Resorts and the level of Club Member demand for the use of a particular DVC Resort may increase over the level of use demand that existed at the time of purchase by a particular Club Member such that the ability of a Club Member to reserve use at a high demand DVC Resort at a particular time may be impacted. However, new Club Members' reservation requests will also be subject to the Home Resort Priority Period for each DVC Resort, and in no event shall the addition of a DVC Resort result in non-compliance with the One-To-One Requirement. In addition, the inclusion of new resorts as DVC Resorts will afford existing Club Members with more DVC Resort Vacation Homes and location reservation opportunities and options.

d. BVTC does not anticipate that the rules and regulations governing reservations among the DVC Resorts will be affected by adding additional resorts as DVC Resorts. However, BVTC has reserved the right to amend the Disclosure Document and DVC Vacation Point schedules to take into account the location, anticipated relative use demand, and other factors or circumstances of the added DVC Resort as may be necessary or as it deems necessary or desirable in its discretion in order to implement and enforce the provisions of this Agreement and the Disclosure Document.

6.2 The Parties agree that any deletion of a DVC Resort, including the Resort, shall be governed by the following:

a. In the event of a deletion of any DVC Resort that results in Vacation Homes or related facilities of such DVC Resort being unavailable for use by Club Members, BVTC shall notify DVD, DVCM, the Association and all affected Club Members of such unavailability of use within thirty (30) days after the related event of casualty, eminent domain action, or automatic or other deletion.

b. BVTC may, in its discretion, delete all or a portion of an existing DVC Resort due to casualty where any of the affected Vacation Homes or related facilities are not reconstructed or replaced.

(1) By execution of this Agreement, DVCM and the Association agree to obtain and maintain casualty insurance as to all Vacation Homes, related facilities, and furnishings located at the Resort in an amount equal to the replacement cost of such Vacation Homes, related facilities, and furnishings. BVTC shall not be liable for any costs associated with obtaining or maintaining such insurance.

(2) DVD, DVCM, and the Association further agree that any insurance proceeds resulting from a casualty at the Resort shall be applied to the reconstruction or replacement of the Vacation Homes or related facilities; or, in lieu thereof, disbursed to affected Club Members at the Resort as their share of the non-reconstructed or replaced Unit, in accordance with the Resort Documents, resulting in their withdrawal from participation in the DVC Reservation Component so that Club Members will not be requesting reservations for available Vacation Homes in non-compliance with the One-To-One Requirement. The decision whether or not to reconstruct or replace shall be made as promptly as possible under the circumstances.

(3) Any replacement of Vacation Homes or related facilities of the Resort due to casualty shall be made so as to provide Club Members with an opportunity to enjoy a substantially similar vacation experience as was available with the deleted Vacation Homes or related facilities, as determined by BVTC in its discretion. In determining whether the replacement Vacation Homes and related facilities will provide a substantially similar vacation experience, BVTC may consider such factors as it deems appropriate in its discretion including size, capacity, furnishings, maintenance costs, location (geographic, topographic, and scenic), demand and availability for Club Member use, and recreational capabilities. BVTC reserves the right, in its discretion, to reject replacement Vacation Homes and related facilities that do not meet its association criteria, including the high standards of quality and customer service established by BVTC for all DVC Resorts from time to time.

c. BVTC may, in its discretion, delete all or a portion of any existing DVC Resort where an eminent domain action has taken place and where any of the affected Vacation Homes or related facilities are not replaced.

(1) In the event of a taking of all or a portion of the Vacation Homes and related facilities of the Resort by eminent domain, DVD, DVCM, and the Association agree that any proceeds resulting from such taking shall be applied to the replacement or acquisition of additional similar Vacation Homes and related facilities; or in lieu thereof, disbursed to affected Club Members at the Resort as their share of the non-replaced Unit, in accordance with the Resort Documents, resulting in their withdrawal from participation in the DVC Reservation Component so that Club Members will not be requesting reservations for available Vacation Homes in non-compliance with the One-To-One Requirement.

(2) Any replacement of Vacation Homes or related facilities due to a taking by eminent domain shall be made upon the same basis as replacements made due to casualty as set forth in Section 6.3b.(3).

d. BVTC may, in its discretion, delete an existing DVC Resort pursuant to the specific termination rights contained in each individual DVC Resort Agreement. A DVC Resort also will be automatically deleted upon the expiration or earlier termination of the term of its Vacation Ownership Plan.

e. During any reconstruction, repair, or replacement period, or as a result of a decision not to reconstruct, repair, or replace (if permitted under the documents establishing or governing the DVC Resort), Club Members may temporarily request reservations for available Vacation Homes on a greater than a One-To-One Requirement basis. If available, DVCM and the Association may acquire business interruption insurance for securing replacement Vacation Homes or related facilities or expend Association funds to secure replacement Vacation Homes or related facilities during any reconstruction, replacement, repair, or acquisition period.

f. If a DVC Resort is deleted, all Club Members at the deleted DVC Resort will no longer be able to participate in the DVC Reservation Component which will thereby maintain compliance with the One-To-One Requirement. A Club Member at a deleted DVC Resort will not be able to make reservations at other DVC Resorts unless the Club Member owns an Ownership Interest at a non-deleted DVC Resort; provided, however, that the Club Member may continue to have reservation rights in the DVC Resort where the Club Member owns his or her Ownership Interest in accordance with the terms of the documents establishing or governing the DVC Resort.

6.3 Without first receiving the consent of DVD, BVTC shall not offer any external exchange programs to Club Members other than as contemplated under this Agreement.

VII. BVTC Fees

7.1 In consideration for providing the services contemplated under this Agreement and in lieu of charging individual transaction fees to Club Members, BVTC shall be entitled to receive an amount equal to the rental proceeds, if any, in excess of the amount paid to the Association under the Resort Documents resulting from the rental of unreserved Vacation Homes (in accordance with the reservation priorities set forth in the Resort Documents) equal to the costs incurred by BVTC to provide the services contemplated under this Agreement plus five percent (5%) of the amount of the costs to provide the services contemplated under this Agreement. BVTC shall provide DVCM with an annual accounting of the costs that it incurs in the performance of the services contemplated under this Agreement. DVCM shall receive, hold and remit these proceeds due to BVTC in accordance with the terms of the Resort Documents. The proceeds contemplated to be remitted to BVTC pursuant to this Section shall be payable in arrears and shall be due on January 1st of the next year and past due on January 31st of that year. BVTC's right to receive these proceeds shall cease upon the termination of this Agreement; provided, however, that BVTC shall be entitled to receive proceeds for any services provided under this Agreement through the effective date of termination, which amount may be prorated for a termination that occurs prior to January 1st of the next year.

7.2 As additional consideration, the Association, as the "corporate member" on behalf of all Club Members at the Resort, shall remit twenty-five thousand dollars (\$25,000) to BVTC each calendar year. This "corporate membership fee" shall be payable in arrears and shall be due on January 1st of the next year and past due on January 31st of that year. Upon the expiration or earlier termination of this Agreement, BVTC shall be entitled to receive a prorated "corporate membership fee" through the expiration or termination date as of the effective date of expiration or termination. BVTC shall have the right to increase the amount of the corporate membership fee from year to year; provided, however, that BVTC shall not increase the fee by more than five percent (5%) in any given year without the prior approval of the Association.

7.3 A Club Member's failure to pay his or her Annual Dues shall not relieve the Association from its obligations to timely pay the entire amount of proceeds or fees due to BVTC under this Agreement.

7.4 By execution of this Agreement, DVCM and the Association authorize BVTC to prohibit Club Members who are delinquent in the payment of their Annual Dues (with respect to any Ownership Interests owned by such Club Members) or any other sums due DVCM or the Association from accessing the DVC Reservation Component or checking in to a Vacation Home at a DVC Resort reserved through the DVC Reservation Component and until such time as the delinquency is paid in full.

VIII. Termination, Suspension and Remedies

8.1 Termination of this Agreement can occur as follows:

a. This Agreement will automatically terminate upon:

(1) the declaration of bankruptcy or insolvency of any of DVD, DVCM, or the Association according to applicable law, or if any general assignment shall be made of DVD's, DVCM's, or the Association's property for the benefit of creditors; provided, however, that BVTC shall have the right, in its discretion, to continue the Agreement as to the Parties that have not been declared bankrupt or insolvent or made the subject of a general assignment for the benefit of creditors; or

(2) the deletion of the Resort entirely in accordance with Section 6.3 above.

b. The Parties may terminate participation in this Agreement:

(1) by the mutual written agreement of the Parties, effective upon the date agreed to by the Parties; or

(2) in the event of a material breach of any of the terms, conditions, covenants, representations or warranties contained in this Agreement upon written notice to the breaching Party stating the grounds for such termination, unless the breaching Party cures the asserted breach within thirty (30) days after the date of notice.

c. BVTC may immediately terminate this Agreement, by giving written notice to DVD, DVCM, and the Association, upon BVTC's determination, in its discretion, that DVD, DVCM, or the Association have failed to manage, operate, or maintain the Resort in a manner consistent with the high standards of quality and customer service established by BVTC for all DVC Resorts from time to

time, including the employment or termination by DVD or Association of the management company for the Resort without BVTC's consent.

8.2 Unless sooner terminated as provided in this Agreement, the term of this Agreement shall expire on January 31, 2074, or upon the earlier termination of the Vacation Ownership Plan for the Resort. If the Vacation Ownership Plan is extended beyond January 31, 2074, pursuant to the terms of the Resort Documents, then at BVTC's election, the term of this Agreement shall be extended for the additional term unless sooner terminated as provided in this Agreement.

8.3 Upon expiration or earlier termination of this Agreement, the following events shall occur:

a. DVD shall immediately discontinue the offering of Ownership Interests with appurtenant rights in the DVC Reservation Component in accordance with the terms of this Agreement to prospective purchasers; and

b. DVD, DVCM, and the Association shall immediately cease using and thereafter abstain from using all personal property belonging to BVTC and related to the operation and functioning of the DVC Reservation Component, including all computer hardware or software, or intellectual property. DVD, DVCM, and the Association shall return to BVTC all personal property belonging to BVTC within fifteen (15) days after expiration or termination of this Agreement. No property right in or privilege to use BVTC materials is created by this Agreement which will extend beyond the expiration or termination of this Agreement.

8.4 Upon expiration or earlier termination of this Agreement, BVTC shall honor all reservations and reservation privileges of Club Members from other DVC Resorts reserving Vacation Homes at the Resort that are confirmed or accrued prior to expiration or termination and shall honor all reservations and reservation privileges of Club Members at the Resort reserving Vacation Homes at other DVC Resorts that are confirmed or accrued prior to expiration or termination of this Agreement. DVCM and the Association shall honor all confirmed reservations and reservation privileges of Club Members from other DVC Resorts reserving Vacation Homes at the Resort that are confirmed or accrued prior to expiration or termination. The terms of this Section shall survive the termination of this Agreement.

8.5 Notwithstanding any provisions contained in this Agreement to the contrary, BVTC reserves the right to elect to suspend the participation of the Resort as a DVC Resort under this Agreement rather than electing to terminate this Agreement. The terms and conditions governing such suspension shall be determined by BVTC in its discretion. Upon the termination of such suspension period, the Resort shall be entitled to resume participation as a DVC Resort under this Agreement subject to any terms and conditions established by BVTC.

8.6 If DVD, DVCM, or the Association fails to perform its services under this Agreement and such failure results in a Club Member with a confirmed reservation at the Resort being wrongfully denied access to a Vacation Home, then DVD, DVCM, or the Association, as applicable, shall immediately, at BVTC's request, correct such denial of access at its own expense.

8.7 Each Party acknowledges that damages cannot adequately compensate the other Parties for a breach of any of the provisions of this Agreement, and, therefore, the Parties agree that each Party shall be entitled to a remedy of specific performance or injunctive relief, as appropriate, in the event of a breach or threatened breach of any such provisions by any other Party, in addition to any other appropriate legal or equitable remedies.

8.8 Each Party agrees to indemnify and hold harmless the other Parties from and against all claims, demands, obligations, deficiencies, judgments, damages, suits, losses, penalties, expenses, costs (including attorneys' and other professionals' fees), and liabilities of any kind, type, or nature whatsoever directly or indirectly resulting from, arising out of or in connection with this Agreement or the operation of its business as a result of any acts or omissions by it or any of its directors, officers, partners, employees, representatives, agents, brokers, salespersons, or associates.

8.9 BVTC shall not be liable, whether in contract, tort (including negligence), or otherwise, for any indirect, incidental, special, punitive, exemplary, or consequential damages; cost or expense or loss of production; loss of or corruption to software or data; loss of profits or of contracts; loss of business or of revenues; loss of operation time; loss of goodwill or reputation; or loss of opportunity or savings; whether caused directly or indirectly by BVTC. If BVTC shall be liable to any other person with respect to this Agreement, arising out of the performance or non-performance of its obligations under this Agreement or the Disclosure Document, BVTC's breach of this Agreement or the Disclosure Document, the use of the DVC Reservation Component, or the operation or interruption in service of the DVC Reservation Component, the combined total liability of BVTC, whether in contract, tort (including negligence), or otherwise, shall not at any time exceed in the aggregate an amount equivalent to the fees received by BVTC in the year immediately preceding the incident giving rise to such liability.

8.10 This Article VIII shall survive the expiration or termination of this Agreement.

IX. Assignment

9.1 BVTC reserves the right, and DVD, DVCM, and the Association acknowledge BVTC's right, to assign BVTC's rights and duties under this Agreement or the Disclosure Document to a subsidiary of BVTC, the parent corporation of BVTC, or a corporation under common ownership or control with BVTC. Upon such assignment and assumption, BVTC shall be released from all obligations under this Agreement and the Disclosure Document. Thirty (30) days advance notice of the assignment shall be delivered to the other Parties.

9.2 DVD reserves the right, and DVCM, BVTC, and the Association acknowledge DVD's right, to assign DVD's rights and duties under this Agreement and the Disclosure Document to a subsidiary of DVD, the parent corporation of DVD, or a corporation under common ownership or control with DVD. Upon such assignment and assumption DVD shall be released from all obligations under this Agreement and the Disclosure Document. Thirty (30) days advance notice of the assignment shall be delivered to the other Parties.

9.3 DVCM reserves the right, and DVD, BVTC, and the Association acknowledge DVCM's right, to assign DVCM's rights and duties under this Agreement and the Disclosure Document to a subsidiary of DVCM, the parent corporation of DVCM, or a corporation under common ownership or control with DVCM. Upon such assignment and assumption DVCM shall be released from all obligations under this Agreement and the Disclosure Document. Thirty (30) days advance notice of the assignment shall be delivered to the other Parties.

9.4 The Parties agree that the Association shall not have the right to assign its rights and duties under this Agreement or the Disclosure Document to any third party other than DVCM.

X. General

10.1 Except as may be otherwise provided in this Agreement, any notice, demand, request, consent, approval, or communication under this Agreement shall be in writing and shall be deemed duly given or made: (i) when deposited, postage prepaid, in the United States mail, certified or registered mail with a return receipt requested, addressed to the Party at the address set forth on the first page of this Agreement; (ii) when delivered personally to the Party at the address set forth on the first page of this Agreement; or (iii) when deposited with a reliable overnight courier service, fee prepaid, with receipt of confirmation requested, addressed to the Party at the address set forth on the first page of this Agreement. A Party may designate a different address for receiving notices under this Agreement by notice to the other Parties.

10.2 The headings in this Agreement are intended solely for convenience of reference and shall be given no effect in the construction or interpretation of this Agreement. All references in this Agreement to particular recitals and sections are references to recitals and sections of this Agreement. The recitals set forth at the beginning of this Agreement are true and correct and are incorporated as part of this Agreement by this reference.

10.3 BVTC, in its discretion, may change the terms and conditions of this Agreement and the Disclosure Document. These changes may affect a Club Member's right to access the DVC Reservation Component, a Club Member's ability to enjoy other benefits made available by BVTC, or impose obligations upon the use and enjoyment of the Ownership Interest and the appurtenant Club membership. Such changes may be made by BVTC without the consent of any Club Member and may adversely affect a Club Member's rights and benefits and increase or decrease the Club Member's costs of ownership. Further, although BVTC generally is required to make such changes in a manner which, in its reasonable business judgment, improves upon the quality and operation of the DVC Reservation Component, and furthers the collective enjoyment of its benefits by the Club Members taken as a whole, such changes under some circumstances may not be to the advantage of some Club Members and could adversely affect their ability to secure reservations when and where they want them.

10.4 If any clause or provision of this Agreement or the Disclosure Document is held to be invalid by any court of competent jurisdiction, the invalidity of such clause or provision shall not affect any other provision of this Agreement or the Disclosure Document. Failure of any Party to insist on strict compliance with the provisions of this Agreement or the Disclosure Document shall not constitute waiver of that Party's right to demand later compliance with the same or other provisions of this Agreement or the Disclosure Document.

10.5 This Agreement constitutes the entire understanding and agreement among the Parties concerning the subject matter of this Agreement. Except as expressly set forth in this Agreement, this Agreement may be modified only by a writing executed by the Parties with the same formality with which this Agreement has been executed. All understandings among the Parties are merged into this

Agreement, and there are no representations, warranties, covenants, obligations, understandings, or agreements, oral or otherwise, in relation to the understandings of the Parties other than those incorporated in this Agreement or the Disclosure Document.

10.6 This Agreement shall be governed by, and shall be construed in accordance with, the laws of the State of Florida. THE PARTIES AND ANY OTHER PERSON CLAIMING RIGHTS OR OBLIGATIONS BY, THROUGH, OR UNDER THIS AGREEMENT OR THE DISCLOSURE DOCUMENT, WAIVE ANY RIGHT THEY MAY HAVE UNDER ANY APPLICABLE LAW TO A TRIAL BY JURY WITH RESPECT TO ANY SUIT OR LEGAL ACTION WHICH MAY BE COMMENCED BY OR AGAINST ANY PARTY CONCERNING THE INTERPRETATION, CONSTRUCTION, VALIDITY, ENFORCEMENT, OR PERFORMANCE OF THIS AGREEMENT OR ANY OTHER AGREEMENT OR INSTRUMENT EXECUTED IN CONNECTION WITH THIS AGREEMENT, INCLUDING THE DISCLOSURE DOCUMENT. If any such suit or legal action is commenced by any Party, or any other person claiming rights or obligations by, through, or under this Agreement or the Disclosure Document, the other Parties and all such persons agree, consent and submit to the personal jurisdiction of the federal, county, and local courts located in Orange County, Florida (the "**Orange County Courts**") with respect to such suit or legal action, and each Party or person also consents and submits to and agrees that venue in any such suit or legal action is proper in the Orange County Courts, and each Party and person waives any and all personal rights under applicable law or in equity to object to the jurisdiction and venue in the Orange County Courts. Such jurisdiction and venue are exclusive of any other jurisdiction and venue.

10.7 This Agreement, the Disclosure Document, and all of their provisions shall be binding upon and inure to the benefit of the Parties and their successors and assigns. In no event shall the terms and conditions of this Agreement or the Disclosure Document be deemed in any way to inure to the benefit of any person or party not expressly made a Party except for permitted successors or assigns to the Parties.

10.8 If performance under this Agreement by BVTC is limited, hindered, delayed, or prevented in whole or in part by a force majeure event, as determined by BVTC in its discretion, performance shall be excused, discharged, and released of performance but only to the extent and for such time that such performance or obligation is so limited, hindered, delayed, or prevented by such force majeure event. For purposes of this Section, a "force majeure event" means any of the following events, regardless of where it occurs or its duration: events occasioned exclusively by violence of nature without the interference of any human agency (including hurricanes, typhoons, tornadoes, cyclones, and other severe storms, winds, lightning, floods, earthquakes, volcanic eruptions, and fires and explosions); fires and explosions caused wholly or in part by human agency; acts of war, including declared or undeclared war, revolution, insurrection; riots, coups, boycotts, civil disobedience, acts of piracy, blockade, embargo, or other civil commotion; terrorism (including hijacking, sabotage, bombing, murder, assault, and kidnapping); disease related events (including pandemics, epidemics, diseases, viruses, pathogens, or quarantine including those caused by any illness, virus or other disease); strikes, lock-out, or similar labor disturbances or unrest; shortage of critical materials or supplies; delay or defaults caused by public or common carriers; action or inaction of public authorities (including governmental orders or public health emergencies regardless of whether declared by an applicable government or health agency), the imposition of restrictions on employee wages or other material aspects of operation or the revocation or refusal to grant licenses or permits where such revocation or refusal is not due to the fault of the person whose performance is to be excused for reasons of force majeure); or any other events or by any other significant cause not reasonably within such person's control (excluding, however, (i) lack of financing, and (ii) general economic and market factors) that results in delay or inability to perform or results in a situation where it would be impractical, financial unfeasible, or commercially unviable to perform under such circumstances.

10.9 Where the context so indicates, a word in the singular form shall include the plural. The term "include" and similar terms (e.g., includes, including, included, comprises, comprising, such as, e.g., including but not limited to, and for example), when used as part of a phrase including one or more specific items, are not words of limitation and are not to be construed as being limited to only the listed items. Whenever the consent or approval of BVTC, DVCM, or DVD is referred to in this Agreement or the taking of any action under this Agreement is subject to the consent or approval of a BVTC, DVCM, or DVD, it shall mean BVTC's, DVCM's, or DVD's prior written approval to be given or withheld in its discretion. Any reserved right in favor of BVTC, DVCM, or DVD may be implemented, taken, or withheld in the discretion of BVTC, DVCM, DVD. Further, any references to the use, exercise or grant of the right of BVTC's, DVCM's, or DVD's discretion as set forth in this Agreement shall mean BVTC's, DVCM's, or DVD's sole, absolute, and unfettered discretion to the exclusion of any other person or entity unless specifically provided otherwise. No provision of this Agreement shall be construed against a Party because the Party provided for the drafting of this Agreement. The use of headings, captions, and numbers in this Agreement is solely for the convenience of identifying and indexing the various provisions of this Agreement and shall in no event be considered otherwise in construing or interpreting any provision of this Agreement.

10.10 The provisions of this Article X shall survive the expiration or earlier termination of this Agreement.

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The Parties have executed this Agreement as of the Effective Date.

BUENA VISTA TRADING COMPANY,
a Florida corporation

SK SM
(signature)

Shannon Sakaske
(print name)

Vice President
(title)

**THE VILLAS AT DISNEYLAND HOTEL
CONDOMINIUM ASSOCIATION, INC.,**
a California nonprofit mutual benefit corporation

William Dierksen
(signature)

William Dierksen
(print name)

Chief Executive Officer/President
(title)

DISNEY VACATION DEVELOPMENT, INC.
a Florida corporation

Yvonne Chang
(signature)

Yvonne Chang
(print name)

as its Assistant Secretary
(title)

DISNEY VACATION CLUB MANAGEMENT, LLC
a Florida limited liability company

L. A. Nieman
(signature)

Leigh Anne Nieman
(print name)

as its Assistant Secretary
(title)

Exhibit F

DISNEY VACATION CLUB MEMBERSHIP AGREEMENT
(The Villas at Disneyland Hotel)

THIS DISNEY VACATION CLUB MEMBERSHIP AGREEMENT for The Villas at Disneyland Hotel is entered into effective as of the ~~15th~~ day of ~~December 2022~~ (the "**Effective Date**") by and among **DISNEY VACATION DEVELOPMENT, INC.**, a Florida corporation ("**DVD**"), whose address is 215 Celebration Place, Suite 300, Celebration, Florida 34747; **DISNEY VACATION CLUB MANAGEMENT, LLC**, a Florida limited liability company ("**DVCM**"), whose address is 215 Celebration Place, Suite 300, Celebration, Florida 34747; and **THE VILLAS AT DISNEYLAND HOTEL CONDOMINIUM ASSOCIATION, INC.**, a California nonprofit mutual benefit corporation (the "**Association**"), whose address is 215 Celebration Place, Suite 300, Celebration, Florida 34747. (DVD, DVCM, and the Association are sometimes referred to individually as a "**Party**" or collectively as the "**Parties**" in this Agreement.)

RECITALS

- A. DVD has established a vacation ownership plan pursuant to California's Vacation Ownership and Time-share Act of 2004 (the "**DVC Plan**") for The Villas at Disneyland Hotel, a leasehold condominium (the "**Condominium**").
- B. Pursuant to the Declaration of Covenants, Conditions, and Restrictions and Condominium and Vacation Ownership Plan for the Condominium (the "**Declaration**"), the Association has the responsibility, obligation, and authority to operate the DVC Plan for the Condominium.
- C. DVD has provided for a "central reservation system" and related services (the "**Club**") which includes the operation of a reservation system for the Condominium (the "**Home Resort Reservation Component**") through which Owners in the Condominium reserve the use of the accommodations of the Condominium pursuant to the priorities, restrictions, and limitations of the DVC Plan established by DVCM from time to time.
- D. The Association is desirous of entering into this Agreement for the purpose of assigning its responsibilities and obligations for operating the DVC Plan to DVCM as described in this Agreement and for the purpose of assuring that the quality of the operation of the DVC Plan is maintained as described in this Agreement.
- E. DVCM is desirous of accepting such assignment and furnishing the necessary services for the Association.
- F. The Parties desire to enter into this Agreement for the purpose of defining and implementing the operation of the DVC Plan and the Home Resort Reservation Component.

NOW, THEREFORE, in consideration of the covenants, conditions, and obligations contained in this Agreement and other good and valuable consideration received by the Parties, it is agreed by and among the Parties as follows:

I. DEFINITIONS

The terms used in this Agreement shall be defined in accordance with the Declaration unless otherwise defined in this Agreement or the context otherwise requires. In addition, the following definitions of terms used in this Agreement shall also apply:

- 1.1 **Act** means California's Vacation Ownership and Time-share Act of 2004, as it is constituted on the Effective Date.
- 1.2 **Agreement** shall mean this Disney Vacation Club Membership Agreement.
- 1.3 **Annual Dues** means that portion of the Condominium Estimated Budgets that has been assessed against a Club Member's Ownership Interest together with the Club Member's proportionate share of the ad valorem taxes for the Ownership Interest.
- 1.4 **Association** shall mean The Villas at Disneyland Hotel Condominium Association, Inc., a California nonprofit mutual benefit corporation, and its successors and assigns, which is responsible for the operation and management of the Condominium.
- 1.5 **Banking** shall mean the act of a Club Member in deferring the use of all or a portion of the Club Member's Home Resort Vacation Points from the current Use Year into the next succeeding Use Year.

- 1.6 Borrowing shall mean the act of a Club Member in using all or a portion of the Club Member's Home Resort Vacation Points from the next succeeding Use Year for the purpose of making a reservation in the immediately preceding Use Year.
- 1.7 Breakage shall mean those Use Days which have not been reserved by Club Members prior to the commencement of the Breakage Period, the use of which may only be reserved by Club Members pursuant to the priorities set forth in Paragraph 4.3.
- 1.8 Breakage Period shall mean the period, as set forth in the Home Resort Rules and Regulations from time to time, preceding a given Use Day.
- 1.9 BVTC shall mean Buena Vista Trading Company, a Florida corporation, its successors and assigns. BVTC is an exchange company established under Florida law.
- 1.10 Club shall mean the Disney Vacation Club. The Club is not a legal entity or association of any kind, but rather is a service name for the services and benefits appurtenant to and the restrictions imposed upon the use and enjoyment of Ownership Interests. These services presently include, among other things, the operation of a central reservation system consisting of the Home Resort Reservation Component and the DVC Reservation Component.
- 1.11 Club Member shall mean the owner of record of an Ownership Interest. A Club Member is sometimes referred to as an Owner.
- 1.12 Condominium shall mean and refer to The Villas at Disneyland Hotel, a leasehold condominium.
- 1.13 Condominium Documents shall mean all of the documents, by whatever names denominated, and any amendments to such documents, which establish the Condominium and govern the rights and relationships of the Club Members in the Condominium.
- 1.14 Condominium Estimated Budgets shall mean the operating and capital reserves budgets that establish the estimated annual common expenses and reserves of the Condominium.
- 1.15 Declaration shall mean the Declaration of Covenants, Conditions, and Restrictions and Condominium and Vacation Ownership Plan for The Villas at Disneyland Hotel, a leasehold condominium, and all amendments to such instrument.
- 1.16 DVCM shall mean Disney Vacation Club Management, LLC, a Florida limited liability company, its successors and assigns.
- 1.17 DVC Plan shall mean is the vacation ownership plan for the Condominium, which is an arrangement pursuant to the Condominium Documents, this Agreement, and the Home Resort Rules and Regulations whereby an Owner receives an Ownership Interest in a Unit in the Condominium under which the exclusive right of use, possession, or occupancy of all Units in the Condominium circulates among the various Owners of Ownership Interests on a recurring basis during the term of the plan.
- 1.18 DVC Reservation Component shall mean the exchange component of the Club central reservation system through which Vacation Homes in any DVC Resort may be reserved using DVC Vacation Points pursuant to priorities, restrictions, and limitations established by BVTC from time to time and as set forth in the DVC Resort Agreement and the BVTC disclosure documents.
- 1.19 DVC Resort shall mean each resort, including the Condominium, which is entitled to access and use the DVC Reservation Component and other applicable Club services and benefits provided by BVTC by virtue of and pursuant to the terms and conditions of a DVC Resort Agreement.
- 1.20 DVC Resort Agreement shall mean the agreement pursuant to which a resort becomes and remains a DVC Resort in accordance with the terms and conditions of such agreement.
- 1.21 DVC Vacation Points shall mean Vacation Points used by a Club Member to make a reservation through the DVC Reservation Component at a DVC Resort.
- 1.22 DVD shall mean Disney Vacation Development, Inc., a Florida corporation, its successors and assigns, and the developer of the Condominium.
- 1.23 External Exchange Company shall mean any company that owns, operates, or owns and operates an External Exchange Program.

- 1.24 External Exchange Documents shall mean all information provided to Club Members, from time to time, regarding the operation of any External Exchange Program.
- 1.25 External Exchange Program shall mean the contractual arrangement between or among an External Exchange Company or Companies and DVCM, the Association or individual Club Members pursuant to which Club Members may request and reserve, under certain conditions, the use of accommodations in resorts other than the Condominium or other DVC Resorts.
- 1.26 Fixed Ownership Interest shall mean an Ownership Interest whose Owner has the right to reserve and use a specific Vacation Home type during a specific period of time each Use Year. A Vacation Home of that Vacation Home type will be automatically reserved every year for use by the Owner of a Fixed Ownership Interest during the applicable specific period of time in accordance with this Agreement and the Home Resort Rules and Regulations.
- 1.27 Fixed Use Period shall mean, for a specific Fixed Ownership Interest, the specific period of time each Use Year that the Owner of the Fixed Ownership Interest has an automatic reservation right for a specific Vacation Home type.
- 1.28 Home Resort shall mean any DVC Resort in which an Owner owns an Ownership Interest.
- 1.29 Home Resort Priority Period shall mean the period of time at each DVC Resort, including the Condominium with respect to Vacation Homes at the Condominium, during which only Owners of Ownership Interests at that DVC Resort are entitled to request a reservation for the Vacation Homes at that DVC Resort through that DVC Resort's Home Resort Reservation Component.
- 1.30 Home Resort Reservation Component shall mean the component of the Club central reservation system through which Vacation Homes may be reserved using Home Resort Vacation Points pursuant to the priorities, restrictions, and limitations of the DVC Plan and as set forth in the Declaration, the Membership Agreement, and the Home Resort Rules and Regulations.
- 1.31 Home Resort Rules and Regulations shall mean the rules and regulations which DVCM, in its discretion, determines are necessary or desirable from time to time in order to enforce the provisions of this Agreement or operate the Home Resort Reservation Component.
- 1.32 Home Resort Vacation Points shall mean Vacation Points symbolizing an Ownership Interest at a Home Resort and which Vacation Points may be used to reserve Vacation Homes at that Home Resort where that Ownership Interest is held.
- 1.33 Multiple Club Member shall mean a Club Member consisting of a business entity or two (2) or more natural persons owning a single Ownership Interest.
- 1.34 Owner shall mean the owner of record of an Ownership Interest. An Owner is sometimes referred to as a Club Member.
- 1.35 Ownership Interest shall mean the property interest in a DVC Resort.
- 1.36 Special Event Right shall mean the right of a Club Member who owns a designated Fixed Ownership Interest to reserve Use Days during which a special event (as designated by DVCM in its discretion) occurs in each calendar year.
- 1.37 Transfer shall mean the assignment by one Club Member (other than DVD) of the use of his or her Home Resort Vacation Points to another Club Member (other than DVD) during a given Use Year.
- 1.38 TWDC shall mean The Walt Disney Company, a Delaware corporation, its successors and assigns.
- 1.39 TWDC Companies shall mean TWDC and all subsidiaries and affiliates of TWDC, including DVD, DVCM, and BVTC.
- 1.40 Unit shall mean that portion of the Condominium that is subject to exclusive ownership by one or more persons pursuant to the Condominium Documents.
- 1.41 Use Day shall mean a twenty-four (24) hour period (or such lesser period as may be designated by DVCM from time to time) during which a Vacation Home is subject to reservation and use by Club Members.
- 1.42 Use Year shall mean the twelve (12) month period beginning on the first day of the month designated by DVD in each purchase agreement selling an Ownership Interest to a Club Member and in each deed conveying an Ownership Interest to a Club Member. The Use Year shall continue for successive twelve (12) month periods for so long as the DVC Plan continues. There may be different Use Years for Ownership Interests in the same Unit.

1.43 Vacation Home shall mean and refer to those portions of a Unit designed and intended for separate use and occupancy.

1.44 Vacation Point shall mean the symbolic unit of measuring the respective rights of an Owner to enjoy the benefits of the Ownership Interest within the Club.

II. ASSIGNMENT

The Association, on its own behalf and on behalf of all of the Owners, enters into and agrees to be bound by the terms and conditions of this Agreement and the Home Resort Rules and Regulations, and assigns to DVCM, to the exclusion of all persons, all the powers and duties of the Association (except those that cannot be assigned as a matter of law) relating to the operation of the DVC Plan, including the Home Resort Reservation Component, for the Condominium. DVCM accepts such assignment and further agrees to operate the DVC Plan and the Home Resort Reservation Component in accordance with the provisions of the Condominium Documents, including this Agreement and the Home Resort Rules and Regulations. Wherever Association acknowledgment, consent, understanding, or agreement is stated or implied in this Agreement or in the Home Resort Rules and Regulations or in dealing with DVCM, such acknowledgment, consent, understanding, or agreement will be deemed to also have been given by each Owner, other than DVD. Each Owner expressly evidences acceptance of the terms and conditions of this Agreement and the Home Resort Rules and Regulations by acceptance of a deed transferring ownership of an Ownership Interest to such Owner. The Parties acknowledge and agree that membership in the Club is an appurtenance to each Ownership Interest at the Condominium in accordance with the terms of the Condominium Documents, including this Agreement and the Home Resort Rules and Regulations, and may not be partitioned from such Ownership Interest. Further, the Parties acknowledge and agree that this Agreement and the Home Resort Rules and Regulations are covenants running with the title to each Ownership Interest, in accordance with the terms and conditions of the Condominium Documents, this Agreement and the Home Resort Rules and Regulations. DVD enters into this Agreement for the purpose of expressing its consent to and acceptance of the terms and conditions of this Agreement.

III. OPERATION OF THE DVC PLAN

3.1 Operation of the Home Resort Reservation Component. The purpose of this Agreement is to define and govern the operation of the DVC Plan for the Condominium by DVCM. Club Members at the Condominium accessing Vacation Homes in accordance with the DVC Plan and through the Home Resort Reservation Component must do so pursuant to the terms and conditions of this Agreement and the Home Resort Rules and Regulations.

3.2 Vacation Points. For administrative convenience in the operation of the Club and in the determination of the respective rights of Club Members to enjoy the services and benefits associated with membership in the Club, the Ownership Interest of each Club Member will be symbolized by a number of Home Resort Vacation Points rather than by the specific percentage of the Club Member's Ownership Interest. The number of Home Resort Vacation Point established by DVD that are symbolic of all Ownership Interests will be based upon the three hundred sixty-five (365) Use Day calendar year containing the minimum number of higher demanded days (e.g., Fridays and Saturdays) distributed through high demand periods (the "**Base Year**"). During the Base Year the total number of Home Resort Vacation Points that exist for all Vacation Homes during all Use Days in the Condominium must always equal, and be symbolic of, the total number of Ownership Interests that can be sold by DVD and owned by Club Members in the Condominium. For years other than the Base Year, any excess availability that may exist from time to time shall be subject to the Breakeage Period priorities set forth in the Home Resort Rules and Regulations.

The number of Home Resort Vacation Points that a Club Member has with respect to an Ownership Interest will remain fixed and will always be symbolic of the Club Member's Ownership Interest. To encourage purchase for personal use, DVCM and BVTC shall have the right to limit the number of Home Resort Vacation Points that may be acquired at Condominium or at all DVC Resorts in the aggregate by Owners (except for DVD or any of the TWDC Companies). Further, use by corporations or other business entities (other than DVD, DVCM, DVCHMC, or BVTC) is strictly limited to recreational use by their directors, officers, principals, or employees.

3.3 Home Resort Vacation Point Reservation Values. Club Members will be permitted to use their Home Resort Vacation Points each Use Year to make a reservation in the Condominium. Of the total number of Home Resort Vacation Points available in a given year, DVCM, in its discretion, will allocate a certain number of Home Resort Vacation Points for the reservation and use of each Vacation Home in the Condominium during each Use Day, with variations that will take into account, among other factors, anticipated seasonal and geographical demand factors and the related actual use demand of Club Members experienced in the operation of the Club.

In order to meet Club Member needs and expectations as evidenced by fluctuations in demand at the Condominium, DVCM may, in its discretion, increase or decrease the Home Resort Vacation Point requirements for reservation of a given Vacation Home on a given Use Day during a given calendar year by any amount not to exceed twenty percent (20%) of the Home Resort Vacation Points required to reserve that Vacation Home on that Use Day during the previous calendar year. This reallocation may be made across all or any Vacation Homes types or Units. However, any increase or decrease in the Home Resort Vacation Point reservation requirement for a given Use Day or Vacation Home must be offset by a corresponding increase or decrease for another Use Day or Use Days for that Vacation Home or another Vacation Home or Vacation Homes. The twenty percent (20%) reallocation limitation shall not apply to increases or decreases in Home Resort Vacation Point reservation requirements relating to changes in special periods of high demand based upon Owner use patterns and changes in Owner use demand (including use demand during special or holiday seasons), as determined by DVCM in its discretion. Except as otherwise provided above, adjustments in excess of twenty percent (20%) in any calendar year will require approval of not less than sixty percent (60%) of all then-existing Club Members at the Condominium.

Additionally, the number of Home Resort Vacation Points required to make a reservation may change as a result of the calendar changing from year-to-year. For example, reservations of Use Days occurring on a Friday, Saturday, or Sunday may require more Home Resort Vacation Points than reservations of Use Days occurring on a Monday through Thursday and reservations for Use Days that occur on holidays or during special events may require more Home Resort Vacation Points than reservations of Use Days that do not occur on holidays or during special events. Since the number of weekend days and weekdays naturally change from year-to-year and since holidays and special events may change from year-to-year, the total number of Home Resort Vacation Points for a particular Use Day or a particular Vacation Home type may automatically increase or decrease as a result of these regular calendar changes.

The right to reallocate Home Resort Vacation Points is reserved by DVCM solely for adjusting the Home Resort Reservation Component to accommodate Club Member demand. However, with respect to the Condominium, each Club Member will always be eligible to reserve at the Condominium, subject to availability; at least one (1) Use Day in a "Duo Studio" Vacation Home "Standard View" for every sixteen (16) Home Resort Vacation Points; at least one (1) Use Day in a "Duo Studio" Vacation Home "Preferred View" for every seventeen (17) Home Resort Vacation Points; at least one (1) Use Day in a "Duo Studio Garden Room" Vacation Home for every nineteen (19) Home Resort Vacation Points; at least one (1) Use Day in a "Studio" Vacation Home "Standard View" for every twenty-one (21) Home Resort Vacation Points; at least one (1) Use Day in a "Studio" Vacation Home "Preferred View" for every twenty-four (24) Home Resort Vacation Points; at least one (1) Use Day in a "Studio Garden Room" Vacation Home for every twenty-nine (29) Home Resort Vacation Points; at least one (1) Use Day in a "One-Bedroom" Vacation Home "Preferred View" for every forty-two (42) Home Resort Vacation Points; at least one (1) Use Day in a "Two-Bedroom" Vacation Home "Preferred View" for every sixty-two (62) Home Resort Vacation Points; and at least one (1) Use Day in a "Grand Villa" Vacation Home for every one hundred thirty-five (135) Home Resort Vacation Points. A maximum reallocation of Vacation Point reservation requirements could result in a "leveling" of all seasons, such that Home Resort Vacation Point reservation requirements would have no variation based upon seasonality or different times of the year. Similarly, a maximum reallocation of Home Resort Vacation Point reservation requirements could result in a "leveling" of differences in Vacation Point reservation requirements based upon particular Use Days in the week.

Participation in certain External Exchange Programs may be based on a week for week exchange, and require the reservation and deposit of a seven (7) consecutive Use Day period in a One-Bedroom or Two-Bedroom Vacation Home. Therefore, in the event of maximum reallocation as described in the preceding Subparagraph, a Club Member would be required (absent Banking and Borrowing) to have annual Home Resort Vacation Points of at least two hundred and ninety-four (294) Home Resort Vacation Points (7 Use Days X 42 Home Resort Vacation Points per Use Day) to reserve and deposit a One-Bedroom "Preferred View" Vacation Home for exchange through the External Exchange Program, and at least four hundred thirty-four (434) Home Resort Vacation Points (7 Use Days X 62 Home Resort Vacation Points per Use Day) to reserve and deposit a Two-Bedroom "Preferred View" Vacation Home for exchange through the External Exchange Program. Club Members should refer to the External Exchange Documents for details concerning the requirements for making an exchange through a particular External Exchange Program.

Notwithstanding DVCM's right to reallocate the number of Home Resort Points required to make a reservation for a particular Vacation Home or a particular Use Day, the total number of Home Resort Vacation Points that are available for sale by DVD within the Condominium as established in Paragraph 3.2 (*i.e.*, the amount of Home Resort Vacation Points representing one hundred percent (100%) of the Ownership Interests for the entire Condominium) at any time may not be increased or decreased because of any such reallocation.

3.4 Home Resort Rules and Regulations. The Home Resort Rules and Regulations promulgated by DVCM from time to time shall contain information regarding the operation of the DVC Plan and the Home Resort Reservation Component, including the following:

- a. The procedures by which a reservation must be made and confirmed;
- b. The procedures for Banking and Borrowing;
- c. The procedures for and limitations upon canceling confirmed reservations;
- d. The procedures for and limitations upon any wait list;
- e. The procedures for and limitations upon Transfers; and
- f. Any other rules and regulations which DVCM in its discretion determines are necessary or desirable from time to time in order to enforce the provisions of this Agreement or the Home Resort Rules and Regulations or operate the Home Resort Reservation Component in a manner that, in DVCM's reasonable business judgment, will be for the principal purpose of improving upon the quality and operation of the DVC Plan and furthering the collective enjoyment of the use of the Vacation Homes by Club Members taken as a whole. Such rules and regulations may include the implementation of special season preference lists, or other use demand management vehicles. If DVCM implements a special season preference list, persons eligible to appear on this list will have a special reservation priority that will supersede the usual first come, first served reservation procedure and Home Resort Priority Period to varying extents.

3.5 DVCM. The DVC Plan and the Home Resort Reservation Component shall be operated by DVCM pursuant to the terms of this Agreement and pursuant to the Home Resort Rules and Regulations. DVCM is expressly authorized to take such actions as it deems are necessary and appropriate for the operation of the DVC Plan, including the implementation of all Home Resort Reservation Component reservation rules as outlined in Paragraph 4.2.

DVCM shall also be responsible for all management, maintenance, and operation of the Vacation Homes and facilities of the Condominium pursuant to the terms and conditions set forth in the Property Management Agreement. As consideration, the Association assigns to DVCM any and all rights of the Association to rent unreserved Vacation Homes (in accordance with the reservation priorities of the Breakage Period) and to receive the proceeds from such rentals in excess of the following: (i) the rental proceeds equaling an amount up to two and one-half percent (2 ½%) of the Condominium Estimated Budgets shall be remitted by DVCM to the Association; and (ii) a portion of the rental proceeds, if any, in an amount equal to BVTC's costs for providing those services as set forth in the DVC Resort Agreement for the Condominium plus five percent (5%) of such costs. The portion of rental proceeds, if any, set forth in (ii) of the preceding sentence shall be remitted by DVCM to BVTC in consideration for BVTC's performance of such services under the DVC Resort Agreement for the Condominium. In performing its obligations for the Association and BVTC pursuant to (i) and (ii) above, DVCM shall segregate such funds owed to the Association and BVTC and hold them, respectively, on behalf of the Association and BVTC and not for its own account. Such funds shall be deemed to be the property, respectively, of the Association and BVTC and not of DVCM upon receipt of such funds by DVCM. DVCM reserves the right to provide site management services for one or more other DVC Resorts or properties.

All expenses incurred by DVCM pursuant to this Agreement, including other compensation and DVCM's overhead and expenses, shall be common expenses of the Condominium. However, DVCM may, in its discretion, provide certain services as contemplated under this Agreement, or otherwise, at its cost and expense or at a shared cost and expense with the Association

3.6 DVD Home Resort Vacation Points. DVD will retain the ownership, as an Ownership Interest, a certain undivided percentage interest existing within each Unit (although DVD reserves the right to convey its Ownership Interests to a successor developer). All Home Resort Vacation Points assigned to DVD in connection with these Ownership Interests will be governed by the same rules and regulations pertaining to all Club Members. DVD reserves the right to reserve and rent accommodations using its DVD Home Resort Vacation Points, enter into lease agreements of its retained Ownership Interest for the use of its DVD Home Resort Vacation Points (including a long-term lease), and contribute a lease of its Ownership Interest or the use of its DVD Home Resort Vacation Points to another vacation ownership or similar plan; provided, however, that in each instance DVD shall remain the owner of the underlying retained Ownership Interest.

3.7 Reciprocal Use by DVD and Club Members. At any given time, DVD may own completed Vacation Homes which have not yet been committed to the DVC Plan for various reasons. In order to provide Club Members with the greatest possible flexibility in

making reservation requests, Club Members may be assigned to occupy both Vacation Homes which are associated with the DVC Plan and completed accommodations which have not yet been committed to the DVC Plan; provided, however, that the total number of accommodations which have not yet been committed to the DVC Plan and made available for Club Member reservation for any given Use Day will never exceed the total number of Vacation Homes existing within the DVC Plan on that Use Day. Conversely, DVD may assign its renters or other users of the completed accommodations which have not yet been committed to the DVC Plan to occupy both those Vacation Homes which are committed to the DVC Plan and those accommodations which are not; provided, however, that the number of total Vacation Homes made available for DVD renter/user reservation for any given Use Day will never exceed the total number of completed accommodations which have not yet been committed to the DVC Plan on that Use Day. In addition, completed accommodations which have not yet been committed to the DVC Plan may separately be made available to Club Members through rental or as an incidental benefit offered by DVD.

3.8 No Warranties. DVD AND THE ASSOCIATION ACKNOWLEDGE AND AGREE THAT DVCM IS PROVIDING THE SERVICES TO EACH OF THE PARTIES, THE CONDOMINIUM, THE ASSOCIATION, AND CLUB MEMBERS AS CONTEMPLATED UNDER THIS AGREEMENT AND THE HOME RESORT RULES AND REGULATIONS, INCLUDING THE OPERATION OF THE HOME RESORT RESERVATION COMPONENT, WITH NO WARRANTIES WHATSOEVER, INCLUDING ANY WARRANTIES ARISING FROM WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE. DVCM FURTHER DOES NOT WARRANT THAT THE DELIVERY OF SUCH SERVICES, INCLUDING THE OPERATION OF THE HOME RESORT RESERVATION COMPONENT, WILL BE ERROR-FREE OR BE PROVIDED OR AVAILABLE WITHOUT INTERRUPTION AND DVCM DISCLAIMS ALL LIABILITY IN THIS REGARD. This Paragraph 3.8 shall survive the expiration or earlier termination of this Agreement.

IV. USE OF HOME RESORT VACATION POINTS

4.1 Options in Use of Home Resort Vacation Points. Home Resort Vacation Points may be used by Club Members in any of the following ways during the Use Year: (i) Home Resort Vacation Points may be used to reserve Vacation Home use rights in accordance with the reservation rules set forth in Paragraph 4.2 and in the Home Resort Rules and Regulations; (ii) Home Resort Vacation Points may be Banked as set forth in Paragraph 4.4 and in the Home Resort Rules and Regulations; (iii) Home Resort Vacation Points may be Borrowed as set forth in Paragraph 4.5 and in the Home Resort Rules and Regulations; (iv) Home Resort Vacation Points may be used to reserve Vacation Homes for exchange through an External Exchange Program as set forth in Paragraph 4.7 and in the Home Resort Rules and Regulations; (v) Home Resort Vacation Points may be Transferred as set forth in Paragraph 4.8 and in the Home Resort Rules and Regulations; or (vi) a Club Member may participate in the DVC Reservation Component by using all or a portion of a Club Member's Home Resort Vacation Points as DVC Vacation Points (as described in the BVTC disclosure documents) to make a reservation for available Vacation Homes in other DVC Resorts in accordance with the DVC Resort Agreement.

4.2 Reservations. Club Members shall reserve Vacation Homes pursuant to the following guidelines:

a. The Use Year. If all of a Club Member's Home Resort Vacation Points for a given Use Year are not used in some manner as set forth in Paragraph 4.1 during that Use Year, any unused balance at the end of the Use Year will automatically expire as set forth in Paragraph 4.9. On the first day of each new Use Year, the Club Member will again have a full complement of Home Resort Vacation Points for use during that Use Year, unless the Home Resort Vacation Points were Borrowed in the previous Use Year.

b. Reservation Requests. Subject to any special reservation priorities (for example, Club Members on any special season preference list or Club Members who own Fixed Ownership Interests), reservation requests for Vacation Homes by Club Members at the Condominium will be taken on a first come, first served basis. Home Resort Vacation Points available for use in a given Use Year (taking into account Banking and Borrowing activity) may only be used to reserve an available Vacation Home for use within that Use Year. To reserve a given Use Day on a space-available basis, a Club Member must follow the reservation procedures set forth in the Home Resort Rules and Regulations. Club Members are encouraged to submit requests as far in advance as possible to obtain the best choice of Vacation Homes and desired times for travel. DVCM's ability to confirm a reservation request is dependent upon the availability of the requested Vacation Home; therefore, DVCM cannot guarantee that a particular reservation request can be fulfilled.

In addition to Club Members at the Condominium, Club Members from other DVC Resorts will also have the opportunity to make reservations for a Vacation Home on a first come, first served basis through the DVC Reservation Component upon the expiration of any applicable Home Resort Priority Period. In the case of the Condominium, the Home Resort Priority Period is currently four (4) months. This Home Resort Priority Period will be subject to any preference list rights

set forth in the Home Resort Rules and Regulations. A Club Member from this Condominium seeking a reservation at another DVC Resort through participation in the DVC Reservation Component will be subject to the Home Resort Priority Period established for that other DVC Resort.

DVCM reserves the right to increase or decrease the length of the Home Resort Priority Period; provided, however, that the Home Resort Priority Period will be at least one (1) month prior to the period during which Members from other DVC Resorts have the right to request a reservation for that Vacation Home for that Use Day. In addition, DVCM reserves the right to modify the Home Resort Priority Period for a new DVC Resort during the initial year of opening of such new DVC Resort to give greater priority ("**Opening Priority Period**") for reservations for, and access to, Vacation Homes at such new DVC Resort to Members with Home Resort Priority at the new DVC Resort. The Opening Priority Period may vary for each new DVC Resort. DVCM, in its discretion, will determine how long the Opening Priority Period will be for Members with Home Resort Priority as well as for Members who own at other DVC Resorts. DVCM, in its discretion, also reserves the right to establish other special or event preference periods for new DVC Resorts based on the particular circumstances of the new DVC Resort (for example, a "continental" preference for resorts located outside of the jurisdictional limits of the United States that are associated as DVC Resorts).

c. **Fixed Use Periods.** DVD has reserved the right to sell Ownership Interests in the Condominium as Fixed Ownership Interests with Fixed Use Periods and to sell Special Event Rights. Club Members with Fixed Ownership Interests have the right to use a specific type of Vacation Home (for example, a Two-Bedroom Vacation Home) during a specific Fixed Use Period (for example, a week that includes Christmas day or a special event). Reservations for Fixed Ownership Interests are confirmed automatically on a priority basis. **This reservation priority preempts other Club Members from reserving these Vacation Homes during Use Days occurring in the Fixed Use Periods, despite the first-come, first-served nature of the Home Resort Reservation Component, because the priority reservation of an Owner with a Fixed Ownership Interest will be confirmed prior to the right of other Club Members to make a reservation for such Vacation Homes during Use Days occurring in the Fixed Use Periods.** This may adversely affect the ability of Club Members without Fixed Ownership Interests to make reservations during high demand seasons. However, DVD will not sell Fixed Ownership Interests that include more than thirty-five percent (35%) of any specific Use Day for any specific Vacation Home Type in the Plan. This means, for example, that Christmas day will be available for reservation on a first-come, first-served basis in at least sixty-five percent (65%) of the Two-Bedroom Vacation Homes.

Notwithstanding the ownership of a Special Event Right, Club Members are not guaranteed that any special event will be held in any calendar year. Club Members should not purchase a Fixed Ownership Interest with a Special Event Right in reliance on the continued occurrence of the special event.

d. **Confirmations and Cancellations.** Reservations shall be confirmed and cancellations shall be processed as set forth in the Home Resort Rules and Regulations. Cancellations and reservation changes may be subject to restrictions or charges as set forth in the Home Resort Rules and Regulations.

e. **Minimum and Maximum Stays.** From time to time, DVCM may require that a minimum number of consecutive Use Days for a particular season or special season be reserved or may impose a maximum limit on the number of consecutive Use Days for a particular season or special season that may be reserved as set forth in the Home Resort Rules and Regulations. The number of consecutive Use Days required to be reserved shall in no event exceed five (5) Use Days.

f. **Vacation Home Inventory Management.** DVCM shall have the right to forecast anticipated reservation and use of the Vacation Homes, including the right to take into account current and previous reservation and use of the Vacation Homes, information about events that are scheduled to occur, seasonal use patterns, and other pertinent factors that affect the reservation or use of the Vacation Homes. DVCM is authorized to reserve Vacation Homes, in the best interests of the Club Members as a whole, for the purposes of depositing such reserved use with an External Exchange Program, renting such reserved Vacation Homes in order to facilitate the use or future use of the Vacation Homes or other benefits made available through or in connection with the DVC Plan, or conducting maintenance, repair, renovation, or replacements of Vacation Homes or furnishings.

4.3 **Breakage.** If a reservation request for any Vacation Home is not received by the first day of the Breakage Period with respect to a given Use Day, the right to reserve that Vacation Home for that Use Day will thereafter be subject to the priorities set forth in the Home Resort Rules and Regulations. In any event, DVCM shall always have first priority to reserve the use of any available Use Day within the Breakage Period as DVCM determines including (i) any reservations made for Unit and Vacation Home maintenance; (ii) any reservation requests contained in a wait list; (iii) any rental reservations made by third parties prior to

receipt of a reservation request; and (iv) any reservations or rental reservations made by DVCM for its own, or the TWDC Companies', benefit. DVCM, in its discretion, may lengthen or shorten the Breakage Period for all Use Days from time to time if DVCM, in its reasonable business judgment, determines that such an adjustment will be for the principal purpose of improving upon the quality and operation of the DVC Plan and furthering the collective enjoyment of the use of the Vacation Homes by Club Members taken as a whole. In no event will DVCM establish a Breakage Period greater than ninety (90) days or less than thirty (30) days.

4.4 Banking Home Resort Vacation Points. Banking of Home Resort Vacation Points involves the decision by a Club Member during the current Use Year to save all or a portion of the Club Member's Home Resort Vacation Points for use in the next succeeding Use Year. Banked Home Resort Vacation Points can only be used in the next succeeding Use Year, and once deposited, the Club Member cannot retrieve the Banked Home Resort Vacation Points during the Use Year of deposit. Failure of Club Members to use any Banked Home Resort Vacation Points in the next succeeding Use Year will result in the expiration of those Home Resort Vacation Points as set forth in Paragraph 4.9. Banked Home Resort Vacation Points may be used by Club Members for reservations at the Condominium, or other DVC Resorts (as DVC Vacation Points) or for use of the External Exchange Program.

4.5 Borrowing Home Resort Vacation Points. Borrowing of Home Resort Vacation Points involves the decision by a Club Member during the current Use Year to use all or a portion of the Club Member's Home Resort Vacation Points from the next succeeding Use Year to secure a reservation in the current Use Year. Borrowed Home Resort Vacation Points can only be used in the Use Year into which they have been Borrowed, and failure of a Club Member to use any Borrowed Home Resort Vacation Points in the current Use Year will result in the expiration of those Home Resort Vacation Points as set forth in Paragraph 4.9. Borrowed Home Resort Vacation Points may not be returned to the original Use Year once they have been Borrowed. Borrowed Home Resort Vacation Points may be used by the Club Member for reservations at the Condominium or other DVC Resorts (as DVC Vacation Points) or for use of the External Exchange Program.

4.6 Limitation on Banking and Borrowing. A Club Member's ability to either Bank or Borrow at any given time is limited by the level of general Banking and Borrowing that exists at that particular time and by the projected amount of Use Days available for reservation at the Condominium. DVCM reserves the right, in its discretion, to suspend, in whole or in part, or increase or decrease the amount of Banking or Borrowing activity at any time or from time to time if DVCM, in its reasonable business judgment, determines that such suspension will be for the principal purpose of improving upon the quality and operation of the DVC Plan and furthering the collective enjoyment of the use of the Vacation Homes by Club Members taken as a whole. A Club Member will also not be permitted to Bank or Borrow Home Resort Vacation Points in a given Use Year if the Club Member is delinquent in the payment of Annual Dues with respect to any Ownership Interests owned by the Club Member or in violation of the terms and provisions of any of the Condominium Documents, including this Agreement and the Home Resort Rules and Regulations. Additional restrictions on Banking and Borrowing are set forth in the Home Resort Rules and Regulations.

4.7 External Exchange Programs. In order to increase the range of vacation options available to Club Members, DVCM may, but is not obligated to, arrange for Club Members to access External Exchange Programs from time to time. These External Exchange Programs may include exchange agreements between DVCM (as a corporate participant or member) and External Exchange Companies for the purpose of affording Club Members with the opportunity to avail themselves of alternative vacation opportunities through the duration of the DVC Plan. There can be no assurance, however, that DVCM will be successful in arranging for or continuing access to any External Exchange Program. Only under such circumstances may Club Members arrange with a provider of exchange services to establish individual exchange privileges. There can be no assurance, however, that an individual Club Member will be able to satisfy the terms and conditions then required by such provider to participate individually in that provider's exchange program. If neither DVCM nor the individual Club Member is successful in establishing an agreement with a provider of exchange services, the ability of an individual Club Member to request future external exchanges other than to a DVC Resort will cease. Club Members should refer to the Home Resort Rules and Regulations and External Exchange Documents for procedures and restrictions involved in requesting an exchange into any currently existing External Exchange Program.

4.8 Transfers. Transfers may be made by Club Members from time to time as set forth in the Home Resort Rules and Regulations.

4.9 Expiration of Vacation Points. Failure of Club Members to use their Vacation Points in any given Use Year, however such Vacation Points are obtained, shall result in automatic expiration of all unused Vacation Points without compensation to the Club Members.

4.10 DVD Future Restrictions, Limitations, or Changes. As additional consideration for entering into this Agreement, DVD reserves the right, in its discretion, to restrict or limit certain reservation features for select Club Members or categories of Club Members (e.g., those who acquire an Ownership Interest at the Condominium after a date specified by DVD or not directly from DVD), as it determines in its discretion from time to time. Such restrictions, limitations, or changes may consist of the following or be applied as follows:

a. DVD may apply any restrictions, limitations, or changes pursuant to certain terms and conditions as it establishes in its discretion including implementing such restrictions, limitations, or changes for a defined period of time or for the duration of the Condominium; implementing, stopping, and re-implementing such restrictions, limitations, or changes; or charging (or allowing any of the TWDC Companies to charge) for exemptions or changes in the terms and conditions applied to such restrictions, limitations, or changes.

b. DVD, in its discretion, may determine at any time to exclude itself (or any of the TWDC Companies) from any restrictions, limitations, or changes, including for any Home Resort Vacation Points or DVC Vacation Points owned or controlled by DVD or transferred to DVD (or any of the TWDC Companies).

c. DVD, in its discretion, may determine to exercise its reserved rights to implement any restrictions, limitations, or changes through a notice recorded in the public records, by requiring DVC to make such an amendment to the Home Resort Rules and Regulations, or by such other method, and such exercise of its reserved rights shall not be subject to the approval or consent of the Association or any Club Member.

4.11 One-to-One. The Home Resort Reservation Component has been established so as to comply with the "One-to-One" requirement of the Act. Notwithstanding the foregoing, if there is a casualty, emergency, impending emergency, or other situation that results in a Vacation Home or Vacations Homes not being available for reservation, as determined by DVC in its discretion, DVC has the authority to temporarily suspend or modify the normal operation of the Home Resort Reservation Component as DVC determines necessary, in its discretion, including suspending or modifying the reservation rules as set forth in this Agreement and the Home Resort Rules and Regulations (e.g., limit Banking or Borrowing, or extend current year Use Rights) or promulgating new or additional reservation rules. As the result of such suspension or modification, the Home Resort Reservation Component may temporarily operate on a greater than a One-To-One basis. In this regard, the Parties acknowledge and agree that the impact of such suspension and modification may occur through not only the end of the emergency but for a period of time thereafter until the Home Resort Reservation Component can resume normal operations and the effects of the suspension or modification have been addressed, as determined by DVC in its discretion.

V. RENTALS

5.1 Club Member Rentals. A Club Member may make a reservation to use a Vacation Home for the Club Member's own use, make their use available to family or friends or guests, or rent them solely through the Club Member's own efforts. Neither DVD's, DVC's nor the Association's approval of a rental by a Club Member is required after a reservation has been made in the renter's own name, and Club Members are permitted to rent their occupancy rights on terms and conditions that they may establish. No rental assistance is being offered by the TWDC Companies. All renters must comply with the rules and regulations affecting occupancy, and the renting Club Member will be responsible for the acts or omissions of the renters or any other person or persons permitted by the Club Member to use the Vacation Home. The TWDC Companies do not in any way represent or promote that a particular Vacation Home can be rented, or if it is rented, that any particular rental rate can be obtained for such rental. Except for DVD, DVC, or any of the TWDC Companies, use of Vacation Homes and recreational facilities for commercial purposes or any purposes other than the personal use described in the Condominium Documents is expressly prohibited. "Commercial purpose" may include a pattern of rental activity or other occupancy by an Owner that DVC or the Board determines constitutes a commercial enterprise or practice.

5.2 Area Resort Hotels. Club Members should be aware that several resort hotels may be in operation within and around the Condominium, including hotels owned or operated by the TWDC Companies, that DVD will rent its Ownership Interests to the general public, and that DVC will rent Vacation Homes that are available to it during the Breakage Period. Accordingly, any Club Members who attempt to rent reserved Vacation Homes for their own account must compete with these resort hotels, DVD and DVC for renters without any assistance from the TWDC Companies, and would be at a substantial competitive disadvantage. Club Members should not purchase an Ownership Interest based upon any expectation of deriving any rental or other revenue or profit therefrom.

VI. ANNUAL DUES

6.1 Condominium Estimated Budgets. The Association will promulgate an operating budget and a capital reserves budget each calendar year in the manner required by applicable law. The operating budget shall include the Condominium's share of the operating expenses of the Club attributed to it.

6.2 Assessment and Collection of Annual Dues. DVCM will assess each Club Member's share of the Condominium Estimated Budgets to each Club Member each year in the ratio that the number of Home Resort Vacation Points assigned to that Club Member's Ownership Interest bears to the total number of Home Resort Vacation Points in the Condominium at that time. Annual Dues will be billed and will be past due as set forth in the Condominium Documents. Each Club Member who has not paid his or her Annual Dues in full by the past due date will be subject to late charges and interest as set forth in the Condominium Documents.

6.3 Club Member Default. In the event a Club Member has not paid his or her Annual Dues after the past due date described in Paragraph 6.2, a lien may be placed against the Club Member's Ownership Interest and foreclosed pursuant to applicable law and the Condominium Documents, resulting in the loss of the Club Member's Ownership Interest and the termination of his or her membership in the Club as set forth in the Condominium Documents. Further, failure to pay all Annual Dues (with respect to all Ownership Interests owned by a Club Member) in full when due may result in the initiation of lock-out procedures by DVCM pursuant to the Act and the Condominium Documents, potentially resulting in a denial of the right of delinquent Club Members to reserve, check in, or use the Vacation Homes and facilities of the Condominium through the Home Resort Reservation Component or to participate in the DVC Reservation Component by requesting a reservation for Vacation Homes at other DVC Resorts until such time as the delinquency is paid in full.

VII. MISCELLANEOUS PROVISIONS

7.1 Compliance; Personal Use; Commercial Purposes.

a. Failure of a Club Member to comply with the terms and conditions of this Agreement, the Home Resort Rules and Regulations or the Condominium Documents may result in the denial of the right of the non-complying Club Member to reserve, check in, or use the Vacation Homes and facilities of the Condominium or to participate in the DVC Reservation Component by requesting a reservation for Vacation Homes at other DVC Resorts until such time as the Club Member is in compliance as determined by DVCM in its discretion.

b. Except for Ownership Interests owned by DVD, rentals of Vacation Homes to the general public by DVD or DVCM, use of Vacation Points in connection with External Exchange Programs, and the rights of third parties under the Master Declaration and the Ground Lease, reservation or use of Vacation Homes and facilities of the Condominium is limited solely to the personal use of Club Members, their guests, invitees, exchangers, and lessees and for recreational use by corporations or other similar business entities owning Ownership Interests while staying as a registered guest at the Condominium. Except for DVCM, DVD, or any of the TWDC Companies, purchase of an Ownership Interest and reservation or use of Vacation Homes and facilities of the Condominium for commercial purposes or for any purpose other than the personal use described above is expressly prohibited.

c. DVCM shall be the determiner, in its discretion, of any use or activity that does not constitute personal use or constitutes commercial use under this Agreement. Such commercial purpose could include pattern of rental activity of reserved Vacation Homes or frequent occupancy by others of reserved Vacation Homes other than a Club Member or the Club Member's family; use of regular rental or resale advertising; creating, maintaining, or frequent use of a rental or resale website; repeated or frequent purchase and resale of Ownership Interests whether in the name of a Club Member or those related to such Club Member or through the use of entities, partnerships, or trusts; or the acquisition of a number of Ownership Interests in excess of the amount of the maximum permitted ownership whether in the name of a Club Member or those related to such Club Member or through the use of entities, partnerships, or trusts.

7.2 Amendment of this Agreement. DVCM, in its discretion, may change the terms and conditions of this Agreement and the Home Resort Rules and Regulations. These changes may affect an Owner's right to use, exchange, and rent the Owner's Ownership Interest and impose obligations upon the use and enjoyment of the Ownership Interest and the appurtenant Club membership. Such changes may be made by DVCM without the consent of any Club Member and may adversely affect a Club Member's rights and benefits and increase or decrease the Club Member's costs of ownership. Further, although DVCM generally is required to make such changes in a manner which, in its reasonable business judgment, improves upon the quality and operation of the DVC Plan and furthers the collective enjoyment of its benefits by the Club Members taken as a whole, such

changes under some circumstances may not be to the advantage of some Club Members and could adversely affect their ability to secure reservations when and where they want them. Notice of any amendment shall be: (i) either mailed, faxed, e-mailed, or sent by other electronic or wireless means, as the case may be, by DVCM to each Club Member or to the designated representative of each Multiple Club Member at the Club Member's or designated representative's last known mailing address prior to its effective date; (ii) included as a part of a newsletter or other message sent by the Association or DVCM as the management company for the Condominium; or (iii) posted on a Club website made available to Club Members.

7.3 Limitation of Liability. DVCM shall not be liable, whether in contract, tort (including negligence) or otherwise, for any indirect, incidental, special, punitive, exemplary, or consequential damages; cost or expense or loss of production; loss of or corruption to software or data; loss of profits or of contracts; loss of business or of revenues; loss of operation time; loss of goodwill or reputation; loss of opportunity or savings; whether caused directly or indirectly by DVCM. If DVCM shall be liable to any other person with respect to this Agreement or the Home Resort Rules and Regulations, arising out of the performance or non-performance of its obligations under this Agreement or the Home Resort Rules and Regulations, DVCM's breach of this Agreement or the Home Resort Rules and Regulations, the use of the Home Resort Reservation Component, or the operation or interruption in service of the Home Resort Reservation Component, the combined total liability of DVCM, whether in contract, tort (including negligence), or otherwise, shall not at any time exceed in the aggregate an amount equivalent to the fees received by DVCM under this Agreement in the year immediately preceding the incident giving rise to such liability.

7.4 Governing Law; Venue. This Agreement and the Home Resort Rules and Regulations shall be governed by, and shall be construed in accordance with, the laws of the State of California. If any suit or legal action is commenced by any Party or any other person claiming rights or obligations by through or under this Agreement or the Home Resort Rules and Regulations, each Party and any such other person agrees, consents, and submits to the personal jurisdiction of the federal, circuit, and county courts in and for Orange County, California (the "Orange County Courts"), with respect to such suit or legal action, and also agrees, consents and submits to that venue in any such suit or legal action is proper in the Orange County Courts, and also waives any and all personal rights under applicable law or in equity to object to the jurisdiction and venue in the Orange County Courts. Such jurisdiction and venue shall be exclusive of any other jurisdiction and venue.

7.5 Waiver of Jury Trial. TO THE EXTENT PERMITTED UNDER APPLICABLE LAW, EACH PARTY AND ANY OTHER PERSON CLAIMING RIGHTS OR OBLIGATIONS BY, THROUGH, OR UNDER THIS AGREEMENT OR THE HOME RESORT RULES AND REGULATIONS WAIVE ANY RIGHT THEY MAY HAVE UNDER ANY APPLICABLE LAW TO A TRIAL BY JURY WITH RESPECT TO ANY SUIT OR LEGAL ACTION WHICH MAY BE COMMENCED BY OR AGAINST SUCH PARTY OR ANY OTHER PERSON CONCERNING THE INTERPRETATION, CONSTRUCTION, VALIDITY, ENFORCEMENT, OR PERFORMANCE OF THIS AGREEMENT OR ANY INSTRUMENT CONNECTED WITH THIS AGREEMENT, INCLUDING THE HOME RESORT RULES AND REGULATIONS.

7.6 Notices. Except as may be otherwise provided in this Agreement or the Home Resort Rules and Regulations, any notice, demand, request, consent, approval, or communication under this Agreement or the Home Resort Rules and Regulations shall be in writing and shall be deemed duly given or made: (i) when deposited, postage prepaid, in the United States mail, addressed to the Party at the address shown above (or, in the case of a Club Member or designated representative of a Multiple Club Member, at the address shown on the books and records of DVCM); (ii) when delivered personally to the Party at the address specified above; or (iii) when deposited with a reliable overnight courier service, fee prepaid, with receipt of confirmation requested, addressed to the Party as specified above. A Party may designate a different address for receiving notices under this Agreement by providing notice to the other Parties pursuant to this Paragraph.

7.7 Termination. This Agreement shall automatically expire on January 31, 2074, or upon the earlier expiration of the DVC Plan for the Condominium as set forth in the Declaration. If the DVC Plan for Condominium is extended beyond January 31, 2074, pursuant to the terms of the Declaration and at the election of the Parties, the term of this Agreement shall automatically be extended for the additional term unless sooner terminated as provided in this Agreement.

If the Property Management Agreement is terminated or it expires in accordance with its own terms, at the option of DVCM this Agreement will terminate, and DVCM will no longer provide for the operation of the DVC Plan. DVCM also reserves the right to terminate this Agreement if the DVC Resort Agreement for the Condominium is terminated.

If this Agreement terminates, the Association shall have the authority to establish reservation procedures, which may or may not be identical to the reservation procedures set forth in this Agreement or the Home Resort Rules and Regulations, by which use of the Units and Vacation Homes among all of the Club Members at the Condominium shall be determined; provided that any such reservation rules and regulations must allow for the continued automatic reservations for Fixed Ownership Interest

on a priority basis in the same manner as the reservation procedures set forth in this Agreement and the Home Resort Rules and Regulations. In addition, the Parties expressly agree that if this Agreement terminates, irrespective of whether the termination is voluntary or involuntary and irrespective of the cause of such termination, the Association and all Club Members shall cease using and thereafter abstain from using any and all personal property belonging to DVCM, including any and all personal property relating to the operation of the Home Resort Reservation Component, and shall return same to DVCM within fifteen (15) days after the date of termination.

7.8 Suspension. Notwithstanding any provisions contained in this Agreement or the Home Resort Rules and Regulations to the contrary, DVCM reserves the right to elect to suspend the operation of the Home Resort Reservation Component at the Condominium rather than electing to terminate this Agreement. The terms and conditions governing such suspension shall be determined by DVCM in its discretion. Upon the termination of such suspension period, the Condominium shall be entitled to resume participation as contemplated under this Agreement and the Home Resort Rules and Regulations subject to any terms and conditions established by DVCM in its discretion.

7.9 Recitals. The recitals set forth at the beginning of this Agreement are true and correct and are incorporated in this Agreement by this reference.

7.10 Assignment; Subcontracting. DVCM may assign this Agreement to a wholly owned subsidiary of DVCM, the parent corporation of DVCM, or a corporation under common ownership and control with any of the TWDC Companies without the consent of the Association. Upon such assignment and assumption DVCM shall be released from any and all obligations under this Agreement. Thirty (30) days advance notice of the assignment shall be delivered to the Association. DVCM may subcontract some or all of DVCM's obligations under this Agreement to a third party or to another TWDC Company without the consent of the Association; provided, however, that DVCM will continue to remain liable for the performance of its obligations under this Agreement.

7.11 Entire Agreement. This Agreement constitutes the entire agreement among the Parties, and none of the Parties have been induced by any other Party by representations, promises, or understandings not expressed in this Agreement, and there are no collateral agreement, stipulations, promises, representations, warranties, covenants, obligations, or understandings whatsoever, in any way touching the subject matter of this instrument, or the instruments referred to in this Agreement that are not expressly contained in this Agreement, the Home Resort Rules and Regulations, or in the Condominium Documents.

7.12 Partial Invalidation. The invalidity in whole or in part of any covenant, promise, or undertaking, or any paragraph, subparagraph, sentence, clause, phrase, or words, or of any provision of this Agreement or the Home Resort Rules and Regulations shall not affect the validity of the remaining portions of this Agreement.

7.13 Excusable Delays. If performance under this Agreement by DVCM is limited, hindered, delayed, or prevented in whole or in part by a force majeure event, as determined by DVCM in its discretion, performance shall be excused, discharged, and released of performance but only to the extent and for such time that such performance or obligation is so limited, hindered, delayed, or prevented by such force majeure event. For purposes of this Paragraph, a "force majeure event" means any of the following events, regardless of where it occurs or its duration: events occasioned exclusively by violence of nature without the interference of any human agency (including hurricanes, typhoons, tornadoes, cyclones, and other severe storms, winds, lightning, floods, earthquakes, volcanic eruptions, and fires and explosions); fires and explosions caused wholly or in part by human agency; acts of war, including declared or undeclared war, revolution, insurrection; riots, coups, boycotts, civil disobedience, acts of piracy, blockade, embargo, or other civil commotion; terrorism (including hijacking, sabotage, bombing, murder, assault, and kidnapping); disease related events (including pandemics, epidemics, diseases, viruses, pathogens, or quarantine including those caused by any illness, virus or other disease); strikes, lock-out, or similar labor disturbances or unrest; shortage of critical materials or supplies; delay or defaults caused by public or common carriers; action or inaction of public authorities (including governmental orders or public health emergencies regardless of whether declared by an applicable government or health agency), the imposition of restrictions on employee wages or other material aspects of operation or the revocation or refusal to grant licenses or permits where such revocation or refusal is not due to the fault of the person whose performance is to be excused for reasons of force majeure); or any other events or by any other significant cause not reasonably within such person's control (excluding, however, (i) lack of financing, and (ii) general economic and market factors) that results in delay or inability to perform or results in a situation where it would be impractical, financial unfeasible, or commercially unviable to perform under such circumstances.

7.14 Remedies; Costs and Fees. DVCM shall be entitled to pursue any and all legal and equitable remedies for the enforcement of the terms and conditions of this Agreement or the Home Resort Rules and Regulations, including an action for

damages, an action for injunctive relief, and an action for declaratory judgment. In any proceeding arising because of an alleged failure to comply with the terms of this Agreement or the Home Resort Rules and Regulations, the substantially prevailing Party shall be entitled to recover the costs of the proceeding, and recover such reasonable attorneys', legal assistant or other professionals' fees and costs as may be awarded by the court, including all appeals and all proceedings in bankruptcy.

7.15 Successor and Assigns. This Agreement and the Home Resort Rules and Regulations shall be binding upon and inure to the benefit of the Parties and their successors and assigns. In no event shall the terms and conditions of this Agreement or the Home Resort Rules and Regulations be deemed in any way to inure to the benefit of any person or party not expressly made a Party except for permitted successors or assigns to the Parties

7.16 Interpretation. Where the context so indicates, a word in the singular form shall include the plural. The term "include" and similar terms (e.g., includes, including, included, comprises, comprising, such as, e.g., including but not limited to, and for example), when used as part of a phrase including one or more specific items, are not words of limitation and are not to be construed as being limited to only the listed items. Whenever the consent or approval of DVCM, DVD, or any of the TWDC Companies is referred to in this Agreement or the Home Resort Rules and Regulations or the taking of any action under this Agreement or the Home Resort Rules and Regulations is subject to the consent or approval of DVCM, DVD, or any of the TWDC Companies, it shall mean DVCM's, DVD's, or such TWDC Company's prior written approval to be given or withheld in its discretion. Any reserved right in favor of DVCM, DVD, or any of the TWDC Companies may implemented, taken, or withheld in the discretion of DVCM, DVD, or such TWDC Company. Further, any references to the use, exercise or grant of the right of DVCM's, DVD's, or any TWDC Company's discretion as set forth in this Agreement shall mean DVCM's, DVD's, or such TWDC Company's sole, absolute, and unfettered discretion to the exclusion of any other person or entity unless specifically provided otherwise. No provision of this Agreement shall be construed against a Party because the Party provided for the drafting of this Agreement. The use of headings, captions, and numbers in this Agreement is solely for the convenience of identifying and indexing the various provisions of this Agreement and shall in no event be considered otherwise in construing or interpreting any provision of this Agreement.

7.17 Survival. The provisions of this Article VII shall survive the expiration or earlier termination of this Agreement.

[THE REMAINDER OF THIS PAGE HAS BEEN INTENTIONALLY LEFT BLANK]

The Parties have executed this Agreement as of the Effective Date.

DISNEY VACATION DEVELOPMENT, INC.,
a Florida corporation

Yvonne Chang
(signature)

Yvonne Chang
(print name)

as its Assistant Secretary
(title)

DISNEY VACATION CLUB MANAGEMENT, LLC
a Florida limited liability company

William Dierksen
(signature)

William Dierksen
(print name)

AS ITS SENIOR VICE PRESIDENT
(title)

**THE VILLAS AT DISNEYLAND HOTEL
CONDOMINIUM ASSOCIATION, INC.,**
a California nonprofit mutual benefit corporation

Shannon Sakaske
(signature)

Shannon Sakaske
(print name)

as its Vice President
(title)



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**RECORDING REQUESTED
AND WHEN RECORDED MAIL TO:**

Walt Disney Parks and Resorts U.S., Inc.
215 Celebration Place, Suite 300
Celebration, FL 34747
Attn: Regulatory Affairs

THIS SPACE IS FOR RECORDERS USE ONLY

Fictitious Deed of Trust

(Title of Document)

Per Government Code 27388.1(a)(1) "A fee of \$75 dollars shall be paid at the time of recording on every real estate instrument, paper, or notice required or permitted by law to be recorded, except those expressly exempted from payment of recording fees, per each single transaction per parcel or real property. "

- Exempt from SB2 fee per GC 27388.1(a)(2); is a transfer subject to the imposition of documentary transfer tax", or
- Exempt from SB2 fee per GC 27388.1(a)(2); recorded concurrently "in connection with" a transfer subject to the imposition of documentary transfer tax", or
- Exempt from SB2 fee per GC 27388.1(a)(2); is a transfer of real property that is a residential dwelling to an owner-occupier", or
- Exempt from SB2 fee per GC 27388.1(a)(2); recorded concurrently "in connection with" a transfer of real property that is a residential dwelling to an owner-occupier", or
- Exempt from SB2 fee per GC 27388.1(a)(1); fee cap of \$225 reached"
- Exempt from SB2 fee per GC 27388.1(a)(1); not related to real property

Failure to include an exemption reason will result in the imposition of the SB2 Building Homes and Jobs Act Fee.

Recorded at the request of; and
When Recorded Return To:
First American Title Insurance Company
400 South Rampart Blvd., Suite 290
Las Vegas, NV 89145
(702) 792-6863

(The area above is reserved for Recorder's use)

FICTITIOUS DEED OF TRUST

MASTER DECLARATION OF UNIFORM DEED OF TRUST COVENANTS WITH ASSIGNMENT OF RENTS (The Villas at Disneyland Hotel, a leasehold condominium)

THIS MASTER DECLARATION OF UNIFORM DEED OF TRUST COVENANTS WITH ASSIGNMENT OF RENTS ("**Uniform Declaration**") is as of 13th day of December, 2023, (the "**Effective Date**"). DISNEY VACATION DEVELOPMENT, INC., a Florida corporation ("**Lender**"), is the developer of that certain condominium property located in the Orange County, California, known as The Villas at Disneyland Hotel, a leasehold condominium ("**Condominium**"), according to the Declaration of Covenants, Conditions, and Restrictions and Condominium and Vacation Ownership Plan of The Villas at Disneyland Hotel, a leasehold condominium recorded concurrently herewith, in the Official Records of Orange County, California, and all amendments to such instrument ("**Declaration**"), such property being more specifically described on Exhibit "A" to the Declaration. Lender intends from time to time to provide purchase money financing to purchasers ("**Trustors**") in connection with its sale of timeshare interests in the Condominium and the Trustors will grant a short form deed of trust ("**Short Form Deed of Trust**") to a trustee, First American Title Insurance Company ("**Trustee**") securing to Lender: (a) the repayment of the debt evidenced by Trustor's Promissory Note ("**Note**") executed on the same day as the Short Form Deed of Trust, with interest, and all renewals, extensions, and modifications; (b) the payment of all other sums, with interest, advanced by Lender to protect the security of the Short Form Deed of Trust; and (c) the performance of Trustor's covenants and agreements under this Uniform Declaration, the Short Form Deed of Trust, the Note, and Trustor's purchase agreement with Lender. Lender, or its assigns, will be the beneficiary. Lender desires that Lender, its successors in interest, subsequent transferors and transferees, assigns and each Trustor to be bound by the terms and conditions stated in this Uniform Declaration.

The terms used in this Uniform Declaration shall have the same meaning as the identical terms utilized in the Declaration unless the context requires otherwise. The Uniform Declaration and the Short Form Deed of Trust executed by Trustor shall be collectively referred to as the "**Deed of Trust**."

Any Short Form Deed of Trust which specifically incorporates by reference the terms of this Uniform Declaration will be subject to the following covenants, unless otherwise modified or amended in writing signed by a Trustor with respect to such Trustor and Lender, or otherwise recorded in the public records of Orange County, California:

1. **Payment of Principal and Interest: Late Charges.** Trustor shall promptly pay when due the principal and interest on the indebtedness evidenced by the Note and late charges as provided in the Note. Unless applicable law provides otherwise, all payments received by Lender shall be applied by Lender first, at the option of Lender, in payment of any late charges, costs, expenses, and attorneys' fees due under the Note, then in payment of interest payable on the Note, then to the principal of the Note, and then to any other amounts due and payable under the Note or the Deed of Trust. If Trustor shall execute and deliver any further note(s) or deed(s) of trust in favor of Lender in connection with the acquisition of an additional timeshare interest from Lender, any payments received by Lender from Trustor in respect of the indebtedness owed by Trustor to Lender shall, at Lender's

option and discretion, be applied first to the indebtedness evidenced by the Note first executed and delivered by Trustor in favor of Lender, and thereafter in the successive chronological order of execution and delivery of each of such further note(s), all in accordance with the payment terms of this Paragraph.

2. **Charges; Liens.** Trustor shall promptly pay, when due, all Condominium assessments imposed by the governing body of the Condominium (the "**Association**"). Trustor shall pay all taxes, assessments, and other charges, fines, and impositions attributable to the property subject to the Deed of Trust ("**Property**"). Trustor shall promptly discharge any lien which has priority over the Deed of Trust; provided, however, that Trustor shall not be required to discharge any such lien so long as Trustor shall agree in writing to the payment of the obligation required by such lien in a manner acceptable to Lender and, if requested by Lender, immediately post with Lender an amount necessary to satisfy the obligation secured by the lien, or shall in good faith contest such lien by, or defend enforcement of such lien in, legal proceedings which operate to prevent the enforcement of the lien or forfeiture of the Property or any part thereof and, if requested by Lender, immediately post with Lender an amount necessary to satisfy the obligation secured by the lien.

3. **Hazard Insurance.** Trustor shall keep the improvements now existing or hereafter erected on the Property insured against loss by fire, hazards included within the term 'extended coverage,' and such other hazards as Lender may require and in such amounts and for such periods as Lender may require; provided, however, that Lender shall not require that the amount of such coverage exceed that amount of coverage required to pay the sums secured by the Deed of Trust. This obligation shall be deemed satisfied so long as the Association maintains a 'master' or 'blanket' policy which otherwise satisfies the terms of this Paragraph and of the Declaration. In the event of a distribution of hazard insurance proceeds in lieu of restoration or repair following a loss to the Property or Condominium, whether to a unit or to the common areas, any such proceeds payable to Trustor are hereby assigned to Lender and shall be paid to Lender for application to the sums secured by the Deed of Trust, with the excess, if any, thereafter paid to Trustor.

4. **Preservation and Maintenance of Property.** Trustor shall keep the Property in good repair and shall not commit waste or permit impairment or deterioration of the Property. Trustor shall perform all of Trustor's obligations under the Declaration, the bylaws and regulations of the Association, and all other constituent documents of the Condominium (the "**Condominium Documents**"). Trustor shall take such actions as may be reasonable to insure that the Association maintains a public liability insurance policy acceptable in form, amount, and extent of coverage to Lender.

5. **Protection of Lender's Rights in the Property.** If Trustor fails to perform the covenants and agreements contained in the Deed of Trust, or if any action or proceeding is commenced which materially affects Lender's interest in the Property, including eminent domain, insolvency, code enforcement, or arrangements or proceedings involving a bankrupt or decedent, then Lender at Lender's option, upon notice to Trustor may make such appearances, disburse such sums, and take such actions as are necessary to protect Lender's interest, including disbursement of funds to pay reasonable attorneys' fees and to make repairs and entry upon the Property to make such repairs. If Lender required mortgage insurance as a condition of making the loan secured by the Deed of Trust, Trustor shall pay the premiums required to maintain such insurance in effect until such time as the requirement for such insurance terminates in accordance with Trustor's and Lender's written agreement or applicable law. Trustor shall pay the amount of all mortgage insurance premiums, if any. Any amounts disbursed by Lender pursuant to this Paragraph, with interest on such amounts, shall become additional indebtedness of Trustor secured by the Deed of Trust. Unless Trustor and Lender agree to other terms of payment, such amounts shall be payable upon notice from Lender to Trustor requesting payment of such amounts, and shall bear interest from the date of disbursement at the rate payable from time to time on outstanding principal under the Note unless payment of interest at such rate would be contrary to applicable law, in which event such amounts shall bear interest at the highest rate permissible under applicable law. Nothing contained in this Paragraph shall require Lender to incur any expense or take any action under this Paragraph.

6. **Inspection.** Lender or its agent may make reasonable entries upon and inspections of the Property. Lender shall give Trustor notice at the time of or prior to an inspection specifying reasonable cause for the inspection.

7. **Condemnation.** Subject to the provisions of the Condominium Documents, the proceeds of any award or claim for damages, direct or consequential, payable to Trustor in connection with any condemnation or other taking of any part of the Property, or for conveyance in lieu of condemnation, are hereby assigned and shall be paid to Lender, with any excess proceeds paid to Trustor. Unless Lender and Trustor otherwise agree in writing, any application of proceeds to principal shall not extend or postpone the due date of the monthly payments referred to in Paragraph 1 or change the amount of such payments.

8. **Trustor Not Released; Forbearance by Lender Not a Waiver.** Extension of the time for payment or modification of amortization of the sums secured by the Deed of Trust granted by Lender to any successor in interest of Trustor shall not operate to release, in any manner, the liability of the original Trustor and Trustor's successors in interest. Lender shall not be required to

commence proceedings against any successor in interest or refuse to extend time for payment or otherwise modify amortization of the sums secured by the Deed of Trust by reason of any demand made by the original Trustor or Trustor's successors in interest. Any forbearance by Lender in exercising any right or remedy under the Deed of Trust shall not be a waiver of or preclude the exercise of any such right or remedy. The procurement of insurance or the payment of taxes or other liens or charges by Lender shall not be a waiver of Lender's right to accelerate the maturity of the indebtedness secured by the Deed of Trust.

9. Remedies Cumulative. All remedies provided in the Deed of Trust are distinct and cumulative to any other right or remedy under the Deed of Trust or afforded by law or equity, and may be exercised concurrently, independently or successively.

10. Successors and Assigns Bound; Joint and Several Liability. Subject to the terms and provisions of Paragraph 14, the covenants and agreements in the Deed of Trust shall bind, and the rights under the Deed of Trust shall inure to the respective successors and assigns of, Lender and Trustor. All covenants, agreements, and undertakings of Trustor shall be joint and several.

11. Loan Charges. Trustor agrees and acknowledges that the loan secured by the Deed of Trust is intended to be valid, binding, enforceable, and in compliance with all applicable laws. If the loan secured by the Deed of Trust is subject to a law which sets maximum loan charges, and that law is finally interpreted so that the interest or other loan charges collected or to be collected in connection with the loan exceed the permitted limits, then Trustor agrees that the excess interest or loan charges were collected or provided to be collected by mistake, and that: (a) any such loan charge shall be reduced by the amount necessary to reduce the charge to the permitted limit; and (b) any sums already collected from Trustor which exceeded permitted limits will either be refunded directly to Trustor or credited to principal or interest which is then unpaid, due and owing under the Note, at the option of Lender.

12. Notices. Except for any notice required under applicable law to be given in another manner: (a) any notice to Trustor provided for in the Deed of Trust shall be given by mailing such notice by U.S. Mail, postage prepaid, addressed to Trustor at Trustor's address as set forth in the Note or the Deed of Trust, or at such other address as Trustor may designate by notice to Lender as provided under this Paragraph; and (b) any notice to Lender shall be given by certified mail, return receipt requested, to Lender's address stated in this Uniform Declaration or to such other address as Lender may designate by notice to Trustor as provided in this Paragraph. Any notice provided for in the Deed of Trust shall be deemed to have been given to Trustor or Lender when given as provided in this Paragraph.

13. Severability. The provisions of the Deed of Trust are severable. If any provision of the Deed of Trust shall be held to be invalid or unenforceable in any respect, such provision shall be carried out and enforced only to the extent to which it shall be valid and enforceable, and any such invalidity or unenforceability shall not affect any other provisions of the Deed of Trust, all of which shall be fully carried out and enforced as if such invalid or unenforceable provision had not been set forth in the Deed of Trust.

14. Transfer of the Property or a Beneficial Interest In Trustor. If all or any part of the Property, or any interest therein, is sold or transferred (or if a beneficial interest in Trustor is sold or transferred and Trustor is not a natural person) or if any mortgage, lien, or other encumbrance shall, during the term of the Deed of Trust, be recorded against or otherwise attach upon the Property, or any interest therein, without Lender's prior written consent (which consent may be withheld or granted at Lender's sole discretion), excluding (a) a transfer by devise, descent, or operation of law upon the death of a joint tenant or tenant by the entirety or (b) the lien of real property ad valorem taxes not yet due and payable, Lender may, at Lender's option, declare all the sums secured by the Deed of Trust to be immediately due and payable. However, this option shall not be exercised by Lender if exercise is prohibited by any applicable law as of the date of the Deed of Trust. Lender may condition its consent to a transfer upon payment of a fee not to exceed the greater of \$125.00 or 2% of the remaining principal balance plus recording costs. Lender may also condition its consent to a transfer upon its determination that the proposed transferee is creditworthy and financially capable of meeting the obligations under the Deed of Trust. Lender shall have waived such option to accelerate related to a sale or transfer if, and only if, prior to the sale or transfer, Lender shall have waived in writing or failed to timely exercise its right of first refusal granted under the Condominium Documents and pursuant to the purchase agreement executed by Trustor and Lender for the sale of the Property from Lender to Trustor, and Lender and the person to whom the Property is to be sold or transferred reach agreement in writing that the credit of such person is satisfactory to Lender and that the interest payable on sums secured by the Deed of Trust shall be at such rate as Lender shall request. If Lender has waived the option to accelerate provided in this Paragraph and if Trustor's successor in interest has executed a written assumption agreement accepted in writing by Lender, Lender shall release Trustor from all obligations under the Deed of Trust and the Note. If Lender exercises such option to accelerate, Lender shall mail Trustor notice of acceleration in accordance with Paragraph 12. Such notice shall provide a period of not less than ten (10) days after the date the notice is mailed within which Trustor shall pay the sums declared due. If Trustor fails to pay such sums prior to the expiration of such period, Lender may, without further notice or demand on Trustor, invoke any remedies permitted under the Deed of Trust, at law or in equity.

15. Trustor's Right to Reinstate. Trustor shall have the right to have enforcement of the Deed of Trust discontinued at any time prior to the earlier of five (5) days (or such other period as applicable law may specify for reinstatement) before sale of the Property pursuant to any power of sale contained in the Deed of Trust, or entry of a judgment enforcing the Deed of Trust; provided, however, that Trustor: (a) pays Lender all sums which then would be due under the Deed of Trust and the Note and no acceleration occurred; (b) cures any default of any other covenants or agreements; (c) pays all expenses incurred in enforcing the Deed of Trust, including reasonable attorneys' fees; and (d) takes such action as Lender may reasonably require to assure that the lien of the Deed of Trust, Lender's rights in the Property, and Trustor's obligation to pay the sums secured by the Deed of Trust shall continue unchanged. Upon reinstatement by Trustor, the Deed of Trust and the obligations secured by the Deed of Trust shall remain fully effective as if no acceleration had occurred. However, this right to reinstate shall not apply in the case of acceleration under Paragraphs 14 or 16.

16. Acceleration; Remedies. Upon default Lender at its option may require immediate payment in full of all sums secured by the Deed of Trust without further demand and may invoke the power of sale and any other remedies permitted by applicable law including judicial or nonjudicial foreclosure of the Deed of Trust pursuant to the laws and procedures of the State of California governing mortgage foreclosures. Lender shall be entitled to collect all expenses incurred in pursuing the remedies provided in this Paragraph, including reasonable attorneys' fees and costs of title evidence.

If the power of sale is invoked, Trustee shall execute a written notice of the occurrence of an event of default and of the election to cause the Property to be sold and shall record such notice in each county in which any part of the Property is located. Lender or Trustee shall mail copies of such notice in the manner prescribed by applicable law to the Trustor and to the other persons prescribed by applicable law. Trustee shall give public notice of the sale to the persons and in the manner prescribed by applicable law. After the time required by applicable law, Trustee, without demand on Trustor, shall sell the Property at public auction to the highest bidder at the time and place and under the terms designated in the notice of sale in one or more parcels and in any order Trustee determines. Trustee may, in accordance with applicable law, postpone sale of all or any parcel of the Property by public announcement at the time and place of any previously scheduled sale. Lender or its designee may purchase the Property at any sale.

Trustee shall deliver to the purchaser a trustee's deed conveying the Property without any covenant or warranty, expressed or implied. The recitals in the trustee's deed shall be prima facie evidence of the truth of the statements made in such trustee's deed. Trustee shall apply the proceeds of the sale in the following order: (a) to all expenses of the sale, including reasonable Trustee's and attorneys' fees; (b) to all sums secured by the Deed of Trust; and (c) any excess to the person or persons legally entitled to it or to the county clerk of the county in which the sale took place.

17. Lender in Possession. Upon acceleration under Paragraphs 14 or 16 or abandonment of the Property, Lender (in person, by agent, or by judicially appointed receiver) shall be entitled to enter upon, take possession of, and manage the Property and to collect the rents of the Property including those past due. Any rents collected by Lender or the receiver shall be applied first to payment of the costs of management of the Property and collection of rents, including receiver's fees, premiums on receiver's bonds, and reasonable attorneys' fees, and then to the sums secured by the Deed of Trust.

18. Reconveyance. Upon payment of all sums secured by the Deed of Trust, Lender shall request Trustee to reconvey the Property and shall surrender the Deed of Trust and all Notes evidencing debt secured by the Deed of Trust to Trustee. Trustee shall reconvey the Property without warranty and without charge to the person or persons legally entitled to it. Such person or persons shall pay any recordation costs.

19. Substitute Trustee. Lender, at its option, may from time to time remove Trustee and appoint a successor trustee to replace any Trustee appointed under the Deed of Trust. Without conveyance of the Property, the successor trustee shall succeed to all the title, power, and duties conferred upon Trustee under the Deed of Trust and by applicable law.

20. Provisions of Condominium Documents. The Property includes Trustor's undivided interest in the Condominium and the Association and the uses, proceeds, and benefits appurtenant to Trustor's interest. Trustor and Lender further covenant and agree as follows:

A. Declaration Obligations. Trustor shall perform all of Trustor's obligations under the Condominium Documents. Trustor shall promptly pay, when due, all dues and assessments imposed pursuant to the Condominium Documents.

B. Hazard Insurance. So long as the Association shall maintain, with a generally accepted insurance carrier, a 'master' or 'blanket' policy on the Condominium which provides insurance coverage in the amounts, for the periods, and against the hazards Lender requires, including fire and hazards included within the term "extended coverage," then Trustor's obligation under Paragraph 3 to maintain hazard insurance coverage on the Property is deemed satisfied to the extent that the required coverage

is provided by the Association policy. Trustor shall give Lender prompt notice of any lapse in required hazard insurance coverage. In the event of a distribution of hazard insurance proceeds pursuant to the Declaration in lieu of restoration or repair following a loss to the Property, any proceeds payable to Trustor are assigned and shall be paid to Lender for application to the sums secured by the Deed of Trust, with any excess paid to Trustor.

C. Public Liability Insurance. Trustor shall take such actions as may be reasonable to insure that the Association maintains a public liability insurance policy acceptable in form, amount, and extent of coverage to Lender.

D. Lender's Prior Consent. Trustor shall not, except after notice to Lender and with Lender's prior written consent, either partition or subdivide the Property or consent to:

(1) the abandonment or termination of the Condominium, except for abandonment or termination required by applicable law or the Condominium Documents in the case of substantial destruction by fire or other casualty or in the case of a taking by condemnation;

(2) termination of professional management and assumption of self-management of the Association or of the Property;

(3) any action which would have the effect of rendering the public liability insurance coverage maintained by the Association unacceptable to Lender; or

(4) amend the Condominium Documents in a manner that is material or adverse to Lender or its security interest as set forth in the Note or Deed of Trust.

E. Remedies. If Trustor does not pay dues, assessments, or other sums due to the Association when due, then Lender has the option, but not the obligation, to pay such dues, assessments, or other sums due to the Association. Any amounts disbursed by Lender under this Subparagraph E shall become additional debt of Trustor secured by the Deed of Trust. Unless Trustor and Lender agree to other terms of payment, these amounts shall bear interest from the date of disbursement at the rate payable from time to time on outstanding principal under the Note unless payment of interest at such rate would be contrary to applicable law, in which event such amounts shall bear interest at the highest rate permissible under applicable law, and shall be payable, with interest, upon notice from Lender to Trustor requesting payment.

21. Use of Property; Compliance With Law. Trustor shall not seek, agree to, or make a change in the use of the Property or its zoning classification, unless Lender has agreed in writing to the change. Trustor shall comply with all laws, ordinances, regulations, and requirements of any governmental body applicable to the Property.

22. Subordinate Liens. Except as permitted by federal law, Trustor shall not allow any lien inferior to the Deed of Trust to be perfected against the Property without Lender's prior written permission.

23. Assignment of Rents.

A. Assignment. Trustor unconditionally assigns and transfers to Lender all rents and revenues of the Property. Trustor authorizes Lender or Lender's agents to collect any such rents and revenues and directs each tenant of the Property to pay the rents and revenues to Lender or Lender's agents. However, prior to Lender's notice to Trustor of Trustor's breach of any covenant or agreement in the Deed of Trust, Trustor shall collect and receive all such rents and revenues of the Property. This assignment of rents constitutes an absolute assignment and not an assignment for additional security only.

B. Rents Upon Breach. If Lender gives notice of breach to Trustor: (a) all rents received by Trustor shall be held by Trustor as trustee for the benefit of Lender only, to be applied to the sums secured by the Deed of Trust; (b) Lender shall be entitled to collect and receive all of the rents of the Property; and (c) each tenant of the Property shall pay all rents due and unpaid to Lender or Lender's agent on Lender's written demand to the tenant.

C. No Prior Assignment. Trustor has not executed any prior assignment of the rents and has not and will not perform any act that would prevent Lender from exercising its rights under this Paragraph 23.

D. Control of Property. Lender shall not be required to enter upon, take control of, or maintain the Property before or after giving notice of breach to Trustor. However, Lender or a judicially appointed receiver may do so at any time there is a breach.

E. Application; Termination. Any application of rents shall not cure or waive any default or invalidate any other right or remedy of Lender. This assignment of rents of the Property shall terminate when the debt secured by the Deed of Trust is paid in full.

24. Security Agreement.

A. Security Interest. Trustor, as debtor, also grants to Lender, as secured party, pursuant to the California Commercial Code, in order to further secure the indebtedness secured by the Deed of Trust, a purchase money security interest in all proceeds of any fire or builders risk insurance policy, or of any policy insuring the Property against any other perils; all awards made in eminent domain proceedings, or purchase in lieu thereof, made with respect to the Property; and all rents, issues, and profits derived from the Property. The articles of property described above are collectively referred to as the "**Collateral.**" This Paragraph 24 is sometimes referred to herein as the "**security agreement.**"

B. Title to Collateral. Trustor warrants and represents that Trustor has title to all of the Collateral, and no other person entity or government has or purports to have any right, title, encumbrance, or adverse claim in or to any of the Collateral.

C. Trustor's Covenants. Trustor agrees that:

(1) Trustor will repay immediately on demand all expenses (including reasonable attorneys' fees, legal expenses and costs and the costs of filing financing statements and any renewals or extensions incurred by Lender under this security agreement or under any other instrument securing payment of the Note, with interest from the date of such expenditure at the rate payable from time to time on outstanding principal under the Note unless payment of interest at such rate would be contrary to applicable law, in which event such amounts shall bear interest at the highest rate permissible under applicable law.

(2) Trustor will not commence or permit to continue any proceedings in bankruptcy, insolvency, receivership, or similar proceedings, or commit any act of bankruptcy or make any assignment for benefit of creditors or become insolvent.

(3) Trustor will not sell, contract to sell, lease, assign, encumber, or dispose of the Collateral or any part thereof without the prior written consent of Lender.

(4) Trustor will insure or cause the Collateral to be insured, with Lender as loss payee, against such hazards and in such form and in such amounts and with such companies as Lender may require, and will deliver the policies or appropriate certificates to Lender.

(5) Trustor agrees to pay when due and discharge all taxes, assessments, charges, liens, or encumbrances now or hereafter affecting the Collateral.

(6) Trustor, at its own expense, will appear in and defend any action or proceeding which may affect Lender's security interest in or Trustor's title to the Collateral.

(7) Should Trustor fail to make any payment or perform any act agreed to be made or performed in the Deed of Trust, Lender may pay or perform the same, and in that event Trustor agrees to reimburse Lender in full for all payments, expenses, and costs thereby incurred, with interest thereon at a rate equal to the rate of interest then applicable under the Note. Lender shall be the sole judge of the validity of any adverse claims, taxes, assessments, charges, or encumbrances, and the amount to be paid in satisfaction thereof, and of the necessity for, and of time and manner of doing everything in the Deed of Trust authorized to be done, provided Lender shall be under no obligation to do any such acts or to make any of such payments.

(8) Trustor assigns to Lender all rents and income from the Collateral subject to the right of Trustor to collect and retain the same prior to any default under the Deed of Trust.

D. Additional Remedies. Trustor agrees that if (a) any warranty or representation of Trustor in this security agreement is false; (b) any covenant in this Deed of Trust is violated; (c) the priority of the security interest granted in the Deed of Trust is impaired; or (d) there is any default in the payment when due of interest or principal of the indebtedness secured by the Deed of Trust, in addition to any other remedies contained in the Deed of Trust or provided by law, and to the extent permitted by law, Lender may:

(1) Incur expenses, including reasonable attorneys' fees, legal expenses, and costs appropriate to the exercise of any right or power under the Deed of Trust.

(2) By itself or through an agent or receiver, take possession of the Collateral, without, however, any obligation to do so, and enter upon the Property for that purpose; control, manage, rent, and lease the Collateral, either separately or in conjunction with the Property; collect all rents and income from the Collateral and apply the same to reimburse Lender for any costs or expenses incurred under the Deed of Trust, and to the payment or performance of Trustor's obligations secured by the

Deed of Trust, and the balance first to interest and then to principal of the indebtedness secured by the Deed of Trust; or secure the appointment of a receiver of the Collateral.

(3) Sue Trustor or any other person or entity liable for the indebtedness to retain the Collateral in satisfaction of the indebtedness; dispose of the Collateral in a commercially reasonable manner, as provided by the California Commercial Code (it being agreed that then (10) days written notice prior to sale of the Collateral shall be deemed reasonable) and apply the proceeds to reimburse Lender for any costs or expenses incurred under the Deed of Trust, to the payment or performance of Trustor's obligations under the Deed of Trust, and to interest and principal of the indebtedness secured by the Deed of Trust. The Collateral may also be sold together with the Property at any sale of the Property held pursuant to California law governing foreclosure sales under deed of trust or mortgages.

E. Public Filing. The Deed of Trust, or a copy of the Deed of Trust, may be filed as a financing statement in appropriate state, county or municipal offices, or in the real estate records of the Orange County Recorder in order to perfect and protect the security interest granted under the Deed of Trust. Lender's address, from which information concerning the security interest granted in the Deed of Trust can be obtained, is 215 Celebration Place, Suite 300, Celebration, Florida 34747.

25. Authority. If Trustor is a corporation, trust, a limited liability company, a limited liability partnership, a general or limited partnership, each person signing the Deed of Trust or any riders to the Deed of Trust on behalf of the Trustor represents and warrants that he or she is duly authorized to execute and deliver the Deed of Trust for and on behalf of the Trustor. If the Trustor is a general or limited partnership, the persons signing below certify that they are all of the general partners of Trustor.

26. Antideficiency Provision. If Lender forecloses on the Collateral by power of sale in accordance with the Deed of Trust, Lender shall have no right to proceed with any action against Trustor to recover any amounts by which the proceeds from sale of the Collateral are insufficient to pay the entire debt then due.

27. Add-on Contracts. If Trustor (or any party comprising Trustor or of which Trustor is comprised) executes and delivers any further note(s) or deed(s) of trust in favor of Lender in connection with the acquisition of an additional timeshare interest from Lender, or for some other purpose, then, to the extent permitted by applicable law, Trustor agrees that: (i) any default or event of default under any such further note(s) or deed(s) of trust shall automatically and without further notice constitute a default under the Deed of Trust as fully as if such default or event of default arose directly under the Deed of Trust; (ii) any default or event of default under the Deed of Trust shall automatically and without further notice constitute a default under any such further note(s) and deed(s) of trust as fully as if such default or event of default arose directly under such further note(s) and deed(s) of trust; and (iii) the lien of the Deed of Trust shall automatically and without further action spread over and encumber any such additional ownership interest as fully as if such additional timeshare interest comprised the Property initially encumbered by the Deed of Trust, and Trustor irrevocably grants, bargains, sells, and conveys any such additional timeshare interest to Trustee in trust, with power of sale, for the benefit of Lender.

28. Interpretation. Where the context so indicates, a word in the singular form shall include the plural. The term "include" and similar terms (e.g., includes, including, included, comprises, comprising, such as, e.g., including but not limited to and for example), when used as part of a phrase including one or more specific items, are not words of limitation and are not to be construed as being limited to only the listed items. The Deed of Trust shall be construed without regard to any presumption or other rule requiring construction against Lender as a result of Lender causing the Deed of Trust to be drafted. Whenever the consent or approval of Lender is referred to in the Deed of Trust or the taking of any action under the Deed of Trust is subject to the consent or approval of Lender, it shall mean prior written approval to be given or withheld in the discretion of Lender. Any reserved right in favor of Lender may be implemented, taken, or withheld in the discretion of Lender. Further, any references to the use, exercise, or grant of the right of discretion of Lender as set forth in the Deed of Trust shall mean the sole, absolute, and unfettered discretion of Lender to the exclusion of all other persons unless specifically provided otherwise. The use of headings, captions, and numbers in the Deed of Trust is solely for the convenience of identifying and indexing the various provisions of Deed of Trust and shall in no event be considered otherwise in construing or interpreting any provision of the Deed of Trust.

29. Entire Agreement. The Deed of Trust and the Note constitute the entire understanding and agreement of Trustor and Lender with regard to the subject matter set forth in the Deed of Trust, and supersede all oral agreements, understandings, or representations of the parties. The Deed of Trust shall not be modified or amended unless such amendment is in writing signed by Trustor and Lender.

30. Time. Time is of the essence in the performance by Trustor of each and every obligation of Trustor represented by the Deed of Trust, especially with respect to the payment of any sums due to Lender by Trustor.

31. **Further Assurances.** Trustor shall, from time to time, execute such additional documents which may reasonably be requested by Lender, to carry out and fulfill the intents and purposes of the Deed of Trust and the Note.

32. **Attorneys' Fees.** As used in the Deed of Trust and in the Note, the term attorneys' fees shall also include attorneys' fees, paralegals, legal assistants and other professionals as may be awarded, including all appeals and all proceedings in bankruptcy and probate.

33. **Governing Law and Waiver of Trial by Jury.** THE DEED OF TRUST IS MADE AND SHALL IN ALL RESPECTS BE GOVERNED BY, CONSTRUED UNDER AND INTERPRETED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF CALIFORNIA (PROVIDED, HOWEVER, THAT SHOULD ANY PROVISIONS OF THE FEDERAL LAW OF THE UNITED STATES SPECIFICALLY PREEMPT PROVISIONS OF CALIFORNIA LAW WHICH WOULD OTHERWISE APPLY TO THE DEED OF TRUST, THEN THE PREEMPTED CALIFORNIA LAW SHALL NOT APPLY AND FEDERAL LAW SHALL APPLY TO THE EXTENT REQUIRED BY SUCH PREEMPTION ONLY). THE COURTS IN THE STATE OF CALIFORNIA, COUNTY OF ORANGE SHALL BE THE EXCLUSIVE COURTS OF JURISDICTION AND VENUE FOR ANY LITIGATION OR OTHER PROCEEDING THAT MAY BE BASED ON, ARISE OUT OF, UNDER OR IN CONJUNCTION WITH THE DEED OF TRUST. TO THE EXTENT PERMITTED BY APPLICABLE LAW, THE PARTIES HEREBY KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVE THE RIGHT EITHER MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED ON, OR ARISING OUT OF, UNDER OR IN CONJUNCTION WITH THE DEED OF TRUST, OR ANY COURSE OF CONDUCT, COURSE OF DEALING, STATEMENTS (WHETHER VERBAL OR WRITTEN) OR ACTIONS OF ANY PARTY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR LENDER EXTENDING THE LOAN REPRESENTED BY THE NOTE TO TRUSTOR.

IN WITNESS WHEREOF, Lender has executed this Uniform Declaration as of the Effective Date.

WITNESSES

Shawn Becker
(signature)

Shawn Becker
(print name)

J Veely
(signature)

James Veeling
(print name)

DISNEY VACATION DEVELOPMENT, INC.,
a Florida corporation

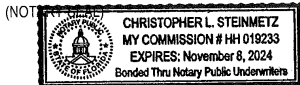
By: Yvonne Chang
(signature)

Yvonne Chang
(print name)

As its: ASSISTANT SECRETARY
(title)

STATE OF FLORIDA) ss.
COUNTY OF OSCEOLA)

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this 13 day of December 2022, by Yvonne Chang, as Assistant Secretary of Disney Vacation Development, Inc., a Florida corporation, on behalf of the corporation. She is personally known to me.



Christopher Steinmetz
(Notary Signature)