

RECORDED

2000 AUG 14 A 11:41

NANCY HAVILAND  
REGISTER OF DEEDS  
LIVINGSTON COUNTY, MI.  
48843

LIVINGSTON COUNTY TREASURER'S CERTIFICATE  
I hereby certify that there are no TAX  
LIENS or TITLES held by the state or any  
individual against the within description,  
and all TAXES are same as paid for five  
years previous to the date of this instrument  
or appear on the records in this  
office except as stated. 4214

8-14-00 *Dianna H. Hardy*  
Dianna H. Hardy, Treasurer  
5-00 Sec. 185 Act 208, 1986 as Amended  
Taxes not examined

**HOMESTEAD DEMANDS NOT EXAMINED**

**MASTER DEED**

**HOMETOWN VILLAGE OF MARION**

(Act 59 of Public Acts of 1978, as amended)

185/2

This Master Deed is made and executed this 11<sup>th</sup> day of August, 2000, by **DELCOR HOMES - HOMETOWN VILLAGE OF MARION, LTD.**, a Michigan corporation, hereinafter referred to as "Developer" whose address is P.O. Box 308, New Hudson, MI 48165, in pursuance of the provisions of Act 59 of the Public Acts of 1978, as amended, hereinafter referred to as the "Act".

**WITNESSETH:**

**WHEREAS**, the Developer desires by recording this Master Deed together with the Bylaws attached hereto as Exhibit "A" and together with the Condominium Subdivision Plan attached hereto as Exhibit "B" and together with Township of Marion Planned Unit Development Agreement attached hereto as Exhibit "C" (all of which are hereby incorporated by reference and made a part hereof) to establish the real property described in Article II below, together with the improvements located and to be located thereon and the appurtenances thereto as a residential Condominium under the provisions of the Act.

**NOW, THEREFORE**, the Developer does, upon the recording hereof, establish HOMETOWN VILLAGE OF MARION as a Condominium under the Act and declares HOMETOWN VILLAGE OF MARION (hereinafter referred to as "Condominium" or "Condominium Project") shall, after establishment, be held, conveyed, hypothecated, encumbered, leased, rented, occupied, improved or in any other manner utilized subject to the provisions of the Act and to the covenants, restrictions, conditions, uses, limitations and affirmative obligations set forth in this Master Deed, together with Exhibits "A", "B" and "C" hereto, all of which shall be deemed to run with the land and shall be a burden and a benefit to the Developer, its successors and assigns, and any persons acquiring or owning an interest in the Condominium Premises, their grantees, successors, heirs, personal representatives and assigns. In furtherance of the establishment of the Condominium, it is hereby provided as follows:

## ARTICLE I

## TITLE AND NATURE

The Condominium shall be known as HOMETOWN VILLAGE OF MARION, Livingston County Condominium Subdivision Plan No. 198. The engineering and architectural plans for the Project were approved in accordance with the requirements of Marion Township, Livingston County, Michigan. The Condominium is established in accordance with the Act. The Units contained in the Condominium, including the number, boundaries, dimensions and area of each Unit therein are set forth completely in the Condominium Subdivision Plan attached as Exhibit "B" hereto. Each Unit is capable of individual utilization on account of having its own entrance from and exit to a Common Element of the Condominium. Each Co-owner in the Condominium shall have an exclusive right to his Unit and shall have undivided and inseparable rights to share with other Co-owners the Common Elements of the Condominium Project.

## ARTICLE II

## LEGAL DESCRIPTION

The land which is submitted to the Condominium Project established by this Master Deed is described as follows:

A parcel of land in the Northeast 1/4 of Section 11, T2N, R4E, Marion Township, Livingston County, Michigan; the boundary of said parcel described as: Commencing at the Northeast corner of said Section 11; thence S02°53'24"E along the East line of said Section 11 a distance of 702.09 feet to the point of beginning of this description; thence S02°53'24"E continuing along said East line a distance of 1269.83 feet; thence S87°41'26"W 1056.89 feet; thence N02°18'35"W 183.52 feet; thence S87°41'26"W 27.73 feet; thence N02°18'34"W 60.00 feet; thence Northwesterly 140.42 feet along a curve to the left, said curve having a radius of 383.50 feet, a delta angle of 20°58'44", and a chord of 139.64 feet bearing N11°49'24"W; thence Northwesterly 103.03 feet along a curve to the right, said curve having a radius of 733.00 feet, a delta angle of 08°03'11", and a chord of 102.94 feet bearing N18°17'11"W; thence N11°54'51"W 60.00 feet; thence S78°05'09"W 101.48 feet; thence Northwesterly 190.61 feet along a curve to the right, said curve having a radius of 105.00 feet, a delta angle of 104°00'34", and a chord of 165.49 feet bearing N49°54'33"W; thence Northwesterly 97.07 feet along a curve to the left, said curve having a radius of 1134.00 feet, a delta angle of 04°54'16", and a chord of 97.04 feet bearing N00°21'24"W; thence N87°11'06"E 108.50 feet; thence Northwesterly 333.52 feet along a curve to the left, said curve having a radius of 1242.50 feet, a delta angle of 15°22'47", and a chord of 332.52 feet bearing N10°30'17"W; thence Northeasterly 14.72 feet along a curve to the right, said curve having a radius of 638.50 feet, a delta angle of 01°19'17", and a chord of 14.72 feet bearing N62°47'29"E; thence Northeasterly 145.85 feet along a curve to the right, said curve having a radius of 186.50 feet, a

delta angle of  $44^{\circ}48'26''$ , and a chord of 142.16 feet bearing  $N84^{\circ}32'03''E$ ; thence  $N16^{\circ}56'17''E$  168.50 feet; thence Southeasterly 15.78 feet along a curve to the right, said curve having a radius of 355.00 feet, a delta angle of  $02^{\circ}32'49''$ , and a chord of 15.78 feet bearing  $S71^{\circ}47'19''E$ ; thence  $N19^{\circ}29'06''E$  217.36 feet; thence  $N88^{\circ}25'06''E$  31.80 feet; thence  $S02^{\circ}53'24''E$  parallel to said East line a distance of 169.96 feet; thence  $N87^{\circ}06'36''E$  123.56 feet; thence  $S39^{\circ}14'52''W$  1.35 feet; thence  $N87^{\circ}06'36''E$  80.91 feet; thence  $N39^{\circ}14'52''E$  1.35 feet; thence  $N87^{\circ}06'36''E$  746.78 feet to the point of beginning; said parcel containing 34.50 acres more or less.

Subject to Gas Storage Agreement and Oil and Gas Lease and Affidavit of Notice of Intention to Retain Mineral Rights in favor of Panhandle Eastern Pipe Line Company, as recited in instruments recorded in Liber 312, Pg. 612, Liber 345, Pg. 62, Liber 693, Pg. 6, and Liber 840, Pg. 332 Livingston County Records; Ratification and Rental Division Order recorded in Liber 498, Pg. 124, Livingston County Records; the Terms and Conditions contained in Mineral Deed Interest, as disclosed by instrument recorded in Liber 230, Pg. 345, Liber 230, Pg. 489, Liber 230, Pg. 532, Liber 415, Pg. 339, Liber 498, Pg. 127, and Liber 498, Pg. 129, Livingston County Records. Further subject to all other easements and restrictions of record and governmental limitations.

### ARTICLE III

#### DEFINITIONS

Certain terms are utilized not only in this Master Deed and Exhibits "A", "B" and "C" hereto, but are or may be used in various other instruments such as by way of example and not by way of limitation, the Articles of Incorporation and Rules and Regulations of the HOMETOWN VILLAGE OF MARION ASSOCIATION, a Michigan non-profit corporation and deeds, mortgages, liens, land contracts, easements and other instruments affecting the establishment of or transfer of interest in HOMETOWN VILLAGE OF MARION as a Condominium. Wherever used in such documents or any other pertinent instruments, the terms set forth below shall be defined as follows:

1. The "Act" means the Michigan Condominium Act, being Act 59 of the Public Acts of 1978, as amended.
2. "Association" means Hometown Village of Marion Association, which is the non-profit corporation organized under Michigan Law of which all Co-owners shall be members, which corporation shall administer, operate, manage and maintain the Condominium. Any action required or permitted to the Association shall be exercisable by its Board of Directors unless specifically reserved to its members by the Condominium Documents or the laws of the State of Michigan.

3. "Board of Directors" or "Board" means the Board of Directors of Hometown Village of Marion Association, the Michigan nonprofit corporation organized to manage, maintain and administer the Condominium.
4. "Bylaws" means Exhibit "A" attached hereto, being the Bylaws setting forth the substantive rights and obligations of the Co-owners and required by Section 3(8) of the Act to be recorded as part of the Master Deed. The Bylaws shall also constitute the Corporate Bylaws of the Association as provided for under the Michigan Nonprofit Corporation Act.
5. "Condominium Unit" or "Unit" each mean a single Unit in HOMETOWN VILLAGE OF MARION as the same is described in Article V, Section 1 hereof and on Exhibit "B" hereto and shall have the same meaning as the term "Condominium Unit" as defined in the Act. All structures and improvements now or hereafter located within the boundaries of a Unit shall be owned in their entirety by the Co-owner of the Unit within which they are located and shall not, unless otherwise expressly provided in the Condominium Documents, constitute Common Elements.
6. "Condominium Documents" wherever used means and includes this Master Deed and Exhibits "A", "B" and "C" hereto, the Articles of Incorporation, Bylaws and Rules and Regulations, if any, of the Association as all of the same may be amended from time to time.
7. "Condominium", "Condominium Project", "Project" or "Condominium Premises" means and includes the land described in Article II above as same may be amended from time to time to include the Area of Future Development as subsequently added to the Project in accordance with Article VIII below and all easement rights appurtenant belonging to HOMETOWN VILLAGE OF MARION as described above.
8. "Condominium Subdivision Plan" means Exhibit "B" hereto.
9. "Consolidating Master Deed" means the final Amended Master Deed which shall describe HOMETOWN VILLAGE OF MARION as a completed Condominium Project and shall reflect the entire land area in the Condominium Project. Such Consolidating Master Deed, if and when recorded in the Office of the Livingston County Register of Deeds, shall supersede the previously recorded Master Deed for the Condominium and all amendments thereto.
10. "Construction and Sales Period" means the period commencing with the recording of the Master Deed and continuing as long as the Developer owns, or has the right to purchase, any Unit which it offers for sale or as long as there remains any residence to be constructed, whichever last occurs.
11. "Co-owner" means a person, firm, corporation, partnership, association, trust or other legal entity or any combination thereof who, or which, owns one or more Units in the

Condominium. The term "Owner" wherever used will be synonymous with the term "Co-owner".

12. "Developer" means DELCOR HOMES – HOMETOWN VILLAGE OF MARION, LTD., a Michigan corporation which has made and executed this Master Deed and its successors and assigns. Both successors and assigns shall always be deemed to be included within the term "Developer" whenever, however, and wherever such terms are used in the Condominium Documents.
13. "First Annual Meeting" means the initial meeting at which nonDeveloper Co-owners are permitted to vote for the election of all directors and upon all other matters which may properly be brought before the meeting. Such meeting is to be held (a) in the Developer's sole discretion after fifty (50%) percent of the Units which may be created are sold, or (b) mandatorily within (i) 54 months from the date of the first Unit conveyance, or (ii) 120 days after seventy-five (75%) percent of all Units which may be created are sold, whichever first occurs.
14. "Transitional Control Date" means the date on which a Board of Directors of the Association takes office pursuant to an election in which the votes which may be cast by eligible Co-owners unaffiliated with the Developer exceed the votes which may be cast by the Developer.

Other terms which may be utilized in the Condominium Documents and which are not defined above shall have the meanings as provided in the Act.

Whenever any reference herein is made to one gender, the same shall include a reference to any and all genders where the same would be appropriate; similarly, whenever a reference is made herein to a singular, a reference shall also be included to the plural where the same would be appropriate.

## ARTICLE IV

### COMMON ELEMENTS

The Common Elements of the Condominium described in Exhibit "B" attached hereto and the respective responsibilities for maintenance, decoration, repair or replacement thereof are as follows:

1. The General Common Elements are:
  - A. Land. The land described in Article II hereof, other than portions thereof identified as Units.

- B. Electrical. The electrical transmission lines throughout the Project up to the point of lateral connection for Unit service, together with common lighting for the Project, if any is installed.
- C. Cable Television. The cable television system (if installed) throughout the Project up to the point of lateral connection for Unit service.
- D. Telephone. The telephone system throughout the Project up to the point of lateral connection for Unit service.
- E. Gas. The gas distribution system throughout the Project up to the point of lateral connection for Unit service.
- F. Water. The water distribution system throughout the Project up to the point of lateral connection for Unit service, including sprinkling system fixtures, connections and controls, if any, in the General Common Element areas.
- G. Sanitary Sewer. The sanitary sewer system throughout the Project up to the point of lateral connection for Unit service.
- H. Storm Sewer System. The storm sewer swales and ditches, mains, if applicable, leads and catch basins throughout the Project as depicted on the Condominium Subdivision Plan together with any detention area depicted as such on the Condominium Subdivision Plan.
- I. Site Lighting. The site lighting, including all wiring fixtures, posts and meters throughout the Project up to the perimeter of any Unit.
- J. Telecommunications. The telecommunications system, if and when it may be installed, including any security system up to the point of the ancillary connection for Unit service.
- K. Roadways. The collector roadways designated on Exhibit "B" which provide access to the Units.
- L. Sidewalks. All sidewalks located within the right of way and all other sidewalks designated as General Common Elements on Exhibit "B" hereto.
- M. Swimming Pool and Clubhouse. The swimming pool and clubhouse as designated on Exhibit "B" hereto.
- N. Entry Boulevard Area. The entry boulevard area and all improvements therein as designated on Exhibit "B" hereto.
- O. Wetlands and Open Areas. Wetlands, ponds and open areas designated on Exhibit "B" hereto within the boundaries of the Project, together with all improvements within such open areas and/or ponds including, without limitation, the bell tower, gazebo, tot lots, fountains, and walking trails, if any.
- P. Other. Such other elements of the Project not herein designated as Common Elements which are not enclosed within the boundaries of a Unit and which are intended for common use or are necessary to the existence, upkeep and safety of the Project.

Some or all of the utility lines (including mains and service leads) and equipment and the telecommunications system described above may be owned by the local public authority or by the company that is providing the pertinent service. Accordingly, such utility lines, systems and equipment shall be General Common Elements only to the extent

of the Co-owners' interest therein, if any, and the Developer makes no warranty whatsoever with respect to the nature or extent of such interest, if any.

2. There are no Limited Common Elements within the Project.
3. Repair Responsibilities: The respective responsibilities for the maintenance, decoration, repair and replacement of the Common Elements and Units are as follows.

A. Co-owner Responsibility for Units. It is anticipated that separate residential dwellings will be constructed within the Units depicted on Exhibit "B" hereto. Except as otherwise expressly provided, the responsibility for and the costs of maintenance, decoration, repair and replacement of any dwelling and appurtenance of each dwelling shall be borne by the Co-owner of the Unit which is served thereby. Likewise, each Co-owner shall be responsible for the installation and maintenance of lawn and other landscaping materials within his Unit and in the yard area within the right of way. Each Co-owner shall also be responsible for snow removal for the sidewalk within the right of way.

B. Association Responsibility for Units Under Certain Circumstances. The Association shall not be responsible for performing any maintenance, repair or replacement with respect to residences and their appurtenances located within the Condominium Units. Nevertheless, in order to provide for flexibility in administering the Condominium, the Association, acting through its Board of Directors, may undertake such regularly reoccurring, reasonably uniform, periodic exterior maintenance functions with respect to Unit improvements, including dwellings constructed within any Unit boundaries as it may deem appropriate (including without limitation, lawn mowing, snow removal, tree trimming and exterior painting). Nothing herein contained, however, shall require the Association to undertake such responsibilities. Any such responsibilities undertaken by the Association shall be charged to any affected Co-owner on a reasonably uniform basis and collected in accordance with the assessment procedures established under Article II of the Bylaws. The Developer in the initial maintenance budget for the Association shall be entitled to determine the nature and extent of such services and reasonable rules and regulations may be promulgated in connection therewith.

C. Specific Obligations of the Association. The Association shall be solely responsible for the establishment of procedures for the protection of the open areas and the wetlands and for the maintenance of wood chip pathways, if any.

D. General Common Elements. The cost of maintenance, repair and replacement of all other General Common Elements shall be borne by the Association subject to any provision of the Condominium Documents expressly to the contrary.

4. Use of Units and Common Elements. No Co-owner shall use his Unit or the Common Elements in any manner inconsistent with the purposes of the Project or in any manner which will interfere with or impair the rights of any other Co-owner in the use and enjoyment of his Unit or the Common Elements.

## ARTICLE V

### UNIT DESCRIPTION AND PERCENTAGE OF VALUE

1. Description of Units. Each Unit in the Condominium is described in this paragraph with reference to the Condominium Subdivision Plan of HOMETOWN VILLAGE OF MARION as surveyed by KEBS, INC. and attached hereto as Exhibit "B". Each Unit shall consist of the area contained within the Unit boundaries as shown in Exhibit "B" hereto and delineated with heavy outlines, together with all appurtenances thereto.

2. Percentage of Value. The percentage of value assigned to each Unit in HOMETOWN VILLAGE OF MARION shall be equal. The determination that percentages of value should be equal was made after reviewing the comparative characteristics of each Unit in the Project and concluding that there are not material differences among the Units insofar as the allocation of percentages of value is concerned. The percentage of value assigned to each Unit shall be determinative of each Co-owner's respective share of the Common Elements of the Condominium Project, the proportionate share of each respective Co-owner in the proceeds and the expenses of administration and the value of such Co-owner's vote at meetings of the Association. The total value of the Project is 100%.

## ARTICLE VI

### SUBDIVISION, CONSOLIDATION AND OTHER MODIFICATION OF UNITS

Notwithstanding any other provision of the Master Deed or the Bylaws, Units in the Condominium may be subdivided, consolidated, modified and the boundaries relocated in accordance with Sections 48 and 49 of the Act and this Article; such changes in the affected Unit or Units shall be promptly reflected in a duly recorded amendment or amendments to this Master Deed.

#### 1. BY THE DEVELOPER

The Developer reserves the sole right during the Construction and Sales Period and without the consent of any other Co-owner or any mortgagee of any Unit to take the following action:

- A. Consolidate Units; Relocate Unit Boundaries. To consolidate under single ownership two or more Units which are located adjacent to one another and to relocate the boundaries of Units. Such action shall be given effect by an



appropriate amendment or amendments to this Master Deed in the manner provided by law, which amendment or amendments shall be prepared by and at the sole discretion of the Developer, its successors or assigns and subject to prior approval of Marion Township.

- B. Amendment to Effectuate Modifications. Any such amendment or amendments resulting from the exercise of the rights reserved to the Developer above shall identify the Units involved, and allocate, or reallocate, as the case may be, the percentage of value for the affected Units in order to preserve a total value of 100% for the entire Condominium resulting from such amendment or amendments to the Master Deed. The precise determination of the readjustments in percentage of value shall be within the sole judgment of Developer. Such readjustments, however, shall reflect a continuing reasonable relationship among percentages of value based upon the original method of determining percentages of value for the Project. Such amendment or amendments to the Master Deed shall also contain such further definitions of Common Elements as may be necessary to adequately describe the Units in the Condominium Project as so modified. All of the Co-owners and mortgagees of Units and other persons interested or to become interested in the Project from time to time shall be deemed to have irrevocably and unanimously consented to such amendment or amendments of this Master Deed to effectuate the foregoing and to any proportionate reallocation of percentages of value of Units which Developer or its successors and assigns may determine necessary in conjunction with such amendment or amendments. All such interested persons irrevocably appoint Developer or its successors and assigns as agent and attorney in fact for the purpose of execution of such amendment or amendments to the Master Deed and all other documents necessary to effectuate the foregoing. Such amendments may be effected without the necessity of re-recording an entire Master Deed or exhibits hereto.

## 2. BY CO-OWNERS

One or more Co-owners may undertake consolidation of Units or relocation of boundaries. Co-owners of adjoining Units may, subject to the prior approval of Marion Township, relocate boundaries between their Units or eliminate boundaries between two or more Units upon written request to the Association in accordance with Section 48 of the Act.

Upon receipt of such request, the President of the Association shall cause to be prepared an amendment to the Master Deed duly relocating the boundaries, identifying the Units involved, reallocating percentages of value and providing for conveyancing between or among the Co-owners involved in relocation of the boundaries. The Co-owners requesting relocation of boundaries shall bear all costs of such amendment. Such relocation or elimination of boundaries shall not become effective, however, until the amendment to the Master Deed has been recorded in the office of the Livingston County Register of Deeds.

## ARTICLE VII

## CONVERTIBLE AREAS

1. Convertible Areas. The Common Elements and all unsold Units have been designated on the Condominium Subdivision Plan as Convertible Areas within which the Units and Common Elements may be modified and within which Units may be expanded, moved, deleted and created as provided in this Article VII. The Developer reserves the right, but not an obligation, to convert the Convertible Areas.
2. Reservation of Right to Convert Convertible Areas. The Developer reserves the right, in its sole discretion, during a period ending six (6) years from the date of recording this Master Deed, to modify the size, location and configuration of any Unit that it owns in the Condominium, and to make corresponding changes to the Common Elements; provided, however, that the written consent of the Township of Marion is first obtained for the converting of Convertible Areas. The changes could include (by way of illustration and not limitation), the deletion of Units from the Condominium and the substitution of General Common Elements therefor.
3. Residential Use Restriction. All improvements constructed or installed within the Convertible Areas described above shall be restricted exclusively to single family residential use and to such Common Elements as are compatible with single family residential use. There are no other restrictions upon such improvements except those which are imposed by state law, local ordinances or building authorities; provided, however, that the percentage of open space in the Condominium as required by the Township of Marion is maintained at all times.
4. Compatibility of Structures. The extent to which any structure erected on any portion of the Convertible Areas is compatible with structures included in the original Master Deed is not limited by this Master Deed, but lies solely within the discretion of the Developer, subject only to the requirements of local ordinances, building authorities and the Planned Unit Development Agreement (Exhibit "C" hereto).
5. Consent of Interested Persons. The consent of any Co-owner shall not be required to convert the Convertible Areas. All of the Co-owners and mortgagees of Units and other persons interested or to become interested in the Condominium from time to time shall be deemed to have irrevocably and unanimously consented to such conversion of the Convertible Areas and any amendment to this Master Deed to effectuate the conversion and to any reallocation of percentages of value of existing Units which Developer may determine necessary in connection with such amendment or amendments. All such interested persons irrevocably appoint the Developer and its successors and assigns, as agent and attorney for the purpose of execution of such amendment or amendments to the Master Deed and all other documents necessary to effectuate the foregoing. Such amendments may be effected without the necessity of re-recording the entire Master Deed or the Exhibits hereto and may incorporate by reference all or any pertinent portions of this Master Deed and the Exhibits hereto. Nothing herein contained, however, shall in any way obligate Developer to convert the Convertible Areas. These provisions give notice to all Co-owners, mortgagees and other persons acquiring an interest in the

Condominium that such amendments of this Master Deed may be made and recorded, and no further notice of such amendment shall be required.

6. Amendments to Master Deed. All modifications to Units and Common Elements made pursuant to this Article VII shall be given effect by appropriate amendment to this Master Deed in the manner provided by law, which amendments shall be prepared by and at the discretion of the Developer, and in which the percentages of value set forth in Article V hereof shall be proportionately readjusted, in order to preserve a total value of 100% for the entire Condominium resulting from such amendments to this Master Deed and preserving equal percentages of value for each Unit. Such amendments to the Master Deed shall also contain such further definitions and redefinitions of Common Elements as may be necessary to adequately describe and service the Units and Common Elements being modified by such amendment. In connection with any such amendment, Developer shall have the right to change the nature of any Common Element previously included in the Condominium for any purpose reasonably necessary to achieve the purposes of this Article VII.

7. Consolidating Master Deed. In the event that certain, or all, of the Convertible Areas are converted by Developer pursuant to this Article VII, a Consolidating Master Deed shall be recorded pursuant to the Act when the Condominium is finally concluded as determined by Developer in order to incorporate into one set of instruments all successive stages of development. The Consolidating Master Deed, when recorded, shall supersede the previously recorded Master Deed and all amendments thereto.

## ARTICLE VIII

### EXPANSION OF CONDOMINIUM

1. Area of Future Development. The Condominium established pursuant to the initial Master Deed of HOMETOWN VILLAGE OF MARION, and consisting of 91 Units, is intended to be the first phase of an expandable Condominium under the Act to contain in its entirety a maximum of 267 Units. Additional Units, if any, will be constructed upon all or some portion or portions of the following described land:

A parcel of land in the Northeast 1/4 of Section 11, T2N, R4E, Marion Township, Livingston County, Michigan; the boundary of said parcel described as: Commencing at the Northeast corner of said Section 11; thence S02°53'24"E along the East line of said Section 11 a distance of 1971.92 feet; thence S87°41'26"W 1056.89 feet to the point of beginning of this description; thence S87°41'26"W 497.02 feet; thence N22°37'31"E 247.17 feet; thence Northwesterly 273.48 feet along a curve to the right, said curve having a radius of 440.00 feet, a delta angle of 35°36'42", and a chord of 269.10 feet bearing N49°41'29"W; thence S57°56'59"W 107.96 feet; thence Northwesterly 313.76 feet along a curve to the

right, said curve having a radius of 552.00 feet, a delta angle of  $32^{\circ}34'01''$ , and a chord of 309.55 feet bearing  $N15^{\circ}48'45''W$ ; thence Northwesterly 319.98 feet along a curve to the left, said curve having a radius of 688.50 feet, a delta angle of  $26^{\circ}37'40''$ , and a chord of 317.10 feet, bearing  $N10^{\circ}01'14''W$ ; thence  $N20^{\circ}03'21''W$  106.42 feet; thence  $S79^{\circ}59'30''E$  44.92 feet; thence  $N20^{\circ}01'37''E$  116.86 feet; thence  $N27^{\circ}57'02''E$  60.22 feet; thence Southeasterly 84.72 feet along a curve to the left, said curve having a radius of 470.00 feet, a delta angle of  $10^{\circ}19'40''$ , and a chord of 84.60 feet bearing  $S71^{\circ}44'31''E$ ; thence  $N13^{\circ}05'39''E$  257.49 feet; thence  $N88^{\circ}25'06''E$  624.95 feet; thence  $S19^{\circ}29'06''W$  217.36 feet; thence Northwesterly 15.78 feet along a curve to the right, said curve having a radius of 355.00 feet, a delta angle of  $02^{\circ}32'49''$ , and a chord of 15.78 feet bearing  $N71^{\circ}47'19''W$ ; thence  $S16^{\circ}56'17''W$  168.50 feet; thence Southwesterly 145.85 feet along a curve to the left, said curve having a radius of 186.50 feet, a delta angle of  $44^{\circ}48'26''$ , and a chord of 142.16 feet bearing  $S84^{\circ}32'03''W$ ; thence Southwesterly 14.72 feet along a curve to the left, said curve having a radius of 638.50 feet, a delta angle of  $01^{\circ}19'17''$ , and a chord of 14.72 feet bearing  $S62^{\circ}47'29''W$ ; thence Southeasterly 333.52 feet along a curve to the left, said curve having a radius of 1242.50 feet, a delta angle of  $15^{\circ}22'47''$ , and a chord of 332.52 feet bearing  $S10^{\circ}30'17''E$ ; thence  $S87^{\circ}11'06''W$  108.50 feet; thence Southeasterly 97.07 feet along a curve to the right, said curve having a radius of 1134.00 feet, a delta angle of  $04^{\circ}54'16''$ , and a chord of 97.04 feet bearing  $S00^{\circ}21'24''E$ ; thence Southeasterly 190.61 feet along a curve to the left, said curve having a radius of 105.00 feet, a delta angle of  $104^{\circ}00'34''$ , and a chord of 165.49 feet bearing  $S49^{\circ}54'33''E$ ; thence  $N78^{\circ}05'09''E$  101.48 feet; thence  $S11^{\circ}54'51''E$  60.00 feet; thence Southeasterly 103.03 feet along a curve to the left, said curve having a radius of 733.00 feet, a delta angle of  $08^{\circ}03'11''$ , and a chord of 102.94 feet bearing  $S18^{\circ}17'11''E$ ; thence Southeasterly 140.42 feet along a curve to the right, said curve having a radius of 383.50 feet, a delta angle of  $20^{\circ}58'44''$ , and a chord of 139.64 feet bearing  $S11^{\circ}49'24''E$ ; thence  $S02^{\circ}18'34''E$  60.00 feet; thence  $N87^{\circ}41'26''E$  27.73 feet; thence  $S02^{\circ}18'35''E$  183.52 feet to the point of beginning; said parcel containing 17.99 acres more or less (designated as Phase II on Exhibit "B" hereto).

Plus:

A parcel of land in the Northeast 1/4 of Section 11, T2N, R4E, Marion Township, Livingston County, Michigan; the boundary of said parcel described as: Commencing at the Northeast corner of said Section 11; thence  $S02^{\circ}53'24''E$  along the East line of said Section 11 a distance of 1971.92 feet; thence  $S87^{\circ}41'26''W$  1553.91 feet to the point of beginning of this description; thence  $S87^{\circ}41'26''W$  971.17 feet to a point on the North-South 1/4 line of said Section 11; thence  $N03^{\circ}29'57''W$  along said North-South 1/4 line a distance of 1450.58 feet; thence  $N88^{\circ}25'06''E$  932.80 feet; thence  $S13^{\circ}05'39''W$  257.49 feet; thence Northwesterly 84.72 feet along a curve to the right, said curve

having a radius of 470.00 feet, a delta angle of 10°19'40", and a chord of 84.60 feet bearing N71°44'31"W; thence S27°57'02"W 60.22 feet; thence S20°01'37"W 116.86 feet; thence N79°59'30"W 44.92 feet; thence S20°03'21"E 106.42 feet; thence Southeasterly 319.98 feet along a curve to the right, said curve having a radius of 688.50 feet, a delta angle of 26°37'40", and a chord of 317.10 feet bearing S10°01'14"E; thence Southeasterly 313.76 feet along a curve to the left, said curve having a radius of 552.00 feet, a delta angle of 32°34'01", and a chord of 309.55 feet bearing S15°48'45"E; thence N57°56'59"E 107.96 feet; thence Southeasterly 273.48 feet along a curve to the left, said curve having a radius of 440.00 feet, a delta angle of 35°36'42", and a chord of 269.10 feet bearing S49°41'29"E; thence S22°37'31"W 247.17 feet to the point of beginning; said parcel containing 27.40 acres more or less (designated as Phase III on Exhibit "B" hereto).

(hereinafter referred to as "Area of Future Development"). The Area of Future Development shall be governed by the Planned Unit Development Agreement (Exhibit "C" hereto) and the final site plan for Hometown Village of Marion as approved by the Township for the Planned Unit Development and as submitted by the Developer. Specifically, and without limitation, the Phases of the Area of Future Development shall be added and developed sequentially in accordance with this Master Deed and the Planned Unit Development Agreement.

2. Increase in Number of Units. Any other provisions of this Master Deed notwithstanding, the number of Units in the Condominium may, at the option of the Developer, or its successors or assigns, from time to time, within a period ending no later than six years from the date of recording of this Master Deed, be increased by the addition to this Condominium of any portion of the Area of Future Development and the establishment of single family residential Units thereon. The location, nature, appearance, design (interior and exterior) and structural components of all such additional Units and residences constructed thereon shall be determined by Developer in its sole discretion, subject only to approval by the Township of Marion. The percentage of land to be devoted to additional single family residential Units will be in accordance with the Planned Unit Development Agreement (Exhibit "C" hereto) and the final approved site plan for Hometown Village of Marion. One hundred (100%) percent of all additional Units will be devoted to residential use.

3. Amendment of Master Deed and Modification of Percentages of Value. Such increase in size of this Condominium shall be given effect by an appropriate amendment or amendments to this Master Deed in the manner provided by law, which amendment or amendments shall be prepared by and at the discretion of the Developer or its successors and assigns and in which the percentages of value set forth in Article V hereof shall be proportionately readjusted in order to preserve a total value of 100% for the entire Condominium resulting from such amendment or amendments to this Master Deed and preserving equal percentages of value for each Unit.

4. Redefinition of Common Elements. Such amendment or amendments to the Master Deed shall also contain such further definitions and redefinitions of Common Elements as may be necessary to adequately describe, serve and provide access to the parcel or parcels being added to the Condominium by such amendment. In connection with any such amendment(s), Developer shall have the right to change the nature of any Common Element previously included in the Condominium for any purpose reasonably necessary to achieve the purposes of this Article, including, but not limited to, the connection of roadways in the Condominium to any roadways that may be located on, or planned for, the Area of Future Development, and to provide access to any Unit that is located on, or planned for the Area of Future Development from the roadways located in the Condominium; provided however, that the percentage of open space in the Condominium as required by the Township of Marion is maintained at all times. Any such definitions and/or redefinitions of Common Elements shall be in accordance with the final site plan for Hometown Village of Marion as approved by the Township.

5. Consent of Interested Persons. All of the Co-owners and mortgagees of Units and other persons interested or to become interested in the Condominium from time to time shall be deemed to have irrevocably and unanimously consented to such amendment or amendments to this Master Deed to effectuate the foregoing and to any proportionate reallocation of percentages of value of existing Units which Developer or its successors or assigns may determine necessary in conjunction with such amendment or amendments. All such interested persons irrevocably appoint Developer or its successors or assigns as agent and attorney for the purpose of execution of such amendment or amendments to the Master Deed and all other documents necessary to effectuate the foregoing. Such amendment may be effected without the necessity of re-recording the entire Master Deed or the Exhibits hereto and may incorporate by reference all or any pertinent portions of this Master Deed and the Exhibits hereto. These provisions hereby give notice to all persons acquiring an interest in the Condominium that such amendment of the Master Deed may be made and recorded and no further notice of such amendment shall be required.

6. Consolidating Master Deed. A Consolidating Master Deed shall be recorded pursuant to the Act when the Condominium is finally concluded as determined by the Developer in order to incorporate into one set of instruments all successive stages of development. The Consolidating Master Deed, when recorded, shall supersede the previously recorded Master Deed and all amendments thereto.

## ARTICLE IX

### EASEMENTS

#### 1. EASEMENT FOR MAINTENANCE OF ENCROACHMENTS AND UTILITIES

There shall be easements to, through and over the land in the Condominium (including all Units and Common Elements) for the continuing maintenance, repair, replacement and

enlargement of any General Common Element utilities in the Condominium as depicted on the Condominium Subdivision Plan as the same may be amended from time to time. In the event any portion of a structure located within a Unit encroaches upon another Unit or Common Element due to shifting, settling or moving of a structure, or due to survey errors or construction deviations or changes in ground elevations, reciprocal easements shall exist for the maintenance of such encroachment for so long as such encroachment exists and for maintenance thereof after rebuilding in the event of destruction.

## **2. RESERVATION OF EASEMENT BY DEVELOPER FOR USE OF ROADS AND WALKWAYS**

Developer reserves for the benefit of itself, its successors and assigns, and all future owners of the Area of Future Development described in Article VIII above, or any portion or portions thereof, an easement for the unrestricted use of all roadways and walkways in the Condominium for the purpose of ingress and egress to and from all or any portion of the Area of Future Development. All expenses of maintenance, repair, replacement, and resurfacing of any road or walkway referred to in this Paragraph shall be shared by this Condominium and any developed portions of the Area of Future Development whose closest means of access to a public road is over such road or walkway. The Co-owners of this Condominium shall be responsible from time to time for payment of a proportionate share of said expenses, which share shall be determined by multiplying such expenses times a fraction the numerator of which is the number of dwelling Units in this Condominium, and the denominator of which is comprised of the number of such Units plus all other dwelling Units in the Area of Future Development whose closest means of access to a public road is over such road or walkway.

## **3. RESERVATION OF RIGHT BY DEVELOPER TO DEDICATE PRIVATE ROADS**

Developer reserves the right at any time during the Construction and Sales Period to grant, convey or dedicate any private roadways designated as General Common Elements to the public for purposes of creating public roads.

## **4. AUTHORITY DESIGNATED TO ASSOCIATION TO GRANT EASEMENTS**

The Association acting through its lawfully constituted Board of Directors (including any Board of Directors acting prior to the Transitional Control Date) shall be empowered and obligated to grant such easements, licenses, rights of way and rights of entry, under, over and across the Condominium Premises for utility purposes, access purposes or other lawful purposes

as may be necessary for the benefit of the Condominium, or for any portion of the Area of Future Development, subject, however, to the approval of the Developer so long as the Construction and Sales Period has not expired.

#### **5. RESERVATION OF EASEMENT BY DEVELOPER FOR SALES FACILITIES**

The Developer reserves for the benefit of itself, and its successors and assigns, such easements as may be necessary for access to a sales office on the Condominium Premises and for the continued use of such sales office until all of the Condominium Units have been sold. Accordingly, the Developer and its duly authorized agents, representatives and employees may maintain offices, model Units and other facilities on the Premises and may make such uses of said facilities as are reasonably necessary or desirable to facilitate the sale of the Units in the Project. The Developer shall pay all costs related to any Condominium Units or Common Elements while owned by the Developer and shall restore the facilities to habitable status upon termination of use in accordance with Section 45 of the Act.

#### **6. RESERVATION OF EASEMENT BY DEVELOPER FOR USE OF UTILITY LINES**

The Developer also hereby reserves for the benefit of itself, its successors and assigns, and all future owners of the Area of Future Development described in Article VIII above, or any portion or portions thereof, perpetual easements to utilize, tap, tie into, extend and enlarge all utility mains located in the Condominium Premises, including, but not limited to, telephone, electric, water, gas, cable television, video text, broad band cable, satellite dish, earth antenna and other telecommunication systems, and storm and sanitary sewer mains. In the event that the Developer, its successors or assigns, utilities, taps, ties into, extends or enlarges any utilities located on the Condominium Premises, it shall be obligated to pay all of the expenses reasonably necessary to restore the Condominium Premises to their state immediately prior to such utilization, tapping, tying in, extension or enlargement. All expenses of maintenance, upkeep, repair and replacement of the utility mains described in this Paragraph shall be shared by this Condominium and any developed portions of the Area of Future Development who benefit from such utility mains. The Co-owners of this Condominium shall be responsible from time to time for payment of a proportionate share of said expenses, which share shall be determined by multiplying said expenses times a fraction, the numerator of which is the number of dwelling Units in this Condominium, and the denominator of which is comprised of the number of such Units plus all other dwelling Units in the Area of Future Development which benefit from such utility mains; provided, however, that the forgoing expenses are to be paid and shared only if such expenses are not borne by a governmental agency or public utility; provided, further, that the expense sharing shall be applicable only to utility mains, and all expenses of maintenance, upkeep, repair and replacement of utility leads shall be borne by the Association or the individual Co-owners, as the case may be, to the extent that such leads are located in the Condominium and by the owner or owners or an association of owners, as the case may be, of the Area of Future Development, or portion thereof, upon which are located the dwelling Units which such lead or leads service. Developer also hereby reserves for the benefit of itself, its successors and assigns, a perpetual easement to modify the landscaping and/or grade on any portion of the Condominium



Premises in order to preserve or to facilitate surface drainage in a portion or all of the Area of Future Development. The Developer, its successors and assigns shall bear all costs of such modifications. Any such modifications to the landscaping and/or grade in the Condominium Premises under the provision of this Paragraph shall not impair the surface drainage in this Condominium.

**7. RESERVATION OF RIGHTS BY DEVELOPER TO DEDICATE UTILITY LINES TO APPROPRIATE GOVERNMENTAL AGENCIES**

Developer reserves the right at any time during the Construction and Sales Period to grant easements for utilities over, under and across the Condominium to appropriate governmental agencies or public utility companies and to transfer title of the utilities to governmental agencies or to utility companies. The Developer shall dedicate the General Common Element water and sanitary sewer infrastructure described in Article IV – 1F and Article IV – 1G, respectively to the Township of Marion, or its designee, prior to the expiration of the Construction and Sales Period. Any such easement or transfer of title may be conveyed by the Developer without the consent of any Co-owner, mortgagee or other person and shall be evidenced by an appropriate amendment to this Master Deed and to Exhibit "B" hereto as recorded in the Livingston County Register of Deeds. All of the Co-owners and mortgagees of Units and other persons interested or to become interested in the Project from time to time shall be deemed to have irrevocably and unanimously consented to such amendment or amendments of this Master Deed as may be required to effectuate the foregoing grant of easements or transfer of title.

**8. ESTABLISHMENT OF EASEMENTS FOR DEVELOPER, ASSOCIATION AND THE UTILITIES FOR MAINTENANCE AND REPAIR**

The Developer, the Association and all public or private utilities shall have such easements over, under, across and through the Condominium Premises, including all Units and Common Elements, as may be necessary to fulfill any responsibilities for maintenance, repair or replacement which they or any of them are required or permitted to perform under the Condominium Documents or by law. These easements include, without any implication of limitation, the right of the Association to obtain access during reasonable hours and upon reasonable notice to water meters, sprinkler control valves, sump pumps and other Common Elements, if any, located within any individual Condominium Unit.

**9. RECIPROCAL EASEMENTS FOR UTILIZATION OF ROADWAYS, WALKWAYS, WALKING PATHS, TRAILS, AND UTILITIES**

To the extent not referenced above in this Article, there shall exist reciprocal easements for the benefit of the Co-owners of this Condominium and for the benefit of the owner or owners of the Area of Future Development for utilization of the roadways, walkways, walking paths, trails and utility mains in the Area of Future Development, and in this Condominium, respectively.

**10. TELECOMMUNICATIONS AGREEMENTS**

The Association, acting through its duly constituted Board of Directors (including but not limited to any Board of Directors acting prior to the Transitional Control Date), and subject to the Developer's approval during the Construction and Sales Period, shall have the power to grant such easements, licenses and other rights of entry, use and access and to enter into any contract or agreement, including wiring agreements, utility agreements, rights-of-way agreements, access agreements, and multi-unit agreements, and to the extent allowed by law, contracts for sharing of any installation or periodic subscriber service fees as may be necessary, convenient or desirable to provide for telecommunications, video text, broad band cable, satellite disk, earth antenna and similar services (collectively "Telecommunications") to the Project or any Unit therein. Notwithstanding the foregoing, in no event shall the Board of Directors enter into any contract or agreement or grant any easement, license or right of entry or do any other act or thing which will violate any provision of any federal, state or local law or ordinance. Any and all sums paid by any telecommunications or other company or entity in connection with such service, including fees, if any, for the privilege of installing same or sharing periodic subscriber service fees, shall be receipts affecting the administration of the Condominium Project within the meaning of the Act and shall be paid over to and shall be the property of the Association.

**11. HOMETOWN VILLAGE OF MARION DRAIN DRAINAGE DISTRICT**

- A. Attached as Exhibit "D" is an Agreement establishing the Hometown Village Drain Drainage District, pursuant to Section 433 of Act No. 40 of the Public Acts of 1956, as amended ("433 Agreement"). A copy of the 433 Agreement is recorded in the Livingston County Register of Deeds at Liber 2765 Pages 731-736.
- B. Those portions of the storm sewer drainage facilities not established as a county drain under the 433 Agreement are not under the jurisdiction of the Drainage District or the Livingston County Drain Commissioner, and any maintenance and improvement of these facilities are the responsibility of the Association as provided in this Master Deed and in the Bylaws (Exhibit "A" to the Master Deed").
- C. Easements. There shall exist easements over all Units and Common Elements for purposes of construction, maintenance and improvement of storm water drainage as designated in the 433 Agreement. The easements are granted in favor of the Hometown Village of Marion Drain Drainage District ("Grantee"). The Drainage District shall have the right to sell, assign, transfer or convey this easement to any other governmental unit. The Livingston County Drain Commissioner, and his agents, contractors and designated representatives shall have the right of entry on, and to gain access to, the easement property.

No Unit owner shall disturb the grade or otherwise modify the areas within the easements in any way inconsistent with the Drain. No Unit owner shall install, maintain, repair or replace landscaping materials located within the Drain easement areas lying within such owner's Unit in any way inconsistent with the use by the

Drainage District. All Unit owners shall release Grantee and its successors, assigns or transferees from any and all claims to damages in any way arising from or incidental to the construction and maintenance of the Drain, or otherwise arising from or incidental to the exercise by the Drainage District of its rights under said easements, and all Unit owners covenant not to sue the Drainage District for any such damages.

- D. Assessments for Hometown Village of Marion Drain. All costs relating to the maintenance and improvement of the Hometown Village of Marion Drain shall be borne by the Drainage District and assessed to the Unit owners pursuant to Act No. 40 of the Public Acts of 1956, as amended.

## 12. PEDESTRIAN EASEMENT ON WALKING PATHS AND TRAILS.

There may exist pedestrian easements on walking paths and trails which may burden and/or affect certain Condominium Units. No buildings or structures shall be placed, nor modifications made, within these easement areas. These easement areas shall be reserved for pedestrian traffic and shall be for the benefit of all Co-owners in the Condominium. The Association shall have the responsibility for maintaining, repairing and/or replacing these walking paths and trails to keep them in the condition as approved by the Township in the Final Site Plan. There shall be easements for the installation, repair and maintenance of utility lines under these walking paths and trails as described in this Article.

## 13. EASEMENT FOR EMERGENCY SERVICES

There shall exist for the benefit of the Township of Marion or any emergency service agency, an easement over all roads in the Condominium for use by the Township and/or emergency vehicles. Said easement shall be for purposes of ingress and egress to provide, without limitation, fire and police protection, ambulance and rescue services and other lawful governmental or private emergency services to the Condominium and the Co-owners thereof. This grant of easement shall not be construed as a dedication of any streets, roads or driveways to the public.

## 14. EASEMENT FOR PUBLIC WATER SUPPLY AND SANITARY SEWER

There shall exist for the benefit of the Township of Marion and any governmental body to which its rights herein may be subsequently assigned, an easement over, under and across the Condominium Premises for the construction, installation, operation, repair and maintenance of public water supply and/or sewer mains, leads and/or other appurtenances for water supply or for waste water disposal service purposes or other utilities and for the extension and tying in of the Township's water and sewer lines to existing lines. Without limitation of the foregoing, the Township of Marion and any governmental body to which its rights herein may be subsequently assigned, shall have such easements for water and sewer lines, and other utilities, as are depicted on Exhibit "B" hereto as same may be amended from time to time, including a forty (40') foot wide easement to Peavy Road between proposed Units 197 and 198 in the Area of Future Development as depicted on the approved site plan for Hometown Village of Marion.

**15. REPAIRS AND MAINTENANCE OF PRIVATE ROADS**

There shall be no public funds of Marion Township used to build, repair or maintain the private roads located upon the Condominium Premises; however, in the event that necessary repairs and maintenance of any such private roads are not made, the Township Board, may, pursuant to the terms and provisions of its ordinances, cause such roads to be brought up to established Livingston County Road Commission standards for public roads and may assess the Condominium Association and its membership of Co-owners for the improvements required to be made, together with the costs of administration of the work to bring about the improvements, such administrative fee being, at the time of the making of this Master Deed, twenty-five (25%) percent of the total cost of improvements.

**16. UNOBSTRUCTED INGRESS AND EGRESS**

No Co-owner shall prohibit, restrict, limit or in any manner interfere with normal ingress and egress or use by any other Co-owner of any of the roads located upon the Condominium Premises. Normal ingress and egress and use shall include use by family, guests, invitees, vendors, tradesmen, delivery persons and others bound to or returning from any Unit or the Area of Future Development and having a need to use the road.

**17. EASEMENTS DEPICTED ON EXHIBIT "B"**

To the extent not referenced above in this Article, the Condominium Project and the individual Units therein are benefited and burdened by those easements as are depicted on and described in the Condominium Subdivision Plan (Exhibit "B" hereto).

**18. POWER OF ATTORNEY**

All persons acquiring any interest in the Condominium, including, without limitation, all Co-owners and mortgagees, shall be deemed to have appointed the Developer, its successors and assigns, as attorney-in-fact to exercise the rights reserved in this Article to grant easements and dedicate utilities and roadways. Such exercise by the Developer of the rights reserved in this Article may be exercised without the consent of any Co-owner, mortgagee, or other person. All of the Co-owners and mortgagees of Units and other persons interested or to become interested in the Project from time to time shall be deemed to have irrevocably and unanimously consented to such exercise by the Developer of the rights reserved in this Article to grant easements and dedicate utilities and roadways. After certificates of occupancy are issued for residences in 100% of the Units in the Condominium, the foregoing right and power may be exercised by the Association acting through its Board of Directors.

**19. CALCULATION OF PRORATION OF EXPENSES**

For purposes of this Article IX, the calculation of any fraction for the sharing of pertinent expenses, according to the number of Units in this Condominium and the number of other dwelling Units referenced in this Article IX, shall include only those Units for which a certificate of occupancy has been issued by the Township of Marion.

**ARTICLE X****RESERVATION OF RIGHT TO USE FACILITIES**

The Developer, its successors and assigns, agents and employees may maintain such offices, reasonable parking, storage areas and other facilities on the Premises of the Condominium as it deems necessary to facilitate the development and sale of the Project. The Developer shall have such access to, from and over the Project as may be reasonable to enable the development and sale of the individual Condominium Units.

**ARTICLE XI****IMPROVEMENTS OR ALTERATIONS TO CONDOMINIUM UNITS**

No Co-owner shall do anything which would change the exterior appearance of a dwelling or any other portion of the Condominium Project (including, without limitation, changing the exterior color of the residence and/or appurtenant improvements) except by the following procedure:

- A. Application for such alterations or changes shall be made to the Board of Directors of the Association together with sufficient plans, drawings, or renderings as may be necessary to enable the Association to understand and evaluate the proposed changes. Any such proposed alteration or change shall receive Township approval as required and shall be completed in accordance with the applicable Township zoning ordinance.
- B. The Board of Directors shall then appoint an Architectural Control Committee for purposes of reviewing the proposal. The members of said Committee need not be members of the Board of Directors but a Director shall not be disqualified from serving on such Committee.
- C. The Committee may seek opinions from the Co-owners and shall, within a reasonable time prescribed by the Directors, render a recommendation and report to the Board of Directors.
- D. The Board of Directors shall thereupon adopt a resolution either granting the permission for such alteration or denying same.

- E. In the event that such application for changes is approved by the Board of Directors, it shall be subject to a written undertaking by the Co-owner acknowledging that all of the improvements are to be at the Co-owner's sole expense; that injury, if any, to the Common Elements will be repaired promptly by the Co-owner at his sole expense; that the improvements will be completed by a date to be determined and established by the Board of Directors and that the improvements shall comply with all local and/or national building codes, as applicable.
- F. During the Construction and Sales Period, all actions of the Architectural Control Committee pursuant to this Article shall require the specific approval of the Developer.

The Developer is specifically excluded from the provisions of this Article. The Developer specifically reserves to itself the right to alter, change, modify, redesign, or improve any Condominium Unit or improvement constructed within a Condominium Unit through and including such time as a deed has been executed and delivered from the Developer to an individual purchaser.

All proceedings under this Article shall be specifically in accordance with Section 47 of the Act.

## ARTICLE XII

### CONDEMNATION

Except as may otherwise be provided by statute, in the case of condemnation or substantial loss to the Units and/or Common Elements of the Condominium Project, unless at least 2/3 of the first mortgagees (based upon one vote for each mortgage owned) and owners (other than the Developer) of the individual Condominium Units have given their prior written approval, the Association shall not be entitled to:

- A. By act or omission seek to abandon or terminate the Condominium Project;
- B. Change the pro-rata interest or obligations of any Condominium Unit for purposes of levying assessments or charges, for allocating distributions of hazard insurance proceeds or condemnation awards, or determining the pro-rata share of ownership of each Unit in the Common Elements;
- C. Partition or subdivide any Condominium Unit;
- D. By act or omission seek to abandon, partition, subdivide and encumber, sell or transfer the Common Elements. The granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Elements of the Condominium Project shall not be deemed a transfer within the meaning of this clause.

- E. Use hazard insurance proceeds for losses to any Condominium property (whether to Units or to Common Elements) for purposes other than the repair, replacement or reconstruction of such improvements.

### ARTICLE XIII

#### AMENDMENT

This Master Deed and the Condominium Subdivision Plan may be amended with the consent of two-thirds (2/3) of all Co-owners except as hereinafter set forth.

1. Modification of Units or Common Elements. No Unit dimension may be modified in any material way without the consent of the Co-owner and mortgagee of such Unit, nor may the nature or extent of Limited Common Elements, if any, or the responsibility for maintenance, repair or replacement thereof be modified in any material way without the written consent of the Co-owner and mortgagee of any Unit to which the same are appurtenant, except as otherwise expressly provided in this Master Deed or in the Bylaws to the contrary.
2. Mortgagee Consent. Whenever a proposed amendment would materially alter or change the rights of mortgagees generally, then such amendment shall require the approval of two-thirds (2/3) of all first mortgagees of record, allocating one vote for each mortgage held.
3. By Developer. Prior to one year after the expiration of the Construction and Sales Period, the Developer may, without the consent of any Co-owner or any other person, amend this Master Deed and the Condominium Subdivision Plan attached as Exhibit "B" in order to correct survey or other errors made in such documents and to make such other amendments to such instruments as do not, in the Developer's discretion, materially affect any rights of any Co-owner or mortgagee in the Project. The Developer may make such other amendments as may have been reserved to the Developer in other sections of this Master Deed.
4. Change in Percentage of Value. The value of the vote of any Co-owner and the corresponding proportion of common expenses assessed against such Co-owner shall not be modified without the written consent of such Co-owner and his mortgagee, nor shall the percentage of value assigned to any Unit be modified without like consent except as provided in this Master Deed or Bylaws.
5. Termination, Vacation, Revocation or Abandonment. The Condominium Project may not be terminated, vacated, revoked or abandoned without the written consent of 85% of all Co-owners and 85% of the first mortgagees.

6. Developer Approval. During the Construction and Sales Period, this Master Deed shall not be amended without the written consent of the Developer so long as the Developer continues to offer any Unit in the Condominium for sale or for so long as there remains any further possibility of construction of residential dwellings on the land described in Article II hereof.
7. Township Approval. No right reserved herein to Marion Township shall be altered or amended without the Township's formal consent.
8. Procedure for Amendment. A change in the Condominium Project shall be reflected by an amendment to the appropriate Condominium Documents. If a change involves a change in the boundaries of a Condominium Unit or the addition or elimination of Condominium Units, a replat of the Condominium Subdivision Plan shall be prepared and recorded assigning a Condominium Unit number to each Condominium Unit in the amended Project. The foregoing shall conform to the requirements of Section 67 of the Act. The following procedure shall apply to any amendment to the Condominium Documents:
- (a) Notification. Co-owners and mortgagees of record shall be notified of proposed amendments, except as provided above in this Master Deed, not less than ten (10) days before the amendment is recorded.
- (b) Responsibility for Payment of Costs of Amendment. The person causing or requesting an amendment to the Condominium Documents shall be responsible for costs and expenses of the amendment except for amendments based upon a vote of two-thirds (2/3) of Co-owners and mortgagees or based upon the Advisory Committee's decision, the costs of which shall be expenses of administration.
- (c) Nothing contained in this Article shall be deemed to abridge in any way the Developer's right to convert portions of the Convertible Area or to expand the size of this Condominium pursuant to Articles VII and VIII hereof, respectively. Such amendments may be made unilaterally by the Developer without consent of any Co-owners in the Developer's sole discretion.
- (d) An amendment to the Master Deed or other recorded Condominium Documents shall not be effective until the amendment is recorded.
- (e) A copy of the recorded amendment shall be delivered to each Co-owner of the Project.



ARTICLE XIV

ASSIGNMENT

Any or all of the rights and powers granted or reserved to the Developer in the Condominium Documents or by law, including the power to approve or disapprove any act, use or proposed action or any other matter or thing and including the power to prepare and record a Consolidating Master Deed for the Condominium, may be assigned by it to any other entity or to the Association. Any such assignment shall be by appropriate instrument in writing and duly recorded in the office of the Livingston County Register of Deeds.

WITNESSES:

DELCOR HOMES – HOMETOWN VILLAGE OF MARION, LTD, a Michigan corporation

Samuel K. Hodgdon  
SAMUEL K. HODGDON

By: [Signature]  
Phillip W. McCafferty

Christine E. Krusinski  
Christine E. Krusinski

Its: President

STATE OF MICHIGAN }  
COUNTY OF OAKLAND }

On this 11<sup>th</sup> day of August, 2000, the foregoing Master Deed was acknowledged before me by Phillip W. McCafferty, the President of Delcor Homes – Hometown Village of Marion, Ltd., a Michigan corporation, on behalf of the corporation.

Christine E. Krusinski

\_\_\_\_\_, Notary Public  
CHRISTINE E. KRUSINSKI  
Notary Public, Oakland County, MI  
My Commission Expires 6/27/2003 State of Michigan

My commission expires: \_\_\_\_\_

MASTER DEED DRAFTED BY: ✓  
SAMUEL K. HODGDON  
DELCOR HOMES – HOMETOWN VILLAGE OF MARION, LTD.  
P.O. BOX 308  
NEW HUDSON, MICHIGAN 48165

WHEN RECORDED, RETURN TO DRAFTER

# HOMETOWN VILLAGE OF MARION

## EXHIBIT "A"

### BYLAWS

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#### ARTICLE I

#### ASSOCIATION OF CO-OWNERS

Hometown Village of Marion, a residential Condominium located in the Township of Marion, County of Livingston, State of Michigan, shall be administered by an Association of Co-owners which shall be a nonprofit corporation, hereinafter called the "Association", organized under the applicable laws of the State of Michigan, and responsible for the management, maintenance, operation and administration of the Common Elements, easements and affairs of the Condominium in accordance with the Master Deed, these Bylaws, the Articles of Incorporation, and duly adopted rules and regulations of the Association, and the laws of the State of Michigan. These Bylaws shall constitute both the Bylaws referred to in the Master Deed and required by Section 3(8) of the Act and the Bylaws provided for under the Michigan Nonprofit Corporation Act. Each Co-owner, including the Developer, shall be a member of the Association and no other person or entity shall be entitled to membership. The share of a Co-owner in the funds and assets of the Association cannot be assigned, pledged or transferred in any manner except as an appurtenance to his Unit in the Condominium. A Co-owner selling a Unit shall not be entitled to any refund whatsoever from the Association with respect to any reserve or other asset of the Association. The Association shall keep current copies of the Master Deed, all amendments to the Master Deed and other Condominium Documents for the Condominium available at reasonable hours to Co-owners, prospective purchasers and prospective mortgagees of Units in the Condominium. All Co-owners in the Condominium and all persons using or entering upon or acquiring any interest in any Unit therein or the Common Elements thereof shall be subject to the provisions and terms set forth in the aforesaid Condominium Documents.

#### ARTICLE II

#### ASSESSMENTS

All expenses arising from the management, administration and operation of the Association in pursuance of its authorizations and responsibilities as set forth in the Condominium Documents and the Act shall be levied by the Association against the Units and the Co-owners thereof in accordance with the following provisions:

Section 1. Assessments For Common Elements. All costs incurred by the Association in satisfaction of any liability arising within, caused by, or connected with the Common Elements or the administration of the Condominium shall constitute expenditures affecting the administration of the Condominium, and all sums received as the proceeds of, or pursuant to, a policy of insurance securing the interest of the Co-owners against liabilities or losses arising within, caused by, or connected with the Common Elements or the administration of the Condominium shall constitute receipts affecting the administration of the Condominium, within the meaning of Section 54(4) of the Act.

Section 2. Determination Of Assessments. Assessments shall be determined in accordance with the following provisions:

- (a) Budget. The Board of Directors of the Association shall establish an annual budget in advance for each fiscal year and such budget shall project all expenses for the forthcoming year which may be required for the proper operation, management and maintenance of the Condominium, including a reasonable allowance for contingencies and reserves. Failure or delay of the Board of Directors to prepare or adopt a budget for any fiscal year shall not constitute a waiver or release in any manner of a Unit Co-owner's obligation to pay the allocable share of the common expenses as herein provided whenever the same shall be determined and, in the absence of any annual budget or adjusted budget each Unit Co-owner shall continue to pay each periodic installment at the periodic rate established for the previous fiscal year until notified of the periodic payment which is due more than ten (10) days after such new annual or adjusted budget is adopted. An adequate reserve fund for maintenance, repairs and replacement of those Common Elements that must be replaced on a periodic basis shall be established in the budget and must be funded by regular periodic payments as set forth in Section 3 below rather than by special assessments. At a minimum, the reserve fund shall be equal to ten (10%) percent of the Association's current annual budget on a noncumulative basis. Since the minimum standard required by this Section may prove to be inadequate for this particular Condominium, the Association of Co-owners should carefully analyze the Condominium to determine if a greater amount should be set aside, or if additional reserve funds should be established for other purposes from time to time. Upon adoption of an annual budget by the Board of Directors, copies of said budget shall be delivered to each Co-owner and the assessment for said year shall be established based upon said budget, although the delivery of a copy of the budget to each Co-owner shall not affect the liability of any Co-owner for any existing or future assessments. Should the Board of Directors at any time determine, in the sole discretion of the Board of Directors: (1) that the assessments levied are or may prove to be insufficient to pay the costs of operation, management, maintenance and capital repair of the Condominium, (2) to provide replacements of existing Common Elements, (3) to provide additions to the Common Elements not exceeding One Thousand Five Hundred (\$1,500.00) Dollars,

in the aggregate, annually, or (4) in the event of emergencies, the Board of Directors shall have the authority to increase the general assessment or to levy such additional or special assessment or assessments without Co-owner approval as it shall deem to be necessary. The Board of Directors shall also have the authority, without Co-owner consent, to levy assessments pursuant to the provisions of Article V, Section 4 hereof. The discretionary authority of the Board of Directors to levy general, additional or special assessments pursuant to this subsection shall rest solely with the Board of Directors for the benefit of the Association and the members thereof, and shall not be enforceable by any creditors of the Association or the members thereof.

- (b) Special Assessments. Special assessments, other than those referenced in subsection (a) of this Section 2, may be made by the Board of Directors from time to time and approved by the Co-owners as hereinafter provided to meet other needs or requirements of the Association, including, but not limited to: (1) assessments for additions to the Common Elements of an aggregate cost exceeding \$1,500.00 per year, (2) assessments to purchase a Unit upon foreclosure of the lien for assessments described in Section 5 hereof, or (3) assessments for any other appropriate purpose not elsewhere herein described. Special assessments referred to in this subsection (b) (but not including those assessments referred to in subsection 2(a) above which may be levied in the sole discretion of the Board of Directors) shall not be levied without the prior approval of more than fifty one (51%) percent of all Co-owners. The authority to levy assessments pursuant to this subsection is solely for the benefit of the Association and the members thereof and shall not be enforceable by any creditors of the Association or the members thereof.

Section 3. Apportionment Of Assessments; Default In Payment. Unless otherwise provided herein, all assessments levied against the Co-owners to cover expenses of administration shall be apportioned among and paid by the Co-owners in accordance with the percentage of value allocated to each Unit in Article V of the Master Deed, without increase or decrease for the existence of any rights to the use of Limited Common Elements, if any, appurtenant to a Unit. Any unusual expenses of administration which benefit less than all of the Condominium Units in the Condominium may be specially assessed against the Condominium Unit or Condominium Units so benefited and may be allocated to the benefited Condominium Unit or Units in the proportion which the percentage of value of the benefited Condominium Unit bears to the total percentages of value of all Condominium Units so specially benefited. Annual assessments as determined in accordance with Article II, Section 2(a) above shall be payable by the Co-owners in twelve (12) equal monthly installments, or in such other periodic installments as the Board of Directors shall determine, commencing with acceptance of a Deed to, or a land contract purchaser's interest in, a Unit, or with the acquisition of fee simple title to a Unit by any other means. The payment of an assessment shall be in default if such assessment, or any part thereof, is not paid to the Association in full on or before the due date for such payment. A late charge in the amount of \$25.00 per month or such other amount as may be determined by the Board of Directors effective upon fifteen (15) days notice to the members of the Association, shall be assessed automatically by the Association

upon any assessment in default until paid in full. Such late charge shall not be deemed to be a penalty or interest upon the funds due to the Association but is intended to constitute a reasonable estimate of the administrative costs and other damages incurred by the Association in connection with the late payment of assessments. Assessments in default shall bear interest at the rate of seven (7%) percent per annum or such higher rate as may be allowed by law until paid in full. Each Co-owner (whether one or more persons) shall be, and remain, personally liable for the payment of all assessments (including late charges and costs of collection and enforcement of payment) pertinent to his Unit which may be levied while such Co-owner is the owner thereof. In addition to a Co-owner who is also a land contract seller, the land contract purchaser shall be personally liable for the payment of all assessments (including late charges and costs of collection and enforcement of payment) pertinent to the subject Condominium Unit which are levied up to and including the date upon which the land contract seller actually takes possession of the Unit following extinguishment of all rights of the land contract purchaser in the Unit. Payments on account of installments of assessments in default shall be applied first, to any late charges on such installments; second, to costs of collection and enforcement of payment, including reasonable attorney's fees and finally to installments in default in order of their due dates, earliest to latest.

Section 4. Waiver Of Use Or Abandonment Of Unit; Uncompleted Repair Work. No Co-owner may exempt himself from liability for his contribution toward the expenses of administration by waiver of the use or enjoyment of any of the Common Elements, or by the abandonment of his Unit, or because of uncompleted repair work, or the failure of the Association to provide service to the Condominium.

Section 5. Enforcement. The Association may enforce collection of delinquent assessments by a suit at law for a money judgment or by foreclosure of the statutory lien that secures payment of assessments, or both in accordance with the Act. Pursuant to Section 139 of the Act, no Co-owner may assert in answer or set-off to a complaint brought by the Association for nonpayment of assessments the fact that the Association or its agents have not provided the services or management to the Co-owner. Each Co-owner, and every other person who from time to time has any interest in the Condominium, shall be deemed to have granted to the Association the unqualified right to elect to foreclose such lien either by judicial action or by advertisement. The provisions of Michigan law pertaining to foreclosure of mortgages by judicial action and by advertisement, as the same may be amended from time to time, are incorporated herein by reference for the purposes of establishing the alternative procedures to be followed in lien foreclosure actions and the rights and obligations of the parties to such actions. Further, each Co-owner and every other person who from time to time has any interest in the Condominium, shall be deemed to have authorized and empowered the Association to sell or to cause to be sold the Unit with respect to which the assessment(s) is or are delinquent and to receive, hold and distribute the proceeds of such sale in accordance with the priorities established by applicable law. The Association, acting on behalf of all Co-owners, may bid in at the foreclosure sale, and acquire, hold, lease, mortgage or convey the Condominium Unit. Each Co-owner of a Unit in the Condominium acknowledges that at the time of acquiring title to such Unit, he was notified of the provisions of this Section and that he voluntarily, intelligently and knowingly waived notice of any proceedings brought by the Association to foreclose by advertisement the lien for nonpayment of assessments and a hearing on

the same prior to the sale of the subject Unit.

Notwithstanding the foregoing, neither a judicial foreclosure action nor a suit at law for a money judgment shall be commenced, nor shall any notice of foreclosure by advertisement be published, until the expiration of ten (10) days after mailing, by first class mail, postage prepaid, addressed to the delinquent Co-owner(s) at his or their last known address of a written notice that one or more installments of the annual assessment and/or a portion or all of a special assessment levied against the pertinent Unit is or are delinquent and that the Association may invoke any of its remedies hereunder if the default is not cured within ten (10) days after the date of mailing. Such written notice shall be accompanied by a written Affidavit of an authorized representative of the Association that sets forth (i) the Affiant's capacity to make the Affidavit, (ii) the statutory and other authority for the lien, (iii) the amount outstanding (exclusive of interest, costs, attorney fees and future assessments), (iv) the legal description of the subject Unit(s), and (v) the name(s) of the Co-owner(s) of record. Such Affidavit shall be recorded in the office of the Register of Deeds in the County in which the Condominium is located prior to commencement of any foreclosure proceeding, but it need not have been recorded as of the date of mailing as aforesaid. If the delinquency is not cured within the ten (10) day period, the Association may take such remedial action as may be available to it hereunder or under Michigan law. In the event the Association elects to foreclose the lien by advertisement, the Association shall so notify the Co-owner and shall inform the Co-owner that he may request a judicial hearing by bringing suit against the Association.

The expenses incurred in collecting unpaid assessments, including interest, costs, actual attorney's fees (not limited to statutory fees) and advances for taxes or other liens paid by the Association to protect its lien, shall be chargeable to the Co-owner in default and shall be secured by the lien on his Unit.

In the event of default by any Co-owner in the payment of any installment of the annual assessment levied against his Unit, and/or in the event of default by any Co-owner in the payment of any installment and/or portion of any special assessment levied against his Unit, or any other obligation of a Co-owner which, according to these Bylaws, may be assessed and collected from the responsible Co-owner in the manner provided in Article II hereof, the Association shall have the right to declare all unpaid installments of the annual assessment for the applicable fiscal year (and for any future fiscal year in which said delinquency continues) and/or all unpaid portions or installments of the special assessment, if applicable, immediately due and payable. The Association also may discontinue the furnishing of any utility or other services to a Co-owner in default upon seven (7) days written notice to such Co-owner of its intention to do so. A Co-owner in default shall not be entitled to utilize any of the General Common Elements of the Condominium, shall not be entitled to vote at any meeting of the Association, and shall not be entitled to run for election as a director or be appointed an officer of the Association so long as such default continues; provided, however, this provision shall not operate to deprive any Co-owner of ingress or egress to and from his Unit. In a judicial foreclosure action, a receiver may be appointed to collect a reasonable rental for the Unit from the Co-owner thereof or any persons claiming under him as provided by the Act.

Section 6. Liability Of Mortgagee. Notwithstanding any other provisions of the Condominium Documents, the holder of any first mortgage covering any Unit in the Condominium which comes into possession of the Unit pursuant to the remedies provided in the mortgage or by

deed (or assignment) in lieu of foreclosure, or any purchaser at a foreclosure sale, shall take the property free of any claims for unpaid assessments or charges against the mortgaged Unit which accrue prior to the time such holder comes into possession of the Unit (except for claims for a pro rata share of such assessments or charges resulting from a pro rata reallocation of such assessments or charges to all Units including the mortgaged Unit).

Section 7. Developer's Responsibility For Assessments. The Developer of the Condominium, although a member of the Association, shall not be responsible at any time for payment of the Association assessments, except with respect to completed and occupied Units that it owns. A completed Unit is one with respect to which a Certificate of Occupancy has been issued by the Township of Marion, or its designate. Certificates of Occupancy may be obtained by the Developer at such times prior to actual occupancy as the Developer, in its discretion, may determine. An occupied Unit is one which is occupied as a residence. The Developer shall independently pay all direct costs of maintaining completed Units for which it is not required to pay Association assessments and shall not be responsible for any payments whatsoever to the Association in connection with such Units. The Developer shall not be responsible at any time for payment of Condominium assessments or payment of any expenses whatsoever with respect to unbuilt Units notwithstanding the fact that such unbuilt Units may have been included in the Master Deed.

Section 8. Property Taxes And Special Assessments. All property taxes and special assessments levied by any public taxing authority shall be assessed in accordance with Section 131 of the Act.

Section 9. Water And Sewer Assessments. The individual Co-owners shall be responsible for any water and/or sewer assessments levied by the pertinent governmental authority against the respective Units in the Condominium.

Section 10. Personal Property Tax Assessment Of Association Property. The Association shall be assessed as the person or entity in possession of any tangible personal property of the Condominium owned or possessed in common by the Co-owners, and personal property taxes based thereon shall be treated as expenses of administration.

Section 11. Mechanic's Lien. A mechanic's lien otherwise arising under Act No. 479 of the Michigan Public Acts of 1980, as amended, shall be subject to Section 132 of the Act.

Section 12. Statement As To Unpaid Assessments. Pursuant to the provisions of the Act, the purchaser of any Condominium Unit may request a statement of the Association as to the outstanding amount of any unpaid Association assessments thereon, whether regular or special, and related collection costs. Upon written request to the Association, accompanied by a copy of the executed purchase agreement pursuant to which the purchaser holds the right to acquire the Unit, the Association shall provide a written statement of such unpaid assessments and related collection costs as may exist or a statement that none exist, which statement shall be binding upon the Association for the period stated therein. Upon the payment of that sum within the period stated, the Association's lien for assessments as to such Unit shall be deemed satisfied; provided, however,

that the failure of a purchaser to request such statement at least five (5) days prior to the closing of the purchase of such Unit shall render any unpaid assessments together with interest, costs, and attorneys' fees incurred in the collection thereof, and the lien securing same fully enforceable against such purchaser and the Unit itself, to the extent provided by the Act. Under the Act, unpaid assessments constitute a lien upon the Unit and the proceeds of sale thereof prior to all claims except real property taxes and first mortgages of record. The Association may charge such reasonable amounts for preparation of such a statement as the Association shall, in its discretion, determine.

### ARTICLE III

#### ARBITRATION/DEVELOPER CIVIL ACTIONS

Section 1. Scope And Election. Disputes, claims or grievances arising out of or relating to the interpretation or the application of the Condominium Documents, or any disputes, claims or grievances arising among or between Co-owners, or between a Co-owner or Co-owners and the Association shall, upon the election and written consent of the parties to any such disputes, claims or grievances, and written notice to the Association, if applicable, be submitted to arbitration and the parties thereto shall accept the arbitrators' decision as final and binding; provided that no question affecting the claim of title of any person to any fee or life estate in real estate is involved. The Commercial Arbitration Rules of the American Arbitration Association as amended and in effect from time to time hereafter shall be applicable to any such arbitration. Any agreement to arbitrate pursuant to the provisions of this Article III, Section 1 shall include an agreement between the parties that the judgment of any Circuit Court of the State of Michigan may be rendered upon any award rendered pursuant to such arbitration.

Section 2. Judicial Relief. In the absence of the election and written consent of the parties pursuant to Section 1 above, no Co-owner or the Association shall be precluded from petitioning the Courts to resolve any such disputes, claims or grievances.

Section 3. Election Of Remedies. Election by the parties to any such disputes, claims or grievances to submit such disputes, claims or grievances to arbitration shall preclude such parties from litigating such disputes, claims or grievances in the Courts.

Section 4. Co-owner Approval For Civil Actions Against Developer And First Board Of Directors. In order to insure that such action has the support of the majority of the Co-owners, any civil action proposed by the Board of Directors on behalf of the Association to be initiated against the Developer, its agents or assigns, and/or the First Board of Directors of the Association, for any reason, shall be subject to approval by a vote of fifty-one (51%) percent of all Co-owners, and notice of such proposed action must be given in writing to all Co-owners.



## ARTICLE IV

## INSURANCE

Section 1. Extent of Coverage. The Association shall, to the extent appropriate in light of the nature of the General Common Elements of the Project, carry all-risk insurance coverage and liability insurance (in a minimum amount to be determined by the Developer or the Association in its discretion but in no event less than One Million Dollars per occurrence), officers and directors liability insurance, and workers' compensation insurance, if applicable, together with any other insurance the Association may deem applicable, desirable or necessary and pertinent to the ownership, use and maintenance of the General Common Elements, and such insurance shall be carried and administered in accordance with the following provisions:

- (a) Responsibilities of Co-owners and Association. All such insurance shall be purchased by the Association for the benefit of the Association, and the Co-owners and their mortgagees, as their interests may appear, and provision shall be made for the issuance of certificates of mortgagee endorsements to the mortgagees of Co-owners. Each Co-owner shall obtain insurance coverage at his own expense upon his own Unit, including any improvements therein.
- (b) Insurance of Common Elements. All Common Elements of the Condominium Project shall be insured against fire and other perils covered by a standard extended coverage endorsement, in an amount equal to the current insurable replacement value, excluding foundation and excavation costs, as determined annually by the Board of Directors of the Association in consultation with the Association's insurance carrier and/or representatives in light of commonly employed methods for the reasonable determination of replacement costs.
- (c) Premium Expenses. All premiums upon insurance purchased by the Association pursuant to these Bylaws shall be expenses of administration.
- (d) Proceeds of Insurance Policies. Proceeds of all insurance policies owned by the Association shall be received by the Association, held in a separate account and distributed to the Association, and the Co-owners and their mortgagees, as their interest may appear; provided, however, whenever repair or reconstruction of the Condominium shall be required as provided in Article V of these Bylaws, the proceeds of any insurance received by the Association as a result of any loss requiring repair or reconstruction shall be applied for such repair or reconstruction.

Section 2. Authority of Association to Settle Insurance Claims. Each Co-owner, by ownership of a Unit in the Condominium Project, shall be deemed to appoint the Association as his true and lawful attorney-in-fact to act in connection with all matters concerning the maintenance of fire and extended coverage, vandalism and malicious

mischief, liability insurance and workers' compensation insurance, if applicable, pertinent to the Condominium Project and the Common Elements with such insurer as may, from time to time, provide such insurance for the Condominium Project. Without limitation on the generality of the foregoing, the Association, as said attorney, shall have full power and authority to purchase and maintain such insurance, to collect and remit premiums therefor, to collect proceeds and to distribute the same to the Association, the Co-owners and respective mortgagees, as their interests may appear (subject always to the Condominium Documents), to execute releases of liability and to execute all documents and to do all things on behalf of such Co-owner and the Condominium as shall be necessary or convenient to the accomplishment of the foregoing.

Section 3. Responsibility of Co-owners. Each Co-owner shall be responsible for obtaining all-risk insurance coverage with respect to the building and all other improvements constructed or to be constructed within the perimeter of a Co-owner's Condominium Unit and for personal property located therein or thereon or elsewhere on the Condominium Project. There is no responsibility on the part of the Association to insure any of such improvements whatsoever. Each Co-owner shall also be obligated to obtain insurance coverage for the Co-owner's personal liability for occurrences within the perimeter of the Co-owner's Unit (naming the Association and the Developer as additional insureds) and also for any other personal insurance coverage that the Co-owner wishes to carry.

Section 4. Waiver of Right of Subrogation. The Association and all Co-owners shall use their best efforts to cause all property and liability insurance carried by the Association or any Co-owner to contain appropriate provisions whereby the insurer waives its right of subrogation as to any claims against any Co-owner or the Association.

Section 5. Indemnification. Each individual Co-owner shall indemnify and hold harmless every other Co-owner, the Developer and the Association for all damages and costs, including attorneys fees, which such other Co-owners, the Developer or the Association may suffer as a result of defending any claim arising out of an occurrence on or within such individual Co-owner's Unit and shall carry insurance to secure this indemnity if so required by the Association (or the Developer during the Construction and Sales Period). This Section shall not be construed to give any insurer any subrogation rights or other right or claim against any individual Co-owner.

## ARTICLE V

### RECONSTRUCTION OR REPAIR

Section 1. Association Responsibility for Repair. Immediately after the occurrence of a casualty causing damage to a General Common Element, the Association shall obtain reliable and detailed estimates of the cost to replace the damaged property in a condition as good as that existing before the damage. If the proceeds of insurance are not sufficient to defray the estimated cost of reconstruction or repair required to be performed by the Association or if at any time during such reconstruction or repair or

upon completion of such reconstruction or repair, the funds for the payment of the cost thereof are insufficient, assessments shall be made against all Co-owners for the cost of reconstruction or repair of the damaged property in sufficient amounts to provide funds to pay for the estimated or actual cost of repair. This provision shall not be construed to require replacement of trees and vegetation with equivalent trees or vegetation.

Section 2. Timely Reconstruction and Repair. If the damage to the General Common Elements adversely affects the appearance of the Project, the Association shall proceed with repair or replacement of the damaged areas without delay.

Section 3. Co-owner Responsibility for Repair. Each Co-owner shall be responsible for all maintenance, repair and replacement required within such Co-owner's Unit. If damage to the residence or other improvements constructed on a Co-owner's Unit adversely affects the appearance of the Project, the Co-owner shall proceed with repair or replacement of the damaged property without delay. This Section shall also be applicable in the event of damage during the course of construction of improvements on a Unit. All such reconstruction or repairs shall be subject to approval by the Architectural Control Committee as set forth in Article XI of the Master Deed.

Section 4. Eminent Domain. Section 133 of the Act and the following provisions shall control upon any taking by eminent domain:

- (a) Taking of Unit. In the event of any taking of an entire Unit by eminent domain, the award for such taking shall be paid to the Co-owner of such Unit and the mortgagee thereof, as their interests may appear. After acceptance of such award by the Co-owner and his mortgagee, they shall be divested of all interest in the Condominium Project. In the event that any condemnation award shall become payable to any Co-owner whose Unit is not wholly taken by eminent domain, then such award shall be paid by the condemning authority to the Co-owner and his mortgagee, as their interests may appear.
- (b) Taking of Common Elements. If there is any taking of any portion of the Condominium other than any Unit, the condemnation proceeds relative to such taking shall be paid to the Co-owners and their mortgagees in proportion to their respective interests in the Common Elements and the affirmative vote of more than 50% of all of the Co-owners shall determine whether to rebuild, repair or replace the portion so taken or to take such other action as they deem appropriate.
- (c) Continuation of Condominium After Taking. In the event the Condominium Project continues after taking by eminent domain, then the remaining portion of the Condominium Project shall be re-surveyed and the Master Deed amended accordingly, and, if any

Unit shall have been taken, then Article V of the Master Deed shall also be amended to reflect such taking and to proportionately readjust the percentages of value of the remaining Co-owners based upon the continuing value of the Condominium of 100%. Such amendment may be effected by an officer of the Association duly authorized by the Board of Directors without the necessity of execution or specific approval thereof by any Co-owner. Costs incurred to accomplish matters required by this subsection shall be borne by the Association.

- (d) Notification of Mortgagees. In the event any Unit in the Condominium, or any portion thereof, or the Common Elements, or any portion thereof, is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, the Association promptly shall so notify each institutional holder of a first mortgage lien on any of the Units in the Condominium.

Section 5. Notification of FHLMC: Other Institutional Holders. In the event any mortgage in the Condominium is held by the Federal Home Loan Mortgage Corporation ("FHLMC") then, upon request therefor by FHLMC, the Association shall give it written notice at such address as it may, from time to time, direct of any loss to or taking of the Common Elements of the Condominium if the loss or taking exceeds \$10,000.00 in amount or if damage to a Condominium Unit covered by a mortgage purchased in whole or in part by FHLMC exceeds \$1,000. The Association shall provide such other reasonable notice as may be required, from time to time by other institutional holders of mortgages upon Units.

Section 6. Priority of Mortgagee Interests. Nothing contained in the Condominium Documents shall be construed to give a Condominium Unit Co-owner, or any other party, priority over any rights of first mortgagees of Condominium Units pursuant to their mortgages in the case of a distribution to Condominium Unit Co-owners of insurance proceeds or condemnation awards for losses to or a taking of Condominium Units and/or Common Elements.

## ARTICLE VI

### RESTRICTIONS

All of the Units in the Condominium shall be held, used and enjoyed subject to the following limitations and restrictions:

Section 1. Residential Use. No Unit in the Condominium shall be used for other than single-family residence purposes and the Common Elements shall be used only for purposes consistent with the use of single-family residences.

Section 2. Activities. No immoral, improper, unlawful or offensive activity shall be carried on in any Unit or upon the Common Elements, nor shall anything be done which may be or become an annoyance or a nuisance to the Co-owners of the Condominium. No unreasonably noisy activity shall occur in or on the Common Elements or in any Unit at any time and disputes among Co-owners, arising as a result of this provision which cannot be amicably resolved, shall be arbitrated by the Association. No Co-owner shall do or permit anything to be done or keep or permit to be kept in his Unit or on the Common Elements anything that will increase the rate of insurance on the Condominium without the written approval of the Association, and each Co-owner shall pay to the Association the increased cost of insurance premiums resulting from any such activity or the maintenance of any such condition even if approved. Activities which are deemed offensive and are expressly prohibited include, but are not limited to, the following: Any activity involving the use of firearms, air rifles, pellet guns, B-B guns, bows and arrows, fireworks, or other similar dangerous weapons, projectiles or devices.

Section 3. Aesthetics. The Common Elements shall not be used for storage of supplies, materials, personal property or trash or refuse of any kind, except as provided in duly adopted rules and regulations of the Association. Garage doors shall be kept closed at all times except as may be reasonably necessary to gain access to or from any garage. No unsightly condition shall be maintained on any patio, porch or deck and only furniture and equipment consistent with the normal and reasonable use of such areas shall be permitted to remain there during seasons when such areas are reasonably in use and no furniture or equipment of any kind shall be stored thereon during seasons when such areas are not reasonably in use. Trash receptacles shall be maintained in areas designated therefor at all times and shall not be permitted to remain elsewhere on the Common Elements except for such short periods of time as may be reasonably necessary to permit periodic collection of trash. Neither the yard areas of Condominium Units nor the Common Elements shall be used in any way for the drying, shaking or airing of clothing or other fabrics. In general, no activity shall be carried on nor condition maintained by a Co-owner, either in his Unit or upon the Common Elements, which is detrimental to the appearance of the Condominium.

Section 4. Vehicles. No house trailers, commercial vehicles, boat trailers, boats, camping vehicles, camping trailers, snowmobiles, all terrain vehicles, or vehicles other than automobiles or vehicles used primarily for general personal transportation, may be parked or stored upon the Premises of the Condominium. Motorcycles shall not be permitted on the Condominium Premises. No inoperable vehicles of any type may be brought or stored upon the Condominium Premises either temporarily or permanently. Commercial vehicles and trucks shall not be parked in or about the Condominium unless while making deliveries or pickups in the normal course of business. Each Co-owner shall park his cars in the garage spaces provided therefor and shall park any additional car which he owns in the driveway immediately adjoining his garage space. The intent of the preceding sentence is that each Co-owner shall fully utilize the two (2) garage spaces for the parking of vehicles and not for any other purpose unless the Co-owner owns fewer than two (2) vehicles. Garage doors shall be kept closed when not in use. Co-owners

shall, if the Association shall require, register with the Association all cars maintained on the Condominium Premises. Overnight parking on any street in the Condominium is prohibited except as the Association may make reasonable exceptions thereto from time to time. The Association shall have the right to place or cause to be placed adhesive windshield stickers on cars improperly parked and to tow vehicles to off-premises locations, all without any liability on the part of the Association to the owners or users of any such improperly parked vehicles.

Section 5. Pets. No Co-owner shall maintain any animal, including household pets, in the Condominium except in compliance with the applicable ordinances of the Township of Marion and except in compliance with the following provisions. No animal may be kept or bred for any commercial purpose. Any animal shall have such care and restraint so as not to be obnoxious or offensive on account of noise, odor, or unsanitary conditions. No animal may be permitted to run loose at any time upon the Common Elements and any animal shall, at all times, be leashed and attended by some responsible person while on the Common Elements. No animal shall be left tied to the exterior of any residence in a Condominium Unit or any appurtenance thereto. The Board of Directors may, in its discretion, designate certain portions of the General Common Elements of the Condominium wherein such animals may be walked and/or exercised. Nothing herein contained shall be construed to require the Board of Directors to so designate a portion of the General Common Elements for the walking and/or exercising of animals. Dog runs may be permitted to be installed in accordance with the provisions of Article VII, Section 17 of these Bylaws. No savage or dangerous animal shall be kept and any Co-owner who causes any such animal to be brought or kept upon the premises of the Condominium shall indemnify and hold harmless the Association for any loss, damage or liability (including costs and attorney fees) which the Association may sustain as the result of such an animal on the premises, and the Association may assess and collect from the responsible Co-owner such losses and/or damages in the manner provided in Article II hereof. Each Co-owner shall be responsible for collection and disposition of all fecal matter deposited by any pet maintained by such Co-owner. No dog whose barking can be heard on a frequent or continuous basis shall be kept in any Unit or on the Common Elements. The Association may charge all Co-owners maintaining animals a reasonable additional assessment to be collected in the manner provided in Article II of these Bylaws in the event that the Association determines such assessment necessary to defray the maintenance costs to the Association of accommodating animals within the Condominium. The Association may adopt such additional reasonable rules and regulations with respect to animals as it may deem proper. The Association may, after notice and hearing, without liability to the owner thereof, remove or cause to be removed any animals from the Condominium which it determines to be in violation of the restrictions imposed by this Section or by an applicable rules and regulations of the Association. The Association may also assess fines for such a violation of the restrictions imposed by this Section or by any applicable rules and regulations of the Association. The term "animal" or "pet" as used in this Section shall not include small domesticated animals which are constantly caged such as small birds, or fish.

Section 6. Advertising. No signs or other advertising devices of any kind shall be displayed which are visible from the exterior of a Unit or on the Common Elements without written permission from the Association and, during the Construction and Sales Period, from the Developer. Violations of this Section shall be specifically subject to the removal and abatement remedies set forth in Article XX, Section 1(c) below.

Section 7. Rules and Regulations. It is intended that the Board of Directors of the Association may make rules and regulations from time to time to reflect the needs and desires of the majority of the Co-owners in the Condominium. Reasonable regulations consistent with the Act, the Master Deed and these Bylaws concerning the use of the Common Elements may be made and amended from time to time by any Board of Directors of the Association, including the first Board of the Directors (or its successors) prior to the Transitional Control Date. Copies of all such rules, regulations and amendments thereto shall be furnished to all Co-owners. After the Transitional Control Date, any such rules and regulations may be rescinded by the Board or upon the affirmative vote of fifty one (51%) of all Co-owners.

Section 8. Common Element Maintenance. Sidewalks, yards, landscaped areas, driveways, roads, and parking areas shall not be obstructed nor shall they be used for purposes other than for which they are reasonably and obviously intended. No bicycles, vehicles, chairs or other obstructions may be left unattended on or about the Common Elements.

Section 9. Co-owner Maintenance. Each Co-owner shall maintain his Unit and all improvements appurtenant thereto for which he has maintenance responsibility in a safe, clean and sanitary condition. Each Co-owner shall also use due care to avoid damaging any of the Common Elements including, but not limited to, the telephone, water, gas, plumbing, electrical or other utility conduits and systems and any other elements in any Unit which are appurtenant to or which may affect any other Unit. Each Co-owner shall be responsible for damages or costs to the Association resulting from negligent damage to or misuse of any of the Common Elements by him, or his family, guests, agents or invitees, unless such damages or costs are covered by insurance carried by the Association in which case there shall be no such responsibility (unless full reimbursement to the Association is excluded by virtue of a deductible provision, in which case the responsible Co-owner shall bear the expense to the extent of the deductible amount). Any costs or damages to the Association may be assessed to and collected from the responsible Co-owner in the manner provided in Article II hereof.

Section 10. Maintenance Obligations of the Association. The Association shall be responsible for the protection and the maintenance of the woodland areas within the Condominium, the wetland areas within the Condominium, together with all common walkways and trails, all in accordance with the requirements of the applicable ordinances of Marion Township.

Section 11. Notification of Sale of Condominium Unit. It shall be the responsibility of the selling Co-owner to notify the Association of the sale of the Co-owner's Condominium Unit and to provide the purchaser with a set of the Condominium Documents. The Association shall provide a copy of the Condominium Documents to any Co-owner, mortgagee and prospective purchaser upon request and upon the payment of such reasonable copying and administrative costs as the Association may impose.

Section 12. Assessment of Costs of Enforcement. Any and all costs, damages, expenses and/or attorney fees incurred by the Association in enforcing any of the restrictions set forth in the Condominium Documents and/or rules and regulations promulgated by the Board of Directors of the Association under Article VI, Section 7 of these Bylaws, may be assessed to and collected from the responsible Co-owner in the manner provided in Article II hereof.

Section 13. Reserved Rights of Developer.

- (a) Developer's Rights in Furtherance of Development and Sales. None of the restrictions contained in this Article VI or in Article VII below shall apply to the commercial activities or signs or billboards, if any, of the Developer during the Construction and Sales Period or of the Association in furtherance of its powers and purposes set forth herein and in its Articles of Incorporation, as the same may be amended from time to time. Notwithstanding anything to the contrary elsewhere herein contained, Developer shall have the right to maintain a sales office, a business office, a construction office, model units, storage areas and reasonable parking incident to the foregoing and such access to, from and over the Project as may be reasonable to enable development and sale of the entire Project by the Developer, and may continue to do so during the entire Construction and Sales Period, or for so long as Developer continues to construct or proposes to construct additional residential structures or owns or holds an option or other enforceable interest in land for residential development within one mile of the Condominium Premises. Developer shall restore the areas so utilized to habitable status upon termination of use.
- (b) Enforcement of Bylaws. The Condominium Project shall at all times be maintained in a manner consistent with the highest standards of a beautiful, serene, private, residential community for the benefit of the Co-owners and all persons interested in the Condominium. If at any time the Association fails or refuses to carry out its obligation to maintain, repair, replace and landscape in a manner consistent with the maintenance of such high standards, then Developer, or any entity to which it may assign this right, at its option, may elect to maintain, repair and/or replace any Common Elements and/or to do any landscaping required by these Bylaws and to charge the cost thereof to the Association as an expense of administration. The Developer shall have the right to enforce these



Bylaws throughout the Construction and Sales Period notwithstanding that it may no longer own a Unit in the Condominium, which right of enforcement may include (without limitation) an action to restrain the Association or any Co-owner from any activity prohibited by these Bylaws. The provisions of this Section 13 (b) shall not be construed to be a warranty or representation of any kind regarding the physical condition of the Condominium.

## ARTICLE VII

### BUILDING AND USE RESTRICTIONS

Section 1. Land and Building and Use Restrictions. Except as may be permitted by the appropriate officials of Marion Township, all setback requirements shall be pursuant to the Building Code and Zoning Codes for Marion Township. Notwithstanding the foregoing, any dwelling or building shall meet the following minimum setback requirements:

- A. Thirty (30') feet from the back of the curb in the right of way for the front yard setback.
- B. Twenty-five (25') feet from the rear lot line for the rear yard setback.
- C. Ninety (90') feet from the PUD perimeter property line.
- D. Minimum Five (5') feet from each side lot line.

Note: All of the above may be revised through Township approval and/or the Association amendment process.

Section 2. Dwelling Unit Size. Residences constructed within Units shall have a minimum square footage of 750 square feet.

Section 3. Establishment of Grade. The grade of any Unit in the Condominium shall not be changed from the approved grading plan, except with the consent of the Developer.

- (a) It shall be the responsibility of each Co-owner to maintain the surface drainage grades of his Unit as established by the Developer. Each Co-owner covenants that he will not change the surface grade of his Unit in a manner which will materially increase or decrease the storm water flowing onto or off of his Unit and will not block, pond or obstruct surface water. The Board of Directors of the Association shall enforce this covenant and may enter upon the Units in the Condominium to correct any violation of this covenant and shall charge the costs of the correction to the Co-owner and shall collect such costs in the manner provided in Article II hereof.
- (b) It shall be the responsibility of each Co-owner to assure that the footing drains are clear of obstructions and installed in accordance with the Utility Plan prepared by Kebs, Inc. It shall be the responsibility of each Co-owner

to maintain the footing drains within his Unit. If any Co-owner shall fail to maintain the footing drains or shall fail to have the drains properly installed as part of the storm water drainage system, the Association may enter upon the Unit of such Co-owner and perform all necessary connections, repairs and maintenance of the footing drains. The costs for such connections, repairs and maintenance shall be charged to the Co-owner and shall be collected in the manner provided in Article II hereof.

Section 4. Landscaping. Each Unit shall be landscaped in accordance with the Developer's approved landscaping plan or such landscaping plan as may be approved by the Architectural Control Committee, provided that such landscaping plan conforms substantially with the provisions of this Section. Subject to weather conditions which prohibit outdoor landscaping work, the front and side yard lawns shall be sodded and the rear yard lawns may be either sodded or seeded and the trees required to be planted shall be completed within ninety (90) days after initial occupancy of the residence or, in the case of speculative or unsold homes, within six (6) months after the exterior of the residence has been (or with due diligence should have been) substantially completed. Landscaping installed by the Co-owner shall specifically include two 2 ½ caliper trees to be planted in the front yard. One such tree shall be located on every lot as a buffer between the sidewalk and the street. The trees shall be either Red Oak, Crimson King, Red Maple, Shademaster, Honey Locust, Marshall's Seedless Ash, Greenspire Linden, or similar deciduous trees as approved by the Developer. In addition, the Co-owner shall install two 8' – 10' tall Evergreen trees at the front of the residence adjacent to the garage as set forth in the Developer's landscaping plan. After landscaping has been installed, the Co-owner shall maintain the same in a good and sightly condition consistent with the approved landscaping plan. In administering the Condominium, the Association, acting through its Board of Directors, may undertake completion of the landscaping required by this Section in the event that the Co-owner has failed, neglected or refused to do so following written notification of such default by the Association (or by the Developer during the Construction and Sales Period). Nothing contained herein shall compel the Association to undertake such responsibilities. However, any such responsibilities undertaken by the Association shall be charged to the Co-owner and collected in the manner provided in Article II hereof. During the Construction and Sales Period, the Developer shall have the unilateral right to direct the Association to proceed in accordance with the provisions of this Section.

Section 5. Trash Removal. No Unit shall be used or maintained as a dumping ground for rubbish, trash, garbage or other waste. Trash receptacles shall be maintained at the curbs of the drives in the Condominium only for such short periods of time as may be reasonably necessary to permit periodic collection of trash and, in no event, shall trash receptacles be placed at the curbs prior to the evening preceding trash pick-up.

Section 6. Exterior Lighting. Garages shall be constructed with one (1) exterior lighting fixture operated by a photo-electric cell. Each Co-owner shall be responsible for the maintenance of such exterior lighting fixture.

Section 7. Antennae. Only television antennae shall be constructed or erected upon the exterior of any dwelling or structure on any Unit. Satellite dish antennas and ground

television antennas shall be subject to the approval of the Architectural Control Committee prior to installation. A plan designating the size and location of same shall be submitted for approval.

Section 8. Temporary Structures. No structure of a temporary character or trailer, basement, tent, shack, garage, barn or other outbuilding shall be used on any Unit at any time as a residence either temporarily or permanently.

Section 9. Livestock and Poultry. No animals, livestock, birds, or poultry of any kind shall be raised, bred, or kept on any Unit, except dogs, cats or other common household pets. Such permitted household pets shall be maintained in compliance with Article VI, Section 5 of these Bylaws.

Section 10. Intersection Sight Distance. No fence, wall, structure, planting or obstruction shall be erected, established or maintained on any corner Unit within a triangular area formed by the street lines and a connection line having a point twenty-five (25') feet from the intersection of such street lines which shall have a height that is more than two (2') feet; provided, however, shade trees with wide branches which are at least eight (8') feet above ground shall be permitted within such area.

Section 11. Mailboxes. Each residence shall have a mailbox design consistent throughout the Condominium. The mailboxes shall be provided by the Developer at a cost to the Co-owner of approximately One Hundred Fifty (\$150.00) Dollars. No other mailboxes shall be permitted.

Section 12. Driveways. All driveways shall be paved with concrete or pavers (as determined by the Architectural Control Committee) and shall be completed within ninety (90) days after issuance of the certificate of occupancy for the residence on the Unit or, in the event of inclement weather, as soon thereafter as weather permits. The Architectural Control Committee, in its discretion, may approve alternative paving materials for the driveways.

Section 13. Swimming Pools. Inground pools and hot tubs may be installed if permitted by the Township and the Architectural Control Committee. Any Co-owner intending to construct an inground pool or hot tub shall submit to the Architectural Control Committee a detailed description and proposed layout showing size, location, materials, shape, landscaping, fencing, screening, and type of construction. The Architectural Control Committee shall have absolute discretion to approve or disapprove any proposal. Any approved inground pool or hot tub shall be maintained by the Co-owner in a safe and clean condition and shall also be maintained in an appearance consistent with the standards of the Condominium. No above ground or freestanding swimming pools shall be permitted.

Section 14. Underground Utilities. All utilities such as water mains, sanitary sewers, storm sewers, gas mains, electric and telephone distribution lines, cable television lines, and all connections to same, either private or otherwise, shall be installed underground. However, above-ground transformers, pedestals and other above-ground electric and telephone utility installations and distribution systems and surface and off-site drainage channels and facilities, as well as street lighting stanchions, shall be permitted.

Section 15. Basketball Hoops. Basketball hoops are prohibited. No hoops may be mounted on the dwelling or the garage. Only temporary basketball hoops shall be permitted and shall be stored in the garage with the garage door closed each evening or when not in use.

Section 16. Tree Preservation. No Co-owner shall cut down or trim any tree located on the General Common Elements. Co-owners shall also comply with all applicable ordinances of Marion Township including any woodlands regulations.

Section 17. Fences and Dog Runs. No fences shall be constructed on any Unit other than those approved by the Architectural Control Committee and in accordance with the approved fencing plan and as part of a landscaping plan. Every fourth Unit in the Condominium is required to have a decorative front yard fence in accordance with the approved fencing plan. Fences shall be permitted around any inground swimming pool in accordance with the applicable ordinances of Marion Township and subject to the prior written approval of the Architectural Control Committee. All fencing shall consist of white, composite polyurethane material and shall otherwise comply with the approved fencing plan and, during the Construction and Sales Period, shall be subject to the approval of the Developer. Dog runs for permitted animals must be an integral part of the residence and shall be subject to the approval of the Developer or the Architectural Control Committee relative to the location and design of the fencing and appropriate landscape screening.

Section 18. Wetlands. Areas depicted as Wetlands on the Condominium Subdivision Plan shall not be disturbed without the prior approval of Marion Township and the Michigan Department of Natural as the case may be. Co-owners are prohibited from clearing, trimming, grubbing and tree removal in the areas designated as Wetlands.

Section 19. Patios. Patios and patio walls shall be permissible; however, same shall be subject to the approval of the Architectural Control Committee.

Section 20. Decks. Decks on any Unit shall conform to the material specifications and the layout of the approved deck plan for the particular Unit type. Any variation to the approved deck plan shall be subject to the approval of the Architectural Control Committee and, during the Construction and Sales Period, of the Developer. All decks in the Condominium shall be painted white.

## ARTICLE VIII

### MORTGAGES

Section 1. Notice To Association. Any Co-owner who mortgages his Unit shall notify the Association of the name and address of the mortgagee, and the Association shall maintain such information in a book entitled "Mortgages of Units". The Association may, at the written request of a mortgagee of any such Unit, report any unpaid assessments due from the Co-owner of such Unit. The Association shall give to the holder of any first mortgage covering any Unit in the

Condominium written notification of any other default in the performance of the obligations of the Co-owner of such Unit that is not cured within sixty (60) days.

Section 2. Insurance. The Association shall notify each mortgagee appearing in said book of the name of each company insuring the Condominium against fire, perils covered by extended coverage, and vandalism and malicious mischief and the amounts of such coverage.

Section 3. Notification Of Meetings. Upon request submitted to the Association, any institutional holder of a first mortgage lien on any Unit in the Condominium shall be entitled to receive written notification of every meeting of the members of the Association and to designate a representative to attend such meeting.

## ARTICLE IX

### VOTING

Section 1. Vote. Except as limited in these Bylaws, each Co-owner shall be entitled to one (1) vote for each Condominium Unit owned.

Section 2. Eligibility To Vote. No Co-owner, other than the Developer, shall be entitled to vote at any meeting of the Association until he has presented a deed or other evidence of ownership of a Unit in the Condominium to the Association. No Co-owner, other than the Developer, shall be entitled to vote prior to the First Annual Meeting of members held in accordance with Article X, Section 2, except as specifically provided in Article XII, Section 2. The vote of each Co-owner may be cast only by the individual representative designated by such Co-owner in the notice required in Section 3 of this Article IX below or by a proxy given by such individual representative.

The Developer shall be the only person entitled to vote at a meeting of the Association until the First Annual Meeting of members and shall be entitled to vote during such period notwithstanding the fact that the Developer may own no Units at some time or from time to time during such period. At and after the First Annual Meeting, the Developer shall be entitled to one (1) vote for each Unit which it owns.

Section 3. Designation Of Voting Representative. Each Co-owner shall file a written notice with the Association designating the individual representative who shall vote at meetings of the Association and receive all notices and other communications from the Association on behalf of such Co-owner. Such notice shall state the name, address and telephone number of the individual representative designated, the number or numbers of the Condominium Unit or Units owned by the Co-owner, and the name, address and telephone number of each person, firm, corporation, partnership, association, trust, or other entity who is the Co-owner. Such notice shall be signed and dated by the Co-owner. The individual representative designated may be changed by the Co-owner at any time by filing a new notice in the manner herein provided.

Section 4. Quorum. The presence in person or by proxy of thirty-five (35%) percent of the Co-owners qualified to vote shall constitute a quorum for holding a meeting of the members of the Association, except for voting on questions specifically provided herein to require a greater quorum. The written absentee ballot of any person furnished at or prior to any duly called meeting

at which meeting said person is not otherwise present in person or by proxy shall be counted in determining the presence of a quorum with respect to the question upon which the ballot is cast.

Section 5. Voting. Votes may be cast in person or by proxy or by a written absentee ballot duly signed by the designated voting representative not present at a given meeting in person or by proxy. Proxies and any absentee ballots must be filed with the Secretary of the Association at or before the appointed time of each meeting of the members of the Association. Cumulative voting shall not be permitted.

Section 6. Majority. A majority, except where otherwise provided herein, shall consist of more than fifty (50%) percent of those qualified to vote and present in person or by proxy (or absentee ballot, if applicable) at a given meeting of the members of the Association. Whenever provided specifically herein, the requisite affirmative vote may be required to exceed the simple majority herein above set forth and may require a designated percentage of all Co-owners.

## ARTICLE X

### MEETINGS

Section 1. Place Of Meeting. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Co-owners as may be designated by the Board of Directors. Meetings of the Association shall be conducted in accordance with Roberts Rules of Order, or some other generally recognized manual of parliamentary procedure, when not otherwise in conflict with the Condominium Documents (as defined in the Master Deed) or the laws of the State of Michigan.

Section 2. First Annual Meeting. The First Annual Meeting of members of the Association may be convened only by the Developer and may be called at any time after more than fifty (50%) percent in number of the Units that may be created in the Condominium have been conveyed and the purchasers thereof qualified as members of the Association. In no event, however, shall such meeting be called later than one hundred twenty (120) days after the conveyance of legal or equitable title to nonDeveloper Co-owners of seventy-five (75%) percent in number of all Units that may be created or fifty-four (54) months after the first conveyance of legal or equitable title to a nonDeveloper Co-owner of a Unit in the Condominium, whichever first occurs. The Developer may call meetings of members for informative or other appropriate purposes prior to the First Annual Meeting of members and no such meeting shall be construed as the First Annual Meeting of members. The date, time and place of such meeting shall be set by the Board of Directors, and at least ten (10) days' written notice thereof shall be given to each Co-owner. The phrase "Units that may be created" as used in this paragraph and elsewhere in the Condominium Documents refers to the maximum number of Units which the Developer is permitted under the Condominium Documents to include in the Condominium.

Section 3. Annual Meetings. Annual meetings of members of the Association shall be held in the month of June of each succeeding year after the year in which the First Annual Meeting is held, on such date and at such time and place as shall be determined by the Board of Directors; provided, however, that the second annual meeting shall not be held sooner than eight (8) months after the date of the First Annual Meeting. At such meetings there shall be elected by ballot of the Co-owners a Board of Directors in accordance with the requirements of Article XII of these Bylaws. The Co-owners may also transact at annual meetings such other business of the Association as may properly come before them.

Section 4. Special Meetings. It shall be the duty of the President to call a special meeting of the Co-owners as directed by resolution of the Board of Directors. The President shall also call a special meeting upon a petition signed by one-third (1/3) of the Co-owners presented to the Secretary of the Association, but only after the First Annual Meeting has been held. Notice of any special meeting shall state the time and place of such meeting and the purposes thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 5. Notice Of Meetings. It shall be the duty of the Secretary (or other Association officer in the Secretary's absence) to serve a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, upon each Co-owner of record, at least ten (10) days but not more than sixty (60) days prior to such meeting. The mailing, postage prepaid, of a notice to the representative of each Co-owner at the address shown in the notice required to be filed with the Association by Article IX, Section 3 of these Bylaws shall be deemed notice served. Any member may, by written waiver of notice signed by such member, waive such notice, and such waiver, when filed in the records of the Association, shall be deemed due notice.

Section 6. Adjournment. If any meeting of Co-owners cannot be held because a quorum is not in attendance, the Co-owners who are present may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

Section 7. Order Of Business. The order of business at all meetings of the members shall be as follows: (a) roll call to determine the voting power represented at the meeting; (b) proof of notice of meeting or waiver of notice; (c) reading of minutes of preceding meeting; (d) reports of officers; (e) reports of committees; (f) appointment of inspector of elections (at annual meetings or special meetings held for the purpose of election of directors or officers); (g) election of directors (at annual meetings or special meetings held for such a purpose); (h) unfinished business; and (i) new business. Meetings of members shall be chaired by the most senior officer of the Association present at such meeting. For purposes of this Section, the order of seniority of officers shall be President, Vice President, Secretary, and Treasurer.

Section 8. Action Without Meeting. Any action which may be taken at a meeting of the members (except for the election or removal of directors) may be taken without a meeting by written ballot of the members. Ballots shall be solicited in the same manner as provided in Section 5 above for the giving of notice of meetings of members. Such solicitation shall specify: (a) the number of responses needed to meet the quorum requirements; (b) the percentage of approvals necessary to approve the action; and (c) the time by which ballots must be received in order to be counted. The form of written ballot shall afford an opportunity to specify a choice between approval and disapproval of each matter and shall provide that, where the member specifies a choice, the vote shall be cast in accordance therewith. Approval by written ballot shall be constituted by receipt within the time period specified in the solicitation of: (i) a number of ballots which equals or exceeds the quorum which would be required if the action were taken at a meeting; and (ii) a number of approvals which equals or exceeds the number of votes which would be required for approval if the action were taken at a meeting at which the total number of votes cast was the same as the total number of ballots cast.

Section 9. Consent Of Absentees. The transactions of any meeting of members, either annual or special, however called and noticed, shall be as valid as though made at a meeting duly held after regular call and notice, if a quorum be present either in person or by proxy or by absentee ballot; and if, either before or after the meeting, each of the members not present in person or by proxy, or absentee ballot, signs a written waiver of notice, or a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents, or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 10. Minutes; Presumption Of Notice. Minutes or a similar record of the proceedings of meetings of members, when signed by the President or Secretary, shall be presumed truthfully to evidence the matters set forth therein. A recitation in the minutes of any such meeting that notice of the meeting was properly given shall be prima facie evidence that such notice was given.

## ARTICLE XI

### ADVISORY COMMITTEE

Within one (1) year after conveyance of legal or equitable title to the first Unit in the Condominium to a purchaser or within one hundred twenty (120) days after conveyance to purchasers of one-third (1/3) of the Units that may be created, whichever first occurs, the Developer shall cause to be established an Advisory Committee consisting of at least three (3) nonDeveloper Co-owners. The Committee shall be established and perpetuated in any manner the Developer deems advisable, except that if more than fifty (50%) percent of the nonDeveloper Co-owners petition the Board of Directors for an election to select the Advisory Committee, then an election for such purpose shall be held. The purpose of the Advisory Committee shall be to facilitate communications between the temporary Board of Directors and the other Co-owners and to aid in the transition of control of the Association from the Developer to purchaser Co-owners. A chairman of the Committee shall be selected by the members. The Advisory Committee shall cease



to exist automatically when the nonDeveloper Co-owners have the voting strength to elect a majority of the Board of Directors of the Association. The Developer may remove and replace at its discretion at any time any member of the Advisory Committee who has not been elected thereto by the Co-owners.

## ARTICLE XII

### BOARD OF DIRECTORS

Section 1. Qualifications Of Directors. The affairs of the Association shall be governed by a Board of Directors, all of whom must be members in good standing of the Association or officers, partners, trustees, employees or agents of members of the Association, except for the first Board of Directors designated in the Articles of Incorporation of the Association and any successors thereto appointed by the Developer. Directors shall serve without compensation.

#### Section 2. Election Of Directors.

- (a) First Board Of Directors. The first Board of Directors shall be comprised of one (1) person and such first Board of Directors, or its successors as selected by the Developer, shall manage the affairs of the Association until the appointment of the first nonDeveloper Co-owners to the Board. Immediately prior to the appointment of the first nonDeveloper Co-owner to the Board, the Board shall be increased in size to three (3) persons. Thereafter, elections for nonDeveloper Co-owner directors shall be held as provided in subsections (b) and (c) below.
- (b) Appointment Of NonDeveloper Co-owners To Board Prior To First Annual Meeting. Not later than one hundred twenty (120) days after the conveyance of legal or equitable title to nonDeveloper Co-owners of twenty-five (25%) percent in number of the Units that may be created, one (1) of the three (3) directors shall be elected by nonDeveloper Co-owners. When the required number of conveyances have been reached, the Developer shall notify the nonDeveloper Co-owners and request that they hold a meeting and elect the required director. Upon certification by the Co-owners to the Developer of the director so elected, the Developer shall then immediately appoint such director to the Board to serve until the First Annual Meeting of members unless he is removed pursuant Section 7 of this Article or he resigns or becomes incapacitated.
- (c) Election Of Directors At And After First Annual Meeting.
- (i) Not later than one-hundred twenty (120) days after conveyance of legal or equitable title to nonDeveloper Co-owner of seventy-five (75%) percent of the Units that may be created, the nonDeveloper

Co-owners shall elect all directors on the Board, except that the Developer shall have the right to designate one (1) director as long as the Developer owns at least ten (10%) percent of the Units in the Condominium. Whenever the required conveyance level is achieved, a meeting of Co-owners shall be properly convened to effectuate this provision, even if the First Annual Meeting has already occurred.

- (ii) Regardless of the percentage of Units which have been conveyed, upon the expiration of fifty-four (54) months after the first conveyance of legal or equitable title to a nonDeveloper Co-owner of a Unit in the Condominium, the nonDeveloper Co-owners have the right to elect a number of members of the Board of Directors equal to the percentage of Units they own, and the Developer has the right to elect a number of members of the Board of Directors equal to the percentage of Units which are owned by the Developer and for which all assessments are payable by the Developer. This election may increase, but shall not reduce, the minimum election and designation rights otherwise established in subsection (i) above. Application of this subsection does not require a change in the size of the Board of Directors.
- (iii) If the calculation of the percentage of members of the Board of Directors that the nonDeveloper Co-owners have the right to elect under subsection (ii), or if the product of the number of the members of the Board of Directors multiplied by the percentage of Units held by the nonDeveloper Co-owners under subsection (b) results in a right of nonDeveloper Co-owners to elect a fractional number of members of the Board of Directors, then a fractional election right of 0.5 or greater shall be rounded up to the nearest whole number, which number shall be the number of members of the Board of Directors that the nonDeveloper Co-owners have the right to elect. After application of this formula, the Developer shall have the right to elect the remaining members of the Board of Directors. Application of this subsection shall not eliminate the right of the Developer to designate one (1) director as provided in sub-section (i).
- (iv) At the First Annual Meeting, two (2) directors shall be elected for a term of two (2) years and one (1) director shall be elected for a term of one (1) year. At such meeting, all nominees shall stand for election as one slate and the two (2) persons receiving the highest number of votes shall be elected for a term of two (2) years and the person receiving the next highest number of votes shall be elected for a term of one (1) year. At each annual meeting held thereafter, either one (1) or two (2) directors shall be elected, depending upon

the number of directors whose terms expire. After the First Annual Meeting, the term of office (except for one (1) of the directors elected at the First Annual Meeting) of each director shall be two (2) years. The directors shall hold office until their successors have been elected and hold their first meeting.

- (v) Once the Co-owners have acquired the right hereunder to elect a majority of the Board of Directors, annual meetings of Co-owners to elect directors and conduct other business shall be held in accordance with the provisions of Article X, Section 3 hereof.

Section 3. Powers And Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and may do all acts and things as are not prohibited by the Condominium Documents or required thereby to be exercised and done by the Co-owners.

Section 4. Other Duties. In addition to the foregoing duties imposed by these Bylaws or any further duties which may be imposed by resolution of the members of the Association, the Board of Directors shall be responsible specifically for the following:

- (a) To manage and to administer the affairs of, and to maintain, the Condominium and the Common Elements thereof.
- (b) To levy and collect assessments against and from the Co-owner members of the Association and to use the proceeds thereof for the purposes of the Association.
- (c) To carry insurance and to collect and to allocate the proceeds thereof.
- (d) To rebuild improvements after casualty.
- (e) To contract for and employ persons, firms, corporations or other agents to assist in the management, operation, maintenance and administration of the Condominium.
- (f) To acquire, maintain and improve, and to buy, operate, manage, sell, convey, assign, mortgage or lease any real or personal property (including any Unit in the Condominium and easements, rights of way and licenses) on behalf of the Association in furtherance of any of the purposes of the Association.
- (g) To grant easements, rights of entry, rights of way, and licenses to, through, over, and with respect to the Common Elements of the Condominium on behalf of the members of the Association in furtherance of any of the purposes of the Association and to dedicate to the public any portion of the Common Elements of the Condominium as provided in the Master Deed.

- (h) To borrow money and issue evidences of indebtedness in furtherance of any and all of the purposes of the Association and to secure the same by mortgage, pledge, or other lien on property owned by the Association; provided, however, that any such action shall also be approved by affirmative vote of more than seventy-five (75%) percent of all of the Co-owners.
- (i) To make and enforce reasonable rules and regulations in accordance with Article VI, Section 7 of these Bylaws and to make and enforce resolutions and policies in furtherance of any or all of the purposes of the Association or of the Condominium Documents.
- (j) To establish such committees as it deems necessary, convenient or desirable and to appoint persons thereto for the purpose of implementing the administration of the Condominium and to delegate to such committees any functions or responsibilities which are not by law or by the Condominium Documents required to be performed by the Board.
- (k) To make rules and regulations and/or to enter into agreements with institutional lenders the purposes of which are to obtain mortgage financing for Unit Co-owners which is acceptable for purchase by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Government National Mortgage Association and/or any other agency of the Federal government or the State of Michigan or to satisfy the requirements of the United States Department of Housing and Urban Development.
- (l) To enforce the provisions of the Condominium Documents.

Section 5. Management Agent. The Board of Directors may employ for the Association a professional management agent (which may include the Developer or any person or entity related thereto, but which shall not be a Co-owner or resident or affiliated with a Co-owner or resident) at a reasonable compensation established by the Board to perform such duties and services as the Board shall authorize, including, but not limited to, the duties listed in Sections 3 and 4 of this Article, and the Board may delegate to such management agent any other duties or powers which are not by law or by the Condominium Documents required to be performed by or have the approval of the Board of Directors or the members of the Association. In no event shall the Board be authorized to enter into any contract with a professional management agent, or any other contract providing for services by the Developer, sponsor or builder, in which the maximum term is greater than three (3) years or which is not terminable by the Association upon sixty (60) days written notice thereof to the other party, and no such contract shall violate the provisions of Section 55 of the Act.

Section 6. Vacancies. Vacancies in the Board of Directors which occur after the Transitional Control Date caused by any reason other than the removal of a director by a vote of the members of the Association shall be filled by vote of the majority of the remaining directors, even

though they may constitute less than a quorum, except that the Developer shall be solely entitled to fill the vacancy of any director whom it is permitted in the first instance, under these Bylaws, to designate. Vacancies among nonDeveloper Co-owner elected directors which occur prior to the Transitional Control Date may be filled only through election by nonDeveloper Co-owners and shall be filled in the manner specified in Section 2(b) of this Article.

Section 7. Removal. At any regular or special meeting of the Association duly called with due notice of the removal action proposed to be taken, any one (1) or more of the directors may be removed with or without cause by the affirmative vote of more than fifty (50%) percent of all of the Co-owners qualified to vote and a successor may then and there be elected to fill the vacancy thus created. Any director whose removal has been proposed by the Co-owners shall be given an opportunity to be heard at the meeting. The Developer may remove and replace any or all of the directors appointed by it at any time or from time to time in its sole discretion. Any director elected by the nonDeveloper Co-owners to serve before the First Annual Meeting of members may be removed before the First Annual Meeting by the nonDeveloper Co-owners in the same manner set forth in this Section 7 above for removal of directors generally.

Section 8. First Meeting. The first meeting of the newly elected Board of Directors shall be held within ten (10) days of election at such place as shall be fixed by the directors at the meeting at which such directors were elected, and no notice shall be necessary to the newly elected directors in order legally to constitute such meeting, providing a majority of the whole Board shall be present.

Section 9. Regular Meetings. Regular meetings of the Board of Directors may be held at such times and places as shall be determined from time-to-time by a majority of the Board of Directors, but at least two (2) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each director, personally, by mail, telephone or telegraph, at least five (5) days prior to the date named for such meeting.

Section 10. Special Meetings. Special meetings of the Board of Directors may be called by the President upon three (3) days' notice to each director, given personally, by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of two (2) directors.

Section 11. Waiver Of Notice. Before or at any meeting of the Board of Directors, any director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board shall be deemed a waiver of notice by him of the time and place thereof. If all the directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 12. Quorum. At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the acts of the majority of the directors at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there is less than a quorum present, the majority of those persons present may adjourn the meeting to a subsequent time upon twenty-four (24) hours' prior written notice delivered to all directors not present. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice. The joinder of a director in the action of a meeting by signing and concurring in the minutes thereof, shall constitute the presence of such director for purposes of determining a quorum.

Section 13. Action By Written Consent. Any action permitted to be taken by the Board of Directors at a meeting of the Board shall be valid if consented to in writing by the requisite majority of the Board of Directors.

Section 14. Actions Of First Board Of Directors Binding. All of the actions (including, without limitation, the adoption of these Bylaws and any rules and regulations, policies or resolutions for the Association, and any undertakings or contracts entered into with others on behalf of the Association) of the First Board of Directors of the Association named in its Articles of Incorporation or any successors thereto appointed by the Developer before the First Annual Meeting of members shall be binding upon the Association in the same manner as though such actions had been authorized by a Board of Directors duly elected by the members of the Association at the First Annual Meeting of members or at any subsequent annual meeting of members, provided that such actions are within the scope of the powers and duties which may be exercised by any Board of Directors as provided in the Condominium Documents.

Section 15. Fidelity Bonds. The Board of Directors shall require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be expenses of administration.

### ARTICLE XIII

#### OFFICERS

Section 1. Officers. The principal officers of the Association shall be a President, who shall be a member of the Board of Directors, a Vice-President, Secretary and a Treasurer. The directors may appoint an Assistant Treasurer and an Assistant Secretary and such other officers as in their judgment may be necessary. Any two (2) offices except that of President and Vice-President may be held by one (1) person.

Section 2. Election. The officers of the Association shall be elected annually by the Board of Directors at the organizational meeting of each new Board and shall hold office at the pleasure of the Board.

Section 3. Removal. Upon affirmative vote of a majority of the members of the Board of Directors, any officer may be removed either with or without cause, and his successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board called for such purpose. No such removal action may be taken, however, unless the matter shall have been included in the notice of such meeting. The officer who is proposed to be removed shall be given an opportunity to be heard at the meeting.

Section 4. President. The President shall be the chief executive officer of the Association. The President shall preside and may vote at all meetings of the Association and of the Board of Directors. The President shall have all of the general powers and duties which are usually vested in the office of the President of an association, including, but not limited to, the power to appoint committees from among the members of the Association from time-to-time as the President may in the President's discretion deem appropriate to assist in the conduct of the affairs of the Association.

Section 5. Vice-President. The Vice-President shall take the place of the President and perform the President's duties whenever the President shall be absent or unable to act. If neither the President nor the Vice-President is able to act, the Board of Directors shall appoint some other member of the Board to do so on an interim basis. The Vice-President shall also perform such other duties as shall from time-to-time be imposed upon the Vice President by the Board of Directors.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the members of the Association; the Secretary shall have charge of the corporate seal, if any, and of such books and papers as the Board of Directors may direct; the Secretary shall, in general, perform all duties incident to the office of the Secretary.

Section 7. Treasurer. The Treasurer shall have responsibility for the Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. The Treasurer shall be responsible for the deposit of all monies and other valuable effects in the name and to the credit of the Association, and in such depositories as may, from time-to-time, be designated by the Board of Directors.

Section 8. Duties. The officers shall have such other duties, powers and responsibilities as shall, from time-to-time, be authorized by the Board of Directors.

ARTICLE XIVSEAL

The Association may (but need not) have a seal. If the Board determines that the Association shall have a seal, then it shall have inscribed thereon the name of the Association, the words "corporate seal" and "Michigan".

ARTICLE XVFINANCE

Section 1. Records. The Association shall keep detailed books of account showing all expenditures and receipts of administration, and which shall specify the maintenance and repair expenses of the Common Elements and any other expenses incurred by or on behalf of the Association and the Co-owners. Such accounts and all other nonprivileged Association records shall be open for inspection by the Co-owners and their mortgagees during reasonable working hours. The Association shall prepare and distribute to each Co-owner at least once a year a financial statement, the contents of which shall be defined by the Association. The books of account shall be audited at least annually by qualified independent auditors; provided, however, that such auditors need not be certified public accountants nor does such audit need to be a certified audit. Any institutional holder of a first mortgage lien on any Unit in the Condominium shall be entitled to receive a copy of such annual audited financial statement within ninety (90) days following the end of the Association's fiscal year upon request therefor. The cost of any such audit and any accounting expenses shall be expenses of administration.

Section 2. Fiscal Year. The fiscal year of the Association shall be an annual period commencing on such date as may be initially determined by the directors. Absent such determination by the Board of Directors, the fiscal year of the Association shall be the calendar year. The commencement date of the fiscal year shall be subject to change by the directors for accounting reasons or other good cause.

Section 3. Depositories. The funds of the Association shall be initially deposited in such bank or savings association as may be designated by the directors and shall be withdrawn only upon the check or order of such officers, employees or agents as are designated by resolution of the Board of Directors from time-to-time. The funds may be invested from time-to-time in accounts or deposit certificates of such banks or savings associations as are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation and may also be invested in interest-bearing obligations of the United States Government.



ARTICLE XVIINDEMNIFICATION OF OFFICERS AND DIRECTORS;  
DIRECTORS' AND OFFICERS' INSURANCE

Section 1. Indemnification Of Directors And Officers. Every director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including actual and reasonable counsel fees and amounts paid in settlement incurred by or imposed upon him in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative and whether formal or informal, to which he may be a party or in which he may become involved by reason of his being or having been a director or officer of the Association, whether or not he is a director or officer at the time such expenses are incurred, except as otherwise prohibited by law; provided that, in the event of any claim for reimbursement or indemnification hereunder based upon a settlement by the director or officer seeking such reimbursement or indemnification, the indemnification herein shall apply only if the Board of Directors (with the director seeking reimbursement abstaining) approves such settlement and reimbursement as being in the best interest of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled. At least ten (10) days prior to payment of any indemnification which it has approved, the Board of Directors shall notify all Co-owners thereof.

Section 2. Directors' And Officers' Insurance. The Association shall provide liability insurance for every director and every officer of the Association for the same purposes provided above in Section 1 and in such amounts as may reasonably insure against potential liability arising out of the performance of their respective duties. With the prior written consent of the Association, a director or an officer of the Association may waive any liability insurance for such director's or officer's personal benefit. No director or officer shall collect for the same expense or liability under Section 1 above and under this Section 2; however, to the extent that the liability insurance provided herein to a director or officer was not waived by such director or officer and is inadequate to pay any expenses or liabilities otherwise properly indemnifiable under the terms hereof, a director or officer shall be reimbursed or indemnified only for such excess amounts under Section 1 hereof.

ARTICLE XVIIAMENDMENTS

Section 1. Proposal. Amendments to these Bylaws may be proposed by the Board of Directors of the Association acting upon the vote of the majority of the directors or by one-third (1/3) or more of the Co-owners by instrument in writing signed by them.

Section 2. Meeting. Upon any such amendment being proposed, a meeting for consideration of the same shall be duly called in accordance with the provisions of these Bylaws.

Section 3. Voting. These Bylaws may be amended by the Co-owners at any regular annual meeting or a special meeting called for such purpose by an affirmative vote of not less than sixty-six and two-thirds (66-2/3%) percent of all Co-owners. No consent of mortgagees shall be required to amend these Bylaws unless such amendment would materially alter or change the rights of such mortgagees, in which event the approval of sixty-six and two-thirds (66-2/3%) percent of mortgagees shall be required with each mortgagee to have one (1) vote for each mortgage held. During the Construction and Sales Period, these Bylaws may not be amended in any manner so as to materially affect and/or impair the rights of the Developer, unless said amendment has received the prior written consent of the Developer. Notwithstanding anything to the contrary, no amendment may be made to Article III, Section 4 of these Bylaws at any time without the written consent of the Developer.

Section 4. By Developer. Prior to the Transitional Control Date, these Bylaws may be amended by the Developer without approval from any other person so long as any such amendment does not, in the Developer's discretion, materially alter or change the rights of a Co-owner or mortgagee.

Section 5. Township Approval. No right reserved herein to Marion Township shall be altered or amended without the Township's formal consent.

Section 6. When Effective. Any amendment to these Bylaws shall become effective upon recording of such amendment in the office of the Livingston County Register of Deeds.

Section 7. Binding. A copy of each amendment to these Bylaws shall be furnished to every member of the Association after adoption; provided, however, that any amendment to these Bylaws that is adopted in accordance with this Article shall be binding upon all persons who have an interest in the Condominium irrespective of whether such persons actually receive a copy of the amendment.

## ARTICLE XVIII

### COMPLIANCE

The Association of Co-owners and all present or future Co-owners, tenants, land contract purchasers, or any other persons acquiring an interest in or using the facilities of the Condominium in any manner are subject to and shall comply with the Act, as amended, and with the Condominium Documents, and the mere acquisition, occupancy or rental of any Unit or an interest therein or the utilization of or entry upon the Condominium Premises shall signify that the Condominium Documents are accepted and ratified. In the event the Condominium Documents conflict with the provisions of the Act, the Act shall govern. In the event any provision of these Bylaws conflicts with any provision of the Master Deed, the Master Deed shall govern.

**ARTICLE XIX****DEFINITIONS**

All terms used herein shall have the same meaning as set forth in the Master Deed to which these Bylaws are attached as an Exhibit or as set forth in the Act.

**ARTICLE XX****REMEDIES FOR DEFAULT**

Section 1. Relief Available. Any default by a Co-owner shall entitle the Association or another Co-owner or Co-owners to the following relief:

- (a) Legal Action. Failure to comply with any of the terms and provisions of the Condominium Documents or the Act, including any of the rules and regulations promulgated by the Board of Directors of the Association hereunder, shall be grounds for relief, which may include without intending to limit the same, an action to recover sums due for damages, injunctive relief, foreclosure of lien (if default in payment of assessment) or any combination thereof, and such relief may be sought by the Association or, if appropriate, by an aggrieved Co-owner or Co-owners.
- (b) Recovery Of Costs. In the event of a default of the Condominium Documents by a Co-owner and/or nonCo-owner resident or guest, the Association shall be entitled to recover from the Co-owner and/or nonCo-owner resident or guest, the prelitigation costs and attorney fees incurred in obtaining their compliance with the Condominium Documents. In any proceeding arising because of an alleged default by any Co-owner, the Association, if successful, shall be entitled to recover the costs of the proceeding and such reasonable attorney's fees (not limited to statutory fees) as may be determined by the Court, but in no event shall any Co-owner be entitled to recover such attorney's fees.
- (c) Removal And Abatement. The violation of any of the provisions of the Condominium Documents, including the rules and regulations promulgated by the Board of Directors of the Association hereunder, shall also give the Association, or its duly authorized agents, the right, in addition to the rights set forth above, to enter upon the Common Elements, or into any Unit, where reasonably necessary, and summarily remove and abate, at the expense of the Co-owner in violation, any structure, thing or condition existing or maintained contrary to the provisions of the Condominium Documents. The Association shall have no liability to any Co-owner arising out of the exercise of its removal and abatement power authorized herein.

- (d) Assessment Of Fines. The violation of any of the provisions of the Condominium Documents, including any of the rules and regulations promulgated by the Board of Directors of the Association hereunder, by any Co-owner, in addition to the rights set forth above, shall be grounds for assessment by the Association of a monetary fine for such violation. No fine may be assessed unless the rules and regulations establishing such fine have first been duly adopted by the Board of Directors of the Association and notice thereof given to all Co-owners in the same manner as prescribed in Article VI, Section 7 of these Bylaws. Thereafter, fines may be assessed only upon notice to the offending Co-owner and an opportunity for such Co-owner to appear before the Board no less than seven (7) days from the date of the notice and offer evidence in defense of the alleged violation. Upon finding an alleged violation after an opportunity for hearing has been provided, the Board of Directors may levy a fine in such amount as it, in its discretion, deems appropriate. All fines duly assessed may be collected in the same manner as provided in Article II of these Bylaws.

Section 2. Nonwaiver Of Right. The failure of the Association or of any Co-owner to enforce any right, provision, covenant or condition which may be granted by the Condominium Documents shall not constitute a waiver of the right of the Association or of any such Co-owner to enforce such right, provision, covenant or condition in the future.

Section 3. Cumulative Rights, Remedies, And Privileges. All rights, remedies and privileges granted to the Association or any Co-owner or Co-owners pursuant to any terms, provisions, covenants or conditions of the aforesaid Condominium Documents shall be deemed to be cumulative and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be available to such party at law or in equity.

Section 4. Enforcement Of Provisions Of Condominium Documents. A Co-owner may maintain an action against the Association and its officers and directors to compel such persons to enforce the terms and provisions of the Condominium Documents. A Co-owner may maintain an action against any other Co-owner for injunctive relief or for damages or any combination thereof for noncompliance with the terms and provisions of the Condominium Documents or the Act.

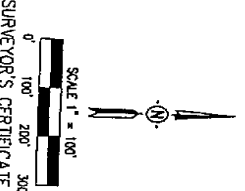
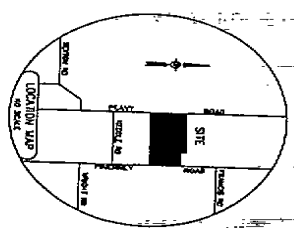
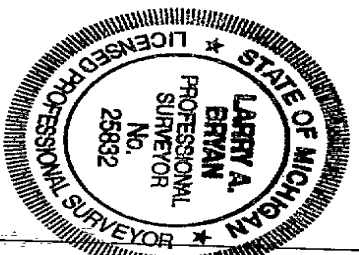
**ARTICLE XXI****RIGHTS RESERVED TO DEVELOPER**

Any or all of the rights and powers granted or reserved to the Developer in the Condominium Documents or by law, including the right and power to approve or disapprove any act, use, or proposed action or any other matter or thing, may be assigned by it to any other entity or to the Association. Any such assignment or transfer shall be made by appropriate instrument in writing in which the assignee or transferee shall join for the purpose of evidencing its consent to the acceptance of such powers and rights and such assignee or transferee shall thereupon have the same rights and powers as herein given and reserved to the Developer. Any rights and powers reserved or retained by Developer or its successors shall expire and terminate, if not sooner assigned to the Association, at the conclusion of the Construction and Sales Period, as same is defined in Article III of the Master Deed. The immediately preceding sentence dealing with the expiration and termination of certain rights and powers granted or reserved to the Developer is intended to apply, insofar as the Developer is concerned, only to the Developer's rights to approve and control the administration of the Condominium and shall not, under any circumstances, be construed to apply to or cause the termination and expiration of any real property or contract rights granted or reserved to the Developer or its successors and assigns in the Master Deed or elsewhere (including, but not limited to, access easements, utility easements and all other easements created and reserved in such documents), which shall not be terminable in any manner hereunder and which shall be governed only in accordance with the terms of their creation or reservation and not hereby.

**ARTICLE XXII****SEVERABILITY**

In the event that any of the terms, provisions, or covenants of these Bylaws or the Condominium Documents are held to be partially or wholly invalid or unenforceable for any reason whatsoever, such holding shall not affect, alter, modify or impair in any manner whatsoever any of the other terms, provisions or covenants of such documents or the remaining portions of any terms, provisions or covenants held to be partially invalid or unenforceable.





**SURVEYOR'S CERTIFICATE**

I, Larry A. Bryan, Professional Surveyor of the State of Michigan, hereby certify that the subdivision shown hereon is a Condominium Subdivision Plan No. 498 as shown on the accompanying drawings, represents a survey on the ground made under my direction, that there are no existing encroachments upon the lands and property herein described.

That the required monuments and iron markers have been located in the ground as required by the rules promulgated under Section 142 of Act No. 59 of the Public Acts of 1978.

That the accuracy of this survey is within the limits required by the rules promulgated under Section 142 of Act No. 59 of the Public Acts of 1978.

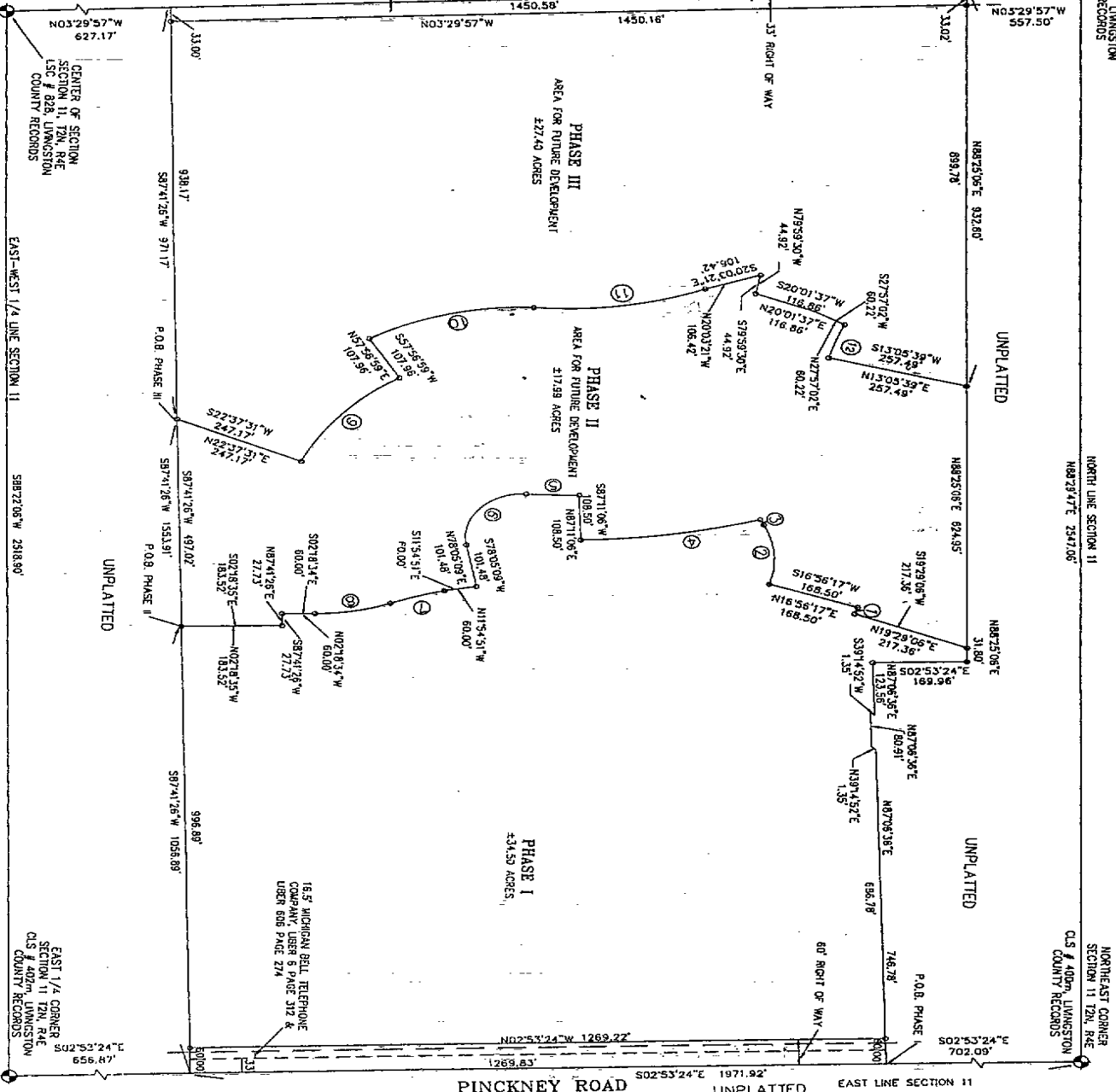
That the bearings, as shown, are noted on survey plan as required by the rules promulgated under Section 142 of Act No. 59 of the Public Acts of 1978.

Date: 7-28-00  
 Larry A. Bryan  
 Professional Surveyor  
 No. 25892

CURVE	DELTA	RADIUS	LENGTH	CHORD	BEARING
1	232.49	353.00	15.78	15.78	N71°47'19"W
2	4446.26	186.50	145.85	142.16	S84°32'01"W
3	1791.77	638.50	14.72	14.72	N82°27'29"E
4	1572.47	1242.50	333.32	337.52	N103°01'17"W
5	454.16	1134.00	97.07	97.24	N00°21'24"W
6	10400.14	105.00	180.27	183.29	S89°54'33"E
7	8031.17	233.00	102.03	102.94	S18°17'11"E
8	2058.14	303.50	140.42	139.84	N11°49'24"W
9	3536.42	440.00	273.48	289.10	S89°41'29"E
10	3734.01	552.00	315.76	309.55	S154°48'45"E
11	2637.40	688.50	319.38	317.10	N100°11'47"W
12	1819.40	470.00	84.72	84.60	S71°44'31"E

PREPARED BY:  
 KEBS, INC.  
 2116 HASLET ROAD  
 HASLET, MICHIGAN, 48840  
 PHONE: (317) 339-1014  
 99-S-60426

# HOMETOWN VILLAGE OF MARION

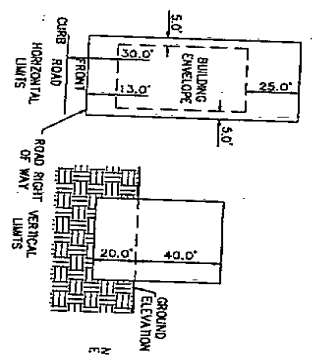
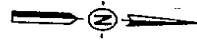
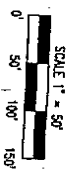


CENTER OF SECTION  
 SECTION 11, 12N, R4E  
 T32S, R11W, L14W  
 COUNTY RECORDS

EAST 1/4 CORNER  
 SECTION 11, 12N, R4E  
 T32S, R11W, L14W  
 COUNTY RECORDS

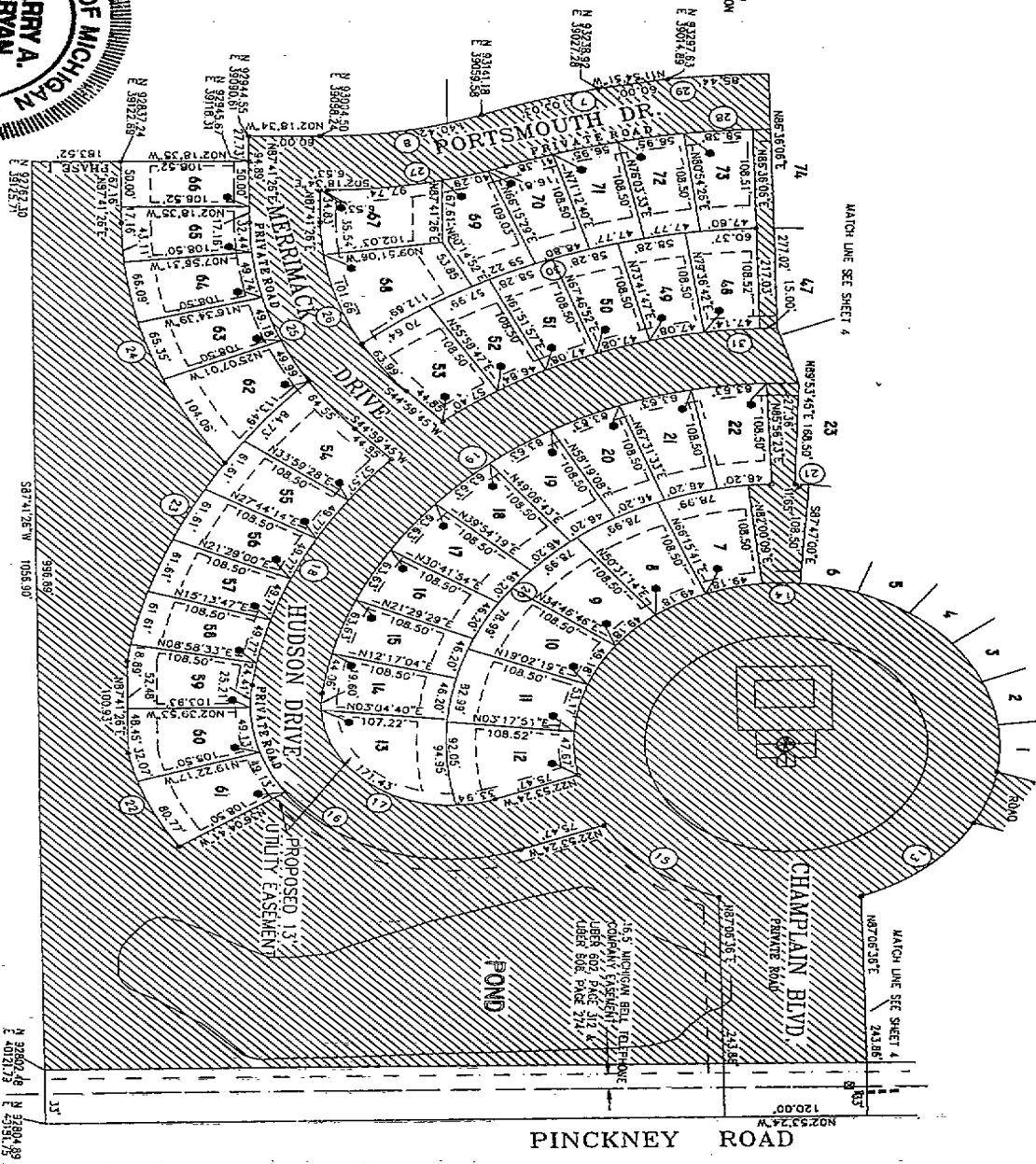
PROPOSED JULY 28, 2000 SURVEY PLAN SHEET 2 OF 8

HOMETOWN VILLAGE OF MARION

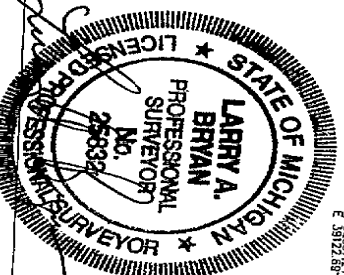


LEGEND

- LIMITS OF OWNERSHIP
  - GENERAL COMMON ELEMENT
  - COORDINATE LOCATION (SEE COORDINATE SHEET)
  - SEE CURVE TABLE
  - 13' UTILITY EASEMENT
- NOTE: UNIT AREAS ON SHEET 8  
NOTE: DRAIN EASEMENTS ON SHEET 5



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






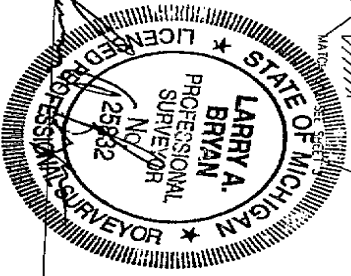
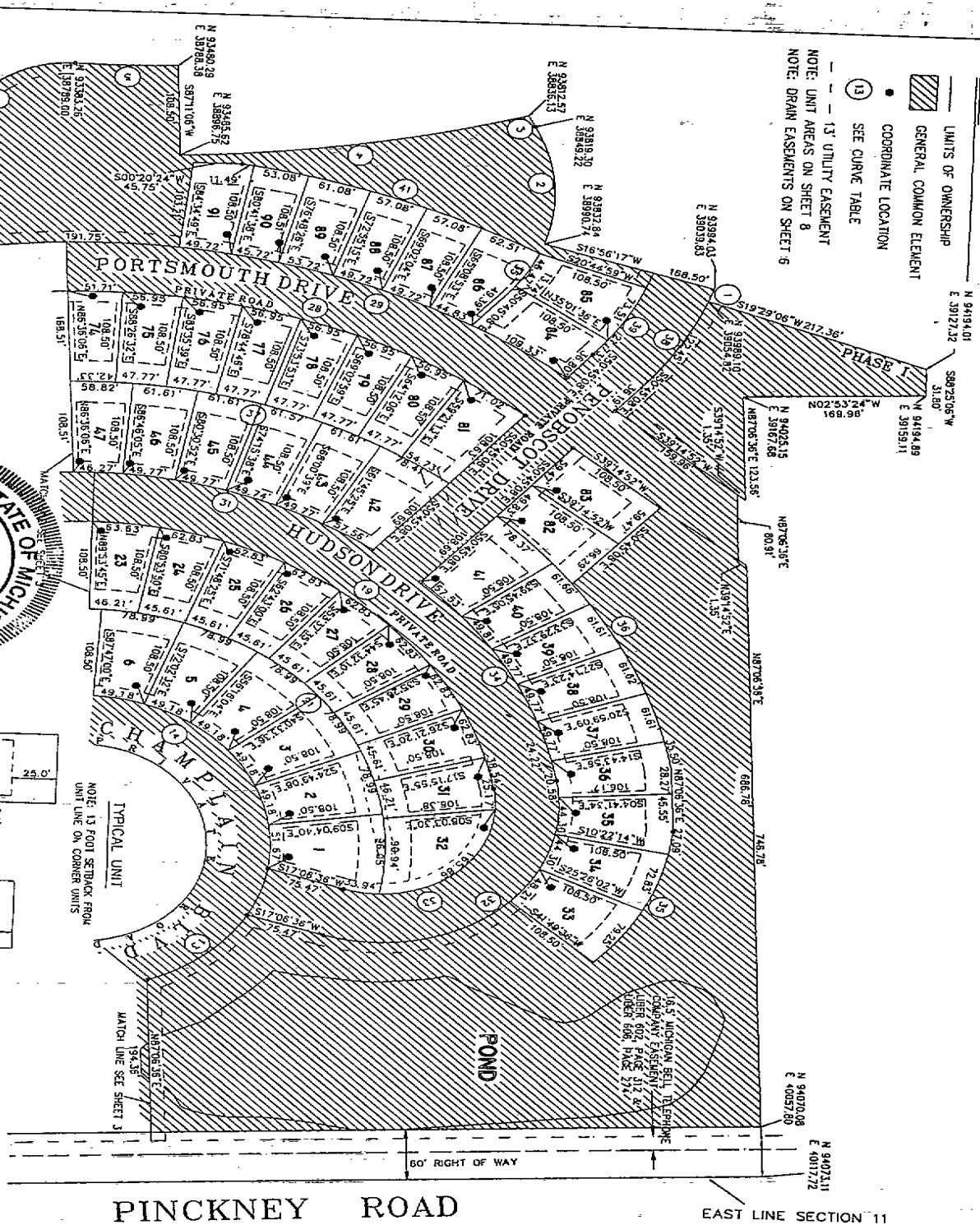
MUST BE BUILT  
SITE PLAN SOUTH - PHASE 1  
PROPOSED JULY 28, 2000  
SHEET 3 OF 8



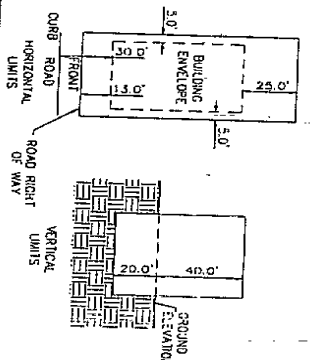
HOMETOWN VILLAGE OF MARION

LEGEND

-  LIMITS OF OWNERSHIP
  -  GENERAL COMMON ELEMENT
  -  COORDINATE LOCATION
  -  SEE CURVE TABLE
  -  13' UTILITY EASEMENT
- NOTE: UNIT AREAS ON SHEET 8  
NOTE: DRAIN EASEMENTS ON SHEET 6

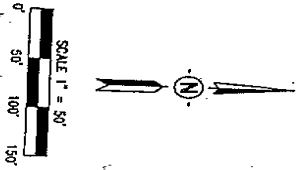


NOTE: 13 FOOT SETBACK FROM UNIT LINE ON CORNER UNITS

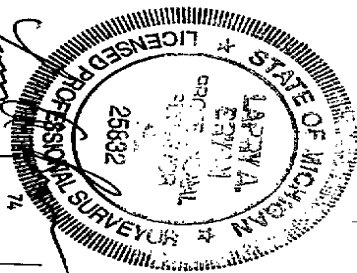
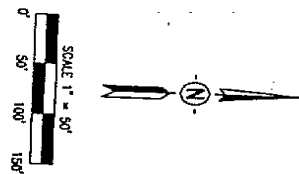


0.5' MICHIGAN BELL TELEPHONE COMPANY EASEMENT  
LIBER 602, PAGE 113 & 114  
ORDER 606, PAGE 174

MUST BE BUILT  
SITE PLAN - PHASE 1  
PROPOSED JULY 28, 2000  
SHEET 4 OF 8



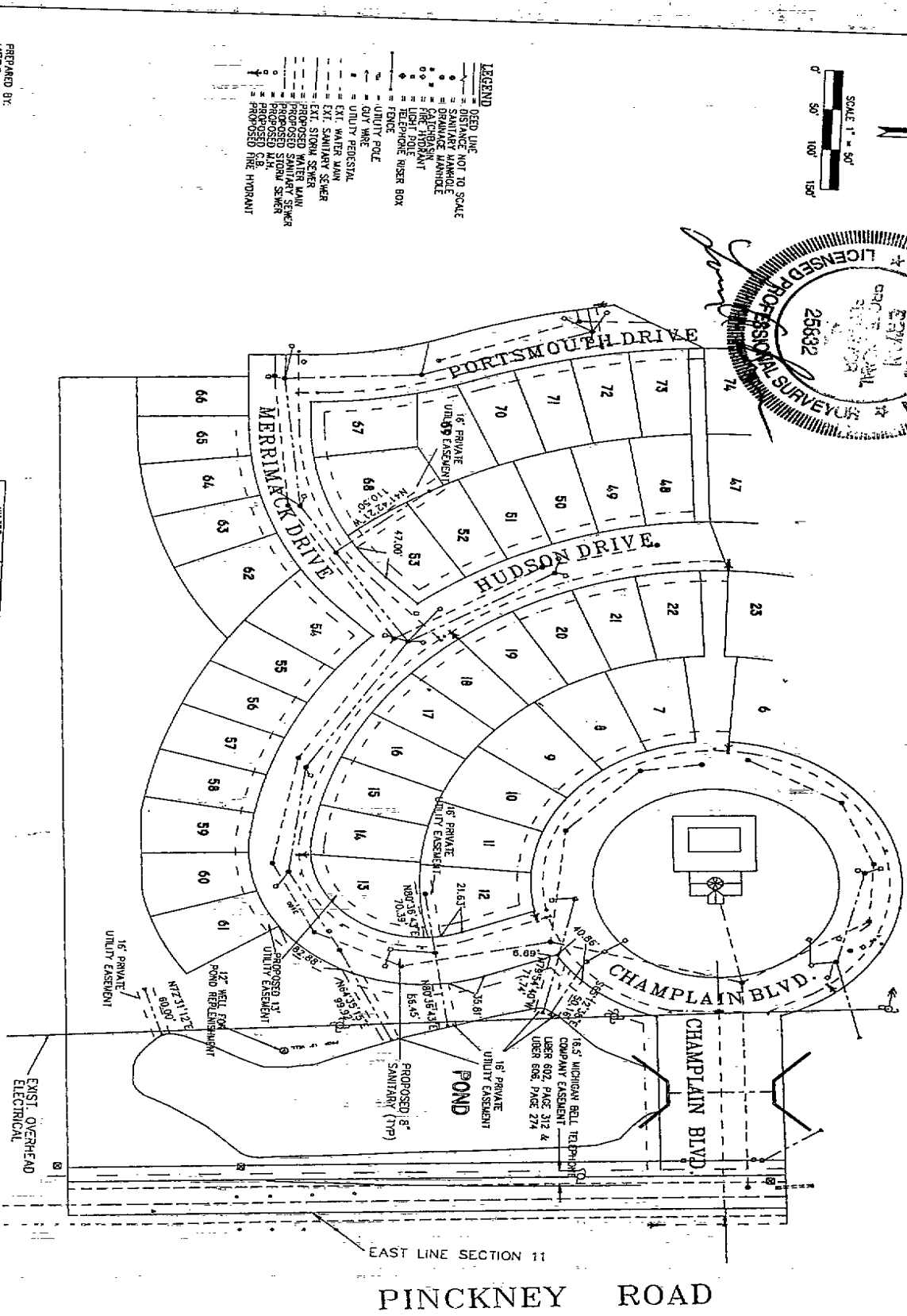
HOMETOWN VILLAGE OF MARION



- LEGEND**
- USED LINES
  - - - DISTANCE NOT TO SCALE
  - SANITARY MANHOLE
  - DRAINAGE MANHOLE
  - FLOOD PREVENT
  - FLOOD PREVENT
  - LIGHT POLE
  - TELEPHONE RISER BOX
  - FENCE
  - UTILITY POLE
  - GUY WIRE
  - UTILITY PEDestal
  - EXT. WATER MAIN
  - EXT. SANITARY SEWER
  - EXT. STORM SEWER
  - PROPOSED WATER MAIN
  - PROPOSED SANITARY SEWER
  - PROPOSED STORM SEWER
  - PROPOSED C.B.
  - PROPOSED FIRE HYDRANT

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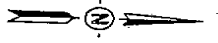
WATER	WATER	MUST BE BUILT
SANITARY SEWER	MUST BE BUILT	
GAS	MUST BE BUILT	
CONSUMERS ENERGY	MUST BE BUILT	
ELECTRIC	MUST BE BUILT	
DE RIBBT EDISON	MUST BE BUILT	
WIND ONE	MUST BE BUILT	
WIND TWO	MUST BE BUILT	
TELEPHONE	MUST BE BUILT	
AVENUE	MUST BE BUILT	



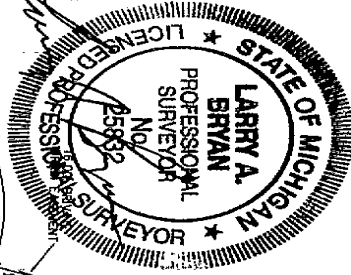
MUST BE BUILT  
PROPOSED JULY 28, 2000  
UTILITY PLAN PHASE 1  
SHEET 5 OF 8

PINCKNEY ROAD

# HOMETOWN VILLAGE OF MARION

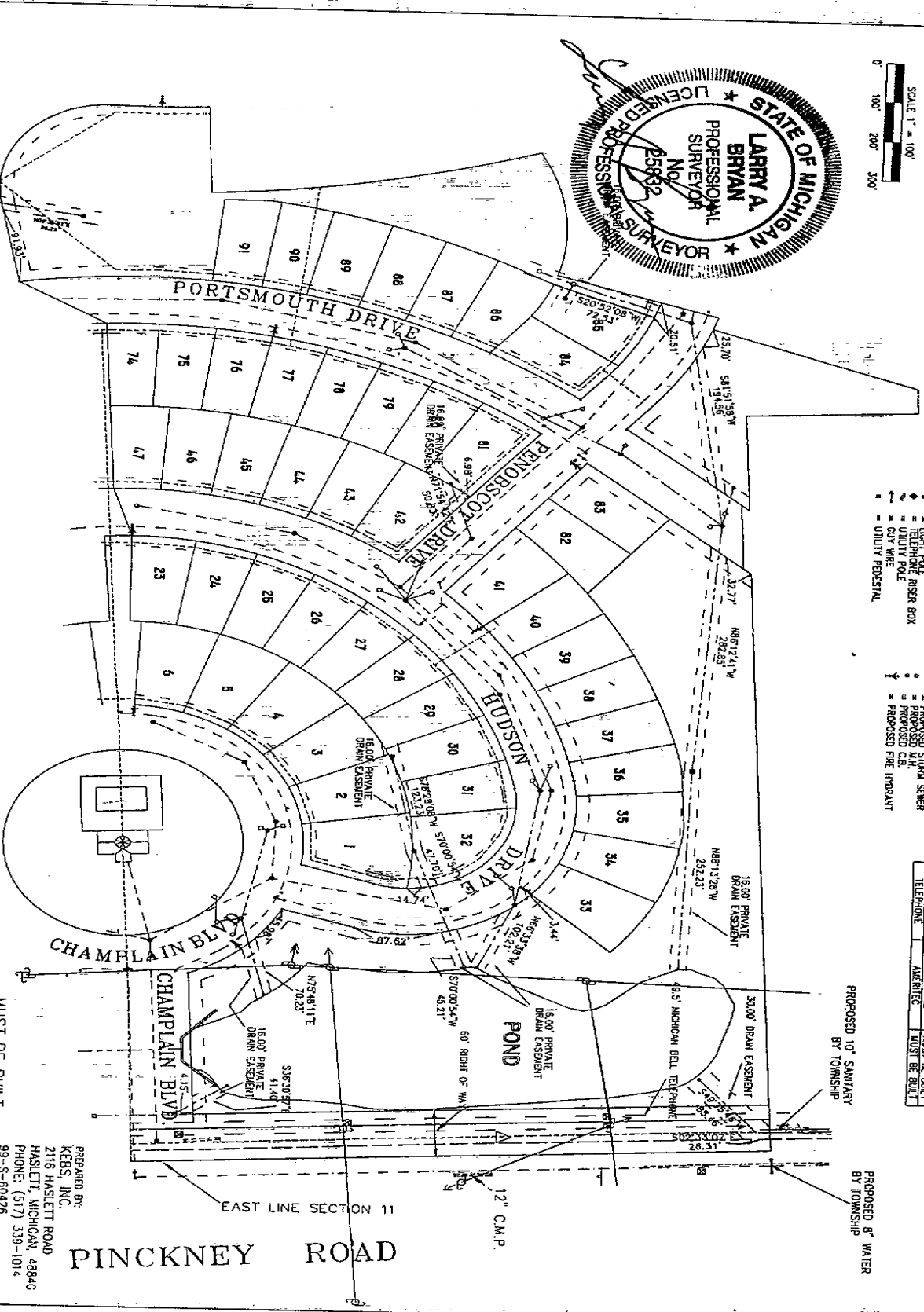


SCALE 1" = 100'  
0 100' 200' 300'



- LEGEND**
- BED LINE NOT TO SCALE
  - DISTANCE MANHOLES
  - SANITARY MANHOLE
  - ORANGE MANHOLE
  - RAIN MANHOLE
  - FLOOD MANHOLE
  - TELEPHONE RISER BOX
  - UTILITY POLE
  - GUY WIRE
  - UTILITY FEDERAL
  - EXT. WATER MAIN
  - EXT. SANITARY SEWER
  - EXT. STORM SEWER
  - PROPOSED WATER MAIN
  - PROPOSED SANITARY SEWER
  - PROPOSED STORM SEWER
  - PROPOSED C&G
  - PROPOSED PRE. HYDRANT

WATER	MHO	MUST BE BUILT
SANITARY SEWER	MHO	MUST BE BUILT
GAS	CONSOLIDATED ENERGY	MUST BE BUILT
ELECTRIC	DETROIT EDISON	MUST BE BUILT
CABLE	MEDIA ONE	MUST BE BUILT
TELEPHONE	AMERITEC	MUST BE BUILT



PROPOSED 10" SANITARY BY TOWNSHIP

PROPOSED 8" WATER BY TOWNSHIP

EAST LINE SECTION 11

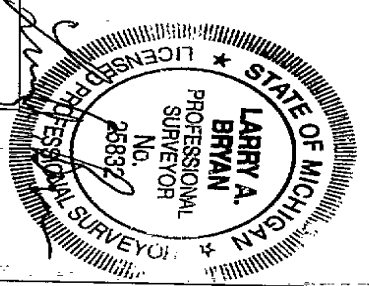
12" C.M.P.

PINCKNEY ROAD

PROPOSED JULY 28, 2000  
MUST BE BUILT  
UTILITY PLAN PHASE 1 SHEET 6 OF 8

PREPARED BY:  
KEBS, INC.  
216 HASLETT ROAD  
HASLETT, MICHIGAN 48840  
PHONE: (517) 339-1014  
99-S-60426

HOMETOWN VILLAGE OF MARION



CURVE TABLE

CURVE	DELTA	RADIUS	LENGTH	CHORD	BEARING
1	2°32'49"	355.00	15.78	15.78	N71°47'19"W
2	44°48'26"	186.50	145.85	142.16	S84°32'03"W
3	1°19'17"	638.50	14.72	14.72	N62°47'29"E
4	15°22'47"	1242.50	333.52	332.52	N10°30'17"W
5	4°54'16"	1134.00	97.07	97.04	N00°21'24"W
6	104°00'34"	105.00	190.61	165.49	S49°54'33"E
7	8°03'11"	733.00	103.03	102.94	S18°17'11"E
8	20°58'44"	383.50	140.42	139.64	N11°49'24"W
9	35°36'42"	440.00	273.48	269.10	S49°41'29"E
10	32°34'01"	552.00	313.76	309.55	S15°48'45"E
11	26°37'40"	688.50	319.98	317.10	N10°01'14"W
12	10°19'40"	470.00	84.72	84.60	S71°44'31"E
13	40°46'03"	179.00	127.36	124.69	N42°51'30"W
14	200°42'13"	179.00	627.03	352.17	S02°53'24"E
15	40°46'03"	179.00	127.36	124.69	N37°04'41"E
16	118°47'57"	168.50	349.37	290.07	N36°30'34"E
17	118°47'57"	108.50	224.97	186.78	N36°30'34"E
18	35°18'53"	456.00	281.06	276.63	S66°26'01"E
19	162°24'07"	396.00	1122.44	782.68	S02°53'24"E
20	101°47'02"	287.50	510.73	446.18	S54°57'09"E

CURVE TABLE

CURVE	DELTA	RADIUS	LENGTH	CHORD	BEARING
21	100°10'06"	287.50	502.63	441.02	S49°58'48"W
22	23°20'22"	277.00	112.84	112.06	N65°35'30"E
23	35°31'50"	564.50	350.06	344.48	S65°10'34"E
24	36°24'13"	438.50	278.61	273.94	N69°29'19"E
25	42°41'40"	330.00	245.90	240.25	N66°20'35"E
26	42°41'40"	270.00	201.19	196.57	N66°20'35"E
27	20°00'12"	443.50	154.84	154.05	N12°18'40"W
28	59°00'21"	673.00	693.09	662.86	S07°11'24"W
29	46°28'14"	733.00	594.51	578.35	S13°40'01"W
30	36°55'45"	564.50	363.84	357.58	S22°43'33"E
31	76°42'27"	456.00	610.49	565.91	S02°52'41"E
32	118°47'57"	168.50	349.37	290.07	N42°17'23"W
33	118°47'57"	108.50	224.97	186.78	N42°17'23"W
34	35°17'27"	456.00	280.87	276.45	S60°39'56"W
35	37°03'33"	277.00	179.17	176.06	N66°42'12"W
36	36°34'13"	564.50	360.30	354.22	S60°34'45"W
37	38°56'24"	564.50	383.65	376.31	S16°43'53"W
38	19°45'46"	355.00	122.45	121.84	N60°38'01"W
39	22°18'35"	295.00	114.87	114.14	N61°54'26"W
40	18°29'53"	186.50	60.21	59.95	N60°00'05"W
41	20°35'05"	841.50	302.32	300.70	S18°48'59"W

PREPARED BY:  
KEBS, INC.  
2116 HASLETT ROAD  
HASLETT, MICHIGAN, 48840  
PHONE: (517) 339-1014  
99-S-60428

PROPOSED JULY 28, 2000  
CURVE TABLE  
SHEET 7 OF 8

HOMETOWN VILLAGE OF MARION

COORDINATE TABLE			
LOT NUMBER	NORTHING	EASTING	
1	N 93596.95	E 39760.94	
2	N 93596.22	E 39709.45	
3	N 93561.53	E 39662.55	
4	N 93595.46	E 39821.30	
5	N 93518.78	E 39888.77	
6	N 93447.41	E 39873.84	
7	N 93305.66	E 39899.53	
8	N 93277.45	E 39853.59	
9	N 93250.28	E 39879.30	
10	N 93240.58	E 39778.70	
11	N 93240.58	E 39778.70	
12	N 93028.32	E 39716.50	
13	N 93012.54	E 39653.44	
14	N 93051.00	E 39592.62	
15	N 93078.98	E 39535.53	
16	N 93160.28	E 39483.65	
17	N 93111.49	E 39438.32	
18	N 93268.09	E 39400.70	
19	N 93191.43	E 39371.77	
20	N 93128.59	E 39332.26	
21	N 93418.75	E 39342.90	
22	N 93418.75	E 39342.90	
23	N 93418.75	E 39342.90	
24	N 93418.75	E 39342.90	
25	N 93600.99	E 39385.75	
26	N 93654.32	E 39418.85	
27	N 93701.74	E 39459.96	
28	N 93744.08	E 39509.04	
29	N 93744.08	E 39509.04	
30	N 93744.08	E 39509.04	

COORDINATE TABLE			
LOT NUMBER	NORTHING	EASTING	
31	N 93797.62	E 39620.16	
32	N 93809.46	E 39682.48	
33	N 93826.57	E 39791.82	
34	N 93868.75	E 39709.78	
35	N 93868.94	E 39663.66	
36	N 93860.48	E 39621.73	
37	N 93845.22	E 39574.38	
38	N 93845.22	E 39574.38	
39	N 93799.75	E 39528.98	
40	N 93770.05	E 39486.05	
41	N 93700.58	E 39446.10	
42	N 93635.25	E 39404.30	
43	N 93543.17	E 39333.98	
44	N 93500.21	E 39284.97	
45	N 93494.62	E 39287.93	
46	N 93445.18	E 39282.42	
47	N 93398.93	E 39282.16	
48	N 93337.24	E 39288.17	
49	N 93291.46	E 39300.03	
50	N 93247.63	E 39319.55	
51	N 93204.45	E 39335.57	
52	N 93164.24	E 39358.74	
53	N 93118.92	E 39394.76	
54	N 93091.39	E 39442.76	
55	N 93015.87	E 39525.46	
56	N 92995.15	E 39570.68	
57	N 92979.48	E 39617.91	
58	N 92968.05	E 39666.55	
59	N 92965.18	E 39715.93	
60	N 92947.54	E 39763.99	

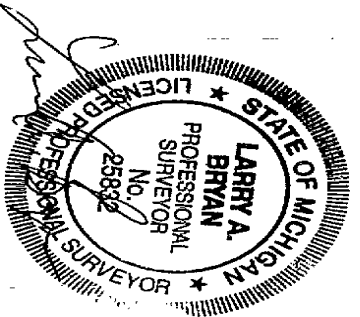
COORDINATE TABLE			
LOT NUMBER	NORTHING	EASTING	
61	N 92997.31	E 39807.32	
62	N 93003.87	E 39855.68	
63	N 92979.31	E 39912.19	
64	N 92961.82	E 39965.42	
65	N 92951.27	E 39985.27	
66	N 92947.69	E 39988.42	
67	N 93068.92	E 39948.20	
68	N 93002.09	E 39918.32	
69	N 93109.89	E 39913.31	
70	N 93148.50	E 39912.17	
71	N 93202.71	E 39910.56	
72	N 93257.31	E 39908.52	
73	N 93313.11	E 39907.15	
74	N 93368.07	E 39905.52	
75	N 93437.76	E 39904.94	
76	N 93494.56	E 39908.89	
77	N 93550.81	E 39917.63	
78	N 93606.13	E 39929.09	
79	N 93660.10	E 39949.18	
80	N 93712.05	E 39971.77	
81	N 93762.92	E 39998.69	
82	N 93810.87	E 39998.69	
83	N 93870.87	E 39998.69	
84	N 93930.87	E 39998.69	
85	N 93990.87	E 39998.69	
86	N 94050.87	E 39998.69	
87	N 94110.87	E 39998.69	
88	N 94170.87	E 39998.69	
89	N 94230.87	E 39998.69	
90	N 94290.87	E 39998.69	
91	N 94350.87	E 39998.69	

AREA TABLE		
LOT NUMBER	AREA (sq. ft.)	
1	6,356 sq.ft.	
2	6,953 sq.ft.	
3	6,953 sq.ft.	
4	6,953 sq.ft.	
5	6,953 sq.ft.	
6	6,953 sq.ft.	
7	6,953 sq.ft.	
8	6,953 sq.ft.	
9	6,953 sq.ft.	
10	6,953 sq.ft.	
11	7,779 sq.ft.	
12	7,809 sq.ft.	
13	8,165 sq.ft.	
14	5,950 sq.ft.	
15	5,950 sq.ft.	
16	5,950 sq.ft.	
17	5,950 sq.ft.	
18	5,950 sq.ft.	
19	5,950 sq.ft.	
20	5,950 sq.ft.	
21	5,950 sq.ft.	
22	5,950 sq.ft.	
23	5,950 sq.ft.	
24	5,950 sq.ft.	
25	5,950 sq.ft.	
26	5,950 sq.ft.	
27	5,950 sq.ft.	
28	5,950 sq.ft.	
29	5,950 sq.ft.	
30	5,950 sq.ft.	

AREA TABLE		
LOT NUMBER	AREA (sq. ft.)	
31	5,941 sq.ft.	
32	7,657 sq.ft.	
33	6,913 sq.ft.	
34	6,334 sq.ft.	
35	6,272 sq.ft.	
36	5,852 sq.ft.	
37	6,043 sq.ft.	
38	6,043 sq.ft.	
39	6,043 sq.ft.	
40	6,043 sq.ft.	
41	7,373 sq.ft.	
42	7,373 sq.ft.	
43	6,043 sq.ft.	
44	6,043 sq.ft.	
45	6,043 sq.ft.	
46	6,043 sq.ft.	
47	5,701 sq.ft.	
48	5,701 sq.ft.	
49	5,716 sq.ft.	
50	5,716 sq.ft.	
51	5,716 sq.ft.	
52	5,687 sq.ft.	
53	7,136 sq.ft.	
54	7,510 sq.ft.	
55	6,043 sq.ft.	
56	6,043 sq.ft.	
57	6,043 sq.ft.	
58	6,043 sq.ft.	
59	6,418 sq.ft.	
60	6,302 sq.ft.	

AREA TABLE		
LOT NUMBER	AREA (sq. ft.)	
61	7,047 sq.ft.	
62	8,149 sq.ft.	
63	6,214 sq.ft.	
64	6,284 sq.ft.	
65	5,960 sq.ft.	
66	5,426 sq.ft.	
67	6,912 sq.ft.	
68	8,190 sq.ft.	
69	6,392 sq.ft.	
70	5,605 sq.ft.	
71	5,681 sq.ft.	
72	5,681 sq.ft.	
73	5,750 sq.ft.	
74	5,102 sq.ft.	
75	5,681 sq.ft.	
76	5,681 sq.ft.	
77	5,681 sq.ft.	
78	5,681 sq.ft.	
79	5,681 sq.ft.	
80	5,681 sq.ft.	
81	5,681 sq.ft.	
82	6,104 sq.ft.	
83	6,452 sq.ft.	
84	6,452 sq.ft.	
85	6,150 sq.ft.	
86	6,150 sq.ft.	
87	5,794 sq.ft.	
88	5,794 sq.ft.	
89	6,228 sq.ft.	
90	5,360 sq.ft.	
91	5,664 sq.ft.	

PREPARED BY:  
KEBS, INC.  
2118 HASLETT ROAD  
HASLETT, MICHIGAN, 48840  
PHONE: (517) 339-1014  
99-S-60426



PROPOSED JULY 28, 2000  
COORDINATE AND AREA TABLES  
SHEET 8 OF 8

**TOWNSHIP OF MARION  
PLANNED UNIT DEVELOPMENT AGREEMENT**

**HOMETOWN VILLAGE OF MARION**

**THIS AGREEMENT** is made as of the 10<sup>th</sup> day of August, 2000 by, between and among the Township of Marion, Livingston County, Michigan, herein called the "Township," the offices of which are located at 2877 West Coon Lake Road, Howell, Michigan 48843; Delcor Homes – Hometown Village of Marion, Ltd., a Michigan corporation, P.O. Box 308, New Hudson, Michigan 48165, its successors and assigns, herein called the "Developer," HVM, L.L.C., a Michigan limited liability company, P.O. Box 308, New Hudson, Michigan 48165 ("HVM") and Hometown Village of Marion Association, a Michigan non-profit corporation, P.O. Box 308, New Hudson, Michigan 48165, herein called the "Association."

**WITNESSETH:**

**WHEREAS**, HVM is the owner of land located in the Township of Marion described on Exhibit "A" hereto (sometimes referred to as "Phase I land"); and

**WHEREAS**, HVM has the option to purchase certain land contiguous to the Phase I land described on Exhibit "B" hereto (sometimes referred to as "Phases II and III land"); and

**WHEREAS**, the Phase I land and the Phases II and III land have a combined legal description as follows:

A parcel of land in the Northeast  $\frac{1}{4}$  of Section 11, T2N, R4E, Marion Township, Livingston County, Michigan, the surveyed boundary of said parcel described as: Commencing at the Northeast corner of said Section 11; thence S02°53'24"E along the East line of said Section 11 a distance of 702.09 feet to the point of beginning of this description; thence S02°53'24"E continuing along said East line 1269.83 feet; thence S87°41'26"W 2525.09 feet to the North – South  $\frac{1}{4}$  line of said Section 11; thence N03°29'57"W along said North – South  $\frac{1}{4}$  line 1450.58 feet; thence N88°25'06"E 1589.55 feet; thence S02°53'24"E parallel with said East line 169.96 feet; thence N87°06'36"E 951.25 feet to the point of beginning; said parcel containing 79.91 acres more or less; including 2.06 acres presently in use as public right of way; said parcel subject to all easements and restrictions if any.

Hereinafter referred to as the "Development," and

**WHEREAS**, HVM and the Developer have entered into a certain Development Agreement regarding the land that is the subject of this Agreement; and

**WHEREAS**, Article XIII, "Planned Unit Development District," of the Marion Township Zoning Ordinance provides an optional method for residential development; and

**WHEREAS**, the Developer applied for approval under Section 13.04 of said Article XIII, for the Development, and submitted the composite plan for Phases I, II and III (the "Site Plan") required by Section 13.04 and, after public hearing thereon, approval thereof was granted by the Board of Trustees of the Township (hereinafter called the "Board" or the "Township Board") subject to all Township requirements and the execution of this Agreement; and

**WHEREAS**, the Developer wishes to develop the property described above and sell individual single family residential condominium building sites ("units") therein under the provisions of said Article XIII, the Development to be established as an expandable condominium project, consisting of Phases I, II and III, under Public Act 59, P.A. 1978, as amended (herein called the "Act") known as Hometown Village of Marion, a condominium (sometimes herein called the "Condominium"), according to the Master Deed thereof to be recorded in Livingston County Records; and

**WHEREAS**, various portions of the Common Elements of the Condominium will constitute "Common Areas" and "Open Space" under the approved Site Plan; and

**WHEREAS**, the Association has been established for the purpose of representing the owners of units in the Condominium in managing, maintaining and administering the Condominium, including the Common Elements thereof, pursuant to the Act and the Condominium Documents for said Condominium; and

**WHEREAS**, it is now necessary and desirable that the Developer, HVM, the Association and the Township enter into a binding contract relative to the details of the Development.

**NOW, THEREFORE**, in consideration of the approval of the Site Plan of Hometown Village of Marion consisting of all three (3) phases by the Township Board, and of the mutual promises contained herein, the parties agree as follows:

1. **Recording and Filing of Condominium Master Deed.** The Developer has, under the Act, prepared a Master Deed and Bylaws for Hometown Village of Marion, a condominium. Said instruments are hereinafter collectively called the "Condominium Documents" and will be filed for record with the County of Livingston and said Condominium Documents have been submitted to and reviewed by the Township Board. This Planned Unit Development Agreement will be recorded as Exhibit "C" to said Master Deed. The Developer shall develop and the Association shall maintain the Development in accordance with the Condominium Documents, this Planned Unit Development Agreement and in accordance with the final Site Plan approved by the Board. No changes shall be made in the Condominium Documents which are contrary to the Site Plan as approved by the Township nor shall any changes be made in this Planned Unit Development Agreement unless the Township also approves such changes in writing.

2. **Use of Common Areas and Open Space in Accordance with Township Requirements.** The Common Areas and Open Space, as shown on the Site Plan of the

Development, may be used for such purposes as are permitted by the Developer in the Condominium Documents but no use of property within such areas shall violate any of the statutes of the State of Michigan or the ordinances of the Township or be in conflict with the provisions of this Agreement or the approved Site Plan.

**3. Development, Construction and Maintenance of Development and Common Areas and Open Space Improvements in Accordance with Township Requirements.**

Approval by the Township of this Development under Article XIII of the Marion Township Zoning Ordinance is conditioned upon the development, construction and maintenance of the Development in accordance with the Site Plan approved by the Township Planning Commission on March 28, 2000, and the Township Board on June 15, 2000 said site plan being incorporated herein by reference; compliance with all specific conditions of said approval as set forth on the approved Site Plan, and in the minutes of the Planning Commission and Township Board; and compliance with all applicable ordinances of the Township and in accordance with the Condominium Documents. Without limitation of the foregoing, the following applies to this Development:

- (a) The maximum number of Units proposed to be developed is 267, resulting in a proposed density of approximately of 4.2 Units per acre. The Development is restricted to single family residential purposes and permitted accessory uses thereto as set forth in applicable Township Ordinances and the Condominium Documents.
- (b) It is the intention of the Developer to develop the Condominium in three (3) phases. The estimated timing of each phase is as follows:
  - (1) Street and utility timing (approximately):
    - (i) Final approval to Phase I completion – Six months
    - (ii) Phase I completion to Phase II completion – Eighteen months
    - (iii) Phase II completion to Phase III completion – Eighteen months
  - (2) Home building timing (approximately):
    - (i) Phase I streets complete to Phase I homes complete – Twenty-four months
    - (ii) Phase I homes complete to Phase II homes complete – Eighteen months
    - (iii) Phase II homes complete to Phase III homes complete – Thirty months

The total estimated timing from Final Site Plan Approval to Phase III home completion is approximately seventy-eight months, or six and one-half years.

- (c) The phases of the Condominium will be developed sequentially, as shown on the approved Site Plan. At no time will the Development be developed by more than one owner.



- (d) As set forth on the approved Site Plan, the Development will include a swimming pool and clubhouse in Phase I, an entry boulevard area in Phase I, tot lots in Phases I and III, a bell tower in Phase I, a gazebo in Phase III, and open spaces and walking trails in each of the Phases.
- (e) The Developer shall be permitted to commence construction of no more than 5 model units on lots 4-9 as depicted on the approved site plan, and the clubhouse and swimming pool in Phase I of the Development upon execution of this Agreement by all parties, provided that all requisite permits therefor are received. No certificates of occupancy for such improvements shall be issued nor shall any models or the clubhouse be shown, however, until the first lift of asphalt and adjacent curb are installed on Champlain Boulevard from the entrance of the Development to the front of such improvements and, weather permitting, on the balance of the roadways in Phase I of the Development.
- (f) Residential structures in the Development shall have a minimum square footage of 750 square feet.
- (g) The Common Areas and Open Spaces shall be installed and maintained in accordance with the approved Final Site Plan. In the event that such Common Areas and Open Spaces are not so installed and maintained in phases that have been developed, the Township, in addition to other remedies under this Agreement, shall be entitled to prohibit the development of any future phases of the Condominium until such deficiencies are corrected; provided, however, that the swimming pool to be located in Phase I may be installed during a later stage of development so as to avoid the likelihood of construction dust and debris in the pool; provided further, however, that the swimming pool shall be installed by November 1, 2001.
- (h) In the event that the Condominium is not expanded in size, the portion of the Development that is within the Condominium shall have those Open Spaces and/or amenities as are depicted on the approved Site Plan for such portion of the Development. Open Spaces shall be maintained at or in excess of the minimum percentage which the Project proposed and which was approved by the Township.
- (i) The Condominium shall contain no more than twenty (20) of the Developer's "A-1 model" residences in each of the three (3) Phases.
- (j) The Developer shall not commence taking sales on the next Phase of the Development until it has binding purchase agreements for at least forty-five (45%) percent of the Lots in the preceding Phase. The Developer shall not commence construction of homes in the next Phase of the Development until it has installed the site improvements in said Phase. The Developer shall not commence construction of homes in the next Phase of the Development until is has substantially completed the construction of homes on at least twenty (20%) percent of the Lots in the preceding Phase.

- (k) The Developer shall be permitted to select an appropriately licensed engineer to inspect the site improvements for the Development for compliance with applicable Township requirements at Developer's cost; provided, however, that said engineer certifies to the Township that the site improvements have been installed in accordance with the Township requirements. In the event that the Developer does not select an engineer to so inspect and certify the site improvements, the Township's engineers shall inspect same and the Developer shall pay the costs of such inspections.
- (l) The Developer shall be permitted to post a bond in the amount of the cost of installation of the second lift of asphalt in Phase I of the Development. The estimated cost of said second lift is Fifty-four Thousand (\$54,000.00) Dollars.
- (m) The Developer shall be permitted to install a temporary sign at the site entrance to the Development during land balancing, installation of site improvements, and construction. Said temporary sign shall be two-sided, four feet by eight feet (4' x 8') in size, and shall announce the new Development. The temporary sign will be removed upon the closing of the last sale in the Development.
- (n) Upon execution of this Agreement, the Developer shall be permitted to maintain a short-term sales trailer at the site entrance to the Development on Champlain Boulevard. The Developer shall close and remove the short-term trailer and shall be permitted to maintain a long-term sales trailer on the island in Champlain Boulevard, north of the clubhouse when access to said long-term sales trailer is achieved. The removal of the short-term sales trailer shall be completed within one (1) week after the opening of the long-term sales trailer, weather permitting. The long-term sales trailer shall be removed upon the closing of the last sale in the Development and the area surrounding same shall be restored to its condition as provided in the approved final Site Plan.
- (o) The Developer shall be permitted to escrow with the Township the cost of installing the monuments for the Development until the monuments required by Section 6.18E of the Marion Township Zoning Ordinance are installed. The Developer's engineers shall certify the cost of such installation.
- (p) Prior to recording the Master Deed for the Condominium, the Developer shall quit claim to the Township an approximate one (1') foot strip of land described on Exhibit "C" hereto, to be used as a stub road.
- (q) Developer shall provide to the Township a boundary survey of the Development, including the Phase I land and the Phases II and III land, certified to the Township by a professional engineer or surveyor licensed by the State of Michigan before any certificates of occupancy are issued by the Township for the Development.
- (r) The covenants, grants of easements, (including easements for public utilities), and other restrictions for the benefit of the Township, as contained in the Master Deed

submitted to and reviewed by the Township Board as set forth in Paragraph 1 of this Agreement, are hereby incorporated herein by reference.

- (s) It is acknowledged that had the Development not been approved as a residential development under Article XIII, "Planned Unit Development District" of the Marion Township Zoning Ordinance, the regulations which would otherwise have been applicable to the property are those that are contained in the Township's Zoning Ordinance for Suburban Residential districts.

**4. Failure of Developer or Association to Develop or Maintain Common Areas and Open Spaces in Accordance with Township Requirements.** In the event that the Developer shall fail to develop the Common Areas and Open Spaces as depicted in the Site Plan in the manner set forth by the Township Board in its approval of the Site Plan, or any amendments thereof, or if Developer, the Association or the successors or assigns of either of them shall, at any time, fail to maintain the Common Areas and Open Spaces of the Development as approved by the Township in the final Site Plan, the Township may serve written notice upon the Developer or the Association or the successors of either of them setting forth the manner in which there has been a failure to develop or maintain the Common Areas or Open Spaces in reasonable condition and said notice shall include a demand that deficiencies be cured within a specified reasonable time and, further, shall state the date and place of a hearing thereon before the Township Board or such other body or official to whom the Board shall delegate such responsibility, which shall be held immediately after the time period specified for the curing of deficiencies. At such hearing, the Township Board, other body or official shall review the progress, if any, and may modify the terms of the original notice as to the deficiencies and may give an extension of time within which they shall be cured.

- (a) **Right of Township Regarding Deficiencies.** If the deficiencies set forth in the original notice or in the modifications thereof shall not be cured within said reasonable time or any extension thereof, the Township, in order to preserve the taxable values of the properties within Hometown Village of Marion or to provide the required Common Areas or Open Spaces in the Development or to prevent such Common Areas or Open Spaces from becoming a public nuisance, may enter thereon and maintain the Open Spaces for a reasonable period of time or may take such other action to cure the deficiency as may be just and reasonable. The maintenance of the Common Areas or Open Spaces by the Township shall not constitute a taking or condemnation nor vest in the public any right to use the same. Before the expiration of the said time period, the Township may upon its own initiative or, upon the request of the Developer or the Association or the successors of them (herein called the "requesting parties"), conduct a hearing upon notice to the requesting parties at which hearing the requesting parties shall show cause why such maintenance or other action by the Township shall not, at the election of the Township, continue for a succeeding time period. If the Township shall determine that the Developer or the Association or the successors of either of them (herein called the "responsible party or parties") is/are ready and able to develop and/or maintain the Common Areas or Open Spaces in reasonable

manner and/or condition, the Township shall cease to maintain them or cease such other action, as applicable, at the end of said time period. If the Township shall determine that the responsible party or parties is/are not ready and able to develop or maintain the Common Areas or Open Spaces in a reasonable condition, the Township may in its discretion continue to maintain said Common Areas or Open Spaces or continue to take such other action during a next succeeding time period, and, subject to a similar hearing and determination, in subsequent time periods thereafter.

- (b) **Collection of Costs of Curing Deficiencies by Tax Assessments against the Development.** The costs of such maintenance or other action, notices and hearing by the Township, and such other procedures taken by the Township to enforce this Agreement, shall be paid by the responsible party or parties (as defined in subparagraph (a) above) and shall become a lien on the subject premises on a pro rata basis to be assessed and collected as a special assessment on the next annual Township tax roll at the discretion of the Township, or said costs may be billed directly to the responsible party or parties. If said costs are not paid by the responsible party or parties, the Township may sue to collect said costs and fees and if litigation commences, the responsible party or parties shall pay, in addition to said costs, all court costs and attorney fees. In all areas within the approved Development which have been developed in accordance with the requirements of the Township, the sole responsible party shall be the Association and the Developer shall have no further responsibilities with respect to such part.

5. **No Change in Common Areas or Open Spaces Use Without Township Approval.** No change affecting the use of the Common Areas or Open Spaces of the Development shall become effective until approved by the Township Board. Copies of all amendments of the approved Site Plan shall be filed with the Township.

6. **Grant of Easements to Township.** HVM, the Developer, and the Association hereby grant an easement and right-of-way over the streets, roadways, driveways, units, Common Areas and Open Spaces of the Development to the Township and its assigns or agents. Said right-of-way and easement is only for the purpose of permitting the Township reasonably to enter upon said streets, roads, driveways, units, Common Areas and Open Spaces with its municipal vehicles for the purpose of rendering service to the Development for emergency and public safety purposes and to enter upon, and maintain the Common Areas and Open Spaces in accordance with this Agreement. Such vehicles shall include, without limitation, police vehicles, fire apparatus, water and sewer vehicles, maintenance and service vehicles, emergency medical vehicles and other municipally-owned motor vehicles. In no way shall the granting of this easement, in and of itself, be construed as a dedication of any portion of said streets, roads, driveways, units, Common Areas and/or Open Spaces to the public. This Agreement shall not be construed to limit the easement rights of the Township which are granted and conveyed to the Township in the Master Deed.

7. **Special Assessment Districts for Sewer and Water.** HVM and the Developer, on their own behalf and on behalf of their successors, assigns, and future owners of the Development, and the Association hereby ratify and confirm, and consent to, the previous establishment of a special assessment district for the provision of sewer services to the Development in the principal amount of \$1,496,000.00, plus the established interest rate and a twenty (20) year amortization period. HVM and the Developer, on their own behalf and on behalf of their successors, assigns, and future owners of the Development, and the Association further consent to the proposed establishment of a special assessment district for provision of water services to the Development in the principal amount of \$948,720.00, having an interest rate of eight (8%) per cent per annum and an amortization period as described below in this Paragraph 7. It is understood that the principal amount of each of said special assessments is calculated upon the basis of the provision of two hundred seventy two (272) sewer taps at \$5,500.00 per tap and two hundred sixty eight (268) water taps at \$3540.00 per tap, respectively, to the Development. Upon establishment of the first phase of the Condominium by the recordation of the Master Deed with the Livingston County Register of Deeds, a proportionate amount of the respective sewer and water special assessment shall be assessed to each of the ninety one (91) Units in Phase I and collected as part of the real property tax bill for each of said Units. Such proportionate amount assessed to each of the Units in Phase I shall be 1/267 each of the sewer and water special assessments. The balance of the sewer and water special assessments shall be assessed to that portion of the land of the Development not included within the Condominium. Thereafter, as the Condominium is expanded, each Unit that is added to the Condominium shall be assessed said proportionate amount of the respective sewer and water special assessments as is assessed to the Units in Phase I, with the remaining balance of the sewer and water special assessments assessed against the land in the Development not included within the Condominium. The Township shall reimburse the Developer for the cost of no more than six (6) unutilized sewer and/or water taps paid for by Developer, excluding interest, upon completion of the Development and upon receipt by the Township of a written release of said taps by Developer. Any reimbursement of additional unutilized sewer and/or water taps in excess of six such taps shall be at the option of the Township. The owner of each Unit in the Condominium, including HVM and the Developer, shall be responsible for the payment of all installments of principal and interest for each of the sewer and water special assessments which accrue during such period of ownership of the Unit. In this respect, the parties acknowledge that upon the sale of a Unit in the Condominium by either HVM, the Developer, or any subsequent purchaser, the full amount of the sewer and water special assessment attributable to the Unit shall not be due, but only such installments of principal and interest as shall have accrued and are unpaid as of the date of sale.

Notwithstanding the foregoing, no installment of principal for the water special assessment shall be due for the period ending five (5) years after the initial establishment of the special assessment district for water services. Interest, only, shall accrue and shall be assessed and paid during this five (5) year period. The principal amount of the special assessment for water services shall be amortized over a period of fifteen (15) years commencing on the date five years after the initial establishment of the special assessment district, and, with related interest, shall be billed to and collected from the individual Units in the Condominium and the land in the Development that is not included within the Condominium in accordance with the preceding provisions of this Paragraph 7.

8. Agreement Binding on Successors and Assigns. The parties hereto make this Agreement on behalf of themselves, their successors and assigns and the signers hereby warrant that they have the authority and capacity to make this Agreement. All references to Developer herein shall include any successor to the Developer who or which may act as Developer of the Condominium or any part thereof. So long as Developer shall not violate any of the terms of this Agreement, it shall be relieved of further responsibilities hereunder upon conveyance by it of the Development to a successor developer and/or to the co-owners of all Units in the Condominium. This Agreement shall be recorded with the Livingston County Register of Deeds.

IN WITNESS WHEREOF, the parties hereto have set their hands as of the date set forth at the outset of this Agreement.

WITNESS:

Samuel K. Hodgdon  
SAMUEL K. HODGDON  
Richard L. Irish  
RICHARD L. IRISH  
Richard L. Irish  
RICHARD L. IRISH  
Samuel K. Hodgdon  
SAMUEL K. HODGDON

TOWNSHIP OF MARION,  
a Michigan municipal corporation

By: [Signature]  
SWEETLAND  
Designated Sup. Supervisor  
official  
By: [Signature]  
MIRNA SCHLITTLER Clerk

HVM, L.L.C., a Michigan limited liability company

By: [Signature]  
Phillip W. McCafferty  
Its Manager

Samuel K. Hodgdon  
SAMUEL K. HODGDON  
Christine E. Krusinski  
Christine E. Krusinski

DELCOR HOMES - HOMETOWN  
VILLAGE OF MARION, LTD., a Michigan corporation

By: [Signature]  
Phillip W. McCafferty  
Its President

Samuel K. Hodgdon  
SAMUEL K. HODGDON  
Christine E. Krusinski  
Christine E. Krusinski



STATE OF MICHIGAN )  
 ) SS.  
COUNTY OF Oakland )

The foregoing instrument was acknowledged before me this 8<sup>th</sup> day of August, 2000 by Phillip W. McCafferty, the President of Delcor Homes – Hometown Village of Marion, Ltd., a Michigan corporation, on behalf of the corporation.

CHRISTINE E. KRUSINSKI  
Notary Public, Oakland County, MI  
My Commission Expires 01/27/2003

Christine E. Krusinski  
Christine E. Krusinski Notary Public,  
Oakland County, Michigan  
My commission expires 1/27/03

STATE OF MICHIGAN )  
 ) SS.  
COUNTY OF Oakland )

The foregoing instrument was acknowledged before me this 8<sup>th</sup> day of August, 2000 by Phillip W. McCafferty, the President of Hometown Village of Marion Association, a Michigan non-profit corporation, on behalf of said non-profit corporation.

CHRISTINE E. KRUSINSKI  
Notary Public, Oakland County, MI  
My Commission Expires 01/27/2003

Christine E. Krusinski  
Christine E. Krusinski Notary Public,  
Oakland County, Michigan  
My commission expires 1/27/03



## PHASE 1

A parcel of land in the Northeast 1/4 of Section 11, T2N, R4E, Marion Township, Livingston County, Michigan; the boundary of said parcel described as: Commencing at the Northeast corner of said Section 11; thence  $S02^{\circ}53'24''E$  along the East line of said Section 11 a distance of 702.09 feet to the point of beginning of this description; thence  $S02^{\circ}53'24''E$  continuing along said East line a distance of 1269.83 feet; thence  $S87^{\circ}41'26''W$  1056.89 feet; thence  $N02^{\circ}18'35''W$  183.52 feet; thence  $S87^{\circ}41'26''W$  27.73 feet; thence  $N02^{\circ}18'34''W$  60.00 feet; thence Northwesterly 140.42 feet along a curve to the left, said curve having a radius of 383.50 feet, a delta angle of  $20^{\circ}58'44''$ , and a chord of 139.64 feet bearing  $N11^{\circ}49'24''W$ ; thence Northwesterly 103.03 feet along a curve to the right, said curve having a radius of 733.00 feet, a delta angle of  $08^{\circ}03'11''$ , and a chord of 102.94 feet bearing  $N18^{\circ}17'11''W$ ; thence  $N11^{\circ}54'51''W$  60.00 feet; thence  $S78^{\circ}05'09''W$  101.48 feet; thence Northwesterly 190.61 feet along a curve to the right, said curve having a radius of 105.00 feet, a delta angle of  $104^{\circ}00'34''$ , and a chord of 165.49 feet bearing  $N49^{\circ}54'33''W$ ; thence Northwesterly 97.07 feet along a curve to the left, said curve having a radius of 1134.00 feet, a delta angle of  $04^{\circ}54'16''$ , and a chord of 97.04 feet bearing  $N00^{\circ}21'24''W$ ; thence  $N87^{\circ}11'06''E$  108.50 feet; thence Northwesterly 333.52 feet along a curve to the left, said curve having a radius of 1242.50 feet, a delta angle of  $15^{\circ}22'47''$ , and a chord of 332.52 feet bearing  $N10^{\circ}30'17''W$ ; thence Northeasterly 14.72 feet along a curve to the right, said curve having a radius of 638.50 feet, a delta angle of  $01^{\circ}19'17''$ , and a chord of 14.72 feet bearing  $N62^{\circ}47'29''E$ ; thence Northeasterly 145.85 feet along a curve to the right, said curve having a radius of 186.50 feet, a delta angle of  $44^{\circ}48'26''$ , and a chord of 142.16 feet bearing  $N84^{\circ}32'03''E$ ; thence  $N16^{\circ}56'17''E$  168.50 feet; thence Southeasterly 15.78 feet along a curve to the right, said curve having a radius of 355.00 feet, a delta angle of  $02^{\circ}32'49''$ , and a chord of 15.78 feet bearing  $S71^{\circ}47'19''E$ ; thence  $N19^{\circ}29'06''E$  217.36 feet; thence  $N88^{\circ}25'06''E$  31.80 feet; thence  $S02^{\circ}53'24''E$  parallel to said East line a distance of 169.96 feet; thence  $N87^{\circ}06'36''E$  951.25 feet to the point of beginning; said parcel containing 34.52 acres more or less.

EXHIBIT

"A"

## PHASE 2

A parcel of land in the Northeast 1/4 of Section 11, T2N, R4E, Marion Township, Livingston County, Michigan; the boundary of said parcel described as: Commencing at the Northeast corner of said Section 11; thence S02°53'24"E along the East line of said Section 11 a distance of 1971.92 feet; thence S87°41'26"W 1056.89 feet to the point of beginning of this description; thence S87°41'26"W 497.02 feet; thence N22°37'31"E 247.17 feet; thence Northwesterly 273.48 feet along a curve to the right, said curve having a radius of 440.00 feet, a delta angle of 35°36'42", and a chord of 269.10 feet bearing N49°41'29"W; thence S57°56'59"W 107.96 feet; thence Northwesterly 313.76 feet along a curve to the right, said curve having a radius of 552.00 feet, a delta angle of 32°34'01", and a chord of 309.55 feet bearing N15°48'45"W; thence Northwesterly 319.98 feet along a curve to the left, said curve having a radius of 688.50 feet, a delta angle of 26°37'40", and a chord of 317.10 feet, bearing N10°01'14"W; thence N20°03'21"W 106.42 feet; thence S79°59'30"E 44.92 feet; thence N20°01'37"E 116.86 feet; thence N27°57'02"E 60.22 feet; thence Southeasterly 84.72 feet along a curve to the left, said curve having a radius of 470.00 feet, a delta angle of 10°19'40", and a chord of 84.60 feet bearing S71°44'31"E; thence N13°05'39"E 257.49 feet; thence N88°25'06"E 624.95 feet; thence S19°29'06"W 217.36 feet; thence Northwesterly 15.78 feet along a curve to the right, said curve having a radius of 355.00 feet, a delta angle of 02°32'49", and a chord of 15.78 feet bearing N71°47'19"W; thence S16°56'17"W 168.50 feet; thence Southwesterly 145.85 feet along a curve to the left, said curve having a radius of 186.50 feet, a delta angle of 44°48'26", and a chord of 142.16 feet bearing S84°32'03"W; thence Southwesterly 14.72 feet along a curve to the left, said curve having a radius of 638.50 feet, a delta angle of 01°19'17", and a chord of 14.72 feet bearing S62°47'29"W; thence Southeasterly 333.52 feet along a curve to the left, said curve having a radius of 1242.50 feet, a delta angle of 15°22'47", and a chord of 332.52 feet bearing S10°30'17"E; thence S87°11'06"W 108.50 feet; thence Southeasterly 97.07 feet along a curve to the right, said curve having a radius of 1134.00 feet, a delta angle of 04°54'16", and a chord of 97.04 feet bearing S00°21'24"E; thence Southeasterly 190.61 feet along a curve to the left, said curve having a radius of 105.00 feet, a delta angle of 104°00'34", and a chord of 165.49 feet bearing S49°54'33"E; thence N78°05'09"E 101.48 feet; thence S11°54'51"E 60.00 feet; thence Southeasterly 103.03 feet along a curve to the left, said curve having a radius of 733.00 feet, a delta angle of 08°03'11", and a chord of 102.94 feet bearing S18°17'11"E; thence Southeasterly 140.42 feet along a curve to the right, said curve having a radius of 383.50 feet, a delta angle of 20°58'44", and a chord of 139.64 feet bearing S11°49'24"E; thence S02°18'34"E 60.00 feet; thence N87°41'26"E 27.73 feet; thence S02°18'35"E 183.52 feet to the point of beginning; said parcel containing 17.99 acres more or less.

EXHIBIT

"B"

## PHASE 3

A parcel of land in the Northeast 1/4 of Section 11, T2N, R4E, Marion Township, Livingston County, Michigan; the boundary of said parcel described as: Commencing at the Northeast corner of said Section 11; thence  $S02^{\circ}53'24''E$  along the East line of said Section 11 a distance of 1971.92 feet; thence  $S87^{\circ}41'26''W$  1553.91 feet to the point of beginning of this description; thence  $S87^{\circ}41'26''W$  971.17 feet to a point on the North-South 1/4 line of said Section 11; thence  $N03^{\circ}29'57''W$  along said North-South 1/4 line a distance of 1450.58 feet; thence  $N88^{\circ}25'06''E$  932.80 feet; thence  $S13^{\circ}05'39''W$  257.49 feet; thence Northwesterly 84.72 feet along a curve to the right, said curve having a radius of 470.00 feet, a delta angle of  $10^{\circ}19'40''$ , and a chord of 84.60 feet bearing  $N71^{\circ}44'31''W$ ; thence  $S27^{\circ}57'02''W$  60.22 feet; thence  $S20^{\circ}01'37''W$  116.86 feet; thence  $N79^{\circ}59'30''W$  44.92 feet; thence  $S20^{\circ}03'21''E$  106.42 feet; thence Southeasterly 319.98 feet along a curve to the right, said curve having a radius of 688.50 feet, a delta angle of  $26^{\circ}37'40''$ , and a chord of 317.10 feet bearing  $S10^{\circ}01'14''E$ ; thence Southeasterly 313.76 feet along a curve to the left, said curve having a radius of 552.00 feet, a delta angle of  $32^{\circ}34'01''$ , and a chord of 309.55 feet bearing  $S15^{\circ}48'45''E$ ; thence  $N57^{\circ}56'59''E$  107.96 feet; thence Southeasterly 273.48 feet along a curve to the left, said curve having a radius of 440.00 feet, a delta angle of  $35^{\circ}36'42''$ , and a chord of 269.10 feet bearing  $S49^{\circ}41'29''E$ ; thence  $S22^{\circ}37'31''W$  247.17 feet to the point of beginning; said parcel containing 27.40 acres more or less

# KEBS, INC.

**KYES**  
ENGINEERING**BRYAN**  
LAND SURVEYS

May 19, 2000

Delcor Homes  
Attn: Todd  
2195 Milford Road  
Milford, MI 48381

RE: Hometown Village at Marion Condominiums, North road 1'  
legal description for the Township.

A parcel of land in the Northeast 1/4 of Section 11, T2N, R4E, Marion Township, Livingston County, Michigan; the boundary of said parcel described as: Commencing at the Northeast corner of said Section 11; thence  $S02^{\circ}53'24''E$  along the East line of said Section 11 a distance of 702.09 feet; thence  $S87^{\circ}06'36''W$  746.78 feet to the point of beginning of this description; thence  $S39^{\circ}14'52''W$  1.35 feet; thence  $S87^{\circ}06'36''W$  80.91 feet; thence  $N39^{\circ}14'52''E$  1.35 feet; thence  $N87^{\circ}06'36''E$  80.91 feet to the point of beginning.

Any questions please feel free to call.

Matt Ottinger  
Kebes, Inc

EXHIBIT

1 "C"

RECORDED

2000 MAY 12 1 P 12:09

NANCY HAVILAND  
REGISTER OF DEEDS  
LIVINGSTON COUNTY, MI.  
48843

17/2

LEBC

**AGREEMENT FOR THE ESTABLISHMENT OF A COUNTY  
DRAIN AND COUNTY DRAINAGE DISTRICT  
FOR THE HOMETOWN VILLAGE AT MARION SITE CONDOMINIUM  
PURSUANT TO SECTION 433 OF ACT NO. 40 OF  
THE PUBLIC ACTS OF 1956, AS AMENDED**

THIS AGREEMENT, made and entered into this 10<sup>th</sup> day of MAY, 2000, by and between BRIAN JONCKHEERE, LIVINGSTON COUNTY DRAIN COMMISSIONER, 2300 East Grand River, Suite 105, Howell, Michigan, hereinafter referred to as "Drain Commissioner" on behalf of the proposed Hometown Village at Marion Drain Drainage District; and Delcor Homes - Hometown Village of Marion, LTD, a Michigan Corporation, 2195 S. Milford Road, Milford, Michigan 40321 as owner(s) of land described in Exhibit A attached hereto, hereinafter referred to as "Landowner".

**WITNESSETH:**

WHEREAS, Section 433 of Act No. 40 of the Public Acts of 1956, as amended, authorizes the Drain Commissioner to enter into an Agreement with the Landowner and developer, if any, to establish a drain which was constructed by the Landowner or developer to service an area of its own land as a County Drain; and,

WHEREAS, Landowner, pursuant to Section 433 of Act No. 40 of 1956, as amended, wishes to provide drainage service to its own lands and has requested same to be established and dedicated as a County Drain under the jurisdiction of the Livingston County Drain Commissioner; and,

WHEREAS, Landowner has been advised and understands and agrees to assume the total cost of the construction of the drain to include engineering, inspection, easement acquisition, legal and administrative expenses and costs attendant to this Agreement; and,

WHEREAS, Landowner further understands that the Drain constructed, or to be constructed, pursuant to this Agreement, when finally accepted by the Drain Commissioner, will be known as the Hometown Village at Marion, Drain and that the land to be drained will be known and constituted as the Hometown Village at Marion, Drain Drainage District and will be subject to assessments, for costs of future operation, inspection, maintenance and improvement; and,

WHEREAS, Landowner has agreed to assume and pay all costs as set forth herein, and,

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WHEREAS, Landowner has obtained, at its own expense, a certificate from a registered professional engineer satisfactory to the Drain Commissioner to the effect that the Drain has sufficient capacity to provide adequate drainage service without detriment to or diminution of the drainage service which the outlet currently provides. A copy of said certificate being attached hereto as Exhibit B.

NOW, THEREFORE, in consideration of the premises and covenants of each, the parties hereto agree as follows:

1. Landowner agrees to construct and/or has constructed, at its expense, the Drain in accordance with plans and specifications approved by the Drain Commissioner.
2. The Landowner agrees to pay the costs of construction of said Drain and drainage facilities, including the acquisition of the necessary rights of way or easements, engineering, surveying, inspection, legal and administration costs. In addition, the Landowner has deposited with the Drain Commissioner an amount of money equivalent to five (5%) percent of the costs of construction of the Drain, not to exceed Two Thousand Five Hundred and No/100 (\$2,500.00) Dollars, which monies are to be deposited in a special drain fund to be used for future maintenance of the Drain, hereinafter referred to as "Home Town Village at Marion Drain Maintenance Fund."
3. That the Landowner shall secure, at its own expense, all easements or rights of way necessary for the construction of the Drain over and across the properties owned by Landowner and across such other lands as necessary for the construction of the Drain from the point of beginning at the outlet to the point of ending. Said easements or rights of way shall be secured in writing and in a form acceptable to the Drain Commissioner. The Landowner shall be responsible for all costs for the recording of said easements, as directed by the Drain Commissioner.
4. Landowner shall secure all necessary permits or authorizations as may be required by local, state or federal law and provide copies to the Drain Commissioner. The Drain Commissioner shall be provided copies of all correspondence and reports involving any governmental agency with respect to the Drain.
5. The Hometown Village at Marion Drain Maintenance Fund is agreed and understood as being for the sole benefit of the Hometown Village of Marion Drain and use thereof may be made by the Hometown Village at Marion Drain Drainage District at large, or part thereof, and that such payment shall not relieve the subject property from any future assessments levied pursuant to the Drain Code of 1956, as amended.
6. Landowner agrees to indemnify and hold harmless the Drain Commissioner and the Hometown Village at Marion Drain Drainage District for any and all claims, damages, lawsuits, costs and expenses, arising out of or incurred as a result of the Drain Commissioner assuming responsibility for the drain under federal, state and/or local environmental laws and regulations, including all future amendments to such laws or regulations and the administrative and judicial interpretation thereof, except for liability arising out of the gross negligence or intentional wrongful conduct of the Drain Commissioner or its agents.

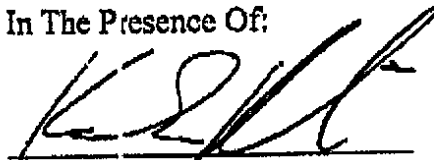
7. Modification, amendments or waivers of any provisions of the Agreement may be made only by the written mutual consent of the parties.

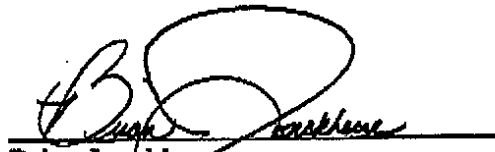
This Agreement shall become effective upon its execution by the Landowner and the Drain Commissioner and shall be binding upon the successors and assigns of each party.


IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by the duly authorized officers as of the day and year first above written.

**HOME TOWN VILLAGE AT MARION DRAIN DRAINAGE DISTRICT**

In The Presence Of:


  
Printed Name: KENNETH E. REKER


  
Brian Jonckheere  
Livingston County Drain Commissioner


  
Printed Name: Lavonna M. Shaller

**DELCOR HOMES - HOMETOWN VILLAGE AT MARION, LTD.**

In The Presence Of:

  
Printed Name: Tom Hackett

By:   
Phil McCafferty  
Its: President

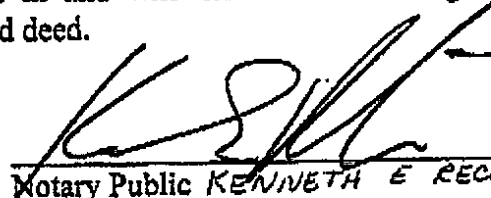
  
Printed Name: Amanda J. Ward

LIBER 2812 PAGE 0302

LIBER 2765 PAGE 0734


STATE OF MICHIGAN )  
 )  
 ) ss.  
COUNTY OF LIVINGSTON )

On this 10<sup>th</sup> day of MAY, 2000, before me, a Notary Public in and for said County, personally appeared BRIAN JONCKHEERE, LIVINGSTON COUNTY DRAIN COMMISSIONER, to me known to be the person described in and who executed the foregoing instrument and acknowledged the same to be her free act and deed.

  
Notary Public KENNETH E RECKER II  
Livingston County, Michigan  
My Commission Expires: FEBRUARY 12, 2004

STATE OF MICHIGAN )  
 )  
 ) ss.  
COUNTY OF Oakland )

On this 9 day of May, 2000, before me, a Notary Public in and for said County, personally appeared Phil McCafferty, the President of Hometown Village at Marion, Ltd. A Michigan Corporation, who acknowledges this instrument on behalf of corporation.

  
Notary Public  
Oakland County, Michigan  
My Commission Expires: 8-1-2004

**ROBIN A. LEACH**  
**NOTARY PUBLIC OAKLAND CO., MI**  
**MY COMMISSION EXPIRES Aug 1, 2004**

Instrument Drafted By:  
Michael Lee Tracy  
Kebs, Inc  
2116 Haslett Road  
Haslett, MI 48840

When Recorded Return To:  
Brian Jonckheere  
Livingston County Drain Commissioner  
2300 East Grand River, Suite 105  
Howell, MI 48843



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**EXHIBIT A****Hometown Village of Marion, Drainage District**

Hometown Village at Marion  
Marion Township  
Livingston County, Michigan

Legal Description of Drainage District: May 05, 2000

A parcel of land in the Northeast 1/4 of Section 11, T2N, R4E, Marion Township, Livingston County, Michigan; described as: Commencing at the Northeast corner of said Section 11; thence S02°53'24"E along the East line of said Section 11 a distance of 702.09 feet to the point of beginning of this description; thence S02°53'24"E continuing along said East line 1269.83 feet; thence S87°41'26"W 2525.09 feet to the North-South 1/4 line of said Section 11; thence N03°29'57"W along said North-South 1/4 line 1450.58 feet; thence N88°25'06"E 1589.55 feet; thence S02°53'24"E parallel with said East line 169.96 feet; thence N87°06'36"E 951.25 feet to the point of beginning; said parcel containing 79.91 acres more or less; including 2.06 acres presently in use as public right of way; said parcel subject to all easements and restrictions if any.

Tax I.D. # 4710-11-200-002

See attached survey.

LIBER 2812 PAGE 0304

LIBER 2765 PAGE 0736

**EXHIBIT B**

I, Michael Lee Tracy, Michigan Lic. # 40612, a Registered Professional Engineer in the State of Michigan, do hereby certify to the following for the **Hometown Village at Marion**, Drain Drainage District in Section 11, T2N, R4E of Marion Township:

1. The above-mentioned lands to be developed naturally drain into the area served by the existing drains and that the existing drains are the only reasonable available outlet for the drainage from the lands to be developed.
2. To my knowledge, there is
  - a. Existing capacity in the existing drains to serve the lands to be developed without detriment to or diminution of the sanitary sewer or storm drainage service provided or to be provided in the foreseeable future in the existing district.
  - b. No foreseeable adverse impact on downstream proprietors created by the stormwater flow from the *Hometown Village at Marion Drain Drainage District*.

  
Michael Lee Tracy  
Michigan Lic. #40612

Date: 5-9-00

