



## PURCHASER INFORMATION BOOKLET

The Glens at  
**CRYSTAL CREEK**

A CONDOMINIUM PROJECT  
IN  
LYON TWP., MICHIGAN

Crystal Creek Land, LLC  
7001 Orchard Lake Road, Suite 200  
West Bloomfield, Michigan 48322  
(248) 851-5800

# **THE GLENS AT CRYSTAL CREEK**

## **LYON TOWNSHIP, MICHIGAN**

Dear Purchaser:

Welcome to The Glens at Crystal Creek. This booklet includes documents required by Michigan law for the formation of a Condominium. It will serve as a reference point for any questions you may have concerning the operation, maintenance and legal status of your Condominium Unit at

Thank you for purchasing a Condominium Unit at The Glens at  
Crystal Creek.

Sincerely,

Crystal Creek Land, LLC  
A Michigan Limited Liability  
Company

## **PURCHASER INFORMATION BOOKLET**

**FOR**

### **THE GLENS AT CRYSTAL CREEK**

#### **TABLE OF CONTENTS**

<b><u>DESCRIPTION</u></b>		<b><u>PAGE NO.</u></b>
<b>AMENDED AND RESTATED MASTER DEED</b>		
ARTICLE I.	TITLE AND NATURE.....	2
ARTICLE II.	LEGAL DESCRIPTION.....	2
ARTICLE III.	DEFINITIONS.....	3
ARTICLE IV.	COMMON ELEMENTS.....	6
ARTICLE V.	SITE DESCRIPTION AND PERCENTAGE OF VALUE.....	10
ARTICLE VI.	CONVERTIBLE AREA.....	11
ARTICLE VII.	INTENTIONALLY DELETED.....	12
ARTICLE VIII.	OPERATIVE PROVISIONS.....	12
ARTICLE IX.	EASEMENTS, RESTRICTIONS AND RESERVATIONS.....	13
ARTICLE X.	AMENDMENT.....	23
ARTICLE XI.	ASSIGNMENT AND COMPLIANCE.....	25

## TABLE OF CONTENTS (CONT'D)

<u>DESCRIPTION</u>	<u>PAGE NO</u>
<b>BYLAWS – EXHIBIT A</b>	
ARTICLE I.	ASSOCIATION OF CO-OWNERS.....1
ARTICLE II.	ASSESSMENTS.....1
ARTICLE III.	JUDICIAL ACTIONS AND CLAIMS.....7
ARTICLE IV.	INSURANCE.....11
ARTICLE V.	RECONSTRUCTION OR REPAIR.....14
ARTICLE VI.	ARCHITECTURAL CONTROL; BUILDING AND USE RESTRICTIONS.....17
ARTICLE VII.	ARBITRATION.....38
ARTICLE VIII.	MORTGAGES.....39
ARTICLE IX.	VOTING.....39
ARTICLE X.	MEETINGS.....40
ARTICLE XI.	ADVISORY COMMITTEE.....42
ARTICLE XII.	BOARD OF DIRECTORS.....43
ARTICLE XIII.	OFFICERS.....49
ARTICLE XIV.	SEAL.....50
ARTICLE XV.	FINANCE.....50
ARTICLE XVI.	INDEMNIFICATION OF OFFICERS AND DIRECTORS; DIRECTORS' AND OFFICERS' INSURANCE.....51
ARTICLE XVII.	AMENDMENTS.....51
ARTICLE XVIII.	COMPLIANCE.....53

## **TABLE OF CONTENTS (CONT'D)**

<b><u>DESCRIPTION</u></b>		<b><u>PAGE NO</u></b>
<b>BYLAWS (Cont'd)</b>		
ARTICLE XIX.	DEFINITIONS.....	53
ARTICLE XX.	REMEDIES FOR DEFAULT.....	53
ARTICLE XXI.	RIGHTS RESERVED TO DEVELOPER.....	55
ARTICLE XXII.	SEVERABILITY.....	55

## **EXHIBIT B - CONDOMINIUM SUBDIVISION PLAN**

**ARTICLES OF INCORPORATION – HOMEOWNER'S ASSOCIATION**

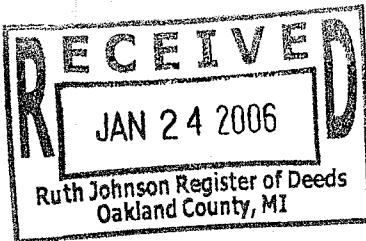
**ESCROW AGREEMENT**

**INFORMATION STATEMENT**

**PLANNED UNIT DEVELOPMENT AGREEMENT**

**DEVELOPER'S DISCLOSURE STATEMENT**

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LIBER 37001 PAGE 705  
\$268.00 MISC RECORDING  
\$4.00 REMONUMENTATION  
01/24/2006 04:02:06 P.M. RECEIPT# 9058



PAID RECORDED - OAKLAND COUNTY  
RUTH JOHNSON, CLERK/REGISTER OF DEEDS

## AMENDED AND RESTATED MASTER DEED OF THE GLENS AT CRYSTAL CREEK

SUBDIVISION PLAN NO. 1805

This Amended and Restated Master Deed for **THE GLENS AT CRYSTAL CREEK** (this "Master Deed"), a residential site condominium, is made and executed on this 23<sup>rd</sup> day of January, 2006, by CRYSTAL CREEK LAND, LLC, a Michigan limited liability company, hereinafter referred to as "Developer", whose address is 7001 Orchard Lake Road, Suite 200, West Bloomfield, Michigan 48322, in pursuance of the provisions of the Michigan Condominium Act (Act 59 of the Public Acts of 1978, as amended), hereinafter referred to as the "Act".

### WITNESSETH:

**WHEREAS**, the Developer recorded a Master Deed for The Glens at Crystal Creek, which Master Deed was recorded on November 16, 2005 in Liber 36623, Pages 661 through 746, inclusive, in Oakland County Records ("Original Master Deed"); and

**WHEREAS**, the Developer desires by recording this Master Deed, together with the Bylaws attached hereto as Exhibit "A" and the Condominium Subdivision Plan attached hereto as Exhibit "B" (both of which are hereby incorporated by reference and made a part hereof), to amend and restate the Original Master Deed so as to re-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 site Condominium under the provisions of the Act.

**NOW, THEREFORE**, the Developer does, upon the recording hereof, establish **THE GLENS AT CRYSTAL CREEK** as a residential site Condominium under the Act and declares that **THE GLENS AT CRYSTAL CREEK** (hereinafter referred to as the "Condominium", "Project" or "Condominium Project") shall, after such establishment, be held, conveyed, hypothecated, encumbered, leased, rented, occupied, improved or in any other manner utilized, subject to the provisions of the Act and, as the same may be amended, to the covenants, conditions, restrictions, uses, limitations and affirmative obligations set forth in this Master Deed and Exhibits "A" and "B" 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 all persons acquiring or

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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 provided as follows:

## **ARTICLE I** **TITLE AND NATURE**

The Condominium shall be known as The Glens at Crystal Creek, Oakland County Condominium Subdivision Plan No. 1805. The Condominium is established in accordance with the Act. The Sites contained in the Condominium, including the number, boundaries, dimensions and area of each Site, and the designation of Common Elements, are set forth completely in the Condominium Subdivision Plan and/or in Article IV and/or Article V of this Master Deed. Each Site has been created for residential purposes and each Site is capable of individual utilization on account of having its own entrance to and exit from a Common Element of the Condominium. Each Co-owner in the Condominium shall have an exclusive right to his Site and shall have an undivided and inseparable interest with the other Co-owners in the Common Elements of the Condominium and shall share with the other Co-owners the right to use and enjoy the Common Elements of the Condominium as provided in this Master Deed. The provisions of this Master Deed, including, but without limitation, the purposes of the Condominium, shall not be construed to give rise to any warranty or representation, express or implied, as to the composition or physical condition of the Condominium, other than that which is expressly provided herein.

## **ARTICLE II** **LEGAL DESCRIPTION**

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

A part of the Southeast 1/4 of Section 16, Town 1 North, Range 7 East, Lyon Township, Oakland County, Michigan; being more particularly described as commencing at the Southeast Corner of said Section 16; thence North 00°02'45" West, 33.00 feet, along the East line of said Section 16 and the centerline of Milford Road, to the Point of Beginning; thence North 89°16'39" West, 1322.46 feet, (33.00 feet North of and parallel to the South line of said Section 16), along the Northerly right-of-way of Eleven Mile Road, to a point on the centerline of Spaulding Road; thence North 00°03'29" East, 1658.51 feet, along the centerline of said Spaulding Road; thence South 81°22'56" East, 63.48 feet; thence South 54°24'41" East, 145.71 feet; thence South 46°09'39" East, 788.86 feet; thence South 36°15'21" East, 514.18 feet; thence South 35°50'55" East, 349.53 feet; thence South 54°57'22" East, 75.00 feet; to a point on the East line of said Section 16 and the centerline of said Milford Road, (said point being South 00°02'45" East, 2310.63 feet, from the East 1/4 corner of said Section 16); thence South 00°02'45" East, 293.47 feet, along the East line of said Section 16 and the centerline of said Milford Road, to the Point of Beginning. All of the above containing 32.150 Acres. All of the above being subject to easements, restrictions and rights-of-way of record. All of the above being subject to the rights of the public in Milford Road and Spaulding Road.

Subject to existing easements and building and use restrictions of record and all lawful zoning ordinances as are applicable to the property.

### **ARTICLE III** **DEFINITIONS**

Certain terms used in this Master Deed and Exhibits "A" and "B" hereto also are or may be used in various other instruments, such as, by way of example and not limitation, the Articles of Incorporation and rules and regulations, if any, of The Glens at Crystal Creek Condominium Association, a Michigan nonprofit corporation, and deeds, mortgages, liens, land contracts, easements and other instruments affecting the establishment, or transfer, of Sites or interests in Sites in The Glens at Crystal Creek. Wherever used in such documents or any other pertinent instruments, the terms set forth below shall be defined as follows:

Section 1. Act. "Act" or "Condominium Act" means Act 59 of the Public Acts of Michigan of 1978, as amended.

Section 2. Arbitration Association. "Arbitration Association" means the American Arbitration Association or its successor.

Section 3. Architectural Control Committee. "Architectural Control Committee" means the Architectural Control Committee described in Article VI of the Bylaws. As provided in the Bylaws, the Architectural Control Committee shall be comprised of up to three (3) members to be appointed by the Developer. The Developer also may transfer its right to designate the members of the Architectural Control Committee to the Association. Until such event, the Developer reserves the right to appoint and remove members of the Architectural Control Committee in its sole discretion.

Section 4. Association. "Association" means The Glens at Crystal Creek Condominium Association, a nonprofit corporation, of which all Co-owners shall be members, organized under Michigan law to administer, operate, manage and maintain the Common Elements. Any action required of or permitted to the Association may be exercised by its Board of Directors unless specifically reserved to its members by the Condominium Documents or the laws of Michigan.

Section 5. Board of Directors or Board. "Board of Directors" or "Board" means the Board of Directors of the Association organized to manage, maintain and administer the Condominium.

Section 6. Builder. "Builder" means Crystal Creek Land, LLC, a Michigan limited liability company, which is a residential builder licensed by the State of Michigan, and such additional licensed residential builders, if any, as the Developer from time to time may approve to construct residences on Sites.

Section 7. Bylaws. "Bylaws" means Exhibit "A" hereto, as the same from time to time hereafter may be amended or amended and restated by an instrument duly executed and acknowledged in accordance with the Bylaws and the Act and recorded in the office of the Oakland County Register of Deeds, 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.

Section 8. Common Elements. "Common Elements", whenever, however and wherever used in the Condominium Documents without modification, means both the General and the Limited Common Elements, if any, described in Article IV below and/or the Condominium Subdivision Plan.

Section 9. Condominium Documents. "Condominium Documents" means and includes this Master Deed, the Bylaws and the Condominium Subdivision Plan, as well as the Articles of Incorporation and rules and regulations, if any, of the Association, as all of the same may be amended or promulgated from time to time, and any other instrument referred to in the Master Deed which affects the rights and obligations of a Co-owner.

Section 10. Condominium Premises. "Condominium Premises" means and includes the land described in Article II above, the improvements and structures thereon and all easements, rights and appurtenances to the Condominium.

Section 11. Condominium, Condominium Project and Project. "Condominium", "Condominium Project" and "Project" each mean **THE GLENS AT CRYSTAL CREEK**, a residential site condominium established under and intended to exist in conformance with the Act.

Section 12. Condominium Subdivision Plan. "Condominium Subdivision Plan" or "Plan" means Exhibit "B" attached hereto, together with all amendments thereto, if any, or in lieu thereof any replacement thereof, as from time to time hereafter may be recorded with the Oakland County Register of Deeds.

Section 13. Co-owner. "Co-owner" means a person, firm, corporation, partnership, limited liability company, association, trust or other legal entity or any combination thereof who or which owns a Site in the Condominium, and, where applicable, shall include a land contract vendee of a Site. The term "Owner", whenever, however and wherever used, is synonymous with the term "Co-owner".

Section 14. Developer. "Developer" means CRYSTAL CREEK LAND, LLC, a Michigan limited liability company, which has made and executed this Master Deed, and its successors and assigns. Both successors and assigns always are deemed to be included within the term "Developer" whenever, however, and wherever used without modification in the Condominium Documents.

Section 15. Development, and Construction and Sales Period. "Development, Construction and Sales Period" means the period commencing with the recording of the Master Deed and, unless earlier terminated by the Developer in a signed writing in recordable form which the Developer causes to be delivered to the Association, continuing so long as the Developer owns any Site in the Condominium which it offers for sale or on which the Developer or any Builder is constructing, or proposes to construct, a dwelling, and thereafter, in any event, for the applicable warranty period in regard to all dwellings constructed upon Sites in this Condominium.

Section 16. First Annual Meeting. "First Annual Meeting" means the initial meeting at which non-Developer Co-owners are permitted to vote for the election of all directors and upon all other matters properly brought before the meeting. Such meeting is to be held: (a) in the Developer's sole discretion, at any time after the conveyance of legal or equitable title to fifty (50%) percent of the Sites which may be created; or (b) mandatorily, fifty-four (54) months after

the date of the first conveyance of legal or equitable title to a Site; or (c) mandatorily, not later than one hundred twenty (120) days after the conveyance of legal or equitable title to non-Developer Co-owners of seventy-five (75%) percent of the Sites which may be created, whichever first occurs.

Section 17. Master Deed; Consolidating Master Deed. "Master Deed" means this Master Deed, as amended from time to time hereafter by one or more instrument(s) duly executed and acknowledged in accordance with the requirements of the Master Deed, the Act and other applicable laws, if any, of the State of Michigan, and duly recorded in the office of the Oakland County Register of Deeds, being the Condominium Document recording the Condominium Project which is required by Section 8 of the Act. Except insofar as limited by the context, "Master Deed" shall mean and include the Bylaws and Condominium Subdivision Plan attached hereto and/or incorporated by reference herein. "Consolidating Master Deed" means the final amended Master Deed which, if and when recorded in the office of the Oakland County Register of Deeds, shall describe **THE GLENS AT CRYSTAL CREEK CONDOMINIUM** as a completed Condominium Project and shall reflect the entire land area added or subtracted from the Condominium from time to time, and all Sites and Common Elements therein and which shall express percentages of value pertinent to each Site as finally readjusted. Such Consolidating Master Deed, if and when recorded in the office of the Oakland County Register of Deeds, shall supersede the previously recorded Master Deed for the Condominium and all prior amendments thereto and restatements thereof.

Section 18. PD Agreement. "PD Agreement" means that certain "Planned Development Agreement - Elkow Farms Planned Development" with respect to the PD Land which has been executed by Ivanhoe Huntley Holding Company, LLC, a Michigan limited liability company, Hitech Building, L.L.C., a Michigan limited liability company, the South Lyon Community Schools District, a Michigan general powers school district operating under the provisions of the Revised School Code, MCLA 380.1 et. seq., as amended, the Developer and the Township. The PD Agreement is recorded in Liber 36360, Pages 192 through 287, inclusive, Oakland County Records.

Section 19. PD Land. "PD Land" means all of the real property that is described in and is subject to the PD Agreement.

Section 20. Site or Condominium Site. "Site" or "Condominium Site" each mean a single Site in **THE GLENS AT CRYSTAL CREEK CONDOMINIUM**, as described in the Condominium Subdivision Plan and in Article V, Section 1, below, and shall have the same meaning as the term "Condominium Unit" as defined in the Act. The dwellings, structures and improvements now or hereafter located within the boundaries of a Site shall be owned by the Co-owner of the Site within which located and, unless otherwise expressly provided in this Article or otherwise expressly depicted or designated in the Condominium Subdivision Plan, shall not constitute Common Elements

Section 21. Township. "Township" or Lyon Township means the Charter Township of Lyon, Oakland County, Michigan.

Section 22. Transitional Control Date. "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 that

may be cast by eligible Co-owners unaffiliated with the Developer exceed the votes that may be cast by the Developer.

Section 23. Water Supply System Easement. "Water Supply System Easement" means a perpetual and permanent easement in favor of the Water Supply System Easement Grantee for the purpose of developing, establishing, constructing, repairing, maintaining the water supply system in the Condominium, and any related appurtenances, in any size, form, shape or capacity.

Section 24. Water Supply System Easement Grantee. "Water Supply System Easement Grantee" means, with respect to the grant of the Water Supply System Easement, the Township and its successors, assigns and transferees.

Other terms which may be utilized in the Condominium Documents and which are not defined herein 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 same would be appropriate; similarly, whenever a reference is made herein to the 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, are as follows:

Section 1. General Common Elements. The General Common Elements are:

- (a) Land, including Roadways and Pedestrian Walkways adjacent to Roadways. The land described in Article II hereof, including the private vehicular roadways and private pedestrian walkways adjacent to such roadways, if any.
- (b) Street Trees and Common Landscaping. The street trees and common landscaping located throughout the Condominium, some of which may be identified as Open Space on the Condominium Plan, and all replacements thereto, but specifically excluding any trees and landscaping located upon an individual Site.
- (c) Entrance Structures, Signage and Improvements: Street Identification and Traffic Control Signs. The structures, signs and any other improvements that identify the Spaulding Road and Eleven Mile Road entrances to the Condominium, together with all street identification and traffic control signs and pavement markings located within the Condominium.
- (d) Cluster Mailbox Stands. Any cluster mailbox stands located throughout the Condominium.
- (e) Electrical. The electrical transmission system throughout the Condominium up to the point of connection for individual Site service.

- (f) Telephone and Cable Television. The telephone and cable television wiring networks, if any, throughout the Condominium, up to the point of connection for individual Site service.
- (g) Gas. The gas distribution system throughout the Condominium up to the point where service is stubbed for connection within the individual Site boundaries.
- (h) Water Supply System. Unless and until dedicated for public use, and the responsibility for their maintenance, repair and replacement is accepted by the Township or another municipal authority, the Water Supply System throughout the Condominium up to the point of connection with the water service lead for individual Site service.
- (i) Sanitary Sewer Facilities. Unless and until dedicated for public use, and the responsibility for their maintenance, repair and replacement is accepted by the Township or another municipal authority, the sanitary sewer facilities throughout the Condominium up to the point of connection with the service lead for individual Site service.
- (j) Telecommunications. All telecommunications systems, if any, if and when they may be installed, up to the point of connection for individual Site service.
- (k) Underground Lawn Irrigation System. The underground lawn irrigation system throughout the Condominium, excepting, however, any lawn irrigation system installed by a Co-owner for the use of his individual Site.
- (l) Storm Water Management Facilities. Unless and until dedicated for public use, and the responsibility for their maintenance, repair and replacement is accepted by the Township or another municipal authority, the storm water management facilities located throughout the Condominium as depicted and so designated on the Condominium Subdivision Plan, including, without limitation, the detention basins, storm sewers, lines, inlets and outlets, together with their associated plumbing systems.
- (m) Common Site Lighting. The pole lights, fixtures and associated control boxes and devices for common site lighting throughout the Condominium, but only to the extent not owned by the utility company which will provide electric service thereto, and specifically excluding any exterior lighting installed by a Co-owner upon his Site.
- (n) Other. All easements and rights which are of general benefit to the Condominium and/or Co-owners [including, without limitation, any easements and rights as Developer has granted or reserved, or from time to time hereafter grants or reserves, for the benefit of itself, its successors and assigns, and this Condominium in, over, through or for the use of the private roads (until such time as such roads have been dedicated to the Road Commission of Oakland County as public roads), sidewalks and utilities in other portions of the PD Land], and all other components of the Condominium not hereinabove designated as General Common Elements which are not enclosed within the boundaries of a Site and which are intended for common use or are necessary to the existence, upkeep and safety of the Condominium.

Some or all of the utility lines, systems (including mains and service leads) and equipment, including, without limitation, the water system, the sanitary sewer system, the cable television system, and the telecommunications system, if and when constructed, may be owned by the local public authority or by the private company that is providing the pertinent service. Accordingly,

such utility lines, systems and equipment, and the cable television and telecommunications systems, if and when constructed, shall be General Common Elements only to the extent of the Co-owners' interest therein, if any, and Developer makes no warranty whatsoever with respect to the nature or extent of such interest, if any.

Section 2. Limited Common Elements. No Limited Common Elements have been assigned in the Condominium. The Developer reserves the right to assign Limited Common Elements during the Development, Construction and Sales Period and, if the Developer does so, the Developer shall record an appropriate amendment to this Master Deed.

Section 3. Responsibilities. The respective responsibility for the maintenance, decoration, repair and replacement of the Common Elements, and of all structures and improvements located within the boundaries of a Site, are as follows:

- (a) Street Trees and Common Landscaping. The Co-owner of each Site shall be responsible to irrigate, feed, prune and otherwise maintain the street tree(s) planted upon the Co-owner's Site. The responsibility to replace any dead or diseased street trees and common landscaping described in Section 1(b) of this Article IV shall be borne by the Association and, subject to the Association's rights under an unexpired warranty of the landscape contractor, the cost thereof shall be a cost of administration.
- (b) Entrance, Street and Traffic Control Signage. The responsibility to maintain, keep up and replace the entrance structures, signage, landscaping and other entrance improvements and all street identification and traffic control signs and pavement markings within the Condominium shall be borne by the Association and the cost thereof shall be a cost of administration provided, however, at such time that the roads within the condominium are dedicated to the Road Commission for Oakland County or such other governmental authority, the responsibility of maintaining street identifications, traffic control signage and pavement markings shall be that of the governmental authority to which the roads are dedicated.
- (c) Cluster Mailbox Stands. The responsibility to maintain, keep up and replace any cluster mailbox stands located throughout the Condominium shall be borne by the Association and the cost thereof shall be a cost of administration.
- (d) Water Supply System. Unless and until the Water Supply System is dedicated for public use to, and the responsibility for their maintenance, repair and replacement is accepted by, the Township or another municipal authority, the responsibility to maintain, repair and replace the Common Element water distribution faculties throughout the Condominium, as depicted and so designated in the Condominium Subdivision Plan, shall be borne by the Association and the cost thereof shall be a cost of administration.
- (e) Sanitary Sewer Facilities. Unless and until the sanitary sewer facilities are dedicated for public use to, and the responsibility for their maintenance, repair and replacement is accepted by, the Township or another municipal authority, the responsibility to maintain, repair and replace the Common Element sanitary sewer facilities throughout the Condominium, as depicted and so designated in the Condominium Subdivision Plan, shall be borne by the Association and the cost thereof shall be a cost of administration.

- (f) Underground Lawn Irrigation System. The responsibility to maintain, keep up, repair and replace the Common Element underground lawn irrigation system throughout the Condominium, excepting any such system as is primarily for the benefit of an individual Site, shall be borne by the Association and the cost thereof shall be a cost of administration.
- (g) Storm Water Management Facilities. The responsibility to preserve, retain, maintain, keep up, repair and replace the Common Element storm water management facilities, as depicted and so designated in the Condominium Subdivision Plan, including, but without limitation, the detention basins, storm sewers, lines, inlets and outlets, shall be borne by the Association and the cost thereof shall be a cost of administration; provided, however, that the Association's responsibility for the storm water management facilities shall cease if, and to the extent that, the other storm water management facilities are dedicated for public use to, and the responsibility for their maintenance is accepted by, the Township or another municipal authority.
- (h) Common Element Site Lighting. The responsibility to maintain, repair and replace the Common Element site lighting system, or any portion thereof, described in Section 1(m) of this Article IV, shall, subject to the Association's rights under any unexpired warranty of the lighting manufacturer or retailer, be borne by the Association and the cost thereof shall be a cost of administration. The Association also shall be responsible to operate the common lighting system, but only in the event that the Township refuses or ceases to do so, and in such event the cost thereof also shall be a cost of administration.
- (i) Other Common Elements. As of the date this Master Deed is recorded, the Developer intends to dedicate to public use the roads and road rights-of-way shown on the Condominium Plan. Developer therefore reserves the right to withdraw from the Condominium that portion of the land described in Article II that consists of the Condominium roads and road rights-of-way as the same are shown on the Condominium Plan. Until such dedication by Developer and the acceptance of such roads and road rights-of-way by the appropriate governmental agency, the responsibility to maintain, keep up, repair and replace roadways shall be borne by the Association, subject to any provisions of the Bylaws expressly to the contrary and except to the extent that such maintenance, repair or replacement is required due to the act or neglect of a Co-owner or his agent, guest, invitee, tenant, or other non Co-owner occupant for which such Co-owner is responsible, and the cost thereof shall be a cost of administration. Even after dedication and acceptance of roads and road rights-of-way within the Condominium, the responsibility to maintain, keep up, repair and replace sidewalks within the Condominium and along or within any dedicated roads or road rights-of-way shall be borne by the Association as a cost of administration, except as provided in Section 3(j) below.
- (j) Co-owner Responsibility for Sites. The responsibility to maintain, decorate, repair and replace all residences, structures and improvements located within the Sites, including, without limitation, the dwelling, utility leads, interior sidewalks, lawn, landscaping and any and all other improvements therein, and the cost thereof shall be borne by the Co-owner of the Site; provided, however, that if the Co-owner fails to maintain and/or repair any residence, structure, improvement or other portion of the Site (including lawn

mowing and maintenance of landscaping) to such standards, if any, as are required by the Condominium Documents or rules and regulations adopted in accordance with Article VI, Section 11 of the Bylaws, then the Association (or the Developer during the Development, Construction and Sales Period) shall have the right, but not the obligation, to perform such maintenance and/or repair and charge the Co-owner the costs thereof and collect such costs in the manner provided for the collection of assessments as set forth in Article II of the Bylaws. In the event of a conflict between the Developer and the Association regarding the enforcement of this Section, the Developer's rights shall control over the Association's rights during the Development, Construction and Sales Period.

- (k) **Public Utilities.** Public utilities furnishing services such as electricity and telephone to the Condominium shall have reasonable access to the Common Elements and Condominium Sites, including the dwelling structures constructed thereon, to reconstruct, repair or maintain such services, and any costs incurred in opening and repairing any wall of a dwelling structure to reconstruct, repair or maintain such service shall be borne by the individual Co-owner as set forth in Section 3 above. Each Co-owner shall be responsible to pay all utility service deposits and charges attributable to his Site.

Section 4. **Use of Sites and Common Elements.** No Co-owner shall use his Site or the Common Elements in a manner that is inconsistent with the purposes of the Condominium or which may be expected to interfere with or impair the right of another Co-owner to use and enjoy his Site or the Common Elements.

Section 5. **Special Assessment Districts.** Upon approval by an affirmative vote of not less than fifty-one percent (51%) of all Co-owners, the Association shall be empowered to sign petitions requesting establishment of a special assessment district pursuant to provisions of applicable Michigan statutes providing for improvements financed by special assessments, including the construction or improvement of roads within or adjacent to the Condominium. In the event that a special assessment road project is established pursuant to applicable Michigan law, the collective costs assessable to the condominium premises as a whole shall be borne equally by all Co-owners.

## **ARTICLE V** **SITE DESCRIPTION AND PERCENTAGE OF VALUE**

Section 1. **Description of Sites.** The Condominium initially shall consist of thirty six (36) Sites. Each Site is described in this Section with reference to the Condominium Subdivision Plan of the Condominium. Each Site shall consist of the space contained within the Site boundaries, as delineated on the Condominium Subdivision Plan, together with all appurtenances thereto.

Section 2. **Percentages of Value.** The percentages of value assigned to each Site shall be equal. The determination that percentages of value should be equal was made after reviewing the comparative characteristics that would affect maintenance costs and value of each Site in the Condominium and concluding that there are not material differences among the Sites insofar as the allocation of percentages of value is concerned. The percentage of value assigned each Site shall be determinative of each Co-owner's undivided interest in the Common Elements, his proportionate share in the proceeds and expenses of administration and the value of such Co-

(100%). Each Site number is as it appears on the Condominium Subdivision Plan.

Section 3. Modification of Sites and Common Elements by Developer. The size, location, nature, design and/or elevation of Sites and/or Common Elements appurtenant or geographically proximate to any Sites described in the Condominium Subdivision Plan may be modified, in Developer's sole discretion, subject to Township approval, by amendment to this Master Deed, affected solely by the Developer. All Co-owners and mortgagees of Sites and other persons interested or to become interested in the Condominium from time to time shall be deemed to have unanimously consented to such amendment or amendments to this Master Deed to effectuate the foregoing. All such interested persons irrevocably appoint Developer 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.

## ARTICLE VI CONVERTIBLE AREA

Section 1. Convertible Area. The Developer intends to create Sites as indicated on the Condominium Subdivision Plan. However, the Developer reserves the right to convert unsold Sites and/or the General Common Element land immediately adjacent to unsold Sites in order to make reasonable changes to Site boundaries and sizes, and to increase or decrease the immediately adjacent General Common Element sizes accordingly; subject, however, to Township approval if conversion would result in a material change in the Township - approved site plan for the Condominium. The Developer also reserves the right to convert any General Common Element to a Limited Common Element and/or to designate General Common Elements that may subsequently be assigned as Limited Common Elements.

Section 2. Time Period in Which to Exercise Option to Convert. The Developer's option to convert certain areas of the Condominium as provided in Section 1 above may be exercised by the Developer at any one time or at any different times within six (6) years after the date of the recording of this Master Deed. This period may be extended with the prior approval of sixty-six and two-thirds (66-2/3%) of all Co-owners who are entitled to vote as of the record date for said vote.

Section 3. No Additional Sites to be Created in Convertible Area. No additional Sites shall be added to the Condominium as a result of the exercise of the Developer's option to convert the Condominium reserved in Section 1 above, since the Developer's right to convert the Condominium is limited solely to the right to reasonably alter types, sizes, and/or boundaries of the Sites and the adjacent General Common Elements and/or to convert General Common Elements, as provided in Section 1 above.

Section 4. Storm Water Facilities; Wetlands and Open Space. Any conversion in accordance with this Article VI shall take into account, and make adequate and equitable provision for the continuation of, storm water management within the Condominium. Further, the Developer's conversion rights are subject to the requirements of the State of Michigan and the Township regarding wetlands and the areas identified as Open Space on the Condominium Plan.

## ARTICLE VII INTENTIONALLY DELETED

## ARTICLE VIII OPERATIVE PROVISIONS

The provisions set forth in this Article shall govern any conversion or contraction pursuant to Articles VI or VII above.

Section 1. Amendment of Master Deed and Modification of Percentages of Value. Any conversion or contraction of this Project 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 one hundred percent (100%) for the entire Condominium resulting from such amendment or amendments to this Master Deed and preserving equal percentages of value for each Site. The precise determination of the readjustment in the percentages of value shall be made within the sole judgment of the Developer. Such readjustments, however, shall reflect a continuing reasonable relationship among percentages of value based upon the method of original determination of percentages of value for the Condominium.

Section 2. Redefinition of Common Elements. Any amendment or amendments to the Master Deed for any such purpose also shall contain such further definitions and re-definitions 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 and/or to adequately describe, serve and provide access to the remaining portion of the Condominium. 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.

Section 3. Consent of Interested Persons. All of the Co-owners and mortgagees of Sites 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 purposes of Articles VI and/or VII above, and to any proportionate reallocation of percentages of value of existing Sites which Developer or its successors and assigns may determine necessary in conjunction with such amendment or amendments, if applicable. All such interested persons irrevocably appoint Developer or 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, Bylaws and Condominium Subdivision Plan, and may incorporate by reference the entire or any pertinent portion of the Master Deed, Bylaws and Condominium Subdivision Plan.

## **ARTICLE IX**

### **EASEMENTS, COVENANTS AND RESTRICTIONS**

Section 1. Existing Easements, Rights of Way, Building and Use Restrictions of Record and Government Limitations. The Developer declares that the Condominium shall be established and shall exist subject to the PD Agreement, this Master Deed and: (a) the rights of the public and any governmental authority over that portion of the Condominium Premises, if any, as lies within the right-of-ways of Eleven Mile Road, Spalding Road or Milford Road, and the roadways in the Condominium; (b) the rights of others utilizing the roads in the PD Land to obtain ingress from and egress to Eleven Mile Road, Spalding Road or Milford Road and the roadways in the Condominium, and for storm water drainage; (c) all easements, rights-of-way and, insofar as they are valid and enforceable, building and use restrictions, if any, as are of record on the date this Master Deed is recorded in the office of the Oakland County Register of Deeds; and (d) all valid government limitations as may be applicable to the Condominium and/or the Condominium Premises. All such easements and rights-of-way of which the Developer has actual knowledge are shown or referenced upon the Condominium Subdivision Plan. The Developer intends, and expressly reserves the right, to convey all individual Sites n the Condominium by warranty deed subject to the foregoing exceptions.

Section 2. Easements for Maintenance of Encroachments, Utilities, Storm Water Management System and Surface Drainage. If any building or structure constructed upon a Site or Common Element encroaches upon another Site or Common Element due to shifting, settling or movement of the building or structure, or due to survey errors, or construction deviations, 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 any destruction. This Section shall not be construed to allow or permit any encroachment upon, or an easement for an encroachment upon, any Sites described in this Master Deed that are comprised of land and/or airspace above and/or below said land without the consent of the Co-owner of the Site to be burdened by the encroachment or easement. There shall be easements to, through and over the Sites and the General Common Element land for the continuing maintenance and repair of water mains, sanitary sewers, the storm water management system (which shall include both surface drainage from adjacent portions of the Condominium and, where applicable, an easement for natural storm water detention and retention up to the spillover elevation on the low portion which remains after the construction of a dwelling upon and the final grading of the Site) and other utilities.

Section 3. Easement Retained by Developer and Granted to Association and Township for Maintenance, Repair and Replacement. There shall exist permanent non-exclusive easements to and in favor of the Developer, the Association and all public and private utilities in, on and over all Sites and Common Elements in the Project, for such access to the Sites as may be necessary to fulfill any of their respective responsibilities of maintenance, decoration, repair, replacement or upkeep which they or any of them are required or permitted to perform under the Condominium Documents or by law, or to respond to any emergency or common need of the Condominium, including, without limitation, tapping into the exterior water spigot serving any Site for landscape and lawn maintenance and/or any other purpose as may be necessary to fulfill said maintenance, decoration, repair, replacement or upkeep responsibilities.

There also shall exist a permanent non-exclusive easement in favor of the Township on and over all Common Elements in the Project for their inspection, maintenance and repair. None of the Developer, the Association, the Township or any such public or private utility shall be liable to the Co-owner of any Site or any other person, in trespass or any other form of action, for the exercise of rights pursuant to this Section or any other provision of the Condominium Documents which grant such easements, rights of entry or other means of access. No failure by the Developer, the Association, the Township or any public or private utility to take any such action shall be deemed a waiver of its right to take any such action at a future time. This easement is granted to the Township solely in order that the Township from time to time may inspect, and, upon thirty (30) days' prior notice by the Township to the Association specifying in reasonable detail the corrective action to be taken and the failure of the Association to do so, to perform the Association's responsibilities for the maintenance and repair of the Common Elements, or any portion thereof. The Association shall reimburse the Township promptly for all actual costs incurred by the Township to maintain or repair any of the Common Elements within the Condominium plus, if so provided by Township ordinance or by agreement with the Association, a reasonable administrative fee therefore, promptly after receipt of a demand therefore supported by reasonable evidence of the actual costs so incurred by the Township; and, upon the failure or refusal of the Association to do so, the Township shall have the right to assess the unpaid amount pro rata among all Sites in the Project and to obtain a lien against the Sites for the payment thereof. All costs incurred by the Association or the Developer to perform any responsibilities required in the first instance to be borne by any Co-owner shall be assessed against such Co-owner and shall be due and payable with his installment of the annual assessment next falling due, and a lien for nonpayment shall attach as in all cases of regular assessments and may be enforced by the use of all means available to the Association under the Condominium Documents and by law for the collection of regular assessments including, without limitation, legal action and foreclosure of the lien securing payment.

Section 4. Easement for Emergency and Certain Government Services. There shall exist for the benefit of the Co-owners, all federal, state and local government Sites and agencies (including, without limitation, the United States Postal Service, the Michigan Department of Environmental Quality, the County of Oakland, the Township and the South Lyon Community Schools), all utility providers, any public or private emergency service agency and their respective licensees and invitees an easement over all General Common Element roadways and General Common Element pedestrian walks in the Condominium. Said easement shall be for purposes of ingress and egress to provide, without limitation, mail delivery, fire and police protection, utility services, ambulance and rescue services and all other lawful governmental and private services to the Condominium and Co-owners. This grant of easement shall in no way be construed as a dedication of any such roadway or pedestrian walk to the public.

(a) Water Supply System Easement. The Developer hereby reserves and declares perpetual and permanent Water Supply System Easement in favor of the Water Supply System Easement Grantee, in over, under and through the Common Elements of the Condominium as shown on the Condominium Subdivision Plan and as actually constructed. The Water Supply System Easement may not be amended or revoked except with the written approval of the Water Supply System Easement Grantee. The Water Supply System Easement Grantee shall have the right to sell, assign, transfer or convey

the Water Supply System Easement to any other governmental Site. Developer and Co-owners shall not build or convey to others any permission to build any permanent structures on the Water Supply System Easement. Co-owners shall not build or place any type of structure, fixture or object, or engage in any activity to take any action, or convey any property interest or right, that would in any way either impair or threaten to impair, obstruct, or adversely affect the rights of the Water Supply System Grantee under the Water Supply System Easement herein reserved and declared. The Water Supply System Easement Grantee shall have the right of entry on, and to gain access to, the Water Supply System Easement. All persons acquiring any interest in the Condominium, including without limitation all Co-owners and Mortgagees, release the Water Supply System Easement Grantee from any and all claims to damages in any way arising or incident to the construction and maintenance of the Water Supply System or otherwise arising from or incident to the exercise by the Water Supply System Easement Grantee of its rights under the Water Supply System Easement, and all Co-owners covenant not to sue the Water Supply System Easement Grantee for any such damage.

The rights granted to the Water Supply System Easement Grantee under this article may not be amended without the express written consent of the Water Supply System Easement Grantee. Any purported amendment or modification of the rights granted under this section shall be void and without legal effect unless agreed to in writing by the Water Supply System Easement Grantee.

(b) Novi - Lyon Storm Drain Easement: The Developer hereby reserves and declares a perpetual and permanent easement in favor of the Oakland County Drain Commissioner, the Novi - Lyon Drain Drainage District, (referred to as "Grantee"), and Grantee's successors, assigns and transferees, in, over, under and through the property described as The Glens at Crystal Creek, which easement may not be amended or revoked except with the written approval of Grantee, and which contains the following terms and conditions and grants the following rights:

1. The easement shall be for the purposes of developing establishing, constructing, repairing, maintaining, deepening, cleaning, widening and performing any associated construction activities and grading in connection with any type of drainage facilities, storm drains, or related appurtenances, in any size form, shape or capacity;
2. The Grantee shall have the right to sell, assign, transfer or convey this easement to any other governmental Site;
3. No owner in the condominium complex shall build or convey to others any permission to build any permanent structure on the said easement;
4. No owner in the condominium complex shall build or place on the area covered by the easement any type of structure, fixture or object, or engage in any activity or take any action, or convey any property interest or right that would in any way either actually or threaten to impair, obstruct, or adversely affect the rights of Grantee under the said easement;

5. The Grantee and its agents, contractors and designated representatives shall have right of entry on, and to gain access to, the easement property;
6. All owners in the condominium complex release Grantee and its successors, assigns or transferees from any and all claims to damages in any way arising from or incident to the construction and maintenance of a drain or sewer or otherwise rising from or incident to the exercise by Grantee of its rights under the said easement and all owners covenant not to sue Grantee for any such damages.

The rights granted to the Oakland County Drain Commissioner, the Novi – Lyon Drain Drainage District, and their successors and assigns, under this Master Deed may not, however, be amended without the express written consent of the Grantee hereunder. Any purported amendment or modification of the rights granted hereunder shall be void and without legal effect unless agreed to in writing by the Grantee, its successors or assigns.

Section 5. Eleven Mile Road, Spaulding Road or Milford Road Right-of-Way; Private Roads and Sidewalks; Reservation of Right to Dedicate or Transfer Title to Same for Public Use. The Developer, during the Development, Construction and Sales Period, and thereafter the Association, reserves and shall have the right to dedicate for public highway purposes, or in lieu thereof to transfer title, to the Road Commission for Oakland County all, or such part as the Road Commission for Oakland County shall accept, of the "Spaulding and Milford Road Rights-of-Way", as legally described and depicted in the Condominium Subdivision Plan. Any such right-of-way dedication or transfer of title may be made 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 the Condominium Subdivision Plan recorded in the Oakland County Records. All of the Co-owners and mortgagees of Sites 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 of this Master Deed to effectuate the foregoing right-of-way dedication or transfer of title. The Developer's reservation of this right to dedicate or transfer title to the General Common Element roadways and/or General Common Element pedestrian walks shall not be construed to require that the Developer or Association do so, or to increase or otherwise alter any obligation which the Developer otherwise may have under the PD Agreement with respect to the construction or installation of roads and pedestrian walks in the Condominium.

All roadways in the Condominium are private as of the date of this Master Deed. However, Developer intends to dedicate all roads and road rights-of-way within the Condominium to the appropriate governmental agency. Until such dedication by Developer and the acceptance of such roads and road rights-of-way by the appropriate governmental agency, the responsibility to maintain, keep up, repair and replace open space within roadways, roadways shall be borne by the Association, subject to any provisions of this Master Deed or the Bylaws expressly to the contrary and except to the extent that such maintenance, repair or replacement is required due to the act or neglect of a Co-owner or his agent, guest, invitee, tenant, or other non Co-owner occupant for which such Co-owner is responsible, and the cost thereof shall be a cost of administration. Even after dedication and acceptance of roads and road rights-of-way within the

Condominium, the responsibility to maintain, keep up, repair and replace sidewalks within the Condominium and along or within any dedicated road rights-of-way shall be borne by the Association as a cost of administration. Roads, road rights-of-way (prior to dedication and acceptance) and sidewalks within the Condominium, and, with respect to sidewalks, those in the Condominium or located along or within any road or road right-of-way, may be expected to require periodic maintenance, repair, re-surfacing and/or reconstruction and, subject to any right of recovery or cost-sharing provided in any other provision of this Article or elsewhere in the Condominium Documents, and to any such right as may otherwise by law exist, the Association shall be responsible to perform and bear the cost thereof as a cost of administration. The Township at any time and from time to time may, but is not required, upon thirty (30) days' prior notice by the Township to the Association specifying in reasonable detail the corrective action to be taken, and the subsequent failure of the Association to do so, to perform the Association's responsibilities for the maintenance, repair, re-surfacing or reconstruction of any such private roadway or pedestrian walkway, in which event the Association shall reimburse the Township promptly for all actual costs so incurred by the Township plus, if so provided by Township ordinance or by agreement with the Association, a reasonable administrative fee, promptly after receipt of a demand therefore supported by reasonable evidence of the actual costs so incurred by the Township. Upon any failure or refusal of the Association to so reimburse the Township, the Township shall have the right to assess the unpaid amount pro rata among all Sites in the Project and to obtain a lien against the Sites for the payment thereof.

The Developer assumes with respect to such roadways and walkways only the responsibility to construct same to the applicable standards and requirements of the Township's Ordinance to Regulate Private Roads, being Township Ordinance 37D-99, as the same may be modified or supplemented by the PD Agreement. The PD Agreement provides that the roadways within the Project shall comply with all of the requirements specified in the Ordinance to Regulate Private Roads in effect at the time of execution of the PD Agreement, which requirements include, without limitation, minimum road width and design standards, road sign standards and the requirement that the Developer cause a private road easement agreement and a private road maintenance agreement to be executed and recorded in the Oakland County Records. The Developer provides no assurance that its compliance with such standards and requirements also will meet or exceed all requirements of the Road Commission for Oakland County to accept any future proposed dedication of any roadways for public use and maintenance.

The Developer reserves the right at any time during the Development, Construction and Sales Period, and the Association shall have the right thereafter, to dedicate, or in lieu thereof, to transfer title to, the rights-of-way of any or all of the General Common Element roadways and/or General Common Element pedestrian walks in the Project to the Road Commission for Oakland County or another appropriate municipal authority for public use. Any such right-of-way dedication or transfer of title may be made 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 the Condominium Subdivision Plan recorded in the Oakland County Records. All of the Co-owners and mortgagees of Sites 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 of this Master Deed to effectuate the foregoing right-of-way dedication or transfer of title. The Developer's reservation of this right to dedicate

or transfer title to the General Common Element roadways and/or General Common Element pedestrian walks shall not be construed to require that the Developer or Association do so, or to increase or otherwise alter any obligation which the Developer otherwise may have under the PD Agreement with respect to the construction or installation of roads and pedestrian walks in the Condominium.

Section 6. Wetlands. The wetlands areas depicted on the Condominium Subdivision Plan shall be subject to, and shall be retained, maintained and used in conformance with, all applicable statutes, all regulations and requirements of the Michigan Department of Environmental Quality and any applicable Township ordinances. The wetlands may also be subject to a conservation easement which could further restrict the use of the wetlands areas. In no event shall boating, swimming or any other active recreational activity be permitted in a wetlands area. In no event shall the Association, any Co-owner or any other person destroy, alter, mow, weed or construct or erect any improvement within any portion of a Site or the General Common Element land which is designated a wetlands area. The Developer shall install, and the Association shall be responsible to maintain, signage designating the perimeter of all such wetlands areas throughout the Condominium Premises. In addition to such powers as by law the Michigan Department of Environmental Quality may have for the enforcement of the land use restrictions described in this Section 6, and without limiting the rights conferred upon the Township by the PD Agreement and the applicable Township Zoning Ordinance, the Developer, during the Development, Construction and Sales Period, and thereafter the Association, shall be a proper party to request the entry of an injunctive order or other appropriate relief by a court of appropriate jurisdiction for the protection of wetlands and observance of the land use restrictions of this Section 6. Certain sites may contain wetlands and by the conveyance of a Site, each Co-owner of such Site acknowledges and accepts the restrictions placed upon the use of the wetlands set forth in this Master Deed and the PD Agreement.

Section 7. Michigan Right to Farm Act Notice. The PD Land, including, without limitation, the Condominium Premises and Area of Future Development, may be located in the vicinity of a farm or farm operation. Generally accepted agricultural and management practices may be utilized by the farm or farm operation and may generate usual and ordinary noise, dust, odors and other associated conditions, and these practices are protected by the Michigan Right to Farm Act, MCL 286.471 et. seq.

Section 9. Disclosure of Additional Uses Authorized Within PD Land. The Township, pursuant to the PD Agreement, has authorized the Developer to establish **THE GLENS AT CRYSTAL CREEK** as a site condominium project which will be a part of a mixed use development of the PD Land and may include all, or some, of the following additional uses: (a) multiple-family attached residential housing development; (b) storm water detention and retention facilities; (c) common open spaces; and (d) a public elementary school and associated athletic fields and facilities which will be operated by the South Lyon Community Schools. It is anticipated that the Developer of the Condominium will also be the developer of The Villas at Crystal Creek, a multiple-family attached residential housing development, but other persons or entities, including the South Lyon Community Schools, will develop and operate the other uses described above. The existence, nature and location of one or more of these uses may be material to the purchase decision of a prospective Site purchaser in **THE GLENS AT CRYSTAL CREEK**.

**Section 10. Easement Retained by Developer Over General Common Elements for Development, Construction and Sale.** Except as and unless any such Common Element has been dedicated to and accepted by the Township or another municipal authority, the Developer, its successors and assigns, and all builders, if any, to which it shall specifically delegate its rights hereunder, and shall have during the Development, Construction and Sale Period, a private non-exclusive easement for the unrestricted use of all unsold Sites and the General Common Element land, roadways and pedestrian walks for the purpose of: (a) developing, constructing and selling unsold Sites and Condominium improvements; and (b) developing, constructing and erecting improvements upon, and selling condominium Sites and dwellings within, any other portion(s) of the PD Land. The Developer's reserved rights shall include, but not be limited to, the right, in furtherance of such development, construction and sales activities, to: (I) maintain and operate a sales office in the Condominium; (II) post and maintain on Common Element lands, subject to compliance with any applicable Township ordinance, sales advertising signs describing this Condominium and/or any other development within the PD Land; (III) invite onto unsold Sites and Common Element lands, and provide thereon temporary parking for, construction personnel and members of the general public who are interested in the purchase of a Site or subdivision lot within the PD Land; (IV) utilize, and permit all such invitees, contractors and construction personnel to utilize, the roads and utilities in the Condominium; and (V) generally do all such additional things and utilize such of the Common Elements, not inconsistent with the use and enjoyment rights of existing Co-owners, as are necessary or beneficial to the efficient and orderly development, construction and sale of improvements within this Condominium and all other portions of the PD Land. Notwithstanding anything contained in this Section 9 to the contrary, in no event shall Developer post any off-site signage in violation of Township ordinances used to advertise the Condominium.

**Section 11. Easement Retained by Developer Over General Common Element Roadways and General Common Element Pedestrian Walks.** The Developer reserves for the use and benefit of itself, its successors and assigns, with respect to portions of the PD Land located outside this Condominium which it owns, and grants for the use and benefit of the owners, their successors and assigns, of all other portions of the PD Land located outside this Condominium, together with their respective occupants and invitees, a permanent non-exclusive easement for the use of the General Common Element roadways and General Common Element pedestrian walks. All expenses incurred by the Association for the maintenance, repair, replacement and resurfacing of any such roadway or pedestrian walk shall be shared by Site Owners of the Condominium, provided that any such roadway or pedestrian walk has not been deeded or dedicated to and accepted for maintenance by the Road Commission for Oakland County or another municipal authority.

**Section 12. Easement Retained by Developer to Tap Into Utilities, to Utilize Detention Areas and for Surface Drainage; Utility Maintenance Easements and Expenses.** The Developer hereby reserves for itself, its successors and assigns, and for the use and benefit of the Association and all future owners of condominium Sites and subdivision lots in all other portions of the PD Land which at any time are developed for residential use, perpetual non-exclusive easements to utilize, tap, tie into, extend and enlarge all utility mains and laterals located on 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 telecommunications systems, and storm, water and sanitary sewer mains laterals and detention ponds. In the event that the

Developer, its successors and assigns, utilizes, 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, typing in, extension or enlargement. All expenses of maintenance, upkeep, repair and replacement of the utility mains, laterals and detention ponds described in this Article IX, Section 12 shall be shared by this Condominium and all other portions of the PD Land which are served by such utility mains, laterals or detention ponds. The Co-owners of this Condominium (to be paid as a cost of administration by the Association) shall be responsible, from time to time, to pay 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 Sites in this Condominium, and the denominator of which is comprised of the number of such Sites plus all completed dwellings that are then located in all other portions of the PD Land which are developed for residential use and served by such utility mains, laterals or detention areas; provided, however, that the foregoing expenses are to be so paid and shared only if and to the extent that such utilities are not owned by and such expenses are not borne by a governmental agency or public utility; provided, further, that the expense sharing shall be applicable only to any of the utility mains and laterals so utilized, and all expenses of maintenance, upkeep, repair and replacement of utility leads shall be borne by the Association, to the extent such leads are located in this Condominium, and by the owner or owners, or any association of owners, as the case may be, of any other developed portion of the PD Land, to the extent such leads are located therein.

The Developer also reserves the right, for so long as the storm sewer system, sanitary sewer system and water mains serving the Condominium remains private, to grant and convey to the owner of any portion(s) of the PD Land the right to utilize, tap, tie into, extend and enlarge any storm sewer system, sanitary sewer system and water mains or lateral, in the event the Developer, its successors and assigns, utilizes, 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, typing in, extension or enlargement. In all other respects, the Developer may confer those rights upon such terms and conditions as the Developer shall determine, and the Developer alone shall be entitled to retain any consideration paid therefore.

The Developer also hereby reserves for the benefit of itself, its successors and assigns, a perpetual non-exclusive easement to modify the landscaping and/or grade in any portion of the Condominium Premises in order to preserve and/or facilitate surface drainage in any other developed portion of the PD Land. The Developer, its successors and assigns, shall bear all costs of such modifications. Any such modification to the landscaping and/or grade in the Condominium Premises under the provisions of this Article IX, Section 12, shall not impair the surface drainage in this Condominium.

The Association and the Township each shall have perpetual non-exclusive easements in, over, under, through and across exterior areas of the Condominium Premises to inspect, maintain and restore the adequacy of any storm water drains, detention ponds and other storm water facilities, and for surface water drainage. This easement is granted to enable the Association from time to time to perform its responsibilities: (i) for the operation, inspection, maintenance and repair of any drains and for surface drainage over, across and under the Condominium Premises; and (ii)

to develop, establish, construct, repair, maintain, deepen, clean and widen, and to perform any associated construction activities and grading in connection with, any storm water drains, detention ponds or other types of storm water drainage facilities, in any size, form, shape or capacity, which serve the Condominium Premises and/or other developed portions of the PD Land. This easement is granted to the Township in order that the Township from time to time may inspect, and, upon thirty (30) days' prior notice by the Township to the Association specifying in reasonable detail the corrective action to be taken, upon the failure of the Association to do so, to perform the Association's responsibilities for the maintenance and repair of the storm water facilities and surface drainage within the Condominium. The Association shall reimburse the Township promptly for all actual costs incurred by the Township to maintain or repair any of the storm water facilities or surface drainage within the Condominium plus, if so provided by Township ordinance or by agreement with the Association, a reasonable administrative fee therefore, promptly after receipt of a demand therefore supported by reasonable evidence of the actual costs so incurred by the Township; and, upon the failure or refusal of the Association to do so, the Township shall have the right to assess the unpaid amount pro rata among all Sites in the Project and to obtain a lien against the Sites for the payment thereof. All of the costs incurred by the Association, for such maintenance, operation and repair initially shall be borne by the Association as a cost of administration of the Condominium; provided, that all other portion(s) of the PD Land which are developed for residential use and served by any such storm water drain, detention pond or other storm water facility located within the Condominium for which the Association has maintenance responsibility shall reimburse the Association, from time to time, for a portion of the Association's costs incurred for its maintenance, repair and/or replacement, which proportion shall be determined by multiplying said expenses times a fraction, the numerator of which is the number of completed dwellings in such other developed portion of the PD Land and the denominator of which is the sum of the number of completed dwellings in this Condominium plus all completed dwellings that are then located in all other developed portion(s) of the PD Land which are served by such storm water drain or other storm water facility.

Section 13. Reservation of Right to Dedicate to Public Use or to Grant Easements for Use of Private Utilities. The Developer reserves the right at any time during the Development, Construction and Sales Period, and the Association shall have the right thereafter, to dedicate all, or any, of the Common Element private utilities, roadways and pedestrian walks in the Project to the Township or Road Commission of Oakland County or another appropriate municipal authority which at that time agrees to accept the same for public use, or in lieu thereof to grant easements for private utilities over, under and across the Condominium. Any such dedication or grant of easement may be made without the consent of any Co-owner, mortgagee or other person and shall be evidenced by an appropriate amendment to this Master Deed and the Condominium Subdivision Plan, recorded in the Oakland County Register of Deeds. All Co-owners and mortgagees 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 amendments to this Master Deed as may be required to effectuate the foregoing dedication or grant of easement. This right to dedicate or grant easements transfer title to the roadways and sidewalks in the Project in no way whatsoever obligates the Developer or Association to construct or install any private utility in a manner suitable for acceptance of such dedication by the appropriate municipal authority.

Section 14. Association Right to Grant Easements. The Association, acting through its lawfully constituted Board (including any Board acting prior to the First Annual Meeting), shall be empowered and obligated to grant such other easements, licenses, rights-of-entry and rights-of-way over, under, and across the Condominium Premises for utility purposes, access purposes or other lawful purposes as may be necessary, for the benefit of the Condominium; subject, however, to the approval of the Developer during the Development, Construction and Sales Period.

Section 15. Open Space. The Developer hereby declares that, except as the Developer has proposed in this Master Deed or the Condominium Subdivision Plan for the construction, erection or installation of any building or other structure, roadway, parking lot, pedestrian walk, utility (including detention area) or other Common Element, the General Common Element land shall be owned, developed, used and retained predominantly in its natural, scenic and open space condition; provided, however, that recreational uses shall be permissible in accordance with rules and regulations promulgated by the Board of Directors of the Association pursuant to Article VI, Section 11 of the Bylaws, to the extent not forbidden by this Master Deed or any Exhibit hereto, or by the PD Agreement or any Township ordinance which is applicable to the Project.

Section 16. Telecommunications and Security Agreements. The Association, acting through its Board of Directors, and subject to the Developer's approval during the Development, 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, right-of-way agreements, access agreements and multi-Site agreements and, to the extent allowed by law, contracts for sharing of any installation or periodic subscriber service fees and agreement for the provision of security services as may be necessary, convenient or desirable to provide for telecommunications, videotext, broad band cable, satellite dish, antenna, multi-channel multi-point distribution service and similar services (collectively "Telecommunications") to the Condominium or any Site therein, and for security services to the extent the Board deems it necessary. 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 any 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 within the meaning of the Act and shall be paid over to and be the property of the Developer during the Development, Construction and Sales Period and, thereafter, of the Association.

Section 17. Entrance Easements. The Developer reserves for the use and benefit of itself, its successors and assigns, a non-exclusive easement at any time and from time to time prior to the Developer's completion of the development, construction and sale of all portions of the PD Land which are owned by it, or, if sooner, by no later than the expiration or termination of the PD Agreement, to enter upon the Condominium Premises in the vicinity of the Eleven Mile Road and Spaulding Road entrances to the Condominium, and thereupon to install and erect such walls, signs, structures, improvements and landscaping designating the entrance to: (a) the Condominium; (b) any other condominium or subdivision as may be established in the PD Land; and (c) any other use permitted by the PD Agreement as is established in the PD Land; provided,

however, that all such structures, improvements and landscaping must conform to the Landscape Plan attached to the PD Agreement. The Association shall, as a cost of administration, inspect, maintain, repair and replace any such entrance structure, improvement or landscaping from time to time, and the Developer reserves for and grants to the Association the right for such purposes to enter upon any Site in the Project insofar as it may reasonably be necessary in order to do so; provided, that if the Association shall fail to do so, the Developer shall retain the right, but not the obligation, to do so at any time during the time period provided in the initial sentence of this paragraph. The Association shall allocate to any use within the PD Land all expenses of maintenance, repair and replacement of such entrance area improvements which relate solely to that use, and all other such expenses shall be shared by this Condominium and all other residential developments as are established within any portion of the PD Land; provided, that the South Lyon Community School District shall be exempt from such responsibility. The Co-owners of this Condominium (to be paid as a cost of administration by the Association) shall be responsible from time to time to pay 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 dwellings in this Condominium, and the denominator of which is the sum of the number of such dwellings plus all completed dwellings that are then located in all other developed portions of the PD Land.

Section 18. Sharing of Expenses. For the purposes of this Article IX, the calculation of any fraction for the sharing of pertinent expenses according to the number of dwellings located in this Condominium and the number of dwellings located in all other developed portions of the PD Land shall include only those dwellings for which a certificate of occupancy has been issued by the Township.

## ARTICLE X AMENDMENT

Section 1. By Co-owners. This Master Deed and the Condominium Subdivision Plan (Exhibit "B" to said Master Deed) may be amended with the consent of sixty-six and two-thirds percent (66-2/3%) of all of the Co-owners, in number and in value, who are entitled to vote as of the record date for said vote, except as hereinafter set forth:

- (a) Modification of Sites or Limited Common Elements. No Site dimension may be modified without the consent of the Co-owner and mortgagee of such Site, nor may the nature or extent of Limited Common Elements or the responsibility for their maintenance, repair or replacement be modified in any material way without the written consent of the Co-owner and mortgagee of each Site to which the same are appurtenant.
- (b) Purposes of the Condominium. Amendments may be made to the Master Deed and its Exhibits in order to effect purposes of the Condominium, including, but not limited to any requirements of, or requests made by, governmental agencies.
- (c) Change in Percentage of Value. The method or formula utilized to determine the percentage of value assigned to any Site for the purpose of determining 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 Site be

modified without like consent, except as provided in Article V, Section 7(c) of the Bylaws, and except as provided in Article V and Article VI hereof.

- (d) Developer Approval. During the Development, Construction and Sales Period, Article V, Article VI, Article VIII, Article IX and this Article X shall not be amended nor shall the provisions thereof be modified by any other amendment to this Master Deed without the written consent of the Developer. During the time period referenced in the preceding sentence, no other portion of this Master Deed, the Bylaws or the Condominium Subdivision Plan may 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 together with the requisite number of affirmative votes. No easements created under the Condominium Documents may be modified or obligations with respect thereto varied without the consent of each owner benefited thereby.

Section 2. By Developer. Prior to one (1) year after expiration of the Development, 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 (Exhibit "B" hereto) in furtherance of any right expressly reserved in this Master Deed or in order to correct survey or other errors made in such documents and to make such other amendments to such instruments and to the Bylaws attached hereto as Exhibit "A" as do not materially affect any rights of any Co-owners or mortgagees in the Condominium, including, but not limited to, amendments for the purpose of facilitating conventional mortgage loan financing for existing or prospective Co-owners and to enable the purchase of such mortgage loans by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association and/or any other agency of the Federal government or of the State of Michigan and to comply with amendments to the Act.

Section 3. Mortgagee Approval. Notwithstanding any other provision of the Condominium Documents to the contrary, mortgagees are entitled to vote on amendments to the Condominium Documents only when and as required by the Act. Moreover, insofar as permitted by the Act, this Master Deed shall be construed to reserve to the Developer during the Development, Construction and Sales Period, and to the Co-owners thereafter, the right to amend this Master Deed and/or the Condominium Subdivision Plan without the consent of mortgagees, if the amendment does not materially alter or change the rights of mortgagees generally, or as may be otherwise described in the Act, notwithstanding that the subject matter of the amendment is one which in the absence of this sentence would require that mortgagees be afforded the opportunity to vote on the amendment. If, notwithstanding the preceding sentences, mortgagee approval of a proposed amendment to the Master Deed and/or Condominium Subdivision Plan is required by the Act, the amendment shall require the approval of sixty-six and two-thirds percent (66-2/3%) of the mortgagees of Sites entitled to vote thereon. Mortgagees are not required to appear at any meeting of Co-owners but their approval shall be solicited through written ballots in accordance with the procedures provided in the Act.

Section 4. Termination, Vacancy, Revocation and Abandonment. The Condominium may be terminated, vacated, revoked or abandoned only with the written consent of eighty percent (80%) of the non-Developer Co-owners, in number and in value, plus the Developer, during the Development, Construction and Sales Period, and as otherwise allowed by law.

## **ARTICLE XI** **ASSIGNMENT AND COMPLIANCE**

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, may be assigned by the Developer to any other entity or to the Association. Any such assignment or transfer shall be made by appropriate instrument in writing duly recorded in the Office of the Oakland County Register of Deeds. In the event that any provision of this Master Deed conflicts with the PD Agreement, the provision of the PD Agreement, as applicable, shall govern. In the event that any provision of this Master Deed conflicts with any provision of the Bylaws or the Condominium Subdivision Plan, the provisions of this Master Deed shall govern.

[signatures and notary appear on next page]

**CRYSTAL CREEK LAND, LLC., a  
Michigan limited liability company**

By: Ivanhoe Huntley Investment Company,  
LLC, a Michigan limited liability  
company  
Its: Sole Member

By: I-H Building Company, LLC, a Michigan  
limited liability company  
Its: Manager

By: \_\_\_\_\_  
Gary Shapiro  
Its: Manager

and

By: \_\_\_\_\_  
Steven Perlman  
Its: Manager

STATE OF MICHIGAN )  
                        ) ss  
COUNTY OF OAKLAND )

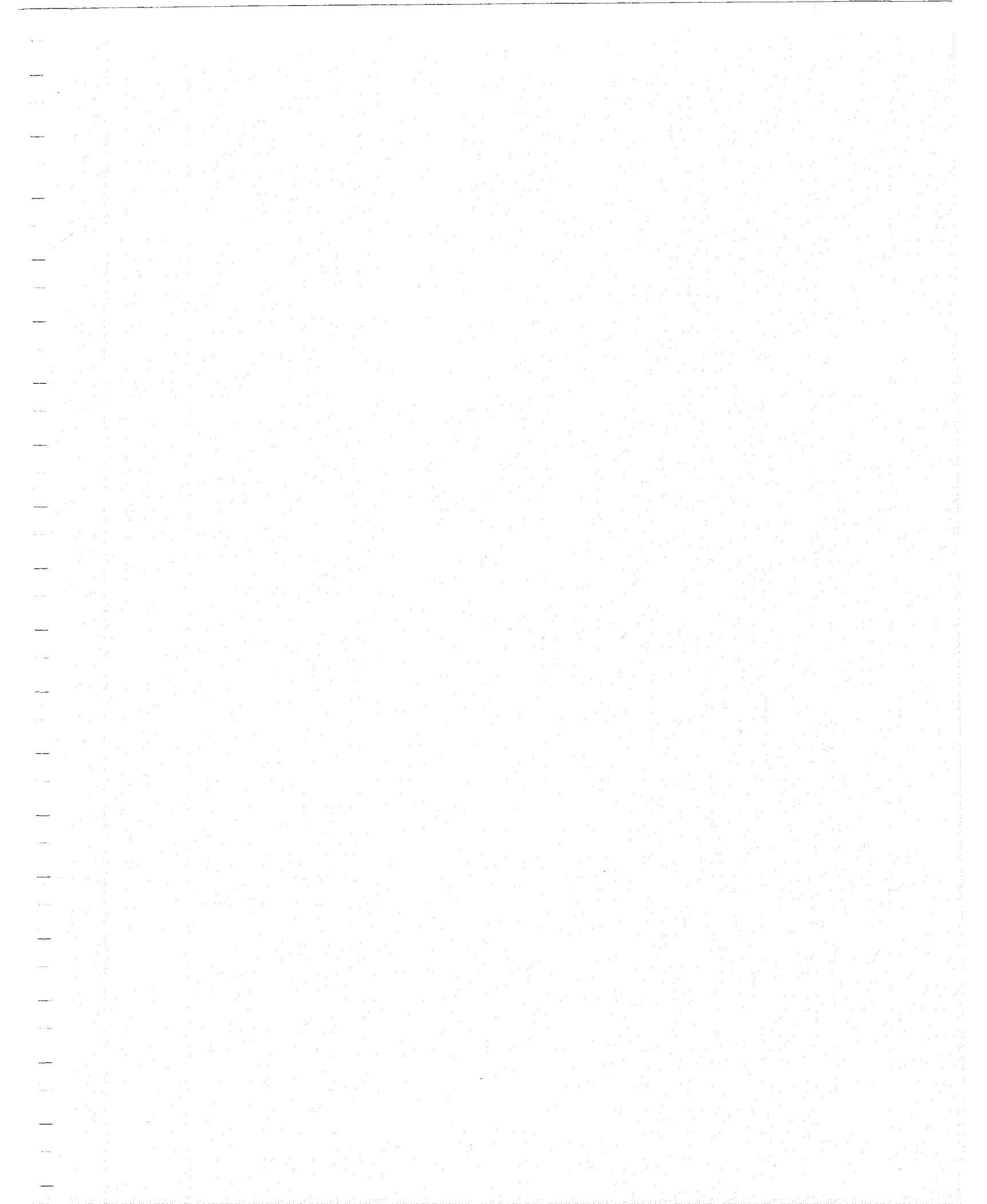
On this 23rd day of January, 2006, the foregoing Master Deed was acknowledged before me by Gary Shapiro and Steven Perlman as Managers of I-H Building Company, LLC, a Michigan limited liability company, the Manager of Ivanhoe Huntley Investment Company, LLC, a Michigan limited liability company, the sole member of Crystal Creek Land, LLC, a Michigan limited liability company, on behalf of said company.

C. S. Walker

, Notary Public  
County, Michigan  
Acting in C. S. WALKER County  
My Commission Expires Dec 19, 2006  
NOTARY PUBLIC WAYNE CO., MI  
MY COMMISSION EXPIRES Dec 19, 2006  
ACTING IN OAKLAND COUNTY, MI

Master Deed Drafted by and when Recorded Return to:

Jorge I. Beltran Esq.  
Kickham Hanley P.C.  
32121 Woodward Avenue  
300 Balmoral Centre  
Royal Oak, Michigan 48073



**THE GLENS AT CRYSTAL CREEK  
BYLAWS**  
**(EXHIBIT "A" TO THE AMENDED AND RESTATED MASTER DEED)**

**ARTICLE I  
ASSOCIATION OF CO-OWNERS**

The Glens at Crystal Creek, a residential site Condominium located in the Township of Lyon, County of Oakland, State of Michigan, shall be administered by an Association of Co-owners which shall be a nonprofit corporation, hereinafter called the "Association", which has been organized under the applicable laws of the State of Michigan, and is 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 Site in the Condominium. A Co-owner selling a Site 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 the mortgagees of Sites in the Condominium. All Co-owners in the Condominium and all persons using or entering upon or acquiring any interest in any Site 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 authority and responsibilities as set forth in the Condominium Documents and the Act shall be levied by the Association against the Sites and their Co-owners 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 Site 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 Site Co-owner shall continue to pay each semi-annual installment at the semi-annual rate established for the previous fiscal year until notified of any change in the semi-annual payment, which shall not be due until at least ten (10) days after such new annual or adjusted budget is adopted. An adequate reserve fund for maintenance, repair 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 semi-annual payments as set forth in Section 3 below, rather than by additional or special assessments. At a minimum, the reserve fund shall be equal to ten (10%) percent of the Association's current annual budget on a non-cumulative basis. Since the minimum standard required by this Section may prove to be inadequate for this particular Condominium, the Association 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. The funds contained in such reserve fund shall be used for major repairs and replacements of Common Elements. The Board of Directors may establish such other reserve funds as it may deem appropriate 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 Twenty-five Thousand Dollars (\$25,000.00), 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 5 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 2(a) above, subject to Article VII of these Bylaws, may be made by the Board of Directors from time to time and approved by the Co-owners as herein 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 \$25,000.00 per year; (2) assessments to purchase a Site 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 sixty (60%) percent in number and in value of all Co-owners entitled to vote as of the record date for said vote. The authority to levy assessments pursuant to this subsection is solely for the benefit of the Association and the members thereof and is not 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 Site in Article V of the Master Deed, without increase or decrease for the existence of any rights to the use of Limited Common Elements appurtenant to a Site. Any unusual expenses of administration, as may be determined in the sole discretion of the Board of Directors, which benefit less than all of the Sites in the Condominium, may be specially assessed against the Site or Sites so benefited and may be allocated to the benefited Condominium Site or Sites in the proportion which the percentage of value of the benefited Condominium Site bears to the total percentages of value of all Condominium Sites so specially benefited. Annual assessments as determined in accordance with Article II, Section 2(a) above shall be payable by the Co-owners in two (2) equal semi-annual installments, commencing with acceptance of a Deed to, or a land contract purchaser's interest in a Site, or with the acquisition of fee simple title to a Site 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 \$15.00 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. 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 attorneys' fees as the Association shall determine in its sole discretion and finally to installments in default in order of their due dates, earliest to latest.

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 Site that 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 Site which are

levied up to and including the date upon which the land contract seller actually takes possession of the Site following extinguishment of all rights of the land contract purchaser in the Site.

**Section 4. Waiver of Use or Abandonment of Site; 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 Site, or because of uncompleted repair work, or because of any failure of the Association to provide services and/or management to the Condominium or to the Co-owner.

**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 Site 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 Site. Each Co-owner of a Site in the Condominium acknowledges that at the time of acquiring title to such Site, 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 Site.

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 or additional assessment levied against the pertinent Site 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 Site(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 Oakland County 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, late charges, 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 Site. In the event of default by any Co-owner in the payment of any installment of the annual assessment levied against his Site, and/or in the event of default by any Co-owner in the payment of any installment and/or portion of any additional or special assessment levied against his Site, 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 additional or 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, or sign any petition for any purpose prescribed by the Condominium Documents or by law, and shall not be entitled to run for election or serve as a director or be appointed or serve as 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 Site. In a judicial foreclosure action, a receiver may be appointed to collect a reasonable rental for the Site from the Co-owner thereof or any persons claiming under him as provided by the Act.

**Section 6. Liability of Mortgagee.** Notwithstanding any other provision of the Condominium Documents, the holder of any first mortgage covering any Site in the Condominium which comes into possession of the Site pursuant to the remedies provided in the mortgage or by deed (or assignment) in lieu of foreclosure, or any purchaser at a foreclosure sale in regard to said first mortgage, shall take the property free of any claims for unpaid assessments or charges against the mortgaged Site which accrue prior to the time such holder comes into possession of the Site (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 Sites, including the mortgaged Site, and except for assessments that have priority over the first mortgage under Section 108 of the Act).

**Section 7. Developer's and Builders' Responsibility For Assessments.** During the Development, Construction and Sales Period, neither the Developer nor any Builder, although they are members of the Association, shall be responsible at any time for payment of: (a) the Association assessments, except with respect to completed and occupied dwellings on Sites that it owns; nor (b) except as provided below, any Association expenses whatsoever with respect to dwellings on Sites which are not completed and occupied, notwithstanding the fact that any Site,

on which there is a dwelling that is not completed and occupied, may have been included in the Master Deed. A completed dwelling on a Site is one with respect to which a Certificate of Occupancy has been issued by the Township. Certificates of Occupancy may be obtained by the Developer or a Builder at such times prior to actual occupancy as the Developer or Builder, as applicable, in its discretion, may determine. An occupied dwelling on a Site is one that is occupied as a residence. The Developer and each Builder, however, shall independently insure, maintain, repair and replace all dwellings on Sites it owns, and shall bear the cost thereof. During the Development, Construction and Sales Period, the Developer and each Builder also shall pay a proportionate share of all expenses actually incurred by the Association from time to time for the current administration, insurance and maintenance of any Common Element for which the Association is assigned the responsibility of repair, net of the proceeds of any insurance or Co-owner recovery, and shall also pay a proportionate share of the general administrative expenses of the Association incurred prior to the Transitional Control Date. The proportionate share of the Developer or Builder in all such expenses shall be determined based upon the ratio of completed but unoccupied dwellings on Sites that the Developer or Builder, as applicable, owns at the time the expense is incurred to the total number of Sites in the Condominium. Any assessment levied or expense claim made by the Association against the Developer or a Builder for any other purpose, in whole or in indivisible part, is hereby determined to be in respect of a common expense which benefits the completed and sold dwellings on Sites, only, and shall be void without the consent of the Developer or Builder, as applicable. Without limiting the foregoing, in no event shall the Developer or any Builder be responsible for payment during the Development, Construction and Sales Period, of any amount which, in whole or in indivisible part, is to finance deferred maintenance, reserves for replacement, capital improvements, the purchase of any Site or a dwelling on a Site from the Developer or a Builder, the cost of any litigation or claim against the Developer, its directors, officers, agents, principals, assigns, affiliates and/or the first Board of Directors of the Association or any directors of the Association appointed by the Developer, or any cost of investigating and/or preparing any such litigation or claim, or for any other special purpose, except with respect to a completed and occupied dwelling on a Site that it owns. Notwithstanding the foregoing, the Developer shall be responsible to fund any deficit or shortage in the Association's reserve fund for major repairs and replacements that exist at the Transitional Control Date as the result of the limited responsibility of the Developer and Builders for assessments, as provided in this Section.

**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. 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 10. Construction Lien.** A construction lien arising under the Construction Lien Act, No. 497 of the Michigan Public Acts of 1980, as amended, shall be subject to Section 132 of the Act, as amended.

**Section 11. Statement as to Unpaid Assessments.** Pursuant to the provisions of the Act, the purchaser of any Site may request a statement of the Association as to the outstanding amount of any unpaid Association assessments, interest, late charges, fines, costs, and attorney fees thereon, whether annual, additional 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 Site, the Association shall provide a written statement of such unpaid assessments, interest, late charges, fines, costs, attorney fees and related collection or other 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 Site 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 Site shall render any unpaid assessments together with interest, late charges, fines, costs, and attorney fees incurred in the collection thereof, and the lien securing same fully enforceable against such purchaser and the Site itself, to the extent provided by the Act. Under the Act, unpaid assessments, interest, collection and late charges, advances made by the Association for taxes or other liens to protect its liens, fines, costs, and attorney fees incurred in the collection thereof constitute a lien upon the Site and the proceeds of sale thereof prior to all claims except real property taxes and first mortgages of record having priority. The Association may charge such reasonable amounts for preparation of a statement as to unpaid assessments as the Association shall, in its discretion, determine.

**Section 12. Association Remedies Not Applicable to Default by Developer.** Neither the late charge applicable to assessments the payment of which are in default, as described in Section 3 of this Article II, nor the remedies afforded the Association to enforce the collection of assessments, expenses and other charges which are in default, as described in Section 5 of this Article II, shall be applicable to the Developer's liability for assessments, expenses and/or other charges which at any time during the Development, Construction and Sales Period become due and subsequently are in default notwithstanding that the Developer may then be a "Co-owner" within the meaning of Article III, Section 12 of the Master Deed.

**Section 13. Co-owner's Right to Vote when in Default.** Co-owners in default or in arrears in the payment of any assessment (whether special or routine), or Co-owners having any outstanding balance due to the Association may not cast a vote at the annual or any specially called meeting of the Association.

### **ARTICLE III** **JUDICIAL ACTIONS AND CLAIMS**

Actions on behalf of and against the Co-owners shall be brought in the name of the Association. Subject to the express limitations on actions in these Bylaws and in the Association's Articles of Incorporation, the Association may assert, defend or settle claims on behalf of all Co-owners in connection with the Common Elements of the Condominium. As provided in the Articles of Incorporation of the Association, the commencement of any civil action (other than one to enforce these Bylaws or collect delinquent assessments) shall require the approval of a majority in number and in value of the Co-owners, and shall be governed by the requirements of this Article III. The requirements of this Article III will ensure that the Co-owners are fully informed regarding the prospects and likely costs of any civil action the Association proposes to engage in,

as well as the ongoing status of any civil actions actually filed by the Association. These requirements are imposed in order to reduce both the cost of litigation and the risk of improvident litigation, and in order to avoid the waste of the Association's assets in litigation where reasonable and prudent alternatives to the litigation exist. Each Co-owner shall have standing to sue to enforce the requirements of this Article III. The following procedures and requirements apply to the Association's commencement of any civil action other than an action to enforce these Bylaws or to collect delinquent assessments:

**Section 1. Board of Directors' Recommendation to Co-owners.** The Association's Board of Directors shall be responsible in the first instance for recommending to the Co-owners that a civil action be filed, and supervising and directing any civil actions that are filed.

**Section 2. Litigation Evaluation Meeting.** Before an attorney is engaged for purposes of filing a civil action on behalf of the Association, the Board of Directors shall call a special meeting of the Co-owners ("litigation evaluation meeting") for the express purpose of evaluating the merits of the proposed civil action. The written notice to the Co-owners of the date, time and place of the litigation evaluation meeting shall be sent to all Co-owners not less than twenty (20) days before the date of the meeting and shall include the following information copied onto 8-1/2" x 11" paper:

- (a) A certified resolution of the Board of Directors setting forth in detail the concerns of the Board of Directors giving rise to the need to file a civil action and further certifying that:
  - (i) it is in the best interests of the Association to file a lawsuit;
  - (ii) that at least one member of the Board of Directors has personally made a good faith effort to negotiate a settlement with the putative defendant(s) on behalf of the Association, without success;
  - (iii) litigation is the only prudent, feasible and reasonable alternative; and
  - (iv) the Board of Directors' proposed attorney for the civil action is of the written opinion that litigation is the Association's most reasonable and prudent alternative.
- (b) A written summary of the relevant experience of the attorney ("litigation attorney") the Board of Directors recommends be retained to represent the Association in the proposed civil action, including the following information:
  - (i) the number of years the litigation attorney has practiced law; and
  - (ii) the name and address of every condominium and homeowner association for which the attorney has filed a civil action in any court, together with the case number, county and court in which each civil action was filed.

- (c) The litigation attorney's written estimate of the amount of the Association's likely recovery in the proposed lawsuit, net of legal fees, court costs, expert witness fees and all other expenses expected to be incurred in the litigation.
- (d) The litigation attorney's written estimate of the cost of the civil action through a trial on the merits of the case ("total estimated cost"). The total estimated cost of the civil action shall include the litigation attorney's expected fees, court costs, expert witness fees, and all other expenses expected to be incurred in the civil action.
- (e) The litigation attorney's proposed written fee agreement.
- (f) The amount to be specially assessed against each Site in the Condominium to fund the estimated cost of the civil action both in total and on a monthly per Site basis, as required by Section 6 of this Article III.

**Section 3. Independent Expert Opinion.** If the lawsuit relates to the condition of any of the Common Elements of the Condominium, the Board of Directors shall obtain a written independent expert opinion as to reasonable and practical alternative approaches to repairing the problems with the Common Elements, which shall set forth the estimated costs and expected viability of each alternative. In obtaining the independent expert opinion required by the preceding sentence, the Board of Directors shall conduct its own investigation as to the qualifications of any expert and shall not retain any expert recommended by the litigation attorney or any other attorney with whom the Board of Directors consults. The purpose of the independent expert opinion is to avoid any potential confusion regarding the condition of the Common Elements that might be created by a report prepared as an instrument of advocacy for use in a civil action. The independent expert opinion will ensure that the Co-owners have a realistic appraisal of the condition of the Common Elements, the likely cost of repairs to or replacement of the same, and the reasonable and prudent repair and replacement alternatives. The independent expert opinion shall be sent to all Co-owners with the written notice of the litigation evaluation meeting.

**Section 4. Fee Agreement with Litigation Attorney.** The Association shall have a written fee agreement with the litigation attorney, and any other attorney retained to handle the proposed civil action. The Association shall not enter into any fee agreement that is a combination of the retained attorney's hourly rate and a contingent fee arrangement unless the existence of the agreement is disclosed to the Co-owners in the text of the Association's written notice to the Co-owners of the litigation evaluation meeting.

**Section 5. Co-owner Vote Required.** At the litigation evaluation meeting the Co-owners shall vote on whether to authorize the Board of Directors to proceed with the proposed civil action and whether the matter should be handled by the litigation attorney. The commencement of any civil action by the Association (other than a suit to enforce these Bylaws or collect delinquent assessments) shall require the approval of two-thirds (2/3) in number and in value of the Co-owners. Any proxies to be voted at the litigation evaluation meeting must be signed at least seven (7) days prior to the litigation evaluation meeting.

**Section 6. Litigation Special Assessment.** All legal fees incurred in pursuit of any civil action that is subject to Section 1 through 10 of this Article III shall be paid by special assessment of the Co-owners ("litigation special assessment"). The litigation special assessment shall be approved at the litigation evaluation meeting (or at any subsequent duly called and noticed meeting) by a majority in number and in value of all Co-owners in the amount of the estimated total cost of the civil action. If the litigation attorney proposed by the Board of Directors is not retained, the litigation special assessment shall be in an amount equal to the estimated total cost of the civil action, as estimated by the attorney actually retained by the Association. The litigation special assessment shall be apportioned to the Co-owners in accordance with their respective percentage of value interests in the Condominium and shall be collected from the Co-owners on a monthly basis. The total amount of the litigation special assessment shall be collected monthly over a period not to exceed twenty-four (24) months.

**Section 7. Attorney's Written Report.** During the course of any civil action authorized by the Co-owners pursuant to this Article III, the retained attorney shall submit a written report ("attorney's written report") to the Board of Directors every thirty (30) days setting forth:

- (a) The attorney's fees, the fees of any experts retained by the attorney, and all other costs of the litigation during the thirty (30) day period immediately preceding the date of the attorney's written report ("reporting period").
- (b) All actions taken in the civil action during the reporting period, together with copies of all pleadings, court papers and correspondence filed with the court or sent to opposing counsel during the reporting period.
- (c) A detailed description of all discussions with opposing counsel during the reporting period, written and oral, including, but not limited to, settlement discussions.
- (d) The costs incurred in the civil action through the date of the written report, as compared to the attorney's estimated total cost of the civil action.
- (e) Whether the originally estimated total cost of the civil action remains accurate.

**Section 8. Monthly Board Meetings.** The Board of Directors shall meet monthly during the course of any civil action to discuss and review:

- (a) the status of the litigation;
- (b) the status of settlement efforts, if any; and
- (c) the attorney's written report.

**Section 9. Changes in the Litigation Special Assessment.** If, at any time during the course of a civil action, the Board of Directors determines that the originally estimated total cost of the

civil action or any revision thereof is inaccurate, the Board of Directors shall immediately prepare a revised estimate of the total cost of the civil action. If the revised estimate exceeds the litigation special assessment previously approved by the Co-owners, the Board of Directors shall call a special meeting of the Co-owners to review the status of the litigation, and to allow the Co-owners to vote on whether to continue the civil action and increase the litigation special assessment. The meeting shall have the same quorum and voting requirements as a litigation evaluation meeting.

**Section 10. Disclosure of Litigation Expenses.** The attorneys' fees, court costs, expert witness fees and all other expenses of any civil action filed by the Association ("litigation expenses") shall be fully disclosed to Co-owners in the Association's annual budget. The litigation expenses for each civil action filed by the Association shall be listed as a separate line item captioned "litigation expenses" in the Association's annual budget.

## **ARTICLE IV** **INSURANCE**

**Section 1. Association Responsibilities.** The Association shall obtain and continuously maintain in effect a standard insurance policy covering "all risks" of direct physical loss which are commonly insured against, including, among other things, fire and extended coverage, vandalism and malicious mischief, liability (including medical payments) insurance and worker's compensation insurance, if applicable, pertinent to the ownership, use and maintenance of the Common Elements. The Association also shall carry: (1) fidelity bond coverage as provided in Article XII, Section 16, below; (ii) directors' and officers' liability coverage as provided in Article XVI, Section 2, below; and (iii) such other insurance, if any, as the Board of Directors from time to time deems advisable. All liability insurance policies purchased by the Association shall provide that: (1) each Co-owner is an insured person under the policy with respect to liability arising out of his interest in the Common Elements or membership in the Association; (ii) the insurer waives its right to subrogation under the policy against any Co-owner and any member of his household residing in the Site; and (iii) no act or omission by any Co-owner, unless acting within the scope of his authority on behalf of the Association, will void the policy or be a condition to recovery under the policy. Notwithstanding anything contained in these Bylaws to the contrary, any: (-A-) limitations set forth herein with respect to the insurance coverage to be maintained by the Association or; (-B-) affirmative obligations of Co-owners to maintain insurance coverage on improvements or personal property located on Sites or on Limited Common Elements appurtenant thereto, shall not operate to limit or reduce insurance coverage afforded to the Association under the policies of insurance that it does in fact carry. All insurance purchased by the Association shall be purchased for the benefit of the Association, 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. All such insurance shall be carried and administered, insofar as applicable, in accordance with the following provisions:

- (a) **Casualty Insurance.** All Common Elements shall, to the extent appropriate, be insured by the Association against fire and the other perils covered by a standard extended coverage

endorsement, in an amount equal to the current insurable replacement value. All such coverage shall be effected upon an agreed-amount basis for the entire Condominium with appropriate inflation riders in order that no co-insurance provisions shall be invoked by the insurance carrier in a manner that will cause loss payments to be reduced below the actual amount of any loss (except in the unlikely event of total Project destruction if the insurance proceeds failed, for some reason, to be equal to the total cost of replacement). All such coverage also shall include endorsement(s) which will provide insurance coverage for the Association's additional costs, if any, to: (i) upgrade a damaged Common Element structure in compliance with then-applicable building codes; and (ii) if determined by the Board of Directors at the time of insurance policy purchase or renewal to be required by any then-applicable law or ordinance, demolish and re-construct any partially-damaged Common Element structure, the undamaged portion of which is required by such then-applicable law or ordinance to be demolished.

- (b) Premium Expenses. All premiums on insurance (including endorsements) purchased by the Association pursuant to these Bylaws shall be expenses of administration.
- (c) 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, the Co-owners and their mortgagees as their interests may appear; provided, however, whenever repair or reconstruction of the Condominium shall be required as provided in Article V below, the proceeds of any insurance policy issued to the Association as a result of any loss requiring repair or reconstruction shall be applied for such repair or reconstruction and in no event shall hazard insurance proceeds be used for any purpose other than repair, replacement or reconstruction of the Condominium unless at least sixty-seven (67%) percent of the institutional holders of first mortgages on Sites in the Condominium have given their prior written approval, if one or more Sites are tenantable, or if at least fifty-one (51%) percent of the institutional holders of first mortgages have given their written approval, if no Site is tenantable.
- (d) Insurance Records. All non-sensitive or non-confidential information in the Association's records regarding insurance coverage shall be made available to all Co-owners upon request and reasonable notice during normal business hours so that Co-owners shall be enabled to judge the adequacy of coverage and, upon the taking of due Association procedures, to direct the Board at a properly constituted meeting, to change the nature and extent of any coverage, if so determined. Upon such annual re-evaluation and effectuation of coverage, the Association shall notify all Co-owners of the nature and extent of all changes in coverage.

**Section 2. Co-owner Responsibilities.** Each Co-owner at his own expense shall obtain and continuously maintain in effect personal liability and property casualty insurance coverage upon his Site (including any Limited Common Elements appurtenant thereto) and all improvements and personal property located thereon naming the Association as an additional insured. It shall be each Co-owner's responsibility to determine by personal investigation or from his own insurance advisor the nature and extent of insurance coverage adequate to recompense him for personal liability for occurrences within his Site and for foreseeable losses to his Site, the dwelling and any other structure or improvement located within the boundary of his Site

(including any Limited Common Elements appurtenant thereto), and also for alternative living expense in the event of fire and/or other casualty that may render the Co-owner's Site uninhabitable. The Association shall have absolutely no responsibility for obtaining any such coverage, nor excess coverage for any such liability or casualty, unless specifically and separately agreed in writing between the Association and the Co-owner in writing; provided, however, that any such agreement between the Association and the Co-owner shall provide that any additional premium cost to the Association attributable thereto shall be assessed to and borne solely by said Co-owner and collected as part of the assessments against said Co-owner under Article II above. Each Co-owner shall file a copy of such insurance policy, or policies, including all endorsements thereon, or, in the Association's discretion. Certificates of insurance or other satisfactory evidence of insurance, with the Association in order that the Association may be assured that such insurance coverage is in effect. In the event that the Co-owner shall fail to do so, in addition to any other remedy which it may have under these Bylaws, the Association may, but shall not be under any obligation to, purchase such insurance coverage in respect of the Co-owner's Site and appurtenant Limited Common Elements for which the Co-owner is assigned by the Master Deed the responsibility for maintenance, repair and replacement after giving the Co-owner thirty (30) days written notice of the Association's intention to do so, provided that the Co-owner fails to cure the default within such time period. In the event that the Association shall purchase such insurance coverage upon a Co-owner's Site, the premium cost incurred by the Association for such policy may be assessed to and collected from the responsible Co-owner in the manner provided in Article II hereof.

**Section 3. Determination of Primary Carrier Subrogation.** In those situations where coverage under an Association insurance policy and a Co-owner insurance policy overlap, the provisions of this Section 3 shall control in determining the agreement of the Association and Co-owners as to the determination of the primary carrier and policy. In the event of any property damage to a General Common Element, or to a Limited Common Element for which the Association is assigned by the Master Deed the responsibility to repair and/or replace, the Association's carrier and policy shall be deemed primary. In the event of any personal injury or other liability claim for any occurrence in or upon the General Common Elements, or in or upon a Limited Common Element for which the Association is assigned by Article IV of the Master Deed the responsibility to repair and/or replace, the Association's carrier and policy shall be deemed primary. In the event of any property damage to a Site or its contents, or to a Limited Common Element appurtenant to the Site for which the Co-owner is assigned by Article IV of the Master Deed or by Article V below the responsibility to repair and/or replace, including, without limitation, any improvements and betterments, the Co-owner's carrier and policy shall be deemed primary. In the event of any personal injury or other liability claim for any occurrence in or upon a Site, or in or upon a Limited Common Element appurtenant to the Site for which the Co-owner is assigned by the Master Deed or by Article V below, the responsibility to repair and/or replace, including, without limitation, any claim which is attributable to or arises from the use of any improvements and betterments, the Co-owner's carrier and policy shall be deemed primary. In all cases where the Association's carrier and policy are not deemed primary, if the Association's carrier and policy contribute to the payment of the loss, the Association's liability to the Co-owner shall be limited to the amount of insurance proceeds paid, and the Association shall in no event be responsible to pay any deductible amount under either the Association's or the Co-owner's policy. The Association, as to all policies which it obtains, and all Co-owners, as

to all policies which they obtain, shall use their best effort to see that all property casualty and liability insurance carried by the Association or any Co-owner shall contain appropriate provisions whereby the insurer waives its right of subrogation as to any claims against any Co-owner or the Association.

**Section 4. Authority of Association to Settle Insurance Claims.** Each Co-owner, by ownership of a Site in the Condominium, shall be deemed to appoint the Association as his true and lawful attorney-in-fact to act in connection with all matters concerning the Association's maintenance of fire and extended coverage, vandalism and malicious mischief, liability insurance and workers' compensation insurance, if applicable, pertinent to the Condominium, with such insurer as may, from time to time, provide such insurance for the Condominium. 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 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-owners and the Condominium as shall be necessary or convenient to the accomplishment of the foregoing.

**Section 5. Indemnification.** Each Co-owner shall indemnify and hold harmless the Association, its directors, officers, employees, agents and contractors and every other Co-owner for all damages and costs, including, without limitation, actual attorneys' fees (not limited to reasonable attorneys' fees), which they or any one of them incur as the result of defending any claim, arising out of any occurrence on or within such Co-owner's Site, or any Limited Common Element for which the Co-owner is assigned by the Master Deed the responsibility to repair and/or replace, and, if so required by the Association, shall carry insurance to secure this indemnity. This Section shall not be construed to give an insurer a subrogation or other claim or right against any Co-owner.

## **ARTICLE V** **RECONSTRUCTION OR REPAIR**

**Section 1. Responsibility for Reconstruction or Repair.** In the event any part of the Condominium property shall be damaged, the determination of whether or not it shall be reconstructed or repaired and the responsibility therefor shall be made in the following manner:

- (a) **Partial Damage.** In the event the damaged property is a Common Element or the dwelling constructed within the perimeter of a Site, the property shall be rebuilt or repaired if any dwelling on a Site in the Condominium is habitable, unless it is determined by at least eighty (80%) percent of the Co-owners entitled to vote as of the record date for such vote that the Condominium shall be terminated and at least sixty-seven (67%) percent of those institutional holders of a first mortgage lien on any Site in the Condominium have given their prior written approval for such termination.
- (b) **Total Destruction.** In the event the Condominium is so damaged that no dwelling on a Site is habitable, the damaged property shall not be rebuilt and the Condominium shall be terminated, unless eighty (80%) percent or more of the Co-owners entitled to vote as of the record date for such vote agree to reconstruction by vote or in writing within ninety (90) days after the destruction and such termination also shall receive the approval of

more than fifty-one (51%) percent of those holders of first mortgages on Sites who have requested the Association to notify them of any proposed action that requires the consent of a specified percentage of first mortgagees.

**Section 2. Repair in Accordance With Master Deed, Etc.** Any such reconstruction or repair shall be subject to Township approval and shall be substantially in accordance with the Master Deed and the plans and specifications for the Condominium to a condition as comparable as possible to the condition existing prior to damage unless the Co-owners shall unanimously decide otherwise, subject to Township approval.

**Section 3. Co-owner Responsibilities; Interest in Proceeds of Association Insurance.**

Each Co-owner shall be solely responsible for the decoration, maintenance, reconstruction and repair of his Site, including, but not limited to, the grounds, landscaping, dwelling (interior and exterior) and all other approved structures and improvements thereon, excepting only those, if any, which are General Common Elements. Co-owners shall be responsible for the removal of snow from drives and walks located on their Sites as soon as possible after snowfall, subject to any additional snow removal regulations as may be established from time to time by the Board of Directors pursuant to Article VI, Section 11, below. In the event that a Co-owner fails or neglects to maintain the exterior components of his dwelling or any other structure or improvement located on his Site in an aesthetic and/or harmonious manner as may from time to time be established by the Association in duly adopted regulations promulgated by the Board of Directors pursuant to its authority set forth in Article VI, Section 11, below, the Association shall be entitled to effect such maintenance to the dwelling, structure and/or improvement and to assess the Co-owner the costs thereof and to collect such costs as part of the assessments under Article II above.

In the event that damage is to the grounds, landscaping, dwelling, structure or any other improvement constructed within the perimeter of a Site, for which it is the responsibility of a Co-owner to reconstruct, maintain, repair and replace, it shall be the responsibility of the Co-owner to reconstruct, maintain, repair or replace the damaged grounds, landscaping, dwelling, structure or other improvement in accordance with this Article and in compliance with the architectural control provisions of Article VI, Section 3 below. If and to the extent that the grounds, landscaping, dwelling, structure or other improvement to the Site is covered by insurance held by the Association for the benefit of the Co-owner, the Co-owner shall be entitled to receive the proceeds of insurance relative thereto and, if there is a mortgagee endorsement, the proceeds shall be payable to the Co-owner and the mortgagee jointly. In the event of substantial damage to or destruction of any dwelling or any part of the Common Elements, the Association promptly shall so notify each institutional holder of a first mortgage lien on any of the Sites in the Condominium.

**Section 4. Association Responsibility for Repair.** Except as provided in Section 3 hereof, or as may be specifically otherwise provided in Article IV, Section 3 of the Master Deed, the Association shall be responsible for the decoration, maintenance, repair and reconstruction of the Common Elements. Immediately after a casualty causing damage to property for which the Association has the responsibility of maintenance, repair and reconstruction, the Association shall obtain reliable and detailed estimates of the cost to place 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 costs 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 costs thereof are insufficient, assessments shall be made against all Co-owners, except as may otherwise be permitted by these Bylaws, for the cost of reconstruction or repair of the damaged property in sufficient amounts to provide funds to pay the estimated or actual cost of repair, which may be collected in accordance with Article II above. This provision shall not be construed to require replacement of mature trees and vegetation with equivalent trees or vegetation.

**Section 5. Timely Reconstruction and Repair.** If damage to any of the Common Elements, or to a dwelling, structure or other Site improvement, adversely affects the appearance of the Condominium, the Association or Co-owner responsible for the reconstruction, repair and maintenance thereof shall proceed with replacement of the damaged property without delay, and shall complete such replacement diligently and in any event within twelve (12) months after the date of the occurrence which caused damage to the property.

**Section 6. Responsibility for Amounts within Insurance Deductible or which are Otherwise Uninsured.** Notwithstanding any other provision of the Condominium Documents, including any provision of Article IV of these Bylaws, and except to the extent that a lack of insurance results from the Association's breach of a duty to insure, responsibility for the amount of damage to any portion of the Condominium Premises which is within the limits of any applicable insurance deductible of a policy of insurance issued to the Association, and responsibility for any other uninsured amount, shall be borne by the responsible Co-owner whenever the damage results from any negligent or intentional action or omission by the Co-owner, the Co-owner's land contract purchaser or the Co-owner's tenant, or by the family, servants, employees, agents, visitors or licensees of that Co-owner, land contract purchaser or tenant, or from the failure of, or failure to maintain in good working order and repair, any portion of the Condominium, including any appliance, equipment or fixture, for which the Co-owner is assigned by the Condominium Documents the responsibility for maintenance, repair and replacement. By way of example, and not in limitation of the generality of the foregoing, damage to the Condominium Premises which results from negligent smoking within a dwelling located on a Co-owner's Site, or from a Co-owner's failure to maintain the furnace or a plumbing fixture serving the dwelling located on its Site in good working order or repair, generally will be the responsibility of that Co-owner to the extent: (i) of the amount of the Association's insurance policy deductible; and (ii) any other amount of loss which is uninsured.

**Section 7. Eminent Domain.** Section 133 of the Act and the following provisions shall control upon any taking by eminent domain:

- (a) **Taking of Entire Site.** In the event of any taking of an entire Site by eminent domain, the award for such taking shall be paid to the owner of such Site and the mortgagee thereof, as their interests may appear. After acceptance of such award by the owner and his mortgagee, they shall be divested of all interest in the Condominium. In the event that any condemnation award shall become payable to any Co-owner whose Site 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 a portion of the Condominium which is not a Site, 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 fifty (50%) percent, in number and in value, of all Co-owners entitled to vote as of the record date for such vote 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 continues after taking by eminent domain, then the remaining portion of the Condominium shall be re-surveyed and the Master Deed amended accordingly, and, if any Site 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 one hundred (100%) percent. 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 by any Co-owner.
- (d) **Notification of Mortgagees.** In the event any Site, 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 Sites in the Condominium.

**Section 8. Mortgages Held By FHLMC; Other Institutional Holders.** In the event any mortgage in the Condominium is held by the Federal Home Loan Mortgage Corporation ("FHLMC"), 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 Site covered by a mortgage purchased in whole or in part by FHLMC exceeds \$1,000.00. The Association shall provide such other reasonable notice as may be required, from time to time, by other institutional holders of mortgages upon Sites.

**Section 9. Priority of Mortgagee Interests.** Nothing contained in the Condominium Documents shall be construed to give a Site owner, or any other party, priority over any of the rights of first mortgagees of Sites pursuant to their mortgages in the case of a distribution to Site owners of insurance proceeds or condemnation awards for losses to or a taking of Sites and/or Common Elements.

## **ARTICLE VI** **ARCHITECTURAL CONTROL; BUILDING AND USE RESTRICTIONS**

**Section 1. Residential Use.** No Site in the Condominium shall be used for other than private residential purposes and the Common Elements shall only be used for purposes consistent with those set forth in this Section 1. No building of any kind shall be erected within a Site except a private dwelling and structures ancillary thereto. Timesharing and/or interval ownership is prohibited. No dwelling shall be used for commercial or business purposes; provided, however, that this shall not be deemed to ban a Co-owner from operating a home-based business which does not have any on-site employees other than Site residents, does not produce odors, noises, or

other effects noticeable outside of the Site and does not involve the manufacture of goods or sale of goods from inventory. The provisions of this Section shall not be construed to prohibit a Co-owner from maintaining a personal professional library, keeping personal, professional or business records or handling personal business or professional telephone calls in his or her dwelling.

## **Section 2. Leasing and Rental.**

- (a) **Right to Lease.** A Co-owner may lease his Site for the same purposes set forth in Section 1 of this Article; provided that a written disclosure of such lease transaction is submitted to the Board of Directors of the Association in the manner specified in subsection (b) below. Notwithstanding anything herein to the contrary, a Site may not be leased if such lease would violate subsection (b) below. No Co-owner shall lease less than an entire Site and no tenant shall be permitted to occupy except under a written lease, the initial term of which is at least twelve (12) months, unless specifically approved in writing by the Association. Such written lease shall: (i) require the lessee to comply with the Condominium Documents and rules and regulations of the Association; (ii) provide that failure to comply with the Condominium Documents and rules and regulations constitutes a default under the lease; and (iii) provide that the Board of Directors has the power to terminate the lease or to institute an action to evict the tenant and for money damages after fifteen (15) days prior written notice to the Site Co-owner, in the event of a default by the tenant in the performance of the lease. The Board of Directors may suggest or require a standard form lease for use by Site Co-owners. Each Co-owner of a Site shall, promptly following the execution of any lease of a Site, forward a conformed copy thereof to the Board of Directors. Under no circumstances shall transient tenants be accommodated. A "Transient tenant" is someone who occupies a Site for less than the minimum period required above regardless of whether or not compensation is paid. The terms of all leases, occupancy agreements and occupancy arrangements shall incorporate, or be deemed to incorporate, all of the provisions of the Condominium Documents. Tenants and non Co-owner occupants shall comply with all conditions of the Condominium Documents and all leases, rental agreements, and occupancy agreements shall so state. The Developer and, if authorized to do so by the Developer, any Builder may lease any number of Sites in the Condominium during the Development and Sales Period for such term(s) as they, in their discretion, may elect. In addition, the holder of any mortgage which comes into possession of a Site pursuant to the remedies provided in the mortgage, or foreclosure of the mortgage, or deed in lieu of foreclosure, may lease any number of Sites in the Condominium for such term(s) as they, in their discretion, may elect.
- (b) **Leasing Procedures.** A Co-owner, including the Developer or a Builder, desiring to rent or lease a Site shall disclose that fact in writing to the Association at least ten (10) days before presenting a lease form or otherwise agreeing to grant possession of a Condominium Site to a potential lessee of the Site and, at the same time, shall supply the Association with a copy of the exact lease form for its review for its compliance with the Condominium Documents. Co-owners who do not live in the Site they own must keep the Association informed of their current correct address and phone number(s). If no lease form is to be used, then the Co-owner or the Developer shall supply the Association

with the name and address of the potential lessee, along with the rental amount and due dates under the proposed agreement. The Board of Directors may charge such reasonable administrative fees for reviewing, approving, and monitoring lease transactions in accordance with this Section 2 as the Board, in its discretion, may establish. Any such fees shall be assessed to and collected from the leasing Co-owner in the same manner as the collection of assessments under Article II above. This provision shall also apply to occupancy agreements.

- (c) Violation of Condominium Documents by Tenants or Non-Co-owner Occupants. If the Association determines that the tenant or non Co-owner occupant has failed to comply with the conditions of the Condominium Documents, the Association shall take the following action:
- (1) The Association shall notify the Co-owner by certified mail advising of the alleged violation by the tenant or non Co-owner occupant.
  - (2) The Co-owner shall have fifteen (15) days after receipt of such notice to investigate and correct the alleged breach by the tenant or non Co-owner occupant or advise the Association that a violation has not occurred.
  - (3) If after fifteen (15) days the Association believes that the alleged breach is not cured or may be repeated, it may institute on its own behalf or derivatively by the Co-owners on behalf of the Association, if it is under the control of the Developer, an action for eviction against the tenant or non Co-owner occupant and simultaneously for money damages in the same action against the Co-owner and tenant or non Co-owner occupant for breach of the conditions of the Condominium Documents. The relief set forth in this subsection may be by summary proceeding. The Association may hold both the tenant or non Co-owner occupant and the Co-owner liable for any damages caused by the Co-owner or tenant or non Co-owner occupant in connection with the Condominium Site or the Condominium and for actual legal fees and costs incurred by the Association in connection with legal proceedings hereunder.
- (d) Arrearage in Condominium Assessments. When a Co-owner is in arrearage to the Association for assessments, the Association may give written notice of the arrearage to a tenant or non Co-owner occupant occupying a Co-owner's Site under a lease, rental or occupancy agreement and the tenant or non Co-owner occupant, after receiving the notice, shall deduct from rental payments due the owner the arrearage and future assessments as they fall due and pay them to the Association. The deductions do not constitute a breach of the rental agreement, lease or occupancy agreement by the tenant or non Co-owner occupant. If the tenant, after being notified, fails or refuses to remit rent otherwise due the Co-owner to the Association, then the Association may do the following:
- (1) Issue a statutory notice to quit for non-payment of rent to the tenant and shall have the right to enforce that notice by summary proceeding.
  - (2) Initiate proceedings pursuant to subsection (c)(3) of this Section 2.

The form of lease used by any Co-owner shall explicitly contain the provisions of this subsection (d).

**Section 3 Architectural Control and Dwelling Construction Regulations; Architectural Review Process.** The Developer hereby establishes architectural control regulations, dwelling construction regulations and an architectural review process in order to ensure that THE GLENS AT CRYSTAL CREEK is harmoniously developed in a manner designed to maximize its aesthetic beauty and cause it to blend with the surrounding area. All dwellings in THE GLENS AT CRYSTAL CREEK shall conform to the "Architectural Guidelines", Exhibit 8 of the PD Agreement. The architectural control regulations, dwelling construction regulations and architectural review process of this Section 3 are declared to be binding upon the Association, the Co-owners and all Builders of dwellings, structures and other improvements within the Project. In this Section 3, the term "Developer" shall always be deemed to refer to CRYSTAL CREEK LAND, LLC, a Michigan limited liability company, unless otherwise specified herein or in a written instrument which has been recorded in the Oakland County Records and which expressly assigns the Developer's architectural control rights described in this Section. The authority granted to the Architectural Control Committee in this Section 3 shall be enforceable by the Developer, or by its successor or any such assignee, as applicable, until certificates of occupancy have been issued for one hundred (100%) percent of the dwellings on Sites which may be built in the Project, regardless of whether another party has acquired the status of successor developer pursuant to the Act. The Developer may assign its responsibilities and powers under this Section 3 to the Association; and, thereafter, the Association shall have and may exercise all of the rights of the Developer described in this Section 3. No structure shall be erected, constructed or permitted to remain on any Site unless the structure has been approved by the Developer in accordance with this Article and also complies with the remaining restrictions and requirements of this Article, unless any non-compliance has been waived pursuant to this Article. Furthermore, any construction or maintenance activities for or on any structure or Site shall be performed strictly in accordance with the restrictions and requirements of this Article.

**A. REVIEW PROCEDURE, REQUIREMENTS & ARCHITECTURAL APPROVALS.**

1. The Developer intends that all structures on any Site or otherwise within the Condominium shall be designed, developed and constructed so as to be harmonious, complimentary and dignified, so that the Condominium provides an environment of high quality architectural, construction and aesthetic standards. To assure such standards, the Developer hereby reserves the right to approve, disapprove and otherwise pass upon the design, appearance, construction or other attributes of any structure proposed to be erected or maintained on a Site, and no structure shall be permitted or allowed with respect to a Site unless the same has received in writing the approval of the Developer pursuant to the terms and conditions of this Article.
2. There shall be a two step submittal process for obtaining the approval of the Developer for any dwelling to be erected, constructed, maintained or rebuilt on any Site or in any other part of the Condominium. The Developer's approval, in writing, of each of the submittals must be obtained before construction of any

dwelling may be started. The Developer may in its discretion waive any required procedure to expedite the review procedure.

- (i) The first step shall be application for "Concept Architectural Approval". In connection with seeking Concept Approval, the Site Owner or his or her representative shall submit the following:
  - (a) a conceptual site plan showing the location of all proposed structures on the Site
  - (b) a conceptual floor plan
  - (c) conceptual front and rear elevation drawings of the proposed dwelling, including a description of colors and types of exterior materials.

Concept Approval shall be deemed to have been granted when the Developer has approved all of the foregoing submissions.

- (ii) The second step shall be application for "Final Architectural Approval." In connection with seeking Final Approval, the Site Owner or his or her representative shall submit the following:
  - (a) all prints, plans, and other matters submitted or required to be submitted to the Township to procure a building permit
  - (b) a dimensioned site plan sealed by registered engineer showing setbacks, existing and proposed elevations
  - (c) complete building plans sealed by a registered architect
  - (d) a construction schedule specifying completion dates for foundations, rough-in, and the dwelling as a whole
  - (e) a list of exterior materials and colors, including samples if not already submitted
  - (f) any other materials reasonably required by the Developer.

Final Approval shall be deemed to have been granted when the Developer has approved all of the foregoing submissions. No approval shall be effective unless given by the Developer in writing. If a dwelling or other improvement or any aspect or feature thereof is not in strict conformity with the requirements or restrictions set forth in this Article, the nonconformity shall be permitted only if the Developer specifically approves or waives the nonconformity in writing.

- 3. Complete written plans for any structure other than a dwelling shall be submitted to the Developer prior to installation or construction. Such plan shall contain sufficient detail to enable the Developer to pass upon its suitability for the Condominium.
- 4. A complete landscape plan must be submitted to the Developer prior to completion of the dwelling. Such plan shall contain sufficient detail to enable the Developer to pass upon its suitability for the Condominium and to determine if

the proposed landscaping complies with the requirements set forth in Sub-Section (5) below. In addition, each Site Owner shall be responsible for installation on their Site of Street Trees in such locations and of such species as are required by THE GLENS AT CRYSTAL CREEK Landscape Plan. Site Owners shall also be responsible for any plantings in their Sites which are required for compliance with the Township approved Elkow Farms Planned Development Replacement Tree Plan. Landscape plans submitted to the Developer for approval shall demonstrate compliance with the Elkow Farms PD Landscape Plan and the Township approved Replacement Tree Plan. Utility boxes, including without limitation, electrical transformer boxes, must be adequately screened by landscaping.

5. No alteration, modification, substitution or other variance from the designs, plans, specifications and other submission matters which have been approved by the Developer shall be permitted on any Site unless the Site Owner thereof obtains the Developer's written approval for such variation. So long as any such variance is minimal, the Site Owner need not go through the entire submittal process again, but in any event the Site Owner must submit sufficient information (including materials samples and the like) as the Developer, in its sole discretion, determines is required to permit the Developer to, decide whether or not to approve the variance. The Developer's approval of any variance must be obtained irrespective of the fact that the need for the variance arises for reasons beyond the Site Owner's control (e.g., material shortages or the like).
6. In making any of the written submissions contemplated in this Article, the Site Owner shall cause two copies thereof to be submitted to the Developer. One copy shall be returned to the Site Owner after the Developer has approved or disapproved the submission, and one copy shall be retained by the Developer for its files.
7. The Developer reserves the right to assign, delegate or otherwise transfer its rights and powers of approval as provided in these Bylaws, including without limitation an assignment of such rights and powers to the Architectural Control Committee described below or to any mortgagee.

#### B. RESTRICTIONS AND REQUIREMENTS.

The following restrictions and requirements shall conform to the "Architectural Guidelines", Exhibit 8, of the PD Agreement and apply to every Site in the Condominium, and no structure shall be erected, constructed or maintained on any Site which violates such restrictions and requirements, except to the extent any non-conformity has been waived by the Developer pursuant to Section F. below. All dwellings on Sites constructed in the Elkow Farms Planned Development shall comply with following minimum requirements and are herein restated below:

- 1. Minimum Size** The minimum size of dwellings on Sites shall be as follows:

**Single Family Homes:**

Ranches -	1,700 square feet
One and one-half story -	1,800 square feet
Two story -	2,200 square feet.

**2. Garages**

All single family dwellings shall have a minimum 2 car side entry garage attached to the primary structure. Garages may exit to the side yard or the "court yard".

**3. Exterior Materials**

Exterior elevations of all residences shall be a combination brick, stone, masonry, wood or simulated wood siding, or vinyl siding. No T-111 or aluminum siding is permitted.

Brick, stone, or other masonry materials shall make up a minimum of 50% of the front elevation and be placed to the "knee" on the side and rear elevations.

All roof shingles shall be a minimum 25 year non-dimensional.

**4. Exterior Colors**

Exterior Colors shall be generally earth tones or neutral.

**5. Driveways.**

Driveways shall be constructed of concrete paving, asphalt paving, and/or brick pavers, or a combination thereof.

## **6. Building Setbacks**

Building Setbacks shall be as follows:

Single Family Sites with frontage on 60 foot public right of way:

Front yard	35 feet
Rear Yard	35 feet
Side Yard	30 feet combined total between adjacent lots with a 5 foot minimum.

## **7 Roof Pitch**

A minimum 6/12 roof pitch will be provided on all elevations.

The Developer reserves the right to modify or revise these guidelines, subject to the approval of Lyon Township.

## **C. ADDITIONAL RESTRICTIONS AND REQUIREMENTS**

1. Each Site must be landscaped within the time limits set forth in Sub-Section B. (3) of this Article in accordance with a landscaping plan approved by the Developer. The reasonable value of the landscaping surrounding a dwelling, as reflected in the landscaping plan to be approved by the Developer shall be not less than Five Thousand (\$5,000.00) Dollars, excluding landscape architectural fees. The Developer shall have the right to determine the reasonable value of the proposed landscaping. At the time of Final Architectural Approval from Developer, the Developer may, in its sole discretion, require the Site Owner to post a **Landscape Guarantee Bond in the amount of Five Thousand (\$5,000.00) Dollars**. This Landscape Bond shall be posted with the Developer and will be refunded to the Site Owner upon completion of the landscaping in accordance with the approved landscape plan for the Site.
2. Subject to any approvals and/or permits which may be required to be obtained from the Township, in ground swimming pools, hot tubs and spas may be installed in rear yard areas but only upon specific written approval of the Developer based upon plans and specifications therefore. Such approval shall not be unreasonably withheld but may be reasonably conditioned upon compliance with adequate screening and other aesthetic requirements. Above the ground swimming pools are prohibited.

3. No fence, wall or hedge of any kind shall be erected or maintained on any Site without prior written approval of the Developer. No fence, wall or hedge shall be maintained or erected which blocks or hinders vision at street intersections. No chain link fences shall be permitted on any Site - Notwithstanding the foregoing, a temporary fence, wall or hedge may be erected on a Site on which a model dwelling is located provided that it is removed once the dwelling ceases to be used as a model dwelling.
4. Prior to installation of an antenna or satellite dish (either is hereafter referred to as "antenna"), a Site Owner must seek the written approval of the Developer, during the Development and Sales period, and the Association thereafter for the height and location of same as follows:
  - (i) an antenna that is designed to receive direct broadcast satellite service, including direct-to-home satellite services, that is one meter or less in diameter; and
  - (ii) an antenna that is designed to receive video programming service via multipoint distribution services, instructional television fixed services, and local multipoint distribution services, and that is one meter or less in diameter or diagonal measurement; and
  - (iii) an antenna that is designed to receive television broadcast signals. The Developer and Association may not, in the approval process, unreasonably delay or prevent installation, maintenance or use of antenna, unreasonably increase the cost of installation, maintenance or use, or preclude reception of an acceptable quality signal. No antenna other than as described in this paragraph shall be allowed; and
  - (iv) notwithstanding the provisions of sub-paragraphs (i), (ii), and (iii) above, the following three (3) types and sizes of antennas may be installed within the perimeter of the Site or on Limited Common Element areas over which the Co-owner has direct or indirect ownership and exclusive use or control, subject to the provisions of this Section and any written rules and regulations promulgated by the Board of Directors of the Association under Article VI, Section 11 below: (1) Direct broadcast satellite antennas ("Satellite Dishes") one meter or less in diameter; (2) Television broadcast antennas of any size; and (3) Multi-point distribution service antennas (sometimes called wireless cable or MDS antennas) one meter or less in diameter. Antenna installation on General Common Element areas is prohibited, unless established by the Association in its sole discretion as provided below. The rules and regulations promulgated by the Board of Directors governing installation, maintenance or use of antennas shall not impair reception of an acceptable quality signal, unreasonably prevent or delay installation, maintenance or use of an antenna, or unreasonably increase the cost of installing, maintaining or using an antenna. Such rules and regulations may provide for, among other things, placement preferences, screening and camouflaging or painting of antennas. Such

rules and regulations may contain exceptions or provisions related to safety, provided that the safety rationale is clearly articulated therein. Antenna masts, if any, may be no higher than necessary to receive acceptable quality signals, and may not extend more than twelve (12) feet above the roof line without pre-approval, due to safety concerns. A Co-owner desiring to install an antenna must notify the Association prior to installation by submitting a notice in the form prescribed by the Association. If the proposed installation complies with this sub-paragraph and all rules and regulations regarding installation and placement of antennas, installation may begin immediately; if the installation will not comply, or is in any way not routine in accordance with this Section and the rules and regulations, then the Association and Co-owner shall meet promptly after receipt of the notice by the Association, if possible, to discuss the installation. The Association may prohibit Co-owners from installing the aforementioned satellite dishes and/or antennas if the Association provides the Co-owner(s) with access to a central antenna facility that does not impair the viewers' rights under Section 207 of the Federal Communication Commission ("FCC") rules. This Section is intended to comply with the rule governing antennas adopted by the FCC effective October 14, 1996, as amended by FCC Orders released September 25, 1998 and November 20, 1998, and is subject to review and revision to conform to any changes in the content of the FCC rules or the Telecommunications Act of 1996, and this Section may be modified through rules and regulations promulgated by the Board of Directors pursuant to Section 11 of this Article.

5. Dog kennels or runs or other enclosed shelters for permitted animals must be an integral part of the approved dwelling and must be approved by the Developer and the Township relative to the location and design of fencing or other Structures. Any such kennel or run must be kept in a clean and sanitary condition at all times. The location, design and materials of all fences shall be subject to prior approval by the Developer and thereafter by the Architectural Control Committee.
6. Basketball hoops or backboards may be permitted with the prior written approval of the Developer and only in the back or side of a dwelling or garage, and then only if appropriately screened by landscaping or otherwise so as not to be visible from the road.
7. No signs, including "for rent", "for sale", architect, builder, contractor, landscaper, landscape architect or other signs shall be erected or maintained on any Site without the approval of the Developer
8. No external air conditioning Site shall be placed in or attached to a window or wall of any structure. No compressor or other component of an air conditioning system, heat pump, or similar system shall be visible from the road. To the extent reasonably possible external components of an air conditioning system, heat

pump or like system shall be located so as to minimize any disruption or negative impact thereof on adjoining Sites in the Condominium in terms of noise or view. The Developer shall have conclusive authority to determine whether a system complies with the foregoing requirements.

9. The Developer shall select and approve standard mailboxes for use throughout the Condominium. Any and all replacement mailboxes must substantially conform to the originally approved mailbox.
10. No awnings, flag poles, volleyball courts, basketball courts or tennis courts may be installed without the prior written consent of the Developer.

#### D. CONSTRUCTION ACTIVITIES.

The Developer hereby reserves the right to establish and enforce such rules and regulations relative to the performance of construction activities within the Condominium (whether or not in connection with the construction, repair or maintenance of a residential or other structure) as the Developer determines to be appropriate in order to maintain the tranquility, appearance and desirability of the Condominium. Unless waived by the Developer in writing, the following restrictions and requirements shall apply to any construction activities within the Condominium:

1. All construction activities must be started within twelve (12) months of the time specified in the construction schedule submitted to and approved by the Developer pursuant to Sub-Section A.(2)(ii)(d) of this Article
2. Once commenced, all construction activity shall be carried out with reasonable diligence, and must be completed within eighteen (18) months after such commencement. Completion of construction shall be defined by the issuance of a TCO or CO by the Building Official.
3. All landscaping must be completed as soon as possible but, in any event, within one hundred twenty (120) days after initial occupancy of the dwelling or, in the case of speculative or unsold homes, within one hundred eighty (180) days after the exterior of the dwelling has been substantially completed.
4. All Site Owners and/or his general contractor or builder shall comply with the following requirements during the construction of any dwelling Site:
  - (a) maintain a dumpster or other form of trash receptacle on the Site during the course of construction;
  - (b) keep the Site exterior in a sightly and clean condition during the course of construction;
  - (c) install and maintain temporary soil erosion control measures along the entire perimeter of the Site. This shall include soil erosion control silt fence and a temporary stone access drive.
  - (d) keep all dirt, mud and other debris from accumulating on any road during and after construction, including by cleaning or sweeping the road at intervals specified by the Developer and by cleaning the road again upon

completion of construction. The Developer shall have the authority to determine whether or not a Site Owner and/or his general contractor or builder is in compliance with the foregoing requirements and obligations.

- (e) protect all site improvements, such as: underground utilities, roadways, curbing, manholes, landscaping, or any other subdivision improvements and all property (including adjacent lots and common areas) against damage or injury. If any such damage or injury occurs as the result of the actions of the Site Owner and/or his general contractor or builder, then such damage shall be immediately repaired at the sole responsibility and liability of the Site Owner.

At the time of Final Architectural Approval, the Developer may, in its sole discretion, require the Site Owner to post a **Construction Guarantee Bond in the amount of Five Thousand (\$5,000.00) Dollars**. This Construction Bond shall be posted with the Developer and will be refunded to the owner upon completion of the dwelling construction and issuance of a Certificate of Occupancy from the local Building Official.

In the event that the owner, general contractor or builder fails to observe or perform any responsibility or obligation under this Section or under any agreement called for in this Section, the Developer shall have the right (but not any obligation) to enter upon the Site and correct or rectify such failure, including by installing or relocating a dumpster, disposing of debris and sweeping or otherwise cleaning the road. The Developer shall be entitled to be reimbursed by the Site Owner and the general contractor or builder for all costs incurred by the Developer in connection with correcting or rectifying such failure, which reimbursement may be deducted from the aforementioned deposit or may be billed by the Developer to the Site Owner, which bill shall be payable by the Site Owner within five (5) days after the submission thereof.

**E. STANDARD FOR DEVELOPER'S APPROVALS: EXCULPATION FROM LIABILITY.**

1. In reviewing and passing upon the plans, drawings, specifications, submissions and other matters to be approved or waived by the Developer under this Article, the Developer intends to ensure that the structures meet the requirements set forth in this Article; however, the Developer reserves the right to waive or modify such restrictions or requirements pursuant to Section 2 (f) of this Article. In no event shall a waiver or other grant of relief by the Developer as to one Site entitle any other Site Owner to a waiver or other relief, whether or not the waiver or relief sought is similar to the waiver or relief granted the other Site Owner.
2. In addition to ensuring that all structures comply with the requirements and restrictions of this Article, the Developer (or Architectural Control Committee, to the extent approval powers are assigned to it by the Developer) shall have the right to base its approval or disapproval of any plans, designs, specifications, submissions or other matters on such other factors, including completely aesthetic considerations, as the Developer (or the Architectural Control Committee) in its sole discretion may determine appropriate or pertinent. The Developer currently

intends to take into account the preservation of trees and of the natural setting of the Condominium in passing upon plans, designs, drawings, specifications and other submissions. Except as otherwise expressly provided herein, the Developer or the Architectural Control Committee, as the case may be, shall be deemed to have the broadest discretion in determining what dwellings, fences, walls, hedges, or other structures will enhance the aesthetic beauty and desirability of the Condominium, or otherwise further or be consistent with the purpose for any restrictions.

3. In no event shall either the Developer (or the agents, officers, employees or consultants thereof) or any member of the Architectural Control Committee have any liability whatsoever to anyone for any act or omission contemplated herein, including without limitation the approval or disapproval of plans, drawings, specifications, elevations or the dwellings, fences, walls, hedges or other structures subject hereto, whether such alleged liability is based on negligence, tort, express or implied contract, fiduciary duty or otherwise. By way of example, neither the Developer nor any member of the Architectural Control Committee shall have liability to anyone for approval of plans, specifications, structures or the like which are not in conformity with the provisions of this Declaration, or for disapproving plans, specifications, structures or the like which arguably are in conformity with the provisions hereof. In no event shall any party have the right to impose liability on, or otherwise contest judicially, the Developer or any other person for any decision of the Developer (or alleged failure of the Developer to make a decision) relative to the approval or disapproval of a structure or any aspect or other matter which the Developer reserves the right to approve or waive under these Bylaws.
4. The approval of the Developer (or the Architectural Control Committee, as the case may be) of a structure or other matter shall not be construed as a representation or warranty that the structure or matter is properly designed or that it is in conformity with the ordinances or other requirements of the Township or any other governmental authority. Any obligation or duty to ascertain any such non-conformities, or to advise the owner or any other person of the same (even if known), is hereby disclaimed.

F. DEVELOPER'S RIGHT TO WAIVE OR AMEND RESTRICTIONS AND REQUIREMENTS.

Notwithstanding anything herein to the contrary, the Developer reserves the right to approve any structure or activities otherwise proscribed or prohibited hereunder, or to waive any restriction or requirement provided for in these Bylaws, if in the Developer's sole discretion such is appropriate in order to maintain the atmosphere, architectural harmony, appearance and value of the Condominium and the Sites therein, or to relieve the owner of a Site or a contractor from any undue hardship or expense. In no event, however, shall the Developer be deemed to have waived or be stopped from asserting its right to require strict and full compliance with all rules, regulations, restrictions and requirements set forth herein, unless the Developer indicates its intent and agreement to do so in writing and, in the case of an approval of nonconforming

structures, the requirements of Section 2 (a)(2) in the case of a dwelling or in the case of any other structure, Section 2 (a)(3) of this Article are met. Notwithstanding the foregoing, if the Developer's rights to approve structures or other activities are assigned or otherwise transferred to the Architectural Control Committee and the members of such committee are appointed by the Association, such Committee shall not have the authority to waive any specific and objective restrictions explicitly set forth or established in this Article in its sole discretion, but shall have the right to waive the same if, in the reasonable judgment of a majority of the members of the committee, the waiver is reasonable under all of the circumstances, will not create undue hardship on other Site Owners, and will not frustrate the basic intent of this Article to ensure that the Condominium remains a first class, luxury residential Condominium.

Under no circumstances shall the Developer waive or modify any of the restrictions established in the "Architectural Guidelines", Exhibit 7 of the PD Agreement without the approval of Lyon Township.

#### **G. ARCHITECTURAL CONTROL COMMITTEE.**

1. At such time as all of the Sites in the Condominium are sold by the Developer and dwellings are erected thereon, or at such earlier time as the Developer in its sole discretion may elect, the Developer may assign, transfer and delegate to an Architectural Control Committee all or any of the Developer's rights to approve, waive or refuse to approve plans, specifications, drawings, elevations, submissions or other matters with respect to the construction or location of any Structure on any Site or any other matter which the Developer may approve or waive as provided above. Any such assignment, transfer or delegation must be in writing. Thereafter, the Architectural Control Committee shall exercise all of the authority and discretion granted to the Developer in this Article, relative to approving, waiving or disapproving such matters, to the extent assigned, transferred or delegated by the Developer, and the Developer shall have no further responsibilities with respect to such matters.
2. The Architectural Control Committee shall be comprised of up to three (3) members to be appointed by the Developer. The Developer also may transfer its right to designate the members of the Architectural Control Committee to the Association. Until such event, the Developer reserves the right to appoint and remove members of the Architectural Control Committee in its sole discretion.
3. At the time any Site Owner submits plans or other documents for approval pursuant to the foregoing provisions of this Article, the Site Owner shall pay the Developer, or the Association if the Developer has assigned to the Architectural Control Committee its rights of review and approval, the sum of Three Hundred Fifty (\$350.00) Dollars, which the Developer or the Association as the case may be, shall retain as a fee for the costs of architectural control activities.
4. If after the Transitional Control Date, the Developer continues to own one (1) or more Sites, the Developer's written approval shall be required by certified or registered mail before any proposed changes are made to the Common Elements or to the exterior appearance of

a residence on a Condominium Site or to the Condominium Site. If the Developer does not respond within ten (10) days of receipt of the certified or registered mail, the Developer shall be deemed to have not objected to the proposed changes. Failure of the Developer to exercise its right to disapprove a proposed modification or alteration shall in no event be deemed an approval or modification or alteration which is in violation of the Condominium Documents, building codes or local ordinances, and shall not be deemed a waiver of Developer's rights to demand compliance therewith.

#### G. CONTRACTOR REGULATIONS.

No Co-owner shall contract with any builder or contractor, other than a Builder, to construct any dwelling or Site major structure or improvement. All builders must adhere to the requirements of this sub-section G. in order to establish, or maintain their approval status:

1. **Builder Information.** A builder/contractor shall furnish the Architectural Control Committee the following information: (1) a copy of the builder/contractor's residential builder's license; and (2) a certificate of insurance which shall be satisfactory to the Architectural Control Committee in all respects and provide that any cancellation or substance modification of coverage shall not be effective without thirty (30) days prior written notice to the Co-owner and the Architectural Control Committee.
2. **Pre-construction Certificate of Compliance.** Prior to the commencing any construction or improvement within a Site, the Builder shall supply the Architectural Control Committee with: (1) a certification by a duly licensed civil engineer or land surveyor that the proposed improvements are to be properly located and are in accordance with the Plans previously approved by the Architectural Control Committee; and (2) copies of all required building and other permits and approvals.
3. **Accountability.** The Builder shall designate a construction superintendent at the start of construction who will be responsible for supervising adherence to the Construction Regulations set forth herein below and all other applicable provisions of the Condominium Documents.

**Section 4. Activities.** No immoral, improper, unlawful or offensive activity shall be carried on in any Site or upon the Common Elements, Limited or General, 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 Site at any time. No Co-owner shall do or permit anything to be done or keep or permit to be kept in his Site 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 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, sling shots, illegal fireworks, or other similar dangerous weapons, projectiles or devices. No water well may be drilled, maintained or for any purpose used in the Condominium.

**Section 5. Pets.** No reptiles and no animals, including household pets, shall be maintained by any Co-owner unless specifically approved in writing by the Association, except that a Co-owner may maintain two (2) domesticated dogs or cats, or one (1) of each, on his Site. 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 doghouses or tethering of animals shall be permitted on the Common Elements, Limited or General. 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 in person by some responsible person while on the Common Elements, Limited or General. The Board of Directors may, in its discretion, designate certain portions of the General Common Elements of the Project wherein such animals may be walked and/or exercised and the Board of Directors may, in its discretion, designate certain portions of the General Common Elements of the Condominium wherein dog runs may be constructed. 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 and/or for the construction of dog runs. No savage or dangerous animal shall be kept and any Co-owner who causes any 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 a result of the presence of such animal on the premises, whether or not the Association has given its permission therefor, 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 that barks and can be heard on any frequent or continuing basis shall be kept in any Site 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 cost to the Association of accommodating animals within the Condominium. The Association shall have the right to require that any pets be registered with it and 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 animal from the Condominium which it determines to be in violation of the restrictions imposed by this Section or by any applicable rules and regulations of the Association, although such hearing shall not be a condition precedent to the institution of legal proceedings to remove said animal. The Association may also assess fines for such 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 5 shall not include small, domesticated animals, such as small birds or fish, which are constantly caged.

**Section 6. Aesthetics.** In general, no activity shall be carried on nor condition maintained by the Co-owner either in his Site or upon the Common Elements, which is detrimental to the appearance of the Condominium. 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 Site or Limited Common Element, 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, except as may be provided in rules and regulations of the Association. 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. The Common Elements shall not be used in any way for the drying, shaking or airing of clothing or other fabrics. There shall be no outdoor cooking or barbecues on the Common Elements except in areas designated therefor by the Board of Directors. Nothing herein contained shall be construed to require the Board of Directors to so designate an area for outdoor cooking or barbecues.

**Section 7. Common Element Maintenance.** Common Element sidewalks shall not be obstructed in any way nor shall they be used for purposes other than for which they are reasonably and obviously intended. No bicycles, vehicles, chairs, or benches may be left unattended on or about the Common Elements, except as may be provided by duly adopted rules and regulations of the Condominium. Use of any amenities in the Condominium may be limited to such times and in such manner as the Association shall determine by duly adopted regulations; provided, however, that use of any amenities in the Condominium shall be limited to resident Co-owners who are members in good standing of the Association and to the tenants, land contract purchasers and/or other non Co-owner occupants of Condominium Sites in which the Co-owner does not reside; provided, further, however, that the nonresident Co-owners of such Condominium Sites are members in good standing of the Association.

**Section 8. Vehicles.** No house trailers, commercial vehicles, boat trailers, boats, camping vehicles, camping trailers, mobile homes, dune buggies, motor homes, all terrain vehicles, snowmobiles, snowmobile trailers or vehicles, other than automobiles, motorcycles, vehicles and trucks which are designed and used primarily for personal transportation purposes, may be parked or stored upon the premises of the Condominium, unless enclosed in the Co-owner's garage with the door closed or in such other area as may be specifically approved by the Association or parked in an area specifically designated therefor by the Association. Nothing herein contained shall be construed to require the Association to approve the parking or storage of such vehicles or to designate an area therefor. The Association shall not be responsible for any damages, costs or other liability arising from any failure to approve the parking or storage of such vehicles or to designate an area therefor. A Co-owner may not maintain more than three (3) vehicles upon the Condominium Premises unless the Board of Directors specifically approves in writing otherwise. Co-owners must park their vehicles in the garage and in their driveway, only, unless the Board of Directors has specifically approved otherwise in writing and/or as may otherwise be set forth in rules and regulations promulgated pursuant to Article VI, Section 11 hereof. Garage doors shall be kept closed when not in use. Any non-assigned parking areas shall be reserved for the general use of the members and their guests. Commercial vehicles and trucks (except trucks designed and used primarily for personal transportation as herein provided) shall not be parked in or about the Condominium (except as above provided) unless while making deliveries or pick-ups in the normal course of business. For purposes of this Section, "commercial vehicle" means any vehicle that has any one of the following characteristics: (a) more than two (2) axles; (b) gross vehicle weight rating in excess of 10,000 pounds; (c) visibly equipped with or carrying equipment or materials used in a business; or (d) carrying a sign

advertising or identifying a business. Noncommercial trucks such as Suburbans, Blazers, Bravadas, Jeeps, GMC's/Jimmy's, pickups, vans, and similar vehicles that are designed and used primarily for personal transportation shall be permissible, except as may be otherwise prohibited herein. Non-operational vehicles or vehicles with expired license plates shall not be parked or stored on the Condominium Premises without the written permission of the Board of Directors. Non-emergency maintenance or repair of motor vehicles shall not be permitted on the Condominium Premises. The Association may cause vehicles parked or stored in violation of this Section to be removed from the Condominium Premises and the cost of such removal may be assessed to and collected from the Co-owner of the Site responsible for the presence of the vehicle in the manner provided in Article II hereof without liability to the Association. Co-owners shall, if the Association shall require, register with the Association all vehicles maintained on the Condominium Premises. The Board of Directors may promulgate reasonable rules and regulations governing the parking of vehicles in the Condominium consistent with the provisions hereof.

**Section 9. Intentionally Deleted.**

**Section 10. Advertising.** No signs or other advertising devices shall be displayed which are visible from the exterior of a Site or on the Common Elements, including "For Sale" signs and "Open" signs, without written permission from the Association and, during the Development, Construction and Sales Period, from the Developer.

**Section 11. Regulations.** Reasonable rules and regulations consistent with the Act, the Master Deed and these Bylaws concerning the use and operation of the Condominium may be made and amended from time to time by the Association's Board of Directors, including the First Board of Directors (or its successors appointed by the Developer prior to the First Annual Meeting of the Association held as provided in Article X, Section 2 of these Bylaws). Copies of all rules and/or regulations and amendments thereto shall be furnished to all Co-owners and shall become effective thirty (30) days after mailing or delivery thereof to the designated voting representative of each Co-owner. Any such rule or regulation or amendment may be revoked at any time by the affirmative vote of more than fifty (50%) percent, in number and in value, of all Co-owners entitled to vote as of the record date for said vote, except that the Co-owners may not revoke any rule or regulation prior to the First Annual Meeting of the Association.

**Section 12. Right of Access of Association.** The Association or its duly authorized agents shall have access to each Site and any Limited Common Elements appurtenant thereto from time to time during reasonable working hours, upon notice to the Co-owner thereof, as may be necessary for the maintenance, repair or replacement of any of the Common Elements. This right of access shall include, without any implication of limitation, the right of the Association to obtain access during reasonable hours and upon reasonable notice to any Site or its appurtenant Limited Common Elements for monitoring, inspection, maintenance, repair or replacement thereof. The Association or its agents shall also have access to each Site and any Limited Common Elements appurtenant thereto at all times without notice as may be necessary to make emergency repairs to prevent damage to the Common Elements or to another Site and/or to protect the safety and/or welfare of the inhabitants of the Condominium. It shall be the responsibility of each Co-owner to provide the Association means of access to his Site and any Limited Common Elements appurtenant thereto during all periods of absence and in the event of

the failure of such Co-owner to provide means of access, the Association may gain access in such manner as may be reasonable under the circumstances, including without notice, and shall not be liable to such Co-owner for any necessary damage to his Site and any Limited Common Elements appurtenant thereto caused thereby or for repair or replacement of any doors or windows damaged in gaining such access. In the event that it is necessary for the Association to gain access to a Site or the contents of same or Limited Common Elements appurtenant to same which are under the control or possession of the Co-owner to make repairs to prevent damage to the Common Elements or to another Site or to protect the safety and welfare of the inhabitants of the Condominium, the costs, expenses, damages, and/or attorney fees incurred by the Association in such undertaking shall be assessed to the responsible Co-owner and collected in the same manner as provided in Article II of these Bylaws.

**Section 13. Landscaping.** No Co-owner shall perform any landscaping or plant any trees, shrubs or flowers or place any ornamental materials upon the Common Elements unless approved by the Association in writing, or as may be provided in rules and regulations governing same as may be promulgated by the Board of Directors from time to time, subject to the written approval of the Developer as required in Section 16 below.

**Section 14. Disposition of Interest in Site by Sale or Lease.** No Co-owner may dispose of a Site, or any interest therein, by a sale or lease without complying with the following terms or conditions:

- (a) **Notice to Association; Co-owner to Provide Condominium Documents to Purchaser or Tenant.** A Co-owner intending to make a sale or lease of a Site in the Condominium, or any interest therein, shall give written notice of such intention delivered to the Association at its registered office and shall furnish the name and address of the intended purchaser or lessee and such other information as the Association may reasonably require. Prior to the sale or lease of a Site, the selling or leasing Co-owner shall provide a copy of the Condominium Master Deed (including Exhibits "A" and "B" thereto) and any amendments to the Master Deed, the Articles of Incorporation and any amendment thereto, and the rules and regulations, as amended, if any, to the proposed purchaser or lessee. In the event a Co-owner shall fail to notify the Association of the proposed sale or lease or in the event a Co-owner shall fail to provide the prospective purchaser or lessee with a copy of the Master Deed and other documents referred to above, such Co-owner shall be liable for all costs and expenses, including attorney fees, that may be incurred by the Association as a result thereof or by reason of any noncompliance of such purchaser or lessee with the terms, provisions and restrictions set forth in the Master Deed; provided, however, that this provision shall not be construed so as to relieve the purchaser or lessee of his obligations to comply with the provisions of the Condominium Documents.
- (b) **Developer and Mortgagees not Subject to Section.** The Developer shall not be subject to this Section 14 in the sale or, except to the extent provided in Article VI, Section 2(b), the lease of any Site in the Condominium which it owns, nor shall the holder of any mortgage which comes into possession of a Site pursuant to the remedies provided in the mortgage, or foreclosure of the mortgage, or deed in lieu of foreclosure, be subject to the provisions of this Section 14.

**Section 15. Co-owner Responsibilities for Due Care and Maintenance.** Each Co-owner shall use due care to avoid damaging any of the Common Elements including, but not limited to, the telephone, water, gas, plumbing, air conditioning compressors, cable or satellite television, electrical or other utility conduits and systems and any other elements which are appurtenant to or which may affect any other Site. Additionally, each Co-owner shall maintain his Site and any Limited Common Elements appurtenant thereto for which he has maintenance responsibility in a safe, clean and sanitary condition and in accordance with any insurance risk management policies from time to time adopted by the Board of Directors in accordance with Article VI, Section 11 of these Bylaws. In the event that a Co-owner fails to properly maintain, repair or replace any portion of the Condominium Premises for which he or she is assigned by the Condominium Documents the responsibility for maintenance, repair and/or replacement, in addition to any other remedy which it may have under these Bylaws, the Association may perform any such maintenance, repair and replacement following the giving of three (3) days written notice thereof to the responsible Co-owner of its intent to do so (except in the case of an emergency repair with which the Association may proceed without prior notice). The Association may assess the costs thereof to the Co-owner of the Site as provided in Section 19 below. The aforesigned right of the Association to perform such maintenance, repair and replacement shall not be deemed an obligation of the Association, but, rather, is in the sole discretion of the Board of Directors. The Co-owners shall have the responsibility to report to the Association any Common Element which has been damaged or which is otherwise in need of maintenance, repair or replacement.

Notwithstanding any other provision of the Condominium Documents, each Co-owner shall be responsible for all damages or costs incurred by the Association for the repair or replacement of Common Elements, or by any other Co-owner(s) for the repair or replacement of any Site or Limited Common Element, as the case may be, which results from: (a) any negligent or intentional action or omission by the Co-owner, his land contract purchaser or his tenant, or by the family, servants, employees, agents, visitors, licensees, or household pets of the Co-owner, land contract purchaser or tenant; or (b) any failure of, or any Co-owner failure to maintain, any portion of the Condominium Premises for which the Co-owner is assigned by the Condominium Documents the responsibility to maintain, repair and replace, regardless whether the damage or cost resulted from any Co-owner negligent or intentional action or omission; provided, in either such case, that 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) if and to the extent that such damages or costs are covered by insurance carried by the Association. Each Co-owner shall indemnify and hold harmless the Association and every other Co-owner against such damages and costs, including actual attorneys' fees (not limited to reasonable attorneys' fees), and all such 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 16. Reserved Rights of Developer.** During the Development, Construction and Sales Period, no buildings, fences, decks, wood privacy screens, patios, walls, walks or other structures or improvements shall be commenced, erected, maintained, nor shall any addition to, or change or alteration to any structure be made (including in color or design), except interior alterations which do not affect structural elements of any Site, nor shall any hedges, trees or substantial

plantings or landscaping modifications be made, until plans and specifications, acceptable to the Developer, showing the nature, kind, shape, height, material, color, scheme, location and approximate cost of such structure or improvement and the grading or landscaping plan of the area to be affected shall have been submitted to and approved in writing by Developer, its successors or assigns, and a copy of said plans and specifications, as finally approved, lodged permanently with Developer. Developer shall have the right to refuse to approve any such plan or specifications, or grading or landscaping plans which are not suitable or desirable in its opinion for aesthetic or other reasons; and in passing upon such plans, specifications, grading or landscaping, it shall have the right to take into consideration the suitability of the proposed structure improvement or modification, the site upon which it is proposed to effect the same, and the degree of harmony thereof with the Condominium as a whole, who will be requested to bear the maintenance, repair and/or replacement responsibility for same and any adjoining properties under development or proposed to be developed by the Developer. The purpose of this Section is to assure the continued maintenance of the Condominium as an attractive and harmonious residential development, and shall be binding upon both the Association and upon all Co-owners.

**Section 17. Developer and Builder Rights to Furtherance of Development and Sale.** None of the restrictions contained in this Article VI shall apply to the commercial activities or signs or billboards, if any, of the Developer or any Builder during the Development, 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, the Developer shall have the right to maintain a sales office, a business office, a construction office, model Sites, storage areas and reasonable parking incident to the foregoing and such access to, from and over the Condominium as may be reasonable to enable development and sale of the entire Condominium by Developer and/or the development, sale or lease of other off-site property by Developer or its affiliates, and Developer may continue to do so during the entire Development, Construction and Sales Period and the warranty period applicable to any Site in the Condominium. The Developer reserves the right to assign the rights of the Developer described in the preceding sentence, in whole or in part, to any Builder(s). The Developer shall restore the area so utilized to habitable status upon termination of use.

**Section 18. Enforcement of Bylaws.** The Condominium shall at all times be maintained in a manner consistent with the highest standards of an attractive, 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, but not the obligation, to enforce these Bylaws throughout the Development, Construction and Sales Period notwithstanding that it may no longer own a Site 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. Unless the Developer has given its written consent, the failure or delay of the Developer to enforce these Bylaws shall not constitute a waiver of the right of the Developer to enforce the Bylaws in the

future. The provisions of this Section 18 shall not be construed to be a warranty or representation of any kind regarding the physical condition of the Condominium.

**Section 19. Assessment of Costs of Enforcement.** Any and all costs, damages, expenses and/or attorneys fees incurred by the Association, or the Developer, as the case may be, in enforcing any of the restrictions set forth in this Article VI and/or rules and regulations promulgated by the Board of Directors of the Association under Article VI, Section 11 of these Bylaws, and any costs, expenses, and attorneys' fees incurred in collecting said costs, damages, and any expenses incurred as a result of the conduct of less than all those entitled to occupy the Condominium Project, or by their licensees or invitees, may be assessed to and collected from the responsible Co-owner in the manner provided in Article II hereof.

## **ARTICLE VII** **ARBITRATION**

**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 the Co-owners and the Association, upon the election and written consent of the parties to any such disputes, claims or grievances (which consent shall include an agreement of the parties that the judgment of any circuit court of the State of Michigan may be rendered upon any award pursuant to such arbitration), and upon written notice to the Association, shall be submitted to arbitration and the parties thereto shall accept the arbitrator's 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.

**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.** Such election and written consent by Co-owners or the Association to submit any such dispute, claim or grievance to arbitration shall preclude such parties from litigating such dispute, claim or grievance in the courts.

## **ARTICLE VIII** **MORTGAGES**

**Section 1.** **Notice to Association.** Any Co-owner who mortgages his Site 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 Sites". The Association shall report any unpaid assessments due from the Co-owner of such Site to the holder of any first mortgage covering such Site and Co-owners shall be deemed to have specifically authorized said action pursuant to these Bylaws. The Association shall give to the holder of any first mortgage covering any Site in the Condominium written notification of any other default in the performance of the obligations of the Co-owner of such Site 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 Site 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 Site owned when voting by number and one (1) vote, the value of which shall equal the total of the percentages allocated to the Sites owned by such Co-owner as set forth in Article V of the Master Deed, when voting by value. Voting shall be by value except in those instances when voting is specifically required by the Association to be both in number and in value.

**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 Site 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 X, 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 except as otherwise provided herein or in Article III, Section 4 above. 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 Sites at some time or from time to time during such period. At and after the First Annual Meeting, the Developer shall be entitled to vote for each Site 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, sign petitions 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 Site or Sites owned by the Co-owner, and the name, address and telephone number of each person, firm, corporation, limited liability partnership, limited liability company, 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, but the designation of a non Co-owner as a designated voting representative shall not entitle that non Co-owner to serve as an officer or director of the Association, unless otherwise permitted by these Bylaws.

**Section 4. Quorum.** The presence in person or by proxy of thirty-five (35%) percent in number and in value of the Co-owners entitled to vote as of the record date for said 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 or where voting in person is required by the Bylaws. 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 except where prohibited herein.

**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, except as otherwise provided herein in Article III, Section 4, herein above. 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 5. Majority.** A majority, except where otherwise provided herein, shall consist of more than fifty (50%) percent in number and in value of those Co-owners entitled to vote as of the record date for said 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 and may require that votes be cast in person.

## **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 and in value of the Sites 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 non-Developer Co-owners of seventy-five (75%) percent

in number and in value of all Sites that may be created in the Condominium or fifty-four (54) months after the first conveyance of legal or equitable title to a non-Developer Co-owner of a Site 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 "Sites that may be created" as used in this paragraph and elsewhere in the Condominium Documents refers to the maximum number of Sites that 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 May 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 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 at least one-third (1/3) of the Co-owners in number and in value presented to the Secretary of the Association, but only after the First Annual Meeting has been held or at the request of the Developer. A Co-owner must be eligible to vote at a meeting of members to validly sign a petition. 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 of 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, except for the Litigation Evaluation Meeting which notice requirements are prescribed in Article VII, Section 2, above. 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. In lieu thereof, said notice may also be hand delivered to a Site if the Site address is designated as the voting representative's address, and/or the Co-owner is a resident of the Site. Electronic transmittal of such notice, such as facsimile, E-mail and the like, may be deemed notice served in the sole discretion of the Board so long as written or electronic confirmation of receipt of the notice is returned to and received by the Association from the designated voting representative. 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 to attempt to obtain a quorum.

**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 of the Association (except for the election or removal of directors) may be taken without a meeting, with or without prior notice, by written consent of the members, except for litigation referenced in Article III and Article VII above. Written consents may be solicited in the same manner as provided in Section 4 above for the giving of notice of meetings of members. Such solicitation may specify the percentage of consents necessary to approve the action, and the time by which consents must be received in order to be counted. The form of written consents shall afford an opportunity to consent (in writing) to each matter and shall provide that, where the member specifies his or her consent, the vote shall be cast in accordance therewith. Approval by written consent shall be constituted by receipt within the time period specified in the solicitation of a number of written consents which equals or exceeds the minimum number of votes which would be required for approval if the action were taken at a meeting at which all members entitled to vote were present and voted.

**Section 9. Consent of Absentees.** The transactions of any meeting of members, either annual or special, except the litigation evaluation meeting discussed in Article VII above and the litigation approval discussed in Article III, Section 4 herein above, 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 to truthfully 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 Site in the Condominium to a purchaser or within one hundred twenty (120) days after conveyance to purchasers of one-third (1/3) of the Sites that may be created in the Condominium, whichever

first occurs, the Developer shall cause to be established an Advisory Committee consisting of at least three (3) non-Developer Co-owners entitled to vote as of the record date for said vote. The Committee shall be established and perpetuated in any manner the Developer deems advisable, except that if more than fifty (50%) percent of the non-Developer 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 the Co-owners. A chairman of the Committee shall be selected by the members. The Advisory Committee shall cease to exist automatically when the non-Developer 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 non-person members of the Association (i.e., corporations, limited liability companies, partnerships, etc.) except for the first Board of Directors designated in the Articles of Incorporation of the Association and any successors thereto appointed by the Developer. "Good standing" shall be deemed to include a member who is current in all financial obligations owing to the Association and who is not in default of any of the provisions of the Condominium Documents. 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 non-Developer Co-owners to the Board. Immediately prior to the appointment of the first non-Developer Co-owner to the Board, the Board shall be increased in size to five (5) persons. Thereafter, elections for non-Developer Co-owner directors shall be held as provided in subsections (b) and (c) below. The directors shall hold office until their successors are elected and hold their first meeting.
- (b) **Appointment of Non-Developer 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 non-Developer Co-owners of twenty-five (25%) percent of the Sites, one (1) of the five (5) directors shall be elected by non-Developer Co-owners. Not later than one hundred twenty (120) days after conveyance of legal or equitable title to non-Developer Co-owners of fifty (50%) percent of the Sites in number and in value, two (2) of the five (5) directors shall be elected by non-Developer Co-owners. When the required number of conveyances has been reached, the Developer shall notify the non-Developer Co-owners and request that they hold a meeting and elect the required director or directors, as the case may be. Upon certification by the Co-owners to the Developer of the director(s) so elected, the Developer shall then immediately appoint such director(s) to the Board to

serve until the First Annual Meeting of members, unless the director is removed pursuant to 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 non-Developer Co-owners of seventy-five (75%) percent of the Sites that may be created in the Condominium, the non-Developer 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 and offers for sale at least ten (10%) percent of the Sites that may be created in the Condominium or as long as ten (10%) percent of the Sites that may be created in the Condominium remain unsold. 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 Sites which have been conveyed, upon the expiration of fifty-four (54) months after the first conveyance of legal or equitable title to a non-Developer Co-owner of a Site in the Condominium, the non-Developer Co-owners have the right to elect a number of members of the Board of Directors equal to the percentage of Sites they own and the Developer has the right to elect a number of members of the Board of Directors equal to the percentage of Sites 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 non-Developer 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 Sites held by the non-Developer Co-owners under subsection (b) results in a right of non-Developer 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 non-Developer 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 subsection (i).
- (iv) Except as provided in Article XII, Section 2(c)(ii), at the First Annual Meeting, three (3) directors shall be elected for a term of two (2) years and two (2) directors shall be elected for a term of one (1) year. At such meeting, all nominees shall stand for election as one slate and the three (3) persons receiving the highest number of votes shall be elected for a term of two (2) years and the two (2) persons receiving the next highest number of votes shall be elected for a term of one (1) year. At each annual meeting held thereafter, either two (2) or three (3)

directors shall be elected, depending upon the number of directors whose terms expire. After the First Annual Meeting, the term of office (except for two (2) 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 that 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 Site 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 Association property and/or 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; provided, however, that, subject to the provisions of the Master Deed, any such action shall also be approved by the affirmative vote of more than sixty (60%) percent in number and in value of all Co-owners entitled to vote as of the record date for said vote, unless such right is specifically reserved to the Developer as provided in Article X of the Master Deed in which event Co-owner approval shall not be required. The aforesaid sixty (60%) percent approval requirement shall not apply to subparagraph (h) below.

- (h) 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, right-of-way agreements, access agreements and multi-Site agreements, and to the extent allowed by law, contracts for sharing of any installation or periodic subscriber fees as may be necessary, convenient or desirable to provide for telecommunications, videotext, broad band cable, satellite dish, antenna, multi-channel, multi-point distribution service and similar services (collectively, "Telecommunications") to the Condominium or any Site 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 would violate any provision of any federal, state or local law or ordinance. Any and all sums paid by any Telecommunications or any 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, within the meaning of the Act, except that same shall be paid over to and shall be the property of the Developer during the Development, Construction and Sales Period and, thereafter, the Association.
- (i) 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 the affirmative vote of more than sixty (60%) percent in number and in value of all Co-owners entitled to vote as of the record date for said vote, unless same is a letter of credit and/or appeal bond for litigation, or unless same is for a purchase of personal property with a value of Fifteen Thousand (\$15,000.00) Dollars, or less.
- (j) To make and enforce reasonable rules and regulations in accordance with Article VI, Section 11 of these Bylaws and such other applicable provisions 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.
- (k) 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.
- (l) To make rules and regulations and/or to enter into agreements with institutional lenders the purposes of which are to obtain mortgage financing for Site Co-owners which is acceptable for purchase by the Federal Home Loan Mortgage Corporation, the Federal 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.
- (m) 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 ninety (90) 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. Each person so elected shall serve until the next annual meeting of members, at which the Co-owners shall elect a director to serve the balance of the term of such directorship. Vacancies among non-Developer Co-owner-elected directors that occur prior to the Transitional Control Date may be filled only through election by non-Developer Co-owners and shall be filled in the manner specified in Section 2(b) of this Article.

**Section 7. Removal.** Except for directors appointed by the Developer, 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 in number and in value of all Co-owners eligible to vote as of the record date for said 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 non-Developer Co-owners to serve before the First Annual Meeting of members may be removed before the First Annual Meeting by the non-Developer 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. In lieu thereof, said notice may also be hand delivered or electronically transmitted, i.e., via facsimile,

E-mail or the like, so long as written or electronic confirmation of receipt of the notice is returned by the director.

**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. In lieu thereof, said notice may also be hand delivered or electronically transmitted, i.e. via facsimile, E-mail or the like, so long as written or electronic confirmation of receipt of the notice is returned by the director. 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 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. Closing of Board of Directors' Meetings to Members; Privileged Minutes.** The Board of Directors, in its discretion, may close a portion or all of any meeting of the Board of Directors to the members of the Association or may permit members of the Association to attend a portion or all of any meeting of the Board of Directors. Any member of the Association shall have the right to inspect, and make copies of, the minutes of the meetings of the Board of Directors; provided, that no member of the Association shall be entitled to review or copy any minutes of meetings of the Board of Directors to the extent that said minutes reference privileged communications between the Board of Directors and counsel for the Association, or any other matter to which a privilege against disclosure pertains under Michigan Statute, the common law, the Michigan Rules of Evidence or the Michigan Court Rules.

**Section 14. Action by Written Consent.** Any action which may 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 15. 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 16. 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 of 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. Both the President and the Vice-President must be members of the Association; other officers may, but need not be, members of the Association. Any such members serving as officers shall be in good standing of the Association. 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) officers except that of President and Vice-President may be held by one (1) person. Officers shall be compensated only upon the affirmative vote of more than sixty (60%) percent in number and in value of all Co-owners entitled to vote as of the record date of said vote.

**Section 2. Election.** The officers of the Association shall be elected annually by the Board of Directors at the organizational meeting of each 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, 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 the Board of Directors may, from time to time, designate.

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

#### **ARTICLE XIV SEAL**

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 XV FINANCE**

**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. The non-privileged Association books, records, and contracts concerning the administration and operation of the Condominium shall be open for inspection by the Co-owners and their mortgagees during reasonable working hours, subject to such reasonable inspection procedures as may be established by the Board of Directors from time to time. 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 Site 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 and may also be invested in interest-bearing obligations of the United States Government or in such other depositories as may be adequately insured in the discretion of the Board of Directors.

## ARTICLE XVI INDEMNIFICATION OF OFFICERS AND DIRECTORS; DIRECTORS' AND OFFICERS' INSURANCE

**Section 1. Indemnification of Directors and Officers.** Every director and every officer of the Association (including the First Board of Directors and any other director and/or officer of the Association appointed by the Developer) 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, including actions by or in the right of the Association, 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 Association (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 Association 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 or other applicable statutory indemnification. 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 or other applicable statutory indemnification.

## ARTICLE XVII AMENDMENTS

**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 in number and in value entitled to vote as of the record date for said vote 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 entitled to vote as of the record date for such vote. During the Development, 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, and Article VII of these Bylaws at any time without the written consent of the Developer.

**Section 4. Mortgagee Approval.** Notwithstanding any other provision of the Condominium Documents to the contrary, mortgagees are entitled to vote on amendments to the Condominium Documents only when and as required by the Act, as amended. Moreover, insofar as permitted by the Act, these Bylaws shall be construed to reserve to the Developer during the Development, Construction and Sales Period, and to the Co-owners thereafter, the right to amend these Bylaws without the consent of mortgagees if the amendment does not materially alter or change the rights of mortgagees generally, or as may be otherwise described in the Act, notwithstanding that the subject matter of the amendment is one which in the absence of this sentence would require that mortgagees be afforded the opportunity to vote on the amendment. If, notwithstanding the preceding sentences, mortgagee approval of a proposed amendment to these Bylaws is required by the Act, the amendment shall require the approval of sixty-six and two-thirds (66-2/3%) percent of the mortgagees of Sites entitled to vote thereon. Mortgagees are not required to appear at any meeting of Co-owners but their approval shall be solicited through written ballots in accordance with the procedures provided in the Act.

**Section 5. 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 materially alter or change the rights of a Co-owner or mortgagee, including, but not limited to, amendments for the purpose of facilitating conventional mortgage loan financing for existing or prospective Co-owners and to enable the purchase of such mortgage loans by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association and/or any other agency of the Federal government or the State of Michigan and to comply with amendments to the Act.

**Section 6. When Effective.** Any amendment to these Bylaws shall become effective upon recording of such amendment in the office of the Oakland 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 Site 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 the Condominium Documents conflict with the PD Agreement, the PD Agreement shall govern. In the event any provision of these Bylaws conflicts with any provision of the Master Deed, the provisions of 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, non Co-owner resident, lessee, tenant or guest, the Association shall be entitled to recover from the Co-owner, non Co-owner resident, lessee, tenant or guest, the pre-litigation 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, non Co-owner, lessee, tenant or guest, 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. The Association, if successful, shall also be entitled to recoup the costs and attorney's fees incurred in defending any claim, counterclaim or other matter from the Co-owner asserting the claim, counterclaim or other matter.
- (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, Limited or General, or into any Site, 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; provided, however, that judicial proceedings shall be instituted before items of construction are altered or demolished pursuant to this subsection. 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, or his tenant or non Co-owner occupant of his Site, in addition to the rights set forth above, shall be grounds for assessment by the Association of a monetary fine for such violation against said Co-owner. 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 11 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, and/or as is set forth in the rules and regulations establishing the fine procedure. All fines duly assessed may be collected in the same manner as provided in Article II of these Bylaws.

**Section 2. Non-waiver 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.

**Section 5. Article Not Applicable to Default by Developer.** The term "Co-owner", when used in this Article XX with respect to the remedies of the Association and other Co-owners with

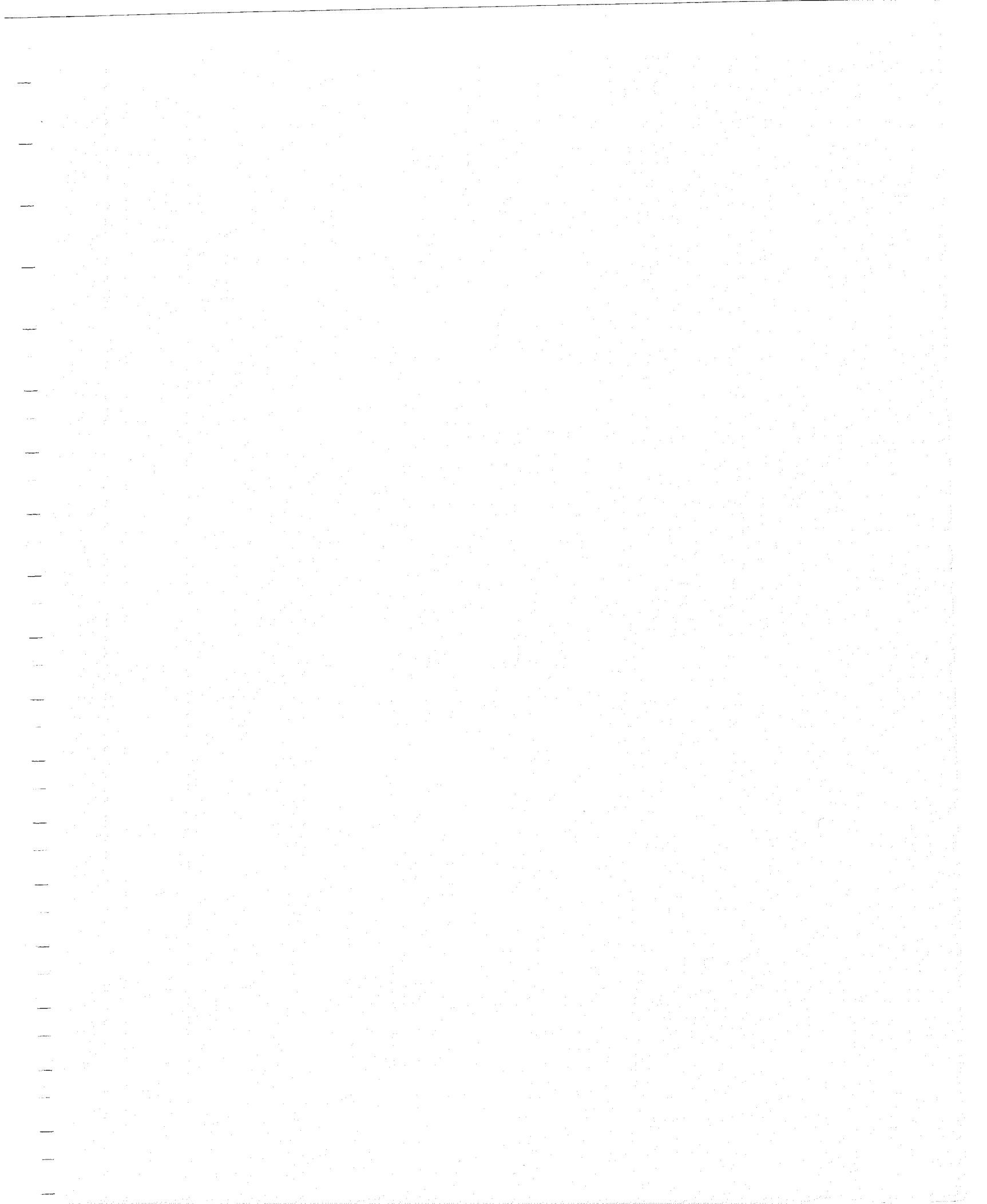
respect to a Co-owner default, including, without limitation, any default under Article II herein above, shall be construed so as to exclude the Developer, and no such remedy shall be available to the Association or any Co-owner with respect to any claim that the Developer is in default in the performance of any obligation of the Developer the performance of which is due during the Development, Construction and Sales Period.

## **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 Development, Construction and Sales Period. 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 or for the benefit of the Developer or its successors and assigns in the Master Deed or elsewhere (including, but not limited to, litigation rights, 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.



NOTE:  
THE ASTERISK (\*) AS SHOWN IN THE SHEET INDEX  
INDICATES AMENDED OR NEW SHEETS WHICH ARE  
REVISED, DATED JANUARY 1, 2006. THESE SHEETS  
WITH THIS SUBMISSION ARE TO REPLACE OR BE  
SUPPLEMENTAL SHEETS TO THOSE PREVIOUSLY  
RECORDED.

# OAKLAND COUNTY CONDOMINIUM SUBDIVISION PLAN NO.1805 EXHIBIT "B" TO THE AMENDED AND RESTATED MASTER DEED OF **THE GLENS AT CRYSTAL CREEK** LYON TOWNSHIP, OAKLAND COUNTY, MICHIGAN

SURVEYOR: ALPINE ENGINEERING, INC.  
44552 WEST ROAD  
SUITE 109  
NOM, MICHIGAN 48377

ENGINEER: SEIBER, KEAST & ASSOCIATES, INC.  
40399 GRAND RIVER AVENUE  
SUITE 100  
NOM, MICHIGAN 48375-2123

DEVELOPER: CRYSTAL CREEK LAND, LLC  
7001 ORCHARD LAKE ROAD  
SUITE 200  
WEST BLOOMFIELD, MI 48322

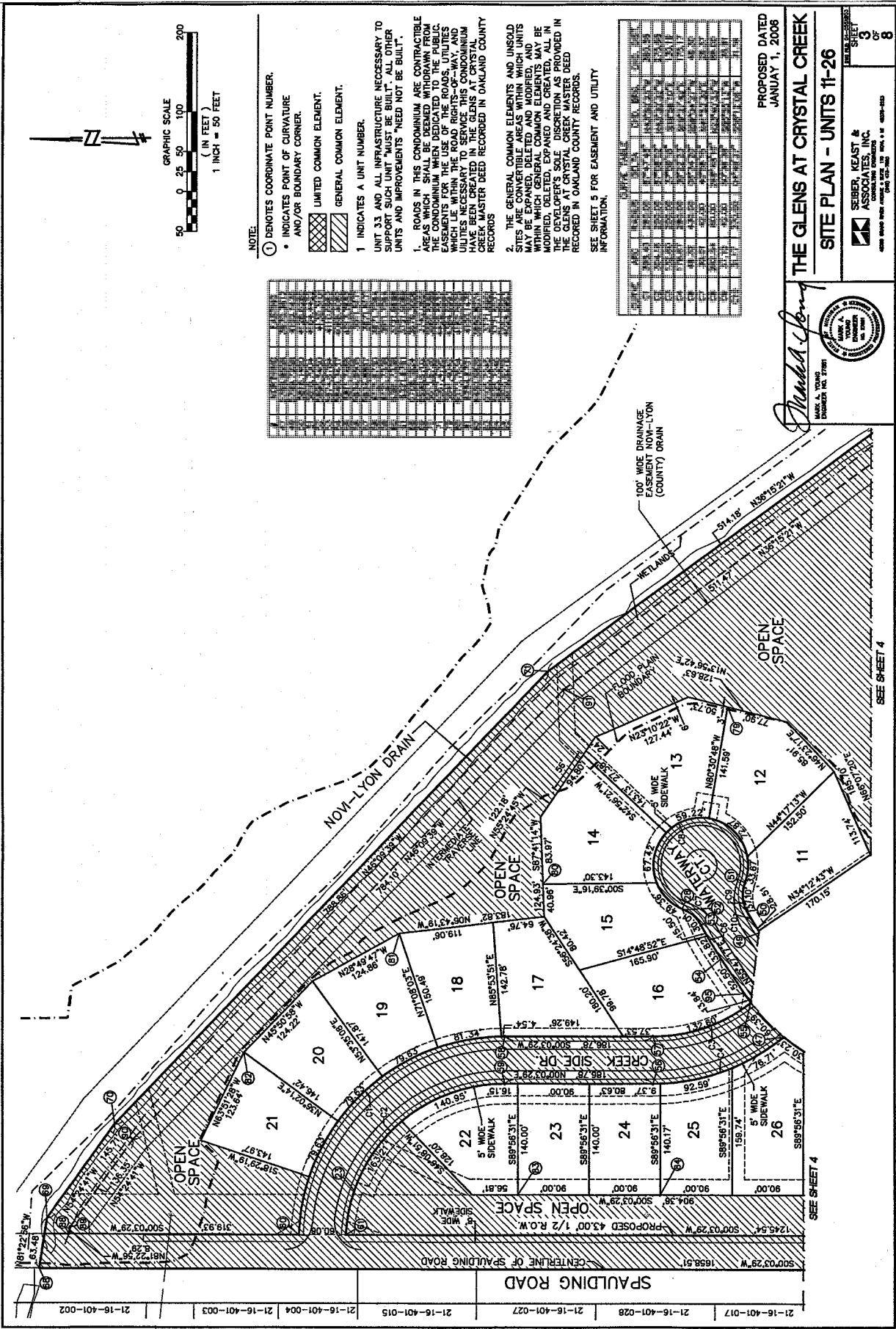
## LEGAL DESCRIPTION

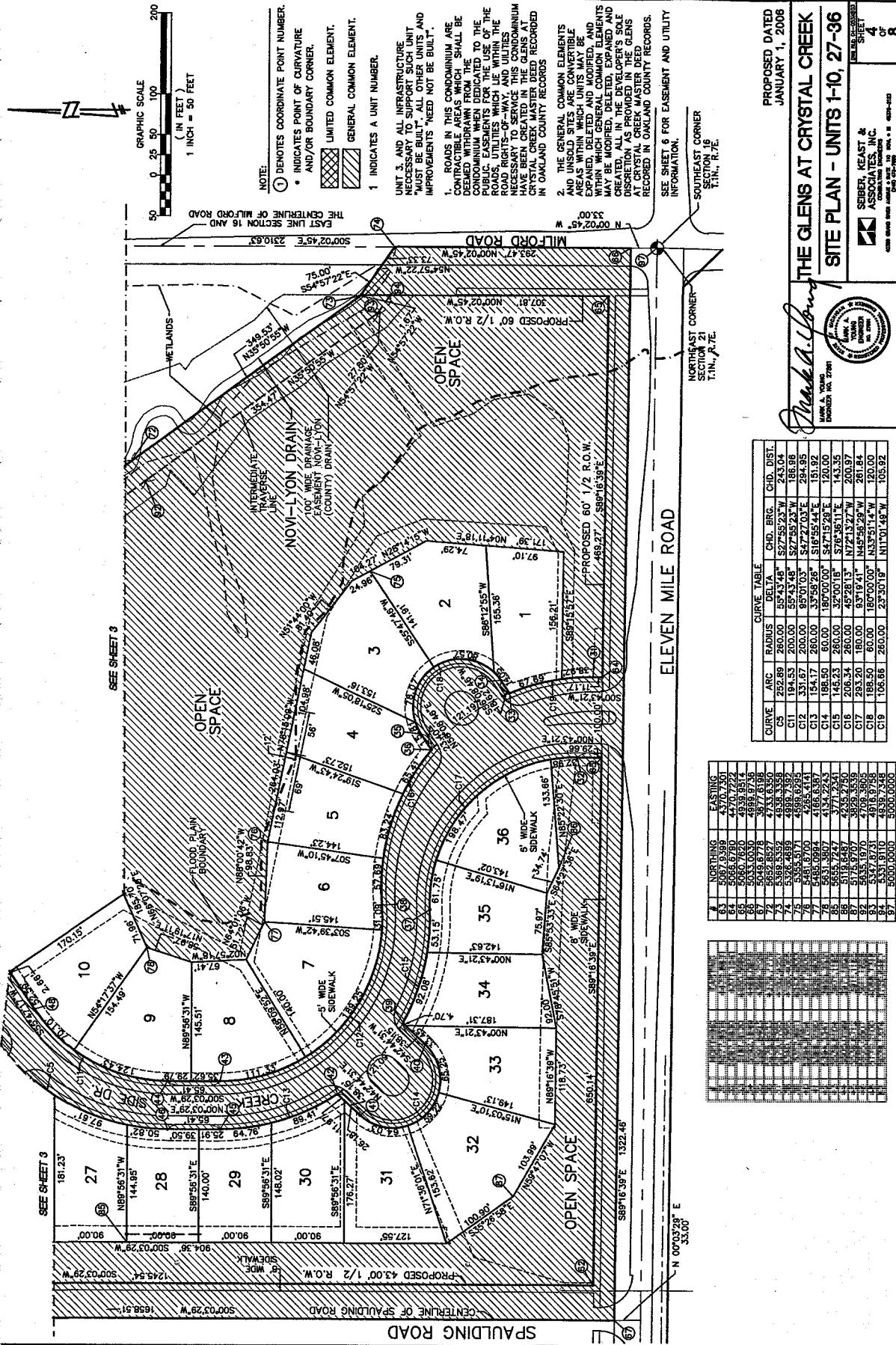
A part of the Southeast 1/4 of Section 16, Town 1 North, Range 7 East, Lyon Township, Oakland County, Michigan; being more particularly described as commencing at the Southeast Corner of said Section 16; thence North 00°02'45" West, 33.00 feet, along the East line of said Section 16 and the centerline of Milford Road, to the Point of Beginning; thence North 89°16'39" West, 1322.46 feet, (33.00 feet North of and parallel to the South line of said Section 16), along the Northerly right-of-way of Eleven Mile Road, to a point on the centerline of Spaulding Road; thence North 00°03'29" East, 1658.51 feet, along the centerline of said Spaulding Road; thence South 81°22'56" East, 63.48 feet; thence South 54°24'41" East, 145.71 feet; thence South 46°09'39" East, 788.86 feet; thence South 36°15'21" East, 514.18 feet; thence South 35°50'55" East, 349.53 feet; thence South 54°57'22" East, 75.00 feet, to a point on the East line of said Section 16 and the centerline of said Milford Road, (said point being South 00°02'45" East, 2310.63 feet, from the East 1/4 Corner of said Section 16); thence South 00°02'45" East, 293.47 feet, along the East line of said Section 16 and the centerline of said Milford Road, to the Point of Beginning. All of the above containing 32.150 Acres. All of the above being subject to easements, restrictions and right-of-ways of record. All of the above being subject to the rights of the public in Milford Road and Spaulding Road.

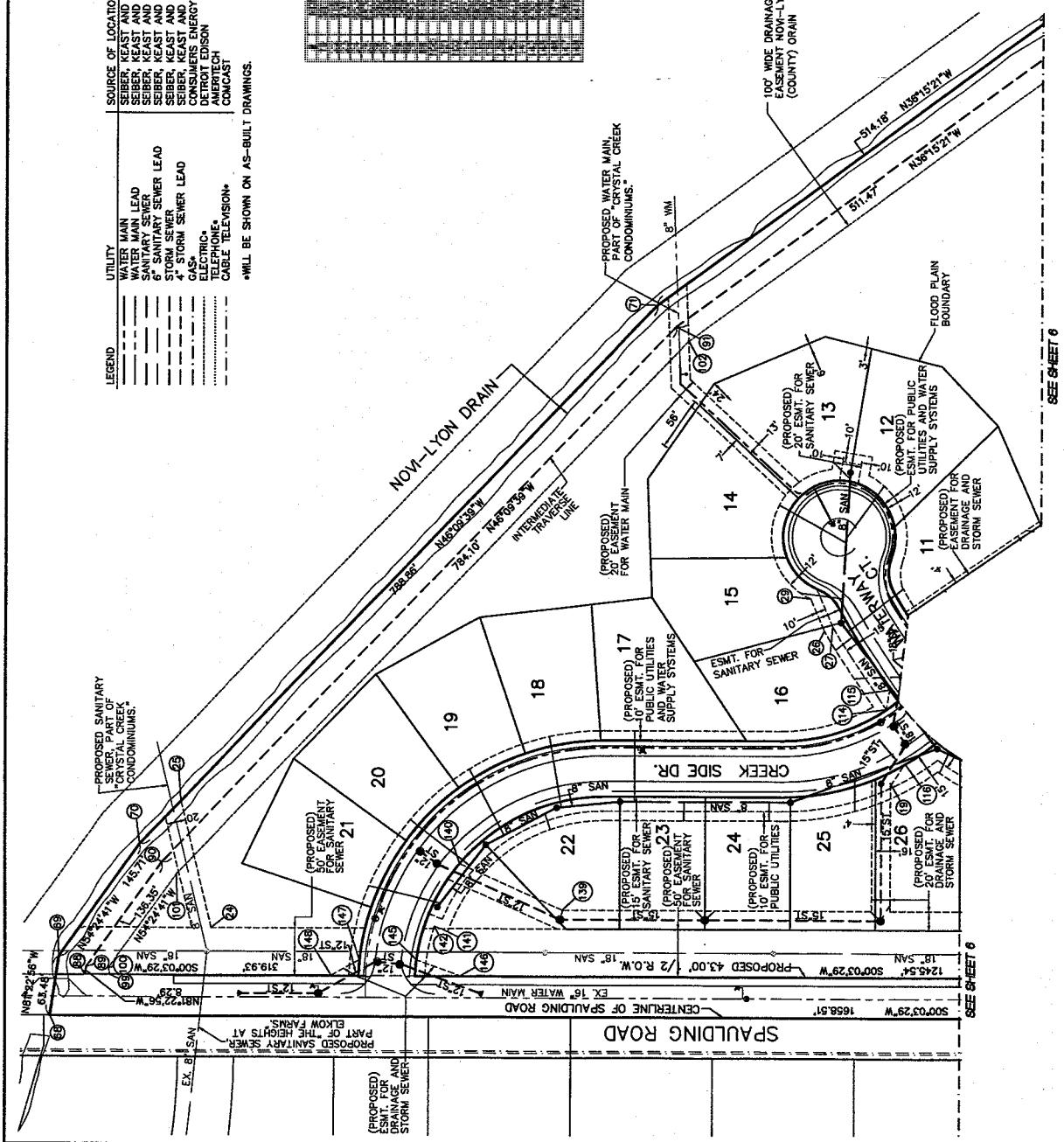
## INDEX

- \*1. TITLE PAGE
- \*2. SURVEY PLAN
- \*3. SITE PLAN - UNITS 11-26
- \*4. SITE PLAN - UNITS 1-10, 27-36
- \*5. UTILITY PLAN - UNITS 11-26
- \*6. UTILITY PLAN - UNITS 1-10, 27-36
- \*7. AREA AND VOLUME DATA
- 8. FLOOD PLAIN PLAN

<i>Mark J. Long</i>		THE GLENS AT CRYSTAL CREEK	
MARK J. LONG REGISTERED ENGINEER NO. 7841	SEIBER, KEAST & ASSOCIATES, INC. CIVIL ENGINEERS LAND SURVEYORS GENERAL CONTRACTORS NO. 2006	TITLE	PAGE
		1	8
PROPOSED, DATED JANUARY 1, 2006			







LEGEND	SOURCE OF LOCATION
WATER MAIN	SEIBER, KEAST AND ASSOCIATES,
WATER MAIN LEAD	SEIBER, KEAST AND ASSOCIATES,
SANITARY SEWER	SEIBER, KEAST AND ASSOCIATES,
6" SANITARY SEWER LEAD	SEIBER, KEAST AND ASSOCIATES,
STORM SEWER	SEIBER, KEAST AND ASSOCIATES,
LEAD	SEIBER, KEAST AND ASSOCIATES,
CITY STORM SEWER	SEIBER, KEAST AND ASSOCIATES,
CLIPS	CONSUMERS ENERGY
ELECTRIC	DETROIT EDISON
TELEPHONE	AMERICAN TELECOM
CABLE, TELEVISION*	COMCAST

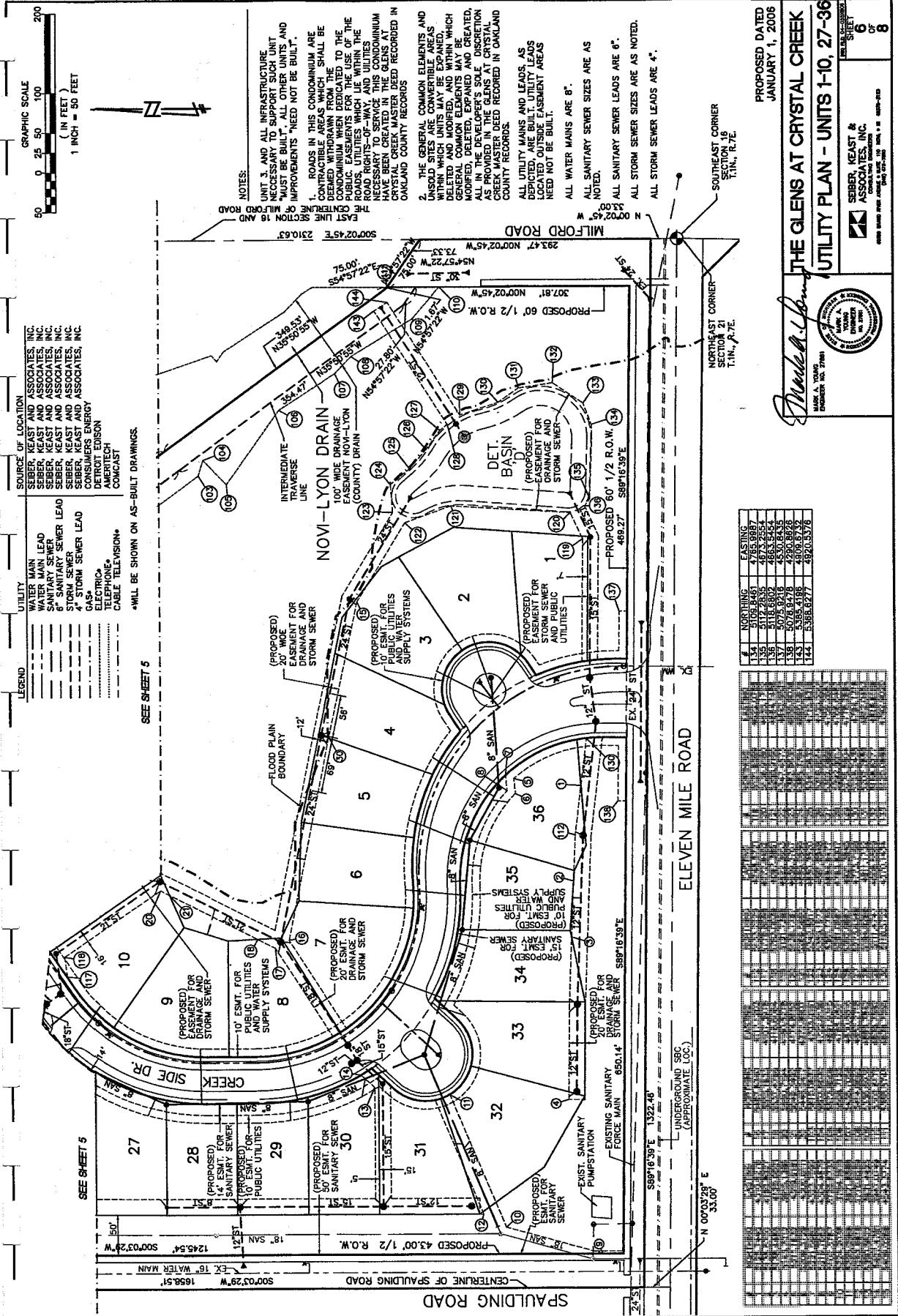
( IN FEET )  
1 INCH = 50 FEET

NOTES

- ALL SANITARY SEWER SIZES ARE AS NOTED.
- ALL SANITARY SEWER LEADS ARE 6".
- ALL STORM SEWER SIZES ARE AS NOTED.
- ALL STORM SEWER LEADS ARE 4".

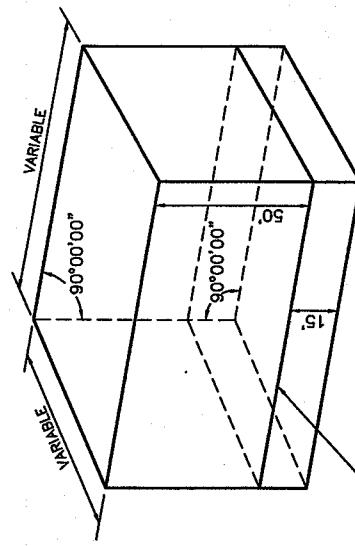
PROPOSED DATED  
JANUARY 1, 2006  
**KRYSTAL CREEK**  
UNITS 11-26  
CONDO ASSOCIATION  
SHEET 5 OF 8  
PRINTED ON 10/20/2010

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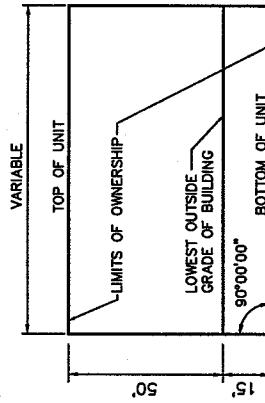
**UNIT AREA TABLE**

UNIT NO.	AREA
1	14990
2	16357
3	15221
4	15559
5	15225
6	15225
7	15350
8	15115
9	15317
10	15807
11	16044
12	16877
13	18337
14	17923
15	15352
16	15352
17	16159
18	14346
19	14359
20	14318
21	14410
22	14346
23	2600
24	1260
25	325
26	325
27	325
28	325
29	2770
30	14355
31	15398
32	19023
33	15339
34	14796
35	13619
36	325



LOWEST OUTSIDE  
GRADE OF BUILDING  
(PER MASTER GRADING PLAN OF  
APPROVED ENGINEERING PLANS)

**TYPICAL UNIT VOLUME**  
**UNITS 1-36**

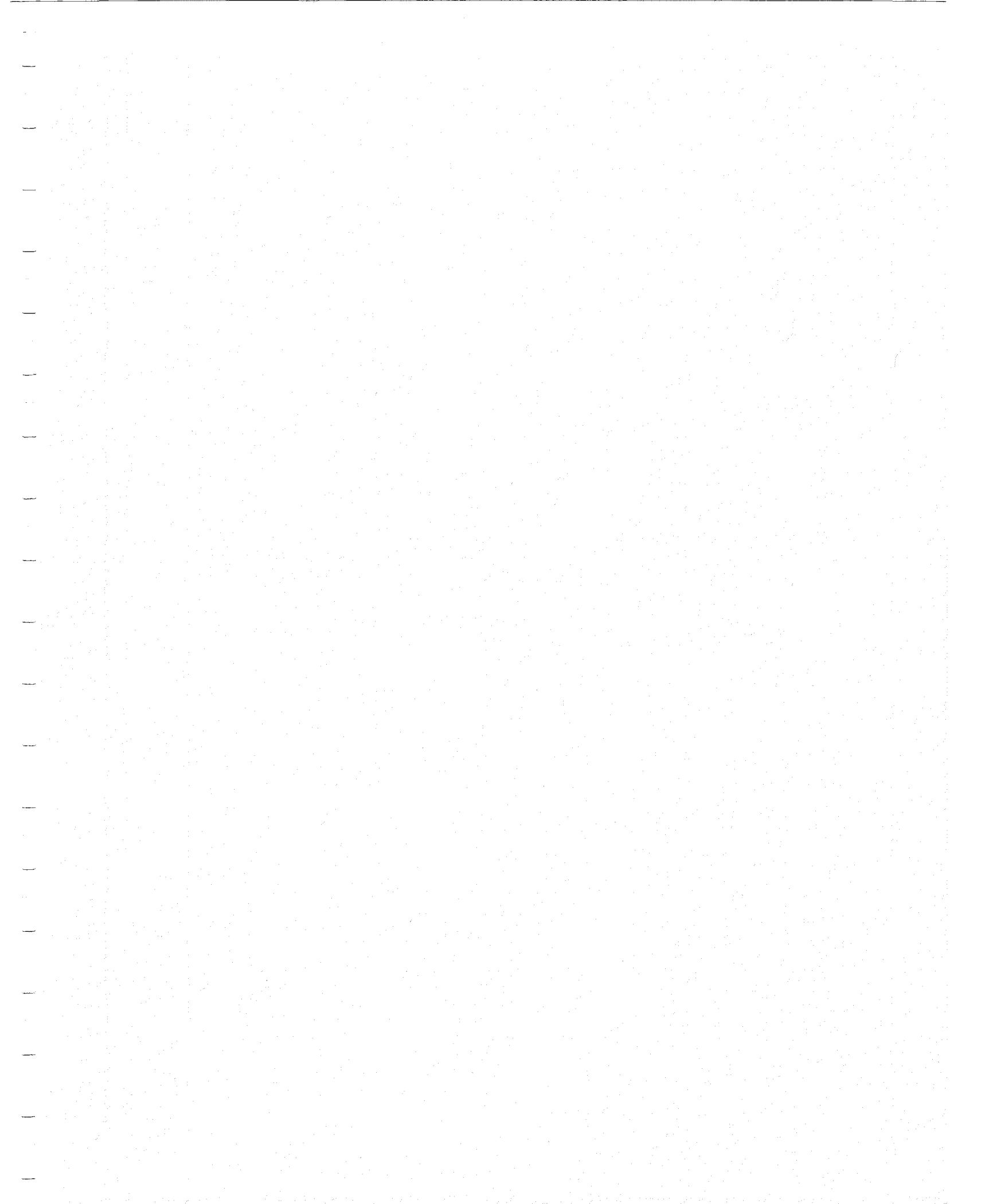


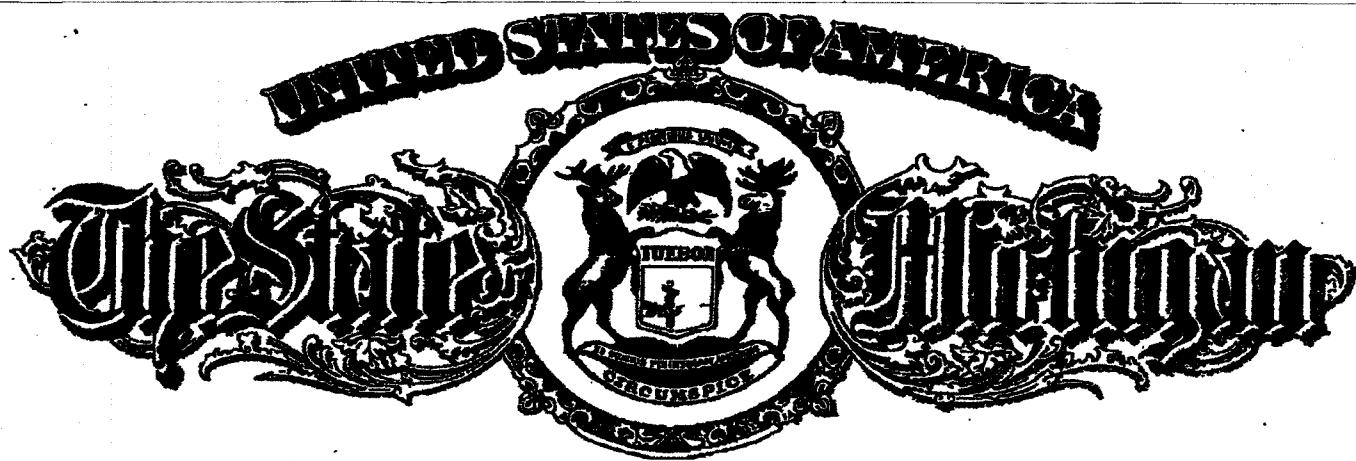
NOTE: THE TOP AND BOTTOM  
LIMITS OF OWNERSHIP ARE  
PARALLEL TO EACH OTHER AND  
ARE PERPENDICULAR TO THE  
VERTICAL LIMITS.

**TYPICAL UNIT CROSS SECTION**  
**UNITS 1-36**

PROPOSED DATED  
JANUARY 1, 2008

<i>Dale M. Jones</i>	
THE GLENS AT CRYSTAL CREEK	
AREA AND VOLUME DATA - UNITS 1-36	
 SEIBER, KEAST & ASSOCIATES, INC. <small>CIVIL ENGINEERS • LAND SURVEYORS • PLANNERS • ARCHITECTS</small>	SHEET 7 OF 8





**Michigan Department of Labor & Economic Growth**

**Lansing, Michigan**

*This is to Certify That*

**THE GLENS AT CRYSTAL CREEK CONDOMINIUM ASSOCIATION**

*was validly incorporated on August 16, 2005, as a Michigan nonprofit corporation, and said corporation  
is validly in existence under the laws of this state.*

*This certificate is issued pursuant to the provisions of 1982 PA 162, as amended, to attest to the fact that the  
corporation is in good standing in Michigan as of this date and is duly authorized to conduct affairs in Michigan  
and for no other purpose.*

*This certificate is in due form, made by me as the proper officer, and is entitled to have full faith and credit  
given it in every court and office within the United States.*



Sent by Facsimile Transmission  
788669

*In testimony whereof, I have hereunto set my  
hand, in the City of Lansing, this 02nd day  
of November, 2005.*

A handwritten signature in black ink, appearing to read "Andrew S. Miller". To the right of the signature, the word "Director" is printed.

Bureau of Commercial Services

# *Michigan Department of Labor & Economic Growth*

## *Filing Endorsement*

**This is to Certify that the CERTIFICATE OF AMENDMENT - CORPORATION**

**for**

**THE GLENS AT CRYSTAL CREEK CONDOMINIUM ASSOCIATION**

**ID NUMBER: 788669**

**received by facsimile transmission on November 1, 2005 is hereby endorsed**

**Filed on November 2, 2005 by the Administrator.**

**The document is effective on the date filed, unless a  
subsequent effective date within 90 days after  
received date is stated in the document.**



*In testimony whereof, I have hereunto set my  
hand and affixed the Seal of the Department,  
in the City of Lansing, this 2nd day  
of November, 2005.*

A handwritten signature in black ink, appearing to read "Andrew J. Miller". To the right of the signature, the word "Director" is printed in a smaller font.

, Director

**Bureau of Commercial Services**

Sent by Facsimile Transmission 05308

**ARTICLES OF INCORPORATION  
MICHIGAN NON-PROFIT CORPORATION**

Pursuant to the provisions of Act 162, Public Acts of 1982, the undersigned execute the following Articles:

**ARTICLE I.**

The name of the corporation is Crystal Creek North Condominium Association.

**ARTICLE II.**

The purposes for which the corporation is organized are:

- (a) To manage and administer the affairs of and to maintain Crystal Creek North, a condominium according to the Master Deed to be recorded in Oakland County Records, being located in the Township of Lyon, Oakland County, Michigan (hereinafter called "Condominium");
- (b) To levy and collect assessments against and from the co-owner members of the corporation and to use the proceeds thereof for the purposes of the corporation;
- (c) To carry insurance and to collect and allocate the proceeds thereof;
- (d) To rebuild improvements after casualty;
- (e) To contract for and employ persons, firms, or corporations to assist in management, operation, maintenance, and administration of the Condominium;
- (f) To make and enforce reasonable regulations concerning the use and enjoyment of the Condominium;
- (g) To own, maintain and improve, and to buy, or operate, manage, sell, convey, assign, mortgage, or lease (as landlord or tenant) any real and personal property, (including Condominium units, easements, rights-of-way and licenses) on behalf of the corporation, for the purpose of providing benefit to the members of the corporation and in furtherance of any of the purposes of the corporation;
- (h) To borrow money and issue evidences of indebtedness in furtherance of any or all of the objects of its business; to secure the same by mortgage, pledge or other lien;
- (i) To enforce the provisions of the Master Deed and Bylaws of the Condominium and of these Articles of Incorporation and such rules and regulations of the corporation as may hereafter be adopted;
- (j) To sue in all courts and participate in actions and proceedings judicial, administrative, arbitrative or otherwise, subject to the express limitations on suits, actions and proceedings as set forth in Article IX of these Articles;

(k) To do anything required of or permitted to it as administrator of the Condominium by the Condominium Master Deed or Bylaws or by the Michigan Condominium Act; and

(l) To make and perform any contract and to exercise all powers necessary, incidental or convenient to the administration, management, maintenance, repair, replacement and operation of the Condominium and to the accomplishment of any of the purposes thereof.

### ARTICLE III.

The corporation is organized upon a nonstock, membership basis.

The assets of the corporation are:

Real Property: None  
Personal Property: None

The corporation is to be financed under the following general plan:

Assessment of members owning units in the Condominium.

### ARTICLE IV.

The address of the registered office is:

7001 Orchard Lake Road, Suite 200  
West Bloomfield, Michigan 48322

The mailing address of the registered office is the same as above.

The name of the first resident agent at the registered office is:

Gillian Levy

### ARTICLE V.

The name and business address of the incorporator is:

Crystal Creek Land, LLC  
7001 Orchard Lake Road, Suite 200  
West Bloomfield, Michigan 48322

### ARTICLE VI.

The term of the corporate existence is perpetual.

### ARTICLE VII.

The qualifications of members, the manner of their admission to the corporation, the termination of membership, and voting by the members shall be as follows:

(a) Each co-owner (including the Developer named in the Condominium Master Deed) of a unit in the Condominium shall be a member of the corporation, and no other person or entity shall be entitled to membership.

(b) Membership in the corporation shall be established by the acquisition of fee simple title to a unit in the Condominium and by recording with the Register of Deeds in the County where the Condominium is located a deed or other interest establishing a change of record title to such unit and the furnishing of evidence of same satisfactory to the corporation (except that the Developer of the Condominium shall become a member immediately upon establishment of the Condominium), the new co-owner thereby becoming a member of the corporation, and the membership of the prior co-owner thereby being terminated. Land contract vendees of units shall be members if the land contract instrument expressly conveys the vendor's interest as a member of the corporation, in which event the vendor's membership shall terminate as to the unit sold.

(c) The share of a member in the funds and assets of the corporation cannot be assigned, pledged, encumbered or transferred in any manner except as an appurtenance to the member's unit in the Condominium.

(d) Voting by members shall be in accordance with the provisions of the Bylaws of this corporation.

#### ARTICLE VIII.

A volunteer director (as defined in Section 110 of Act 162, Public Acts of 1982, as amended) of the corporation shall not be personally liable to the corporation or its members for monetary damages for breach of the director's fiduciary duty arising under any applicable law. However, this Article shall not eliminate or limit the liability of a director for any of the following:

- (1) A breach of the director's duty of loyalty to the corporation or its members.
- (2) Acts or omissions not in good faith or that involve intentional misconduct, a knowing violation of law, or failure to follow the Bylaws of the corporation or these Articles.
- (3) A violation of Section 551(l) of Act 162, Public Acts of 1982, as amended.
- (4) A transaction from which the director derived an improper personal benefit.
- (5) An act or omission occurring before the date this document is filed.
- (6) An act or omission that is grossly negligent.

Any repeal or modification of this Article shall not adversely affect any right or protection of any director of the corporation existing at the time of, or for or with respect to, any acts or omissions occurring before such repeal or modification.

## ARTICLE IX.

The requirements of this Article IX shall govern the corporation's commencement and conduct of any civil action except for actions to enforce the Bylaws of the corporation or collect delinquent assessments. The requirements of this Article IX will ensure that the members of the corporation are fully informed regarding the prospects and likely costs of any civil action the corporation proposes to engage in, as well as the ongoing status of any civil actions actually filed by the corporation. These requirements are imposed in order to reduce both the cost of litigation and the risk of improvident litigation, and in order to avoid the waste of the corporation's assets in litigation where reasonable and prudent alternatives to the litigation exist. Each member of the corporation shall have standing to sue to enforce the requirements of this Article IX. The following procedures and requirements apply to the corporation's commencement of any civil action other than an action to enforce the Bylaws of the corporation or collect delinquent assessments:

(a) The Association's Board of Directors ("Board") shall be responsible in the first instance for recommending to the members that a civil action be filed, and supervising and directing any civil actions that are filed.

(b) Before an attorney is engaged for purposes of filing a civil action on behalf of the corporation, the Board shall call a special meeting of the members of the corporation ("litigation evaluation meeting") for the express purpose of evaluating the merits of the proposed civil action. The written notice to the members of the date, time and place of the litigation evaluation meeting shall be sent to all members not less than twenty (20) days before the date of the meeting and shall include the following information copied onto 8-1/2" x 11" paper:

(1) A certified resolution of the Board setting forth in detail the concerns of the Board giving rise to the need to file a civil action and further certifying that:

(a) It is in the best interests of the corporation to file a lawsuit;

(b) that at least one Board member has personally made a good faith effort to negotiate a settlement with the putative defendant(s) on behalf of the corporation, without success;

(c) litigation is the only prudent, feasible and reasonable alternative; and

(d) the Board's proposed attorney for the civil action is of the written opinion that litigation is the corporation's most reasonable and prudent alternative.

(2) A written summary of the relevant experience of the attorney ("litigation attorney") the Board recommends be retained to represent the corporation in the proposed civil action, including the following information:

(a) the number of years the litigation attorney has practiced law; and

(b) the name and address of every condominium and homeowner association for which the attorney has filed a civil action in any court, together with the case number, county and court in which each civil action was filed.

(3) The litigation attorney's written estimate of the amount of the corporation's likely recovery in the proposed lawsuit, net of legal fees, court costs, expert witness fees and all other expenses expected to be incurred in the litigation.

(4) The litigation attorney's written estimate of the cost of the civil action through a trial on the merits of the case ("total estimated cost"). The total estimated cost of the civil action shall include the litigation attorney's expected fees, court costs, expert witness fees, and all other expenses expected to be incurred in the civil action.

(5) The litigation attorney's proposed written fee agreement.

(6) The amount to be specially assessed against each unit in the Condominium to fund the estimated cost of the civil action both in total and on a monthly per unit basis, as required by subparagraph (f) of this Article IX.

(c) If the lawsuit relates to the condition of any of the common elements of the Condominium, the Board shall obtain a written independent expert opinion as to reasonable and practical alternative approaches to repairing the problems with the common elements, which shall set forth the estimated costs and expected viability of each alternative. In obtaining the independent expert opinion required by the preceding sentence, the Board shall conduct its own investigation as to the qualifications of any expert and shall not retain any expert recommended by the litigation attorney or any other attorney with whom the Board consults. The purpose of the independent expert opinion is to avoid any potential confusion regarding the condition of the common elements that might be created by a report prepared as an instrument of advocacy for use in a civil action. The independent expert opinion will ensure that the members of the corporation have a realistic appraisal of the condition of the common elements, the likely cost of repairs to or replacement of the same, and the reasonable and prudent repair and replacement alternatives. The independent expert opinion shall be sent to the members with the written notice of the litigation evaluation meeting.

(d) The corporation shall have a written fee agreement with the litigation attorney, and any other attorney retained to handle the proposed civil action. The corporation shall not enter into any fee agreement that is a combination of the retained attorney's hourly rate and a contingent fee arrangement unless the existence of the agreement is disclosed to the members in the text of the corporation's written notice to the members of the litigation evaluation meeting.

(e) At the litigation evaluation meeting the members shall vote on whether to authorize the Board to proceed with the proposed civil action and whether the matter should be handled by the litigation attorney. The commencement of any civil action by the corporation (other than a suit to enforce the Condominium Bylaws or collect delinquent assessments) shall require the approval of seventy-five percent (75%) in number and value of all members of the corporation. The determination of such voting power shall be made based on the entire membership of the corporation, i.e., not just the members present at the litigation evaluation meeting. The quorum required at any litigation evaluation meeting is seventy-five percent (75%) in number and value of all members of the corporation. Any proxies to be voted at the litigation

evaluation meeting must be signed at least seven (7) days prior to the litigation evaluation meeting.

(f) All legal fees incurred in pursuit of any civil action that is subject to this Article IX shall be paid by special assessment of the members of the corporation ("litigation special assessment"). The litigation special assessment shall be approved at the litigation evaluation meeting (or at any subsequent duly called and noticed meeting) by a majority in number and in value of all members of the corporation in the amount of the estimated total cost of the civil action. If the litigation attorney proposed by the Board is not retained, the litigation special assessment shall be in an amount equal to the retained attorney's estimated total cost of the civil action, as estimated by the attorney actually retained by the corporation. The litigation special assessment shall be apportioned to the members in accordance with their respective percentage of value interests in the Condominium and shall be collected from the members on a monthly basis. The total amount of the litigation special assessment shall be collected monthly over a period not to exceed twenty-four (24) months.

(g) During the course of any civil action authorized by the members pursuant to this Article IX, the retained attorney shall submit a written report ("attorney's written report") to the Board every thirty (30) days setting forth:

(1) The attorney's fees, the fees of any experts retained by the attorney, and all other costs of the litigation during the thirty (30) day period immediately preceding the date of the attorney's written report ("reporting period").

(2) All actions taken in the civil action during the reporting period, together with copies of all pleadings, court papers and correspondence filed with the court or sent to opposing counsel during the reporting period.

(3) A detailed description of all discussions with opposing counsel during the reporting period, written and oral, including, but not limited to, settlement discussions.

(4) The costs incurred in the civil action through the date of the written report, as compared to the attorney's estimated total cost of the civil action.

(5) Whether the originally estimated total cost of the civil action remains accurate.

(h) The Board shall meet monthly during the course of any civil action to discuss and review:

- (1) the status of the litigation;
- (2) the status of settlement efforts, if any; and
- (3) the attorney's written report.

(i) If, at any time during the course of a civil action, the Board determines that the originally estimated total cost of the civil action or any revision thereof is inaccurate, the Board shall immediately prepare a revised estimate of the total cost of the civil action. If the revised

estimate exceeds the litigation special assessment previously approved by the members, the Board shall call a special meeting of the members to review the status of the litigation, and to allow the members to vote on whether to continue the civil action and increase the litigation special assessment. The meeting shall have the same voting requirement as a litigation evaluation meeting.

(l) The attorneys' fees, court costs, expert witness fees and all other expenses of any civil action subject to this Article IX ("litigation expenses") shall be fully disclosed to members in the corporation's annual budget. The litigation expenses for each civil action subject to this Article IX shall be listed as a separate line item captioned "litigation expenses" in the corporation's annual budget.

#### ARTICLE X.

These Articles of Incorporation may only be amended by the affirmative vote of two-thirds (2/3's) of all members of the corporation.

The undersigned, incorporator, signs its name this 15th day of August, 2005.

Crystal Creek Land, LLC, a Michigan limited liability  
company

By:

Jorge T. Beltran as attorney-in-fact for Gary  
Shapiro, Manager



The Glens at Crystal Creek

ESCROW AGREEMENT

THIS AGREEMENT is made as of the 1st day of December, 2005, between Crystal Creek Land, LLC, a Michigan limited liability company ("Developer"), and Metropolitan Title Company (as agent for First American Title Insurance Company) ("Escrow Agent").

WHEREAS, Developer is proceeding to establish The Glens at Crystal Creek as a residential condominium in Michigan; and

WHEREAS, the Developer is selling Sites in The Glens at Crystal Creek and is entering into Purchase Agreements and/or Reservation Agreements in substantially the form attached hereto and which require that deposits be held in an escrow account with Escrow Agent; and

WHEREAS, the parties hereto desire to enter into this Escrow Agreement to establish an escrow account for the benefit of Developer and for the benefit of such Purchasers; and

WHEREAS, Escrow Agent is acting as an independent party hereunder pursuant to this Escrow Agreement and the Michigan Condominium Act (Act No. 59, Public Acts of 1978, as amended, hereinafter the "Act") for the benefit of Developer and all Purchasers and not as the agent of any one or less than all of such parties.

NOW, THEREFORE, it is agreed as follows:

1. Developer shall, promptly after receipt, transmit to Escrow Agent all sums deposited for escrow under a Purchase Agreement or Reservation Agreement, together with a fully executed copy of such Agreement. If a Purchaser who has deposited funds under a Reservation Agreement subsequently signs a Purchase Agreement, such funds shall be treated as a Deposit under the Purchase Agreement. If a Purchaser in a Reservation Agreement withdraws from such Agreement prior to signing a Purchase Agreement then the Deposit under the Reservation Agreement shall promptly be refunded to such Purchaser.

2. The sums paid to Escrow Agent under the terms of any Purchase Agreement shall be held and released to Developer or Purchaser only upon the conditions hereinafter set forth:

A. The escrowed funds shall be released to Purchaser upon the following circumstances:

(i) If the Purchase Agreement is contingent upon Purchaser obtaining a mortgage and Purchaser diligently pursues a mortgage application but fails to obtain such mortgage Escrow Agent shall release to Purchaser all sums held by it pursuant to said Agreement.

(ii) In the event that a Purchaser duly withdraws from a Purchase Agreement prior to the time the Agreement becomes binding under Section 6 thereof, or withdraws from the Agreement pursuant to Section 5 thereof, Escrow Agent shall, within three business days from the date of receipt of written notice of such withdrawal, release to Purchaser all of Purchaser's deposits held thereunder.

Escrow Agent shall not be obligated to return a Deposit to Purchaser until the Deposit has been collected by Escrow Agent.

B. After a Purchase Agreement has become binding upon the Purchaser, then in the event that Purchaser defaults in making any payments required by said Agreement or in fulfilling any other obligations thereunder for a period of 10 days after written notice by Developer to Purchaser, Escrow Agent shall release sums held pursuant to the Purchase Agreement to Developer in accordance with the terms of said Agreement.

C. Upon conveyance of title to a Unit from Developer to Purchaser (or upon execution of a land contract between Developer and Purchaser in fulfillment of a Purchase Agreement) and upon issuance of a Certificate of Occupancy with respect to the Unit if required by local public ordinance, Escrow Agent shall release to Developer all sums held in escrow under such Agreement provided Escrow Agent has received a certificate signed by a licensed professional engineer or architect confirming:

(i) That those portions of the phase of the Condominium in which such Purchaser's Unit is located and which on the Condominium Subdivision Plan are labeled "must be built" are substantially complete; and

(ii) That recreational facilities or other similar facilities and all other common elements or facilities intended for common use, wherever located, which on the Condominium Subdivision Plan are labeled "must be built" are substantially complete.

If the elements or facilities labeled "must be built" and referred to above are not substantially complete, only sufficient funds to finance substantial completion of such elements or facilities shall be retained in escrow and the balance may be released. However, all funds required to be retained in escrow may be released if other adequate security shall have been arranged as provided below. Determination of amounts necessary to finance substantial completion shall be determined by the certificate of a licensed professional architect or engineer. For purposes of applying the above provisions, the phase of the Condominium in which Purchaser's Unit is located shall be substantially complete when all utility mains and leads, all major structural components of general common element buildings, and all sidewalks, driveways, landscaping and access roads (to the extent such items are designated on the Condominium Subdivision Plan as "must be built") are substantially complete as evidenced by certificates of substantial completion issued by a licensed professional architect or engineers described hereinafter. Improvements of the type described in subparagraph (ii) above shall be substantially complete when certificates of substantial completion have been issued therefore by a licensed professional architect or engineer described hereinafter.

D. Upon furnishing Escrow Agent a certificate from a licensed architect or engineer evidencing substantial completion in accordance with the pertinent plans and specifications of a structure, improvement, facility or identifiable portion thereof for which funds or other security have been deposited in escrow, Escrow Agent shall release to Developer the amount of such funds or other security specified by the issuer of the certificate as being attributable to such substantially completed items, provided, however, that if the amounts remaining in escrow after any such certificate to finance substantial completion of any remaining incomplete items for which funds or other security have been deposited in escrow, only the amount in escrow in excess of such estimated cost to substantially complete shall be released by Escrow Agent to Developer.

E. Escrow Agent shall be under no obligation to earn interest upon the escrowed sums held pursuant hereto. In the event that interest upon such sums is earned, however, all such interest shall be separately accounted for by Escrow Agent and shall be held in escrow and released as and when principal deposits are released hereunder; provided, however, that all interest earned on deposits refunded to a Purchaser upon such Purchaser's withdrawal from a Purchase Agreement shall be paid to Developer. Any interest paid to Developer shall not be credited to Purchaser for any reason.

F. If Developer requests that all or any portion of the escrowed funds held hereunder be delivered to it prior to the time it otherwise becomes entitled to receive such funds, Escrow Agent may release such funds to Developer if Developer has placed with Escrow Agent security in form and substance satisfactory to Escrow Agent securing full repayment of said sums, as may be permitted by law.

G. If Escrow Agent is holding in escrow funds or other security for completion of incomplete elements or facilities under 103b(7) of the Act, such funds or other security shall be administered by Escrow Agent in the following manner:

(i) Escrow Agent shall upon request give all notices required by the Act.

(ii) If Developer, the Condominium Association and any other party or parties asserting a claim to or interest in the escrow deposit enter into a written agreement (satisfactory in its terms and conditions to Escrow Agent for Escrow Agent's protection, as determined by Escrow Agent in its absolute and sole

discretion), as to the disposition of the funds or security in escrow under 103b(7) of the Act, Escrow Agent shall release such funds or security in accordance with the terms of such written agreement among such parties.

(iii) Except as provided above, Escrow Agent shall be under no obligation to release any such escrowed funds or security, but Escrow Agent may, in its absolute and sole discretion, at any time take either of the following actions:

(a) Initiate an interpleader action in any circuit court in Michigan naming Developer and the Condominium Association and all others and interested parties as parties and deposit all funds or other security in escrow under 103b(7) of the Act with the clerk of such court in full discharge of its responsibilities under this Agreement; or

(b) Initiate an arbitration proceeding under the Commercial Arbitration Rules of the American Arbitration Association pursuant to which proceeding both the Developer and the Condominium Association shall be named as parties. Escrow Agent shall continue to hold all sums in escrow under 103b(7) of the Act pending the outcome of such arbitration, but Escrow Agent shall not be a party to such arbitration. All issues relating to disposition of such escrow deposits or other security shall be decided by the arbitrator or arbitration panel and such decision shall be final and binding upon all parties concerned and judgment thereon may be rendered upon such award by any circuit court of the State of Michigan. Escrow Agent may in any event release all such escrow deposits in accord with the arbitration decision or may commence an interpleader action with respect thereto as provided above.

3. Escrow Agent may require reasonable proof of occurrence of any of the events, actions or conditions stated herein before releasing any sums held by it pursuant to any Purchase Agreement or Reservation Agreement either to a Purchaser thereunder or to a Developer. Whenever Escrow Agent is required hereunder to receive the certification of a licensed professional architect or engineer, Escrow Agent may rely entirely upon any such certificate. All estimates and determinations of the cost to substantially complete any incomplete items for which escrowed funds are being held hereunder shall be made entirely by a licensed professional engineer or architect, the determinations of all amounts to be retained in escrow for the completion of any such items shall be based entirely upon such determinations and estimates as are furnished by such engineer or architect. Escrow Agent shall have no duty whatsoever at any time to inspect the Condominium or make any cost estimates or determinations, and Escrow Agent may rely entirely upon such certificates, determinations and estimates as are provided for herein for retaining and releasing escrowed funds.

4. Upon release of the funds deposited with Escrow Agent pursuant to any Purchase Agreement or Reservation Agreement and this Escrow Agreement, Escrow Agent shall be released from any further liability, it being expressly understood that Escrow Agent's liability is limited by the terms and provisions set forth in this Escrow Agreement, and that by acceptance of any escrow deposit, Escrow Agent is acting in the capacity of a depository and is not, as such, responsible or liable for the sufficiency, correctness, genuineness or validity of the instruments submitted to it, or the marketability of title to any Unit. Escrow Agent is not responsible for the failure of any bank used by it as a depository for funds received by it under this Escrow Agreement. Escrow Agent is not a guarantor of performance by Developer under the Condominium Documents or any Purchase Agreement or Reservation Agreement. Escrow Agent undertakes no responsibilities whatever with respect to the nature, extent or quality of Developer's actions or performance of Developer's obligations. As long as Escrow Agent relies in good faith upon any certificate, cost estimate or determination provided for herein, Escrow Agent shall have no liability whatever to Developer, any Purchaser, any Co-owner or any other party for any error in such certificate, cost estimate or determination or for any act or omission by Escrow Agent in reliance thereon. Escrow Agent's liability hereunder shall in all events be limited to return, to the party or parties entitled thereto, of the funds deposited in escrow less any reasonable expenses which Escrow Agent may incur in the administration of such funds or otherwise hereunder, including, without limitation, reasonable attorneys' fees and litigation expenses paid in connection with the defense, negotiation or analysis of claims against it, by reason of litigation or otherwise, arising out of the administration of such escrowed funds, all of which costs Escrow Agent shall be entitled without notice to deduct from amounts on deposit hereunder.

5. All notices required or permitted hereunder and all notices of change of address shall be deemed sufficient if personally delivered or sent by registered mail, postage prepaid and return receipt requested, addressed to the recipient party at the address shown below such party's signature to this Agreement or upon the applicable Purchase Agreement or Reservation Agreement. For purposes of calculating time periods under the provisions of this Agreement, notice shall be deemed effective upon mailing or personal delivery, whatever is applicable.

DEVELOPER:

CRYSTAL CREEK LAND, LLC, LLC,  
a Michigan limited liability company

By: Ivanhoe Huntley Investment Company, LLC, a Michigan  
limited liability company

Its: Sole Member

By: I-H Building Company, LLC

Its: Manager

By: Gary Shapiro  
Its: Manager

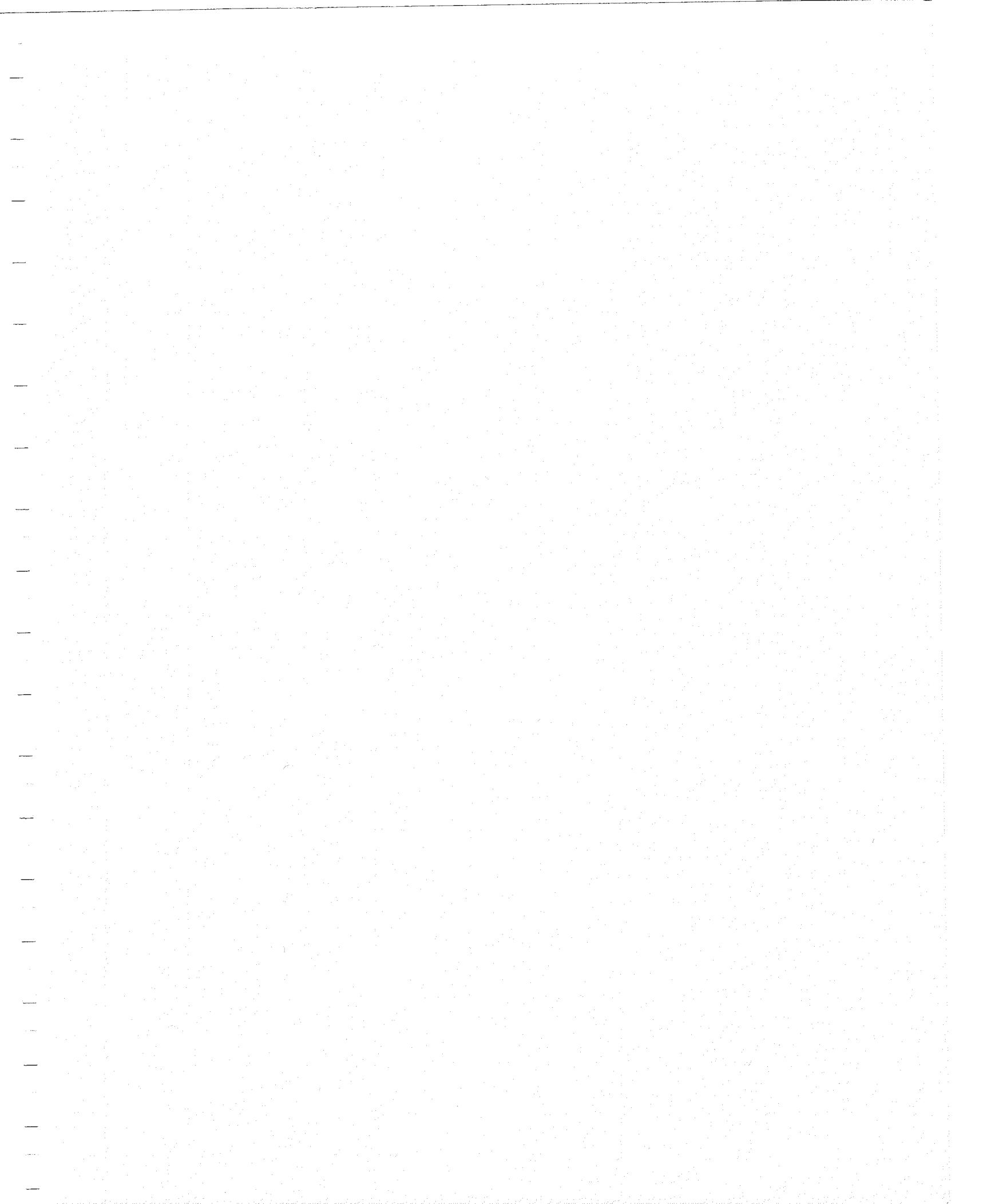
and

By: Steven Perlman  
Its: Manager

ESCROW AGENT:

METROPOLITAN TITLE COMPANY (as agent for First  
American Title Insurance Company)

By:   
Ricardo M. Sarmiento  
Its: Authorized Officer



## The Glens at Crystal Creek

### INFORMATION STATEMENT

**Notice to Purchasers:** Paraphrased below are provisions of section 84a of the Michigan Condominium Act ("Act"), which is being submitted to Purchasers to comply with the requirements of the Act. By signing below, Purchasers acknowledge that they have reviewed this Statement and have received from Developer a copy of the recorded master deed, and its exhibits, signed purchase agreement, escrow agreement, Condominium Buyer's Handbook and disclosure statement.

Section 84a of the Act provides in part:

(1) The developer shall provide copies of all of the following documents to a prospective purchaser of a condominium unit, other than a business condominium unit:

- (a) The recorded master deed.
- (b) A copy of a purchase agreement that conforms with section 84 (of the Act), and that is in a form in which the purchaser may sign the agreement, together with a copy of the escrow agreement.
- (c) A condominium buyer's handbook. The handbook shall contain, in a prominent location and in boldface type, the name, telephone number, and address of the person designated by the administrator to respond to complaints. The handbook shall contain a listing of the available remedies as provided in section 145 (of the Act).
- (d) A disclosure statement relating to the project containing all of the following:
  - (i) An explanation of the association of co-owners' possible liability pursuant to section 58 (of the Act).
  - (ii) The names, addresses, and previous experience with condominium projects of each developer and any management agency, real estate broker, and residential builder, and residential maintenance and alteration contractor.
  - (iii) A projected budget for the first year of operation of association of co-owners.
  - (iv) An explanation of the escrow arrangement.
  - (v) Any express warranties undertaken by the developer, together with a statement that express warranties are not provided unless specifically stated.
  - (vi) If the condominium project is an expandable condominium project, an explanation of the contents of the master deed relating to the election to expand the project prescribed in section 32 (of the Act), and an explanation of the material consequences of expanding the project.
  - (vii) If the condominium project is a contractible condominium project, an explanation of the contents of the master deed relating to the election to contract the project prescribed in section 33 (of the Act), an explanation of the material consequences of contracting the project, and a statement that any structures or improvements proposed to be located in a contractible area need not be built.
  - (viii) If section 66(2)(j) (of the Act) is applicable, an identification of all structures and improvements labeled pursuant to section 66 (of the Act) "need not be built".
  - (ix) If section 66(2)(j) (of the Act) is applicable, the extent to which financial arrangements have been provided for Completion of all structures and improvements labeled pursuant to section 66 (of the Act) "must be built".
  - (x) Other material information about the condominium project and the developer that the administrator requires by rule.
- (e) If a project is a conversion condominium, the developer shall disclose the following additional information:

(i) A statement, if known, of the condition of the main components of the building, including the roofs; foundations; external and supporting walls; heating, cooling, mechanical ventilating, electrical, and plumbing systems; and structural components. If the condition of any of the components of the building listed in this subparagraph is unknown, the developer shall fully disclose that fact.

(ii) A list of any outstanding building code or other municipal regulation violations and the dates the premises were last inspected for compliance with building and housing codes.

(iii) The year or years of completion of construction of the building or buildings in the project.

(2) A purchase agreement may be amended by agreement of the purchaser and developer before or after the agreement is signed. An amendment to the purchase agreement does not afford the purchaser any right or time to withdraw in addition to that provided in section 84(2) (of the Act). An amendment to the condominium documents effected in the manner provided in the documents or provided by law does not afford the purchaser any right or time to withdraw in addition to that provided in section 84(2) (of the Act).

(3) At the time the purchaser receives the documents required in subsection (1) the developer shall provide a separate form that explains the provisions of this section. The signature of the purchaser upon this form is *prima facie* evidence that the documents required in subsection (1) were received and understood by the purchaser.

... [Subparagraph 4 intentionally omitted.]

(5) With regard to any documents required under this section, a developer shall not make an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading.

(6) The developer promptly shall amend a document required under this section to reflect any material change or to correct any omission in the document.

(7) In addition to other liabilities and penalties, a developer who violates this section is subject to section 115 (of the Act, which section imposes penalties upon a developer or any other person who fails to comply with the Condominium Act or any rule, agreement or master deed and may make a developer liable to a purchaser of a unit for damages).

Dated: \_\_\_\_\_

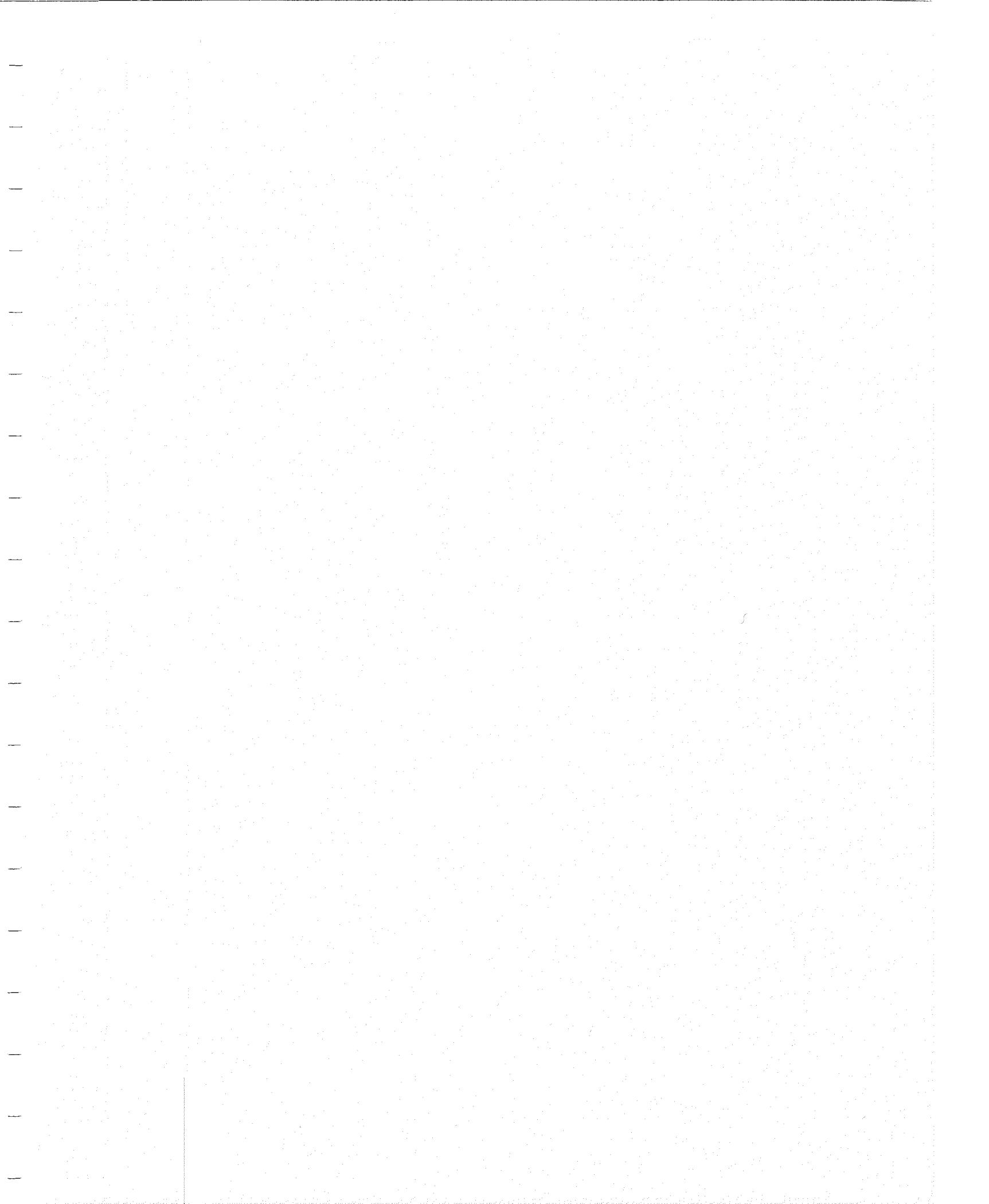
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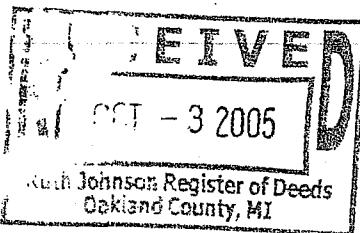
Unit No. \_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Signature

\_\_\_\_\_  
M/O \_\_\_\_\_ Purchaser \_\_\_\_\_ Unit \_\_\_\_\_ Atty





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LIBER 36360 PAGE 192  
 \$295.00 MISC RECORDING  
 \$4.00 REMONUMENTATION  
 10/03/2005 09:35:17 A.M. RECEIPT# 110397



**PLANNED DEVELOPMENT AGREEMENT**  
**PAID** **RECORDED - OAKLAND COUNTY**  
**KATH JOHNSON, CLERK/REGISTER OF DEEDS**

**ELKOW FARMS PLANNED DEVELOPMENT****CHARTER TOWNSHIP OF LYON, OAKLAND COUNTY**

This Planned Development Agreement (the "Agreement") is made this 26<sup>th</sup> day of May, 2005, by and among Crystal Creek Land, LLC ("Crystal Creek"), a Michigan limited liability company, as successor in interest to Ivanhoe Huntley Holding, LLC ("Ivanhoe"), a Michigan limited liability company, Hitech Building, L.L.C. ("Hitech"), a Michigan limited liability company, the South Lyon Community School District (the "School District"), and the Charter Township of Lyon (the "Township"), a Michigan municipal corporation. Crystal Creek and Hitech are collectively referred to herein as the "Developer." Crystal Creek, Hitech and the Township are collectively referred to herein as the "parties."

**RECITALS:**

A. This Agreement covers various parcels of land, comprising approximately 602.40 acres, and located along Eleven Mile Road to the east of South Hill road and to the west of Stancrest (collectively referred to as the "Elkow Farms Property"), which is more particularly described and depicted in the "Overall PD Plan" attached hereto as Exhibit 1. The Elkow Farms Property consists of the following separate parcels of land:

(1) Land covering approximately 163.4 acres, as more particularly described in Exhibit 2, and collectively referred to as the "Crystal Creek Property." The Crystal Creek Property is comprised of an approximately seventy-nine (79) acre parcel located north of Eleven Mile Road, bearing tax identification no. 21-16-426-001, and an approximately eighty-five (85) acre parcel located south of Eleven Mile Road, bearing tax identification numbers 21-21-200-001, 21-21-200-002 and 21-21-200-003.

(2) Land covering approximately 432.79-acres, and collectively referred to as the "Hitech Property." The Hitech Property consists of the following:

A parcel of land of approximately 152.19-acres, and described in Exhibit 3.1 as the "Heights of Elkow Farms," bearing the tax identification numbers 21-16-300-002, 21-16-300-017 (which is also known as the "Cogger

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Property"), 21-16-401-030 (which was part of a parcel known as the "Shuman Property"), and 21-16-401-036;

- A parcel of land of approximately 200.13-acres, and described in Exhibit 3.2 as the "Elkow Home Farm Parcel", bearing tax identification numbers 21-15-200-003 and 21-15-400-005; and

- A parcel of land of approximately 61.76-acres, and described in Exhibit 3.3 as the "Park Area", bearing tax identification numbers 21-15-300-010 (which was part of the parcel known as the "Zapf Property"), and 21-15-300-019 (which was part of the parcel known as the "Smith Property").

- A parcel of land of approximately 18.35 acres, and described in Exhibit 3.4 as the "School District Property," bearing tax identification number 21-16-401-035 (which was part of the parcel known as the "Shuman Property").

- A parcel of land of approximately 2.5 acres, and described in Exhibit 3.5 as the "Ann Smith Property," which is part of tax identification number (21-15-300-018) along with a 60-foot private road easement as described further in Exhibit 3.5.

21-15-300-022  
21-15-300-023

B. Prior to the Township's approval of the final PD Plans described further below, Ivanhoe Huntley Holding, LLC ("Ivanhoe") entered into a written agreement to acquire the Crystal Creek Property. Thereafter, Ivanhoe, through its successor in interest, Crystal Creek, closed on the acquisition of the Crystal Creek Property. Hitech represents that it owns and/or controls under contract or through power of attorney the Hitech Property. All other persons or entities having an ownership interest in the Elkow Farms Property as of the date of this Agreement ("Owners") have executed the "Owners' Acknowledgment And Consent" form attached as Exhibit 4 hereto, consenting to this Agreement and agreeing to subject their lands to the terms and conditions of this Agreement.

C. During the course of pursuing approvals for the Planned Development described below, Hitech entered into an agreement with the South Lyon Community School District (the "District") to sell the District approximately 18.35 acres of the Shuman Property for a proposed elementary school, bearing tax identification number 21-16-401-035. The School District has now closed on the acquisition of the property and has agreed to become a party to this Agreement and to be bound by the obligations and benefits contained herein.

D. Prior to execution of this Agreement, the Property was zoned R-1.0, Residential-Agricultural District. It is agreed that upon execution of this Agreement, the Property shall be rezoned by the Township to "PD-Planned Development."

E. The Developer proposes to develop the Property with various land uses under a comprehensive development plan as the Elkow Farms Planned Development (which may hereinafter be referred to as the "PD" or "Planned Development" or "Elkow Farms"), in accordance with the requirements of the Township Zoning Ordinance and this Agreement.

F. Pursuant to the requirements of the Zoning ordinance, the Developer has submitted to the Township, and the Township has approved, site and development plans, an Application for Amendment to the Zoning Ordinance to Create a Planned Development District, and supporting documentation for the project (collectively the "Plans").

G. The Planning Commission and the Township Board have found that the approved Plans for the Elkow Farms Planned Development proposed by the Developer are reasonable, are consistent with the planning and zoning objectives of the Township, provide for needed flexibility to address the development of the Property over time, and promote the public health, safety and welfare of the citizens of Lyon Township.

H. Subject to execution of this Agreement, the Elkow Farms Planned Development illustrated and described in this Agreement and in the Exhibits attached hereto is hereby approved in accordance with the authority granted to and vested in the Township pursuant to Public Act 184 of 1943, as amended, the Township Zoning Act; Public Act 285 of 1931, as amended and Public Act 168 of 1945, as amended, related to municipal planning; Public Act 288 of 1967, as amended, related to subdivision development; and in accordance with the Zoning Ordinance of Lyon Township, as amended, except as modified herein and subject to the terms of this Agreement. The approval of the Elkow Farms Planned Development does not relieve the Developer from compliance with applicable provisions of the Land Division Act, Township Subdivision Ordinance, the Michigan Condominium Act, and the Township Zoning Ordinance, except as modified herein, nor shall it be deemed to confer any approval other than required by law.

I. The Township, Developer and School District now desire to enter into this Agreement which, among other things, shall set forth the mutual and respective covenants, obligations and undertakings of the Township, Developer and School District with respect to the Elkow Farms Planned Development.

NOW, THEREFORE, in consideration of the foregoing premises, which the Township, Developer and School District represent to be true and accurate, and which shall become part of the parties' obligations herein, and the mutual and respective covenants, obligations, and undertakings of the parties set forth below, the parties, intending to be legally bound by this Agreement, agree as follows:

1. **Permitted uses of the Property.** The "Planned Development" zoning classification shall permit the Developer to develop the Property, and the Developer agrees to develop the Property, in accordance with the approved Final PD Plans, revised July 29, 2004 (Exhibit 5) and terms of this Agreement for the following uses:

a. **The Crystal Creek Property:** The Crystal Creek Property shall be developed with 111 single family detached lots and 78 units in duplex condominium buildings.

b. **The Cogger and Shuman Properties:** The Cogger and Shuman Properties, which are included in the portion of the Hitech Property consisting of 152.19-acres (Exhibit 3.1), and described as "The Heights of Elkow Farms," shall be developed with 208 single family detached lots and an elementary school on the northeast corner of Eleven Mile and Spaulding Roads."

c. **The Zapf Property and Smith Property:** The Zapf Property and a portion of the Smith Property (Exhibit 3.3) shall be made subject to a conservation easement as more particularly described in paragraph 5 below.

d. **The Elkow Home Farm Parcel:** The Elkow Home Farm Parcel and a portion of the Ann Smith Property (identified in Exhibit 3.5) shall be developed with 252 single family detached lots.

The approval of the rezoning to PD, including all aspects of the Approved Plans, together with any conditions imposed thereon, shall constitute an inseparable part of the zoning amendment.

**2. Development in Phases or Neighborhoods.** The parties understand and agree that the Development will proceed in phases or neighborhoods and that the overall Development will likely take years to complete. For purposes of determining the timing of installation and/or construction of certain off-site utility, landscaping, road, drainage, pathways and other improvements, the Development shall be separated into five primary Phases (also referred to as Neighborhoods) as follows: (i) Phase One – development of the duplex condominiums on the Crystal Creek Property north of Eleven Mile Road (referred to as “Crystal Creek Condominium” in Exhibit 5); (ii) Phase Two – development of the single-family homes on the Crystal Creek Property north of Eleven Mile Road (referred to as “Crystal Creek North” in Exhibit 5); (iii) Phase Three – development of the Crystal Creek Property south of Eleven Mile Road (referred to as “Crystal Creek South” in Exhibit 5); (iv) Phase Four – development of the Cogger/Shuman Properties (referred to as the “Heights at Elkow Farms”); and (v) Phase Five – development of the Elkow Home Farm Parcel. It is understood and agreed that Ivanhoe will develop Phases One, Two and Three and Hitech will develop Phases Four and Five. It is anticipated that several Phases may proceed simultaneously. It is also anticipated that each Phase or Neighborhood may be pursued by the Developer in sub-phases. For example, Hitech may pursue development of the Cogger/Shuman Properties (the “Heights at Elkow Farms”) in multiple phases. The Developer may submit to the Township final site plans (which shall consist of the master deed, bylaws and condominium subdivision plan) for separate Phases or Sub-Phases of the Project and may be permitted to develop each such Phase or Sub-Phase separately following said final site plan approval in accordance with the Township Zoning Ordinance and this Agreement. It is understood that the phasing plan represents the Developer’s best estimate as to its present expectations, and the phasing may vary based on market conditions and other unanticipated factors and events, and may be modified at the reasonable discretion of the Developer, subject to approval of the Township Board, which shall not be unreasonably withheld or delayed.

**3. Improvements Associated with Each Phase or Neighborhood.** The Elkow Farms Development proposes a series of public benefits and improvements to be constructed and/or dedicated over time in conjunction with development of the various Neighborhoods or Phases. The schedule for installation of these improvements is as follows:

a. Development of the Crystal Creek Property north of Eleven Mile Road: (i) paving of Eleven Mile from Milford Road intersection to Spaulding Road; (ii) improvements to the Eleven Mile Road/Milford Road intersection; (iii) streetscape improvements and bike path on north side of Eleven Mile and west side of Milford, north of Eleven Mile; (iv) improvements to the Novi-Lyon Drain on the Crystal Creek Property; (v)

installation of public sewer and water to serve the Crystal Creek Property north of Eleven Mile Road; and (vi) installation of pathway system.

b. Development of the Crystal Creek Property south of Eleven Mile Road: (i) continuation of the paving of Eleven Mile from Spaulding Road west to the eastern boundary line of the Shuman Property; (ii) streetscape improvements and bike path on south side of Eleven Mile Road and west side of Milford Road, south of Eleven Mile Road; (iii) installation of public sewer and water facilities; (iv) installation of pathway system on said property; and (v) restoration of pet cemetery or donation of same to Humane Society for preservation.

c. Development of Cogger/Shuman Properties: (i) paving of any remainder of Eleven Mile Road west of Milford to the western boundary of the Cogger Property not yet paved in connection with the Ivanhoe Property development described above; (ii) the participation in the paving of approximately 650 feet of Eleven Mile Road west of the Cogger Property in conjunction with a neighboring development as described more fully in paragraph 17 below; (iii) streetscape improvements and bike path on the north side of Eleven Mile Road from Spaulding Road west to the western boundary of the Cogger Property; (iv) improvements to the Novi-Lyon Drain traversing the Cogger/Shuman Properties; (v) installation of public sewer and water facilities to serve the Cogger/Shuman Properties; and (vi) the installation of pathway system.

d. Development of the Elkow Home Farm Parcel and a portion of the Ann Smith Property (identified in Exhibit 3.5): (i) paving of Eleven Mile Road from Milford Road east to South Hill Road; (ii) streetscape improvements and bike path on the north side of Eleven Mile Road along the Eleven Mile frontage of the Elkow Home Farm Parcel and on the east side of South Hill Road along the Elkow Home Farm Parcel; (iii) installation of public sewer and water facilities; (iv) the creation of the proposed lake; (v) installation of the pathway system, including connection of the Elkow Home Farm Parcel to the remainder of the Development east of Milford Road, through or around the Zapf and Smith Properties.

No certificate of occupancy for any residential unit shall be granted by the Township with respect to any particular Neighborhood or Phase until the above-described improvements associated with that particular Neighborhood have been installed; provided, however, that the Township may issue temporary certificates of occupancy prior to completion of said improvements if Developer provides a letter of credit or other security acceptable to the Township in the exercise of its reasonable discretion in an amount sufficient to cover the cost of the uncompleted improvements associated with said Neighborhood.

4. **Proposed Elementary School.** The timing and nature of the construction of the school will be determined by the District and such construction may not be associated with the development of any of the above-described Phases or Neighborhoods. The Township hereby approves the Shuman Property as a site for a future elementary school and will cooperate and work in good faith with the District with respect to development and construction of the school on the Shuman Property. Neither the landscaping plans nor road plans described in this Agreement are applicable to the school property. Further, Hitech will be responsible for constructing the bike path along the south side of Eleven Mile Road across the school property. The District understands that no sewer or water taps are being paid for or reserved for use by the District under this Agreement.

**5. Proposed Park.** The Zapf Property and a portion of the Smith Property, consisting of in excess of 60 acres, is proposed to be preserved for future park, open space, recreation and/or natural area. Upon the Township's execution of this Agreement, and as a condition to this Agreement taking effect, Developer shall have recorded a conservation easement with respect to the Zapf Property and a portion of the Smith Property in the form attached hereto as Exhibit 6. To the extent an alternative conservation easement in a form mutually agreed upon by Developer, the Township and the Oakland Land Conservancy is worked out, the Developer agrees to substitute said alternative conservation easement for the one attached hereto as Exhibit 6 and to execute and record same as provided for herein. The conservation easement shall provide, among other things, that: the park area shall not be developed or improved for residential or other uses except as set forth in the easement, notwithstanding the residential zoning classification; if requested in the future by the Township Board, the park area shall be dedicated to the Township or a land conservancy or other non-profit or public organization as designated by the Township for use as a public park, recreation area or natural area, or any combination thereof; and that such conservation easement may not be amended, revised or removed without the written consent of the Township Board.

a. **Farming.** A portion of the Zapf Property is currently being farmed. The current farming operations may continue until the Property is transferred to the Township or land conservancy as provided above and the Township or land conservancy requests that the farming operations be terminated. If the land is still being farmed, Developer shall be given at least six (6) months prior written notice of the request for transfer of the Zapf Property. Hitech shall be responsible for acceptable restoration of the agricultural fields.

b. **Oil Well.** There is currently one operating oil well on the Zapf Property, which operates pursuant to an oil and gas lease agreement ("Oil Lease") originally recorded in Liber 8779, Page 369, Oakland County Register of Deeds, as thereafter modified and amended. The operation of the oil well is governed by the Oil Lease and other applicable law. Income from the oil well shall continue to be paid to Ruth Zapf for the remainder of her life or until she assigns or relinquishes that right. Thereafter, the oil well income shall belong to the owner of the Zapf Property, whether that be the Township, a land conservancy or homeowner's association. This oil well is excluded from the Conservation Easement.

**6. History of Review Procedures.** The following is a summary of the actions taken by the Planning Commission and Township Board with respect to the project:

- Conceptual review of various layouts by the Planning Commission occurred on May 14, 2003, and by the Township Board on June 2, 2003.
- A public hearing on the preliminary PD plan was held by the Planning Commission on December 8, 2003.
- The Planning Commission granted approval of the preliminary PD plan on February 9, 2004, subject to conditions.
- The Planning Commission granted approval of the final PD Plans and recommended approval to the Township Board on June 14, 2004.
- The Township Board granted approval of the final PD Plans on August 9, 2004.

**7. Plans and Documents Submitted by the Developer.** The approved Plans for the PD include all Exhibits attached hereto, and incorporates the material representations of the Developer made in the following plans and documents submitted in pursuit of PD approval to the extent that such representations are not inconsistent with the recitals and terms contained herein:

Elkow Farms Residential Planned Development, Final PD Plans, revised as of July 29, 2004, Plan Sheets SA-1, E-1 through E-8, PD-1, CP-1 and CP-2 and LP-1 through LP-7

Prepared by Robert Leighton & Associates, Inc., Seiber Keast & Associates, Inc. and Warner, Cantrel & Padmos, Inc.

The Township enters into this Agreement on the assumption that all Plans and supporting documentation submitted to the Township are true and accurate. If the Township determines that any Plans, documents or statements, which are material to the project, are untruthful or inaccurate, then such Plans, documents or statements shall be deemed a violation of the Zoning Ordinance. The remedies for such violation shall be such as are provided by law or equity for violation of a zoning ordinance. If there are discrepancies between the supporting documentation and this Agreement, including exhibits, this Agreement shall apply.

**8. Effect of PD Approval; Adjustments.**

a. The Developer and Township acknowledge and agree that rezoning of the Property to PD constitutes approval of the PD Plans (Exhibit 5) as the Plans for the general configurations, road layouts, locations and amounts of land occupied by permitted uses, and setbacks, subject to final site plan approval, subdivision approval, or condominium approval, as applicable.

b. Setback requirements shall be as specified on the approved Plans. Houses may be offset to one side on single family lots to accommodate side entry garages, provided that a minimum of thirty (30) feet shall be provided between houses and provided further that the right and left side setbacks shall be specified for each lot prior to tentative preliminary plat or condominium subdivision plan approval, whichever is applicable.

c. With respect to the portions of the PD under control of the Developer, adjustments including, but not limited to, minor realignment of roads, adjustments to setbacks, lot lines and property configurations, elimination of lots or units, road name changes, etc., which further the spirit and intent of the PD Plans and do not alter the overall layout or integrity of the PD Plans may be allowed, subject to the Township Planner approval of the site plan or plat for each particular phase. Such minor adjustments shall not require amendment to this Agreement. However, any changes in the proposed use of the Property or any increase in the number of units must be effected in accordance with the applicable ordinances of the Township.

d. Approval of the Plans shall be subject to re-evaluation by the Planning Commission and Township Board in the event that the wetlands and/or floodplain determinations result in material modification to the Plans beyond the adjustments to the PD Plans described in subpart c above.

**9. Permits from Review Authorities.** All permits from review authorities or agencies that have jurisdiction applicable to a particular Phase or Neighborhood shall be submitted to Lyon Township prior to the start of construction of the particular Phase or Neighborhood, including but not necessarily limited to permits from the Road Commission for Oakland County (RCOC), Oakland County Drain Commissioner, Michigan Department of Environmental Quality, Superintendent of Public Instruction, Township Engineer, and Township Fire Chief. It shall be the responsibility of the Developer to obtain all required permits. The Township will cooperate with the Developer's efforts to obtain such permits and will execute such applications, permits or other documents required of the Township by the applicable State and County regulatory agencies. Home builders shall be responsible for securing all permits associated with individual house construction.

**10. Creation of a Condominium Association, Maintenance Responsibilities and Disclosures.** The Developer of the PD shall have the duty and responsibility to legally organize one or more condominium and/or subdivision associations, as appropriate, for all parts of the residential development. The Master Deed and Bylaws, or Declaration of Covenants, Easements and Restrictions for the condominium or subdivision shall prescribe the responsibilities of the condominium or subdivision association; set forth the manner, method, and timing of transferal of maintenance responsibilities for common areas and facilities to the association; provide a feasible method of funding maintenance activities, such as annual dues and/or assessments; and, reserve rights to the Township to enforce or undertake maintenance responsibilities and recover the costs of such action from members of the association. The Master Deed, Bylaws, or Declaration of Covenants shall provide that those common areas, open spaces, and parks located in each Phase or Neighborhood covered by each condominium or homeowners' association shall remain vacant in perpetuity and shall be used and developed only as provided in the approved Plans, unless the Township consents otherwise.

The Developer shall be responsible for maintenance of all landscaping, stormwater drainage facilities, open space and recreation areas, and maintenance of drains over which jurisdiction has not been assumed by the Road Commission for Oakland County or the Oakland County Drain Commissioner, until the Developer assigns such responsibilities to the condominium or subdivision association to be organized. The District shall be responsible for maintenance of all stormwater drainage facilities on the elementary school site unless this responsibility is transferred to another party.

The Developer shall disclose the presence of farm and agricultural activities in the vicinity of the Planned Development by advising all prospective purchasers as follows: "This property may be located in the vicinity of a farm or farm operation. Generally accepted agricultural and management practices may be utilized by the farm or farm operation and may generate usual and ordinary noise, dust, odors, and other associated conditions, and these practices are protected by the Michigan Right to Farm Act. The Seller is not required to disclose whether a farm or farm operation is actually located in the vicinity of the property or whether generally accepted agricultural and management practices are being utilized."

The Developer shall include a statement in each Master Deed advising prospective purchasers of land within the Planned Development of the existence of wetlands. Prospective purchasers shall be required, if applicable, to acknowledge in writing the presence of wetlands on the unit or site they are purchasing.

**11. Landscape Plans.**

a. The PD shall be developed in accordance with the Landscape Plans included in Exhibit 5; provided, however, that changes in types and specific location of plantings may be approved by the Township Planner if they are consistent with the spirit of the Landscape Plans, and that modifications may be necessary at the time of site plan or subdivision review to adapt the landscaping to each applicable site plan, subdivision plan, or condominium plan approved by the Township. The Developer may transfer the responsibility for street tree plantings to the owner or builder of each unit, provided that a performance guarantee is first posted with the Township of Lyon to cover the cost of acquiring and planting such trees.

b. Prior to issuance of any permits to begin construction on any specific Neighborhood or Phase of the Project, explicit requirements for preservation of the tree stands on the specific Neighborhood or Phase at issue shall be submitted for consideration by the Planning Commission, with the understanding that tree removal will be necessary within proposed road and utility easements or rights-of-way and within housing footprints. This requirement may be addressed in part by identifying on the site plan for such Neighborhood or Phase the limits of tree removal related to road and utility easements or rights-of-way; restrictions in the condominium Master Deed and Bylaws or subdivision Declaration of Covenants, Easements and Restrictions, on tree removal on single family lots; conservation easements; and, description of the measures to be taken during construction to protect the remaining trees. Tree replacement shall be undertaken to the extent required by the Township's Tree Protection Ordinance in effect as of the date of this Agreement, a copy of which is included as Exhibit 7 hereto.

c. The Township shall not be required, by special assessment or otherwise, to pay for the upkeep or replacement of landscaping within the PD.

d. The School District will cooperate with the Township and Developer to provide landscaping on the School Property that is compatible with other landscaping proposed along Eleven Mile Road within the Planned Development so as to achieve a uniform streetscape design, while recognizing that this provision does not obligate the School District to provide such landscaping. It is understood that landscaping and other streetscape improvements on school sites will not occur until schools are constructed on the site. Nothing contained in this Paragraph 11 shall impose any duty or obligation upon the School District to install any landscaping along Eleven Mile Road or in any other location within the Planned Development.

**12. Architectural and General Site Design Guidelines.** The PD shall be developed in conformance with the Architectural and General Site Design Guidelines, included in Exhibit 8 hereto.

**13. Roads and Driveways.**

a. Roads within the PD shall be public except for the roads within the proposed Crystal Creek Condominium neighborhood. Private roads shall be constructed as shown in the Plans and shall, to the extent not in conflict with the Plans, comply with all of the requirements specified in the Township's Ordinance to Regulate Private Roads in effect at

the time of execution of this Agreement, including the requirements for the Private Road Easement Agreement and Private Road Easement Maintenance Agreement.

b. Road and driveway intersections on the various public roads shall be in the locations shown on the Plans, subject to approval by the RCOC, and the public right-of-ways shown on the PD Plan shall be dedicated to the Road Commission for Oakland County. If required by RCOC, roads and driveways may be moved, without the need to reapply for any final site plan approvals if theretofore obtained, provided that the Township Planner and Township Engineer find that the new locations do not adversely affect the overall layout of the PD.

c. Notwithstanding the Township's use of the private roads within the PD to access sewer and water facilities, it shall not be required, by special assessment or otherwise, to contribute to the upkeep or replacement of such roads.

**14. Utilities.** As previously provided, the utilities to serve the PD may be constructed in phases to correspond to the timing of the construction and development of the individual Neighborhoods. All utility plans shall be submitted to the Township's engineer for review and approval in accordance with applicable state and local standards and requirements, which approval shall not be unreasonably delayed or withheld. General provisions with respect to all utilities include the following:

a. **Sanitary Sewer System.** All of the Property is located within the Township's sanitary sewer service district. Sanitary sewers shall be constructed to serve all users on the Property, who must connect to the Township's sanitary sewer system. Such connection shall require payment of all applicable fees, charges, and assessments. The Township agrees to reserve, upon the payment for each residential equivalency unit, sufficient sewer capacity for each residential equivalency unit purchased.

b. **Water System.** All of the property is located within the Township's water supply system area. Water mains shall be constructed to serve all users of the property who must connect to the Township's municipal water system. Such connection shall require payment of all applicable fees, charges, and assessments. The Township agrees to reserve, upon the payment for each water tap, sufficient water capacity for each water tap purchased.

c. **Easements.** The Developer shall convey to the Township those easements necessary for the Township's access to sewer and water facilities within the PD.

**15. Special Assessments.** Developer and Township agree that road, utility (water and sewer systems), pathway and drain improvements for some or all of the Phases or Neighborhoods may be financed through special assessments. In the event that the Developer initiates the special assessment procedure in accordance with applicable law, the Township agrees to cooperate with the Developer and assist the Developer's efforts to create the special assessment district and carry out the terms thereof in a timely fashion, in accordance with the requirements of state law. All actual costs incurred in creating and carrying out the special assessments shall ultimately be the responsibility and obligation of the Developer and/or its successors in interest as owners of the land and/or lots and condominium sites. The school property is not included in any special assessment district for the above-described improvements.

16. **Model Homes; Signage.** Sales of real estate and homes located within each Phase or Neighborhood may be conducted from model homes or residential units to be constructed on site. For purposes of temporary marketing signage and model homes, each Neighborhood or Phase of the PD shall be treated as a separate project; provided, however, that if a Neighborhood is divided into sub-phases, marketing signage and model homes for an earlier phase must be removed before signage and model homes are permitted for a later phase. Such temporary sales office use shall comply with the requirements in Section 19.03, sub-section E, of the Zoning Ordinance, and shall be terminated at the completion of the sale of all lots within said Phase or Neighborhood, at which time the sales office shall either be removed or converted to residential use.

17. **Cost Sharing Agreement For Eleven Mile Paving.** Nick Mancinelli owns and/or controls land located in Lyon Township along Eleven Mile Road and west of the Elkow Farms Property (the "Mancinelli Property"). Mancinelli has received final approval from the Township for a planned unit development, known as the Hornbrook PD. As part of the Hornbrook PD, Mancinelli has agreed to pave Eleven Mile Road across the frontage of the Hornbrook PD.

There is a gap of space between the Elkow PD and Hornbrook PD, that would leave approximately 650 feet of Eleven Mile Road unpaved between the Elkow Eleven Mile Road paving and the Mancinelli Eleven Mile paving (the "Project"). The Township has requested that the Elkow PD and Hornbrook PD reach agreement to pave the 650 feet gap of Eleven Mile that would otherwise exist in connection with the development of the Elkow PD and Hornbrook PD.

Thus, the Developer agrees that it will share in the cost of the design, permitting, engineering, inspection and construction of the paving of approximate 650 feet of Eleven Mile Road located between the western boundary of the Elkow PD and the eastern boundary of the Hornbrook PD, which paving may be included in the special assessment district described in paragraph 15 above.

18. **Elementary School Stormwater Management.** In the absence of an agreement with the South Lyon Community School District, the detention pond north of the proposed elementary school shall be sized to handle the stormwater runoff from the elementary school property.

19. **Modification to Agreement.** This Agreement may not be modified, replaced, amended, or terminated, without the prior written consent of the Township, Developer or Owner of the Property as of the date of the modification, replacement, amendment, or termination.

20. **Applicability of Other Zoning Requirements.** In the absence of specifications and standards in the approved PD Plans or documents for accessory buildings, swimming pools, fences, exterior lighting, antennae, and similar features commonly associated with residential development, proposals to construct or install such features shall comply with the dimensional requirements and other standards for such facilities as set forth in the Zoning Ordinance.

21. **Approval Runs with the Land.** The approval of the PD described herein and the Exhibits attached hereto, and the terms, provisions, and conditions of this Agreement run with and bind the land, and shall bind and inure to the benefit of the successors, assigns and transferees of the parties thereto.

in any action for specific performance or injunctive relief shall be awarded its reasonable costs and attorneys fees incurred in obtaining such relief.

24. **Governing Law.** This Agreement shall be construed under the laws of the State of Michigan.

25. **Violations.** Any violation of the terms of this Agreement shall be a violation of the Zoning Ordinance. The remedies of the Township for a violation shall be such remedies as are provided by law and equity for violation of a zoning ordinance.

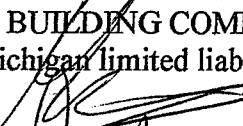
26. **School District Obligations.** Except for any obligations specifically set forth herein, nothing contained in this Agreement shall impose any duty or obligation upon the District which are not otherwise required under Michigan law. Further, the terms and conditions of Township Resolution No. 2004-02, adopted on April 21, 2004, regarding the school property, which is attached hereto as Exhibit 9, is hereby incorporated by reference and made a part of this Agreement.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the day and date set forth above.

CRYSTAL CREEK LAND, LLC, a Michigan limited liability company

By: IVANHOE HUNTLEY INVESTMENT COMPANY, a Michigan limited liability Company  
Its: Sole Member

By: I-H BUILDING COMPANY, LLC,  
a Michigan limited liability company

By: 

Gary Shapiro  
Its: Manager

By:   
Steven Perlman  
Its: Manager

STATE OF MICHIGAN )  
) SS  
COUNTY OF OAKLAND )

The foregoing was acknowledged before me this 26 day of May, 2005 by Gary Shapiro and Steven Perlman, Managers of I-H Building Company, LLC, member of Ivanhoe Huntley Investment Company, Sole Member of Crystal Creek Land, LLC, a Michigan limited liability company, on behalf of Crystal Creek.

C. S. Walker

Notary Public, State of Michigan  
County of Oakland  
My Commission Expires: \_\_\_\_\_  
C. S. WALKER  
NOTARY PUBLIC WAYNE CO., MI  
MY COMMISSION EXPIRES Dec 19, 2008  
ACTING IN OAKLAND COUNTY, MI  
Acting in the County of Oakland

HITECH BUILDING, L.L.C.,  
a Michigan limited liability company

By:

Its:

  
RICHARD G. ELKOW/  
MEMBER

STATE OF MICHIGAN )

) SS

COUNTY OF OAKLAND )

The foregoing was acknowledged before me this 26<sup>TH</sup> day of May, 2005 by  
RICHARD G. ELKOW of Hitech Building, L.L.C., a Michigan limited liability company, on  
behalf of the limited liability company.

Notary Public, State of Michigan,  
County of Oakland

My Commission Expires: JAN 30, 2012  
Acting in the County of Oakland

BEVERLY ANN MUNS  
NOTARY PUBLIC LIVINGSTON CO. MI  
MY COMMISSION EXPIRES JAN 30, 2012

CHARTER TOWNSHIP OF LYON,  
a Michigan municipal corporation

By:

Its: Lannie Young

Lannie Young  
Supervisor

STATE OF MICHIGAN )

) SS

COUNTY OF OAKLAND )

The foregoing was acknowledged before me this 18<sup>TH</sup> day of August, 2005 by Lannie Young,  
Supervisor of Charter Township of Lyon, a Michigan municipal corporation, on behalf of the  
Township.

Notary Public, State of Michigan,  
County of Oakland

My Commission Expires: 5/1/07  
Acting in the County of Oakland

SOUTH LYON COMMUNITY SCHOOL  
DISTRICT

By: William A. Pearson  
Its: Superintendent

STATE OF MICHIGAN )  
                       ) SS  
COUNTY OF OAKLAND )

The foregoing was acknowledged before me this 3RD day of AUGUST, 2005 by  
WILLIAM PEARSON, of South Lyon Community School District, a  
SUPERINTENDENT, on behalf of the School District.

Cherelle L. Norton

Notary Public, State of Michigan,

County of Oakland

My Commission Expires: 9/3/11

Acting in the County of Oakland

DRAFTED BY GILLIAN LEVY  
AND RETURN TO: 7001 ORCHARD LAKE RD.  
SUITE 200  
WEST BLOOMFIELD MI  
48322

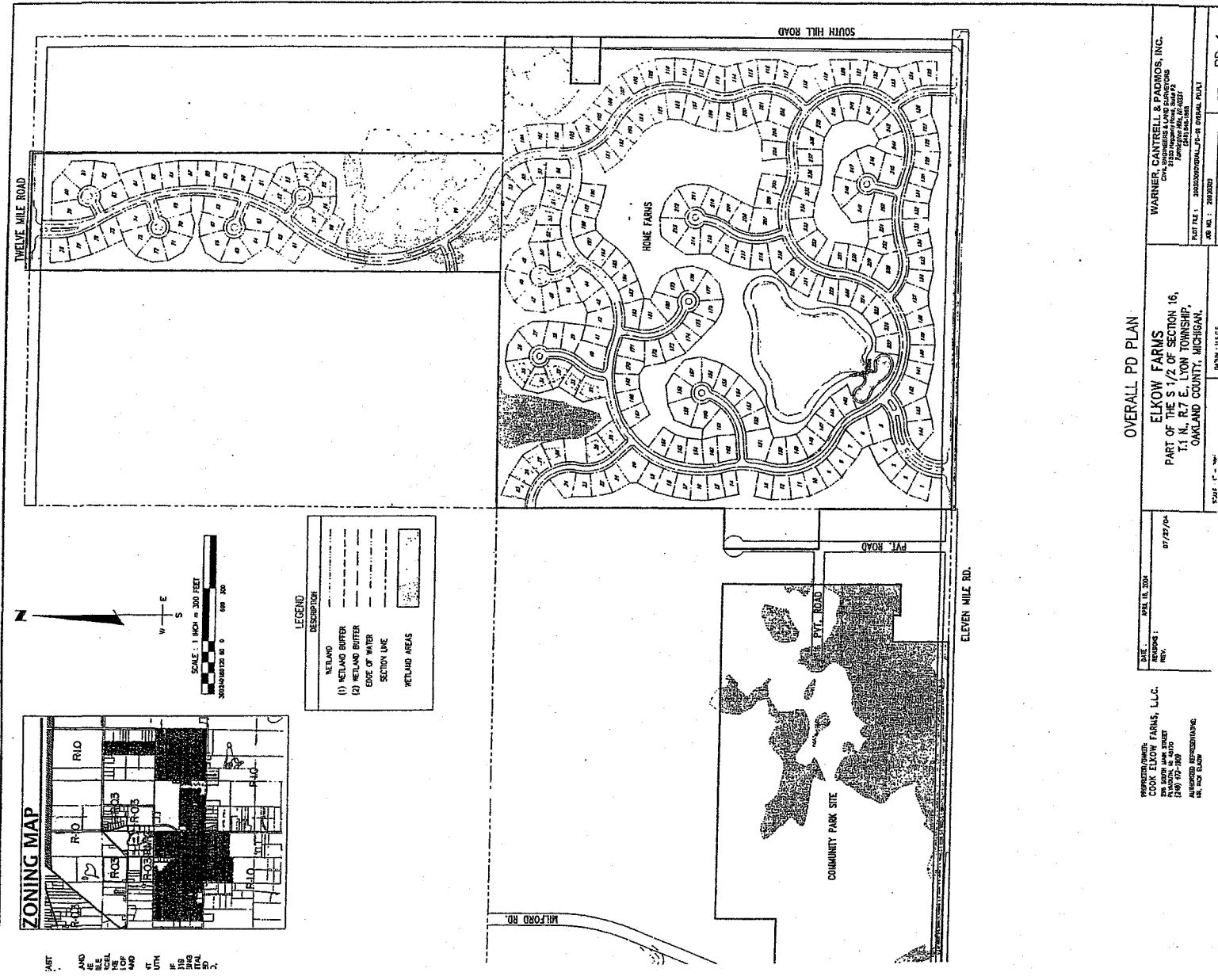
**EXHIBITS TO ELKOW FARMS  
PLANNED DEVELOPMENT AGREEMENT**

- |           |   |
|-----------|---|
| Exhibit 1 | Overall PD Plan   |
| Exhibit 2 | Crystal Creek Property Descriptions                     |
| Exhibit 3 | Hitech Property Descriptions                            |
| Exhibit 4 | Owners Acknowledgement and Consent                      |
| Exhibit 5 | Final PD Plans  |
| Exhibit 6 | Conservation Easement                                   |
| Exhibit 7 | Tree Protection Ordinance                               |
| Exhibit 8 | Architectural Guidelines                                |
| Exhibit 9 | Township Resolution No. 2004-02, adopted April 21, 2004 |

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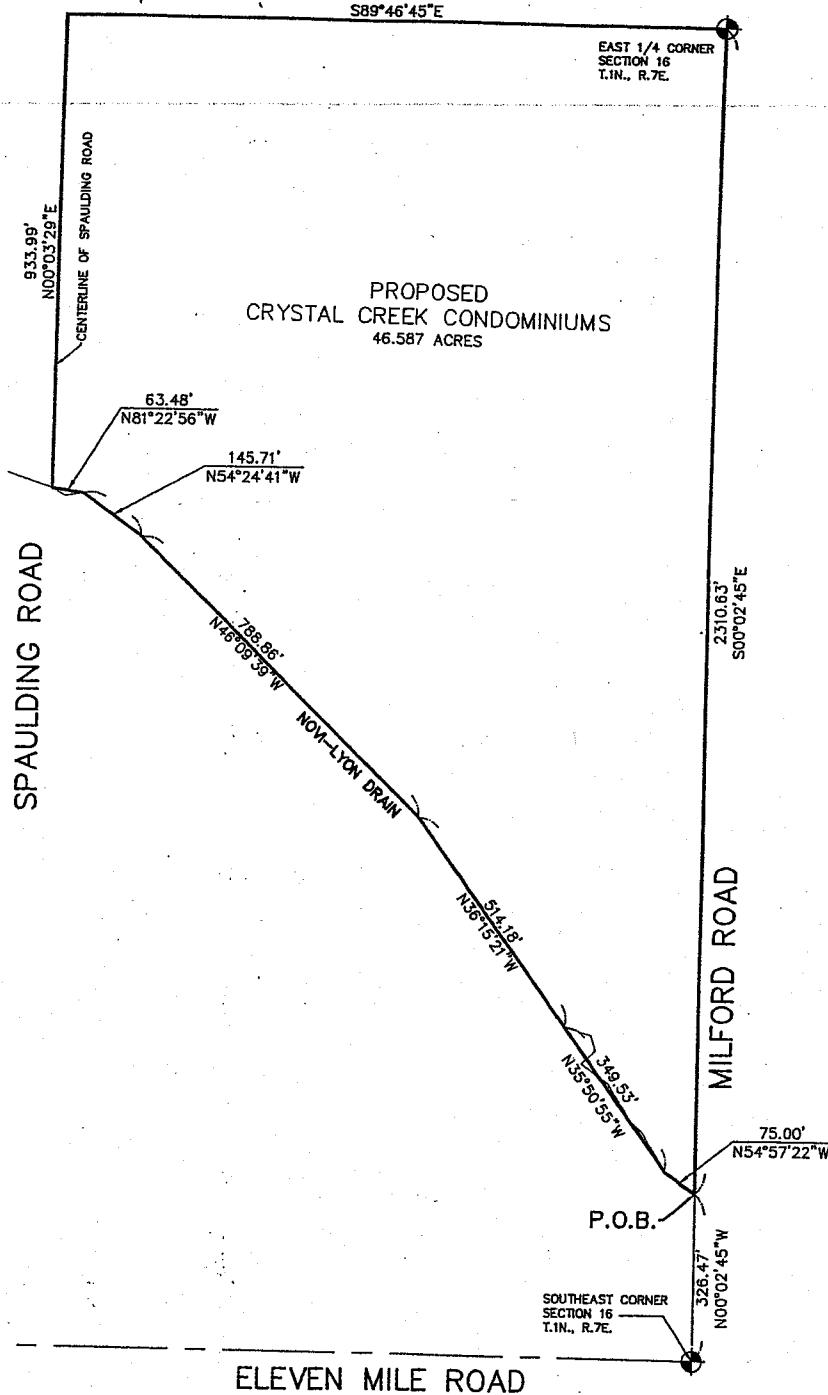
**Exhibit 1**

**Overall PD Plan**



## **Exhibit 2**

# **Crystal Creek Property Description**

1317.66'  
89°46'45"EEAST 1/4 CORNER  
SECTION 16  
T.I.N., R.7E.

CRYSTAL CREEK CONDOMINIUMS  
Legal Description  
TAX ID NO. 21-16-426-D01

A part of the Southeast 1/4 of Section 16, Town 1 North, Range 7 East, Lyon Township, Oakland County, Michigan; more particularly described as commencing at the Southeast Corner of said Section 16; thence North 00°02'45" West, 326.47 feet, along the East line of said Section 16 and the centerline of Milford Road, to the Point of Beginning; thence North 54°57'22" West, 75.00 feet; thence North 35°50'55" West, 349.53 feet; thence North 36°15'21" West, 514.18 feet; thence North 46°09'38" West, 788.86 feet; thence North 54°24'41" West, 145.71 feet; thence North 81°22'56" West, 63.48 feet, to a point on the centerline of Spaulding Road; thence North 00°02'29" East, 933.99 feet, along the centerline of said Spaulding Road, to the Southwest corner of "Helfer Subdivision", as recorded in Liber 119 of Plats, on Page 4, Oakland County Records and the Southeast corner of "Amended Plat of Lyon Commons", as recorded in Liber 226 of Plats, on Page 5, Oakland County Records, (said point being South 89°46'45" East, 1301.31 feet, from the Center of said Section 16); thence South 89°46'45" East, 1317.66 feet, along the East and West 1/4 line of said Section 16 and the Southerly line of said "Helfer Subdivision" and an extension thereof, to the East 1/4 Corner of said Extension thereof, to the Point of Beginning. All of the above containing 46.587 Acres. All of the above being subject to the rights of the public in Milford Road and Spaulding Road. All of the above being subject to easements, restrictions and rights-of-way of record.



SEIBER, KEAST &  
ASSOCIATES, INC.  
CONSULTING ENGINEERS

40399 GRAND RIVER AVENUE SUITE 110 NOV. MI 48375-2123  
(248) 473-7880

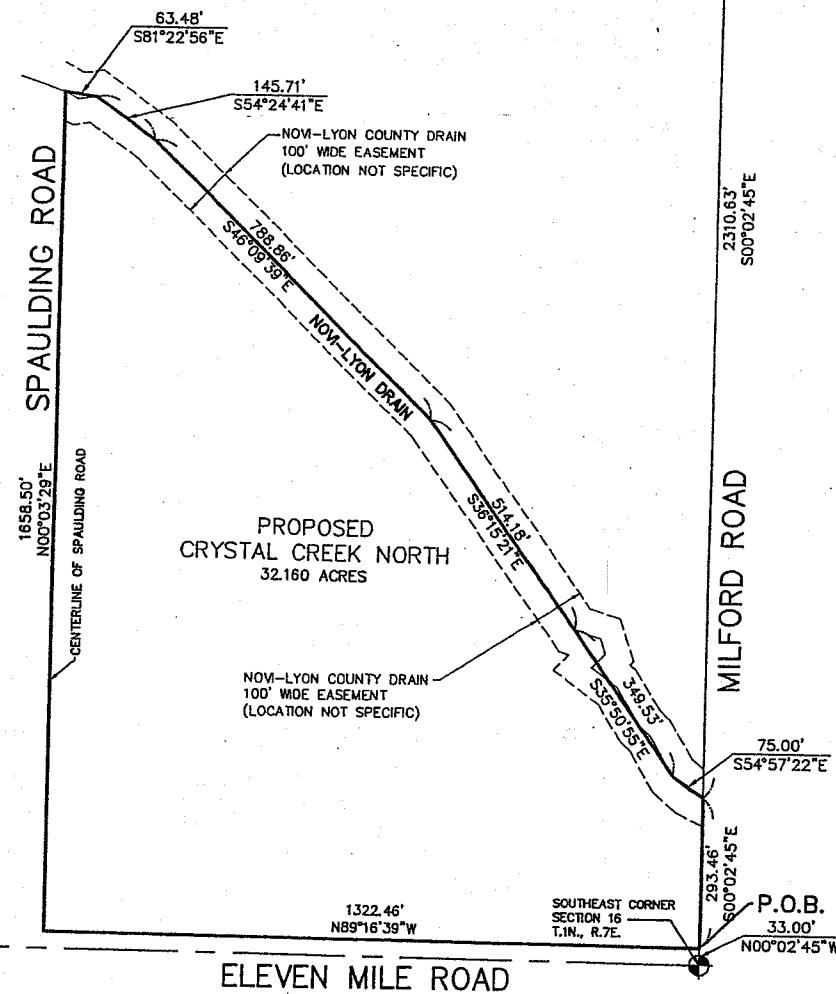


MILLETTICS AND  
ASSOCIATES, L.L.C.  
LAND SURVEYORS

ELKOW FARMS  
SECTION 16, T.1N., R.7E.,  
LYON TOWNSHIP  
OAKLAND COUNTY, MICHIGAN

SCALE:	1" = 300'
DATE:	08-20-2004
JOB NO.:	02-068
DWG FILE:	02-068-EXH2
DRAWN BY:	MJF
CHECK:	MAY
HEET:	1 OF 3

EAST 1/4 CORNER  
SECTION 16  
T.1N., R.7E.



**CRYSTAL CREEK NORTH**  
Legal Description  
TAX ID NO.: 21-16-426-001

A part of the Southeast 1/4 of Section 16, Town 1 North, Range 7 East, Lyon Township, Oakland County, Michigan; more particularly described as commencing at the Southeast Corner of said Section 16; thence North 00°02'45" West, 33.00 feet, along the East line of said Section 16 and South line of said Section 16, along the Northerly right-of-way of Eleven Mile Road, to a point on the centerline of Spaulding Road; thence North 00°03'29" East, 1658.50 feet, along said centerline of Spaulding Road; thence North 89°16'38" West, 1322.46 feet, (33.00 feet North of and parallel to the North 00°03'29" East, 1658.50 feet), along said centerline of Spaulding Road; thence South 81°22'56" East, 63.48 feet; thence South 54°24'41" East, 145.71 feet; thence South 46°09'39" East, 788.86 feet; thence South 36°15'21" East, 514.18 feet; thence South 35°50'55" East, 349.53 feet; thence South 54°57'22" East, 75.00 feet; thence South 00°02'45" East, 293.46 feet, along the East line of said Section 16 and the centerline of said Milford Road, to the Point of Beginning. All of the above containing 32.160 Acres. All of the above being subject to the rights of the public in Milford Road and Spaulding Road. All of the above being subject to easements, restrictions and rights-of-way of record.



**SEIBER, KEAST &  
ASSOCIATES, INC.**  
CONSULTING ENGINEERS

40399 GRAND RIVER AVENUE, SUITE 110, NOV. MI 48375-2123  
(248) 473-7880

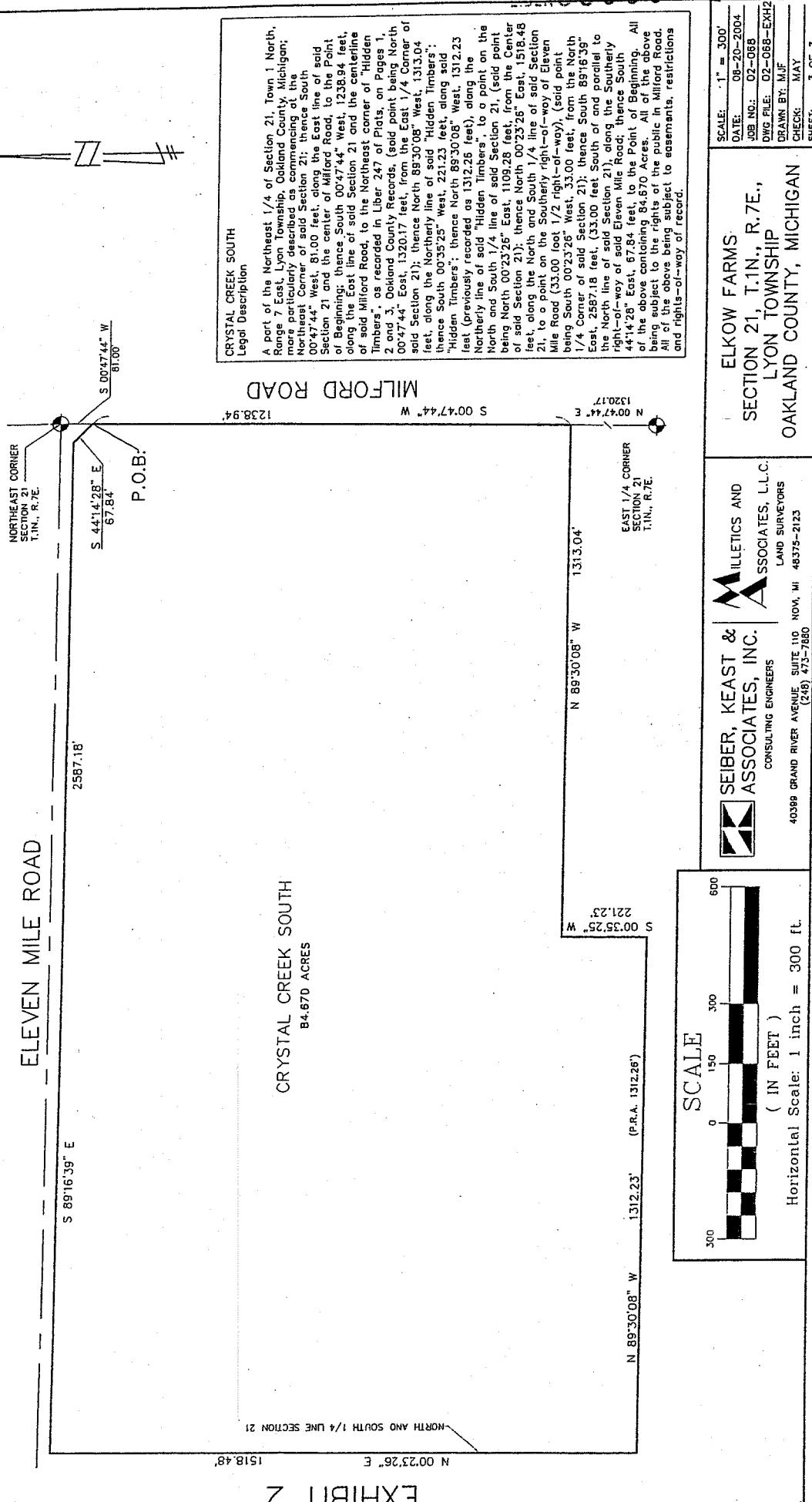


**MILLETTS AND  
ASSOCIATES, LLC**  
LAND SURVEYORS

**ELKOW FARMS**  
SECTION 16, T.1N., R.7E.,  
LYON TOWNSHIP  
OAKLAND COUNTY, MICHIGAN

SCALE:	1" = 300'
DATE:	08-20-2004
JOB NO.:	02-068
DWG FILE:	02-068-EXH2
DRAWN BY:	MJF
CHECK:	MAY
SHEET:	2 OF 3





## **Exhibit 3**

# **Hitech Property Description**

**WARNER, CANTRELL & PADMOS, INC.**

CIVIL ENGINEERS &amp; LAND SURVEYORS

27300 Haggerty Road, Suite F2  
Farmington Hills, MI 48331LEGAL DESCRIPTION  
THE HEIGHTS AT ELKOW FARMS

PART OF THE SOUTHWEST 1/4 AND SOUTHEAST 1/4 OF SECTION 16, T1N, R7E BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

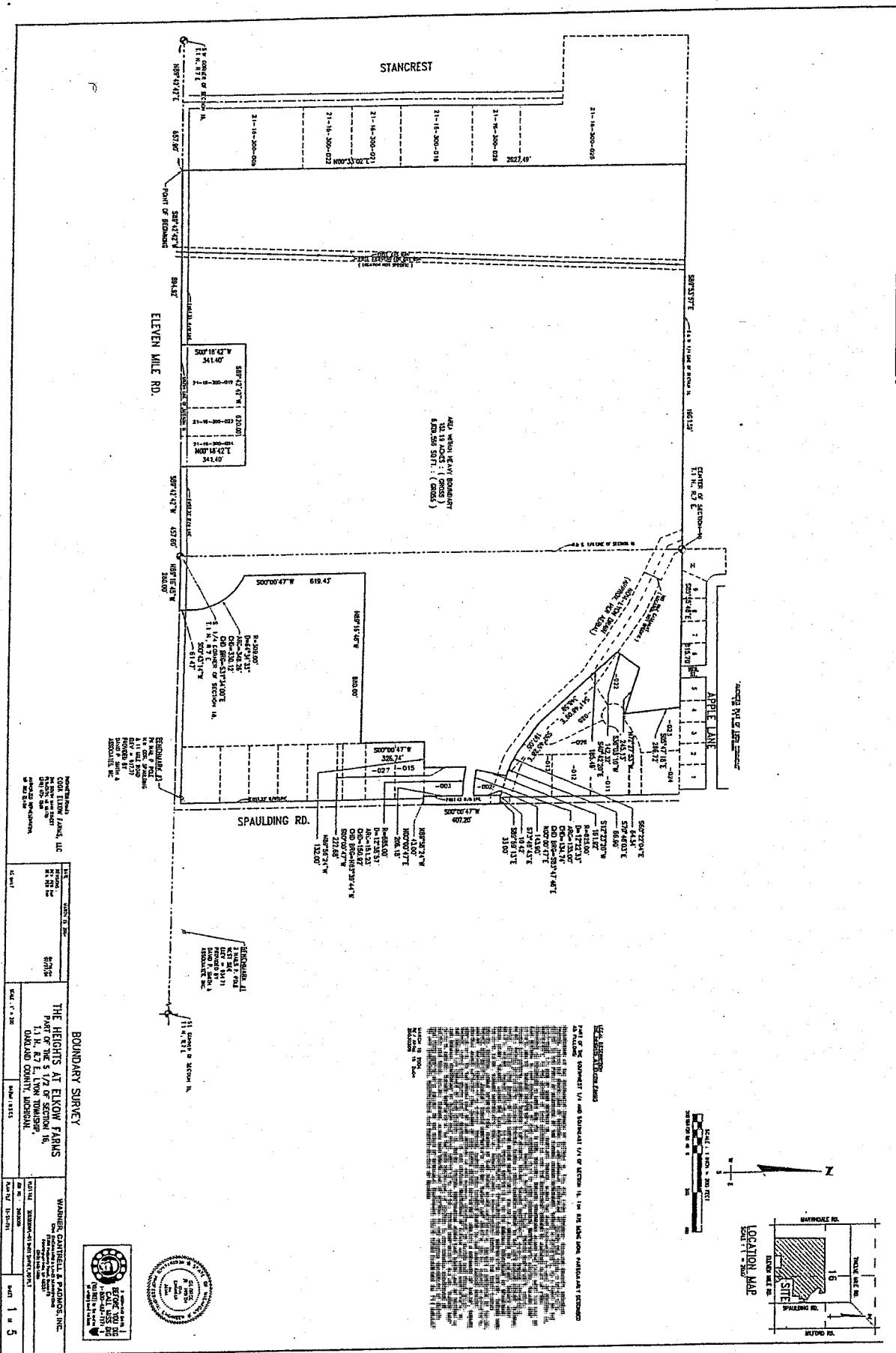
COMMENCING AT THE SOUTHWEST CORNER OF SECTION 16, T1N, R7E, LYON TOWNSHIP, OAKLAND COUNTY, MICHIGAN; THENCE, ALONG THE SOUTH LINE OF SECTION 16 AND NOMINAL CENTERLINE OF ELEVEN MILE ROAD, N 89°d42'42"E, 657.90' TO THE POINT OF BEGINNING OF THE PARCEL HEREIN DESCRIBED; THENCE N 00°d33'02"E, TO A POINT ON THE EAST-WEST 1/4 LINE OF SAID SECTION 16, 2627.49'; THENCE, ALONG THE SAID EAST-WEST 1/4 LINE OF SECTION 16, SAID SECTION 16, S89°d53'57"E, TO THE CENTER OF SAID SECTION 16, AND THE SOUTHWEST CORNER OF AMENDED PLAT OF LYON COMMONS AS RECORDED IN LIBER 226, PG. 5 OCR, 1961.59'; THENCE, CONTINUING ALONG THE EAST WEST 1/4 LINE OF SAID SECTION 16 AND SOUTH LINE OF SAID AMENDED PLAT OF LYON COMMONS, S89°d55'48"E, 815.70'; THENCE S05°d47'18"E, 286.72'; THENCE N72°27'53"W, 245.13'; THENCE S 36°d03'10"W, 142.32'; THENCE S40°d42'20"E, 185.49'; THENCE S41°d48'09"E, 348.59'; THENCE S 52°d45'28"E, 197.05'; THENCE S60°d22'04"E, 64.54'; THENCE S70°d48'03"E, 66.90'; THENCE S12°d23'20"W, 161.92'; THENCE, ALONG A NON-TANGENT CURVE TO THE LEFT RADIUS 625.00', CENTRAL ANGLE 12°d22'33" (THE CHORD OF SAID CURVE BEARS S83°d47'46"E, 134.74') A DISTANCE OF 135.00'; THENCE N00°d00'47"E, 143.90'; THENCE S89°d56'24"W, 43.00'; THENCE N00°d00'47"E, 206.18'; THENCE, ALONG A NON-TANGENT CURVE TO THE RIGHT RADIUS 685.00', CENTRAL ANGLE 12°d38'57" (THE CHORD OF SAID CURVE BEARS N83°d39'44"W, 150.92') A DISTANCE OF 151.23'; THENCE S00°d00'47"W, 222.68'; THENCE N89°d56'24"W, 132.00'; THENCE S00°d 00'47"W, 326.74'; THENCE N 89°d16'46"W, 880.00'; THENCE S00°d00'47"W, 619.43'; THENCE, ALONG A NON-TANGENT CURVE TO THE RIGHT RADIUS 309.00', CENTRAL ANGLE 64°d34'33" (THE CHORD OF SAID CURVE BEARS S31°d34'00"E, 330.12') A DISTANCE OF 348.26'; THENCE S00°d43'14"W, TO THE SOUTH LINE OF SAID SECTION 16 AND NOMINAL CENTERLINE OF ELEVEN MILE ROAD, 61.47'; THENCE, ALONG SAID SOUTH LINE OF SECTION 16 AND NOMINAL CENTERLINE OF ELEVEN MILE ROAD N89°d16'45"W, TO THE SOUTH 1/4 CORNER OF SAID SECTION 16, 280.00'; THENCE, CONTINUING ALONG SAID SOUTH LINE OF SECTION 16 AND NOMINAL CENTERLINE OF ELEVEN MILE ROAD, S89°d42'42"W, 457.60'; THENCE N00°d18'42"E, 341.40'; THENCE S89°d42'42"W, 620.00'; THENCE S00°d18'42"W, TO THE SAID SOUTH LINE OF SECTION 16 AND NOMINAL CENTERLINE OF ELEVEN MILE ROAD, 341.40'; THENCE, ALONG SAID SOUTH LINE OF SECTION 16 AND NOMINAL CENTERLINE OF ELEVEN MILE ROAD S89°d42'42"W, 894.92' TO THE POINT OF BEGINNING. CONTAINING 152.19 ACRES (6,629,596 SQ. FT.) SUBJECT TO ANY EASEMENTS, RESTRICTIONS AND RIGHTS-OF-WAY OF RECORD.

MARCH 10, 2004  
REV APRIL 15, 2004  
REV SEPTEMBER 29, 2005  
20030309

21-16-300-002  
21-16-300-017  
21-16-401-030

LIBER 36360 PG 214

# EXHIBIT 5. "THE HEIGHTS & ELKOW FIRMS"



**WARNER, CANTRELL & PADMOS, INC.**

CIVIL ENGINEERS &amp; LAND SURVEYORS

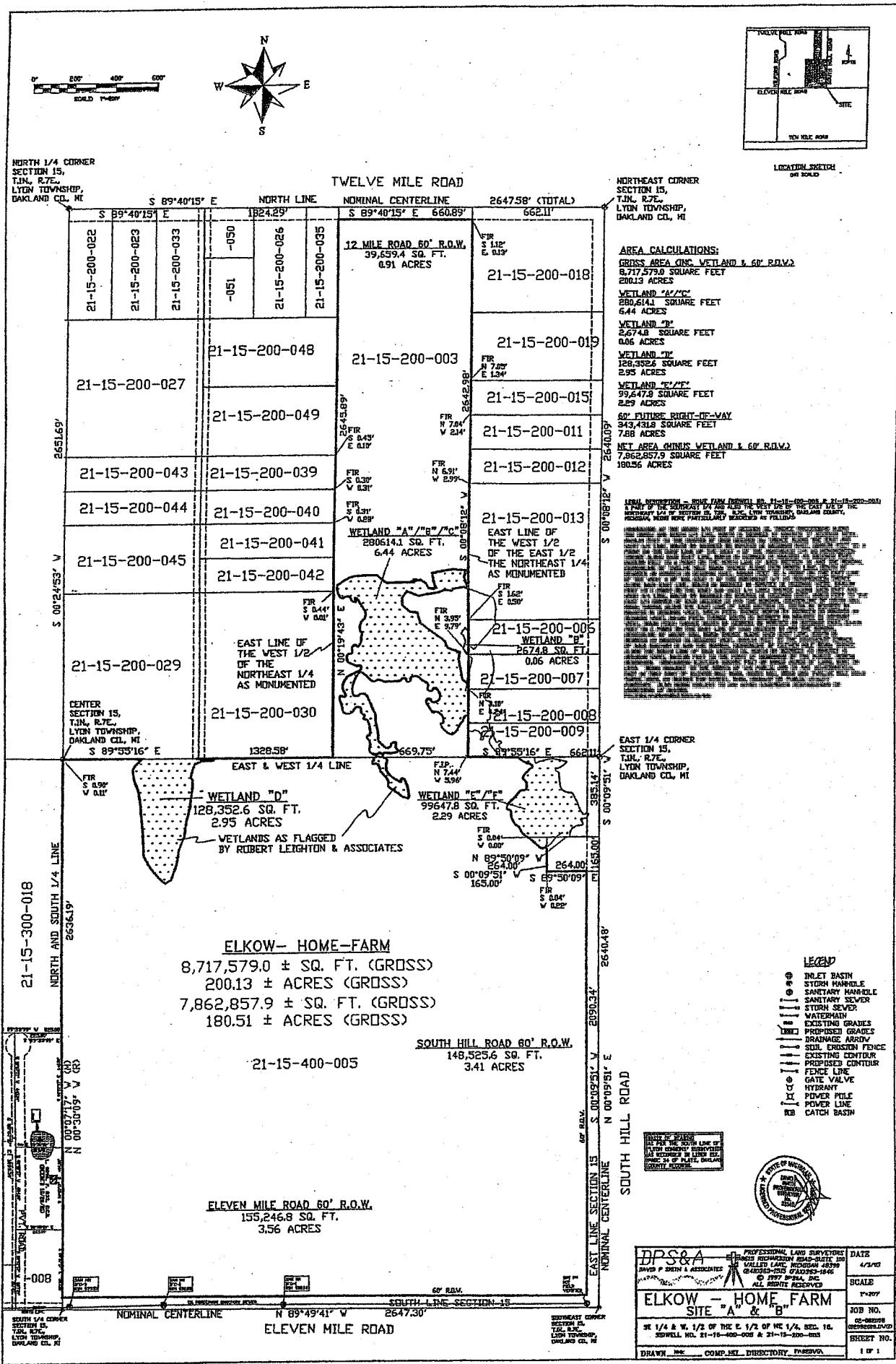
27300 Haggerty Road, Suite F2  
Farmington Hills, MI 48331LEGAL DESCRIPTION - HOME FARM

(SIDWELL NO. 21-15-400-005, 21-15-200-003 &amp; 21-15-300-018)

A PART OF THE SOUTHEAST 1/4 AND ALSO THE WEST 1/2 OF THE EAST 1/2 OF THE NORTHEAST 1/4 OF SECTION 15, T.1N., R.7E., LYON TOWNSHIP, OAKLAND COUNTY, MICHIGAN, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTH 1/4 POST OF SECTION 15, THENCE PROCEEDING ALONG THE NORTH AND SOUTH 1/4 LINE, N.00°07'17"W., 871.20'; THENCE N.89°36'09"W., 225.00'; THENCE N.00°07'17"W., 445.90' TO A POINT ON THE NORTH LINE OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION 15; THENCE S.89°36'09"E., 225.00' TO A POINT ON THE NORTH AND SOUTH 1/4 LINE OF SAID SECTION 15; THENCE ALONG THE NORTH AND SOUTH 1/4 LINE N.00°07'17"W., 1319.81' TO THE CENTER OF SAID SECTION 15; THENCE ALONG THE EAST AND WEST 1/4 LINE, S.89°55'16"E., 1328.58' TO A POINT ON THE EAST LINE OF THE WEST 1/2 OF THE NORTHEAST 1/4 AS MONUMENTED; THENCE ALONG SAID EAST LINE, N.00°19'43"E., 2645.89' TO A POINT ON THE NORTH LINE OF SAID SECTION 15 AND THE NOMINAL CENTERLINE OF TWELVE MILE ROAD; THENCE ALONG SAID NORTH LINE, S.89°40'15"E., 660.89' TO A POINT ON THE EAST LINE OF THE WEST 1/2 OF THE EAST 1/2 OF THE NORTHEAST 1/4 AS MONUMENTED; THENCE ALONG SAID EAST LINE, S.00°08'12"W., 2642.98' TO A POINT ON THE EAST AND WEST 1/4 LINE; THENCE ALONG SAID EAST AND WEST 1/4 LINE, S.89°55'16"E., 662.11' TO THE EAST 1/4 CORNER OF SAID SECTION 15 AND THE NOMINAL CENTERLINE OF SOUTH HILL ROAD; THENCE ALONG THE EAST LINE OF SAID SECTION 15, S.00°09'51"W., 385.14'; THENCE N.89°50'09"W., 264.00'; THENCE S.00°09'51"W., 165.00'; THENCE S.89°50'09"E., 264.00' TO A POINT ON THE EAST LINE OF SAID SECTION 15 AND THE NOMINAL CENTERLINE OF SOUTH HILL ROAD; THENCE ALONG SAID EAST LINE, S.00°09'51"W., 2090.34' TO THE SOUTHEAST CORNER OF SAID SECTION 15 AND THE NOMINAL CENTERLINE OF ELEVEN MILE ROAD; THENCE ALONG THE SOUTH LINE OF SAID SECTION 15, N.89°49'41"W., 2647.30' TO THE POINT OF BEGINNING OF THE PARCEL HEREIN DESCRIBED. CONTAINING 8,839,516 SQUARE FEET OR 202.93 ACRES OF LAND, MORE OR LESS. BEING SUBJECT TO THE RIGHTS OF THE PUBLIC AND OR ANY GOVERNMENTAL UNIT IN THAT PART OF ELEVEN MILE ROAD, SOUTH HILL ROAD AND TWELVE MILE ROAD TAKEN, USED, OR DEEDED FOR STREET, ROAD, HIGHWAY OR PUBLIC UTILITY PURPOSES. ALSO BEING SUBJECT TO ANY OTHER EASEMENTS, RESTRICTIONS OR CONDITIONS OF RECORD.

SEPTEMBER 29, 2005  
2003030921-15-200-003  
21-15-400-005  
21-15-300-022 pt.



LEGAL DESCRIPTION - PARCEL C:

A PARCEL OF LAND BEING THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF SECTION 15, AND THE WESTERLY 15 ACRES OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 15, T.1N., R.7E., LYON TOWNSHIP, OAKLAND COUNTY, MICHIGAN, BEING MORE PARTICULARLY SCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SECTION 15, T.1N., R.7E., OAKLAND COUNTY, MICHIGAN; THENCE PROCEEDING ALONG THE WEST LINE OF SAID SECTION 15, AND IN PART ALONG THE NOMINAL CENTERLINE OF MILFORD ROAD, NORTH 00 DEGREES 02 MINUTES 49 SECONDS WEST, 921.62 FEET; THENCE SOUTH 89 DEGREES 33 MINUTES 09 SECONDS EAST, 320.01 FEET; THENCE ALONG A LINE PARALLEL TO THE WEST LINE OF SAID SECTION 15, NORTH 00 DEGREES 02 MINUTES 49 SECONDS WEST, 397.05 FEET TO A POINT ON THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF SAID SECTION 15; THENCE ALONG THE NORTH LINE, SOUTH 89 DEGREES 33 MINUTES 09 SECONDS EAST, 1891.75 FEET; THENCE SOUTH 00 DEGREES 07 MINUTES 17 SECONDS EAST, 1032.10 FEET; THENCE NORTH 89 DEGREES 36 MINUTES 09 SECONDS WEST, 175.00 FEET; THENCE NORTH 00 DEGREES 07 MINUTES 17 SECONDS WEST, 40.00 FEET; THENCE NORTH 89 DEGREES 36 MINUTES 09 SECONDS WEST, 150.00 FEET; THENCE SOUTH 00 DEGREES 07 MINUTES 17 SECONDS EAST, 325.00 FEET TO A POINT ON THE SOUTH LINE OF SAID SECTION 15; THENCE PROCEEDING ALONG SAID SOUTH LINE OF SECTION 15 AND THE NOMINAL CENTERLINE OF ELEVEN MILE ROAD, NORTH 89 DEGREES 36 MINUTES 09 SECONDS WEST, 1888.44 FEET TO THE POINT OF BEGINNING OF THE PARCEL HEREIN DESCRIBED. CONTAINING 2,690,118 SQUARE FEET OR 61.76 GROSS ACRES OF LAND, MORE OR LESS, AND BEING SUBJECT TO THE RIGHTS OF THE PUBLIC OR ANY OTHER GOVERNMENTAL UNIT IN THAT PART OF MILFORD ROAD AND ELEVEN MILE ROAD, TAKEN, USED OR DEeded FOR STREET, ROAD, HIGHWAY OR PUBLIC UTILITY PURPOSES. ALSO BEING SUBJECT TO ANY OTHER EASEMENTS, RESTRICTIONS OR CONDITIONS OF RECORD.

*pt. ZI-15-300-010 and all of ZI-15-300-019*

TOGETHER WITH A PERPETUAL 50 FOOT WIDE EASEMENT FOR INGRESS, EGSS AND PUBLIC UTILITIES, ON, OVER, UNDER AND ACROSS A PARCEL OF LAND BEING A PART OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF SECTION 15, T.1N., R.7E., LYON TOWNSHIP, OAKLAND COUNTY, MICHIGAN, SAID EASEMENT BEING MORE PARTICULARLY DESCRIBED AS:

COMMENCING AT THE SOUTHWEST CORNER OF SECTION 15, T.1N., R.7E.; THENCE PROCEEDING ALONG THE WEST LINE OF SAID SECTION 15, AND IN PART ALONG THE NOMINAL CENTERLINE OF MILFORD ROAD, NORTH 00 DEGREES 02 MINUTES 49 SECONDS WEST, 1268.66 FEET TO THE POINT OF BEGINNING OF THE 50 FOOT WIDE EASEMENT FOR INGRESS, EGSS AND PUBLIC UTILITIES HEREIN DESCRIBED; THENCE CONTINUING ALONG THE WEST LINE OF SAID SECTION 15, NORTH 00 DEGREES 02 MINUTES 49 SECONDS WEST, 50.00 FEET TO A POINT ON THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF SAID SECTION 15; THENCE CONTINUING ALONG SAID NORTH LINE, SOUTH 89 DEGREES 33 MINUTES 09 SECONDS EAST, 320.01 FEET; THENCE SOUTH 00 DEGREES 02 MINUTES 49 SECONDS EAST, 50.00 FEET; THENCE NORTH 89 DEGREES 33 MINUTES 09 SECONDS WEST 320.01 FEET TO THE POINT OF BEGINNING OF THE EASEMENT HEREIN DESCRIBED.

TOGETHER WITH AND SUBJECT TO A 60 FOOT WIDE EASEMENT FOR INGRESS, EGSS AND PUBLIC UTILITIES, MORE PARTICULARLY DESCRIBED AS:

A 60 FOOT WIDE PRIVATE ROAD EASEMENT FOR INGRESS, EGSS AND PUBLIC UTILITIES, CENTERLINE OF WHICH IS DESCRIBED AS COMMENCING AT THE SOUTH 1/4 CORNER OF SAID SECTION 15; THENCE WEST ALONG THE SOUTH LINE OF SAID SECTION, 211.00 FEET TO THE POINT OF BEGINNING OF SAID CENTERLINE DESCRIPTION; THENCE NORTH 00 DEGREES 30 MINUTES 09 SECONDS WEST, 770.00 FEET TO POINT "A"; THENCE FROM SAID POINT "A", WEST 614.00 FEET; THENCE ALSO FROM SAID POINT "A", NORTH 00 DEGREES 30 MINUTES 09 SECONDS WEST, 547.10 FEET; THENCE SOUTH 00 DEGREES 30 MINUTES 09 SECONDS WEST, 60.00 FEET TO THE CENTER OF A 60 FOOT TURNING RADIUS AND POINT OF ENDING OF CENTERLINE DESCRIPTION.

F:\LEGALS\98102101.DOC (REVISED 8-10-04)

REV. 9.1.04 EASEMENTS Pg. L & T  
REV. 7.13.04 Parcels Recombined, WI-019

**DPS & A**  
DAVID P. SMITH & ASSOCIATES, Inc.

Professionally Licensed and Registered  
Land Surveyors & Civil Engineers

(248) 363-1515 FAX: 363-1646  
8615 Richardson Road, Suite 100  
Walled Lake, MI 48390 USA

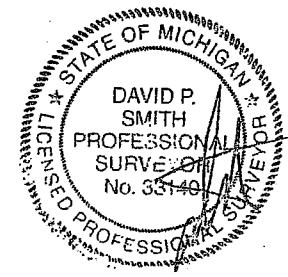
Date: 6-22-04

Job #: 02-082009

Scale: N/A

Drawn By: MMK

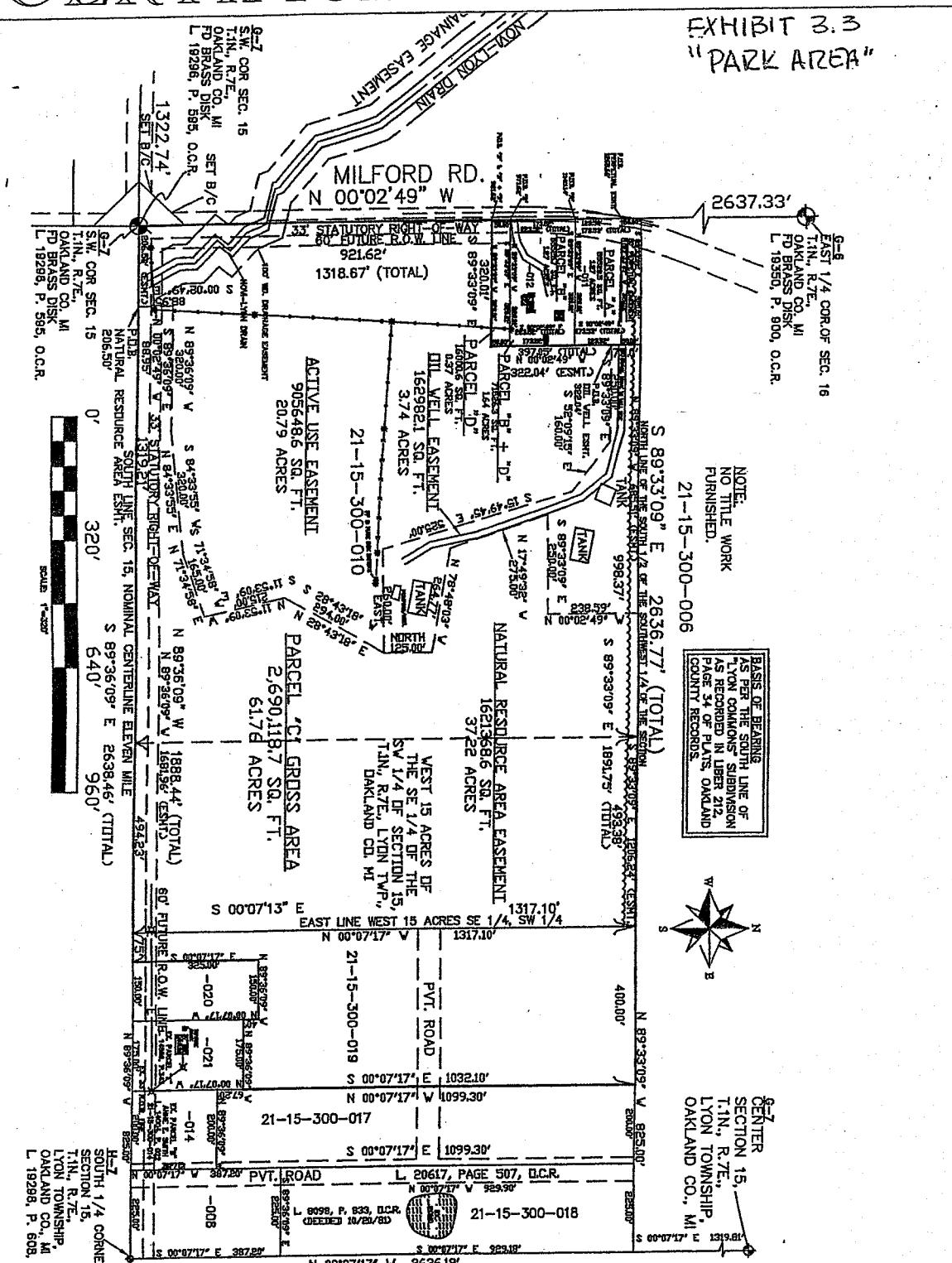
David P. Smith, P.L.S #33140



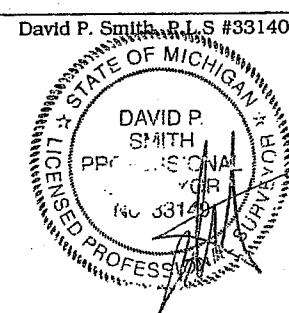
Sheet 4 of 7

# CERTIFICATE OF SURVEY

**EXHIBIT 3.3**  
**"PARK AREA"**



Rev. 9-1-04 EAKENING Page 104  
Rev. 7-13-04 PARCEL RECORDS W-019  
I HEREBY CERTIFY that we have surveyed and mapped the land above platted and/or described  
on Col 104 and that the ratio of closure on the unadjusted field operations of such survey  
was 1/5000 and all the requirements of P.A. 132 of 1970 have been complied with.



**Professionally Licensed and Registered  
Land Surveyors and Civil Engineers**

LEGAL DESCRIPTION OF 45 FOOT EASEMENT FOR INGRESS, EGRESS & PUBLIC UTILITIES  
 AN EASEMENT FOR INGRESS, EGRESS AND PUBLIC UTILITIES, ON, OVER, UNDER AND ACROSS A PARCEL OF LAND BEING A PART OF THE WEST 1/2 OF THE SOUTHEAST 1/4 OF SECTION 16, T.1N., R.7E., LYON TOWNSHIP, OAKLAND COUNTY, MICHIGAN, BEING MORE PARTICULARLY DESCRIBED AS:

COMMENCING AT SOUTH 1/4 POST OF SECTION 16, T.1N., R.7E., OAKLAND COUNTY, MICHIGAN, THENCE PROCEEDING ALONG THE SOUTH LINE OF SAID SECTION 16, AND THE NORMAL CENTERLINE OF ELEVEN MILE ROAD., SOUTH 89 DEGREES 16 MINUTES 45 SECONDS EAST, 1312.89 FEET TO A POINT, SAID POINT BEING THE INTERSECTION OF THE CENTERLINE OF ELEVEN MILE ROAD AND SPAULDING ROAD. THENCE PROCEEDING ALONG THE CENTERLINE OF SPAULDING ROAD NORTH 00 DEGREES 00 MINUTES 47 SECONDS EAST, 1290.50 FEET TO THE POINT OF BEGINNING OF THE EASEMENT HEREIN DESCRIBED; THENCE NORTH 89 DEGREES 56 MINUTES 24 SECONDS WEST, 43.00 FEET; THENCE NORTH 00 DEGREES 00 MINUTES 47 SECONDS EAST, 410.07 FEET; THENCE SOUTH 73 DEGREES 48 MINUTES 43 SECONDS EAST, 10.42 FEET; THENCE SOUTH 89 DEGREES 59 MINUTES 13 SECONDS EAST, 33.00 FEET TO A POINT ON THE NOMINAL CENTERLINE OF SPAULDING ROAD; THENCE CONTINUING ALONG SAID NOMINAL CENTERLINE SOUTH 00 DEGREES 00 MINUTES 47 SECONDS WEST, 407.20 FEET TO THE POINT OF BEGINNING OF THE EASEMENT HEREIN DESCRIBED. CONTAINING 17,523.9 SQUARE FEET OR 0.40 ACRES OF LAND, MORE OR LESS.

FILEGAL99091001.LEG(04/12/01)

LEGAL DESCRIPTION - PARCEL "2" (PT. OF SP7 AND SP8):

A PARCEL OF LAND BEING A PART OF THE WEST 1/2 OF THE SOUTHEAST 1/4 OF SECTION 16, T.1N., R.7E., LYON TOWNSHIP, OAKLAND COUNTY, MICHIGAN., BEING MORE PARTICULARLY DESCRIBED AS:

COMMENCING AT SOUTH 1/4 POST OF SECTION 16, T.1N., R.7E., OAKLAND COUNTY, MICHIGAN. THENCE PROCEEDING ALONG THE SOUTH LINE OF SAID SECTION 16, AND THE NOMINAL CENTERLINE OF ELEVEN MILE ROAD., SOUTH 89 DEGREES 16 MINUTES 45 SECONDS EAST, 280.00 FEET TO THE POINT OF BEGINNING OF THE PARCEL HEREIN DESCRIBED; THENCE NORTH 00 DEGREES 43 MINUTES 14 SECONDS EAST, 61.47 FEET; THENCE ALONG THE ARC OF A CURVE TO THE LEFT, RADIUS OF 309.00 FEET, CENTRAL ANGLE OF 64 DEGREES 34 MINUTES 33 SECONDS (THE CHORD OF SAID CURVE BEARS NORTH 31 DEGREES 34 MINUTES 00 SECONDS WEST, 330.12 FEET) AND HAVING AN ARC DISTANCE OF 348.26 FEET; THENCE NORTH 00 DEGREES 00 MINUTES 47 SECONDS EAST, 619.43 FEET; THENCE SOUTH 89 DEGREES 16 MINUTES 46 SECONDS EAST, 880.00 FEET; THENCE SOUTH 00 DEGREES 00 MINUTES 47 SECONDS WEST, 960.01 FEET TO A POINT ON THE NOMINAL CENTERLINE OF ELEVEN MILE ROAD AND THE SOUTH LINE OF SECTION 16; THENCE CONTINUING ALONG SAID NOMINAL CENTERLINE AND SOUTH LINE, NORTH 89 DEGREES 16 MINUTES 45 SECONDS WEST, 707.87 FEET TO THE POINT OF BEGINNING OF THE PARCEL HEREIN DESCRIBED. CONTAINING 799,319 GROSS SQUARE FEET OR 18.35 GROSS ACRES OF LAND, MORE OR LESS. BEING SUBJECT TO THE RIGHTS OF THE PUBLIC AND OR ANY GOVERNMENTAL UNIT IN THAT PART OF ELEVEN MILE ROAD TAKEN, USED, OR DEEDED FOR STREET, ROAD, HIGHWAY OR PUBLIC UTILITY PURPOSES. ALSO BEING SUBJECT TO ANY OTHER EASEMENTS RESTRICTIONS OR CONDITIONS OF RECORD.

FILEGAL99091001.LEG(04/04/04)(04-06-04) 21-16-401-035

LEGAL DESCRIPTION - PARCEL "3" (PT. OF SP6):

A PARCEL OF LAND BEING A PART OF THE WEST 1/2 OF THE SOUTHEAST 1/4 OF SECTION 16, T.1N., R.7E., LYON TOWNSHIP, OAKLAND COUNTY, MICHIGAN., BEING MORE PARTICULARLY DESCRIBED AS:

COMMENCING AT SOUTH 1/4 POST OF SECTION 16, T.1N., R.7E., OAKLAND COUNTY, MICHIGAN. THENCE PROCEEDING ALONG THE SOUTH LINE OF SAID SECTION 16, AND THE NORMAL CENTERLINE OF ELEVEN MILE ROAD., SOUTH 89 DEGREES 16 MINUTES 45 SECONDS EAST, 987.87 FEET TO THE POINT OF BEGINNING OF THE PARCEL HEREIN DESCRIBED; THENCE NORTH 00 DEGREES 00 MINUTES 47 SECONDS EAST, 230.75 FEET; THENCE SOUTH 89 DEGREES 56 MINUTES 24 SECONDS EAST, 325.00 FEET TO THE CENTERLINE OF SPAULDING ROAD; THENCE ALONG SAID CENTERLINE SOUTH 00 DEGREES 00 MINUTES 47 SECONDS WEST, 240.50 FEET TO A POINT, SAID POINT BEING THE INTERSECTION OF THE CENTERLINE OF ELEVEN MILE ROAD AND SPAULDING ROAD. THENCE PROCEEDING ALONG THE CENTERLINE OF ELEVEN MILE ROAD, NORTH 89 DEGREES 16 MINUTES 45 SECONDS WEST, 325.02 FEET TO THE POINT OF BEGINNING OF THE PARCEL HEREIN DESCRIBED. CONTAINING 77,553 GROSS SQUARE FEET OR 1.78 GROSS ACRES OF LAND, MORE OR LESS. ALSO BEING SUBJECT TO THE RIGHTS OF THE PUBLIC AND OR ANY GOVERNMENTAL UNIT IN THAT PART OF ELEVEN MILE AND SPAULDING ROAD, TAKEN, USED OR DEEDED FOR STREET, ROAD, HIGHWAY OR PUBLIC UTILITY PURPOSES.

FILEGAL99091001.LEG(04/04/04)(04-06-04)

<b>DPS &amp; A</b> <small>DAVID P. SMITH &amp; ASSOCIATES, Inc.</small>  <b>Professionally Licensed and Registered</b> <b>Land Surveyors &amp; Civil Engineers</b>  <small>(248) 363-1515 FAX: 363-1646</small> <small>8615 Richardson Road, Suite 100</small> <small>Walled Lake, MI 48390 USA</small>	Date: 4-8-04
	Job#: 04-04 DLDI
	Scale: N/A
	Drawn By: MMK

David P. Smith, P.L.S. #33140

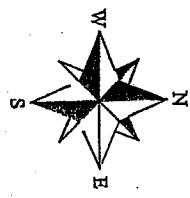


STATE OF MICHIGAN  
DAVID P.  
SMITH  
PROFESSIONAL  
SURVEYOR  
No. 33140  
LICENSING BOARD  
FOR SURVEYORS  
RECEIVED  
APR 8 2004

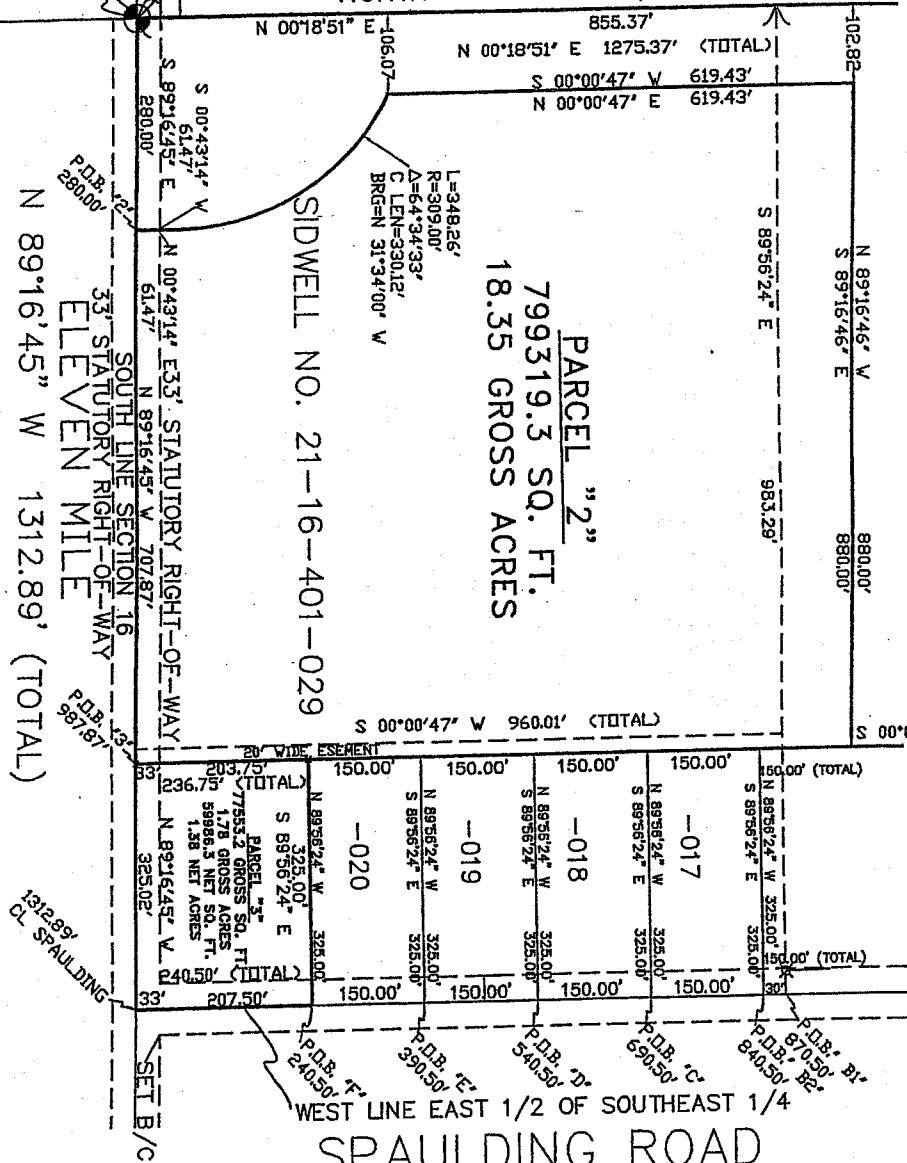
## EXHIBIT 3.4 "SCHOOL"

NORTH 1/4 COR SEC. 21  
T.1N., R.7E.,  
OAKLAND CO. MI  
FD BRASS DISK  
L. 19296, P. 587, O.C.R.

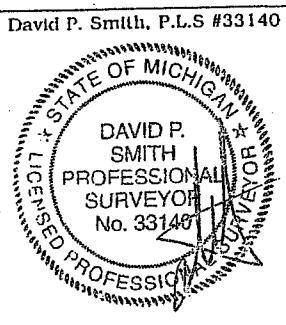
SOUTH 1/4 COR SEC. 16  
T.1N., R.7E.,  
OAKLAND CO. MI  
FD BRASS DISK,  
L. 19296, P. 587, O.C.R.



NORTH AND SOUTH 1/4 LINE



# SPAULDING ROAD



**Professionally Licensed and Registered  
Land Surveyors & Civil Engineers**

(248) 363-1515 FAX: 363-1646  
8615 Richardson Road, Suite 100  
Walled Lake, MI 48390 USA

Date: 4-8-04

Job#: 04-040601

Scale: 1" = 200'

Drawn By: Mmk

ANNE  
SMITH

# PARCEL SPLIT

MINIMUM SETBACK REQUIREMENTS		
FRONT	SIDE (EACH)	REAR
75 FEET	30 FEET	75 FEET

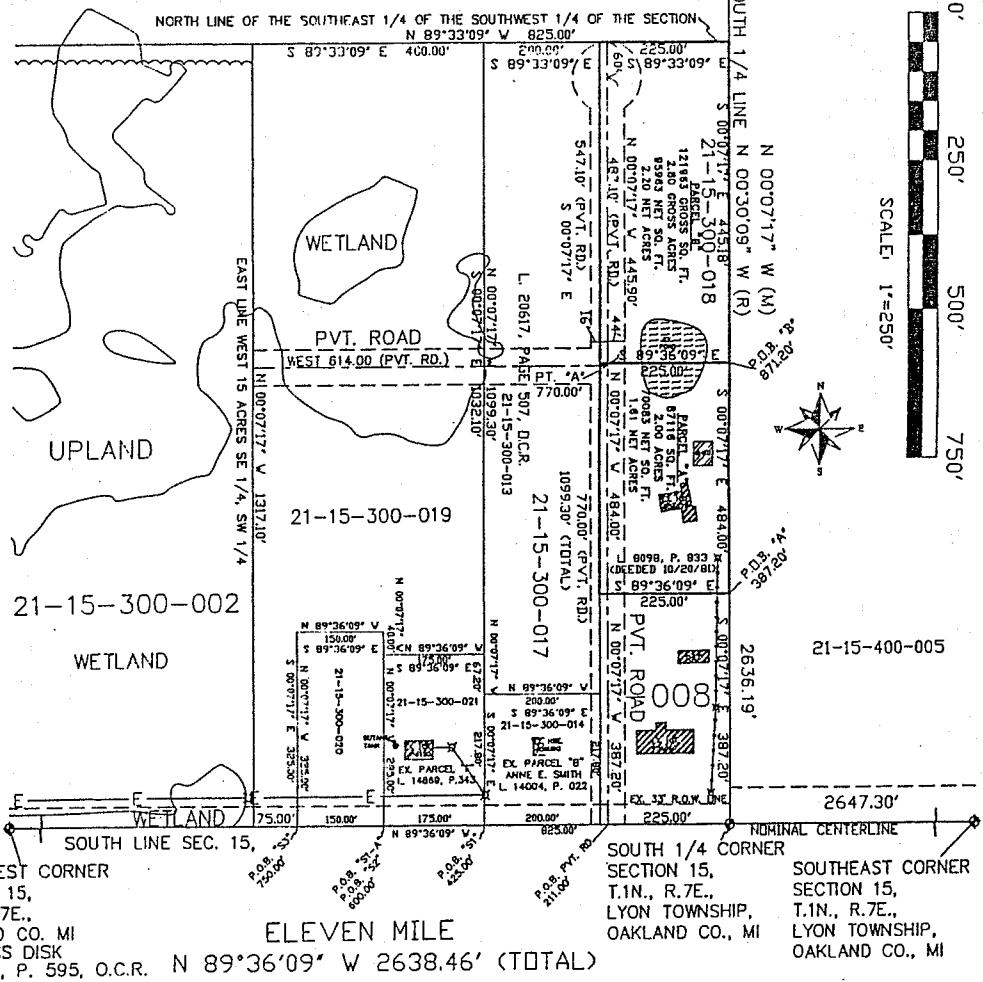
\* A 25 FOOT VEGETATED STRIP SETBACK AND  
50 FOOT BUILDING AND CONSTRUCTION SETBACK  
FROM THE BOUNDARY OF THE POND IS REQUIRED.

NOTE:  
NO TITLE WORK  
FURNISHED.

CENTER  
SECTION 15,  
T.1N., R.7E.,  
LYON TOWNSHIP,  
OAKLAND CO., MI

BASIS OF BEARING  
AS PER THE SOUTH LINE OF  
"LYON COMMONS" SUBDIVISION  
AS RECORDED IN LIBER 212,  
PAGE 34 OF PLATS, OAKLAND  
COUNTY RECORDS.

21-15-300-006



SOUTHWEST CORNER  
SECTION 15,  
T.1N., R.7E.,  
OAKLAND CO., MI  
FD BRASS DISK  
L 19296, P. 595, O.C.R. N 89°36'09" W 2638.46' (TOTAL)

SOUTH 1/4 CORNER  
SECTION 15,  
T.1N., R.7E.,  
LYON TOWNSHIP,  
OAKLAND CO., MI  
SOUTHEAST CORNER  
SECTION 15,  
T.1N., R.7E.,  
LYON TOWNSHIP,  
OAKLAND CO., MI

ELEVEN MILE

Rev. 7-28-05

**DPS & A**  
DAVID P. SMITH & ASSOCIATES, Inc.

Professionally Licensed and Registered

Land Surveyor &amp; Civil Engineer

(248) 363-1515 FAX: 363-1646  
841 Richardson Road, Suite 100  
Baldwin, MI 43307 USA

Date: 0.15.05

Job #: 02-082006

Scale: 1" = 250'

Drawn By: MMK

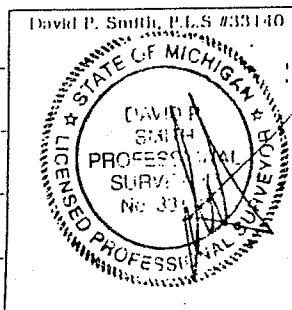


EXHIBIT 3.5  
ANNE SMITH

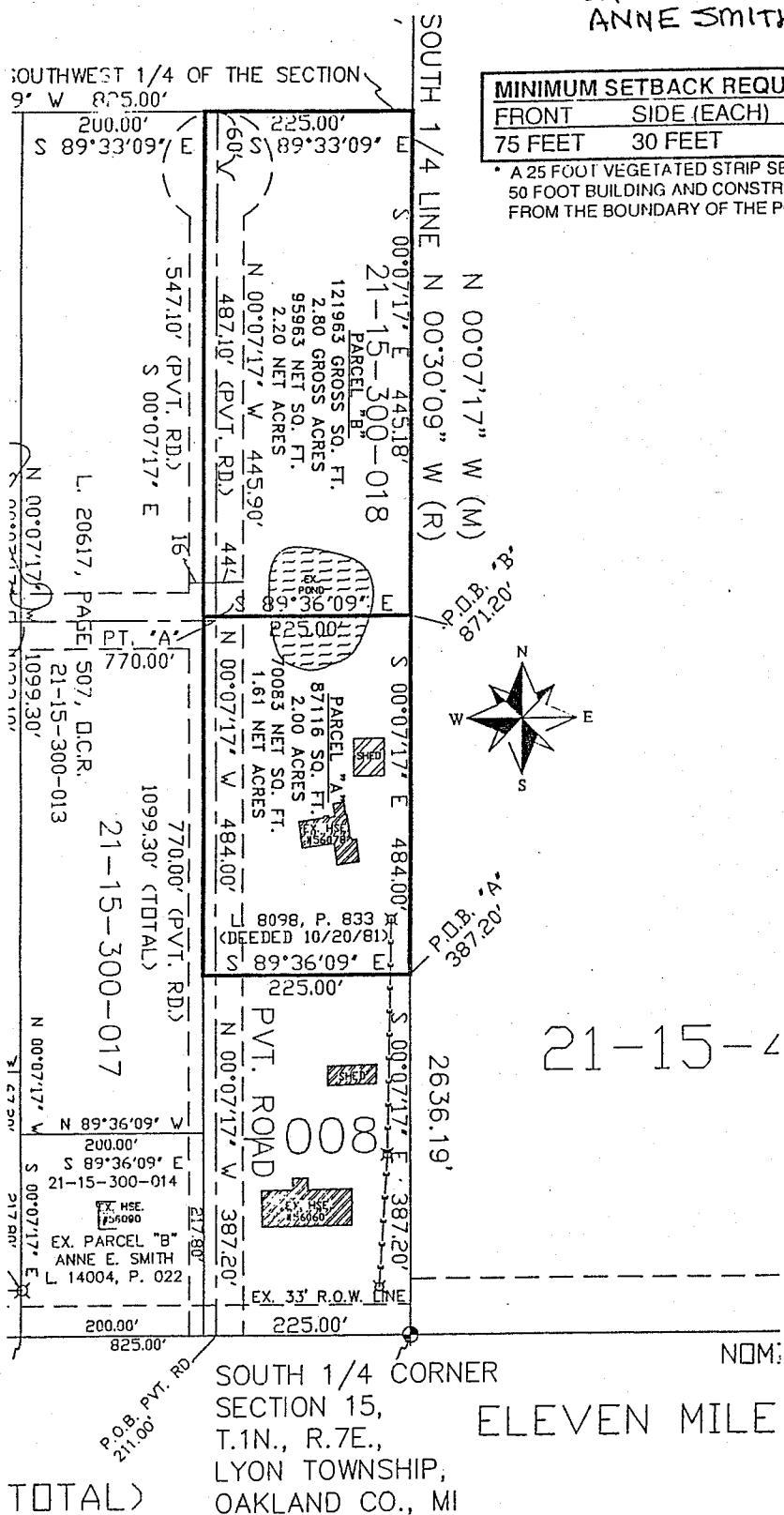
SOUTHWEST 1/4 OF THE SECTION  
9' W 825.00'

200.00' / 225.00'  
S 89°33'09" E S 89°33'09" E

## **MINIMUM SETBACK REQUIREMENTS**

FRONT	SIDE (EACH)	REAR
35 FEET	30 FEET	75 FEET

- A 25 FOOT VEGETATED STRIP SETBACK AND 50 FOOT BUILDING AND CONSTRUCTION SETBACK FROM THE BOUNDARY OF THE POND IS REQUIRED.



P1-15-4

---

**NOM:**

## FIFTEEN MILE

TOTAL) LYON TOWNSHIP,  
OAKLAND CO., MI

Rev. 7-28-05



DAVID P. SMITH & ASSOCIATES, Inc.

**Professionally Licensed and Registered  
Land Surveyors & Civil Engineers**

A circular seal with a decorative border containing the text "STATE OF MICHIGAN" at the top and "LICENSED PROFESSIONAL SURVEYOR" at the bottom. In the center, it says "DAVID P. SMITH" above "PROFESSIONAL SURVEYOR" and "No. 33140". There is a small five-pointed star to the left of "DAVID P. SMITH". The entire seal is enclosed in a circular frame.

LEGAL DESCRIPTION - PROPOSED PARCEL "A":

PART OF SIDWELL NO. 21-15-300-018

A PARCEL OF LAND BEING PART OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF SECTION 15, T.1N., R.7E., LYON TOWNSHIP, OAKLAND COUNTY, MICHIGAN, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTH 1/4 CORNER OF SECTION 15, T.1N., R.7E., THENCE ALONG THE NORTH AND SOUTH 1/4 LINE OF SAID SECTION 15, NORTH 00 DEGREES 07 MINUTES 17 SECONDS WEST, 387.20 FEET TO THE POINT OF BEGINNING OF THE PARCEL HEREIN DESCRIBED; THENCE NORTH 89 DEGREES 36 MINUTES 09 SECONDS WEST, 225.00 FEET; THENCE NORTH 00 DEGREES 07 MINUTES 17 SECONDS WEST, 484.00 FEET; THENCE SOUTH 89 DEGREES 36 MINUTES 09 SECONDS EAST, 225.00 FEET TO A POINT ON THE NORTH AND SOUTH 1/4 LINE; THENCE ALONG SAID NORTH AND SOUTH 1/4 LINE, SOUTH 00 DEGREES 07 MINUTES 17 SECONDS EAST, 484.00 FEET TO THE POINT OF BEGINNING. CONTAINING 87,116 SQUARE FEET OR 2.00 ACRES, MORE OR LESS.

ALSO BEING SUBJECT TO AND TOGETHER WITH A 60 FOOT WIDE EASEMENT FOR INGRESS, EGRESS AND PUBLIC UTILITIES, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

A 60 FOOT WIDE PRIVATE ROAD EASEMENT FOR INGRESS, EGRESS AND PUBLIC UTILITIES, CENTERLINE OF WHICH IS DESCRIBED AS COMMENCING AT THE SOUTH 1/4 CORNER OF SAID SECTION 15; THENCE WEST ALONG THE SOUTH LINE OF SAID SECTION, 211.00 FEET TO THE POINT OF BEGINNING OF SAID CENTERLINE DESCRIPTION; THENCE NORTH 00 DEGREES 30 MINUTES 09 SECONDS WEST, 770.00 FEET TO POINT "A"; THENCE FROM SAID POINT "A", WEST 614.00 FEET; THENCE ALSO FROM SAID POINT "A", NORTH 00 DEGREES 30 MINUTES 09 SECONDS WEST, 547.10 FEET; THENCE SOUTH 00 DEGREES 30 MINUTES 09 SECONDS WEST, 60.00 FEET TO THE CENTER OF A 60 FOOT TURNING RADIUS AND POINT OF ENDING OF CENTERLINE DESCRIPTION.

ALSO BEING SUBJECT TO ANY OTHER EASEMENTS, RESTRICTIONS OR CONDITIONS OF RECORD.  
FILEDALS102082006 DOC(6/10/05)

LEGAL DESCRIPTION - PROPOSED PARCEL "B":

PART OF SIDWELL NO. 21-15-300-018

A PARCEL OF LAND BEING PART OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF SECTION 15, T.1N., R.7E., LYON TOWNSHIP, OAKLAND COUNTY, MICHIGAN, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTH 1/4 CORNER OF SECTION 15, T.1N., R.7E., THENCE ALONG THE NORTH AND SOUTH 1/4 LINE OF SAID SECTION 15, NORTH 00 DEGREES 07 MINUTES 17 SECONDS WEST, 871.20 FEET TO THE POINT OF BEGINNING OF THE PARCEL HEREIN DESCRIBED; THENCE NORTH 89 DEGREES 36 MINUTES 09 SECONDS WEST, 225.00 FEET; THENCE NORTH 00 DEGREES 07 MINUTES 17 SECONDS WEST, 445.90 FEET TO A POINT ON THE NORTH LINE OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4; THENCE ALONG SAID NORTH LINE, SOUTH 89 DEGREES 33 MINUTES 09 SECONDS EAST, 225.00 FEET TO A POINT ON THE NORTH AND SOUTH 1/4 LINE; THENCE ALONG SAID NORTH AND SOUTH 1/4 LINE, SOUTH 00 DEGREES 07 MINUTES 17 SECONDS EAST, 445.18 FEET TO THE POINT OF BEGINNING. CONTAINING 121,963 SQUARE FEET OR 2.80 ACRES, MORE OR LESS.

PT. 21-15-300-022

ALSO BEING SUBJECT TO AND TOGETHER WITH A 60 FOOT WIDE EASEMENT FOR INGRESS, EGRESS AND PUBLIC UTILITIES, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

A 60 FOOT WIDE PRIVATE ROAD EASEMENT FOR INGRESS, EGRESS AND PUBLIC UTILITIES, CENTERLINE OF WHICH IS DESCRIBED AS COMMENCING AT THE SOUTH 1/4 CORNER OF SAID SECTION 15; THENCE WEST ALONG THE SOUTH LINE OF SAID SECTION, 211.00 FEET TO THE POINT OF BEGINNING OF SAID CENTERLINE DESCRIPTION; THENCE NORTH 00 DEGREES 30 MINUTES 09 SECONDS WEST, 770.00 FEET TO POINT "A"; THENCE FROM SAID POINT "A", WEST 614.00 FEET; THENCE ALSO FROM SAID POINT "A", NORTH 00 DEGREES 30 MINUTES 09 SECONDS WEST, 547.10 FEET; THENCE SOUTH 00 DEGREES 30 MINUTES 09 SECONDS WEST, 60.00 FEET TO THE CENTER OF A 60 FOOT TURNING RADIUS AND POINT OF ENDING OF CENTERLINE DESCRIPTION.

ALSO BEING SUBJECT TO ANY OTHER EASEMENTS, RESTRICTIONS OR CONDITIONS OF RECORD.  
FILEDALS102082006 DOC(6/10/05)

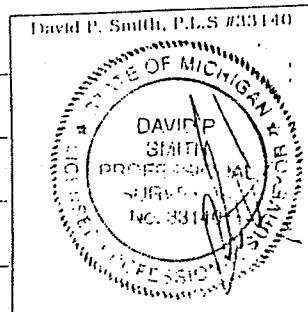
Rcv. 7-20-05

**DAVID P. SMITH & ASSOCIATES, Inc.**

REAL PROPERTY SURVEYORS  
RECORDED SURVEYS  
LAND SURVEYS  
MAPPING  
LAND ENGINEERING

12101 363-1515 FAX 242-1646  
12101 363-1515 FAX 242-1646  
12101 363-1515 FAX 242-1646

Date:	6.15.05
Job #:	02-082006
Scale:	N/A
Drawn By:	M.W.K.



Sheet 3 of 4

EXHIBIT 3.5  
ANNE SMITH

LEGAL DESCRIPTION (ORIGINAL PER TAX DESCRIPTION):

SIDWELL NO. 21-15-300-018  
A PARCEL OF LAND BEING PART OF THE SOUTHWEST 1/4 OF SECTION 15, T.1N.,  
R.7E., SECTION 15, LYON TOWNSHIP, OAKLAND COUNTY, MICHIGAN, BEING  
MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT BEING DISTANT NORTH 00 DEGREES 30 MINUTES 09  
SECONDS WEST, 387.20 FEET FROM THE SOUTH 1/4 CORNER; THENCE NORTH  
00 DEGREES 30 MINUTES 09 SECONDS WEST, 929.90 FEET; THENCE WEST 225  
FEET; THENCE SOUTH 00 DEGREES 30 MINUTES 09 SECONDS EAST, 929.90  
FEET; THENCE EAST 225 FEET TO THE POINT OF BEGINNING OF THE PARCEL  
HEREIN DESCRIBED.

F:\LEGALS\02082006.DOC(7/27/05)

21-15-300-022  
21-15-300-023

LIBER 36360 PG 224

Rev. 7-20-05

**DPS & A**

DAVID P. SMITH & ASSOCIATES, Inc.



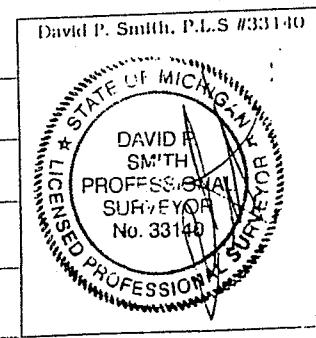
(248) 363-1515 FAX: 363-1646  
8415 Richardson Road, Suite 100  
Southfield, MI 48076 USA

Date: 6-15-05

Job #: 02-082006

Scale: N/A

Drawn By: MMK



Sheet 4 of 4

## **Exhibit 4**

# **Owners Acknowledgement and Consent**

**CONSENT OF PROPERTY OWNERS TO THE ELKOW FARMS  
PLANNED DEVELOPMENT AGREEMENT WITH LYON TOWNSHIP**

The undersigned, each of which has an interest in one or more of the properties that are included in the proposed Elkow Farms Planned Development described in the accompanying Planned Development Agreement, hereby authorizes and approves the Planned Development Agreement entered into by Hitech Building L.L.C., Ivanhoe Huntley Holding, LLC., and the South Lyon Community School District. Further, the undersigned agree that their properties shall be subject to the terms and conditions of the Planned Development Agreement, which shall run with their land, and agree to be bound by the terms, conditions, obligations and benefits of the Planned Development Agreement, including the understanding that the future use and development of their lands shall be governed by such Planned Development Agreement, as such may be amended from time to time. The undersigned hereby appoint Ivanhoe Huntley Holding, LLC as their agents and attorneys-in-fact for the purpose of executing the Planned Development Agreement and binding all of the properties identified therein to the Planned Development Agreement to the full extent of any of the undersigned's interest in or to said properties.

This Authorization may be signed in counterparts.

**Property Owner**

Name: Philip C. Elkow

Mailing Address: 26293 South Hill Rd New Hudson, MI 48165

Parcel Description: 21-21-200-001, 21-16-426-001, 21-21-200-002

Nature of Interest: 21-21-200-003

Signature: P. C. Elkow

**PHILIP ELKOW**

Nature of Interest: Owner

Signature: \_\_\_\_\_

Witness: J. M. M.

**CONSENT OF PROPERTY OWNERS TO THE ELKOW FARMS  
PLANNED DEVELOPMENT AGREEMENT WITH LYON TOWNSHIP**

The undersigned, each of which has an interest in one or more of the properties that are included in the proposed Elkow Farms Planned Development described in the accompanying Planned Development Agreement, hereby authorize and approve the Planned Development Agreement entered into by Hitech Building L.L.C., including Paul Elkow and Richard Elkow, and Ivanhoe Huntley Holding, LLC. Further, the undersigned agree that their properties shall be subject to the terms and conditions of the Planned Development Agreement, which shall run with their land, and agree to be bound by the terms, conditions, obligations and benefits of the Planned Development Agreement, including the understanding that the future use and development of their lands shall be governed by such Planned Development Agreement, as such may be amended from time to time. The undersigned hereby appoint Ivanhoe Huntley Holding, LLC as their agents and attorneys-in-fact for the purpose of executing the Planned Development Agreement and binding all of the properties identified therein to the Planned Development Agreement to the full extent of any of the undersigned's interest in or to said properties.

This Authorization may be signed in counterparts.

**Property Owner**

Name: Elkow Family LLC

Mailing Address: 26239 South Hill Rd

New Hudson, Mi 48165

Parcel Description: 21-16-300-002 & 21-16-300-017

Nature of Interest: owner

Signature: Philip C. Elkow  
Philip C. Elkow

Nature of Interest: \_\_\_\_\_

Signature: \_\_\_\_\_

Witness: M.W.C.

**CONSENT OF PROPERTY OWNERS TO THE ELKOW FARMS  
PLANNED DEVELOPMENT AGREEMENT WITH LYON TOWNSHIP**

The undersigned, each of which has an interest in one or more of the properties that are included in the proposed Elkow Farms Planned Development described in the accompanying Planned Development Agreement, hereby authorize and approve the Planned Development Agreement entered into by Hitech Building L.L.C., Ivanhoe Huntley Holding, LLC., and the South Lyon Community School District. Further, the undersigned agree that their properties shall be subject to the terms and conditions of the Planned Development Agreement, which shall run with their land, and agree to be bound by the terms, conditions, obligations and benefits of the Planned Development Agreement, including the understanding that the future use and development of their lands shall be governed by such Planned Development Agreement, as such may be amended from time to time. The undersigned hereby appoint Ivanhoe Huntley Holding, LLC as their agents and attorneys-in-fact for the purpose of executing the Planned Development Agreement and binding all of the properties identified therein to the Planned Development Agreement to the full extent of any of the undersigned's interest in or to said properties.

This Authorization may be signed in counterparts.

**Property Owner**

Name: Lyon Farms Custom Homes

Mailing Address: 28701 Wintergreen Dr FH mi 48331

Parcel Description: 21-15-300-007

Nature of Interest: owner

Signature: Bill J. Elc pres UFCH  
PAUL ELKOW

Nature of Interest:

Signature:

Witness: Lee Syuba

**CONSENT OF PROPERTY OWNERS TO THE ELKOW FARMS  
PLANNED DEVELOPMENT AGREEMENT WITH LYON TOWNSHIP**

The undersigned, each of which has an interest in one or more of the properties that are included in the proposed Elkow Farms Planned Development described in the accompanying Planned Development Agreement, hereby authorize and approve the Planned Development Agreement entered into by Hitech Building L.L.C., Ivanhoe Huntley Holding, LLC., and the South Lyon Community School District. Further, the undersigned agree that their properties shall be subject to the terms and conditions of the Planned Development Agreement, which shall run with their land, and agree to be bound by the terms, conditions, obligations and benefits of the Planned Development Agreement, including the understanding that the future use and development of their lands shall be governed by such Planned Development Agreement, as such may be amended from time to time. The undersigned hereby appoint Ivanhoe Huntley Holding, LLC as their agents and attorneys-in-fact for the purpose of executing the Planned Development Agreement and binding all of the properties identified therein to the Planned Development Agreement to the full extent of any of the undersigned's interest in or to said properties.

This Authorization may be signed in counterparts.

**Property Owner**

Name: LLC AND ASSOC., LLC

Mailing Address: 5084 Village Place Ct

West Bloomfield Mi 48322

Parcel Description: 21-15-300-002

Nature of Interest: \_\_\_\_\_

Signature: \_\_\_\_\_

Nature of Interest: MEMBERS

Signature: PAUL ELKOW DAVID MILLER ROBERT SACHS

Witness: Putnitz Eggenbottom

**CONSENT OF PROPERTY OWNERS TO THE ELKOW FARMS  
PLANNED DEVELOPMENT AGREEMENT WITH LYON TOWNSHIP**

The undersigned, each of which has an interest in one or more of the properties that are included in the proposed Elkow Farms Planned Development described in the accompanying Planned Development Agreement, hereby authorize and approve the Planned Development Agreement entered into by Hitech Building L.L.C., Ivanhoe Huntley Holding, LLC., and the South Lyon Community School District. Further, the undersigned agree that their properties shall be subject to the terms and conditions of the Planned Development Agreement, which shall run with their land, and agree to be bound by the terms, conditions, obligations and benefits of the Planned Development Agreement, including the understanding that the future use and development of their lands shall be governed by such Planned Development Agreement, as such may be amended from time to time. The undersigned hereby appoint Ivanhoe Huntley Holding, LLC as their agents and attorneys-in-fact for the purpose of executing the Planned Development Agreement and binding all of the properties identified therein to the Planned Development Agreement to the full extent of any of the undersigned's interest in or to said properties.

This Authorization may be signed in counterparts.

**Property Owner**

Name: PAUL and LAURA ELKOW

Mailing Address: 28701 Wintergreen DR

Parcel Description: Farmington Hills Mi 48331

Parcel Description: 21-16-401-030

Nature of Interest: owner

Signature: PAUL ELKOW

Nature of Interest: OWNER

Signature: Laura Elkow

Witness: Lee Gibson  
LAURA ELKOW

**CONSENT OF PROPERTY OWNERS TO THE ELKOW FARMS  
PLANNED DEVELOPMENT AGREEMENT WITH LYON TOWNSHIP**

The undersigned, each of which has an interest in one or more of the properties that are included in the proposed Elkow Farms Planned Development described in the accompanying Planned Development Agreement, hereby authorize and approve the Planned Development Agreement entered into by Hitech Building L.L.C., Ivanhoe Huntley Holding, LLC., and the South Lyon Community School District. Further, the undersigned agree that their properties shall be subject to the terms and conditions of the Planned Development Agreement, which shall run with their land, and agree to be bound by the terms, conditions, obligations and benefits of the Planned Development Agreement, including the understanding that the future use and development of their lands shall be governed by such Planned Development Agreement, as such may be amended from time to time. The undersigned hereby appoint Ivanhoe Huntley Holding, LLC as their agents and attorneys-in-fact for the purpose of executing the Planned Development Agreement and binding all of the properties identified therein to the Planned Development Agreement to the full extent of any of the undersigned's interest in or to said properties.

This Authorization may be signed in counterparts.

**Property Owner**

Name: ANNE SMITH

Mailing Address: 56078 11 mile Rd

New Hudson Mich 48165

Parcel Description: 21-15-300-018

Nature of Interest: Owner / Land Contract Holder

Signature: Anne E Smith  
ANNE E. SMITH

Nature of Interest: \_\_\_\_\_

Signature: \_\_\_\_\_

Witness: Phil C

## **Exhibit 5**

### **Final PD Plans**

# Elikow Farms

## A RESIDENTIAL PLANNED DEVELOPMENT

### Lyon Township, Michigan

A Development By:

Ivanhoe-Huntley Holding LLC  
7001 Orchard Lake Rd., Suite 200  
West Bloomfield, Michigan 48322  
248.851.5800

#### Planning & Landscape Architecture:

Robert Leighton Associates, Inc.  
3045 Baker Road, Suite 1  
Dexter, Michigan 48130  
734.426.2700

#### Civil Engineering:

Selber Keast & Associates, Inc.  
40399 Grand River Ave., Suite 110  
Novi, Michigan 48375  
248.473.7880

Warren, Cantrell & Padmos, Inc.  
27300 Haggerty Road, Suite F2  
Farmington Hills, Michigan 48331  
248.848.1666

#### Table of Contents:

SA-1:	Site Analysis
	Engineering Sheets by Selber Keast & Associates
E-1:	Boundary Survey
E-2:	Conceptual Layout - Crystal Creek South
E-3:	Conceptual Layout - Crystal Creek North
E-4:	Conceptual Layout - Crystal Creek Condominium
E-5:	Detention Basins
E-6:	Novi-Joyon Drains
E-7:	11 MIL Road Improvements
E-8:	Millford Road Improvements
E-9:	Engineering Sheets by Warner Cantrell & Padmos
E-1:	Boundary Survey
E-2:	Site Plan South
E-3:	Site Plan North
E-4:	Engineering Details
E-5:	Engineering Details
E-6:	Engineering Details
E-7:	Overall PD Plan
PD-1:	Concept Plans by Robert Leighton Associates
CP-1:	Concept Plan - Home Farm South
CP-2:	Concept Plan - Home Farm North
LP-1:	Landscape Plans by Robert Leighton Associates
LP-2:	Landscape Plan
LP-3:	Landscape Plan
LP-4:	Landscape Details
LP-5:	Landscape Details
LP-6:	Landscape Details
LP-7:	Landscape Details

## Final PD Plans

Date: March 15, 2004  
Revised: July 29, 2004

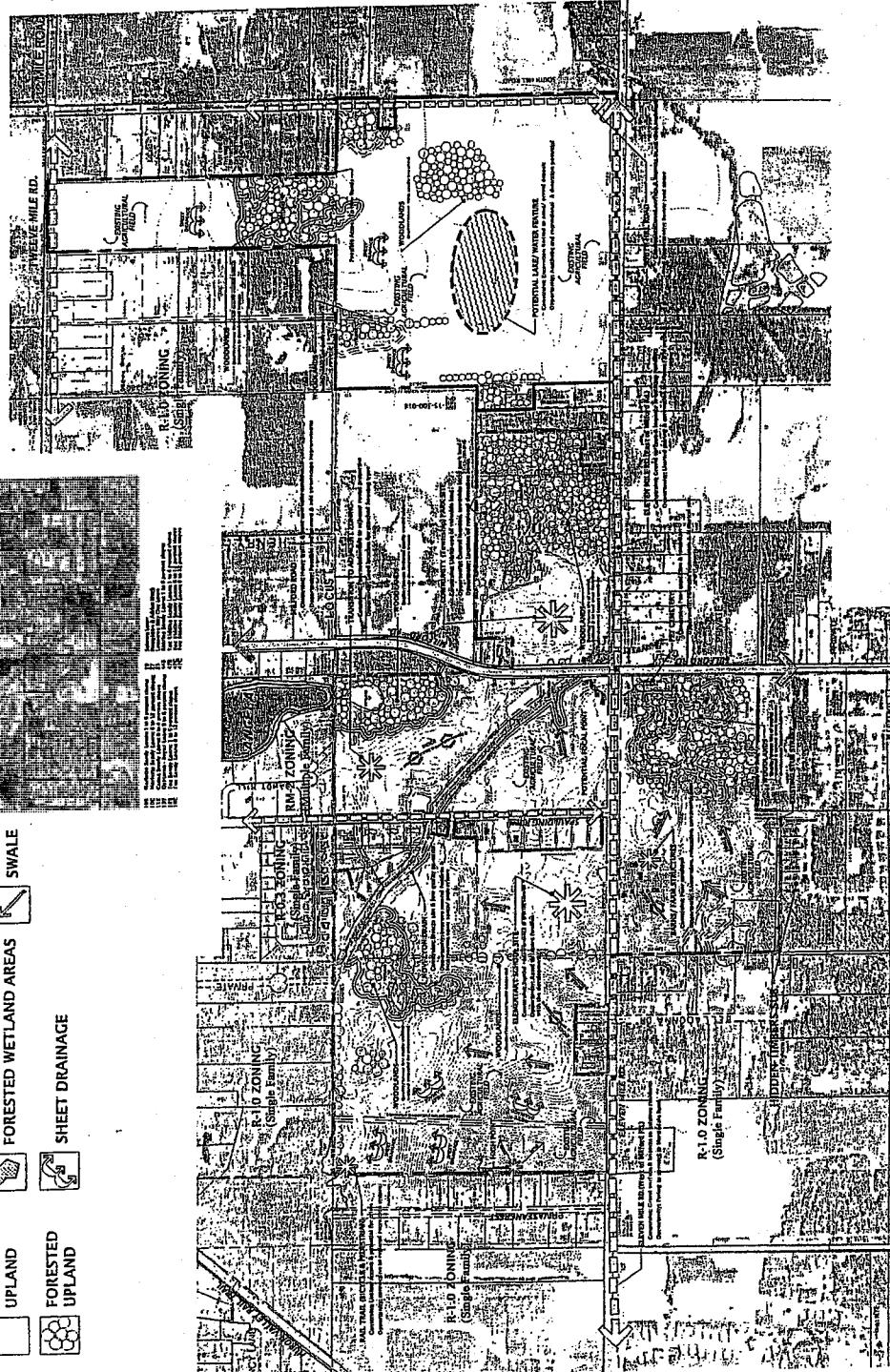
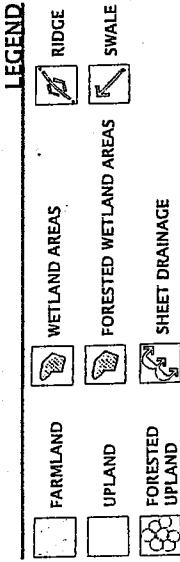
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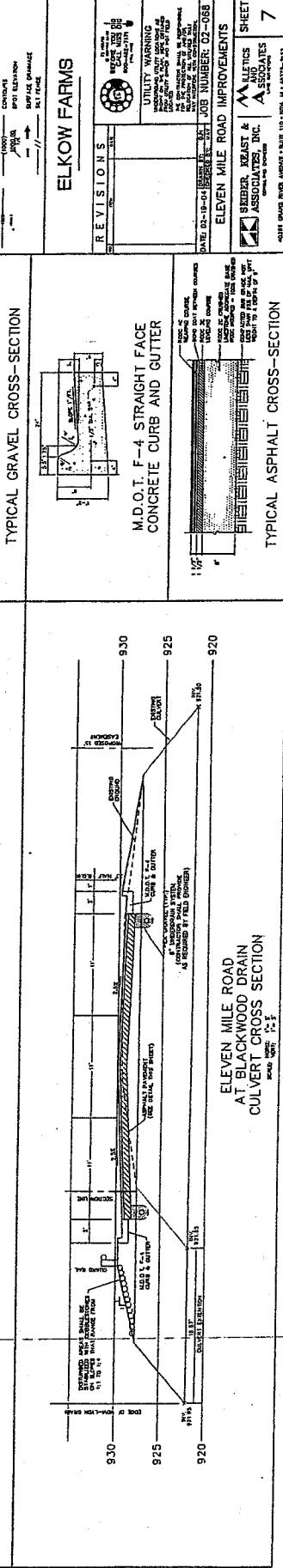
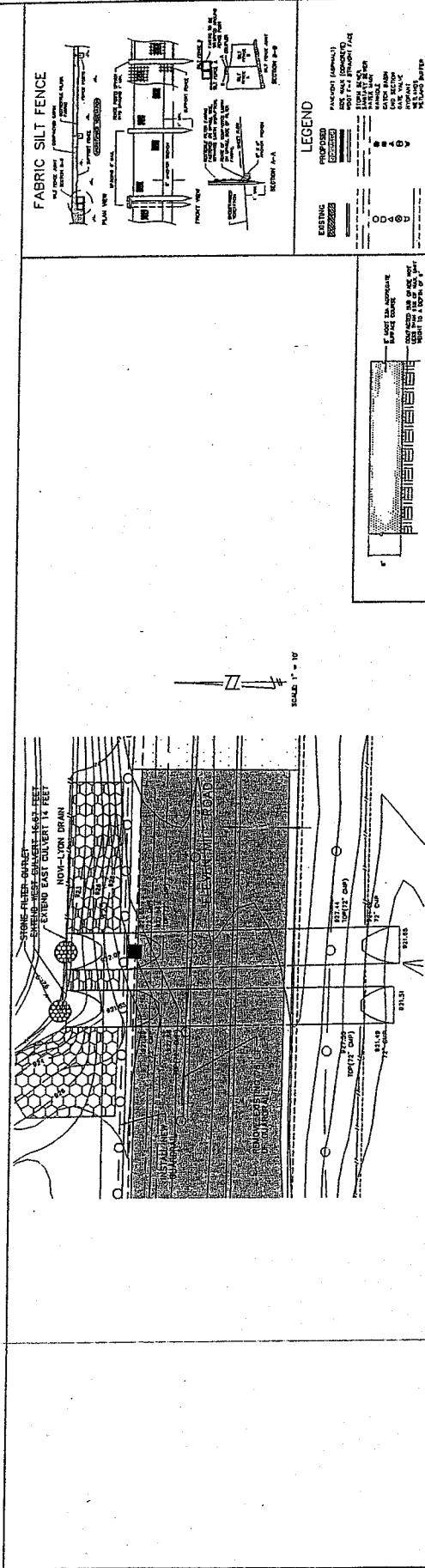
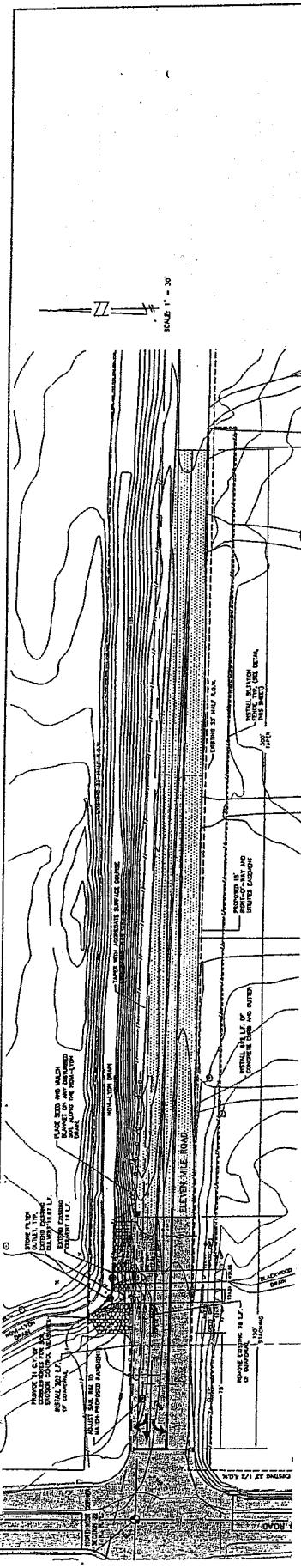
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ASSOCIATES INC.		Lynn Township, Michigan		Hillman		03-2010	
RESCIENT LEGATION		Address: 1000 N. Main Street, Suite 200, Kalamazoo, MI 49007		Phone: (269) 348-2222		Sheet No.	
SCIENTISTS		Land Description:				SA-1	
NORTH							
000 000 000							
000 000 000							
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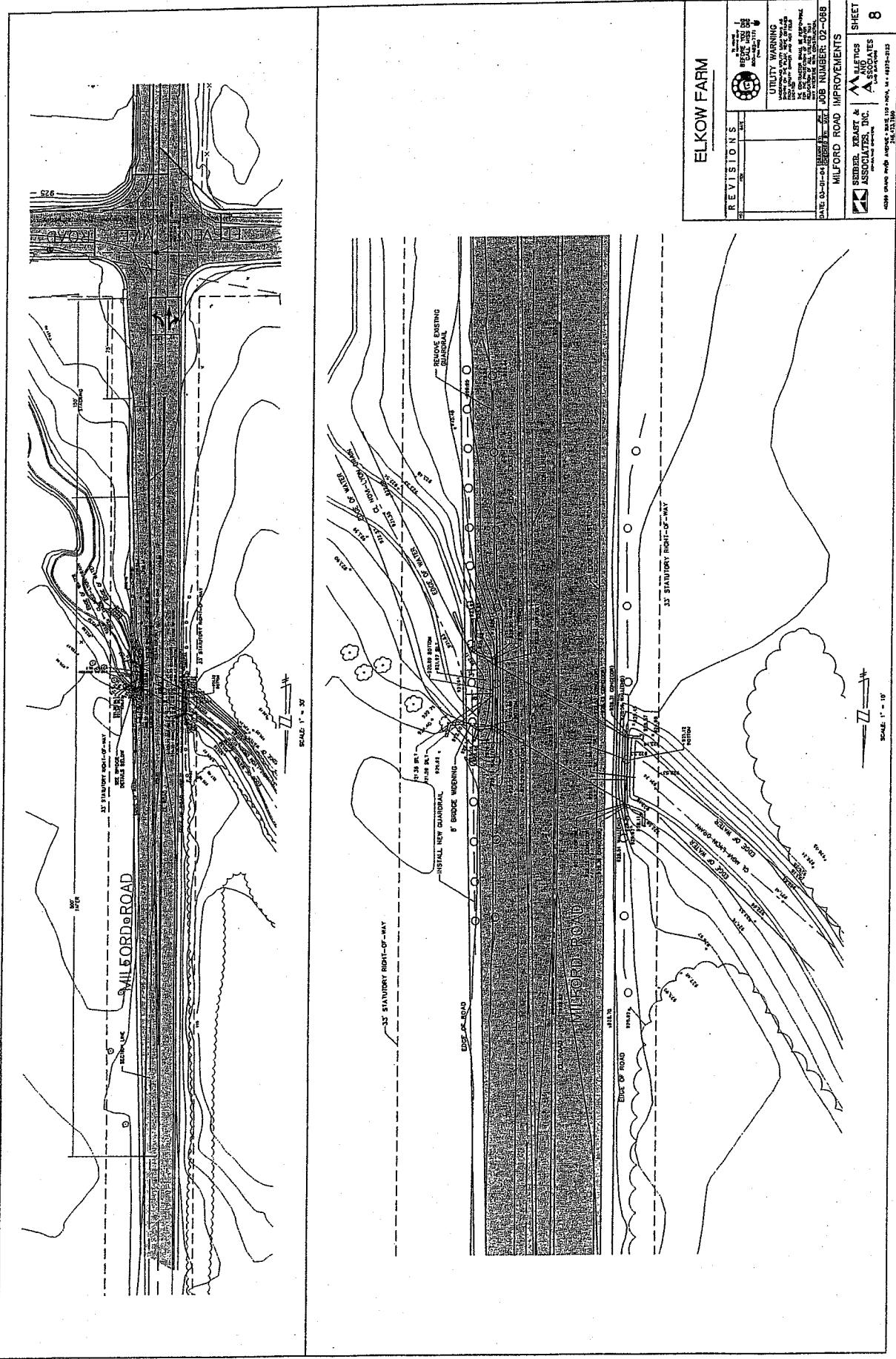


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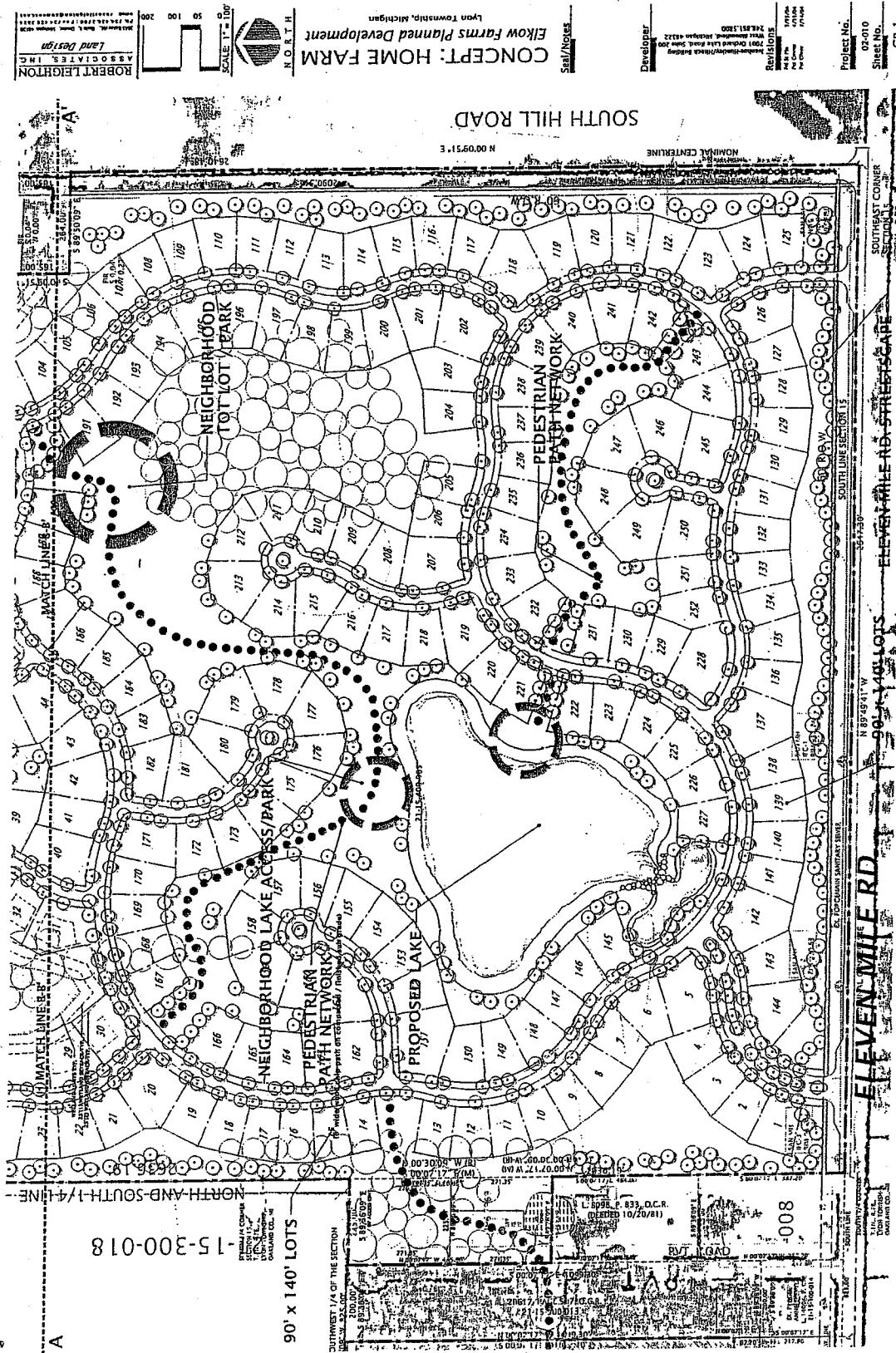




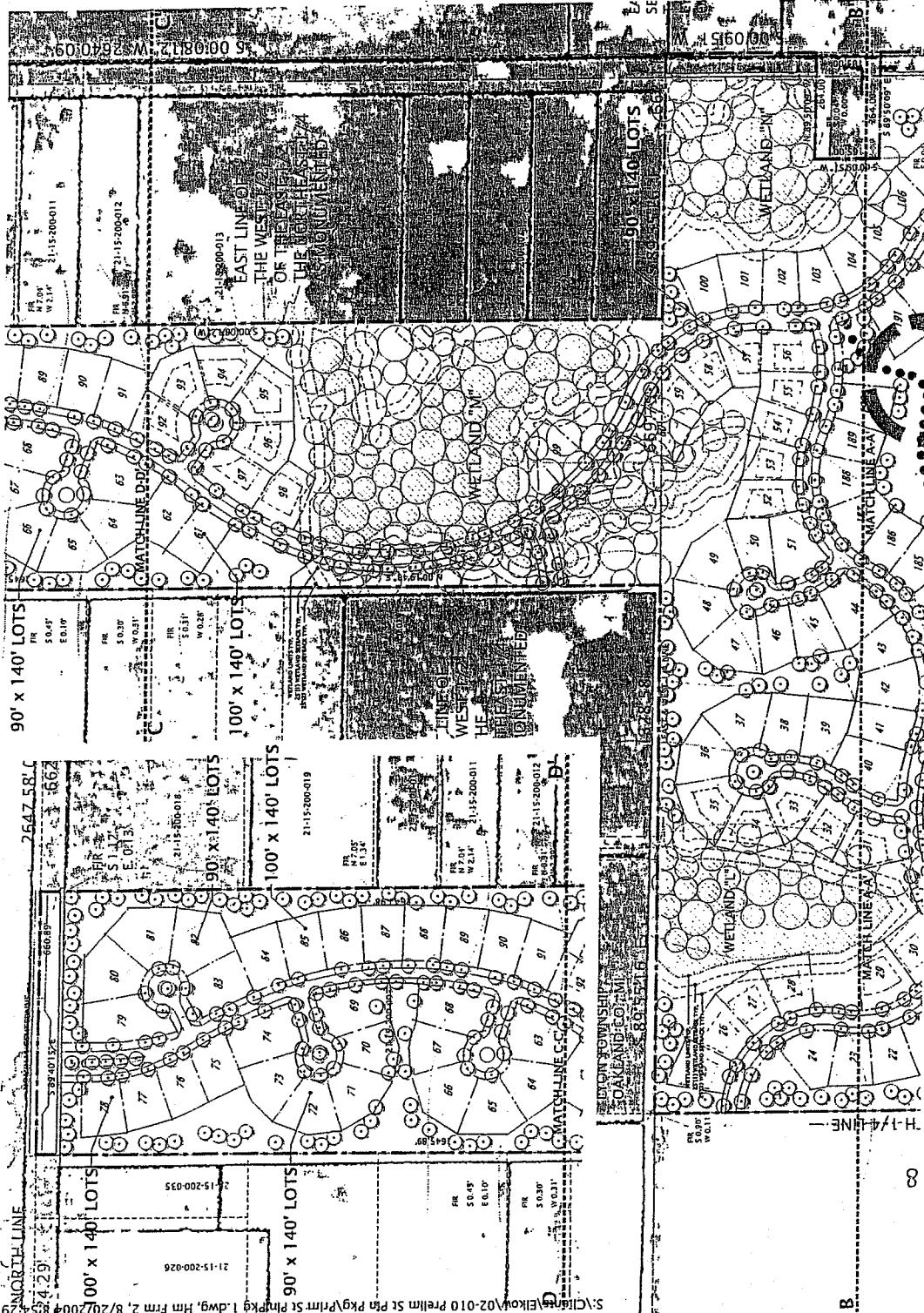
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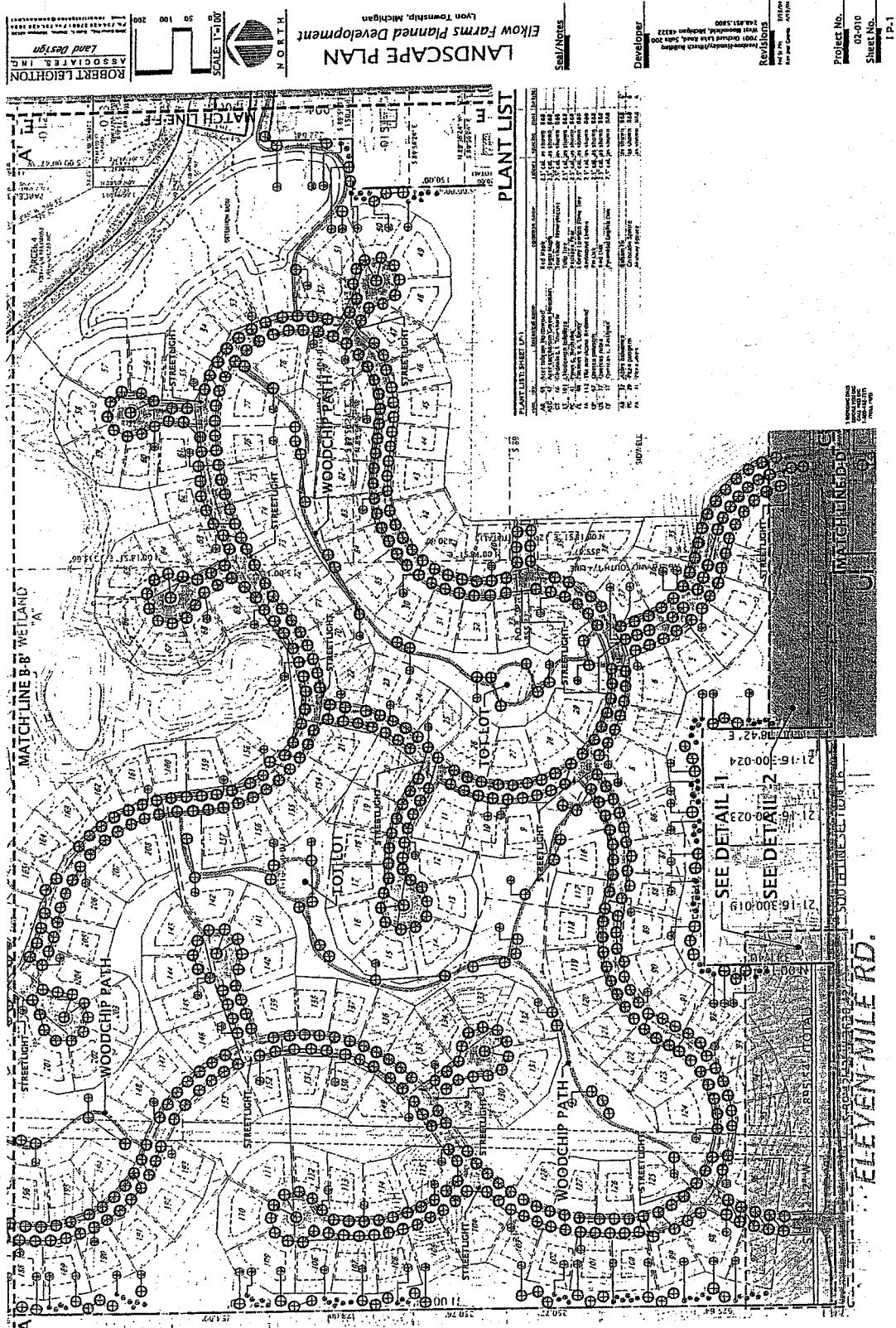
LIBER36360 PG24 I.



CONCEPT: HOME FARM		Elkow Farms Planned Development		Lyon Township, Michigan	
ROBERT L. HANSON ASSOCIATES, INC.		NORTH		Site Notes	
Scale: 1" = 100'					
Land Design					
50	100	200	300	400	500
28-1313490 TEN (10) ACRES OF LAND SITUATED ON THE NORTHERN BORDER OF LYON TOWNSHIP, MICHIGAN. THIS PROPERTY IS LOCATED IN A RURAL AREA, APPROXIMATELY ONE MILE FROM THE CITY OF LYON, MICHIGAN. THE PROPERTY IS SURROUNDED BY FORESTED LAND TO THE WEST AND SOUTH, AND BY A FIELD TO THE EAST. THE PROPERTY IS APPROXIMATELY 100' DEEP AND 500' WIDE. THE PROPERTY IS CURRENTLY OWNED BY THE ELKOW FAMILY AND IS BEING PLANNED FOR A FARMING OPERATION. THE PROPERTY IS LOCATED ON A SLOPING HILL, WITH VIEWS OF THE SURROUNDING LANDSCAPE. THE PROPERTY IS CURRENTLY OWNED BY THE ELKOW FAMILY AND IS BEING PLANNED FOR A FARMING OPERATION.					
Project No. CP-2		Sheet No. 02-010		Revisions	
Developed by Elkow Farms, Inc.					

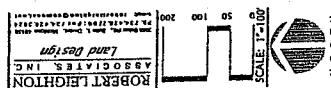


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NUMBER 36360 PG 244



LANDSCAPE PLAN  
ROBERT LEIGHTON  
ASSOCIATES INC  
Land Design  
NORTH

Lyon Township, Michigan

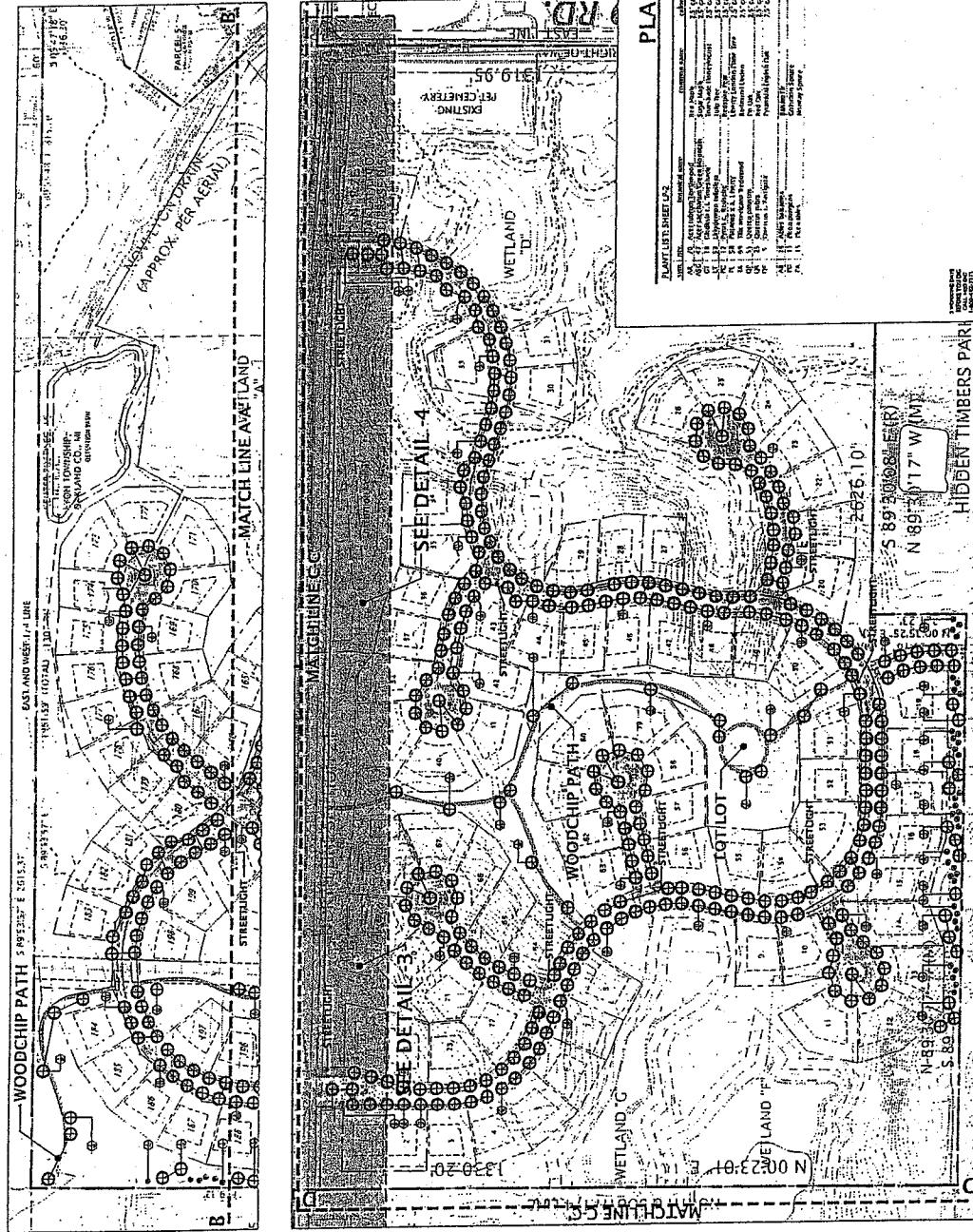
Ekoow Farms Planned Development

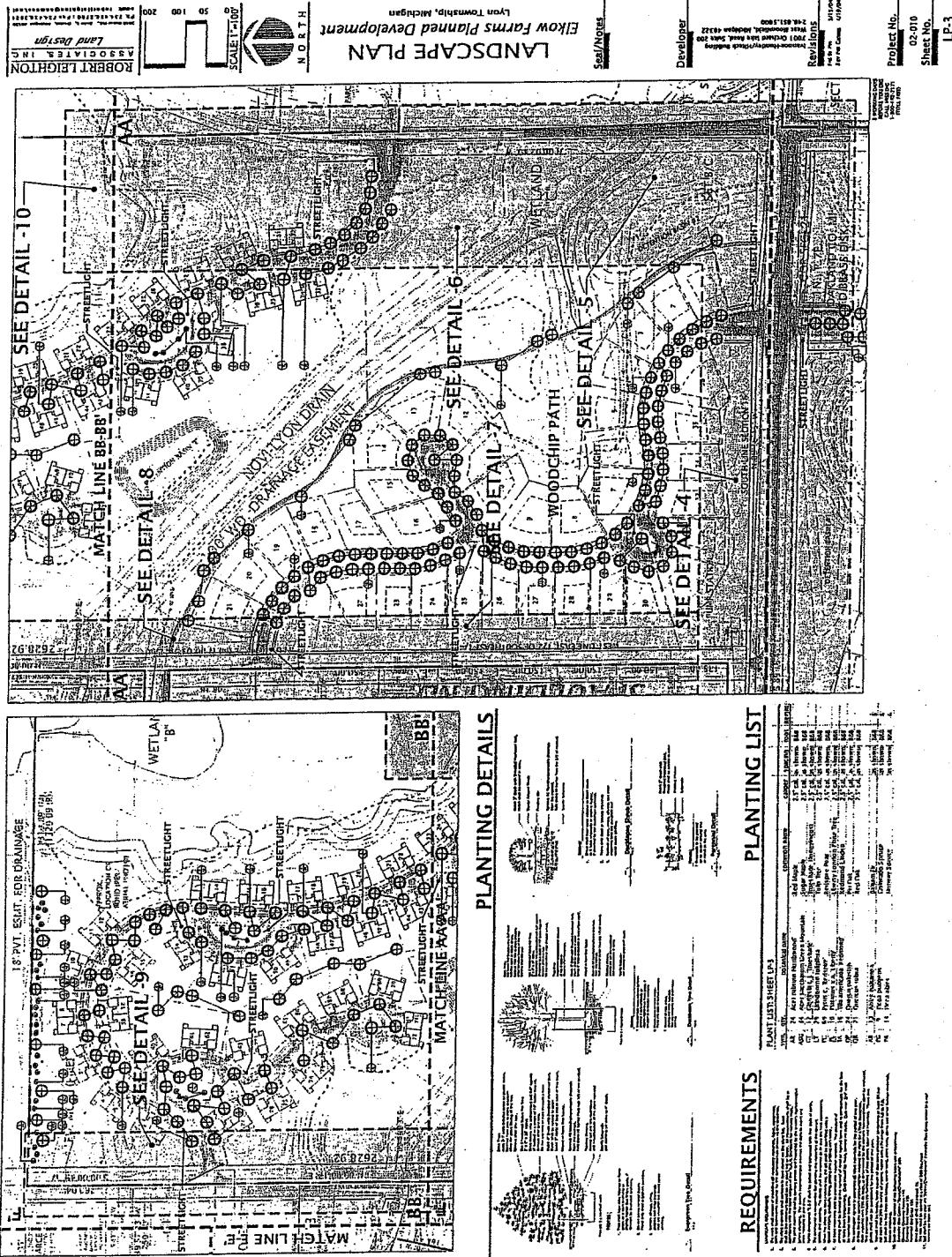
Sheet No.

Project No.  
02-010  
Sheet No.  
LP-2

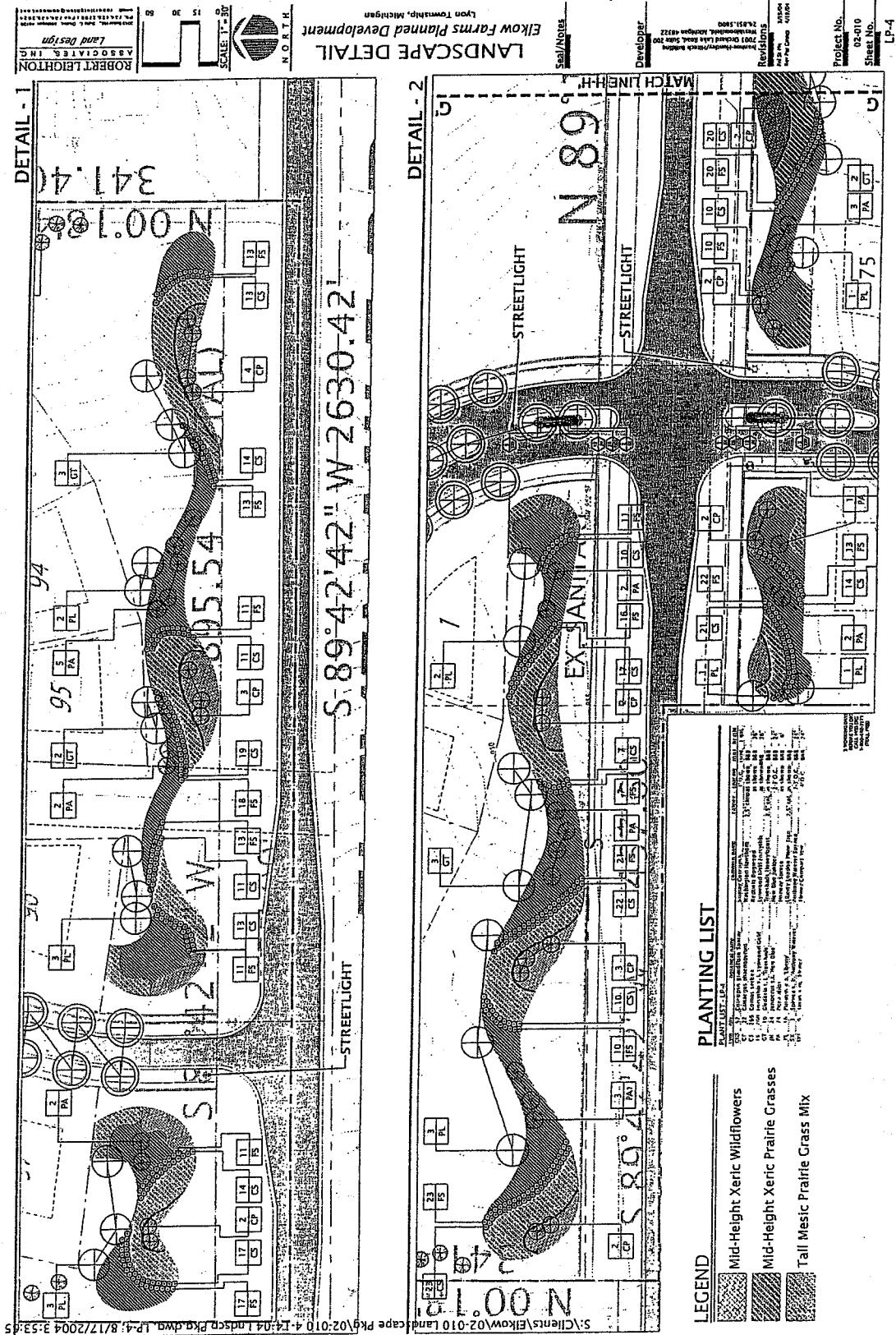
Revisions  
Date 5/15/00  
Initial Drawing Date 5/15/00  
Surveyor's Name 48227  
Surveyor's Address 1000 E. Main Street, Suite 200  
City, State, Zip 48126, MI  
Phone (313) 227-1222  
Fax (313) 227-1222

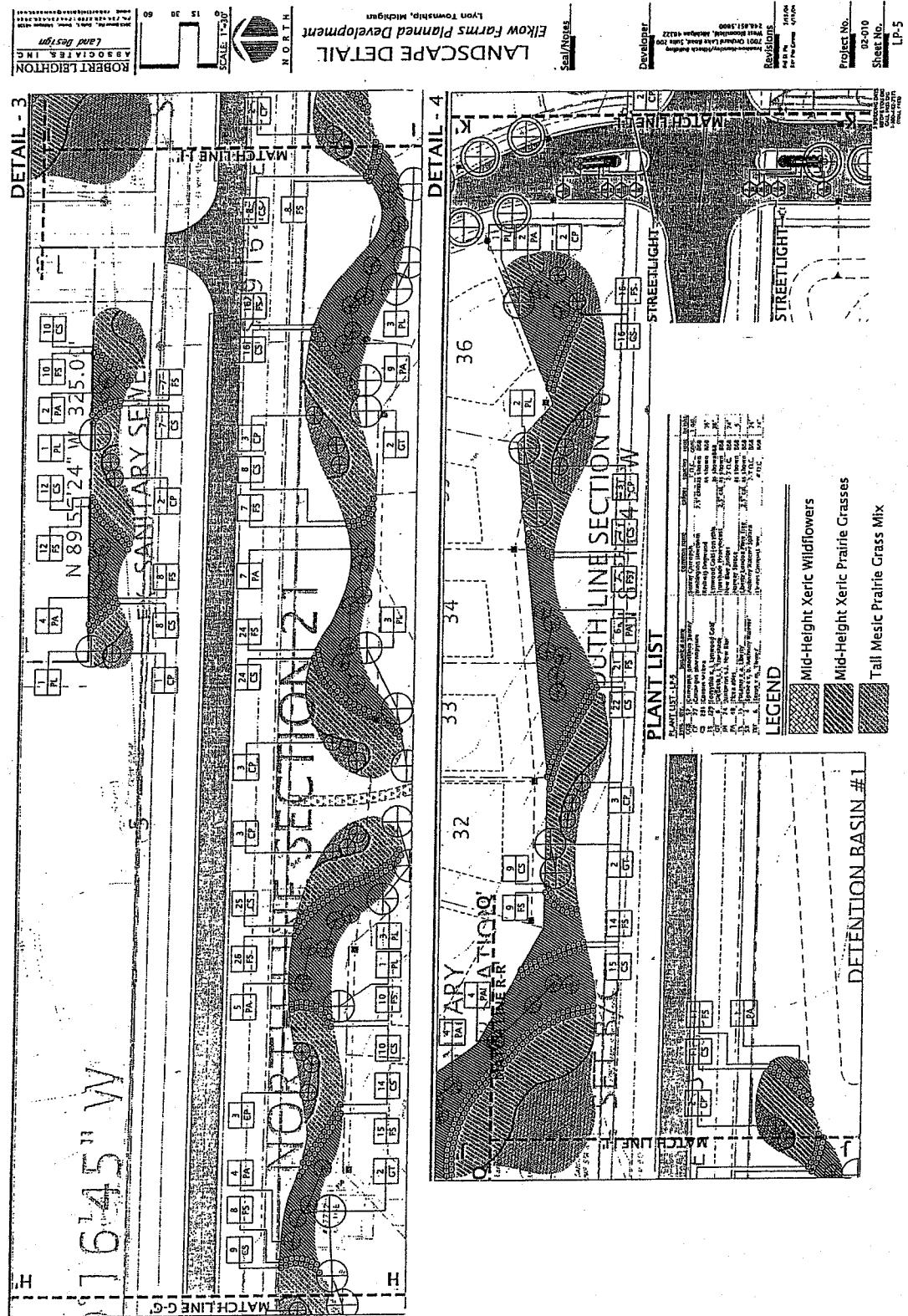
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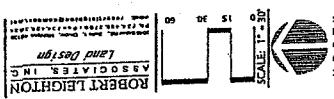




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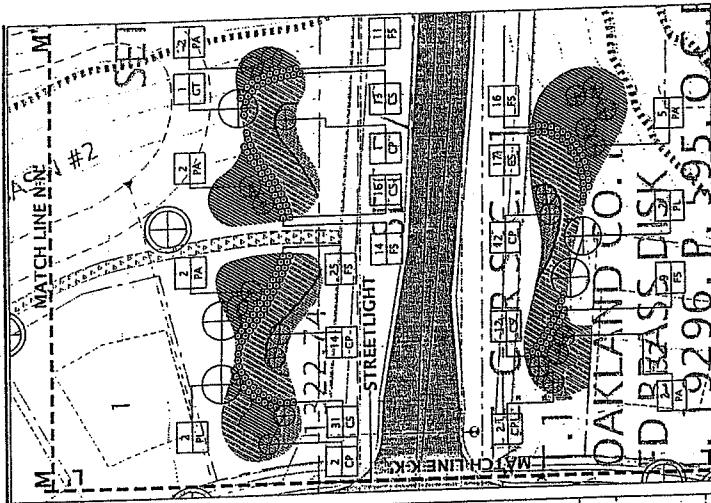




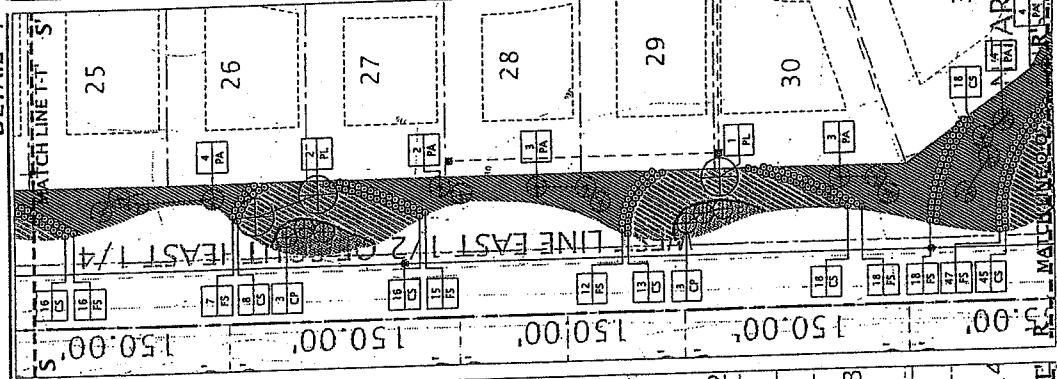
Elkow Farms Planned Development  
Lyon Township, Michigan  
Land Lossing

Scale Notes

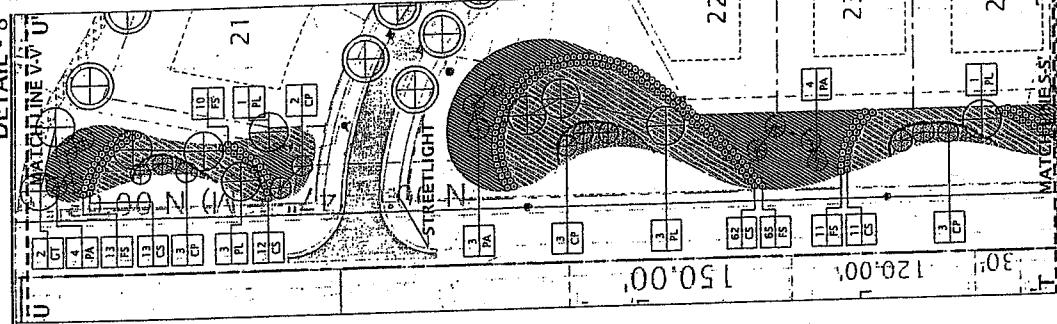
DETAIL - 5



DETAIL - 7



DETAIL - 8

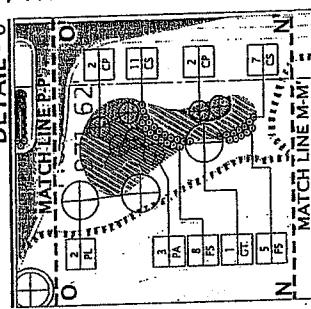


## PLANT LIST

Developer	Project No.	Sheet No.
Elkow Farms Planned Development	02-010	LP-6

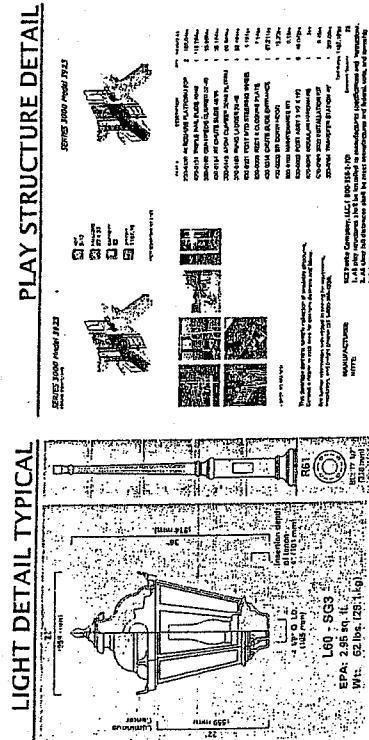
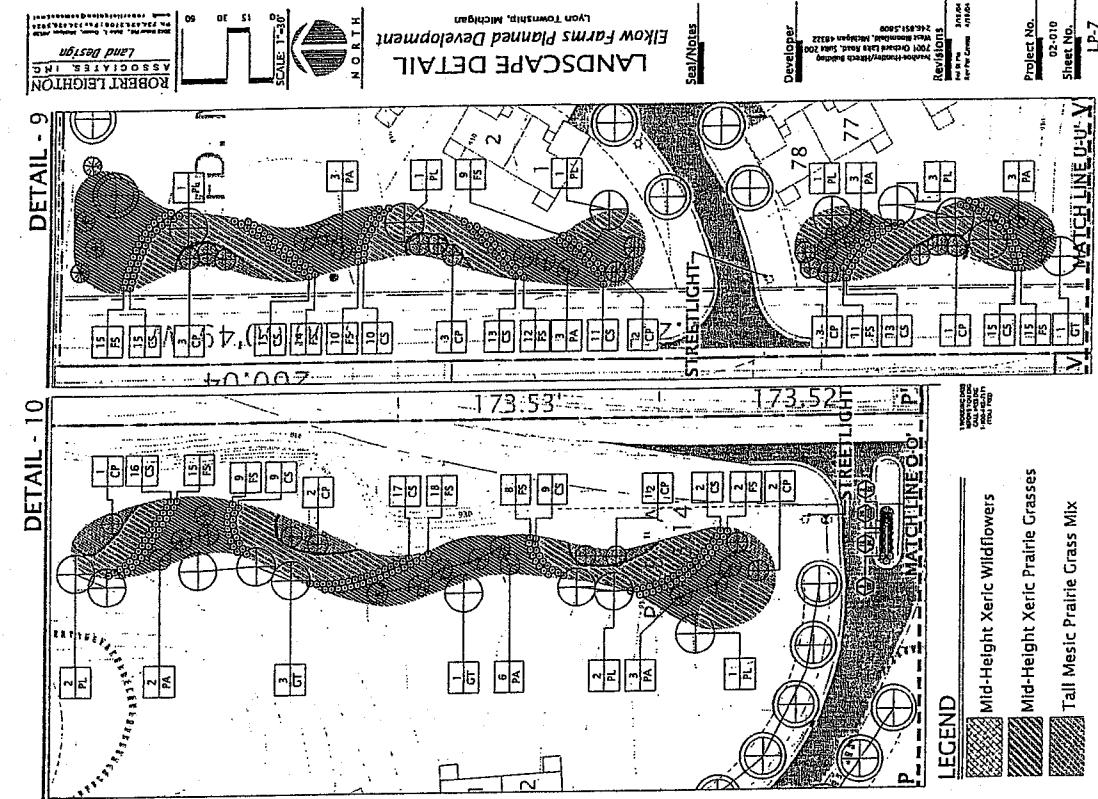
Revisions  
02-010  
Sheet No.  
LP-6

DETAIL - 6



## LEGEND

Mid-Height Xeric Wildflowers	[Hatched Box]
Tall Mespic Prairie Grass Mix	[Hatched Box]



## **Exhibit 6**

# **Conservation Easement**

**CONSERVATION EASEMENT**

This Conservation Easement is made this 5 day of 26, 2005, by LLL and Assoc., LLC and Lyon Farms Custom Homes, Inc. (collectively, "Grantor"), c/o Paul Elkow, 28701 Wintergreen Dr., Farmington Hills, Michigan 48331, to and for the benefit of the Township of Lyon, a Michigan municipal corporation ("Township"), whose address is 58000 Grand River Avenue, New Hudson, Michigan 48165.

**WITNESSETH:**

WHEREAS, Grantor is the owner of certain real property consisting of approximately 60 acres, located in Lyon Township, Oakland County, Michigan, as more particularly described in Exhibit "A" attached hereto and incorporated herein by reference (the "Property"); and

WHEREAS, the Property possesses natural, scenic and open space values (collectively, "conservation values") of great importance to Grantor, the Township, the people of Oakland County and the people of the State of Michigan; and

WHEREAS, the Property is located in an area that is under considerable development pressure, and maintaining open space, providing suitable recreational amenities and protecting the area's conservation values is an important planning goal of the Township and area residents; and

WHEREAS, the Property contains valuable woodlands, wetlands and other natural features and provides scenic enjoyment and potential future recreational amenities for the Township's residents; and

WHEREAS, the Property includes relatively natural habitat which is suitable for providing habitat capable of supporting a variety of avian and mammalian species, and as such, protecting the diversity of habitats found on the Property, ranging from wooded areas to open fields, will help maintain viable populations of wildlife in the area; and

WHEREAS, preservation of relatively undisturbed wildlife habitat, forested and open space areas and providing space for recreational amenities by conveyance of this Conservation Easement is in furtherance of, and will serve the public purposes of clearly delineated federal, state and local conservation policies including, without limitation, the Michigan Farmland and

Open Space Preservation Act of 1974 (MCLA 554.702, et seq.); the Federal Water Pollution Control Act of 1972 (Section 404, 33 USC 466 et seq.); and the Michigan Conservation and Historic Preservation Easement Act (MCLA 399.251, et seq.), the foregoing all as amended; and

WHEREAS, Grantor has entered into a Planned Development Agreement ("PD Agreement") with the Township with respect to the Elkow Farms Planned Development ("Elkow Farms Project"), a residential development that includes the Property and other surrounding lands, under which Grantor agreed to, among other things, protect and preserve the conservation values of the Property, and restrict the future uses and development of the Property for certain approved preservation and recreational activities.

NOW, THEREFORE, in consideration of the above and the mutual covenants, terms, conditions and restrictions contained herein, and pursuant to Section 170(h) of the Internal Revenue Code of 1986, as amended, and the laws of Michigan, Grantor hereby voluntarily grants and conveys to the Township a conservation easement over the Property of the nature and character and to the extent hereinafter set forth ("Easement").

1. **PURPOSE.** It is the purpose of this Easement to assure that, except for recreational uses approved by the Township, the Property will be retained predominantly in its natural, forested and open space condition and to prevent any use of the Property that will significantly impair or interfere with the conservation values of the Property. Grantor intends that this Easement will confine the use of the Property to those activities that are consistent with the purposes set forth herein for this Easement.

2. **RIGHTS OF TOWNSHIP.** To accomplish the purpose of this Easement, the following rights are conveyed to the Township by this Easement:

A. To enter upon the Property at reasonable times in order to monitor Grantor's compliance with and otherwise enforce the terms of this Easement; provided that such entry shall be upon prior reasonable notice to Grantor, and the Township shall not unreasonably interfere with Grantor's use and quiet enjoyment of the Property. The Township shall not have the right to enter upon the Property, or to permit others to enter upon it, for any other purpose, expressly including public recreation.

B. To prevent any activity on or use of the Property that is prohibited by the terms of this Easement and to require the restoration of such areas or features of the Property that may be damaged by prohibited activity or use, pursuant to the remedies provided for herein.

C. To place signs on the Property consistent with the natural appearance of the area identifying the Property as being protected by this Easement and identifying the Easement's boundaries; provided, however, the number, configuration, size and location of such signs shall be subject to the reasonable prior written approval of Grantor.

3. **PROHIBITED USES.** In order to assure that the Property remains predominantly in its natural, scenic and open space condition, the following activities and uses are expressly prohibited:

A. Any residential, commercial or industrial use of or activity on the Property.

B. Cutting or removal of trees on the Property except as expressly permitted under Paragraph 4 below.

C. Any alteration of the surface of the land, including, without limitation, the excavation or removal of soil, loam, peat, sand, gravel, rock, fuel and other minerals, except as currently permitted under an existing oil and gas lease described in Paragraph 4 below, and/or as may be required in the course of any activity permitted herein or otherwise not inconsistent with the purposes of this Easement.

D. The dumping or accumulation of trash, garbage, chemical substances, solid or liquid wastes and other unsightly or offensive materials on the Property, except as permitted herein.

E. The manipulation or alteration of natural water courses which would be detrimental to water purity or which could alter natural water level and/or flow except as may be required in the course of any activity permitted herein.

F. The operation of snowmobiles, motorcycles, or off-road vehicles, except for purposes of ingress and egress over the existing roads, driveways and paths on the Property or necessary to access for the oil well and farming operation currently located on the Property.

G. The placement of any advertising signs or billboards on the Property, except directional or other signage associated with approved recreational uses of the Property, but only with the consent of the Township, which shall not be unreasonably withheld.

H. The placement or construction of any buildings, structures or other improvements of any kind other than those permitted herein, or subsequently permitted by the Township in connection with the use of the Property for recreational purposes.

4. **RESERVED RIGHTS.** Grantor reserves to itself and to Grantor's shareholders, members, officers, directors, agents, successors and assigns, all rights accruing from Grantor's ownership of the Property, including the right to engage in or permit or invite others to engage in all uses of the Property that are not prohibited by, and are not inconsistent with the purposes of, this Easement. Without limiting the generality of the foregoing, the following rights are expressly reserved and shall be deemed not inconsistent with the purposes of this Easement:

A. The right to use the Property for all purposes not inconsistent with this grant, including passive recreational uses for the benefit of residents of the Elkow Farms Project.

B. The right to transfer, sell, give or otherwise convey the Property to a property owners' association for the benefit of the other lands covered by the Elkow Farms PD Agreement, provided such conveyance is subject to the terms of this Easement.

C. The right to continue the ongoing farming operations on a portion of the Property, but not to expand such farming operations. If the Property is transferred to the Township or a land conservancy as described further below and, if the land is still being farmed, Grantor shall be given at least six (6) months prior written notice of any request to terminate the farming operations. Within ninety (90) days of termination of the farming operation, weather permitting, Grantor will seed with grass/meadow mix all areas of the Property that were disturbed by the farming operations.

D. The right of tenant under an existing oil and gas well lease, originally recorded in Liber 8779, Page 369, Oakland County Register of Deeds, to continue to operate the well in accordance with any lease or contract. Under no circumstance shall Grantor agree to any extension of the term of lease. Revenue from the lease shall continue to be paid to Ruth Zapf for the remainder of her life or until she assigns and relinquishes that right. Thereafter, the revenue from the lease will belong to the owner of the Property, whether that be the Township, Grantor, a homeowners' association or a land conservancy.

E. The right to maintain vehicular and pedestrian access as reasonably required for the use and maintenance of the Property.

F. The right, subject to Township review and approval, which shall not be unreasonably withheld, to grant utility and other easements for the benefit of the Grantor and/or surrounding properties and to construct, maintain and replace such utilities.

G. The right to maintain any existing driveways.

H. The right to maintain and expand any existing footpaths on the Property.

I. The right to remove dead, fallen, diseased or dangerous trees and shrubs.

J. The right to plant and maintain native vegetation, and to protect, preserve and enhance the aesthetic and wildlife habitat values of the Property.

K. The right to make wildlife habitat improvements on the Property upon prior approval by the Township, such approval not to be unreasonably withheld.

L. The right to remove non-native plantings and nuisance plants including, but not limited to, poison ivy and poison oak.

5. **NOTICE OF INTENTION TO UNDERTAKE CERTAIN PERMITTED**

**ACTIONS.** The purpose of requiring Grantor to notify the Township prior to undertaking certain permitted activities, as provided in Paragraphs 3 or 4, above, is to afford the Township an opportunity to ensure that the activities in question are designed and carried out in a manner consistent with the purpose of this Easement. Whenever notice is required Grantor shall notify the Township in writing not less than thirty (30) days prior to the date Grantor intends to undertake the activity in question. The notice shall describe the nature, scope, design, location, timetable and any other material aspect of the proposed activity in sufficient detail to permit the Township to make an informed judgment as to its consistency with the purpose of this Easement.

5.1. **Township's Approval.** Where the Township's approval is required, as set forth in Paragraphs 3 or 4, above, the Township shall grant or withhold its approval in writing within thirty (30) days of receipt of Grantor's written request therefor. The Township's approval may be withheld only upon a reasonable determination by the Township that the action as proposed would be incompatible with the purpose of this Easement.

5.2. **Arbitration.** If a dispute arises between the parties concerning the consistency of any proposed use or activity with the purpose of this Easement, and Grantor agrees not to proceed with the use or activity pending resolution of the dispute, either party may refer the dispute to arbitration by request made in writing upon the other. Within thirty (30) days after the receipt of such a request, the parties shall select a single arbitrator to hear the matter. If the parties are unable to agree on the selection of a single arbitrator, then each party shall name one arbitrator and the two arbitrators thus selected shall select a third arbitrator; provided, however, if either party fails to select an arbitrator, or if the two arbitrators selected by the parties fail to select the third arbitrator within fourteen (14) days after the appointment of the second arbitrator, then in each such instance the American Arbitration Association, on petition of a party, shall appoint the second or third arbitrator or both, as the case may be, in accordance with its rules of commercial arbitration then in effect. The matter shall be settled in accordance with such American Arbitration Association rules for commercial arbitration then in effect, and a judgment on the arbitration award may be entered in any circuit court having jurisdiction thereof. The prevailing party shall be entitled, in addition to such other relief as may be granted, to a reasonable sum as and for all of its costs and expenses related to such arbitration, including, without limitation, the fees and expenses of the arbitrator(s) and reasonable attorneys' fees, which shall be determined by the arbitrator(s) and any court of competent jurisdiction that may be called upon to enforce or review the award; provided, however, that the Township shall not be required to pay the aforementioned costs and expenses of Grantor if Grantor prevails, absent a determination by the arbitrator(s) or the court that the Township did not act in good faith with respect to the matter in dispute.

6. **DONATION TO TOWNSHIP.** The Township shall have the right to request that Grantor, or its successors and assigns, donate the Property to the Township or to a land conservancy selected by the Township for use as a nature preserve, Township park, recreation area, public building site or any combination thereof. The Township shall request such donation in writing at least ninety (90) days prior to the effective date of any proposed transfer of the Property, as duly authorized by the Board of Trustees, and Grantor shall thereafter deed the Property to the Township or its designee (i.e., parks and recreation or other Township department or body on conservancy) by quit claim deed not sooner than ninety (90) days after Grantor's receipt of the request for donation.

7. **TOWNSHIP'S REMEDIES.** The Township's remedies shall not be applicable unless and until arbitration has been exhausted, except in a situation where there is a continuing actual or immediately threatened injury or damage requiring temporary or permanent equitable and injunctive relief. If the Township determines that Grantor is in violation of the terms of this Easement and arbitration, if applicable, has been exhausted, or that a violation is immediately threatened, the Township shall give written notice to Grantor of such violation and demand corrective action sufficient to cure the violation and, where the violation involves injury to the Property resulting from any use or activity by Grantor or persons authorized by Grantor

inconsistent with the purpose of this Easement, to restore the portion of the Property so injured. If Grantor fails to cure the violation within thirty (30) days after receipt of notice thereof from the Township, or under circumstances where the violation cannot reasonably be cured within the thirty (30) day period, or fails thereafter to continue diligently to cure such violation until finally cured, the Township may bring an action at law or in equity in a court of competent jurisdiction to enforce the terms of this Easement, to enjoin the violation, by temporary or permanent injunction, to recover any damages to which it may be entitled for violation of the terms of this Easement or injury to any conservation values protected by this Easement, including damages for the loss of scenic, aesthetic, or environmental values, and to require the restoration of the Property to the condition that existed prior to any such injury. If the Township, in its sole discretion, determines that circumstances require immediate action to prevent or to mitigate significant and irreparable damage to the conservation values of the Property, the Township may pursue its remedies under this Paragraph without prior notice to Grantor or without waiting for the period provided for cure to expire. The Township's rights under this Paragraph apply equally in the event of either actual or immediately threatened violations of the terms of this Easement. Grantor agrees that if the Township's remedies at law for any violations of the terms of this Easement are inadequate, that the Township shall be entitled to the injunctive relief described in this Paragraph, both prohibitive and mandatory, in addition to such other relief to which the Township may be entitled, including specific performance of the terms of this Easement. The Township's remedies described in this Paragraph shall be cumulative and shall be in addition to all remedies now or hereafter existing at law or in equity.

7.1. **Termination Of Rights And Obligations.** A party's rights and obligations under this Easement terminate upon transfer of the party's interest in the Easement or Property, except that liability for acts or omissions occurring prior to transfer shall survive transfer.

7.2. **Costs Of Enforcement.** If the Township prevails in any action to enforce the terms of this Easement against Grantor, any costs incurred in connection with such enforcement, including, without limitation, costs of suit and reasonable attorneys' fees, and any costs or restoration necessitated by Grantor's violation of the terms of this Easement shall be borne by Grantor. If Grantor prevails in any action to enforce the terms of this Easement, Grantor's costs of suit, including, without limitation, reasonable attorneys' fees, shall be borne by the Township; provided, however, that Grantor's costs shall not be charged against the Township absent a determination by the court that the Township did not act in good faith in seeking such enforcement.

7.3. **The Township's Discretion.** Enforcement of the terms of this Easement shall be at the discretion of the Township, and any forbearance or delay by the Township to exercise its rights under this Easement in the event of any breach of any term of this Easement by Grantor shall not by itself be deemed or construed to be a waiver by the Township of such term or of any subsequent breach of the same or any other term of this Easement or of any of the Township's rights under this Easement; provided, however, that failure by the Township to respond in writing within thirty (30) days following any written request by Grantor to take any action which by the terms hereof requires the Township's prior approval shall be deemed consent to such action.

7.4. **Acts Beyond Grantor's Control.** Nothing contained in this Easement shall be construed to entitle the Township to bring any action against Grantor, its successors or assigns, for any injury to or change in the Property resulting from causes beyond Grantor's control, including, without limitation, fire, flood, storm, earth movement or from any prudent action taken by Grantor under emergency conditions to prevent, abate, or mitigate significant injury to the Property resulting from such causes, or from any action by a third party resulting from trespass, or from any violation of this Easement not caused by Grantor, its successors or assigns.

8. **ACCESS.** No right of access by the general public to any portion of the Property is conveyed by this Easement, nor to the Township or its assigns except within the guidelines and for the limited purposes set forth in Paragraph 2 of this Easement.

9. **COSTS AND LIABILITIES.** Grantor retains all responsibilities and shall bear all costs and liabilities of any kind related to the ownership, operation, upkeep and maintenance of the Property, including the maintenance of adequate comprehensive general liability insurance coverage naming the Township as an additional insured.

9.1. **Taxes.** Grantors shall pay before delinquency all taxes levied on or assessed against the Property by competent authority; provided, however, that Grantor reserves the right upon written notice to the Township to protest and/or appeal any property tax assessment, and shall not be in default hereunder for nonpayment during the pendency and prior to final adjudication thereof.

9.2. **Hold Harmless.** Grantor shall hold harmless, indemnify, and defend the Township and its officers, employees, agents and contractors and its heirs, personal representatives, successors and assigns (collectively "Indemnified Parties") from and against all liabilities, penalties, costs, losses, damages, expenses, causes of action, claims, demands or judgments, including, without limitation, actual attorneys' fees, arising from or in any way connected with: (1) injury to or the death of any person, or physical damage to any property, resulting from an act, omission, condition or other matter related to or occurring on or about the Property, regardless of cause, unless due in whole or in part to the negligence of any of the Indemnified Parties; (2) payment of taxes and any maintenance costs; and (3) the existence or administration of this Easement (but only to the extent otherwise expressly set forth herein). The Township shall defend, indemnify and hold harmless Grantor, its shareholders, officers, directors, successors and assigns, against and from any damages or liability for personal injury or death incurred by Grantor or such persons, or damage to the Property, resulting from acts of the Township in administering and enforcing this Easement, unless such damages or liabilities are attributable to Grantor's violation hereof.

10. **ASSIGNMENT.** This Easement is transferable, but the Township may assign its rights and obligations under this Easement only to a private, nonprofit organization that is a qualified conservation organization at the time of transfer under Section 170(h) of the Internal Revenue Code of 1986, as amended, including without limitation, the Oakland Land Conservancy. As a condition of such transfer, the Township shall notify the Grantor and shall require that the purpose of this Easement continues to be carried out and further, Grantor may assist and advise in the proceeding to determine the suitability of the assignee. However, Grantor shall not have control over or the power to appoint the assignee.

11. **TERMINATION.** If a subsequent, unexpected change in the conditions of or surrounding the Property make impossible the continued use of the Property for the conservation purposes of this Easement, the restrictions hereby imposed by this Easement may be extinguished by judicial proceedings in a court of competent jurisdiction initiated jointly by the Grantor or its successors in interest and the Township or its successors in interest, provided that the proceeds of any subsequent sale or exchange of the Property or any portion thereof shall be divided between the Grantor and the Township, or their respective successors, in proportion to the values of their respective rights in the Property in accordance with the terms of this paragraph; and in such event, the Township agrees to apply its share of such proceeds in a manner consistent with the conservation purposes of this Easement. The Grantor agrees that the donation of this Easement gives rise to a property right, immediately vested in the Township, which, for purposes of any subsequent division of the proceeds of a sale or exchange of the Property as provided in this Paragraph, shall have a market value equal to that portion of the fair market value of the entire Property (including this Easement) at the time of such sale or exchange, which bears the same ratio to such fair market value of the entire Property as the value of the amount of the Grantor's charitable contribution, if any, on account of the donation of this Easement, as determined on the date of the donation hereof, under Section 170 of the Internal Revenue Code of 1986, as amended, bears to the fair market value of the entire Property on the date of the donation.

11.1. **Condemnation.** If the Easement is taken, in whole or in part, by exercise of the power of eminent domain, Grantor and the Township shall each be entitled to compensation from the condemning party in accordance with applicable law and in proportion to their respective interests (as defined hereinabove) in the Property.

12. **NOTICES.** Any notice, demand, request, consent, approval, or communication that either party desires or is required to give to the other shall be in writing and either served personally or sent by either overnight mail or first class mail, postage prepaid, addressed to the party at the address set forth in the initial Paragraph of this Easement or to such other address as either party from time to time shall designate by written notice to the other.

13. **RECORDATION.** The Grantor shall record this instrument in a timely fashion in the official records of Oakland County, Michigan.

14. **LIBERAL CONSTRUCTION.** If any provision in this instrument is found to be ambiguous, an interpretation consistent with the purpose of this Easement that would render the provision valid shall be favored over any interpretation that would render it invalid.

15. **SEVERABILITY.** If any provision of this Easement, or the application thereof to any person or circumstance, is found to be invalid, the remainder of the provisions of this Easement, or the application of such provision to persons or circumstances other than those as to which it is found to be invalid, as the case may be, shall not be affected thereby.

16. **SUCCESSORS.** The covenants, terms, conditions and restrictions of this Easement shall be binding upon, and inure to the benefit of, the parties hereto and their respective personal representatives, heirs, successors and assigns and shall continue as a

servitude running in perpetuity with the Property regardless of whether future conveyances of the Property expressly refer to this Easement.

17. **COUNTERPARTS.** This instrument may be executed by the parties in one or more counterparts which, taken together, shall constitute a single and complete document.

IN WITNESS WHEREOF, Grantor and the Township have set their hand on the day and year first above written.

LLL AND ASSOC., LLC, a Michigan limited liability company

By: \_\_\_\_\_

Its: \_\_\_\_\_

STATE OF MICHIGAN      )  
                              ) SS  
COUNTY OF OAKLAND      )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2005, by \_\_\_\_\_ on behalf of LLL and Assoc., LLC, a Michigan limited liability company.

\_\_\_\_\_  
Notary Public,  
\_\_\_\_\_  
County, Michigan  
My Commission Expires: \_\_\_\_\_  
Acting in the County of Oakland

LYON CUSTOM HOMES, INC., a Michigan corporation

By: \_\_\_\_\_

Its: \_\_\_\_\_

LIBER 36360 PG253

STATE OF MICHIGAN )  
                     ) SS  
COUNTY OF OAKLAND )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2005, by \_\_\_\_\_ on behalf of Lyon Custom Homes, Inc., a Michigan corporation.

\_\_\_\_\_  
Notary Public,  
\_\_\_\_\_  
County, Michigan  
My Commission Expires: \_\_\_\_\_  
Acting in the County of Oakland

**THE TOWNSHIP OF LYON**, a Michigan  
municipal corporation

\_\_\_\_\_  
By: \_\_\_\_\_, Township Supervisor

\_\_\_\_\_  
And By: \_\_\_\_\_, Township Clerk

STATE OF MICHIGAN )  
                     ) SS  
COUNTY OF OAKLAND )

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2005, by \_\_\_\_\_, Township Supervisor of the Township of Lyon, a Michigan municipal corporation, on behalf of the Township.

\_\_\_\_\_  
Notary Public,  
\_\_\_\_\_  
County, Michigan  
My Commission Expires: \_\_\_\_\_  
Acting in the County of Oakland

STATE OF MICHIGAN  
COUNTY OF OAKLAND

SS

The foregoing instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2005, by \_\_\_\_\_, Township Clerk of the Township of Lyon, a Michigan municipal corporation, on behalf of the Township.

\_\_\_\_\_  
Notary Public,

\_\_\_\_\_  
County, Michigan  
My Commission Expires: \_\_\_\_\_  
Acting in the County of Oakland

DRAFTED BY AND WHEN  
RECORDED RETURN TO:

Alan M. Greene, Esq.  
Dykema Gossett PLLC  
39577 Woodward Avenue  
Suite 300  
Bloomfield Hills, MI 48304  
(248) 203-0757

BH01\516733.2  
ID\AMG

Liber 36360 Pg 255

**LEGAL DESCRIPTION - PARCEL C:**

A PARCEL OF LAND BEING THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF SECTION 15, AND THE WESTERLY 15 ACRES OF THE SOUTHEAST 1/4 OF THE SOUTHWEST 1/4 OF SECTION 15, T.1N., R.7E., LYON TOWNSHIP, OAKLAND COUNTY, MICHIGAN, BEING MORE PARTICULARLY SCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SECTION 15, T.1N., R.7E., OAKLAND COUNTY, MICHIGAN; THENCE PROCEEDING ALONG THE WEST LINE OF SAID SECTION 15, AND IN PART ALONG THE NOMINAL CENTERLINE OF MILFORD ROAD, NORTH 00 DEGREES 02 MINUTES 49 SECONDS WEST, 921.62 FEET; THENCE SOUTH 89 DEGREES 33 MINUTES 09 SECONDS EAST, 320.01 FEET; THENCE ALONG A LINE PARALLEL TO THE WEST LINE OF SAID SECTION 15, NORTH 00 DEGREES 02 MINUTES 49 SECONDS WEST, 397.05 FEET TO A POINT ON THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF SAID SECTION 15; THENCE ALONG THE NORTH LINE, SOUTH 89 DEGREES 33 MINUTES 09 SECONDS EAST, 1891.75 FEET; THENCE SOUTH 00 DEGREES 07 MINUTES 17 SECONDS EAST, 1032.10 FEET; THENCE NORTH 89 DEGREES 36 MINUTES 09 SECONDS WEST, 175.00 FEET; THENCE NORTH 00 DEGREES 07 MINUTES 17 SECONDS WEST, 40.00 FEET; THENCE NORTH 89 DEGREES 36 MINUTES 09 SECONDS WEST, 150.00 FEET; THENCE SOUTH 00 DEGREES 07 MINUTES 17 SECONDS EAST, 325.00 FEET TO A POINT ON THE SOUTH LINE OF SAID SECTION 15; THENCE PROCEEDING ALONG SAID SOUTH LINE OF SECTION 15 AND THE NOMINAL CENTERLINE OF ELEVEN MILE ROAD, NORTH 89 DEGREES 36 MINUTES 09 SECONDS WEST, 1888.44 FEET TO THE POINT OF BEGINNING OF THE PARCEL HEREIN DESCRIBED. CONTAINING 2,690.118 SQUARE FEET OR 61.76 GROSS ACRES OF LAND, MORE OR LESS, AND BEING SUBJECT TO THE RIGHTS OF THE PUBLIC OR ANY OTHER GOVERNMENTAL UNIT IN THAT PART OF MILFORD ROAD AND ELEVEN MILE ROAD, TAKEN, USED OR DEeded FOR STREET, ROAD, HIGHWAY OR PUBLIC UTILITY PURPOSES. ALSO BEING SUBJECT TO ANY OTHER EASEMENTS, RESTRICTIONS OR CONDITIONS OF RECORD.

TOGETHER WITH A PERPETUAL 50 FOOT WIDE EASEMENT FOR INGRESS, EGSS AND PUBLIC UTILITIES, ON, OVER, UNDER AND ACROSS A PARCEL OF LAND BEING A PART OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF SECTION 15, T.1N., R.7E., LYON TOWNSHIP, OAKLAND COUNTY, MICHIGAN, SAID EASEMENT BEING MORE PARTICULARLY DESCRIBED AS:

COMMENCING AT THE SOUTHWEST CORNER OF SECTION 15, T.1N., R.7E.; THENCE PROCEEDING ALONG THE WEST LINE OF SAID SECTION 15, AND IN PART ALONG THE NOMINAL CENTERLINE OF MILFORD ROAD, NORTH 00 DEGREES 02 MINUTES 49 SECONDS WEST, 1268.66 FEET TO THE POINT OF BEGINNING OF THE 50 FOOT WIDE EASEMENT FOR INGRESS, EGSS AND PUBLIC UTILITIES HEREIN DESCRIBED; THENCE CONTINUING ALONG THE WEST LINE OF SAID SECTION 15, NORTH 00 DEGREES 02 MINUTES 49 SECONDS WEST, 50.00 FEET TO A POINT ON THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF SAID SECTION 15; THENCE CONTINUING ALONG SAID NORTH LINE, SOUTH 89 DEGREES 33 MINUTES 09 SECONDS EAST, 320.01 FEET; THENCE SOUTH 00 DEGREES 02 MINUTES 49 SECONDS EAST, 50.00 FEET; THENCE NORTH 89 DEGREES 33 MINUTES 09 SECONDS WEST 320.01 FEET TO THE POINT OF BEGINNING OF THE EASEMENT HEREIN DESCRIBED.

TOGETHER WITH AND SUBJECT TO A 60 FOOT WIDE EASEMENT FOR INGRESS, EGSS AND PUBLIC UTILITIES, MORE PARTICULARLY DESCRIBED AS:

A 60 FOOT WIDE PRIVATE ROAD EASEMENT FOR INGRESS, EGSS AND PUBLIC UTILITIES, CENTERLINE OF WHICH IS DESCRIBED AS COMMENCING AT THE SOUTH 1/4 CORNER OF SAID SECTION 15; THENCE WEST ALONG THE SOUTH LINE OF SAID SECTION, 211.00 FEET TO THE POINT OF BEGINNING OF SAID CENTERLINE DESCRIPTION; THENCE NORTH 00 DEGREES 30 MINUTES 09 SECONDS WEST, 770.00 FEET TO POINT "A"; THENCE FROM SAID POINT "A", WEST 614.00 FEET; THENCE ALSO FROM SAID POINT "A", NORTH 00 DEGREES 30 MINUTES 09 SECONDS WEST, 547.10 FEET; THENCE SOUTH 00 DEGREES 30 MINUTES 09 SECONDS WEST, 60.00 FEET TO THE CENTER OF A 60 FOOT TURNING RADIUS AND POINT OF ENDING OF CENTERLINE DESCRIPTION.

F:\LEGALS\98102101.DOC (REVISED 8-10-04)

Rev. 9-1-04 Easements Pg. L-7  
Rev. 7-13-04 Parcels Records, W1-019



DAVID P. SMITH & ASSOCIATES, Inc.

Professionally Licensed and Registered  
Land Surveyors & Civil Engineers

[248] 363-1515 FAX: 363-1646  
8615 Richardson Road, Suite 100  
Walled Lake, MI 48390 USA

Date: 6-22-04

Job #: 02-082009

Scale: N/A

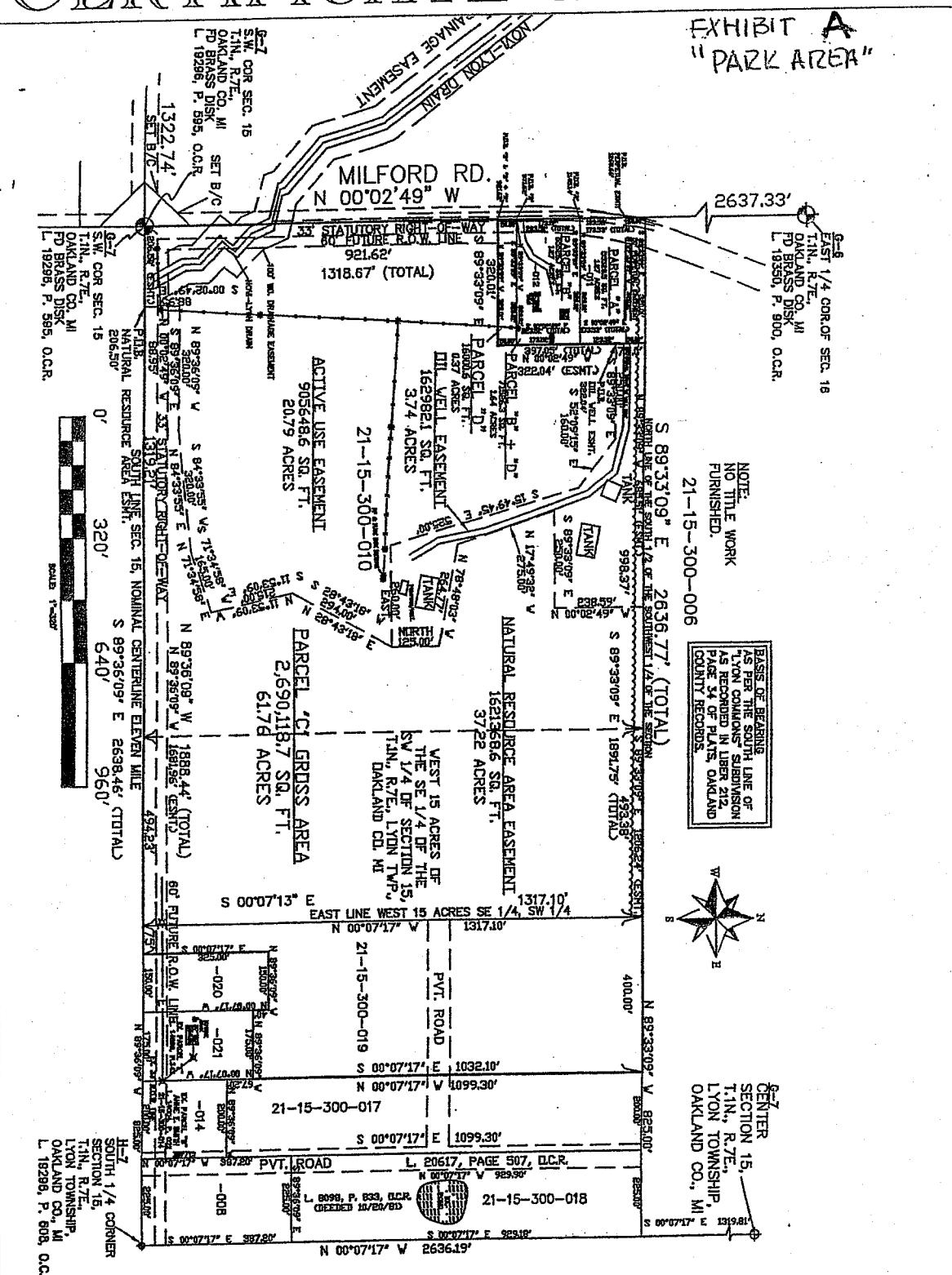
Drawn By: MMK

David P. Smith, P.L.S #33140



# CERTIFICATE OF SURVEY

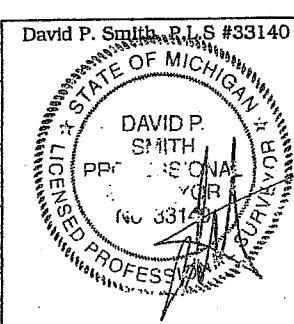
EXHIBIT A  
"PARK AREA"



Rev. 9-1-04 EASEMENT Pg. 44-1  
Rev. 7-13-04 PARCEL RELEASE W/ -019  
I HEREBY CERTIFY that we have surveyed and mapped the land above platted and/or described  
on 0104 and that the ratio of closure on the unadjusted field operations of such survey  
was 1/5000± and all the requirements of P.A. 132 of 1970 have been compiled with.



Date: 6-22-04
Job#: 02-082009
Scale: 1" = 320'
Drawn By: M.M.K



## **Exhibit 7**

# **Tree Protection Ordinance**

## TREE PROTECTION ORDINANCE

*Recommended to the Township  
Board on June 19, 1995*

Charter Township of Lyon  
Oakland County, Michigan

Adopted by the Township Board  
on October 2, 1995

Effective Date: November 10, 1995

Professional assistance provided by:

McKenna Associates, Incorporated  
38955 Hills Tech Drive, Suite 200  
Farmington Hills, Michigan 48331  
(810) 553-0290

## TABLE OF CONTENTS

	<u>Page No.</u>
Article I - FINDINGS AND PURPOSE	1
Article II - DEFINITIONS	2
Article III - APPLICABILITY	3
Article IV - TREE PRESERVATION PERMIT	3
Section 4.1 – Permit Required	3
Section 4.2 – Exceptions	3
1. Activities on Single Family Lots	3
2. Activities on Non-Single Family Parcels	3
3. Approved Preliminary Plat or Site Plan	3
4. Agriculture, Commercial Nursery, or Tree Farm	3
5. Emergencies	4
6. Governmental Agencies	4
7. Public Utilities	4
8. Dead or Damaged Trees	4
9. Tree Management	4
10. Absence of Protected Trees	4
11. Tree Harvesting	4
Article V - APPLICATION REVIEW PROCEDURES	4
Section 5.1 – Responsibility for Review	4
Section 5.2 – Application Requirements	5
1. Application and Fee	5
2. Time of Application	5
3. Tree Plan	5
a. Property Dimensions	5
b. Tree Survey and Plan	5
c. Buildable Area	5
d. Tree Protection	5
e. Easements and Setback	5
f. Topography and Grade Changes	5
g. Intended Tree Replacement	5
h. Tree Identification	6
Section 5.3 – Review Process	6
Section 5.4 – Appeal Process	6
Section 5.5 – Term of Permit	6

<b>Article VI - REVIEW STANDARDS</b>	6
Section 6.1 -- Minimum Protection	6
Section 6.2 -- Permitted Removal	7
Section 6.3 -- Development Alternatives	7
Section 6.4 -- Diversity of Species	7
Section 6.5 -- Land Clearing and Grubbing	7
Section 6.6 -- Residential Development	8
Section 6.7 -- Compliance with Statutes and Ordinances	8
Section 6.8 -- Relocation or Replacement	8
Section 6.9 -- Trees in the Right-of-Way	8
 <b>Article VII - ENFORCEMENT</b>	 8
Section 7.1 -- Performance Guarantee	8
Section 7.2 -- Tree Relocation or Replacement	9
Section 7.3 -- Tree Protection during Construction	9
1. Activity Near Protected Trees	9
2. Attachments to Trees	9
3. Protective Barrier	9
Section 7.4 -- Penalties	9
 <b>Article VIII - SEVERABILITY</b>	 9
 <b>Article IX - CONFLICTING PROVISIONS REPEALED</b>	 10
 <b>Article X - EFFECTIVE DATE</b>	 10

# TREE PROTECTION ORDINANCE

Charter Township of Lyon  
Oakland County, Michigan

*An Ordinance to regulate the removal of certain trees within the Charter Township of Lyon; to establish permit requirements and procedures for tree removal; to identify permitted tree removal activity; to establish criteria for evaluating tree removal applications; to provide for the repeal of conflicting ordinances; and, to establish penalties for the violation of provisions.*

*By the authority vested in the Township Board by Michigan Public Act 359 of 1947, as amended, the Charter Township of Lyon ordains:*

## Article I FINDINGS AND PURPOSE

Development of the Township has resulted in unregulated and unnecessary removal of trees and other forms of vegetation. Regulation of the removal of trees and vegetation will achieve preservation of important physical, aesthetic, recreation, environmental and economic assets for present and future generations. Further, it is found that:

- (1) Trees and woodlands provide for public safety through the prevention of erosion, siltation, and flooding;
- (2) Trees and woodland growth protects public health through the absorption of air pollutants and contamination, and reduction of noise and damage related to noise pollution;
- (3) Trees and woodland growth are defining characteristics of the Township;
- (4) Trees and woodland growth benefit the community at-large by maintaining the Township's natural beauty and irreplaceable natural heritage;
- (5) The presence of trees and woodlands contributes to the maintenance and stabilization of property values.

In consideration of these findings, the purposes of this Ordinance are as follows:

- (1) To provide for the protection and proper maintenance of trees and woodlands in order to minimize disturbance to them and to prevent damage from erosion and siltation and a loss of wildlife habitat;
- (2) To protect trees and woodlands for their economic support of local property values, when allowed to remain uncleared and unharvested in whole or in significant part, for their natural beauty, character, geological, ecological, or historical significance; and,
- (3) To protect and preserve trees and woodlands in the interest of health, safety, and general welfare of the residents of this Township, in keeping with Article IV, Section 52 of the Michigan Constitution of 1963, and the intent of the Michigan Environmental Protection Act, Act 127 of the Public Acts of 1970.

## Article II DEFINITIONS

Whenever used in this Ordinance, the following words and terms shall have the meaning ascribed to them, and any words or terms not defined herein shall have the meaning customarily ascribed to them.

**Agriculture:** The use of land for the primary purpose of deriving income from growing plants or trees on land including, but not limited to, land used principally for fruit or ongoing timber production, but not including land used principally for another use and only incidentally for growing trees or plants for income.

**Buildable Area:** The space remaining on a zoning lot after the minimum setback requirements have been met, plus portions of the lot that are set aside or required for stormwater management, roads, utilities (including septic fields), driveways and sidewalks.

**Commercial Nursery or Tree Farm:** A licensed plant or tree nursery or farm where trees planted and grown on the premises are typically offered for sale to the general public in the ordinary course of the licensee's business.

**Diameter Breast Height (d.b.h.):** The diameter of a tree in inches measured at four and one-half (4-1/2) feet above the ground. On multi-stem trees, the largest diameter stem shall be measured.

**Drip Line:** An imaginary vertical line extending downward from the outermost tips of the tree branches to the ground.

**Grubbing:** The removal of understory vegetation from a site which does not include the removal of any trees with a d.b.h. of greater than three (3) inches.

**Land Clearing:** The removal of trees and vegetation prior to construction, e.g., road right-of-way excavation, lake and drainage system excavation, buildable area excavation, and other land clearing operations.

**Person:** An individual, partnership, corporation, association or other legal entity.

**Protected Tree:** Any tree having a diameter at breast height (d.b.h.) of six (6) inches or greater, but not including trees specifically excepted in Section 4.2, fruit trees in an abandoned orchard, and trees with undesirable growth characteristics, such as box elder, poplar, willow, tree of heaven, catalpa and Russian olive. Additional undesirable non-protected trees may be included on this list, which shall be kept on file at the Township Hall.

**Remove or Removal:** The act of removing a tree by digging up or cutting down, or the effective removal through life-threatening damage to the tree.

**Transplant:** The relocation of a tree from one place to another.

**Tree:** Any self-supporting, woody plant of a species which normally grows to an overall height of twelve (12) feet or more.

**Tree Survey:** A drawing which illustrates the location of all protected trees plotted by accurate techniques, the d.b.h., and the common and botanical name of the trees.

### Article III APPLICABILITY

This Ordinance shall apply to all land within the Township where removal of protected trees is proposed or anticipated, including land where clearing and grubbing is proposed or anticipated.

### Article IV TREE PRESERVATION PERMIT

#### Section 4.1 -- Permit Required

Subject to the exceptions listed in Section 4.2, no person shall remove, cause to be removed, transplant or destroy, on any land in the Township, any protected tree without first obtaining a Tree Preservation Permit.

#### Section 4.2 -- Exceptions

Notwithstanding the requirements of Section 4.1, the following activities shall be permitted without a Tree Preservation Permit, provided that the tree removal is not prohibited by statute or other ordinance provisions.

##### 1. Activities on Single Family Lots.

- a. Existing Development. A permit shall not be required for tree removal in the following circumstances:
  - 1) On any single family lot within an *existing* subdivision, site condominium or similar residential development, whether the lot is vacant or occupied by a dwelling; and;
  - 2) On any single family parcel that is occupied by a principal structure and is located outside of a subdivision, site condominium, or similar development provided that the parcel does not exceed ten (10) acres in size.

Thus, a permit shall be required for any vacant single family parcel located outside of a subdivision, site condominium or similar development if removal of protected trees is proposed.

2. Activities on Non-Single Family Parcels. A permit shall not be required for tree removal on parcels used or proposed for commercial, office, industrial, multiple family or other non-single family development, provided that prior approval of the site plan has been granted by the Township, subject to the requirements in Section 4.2(3), following.
3. Approved Preliminary Plat or Site Plan. A final preliminary plat or site plan that has been reviewed and approved by the Township and has been found to comply with this Ordinance, shall not require separate review under this Ordinance provided that all of the information required herein, including the designation of the buildable area and/or proposed improvements on each lot or parcel have been provided on the plat or site plan.

4. Agriculture, Commercial Nursery, or Tree Farm. A permit shall not be required for tree removal or transplanting occurring during use of land for agriculture or the operation of a commercial nursery or tree farm. In the case of a nursery or tree farm, this exception shall only be applicable if the facility has been licensed by the State of Michigan.
5. Emergencies. A permit shall not be required for actions made necessary by an emergency, such as tornado, windstorm, flood, freeze, dangerous and infectious insect infestation or disease, or other disaster, in order to prevent injury or damage to persons or property or restore order, and where it would be contrary to the interest of the public health or safety to defer cutting pending submission and processing of a permit application. The Township Supervisor, or the Supervisor's designee, shall have the authority to determine the presence of an emergency.
6. Governmental Agencies. A permit shall not be required for tree trimming, removal or transplanting performed by or on behalf of governmental entities or agencies for public interest purposes.
7. Public Utilities. A permit shall not be required for trimming or cutting of trees associated with the repair or maintenance work performed by public utilities, provided that the Township is given prior written notice of such activity.
8. Dead or Damaged Trees. A permit shall not be required for removal or trimming of dead, diseased or damaged trees.
9. Tree Management. Where a tree management plan is submitted to and approved by the Planning Commission, tree cutting may occur without a permit. To qualify under this exception, tree management activity shall be for the purpose of reducing the density of trees so as to promote and maintain the health and viability of the remaining trees. The management plan shall include the means by which cut trees will be removed from the property without damaging remaining trees.
10. Absence of Protected Trees. Where development activity is located on a site with no protected trees, the applicant shall indicate so in the application. The Township Supervisor or the Supervisor's designee shall inspect the site, and if the inspection verifies the applicant's claim, then a permit shall not be required.
11. Tree Harvesting. A permit shall not be required by a resident property owner to harvest up to twenty percent (20%) of the protected trees over a period of ten (10) years on his/her property for his/her own use (such as for firewood). Tree harvesting in excess of these limits may be approved subject to submittal of a tree plan and issuance of a Tree Preservation Permit.

## Article V APPLICATION REVIEW PROCEDURES

### Section 5.1 -- Responsibility for Review

Unless otherwise noted, the Planning Commission shall review and take action on applications for Tree Preservation Permits. However, where the permit application is filed in combination with other permit requirements where Township Board action is required, the Township Board shall take final action on the Tree Preservation Permit.

## Section 5.2 – Application Requirements

1. **Application and Fee.** A person seeking a Tree Preservation Permit shall submit an application to the Township Clerk on forms supplied by the Township and pay the application and permit fee as established by resolution of the Township Board.
2. **Time of Application.** Application for a Tree Preservation Permit shall be made before removing, cutting or transplanting trees. Where the site is proposed for development necessitating site plan or plat review, application for a Tree Preservation Permit shall be made prior to or concurrent with site plan or tentative preliminary plat submittal.
3. **Tree Plan.** The applicant shall submit fourteen (14) copies of a site plan which shall be drawn to scale and sealed by a registered engineer or surveyor. The site plan shall include the following information, at a minimum:
  - a. **Property Dimensions.** The boundaries and dimensions of the property, and the location of any existing and proposed structures or improvements, with a statement identifying the type of structures or improvements.
  - b. **Tree Survey and Plan.** A tree survey and plan shall be required only in areas where trees are proposed to be removed. Location of all existing protected trees identified by common and botanical name and d.b.h. The survey shall indicate whether each tree is to remain, be transplanted or removed. Groups of trees in proximity (five feet or closer) may be designated a "clump" of trees, with predominant species, estimated number and average size. A tree survey that is submitted in conjunction with a site plan required under the Zoning Ordinance shall demonstrate how existing trees will be incorporated into the required landscape plan.
  - c. **Buildable Area.** To the extent that information is available, the buildable area shall be designated on each lot for proposed single family development. In commercial, office, industrial and other non-single family developments, the site plan shall illustrate the exact location of proposed improvements, to the extent that such information is available. In the event that the exact location of certain site improvements is not known at the time the permit application is filed, then the applicant may specify the maximum amount of area needed and the approximate location for such facilities.
  - d. **Tree Protection.** A statement which complies with Article VII describing how trees intended to remain will be protected during development.
  - e. **Easements and Setbacks.** Location and dimensions of existing and proposed easements as well as all setbacks required by the Zoning Ordinance.
  - f. **Topography and Grade Changes.** If any excavation, land balancing, or other grade changes are proposed, then a topographic survey shall be required which shall be drawn at two-foot contour intervals referenced to an U.S.G.S. benchmark. Grade changes proposed for the property shall be indicated on the plan.
  - g. **Intended Tree Replacement.** The number, size, species, and estimated cost of all replacement trees, if proposed.

- h. Tree Identification. A plan for identifying trees being retained during development, such as painting or flagging. Required protective barriers shall be erected before construction begins.

#### Section 5.3 -- Review Process

The Planning Commission and the Township Board may seek the advice of consultants to assist in the review of Tree Preservation Permit applications, in which case the applicant shall be responsible for the cost of the consultant's services.

The Planning Commission and Township Board (where applicable) shall review the application together with any consultant's report, based on the Review Standards in Article VI. The Planning Commission and the Township Board are authorized to take the following actions:

1. If the application is in compliance with the Review Standards in Article VI, the Planning Commission and the Township Board shall grant approval. Action to approve may be made subject to reasonable conditions deemed necessary to insure that the intent of this Ordinance will be fulfilled. Such conditions may include consent by the applicant to entry on the premises by Township inspectors, and time limits within which activities allowed by the permit must be completed.
2. If the application is found not to be in compliance with the Review Standards in Article VI, then the Planning Commission and the Township Board shall deny the application.

#### Section 5.4 -- Appeal Process

An applicant may appeal a decision by the Planning Commission or the Township Board to the Zoning Board of Appeals. The Zoning Board of Appeals shall consider any such request following the procedures for appeals in the Zoning Ordinance.

#### Section 5.5 -- Term of Permit

Permits issued pursuant to this Ordinance shall remain valid for a period of twelve (12) months. Work not completed after twelve (12) months shall require a new permit.

### Article VI REVIEW STANDARDS

The following standards shall govern the granting or denial of an application for a Tree Preservation Permit:

#### Section 6.1 -- Minimum Protection

The applicant shall demonstrate that proposed activities and improvements minimize removal of protected trees. Accordingly, a minimum of eighty percent (80%) of the total number of protected trees shall be preserved and protected from damage during construction in the following instances:

- a. Proposed Single Family Development -- this standard shall apply to areas on each lot located outside of and up to ten (10) feet beyond the boundaries of the buildable area, and

other portions of the development that are not set aside or required for stormwater management, roads, utilities (including septic fields), driveways and sidewalks.

- b. Proposed Non-Single Family Development -- this standard shall apply to portions of a parcel in a proposed commercial, office, industrial, or other non-single family development located beyond the boundaries of the proposed improvements illustrated on the approved site plan.

#### Section 6.2 – Permitted Removal

Removal of trees shall be permitted in the following instances, except where re-design of the site is a reasonable alternative that would eliminate the need for tree removal:

1. To remove trees that pose a safety hazard to pedestrians or vehicular traffic or threaten to cause disruption to public utility services.
2. To remove trees that pose a safety hazard to buildings or structures.
3. To remove trees that prevent access to a lot or parcel.
4. To remove trees that unreasonably prevent development of a lot or parcel.
5. To remove trees that are so weakened by disease, age, wind, fire, or other injury as to pose a danger to persons or property.

#### Section 6.3 – Development Alternatives

Preservation and conservation of trees, woodlands, and other natural resources shall have priority over development when there are feasible and prudent location alternatives on-site for proposed buildings, structures or site improvements. However, it is not the intent of this Ordinance to deny an application to develop solely because of the presence of trees on the site.

#### Section 6.4 – Diversity of Species

Diversity of tree species shall be maintained where essential to preserving a wooded area.

#### Section 6.5 – Land Clearing and Grubbing

Where the proposed activity consists of land clearing, it shall be limited to designated street rights-of-way, drainage and utility areas and areas necessary for the construction of buildings, structures and other site improvements. Where the proposed activity consists of grubbing, all trees with a d.b.h. of three (3) inches or greater shall be left undisturbed with the drip line understory left intact. Where the land clearing and/or grubbing is not proposed as part of a development proposal for which a site plan has been submitted, the applicant shall demonstrate to the satisfaction of the Planning Commission the reasons that the land clearing and/or grubbing cannot be delayed until a site plan is submitted and approved.

#### Section 6.6 -- Residential Development

Where the proposed activity involves residential development, residential units shall, to the extent feasible, be designed and constructed to blend into the natural setting of the landscape.

### Section 6.7 – Compliance with Statutes and Ordinances

The proposed activity shall comply with all other applicable statutes and ordinances.

### Section 6.8 – Relocation or Replacement

If required in Article VII, the tree survey and plan shall include provisions for tree relocation, replacement and protection.

### Section 6.9 – Trees in the Right-of-Way

Trees located in the right-of-way shall not be removed unless replaced within the right-of-way pursuant to Article VII.

## Article VII ENFORCEMENT

### Section 7.1 – Performance Guarantee

If tree relocation or replacement is required, the Planning Commission may require the applicant to submit a performance guarantee which shall be in the form described in the Zoning Ordinance. The performance guarantee shall be in an amount that is sufficient to cover the full cost of the relocation or replacement.

### Section 7.2 – Tree Relocation or Replacement

As a condition of granting a Tree Preservation Permit or granting approval to a site plan that is intended to comply with requirements in this Ordinance, the applicant may be required to relocate or replace trees being removed. Replacement trees shall have equal shade potential and other characteristics comparable to the trees being removed, unless alternative tree species are approved by the Planning Commission. Tree replacement and relocation shall comply with the following additional requirements:

1. Required trees shall be planted prior to the issuance of a Certificate of Occupancy.
2. All trees shall exhibit a normal live growth cycle for a minimum of one (1) full year from the time of planting. Trees which fail to support a normal life cycle shall be replaced, and the replacements shall be required to sustain the same one (1) year growth cycle or they also shall be replaced.
3. All trees shall be planted according to the requirements in Section 15.04 of the Zoning Ordinance.
4. The Planning Commission shall approve tree placement in order to provide optimum enhancements, preservation, and protection of wooded areas.
5. Replacement of deciduous trees shall be on a total caliper basis. For example, a tree that is being replaced that has a 12-inch d.b.h. shall be replaced with as many trees as necessary so the total combined d.b.h. is 12 inches. For conifers, replacement shall be based on total height of the trees being replaced.

6. Replacement trees shall have a minimum d.b.h. of two and one-half (2 1/2) inches.

#### Section 7.3 -- Tree Protection During Construction

1. Activity Near Protected Trees. No person may conduct any construction or storage activity within the drip line of any protected tree designated to remain, including, but not limited to, placing solvents, building material, construction equipment or soil deposits within the drip line.
2. Attachments to Trees. During construction, no person shall attach any device to any protected tree designated to remain, except for the protection of a tree in accordance with forestry procedures.
3. Protective Barrier. Before any activity for which a Tree Preservation Permit is required, the applicant shall erect and maintain suitable barriers to protect trees designated to remain. Protective barriers shall remain in place until the Township authorizes their removal or issues a final certificate of occupancy, whichever comes first. Wood, metal, or other substantial material shall be utilized in the construction of barriers. Individual tree barriers shall not be required in the following cases:
  - a. Rights-of-way and easements. Street rights-of-way and utility easements may be cordoned off by placing stakes a minimum of fifty (50) feet apart and tying ribbon, plastic tape, rope, etc., from stake to stake along the outside perimeters of areas to be cleared.
  - b. Large, separate areas. Large areas separate from the construction or land clearing area onto which no equipment will venture may also be cordoned off as described above for rights-of-way and easements.

#### Section 7.4 – Penalties

Any person violating the provisions in this Ordinance shall be guilty of a misdemeanor. The Township Building Official may issue a stop work order or withhold issuance of a certificate of occupancy, permits, or inspections if this Ordinance is being violated and/or until the provisions of this Ordinance have been met.

In addition, any use or activity in violation of this Ordinance is hereby declared to be a nuisance *per se*, and may be abated by order of any court of competent jurisdiction. The Township Board, in addition to other remedies, may institute appropriate action to prevent, abate, or restrain the violation, including a fine of not more than five hundred (\$500.00) dollars or by imprisonment in the County jail for a period not to exceed ninety (90) days.

#### Article VIII SEVERABILITY

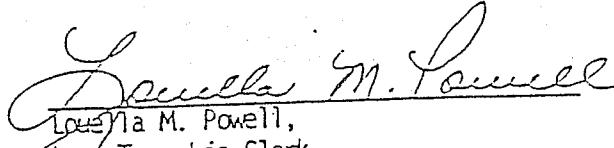
This Ordinance and each of the various parts, sections, sub-sections, provisions, sentences and clauses are severable. If any part, section, sub-section, provision, sentence, or clause is found to be invalid or unenforceable for any reason by a court of competent jurisdiction, such finding shall not affect the validity of the remainder of this Ordinance, which shall remain in full force and effect.

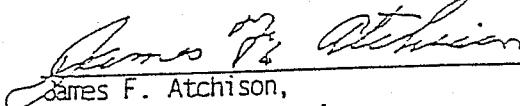
Article IX  
CONFLICTING PROVISIONS REPEALED

All other Ordinances and parts of Ordinances in conflict with this Ordinance, to the extent of such conflict and no further, are hereby repealed.

Article X  
EFFECTIVE DATE

This Ordinance was adopted by the Township Board of the Charter Township of Lyon on 2nd day of October, 1995, and shall take effect thirty (30) days after publication, as provided by law.

  
Loura M. Powell,  
Lyon Township Clerk

  
James F. Atchison  
Lyon Township Supervisor

Adopted: October 2, 1995

Published: October 12, 1995

Effective: November 10, 1995

## **Exhibit 8**

# **Architectural Guidelines**

## ELKOW PLANNED DEVELOPMENT

### Architectural Guidelines

All Single Family Homes and Duplex Units constructed in The ELKOW PLANNED DEVELOPMENT shall comply with the following **minimum requirements:**

#### a. Minimum Size

The minimum size of dwelling units shall be as follows:

Duplex Condominium Units - 1400 square feet (per unit)

Single Family Homes:

Ranches - 1,700 square feet

One and one-half story - 1,800 square feet

Two story - 2,200 square feet.

#### b. Garages

All single family homes shall have a minimum 2 car side entry garage attached to the primary structure. Garages may exit to the side yard or the "court yard".

All Duplex Condominium Units shall have a minimum 2 car attached garage with front or side entry permitted.

#### c. Exterior Materials

Exterior elevations of all residences shall be a combination brick, stone, masonry, wood or simulated wood siding, or vinyl siding. No T-111 or aluminum siding is permitted.

Brick, stone, or other masonry materials shall make up a minimum of 50% of the front elevation and be placed to the "knee" on the side and rear elevations.

All roof shingles shall be a minimum 25 year non-dimensional.

**d. Exterior Colors**

Exterior Colors shall be generally earth tones or neutral.

**e. Driveways.**

Driveways shall be constructed of concrete paving, asphalt paving, and/or brick pavers, or a combination thereof.

**f. Building Setbacks**

Building Setbacks shall be as follows:

**Duplex Condominium Units**

Front yard	25 feet from back of curb
Rear Yard– building to building	70 feet
Side yard – building to building	30 feet

**Single Family Lots with frontage on 60 foot public right of way**

Front yard	35 feet
Rear Yard	35 feet
Side Yard	30 feet combined total between adjacent lots with a 5 foot minimum.

**g. Roof Pitch**

A minimum 6/12 roof pitch will be provided on all elevations.

**The Developer reserves the right to modify or revise these guidelines, subject to the approval of Lyon Township.**

## **Exhibit 9**

**Township Resolution  
No. 2004-02  
Adopted April 21, 2004**

## CHARTER TOWNSHIP OF LYON

RESOLUTION NO. 2004-02

A regular meeting of the Board of Trustees of the Charter Township of Lyon, Michigan (the "Township"), was held in the Township Hall on the 21st day of April, 2004 at 7:00 p.m.

The meeting was called to order by Joseph Shigley, Supervisor.

Present: Trustee Bisio, Clerk Johnson, Trustee Cash, Trustee Young, Trustee Adams, Treasurer Caccione

Absent: Supervisor Shigley

The following preamble and resolution were offered by Trustee Bisio and supported by Trustee Cash.

WHEREAS:

1. South Lyon Community Schools is purchasing property from Paul Elkow and Laura Pemberton Elkow (the "Elkows") located on Eleven Mile Road in the Charter Township of Lyon, Oakland County, Michigan; and
2. A planned unit development has been proposed for the property owned by the Elkows, including the property that the District is purchasing (collectively the "Elkow Farms PD"); and
3. The Township may request that the District co-execute the application for the Elkow Farms PD; and
4. The Township desires to confirm to the District that the Township will follow the requirements of MCL 380.1263(3) which states that the Superintendent of Public Instruction has sole and exclusive jurisdiction over the review and approval of plans and specifications for the construction, reconstruction, or remodeling of school buildings used for instructional and non-instructional school purposes and of site plans for those school buildings and that this statute will apply to the property the District acquires which is located in the Elkow Farms PD for instructional purposes,
5. The District desires to confirm to the Township that the District will be subject to Township sanitary sewer and water ordinances for any and all water and/or sanitary sewer service the District requests for any Elkow Farms PD property it acquires, that the acquired property shall be subject to any

applicable standards of the Township and the County of Oakland with regard to driveway placement or other ingress/egress regulations and that the District will comply with the bike path requirements as approved in the Elkow Farms PD preliminary plan.

6. It is the intention of the Township and the District that their respective Boards will adopt resolutions which memorialize the confirmations contained in this resolution.

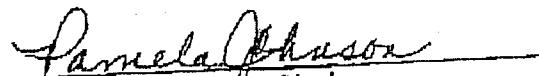
NOW, THEREFORE, BE IT RESOLVED:

1. The Board of Trustees hereby confirms to the District that the Township will follow the requirements of MCL 380.1263(3) which states that the Superintendent of Public Instruction has sole and exclusive jurisdiction over the review and approval of plans and specifications for the construction, reconstruction, or remodeling of school buildings used for instructional or non-instructional school purposes and of site plans for those school buildings and that this statute will apply to the Elkow Farms PD or any property the District acquires located in the Elkow Farms PD.
2. The Board hereby accepts confirmation by and from the District that it will be subject to Township sanitary sewer and water ordinances for any and all water and/or sanitary sewer service the District requests for any Elkow Farms PD property it acquires, that the acquired property shall be subject to any applicable standards of the Township and the County of Oakland with regard to driveway placement or other ingress/egress regulations and that the District will comply with the bike path requirements contained in the Elkow Farms PD.
3. All resolutions and parts of resolutions insofar as they conflict with the provisions of this resolution be and the same are hereby rescinded.

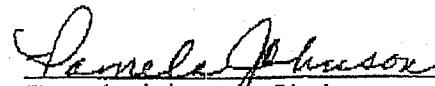
Ayes: Trustee Adams, Treasurer Caccone, Clerk Johnson, Trustee Cash,  
Trustee Young, Trustee Bizio

Nays: None

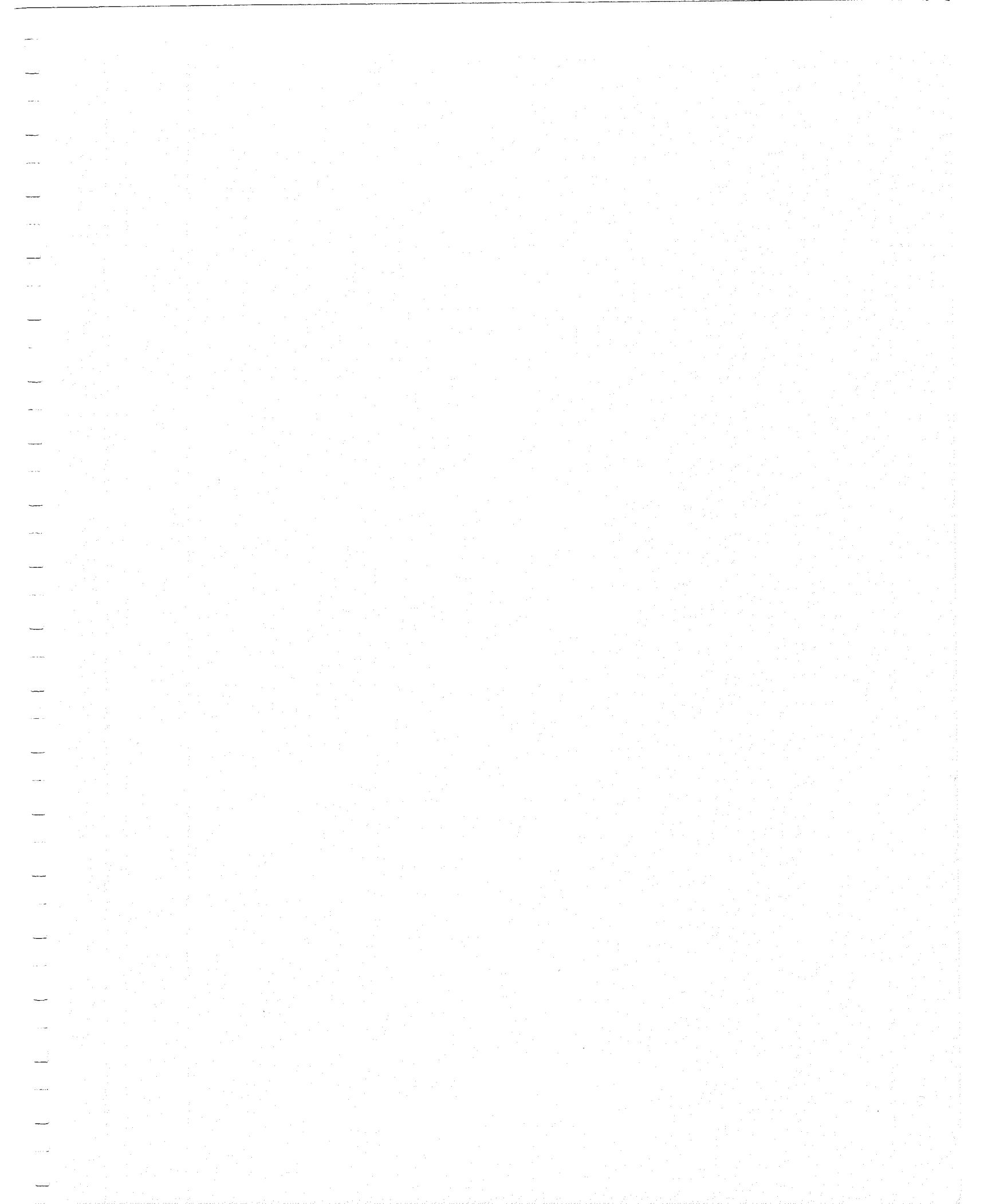
This resolution was adopted at a ~~special~~ meeting of the Charter Township of Lyon  
on the 21<sup>st</sup> day of April, 2004.

  
Pamela Johnson  
Clerk  
Charter Township of Lyon

I hereby certify that the foregoing is a true and complete copy of a resolution adopted by the Township Board of the Charter Township of Lyon, Oakland County, Michigan, at a ~~special~~ meeting held on the 21st day of April, 2004, and that public notice of said meeting was given pursuant to Act No. 267, Public Acts of Michigan, 1976, as amended.



Pamela Johnson, Clerk  
Charter Township of Lyon



**DISCLOSURE STATEMENT**

**THE GLENS AT CRYSTAL CREEK**

Lyon Township, Michigan

Developed by

**CRYSTAL CREEK LAND, LLC**  
7001 Orchard Lake Road, Suite 200  
West Bloomfield, Michigan 48322-3692

Effective Date: January 24, 2006

The Glens at Crystal Creek is a single family residential site condominium comprised of thirty-six (36) sites.

THIS DISCLOSURE STATEMENT IS NOT A SUBSTITUTE FOR THE MASTER DEED OR OTHER APPLICABLE LEGAL DOCUMENTS. PURCHASERS SHOULD READ ALL SUCH DOCUMENTS TO FULLY ACQUAINT THEMSELVES WITH THE PROJECT AND THEIR RIGHTS AND RESPONSIBILITIES RELATING THERETO.

PRIOR TO PURCHASING A CONDOMINIUM SITE, PURCHASERS SHOULD CONSULT THEIR OWN PROFESSIONAL ADVISORS.

## THE GLENS AT CRYSTAL CREEK

### TABLE OF CONTENTS

	<u>Page</u>
I. Size and Scope of Development	1
II. Improvements Labeled "Must be Built" or "Need Not be Built"; Expansion and Conversion	1
III. Escrow Arrangement	1
IV. Warranty	2
V. Management and Budget by Homeowners Association	2
VI. Restrictions Applicable to the Homeowners; Purchase and Rental of Sites	3
VII. Experience of Certain Companies	4
VIII. Insurance	4
IX. Utilities	5
X. Possible Liability for Additional Assessments	5
XI. Association Litigation	5
XII. Private Roads; Telecommunications System	6
XIII. Purpose of Disclosure Statement	6

I. Size and Scope of Development.

The Glens at Crystal Creek is a residential condominium consisting of thirty-six (36) residential sites located in Lyon Township, Oakland County, Michigan. A more detailed description of the development will be found in the condominium plan, which is attached to the Master Deed as Exhibit B.

The land, the roads throughout the condominium, the storm water drainage system, utility, cable and telecommunications networks or systems up to the point of connection with sites (see Master Deed for further clarification). Each co-owner of a site will own a fractional interest of the general common elements equivalent to the co-owner's percentage of value. Percentages of value are stated in the Master Deed. The Master Deed must be examined carefully to determine each co-owner's rights and obligations with respect to common elements.

II. Improvements Labeled "Must be Built" or "Need Not be Built"; Expansion and Conversion.

The Condominium Act requires that proposed structures and improvements be labeled in the condominium subdivision plan as either "must be built" or "need not be built." The Glens at Crystal Creek condominium subdivision plan identifies site 3 and the infrastructure necessary to support such site as "must be built." Therefore, all other sites and improvements "need not be built". Developer is financing all improvements in the condominium through development and construction loans from Huntington Bank.

The Master Deed limits the maximum size of the condominium to no more than a total of thirty-six (36) sites created on or before ten (10) years from the date of commencement of construction of improvements by the developer, or six (6) years from the date the developer last exercised any of its rights of expansion, contraction or conversion.

III. Escrow Arrangement.

Developer has entered into an escrow agreement with Metropolitan Title Company as agent for First American Title Insurance Corporation, which provides that all deposits made under purchase agreements be placed in escrow in accordance with the Michigan Condominium Act. Title insurance policies will be issued by I-H Title Agency, a joint venture limited liability company between Ivanhoe Huntley Investment Company, LLC, the sole member of Crystal Creek Land, LLC, and Metropolitan Title Company. The escrow agreement provides for the release of an escrow deposit to any purchaser who withdraws from a purchase agreement in accordance with the purchase agreement. Such a withdrawal is permitted by each purchase agreement if it takes place within nine (9) business days after the purchaser has received all of the condominium documents, or if the purchase agreement is conditional upon obtaining a mortgage and purchaser is unable to do so, or if the condominium documents are changed in a way that materially reduces a purchaser's rights. The escrow agreement also provides that a deposit will be released to the developer if the purchaser defaults in any obligation under the purchase agreement after the purchase agreement has become binding upon the purchaser. The escrow agreement also provides that deposits will be released to the developer in accordance with the Michigan Condominium Act. Each person purchasing a site will receive a copy of the escrow agreement.

**IV. Warranty.**

A copy of the developer's 2 - 10 Homebuyers Limited Warranty is contained within the Purchaser Information Book. Developer also has provided purchasers with a copy of developer's common element limited warranty.

**V. Management and Budget by Homeowners Association; Master Association.**

The common affairs of the co-owners and all matters relating to the common elements of the condominium are managed exclusively by The Glens at Crystal Creek Condominium Association, a Michigan non-profit corporation. Until the transitional control date (as such term is defined in the Master Deed for The Glens at Crystal Creek), The Glens at Crystal Creek Condominium Association will be controlled by persons appointed by the developer. As each individual purchaser acquires title to a condominium site, the purchaser will also become a member of the condominium association. The manner in which the association is run by its members, its officers and its board of directors is set forth in the Master Deed and in the condominium bylaws, corporate bylaws and articles of incorporation which are included with each purchaser's ownership documents. Until a board of directors is elected by the members, the condominium association will be controlled by the directors appointed by developer.

The association's only source of revenue to fund its budget is by the assessment of its members. Each co-owner must pay to the association an annual assessment which is determined in part by dividing the projected budget by the member's percentage of value which is stated in the Master Deed. The annual assessment must be paid to the association by each co-owner in two (2) equal installments. The first installment will be payable in January of each year within ten days of the billing by the managing agent for the Association. The second installment shall be due on May 1st of each year. The Association reserves the right to change the billing frequency to not more than twelve installments per year. At the closing, each co-owner, in addition to other closing costs, shall pay to the Association, its share of annual dues prorated from closing to the end of the year and an additional amount equal to three (3) months dues. In addition each co-owner shall pay a start-up fee to the management company. The current fee is \$150, which may be increased from time to time. In the event the association incurs expenses that are not anticipated in the budget, the association may also levy special assessments to cover such expenses. Any special assessments would be allocated to the co-owners in accordance with the percentages of value stated in the Master Deed. The developer does not pay association assessments for the sites it owns until the dwellings on such sites have been issued certificates of occupancy and such dwellings are occupied, but developer does reimburse the association for any expenses it may incur for such sites. The attached association budget is based upon developer's estimates of the expenses that will be incurred by the association. Actual expenses may vary substantially from these estimates. Developer does not represent or warrant that the budget accurately reflects the assessments that will be charged by the association.

During the Construction and Sales Period certain expenses of the Association will be paid by Developer. Developer will hire a professional manager to manage the day to day affairs of the Association. After the transitional control date the Board of Directors of the Association may elect to retain the services of the manager. The cost of such services will increase the annual dues. The present cost of the manager's services is \$ 3,672 or \$306 per unit. The cost of snow removal will also be paid by Developer during the construction and sales period or until the acceptance of the roads for maintenance by the Road Commission for Oakland County. The Road Commission for Oakland County will assume the responsibility for snow removal after acceptance of the roads for maintenance.

The maintenance, repair and replacement obligations with respect to entryways, roadways and the berms along public rights of way in The Glens of Crystal Creek, The Villas of Crystal Creek and the proposed Estates of Crystal Creek shall be performed by a master association formed by developer. The costs of maintenance, repair and replacement of such areas shall be passed along to co-owners, in accordance with their respective percentage interest, by the master association and shall be due and payable by co-owners as part of their monthly association assessments. At such time that a master declaration is recorded for the condominiums, the developer will remove such costs from the budget appearing on Appendix A attached hereto and developer shall create (and provide co-owners with a copy of) a budget for the master association.

## VI. Restrictions Applicable to the Homeowners; Purchase and Rental of Sites.

Article VI of the bylaws contains comprehensive restrictions on the use of the condominium sites and the common elements. It is impossible to paraphrase these restrictions without risking the omission of some portion that may be of significance to a purchaser. Consequently, each purchaser should examine the restrictions with care to be sure that they do not infringe upon an important intended use. The following is a list of certain of the most significant restrictions:

- (1) No structure may be built, placed, or maintained upon any site unless or until the co-owner of such site has submitted the required documentation to, and received approval of such documentation from, the Architectural Control Committee (which shall initially be controlled by the developer), and all construction activities on condominium sites shall proceed in accordance with requirements, restrictions and regulations established and enforced by the Architectural Control Committee.
- (2) All sites shall be used for residential purposes only.
- (3) There are substantial building restrictions that must be adhered to (see Article VI, Section 3 of the Bylaws).
- (4) The Board of Directors of the association must approve, in writing, any alterations to the limited or general common elements.
- (5) There are restrictions on the number and types of animals that are permitted in the condominium. All pets must be registered with the Board of Directors of the association.
- (6) There are substantial regulations regarding the use of, and activities permitted in, the common elements in the condominium.
- (7) Reasonable regulations may be made and amended by the Board of Directors of the association concerning the use of common elements or the rights and responsibilities of the co-owners and the association with respect to the condominium or the manner of operation of the association and of the condominium, without vote of the co-owners. However, these regulations or amendments may be revoked at any time by the affirmative vote of a majority of the co-owners.
- (8) Subject to the requirements set forth in Section 14 of Article VI of the Bylaws, a co-owner (including the developer) may rent or lease any number of sites at any time as provided in Section 14. A co-owner must disclose, in writing to the association, co-owner's intention to rent or lease a site and provide a copy of the exact lease form to the association at least ten (10) days before presenting a lease to a potential lessee. Tenants and non-owner

occupants shall comply with all of the conditions of the condominium documents, and all leases and rental agreements shall state this. Developer reserves the right to lease sites and hereby notifies all co-owners that it may do so.

VII. Experience of Certain Companies.

Developer is the licensed builder for the condominium. Developer was formed for the purpose of developing The Glens at Crystal Creek and principals of the sole member of the developer have been involved in the development and construction of homes in the following communities:

Single Family:

Westwind Lake Meadows-Commerce, MI  
Pembroke Park, West Bloomfield, MI  
Harbor Village, Keego Harbor, MI  
Montclair at Oakhurst, Clarkston, MI  
Middlesboro at Oakhurst, Clarkston, MI  
Woodland Springs at Lake Chemung, Howell, MI

Multiple Family:

Addington Corners, Commerce, MI  
Harrison Cove, Harrison, MI  
Treyborne Cove, Commerce, MI  
The Pointe at Treyborne Cove, Commerce, MI  
Williams Lake Crossing, White Lake, MI

Developer initially intends to manage the condominium association. There are no legal, judicial or administrative proceedings pending affecting the developer or the condominium.

VIII. Insurance.

The association shall be responsible for providing appropriate insurance coverage pertaining to the common elements. 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 all insurance premiums shall be expenses of administration. Each co-owner shall be responsible for obtaining the required appropriate insurance coverage with respect to the site owned, together with the residence and all other improvements thereon, for the co-owner's personal property located therein or thereon or elsewhere on the condominium, in an amount equal to the maximum insurable replacement value and name the association as an additional insured. Each co-owner also is obligated to obtain insurance coverage for personal liability for occurrences within the site owned and the improvements located therein in the minimum amount of \$500,000, combined single limit. Each co-owner shall deliver certificates of insurance to the association periodically to evidence the continued

existence of all required insurance. If a co-owner fails to obtain the required insurance or to provide evidence thereof to the association, the association may (but is not obligated to) obtain the required insurance on behalf of the co-owner, and the premiums would become a lien against the co-owner's site and be collected from the co-owner in the same way that association assessments are collected.

**IX. Utilities.**

The Glens at Crystal Creek is served by public water and sanitary sewers, as well as natural gas, electric and telephone service.

**X. Possible Liability for Additional Assessments.**

It is possible for co-owners to become obligated to pay a percentage share of assessment delinquencies incurred by other co-owners. This can happen if a delinquent co-owner defaults on a first mortgage and if the mortgagee forecloses. The delinquent assessments may then become a common expense which would be reallocated to all the co-owners, including the first mortgagee, in accordance with the percentages of value in the Master Deed. The Michigan Condominium Act (section 58) provides: "If the mortgagee of a first mortgage of record or other purchaser of a condominium site obtains title to the condominium site as a result of foreclosure of the first mortgage, such person, its successors and assigns, is not liable for the assessments by the [Association] chargeable to the site which became due prior to the acquisition of title to the site by such person. The unpaid assessments are deemed to be common expenses collectible from all of the condominium site owners including such persons, its successors and assigns."

**XI. Association Litigation.**

Article IX of the articles of incorporation of the association, and Article III of the Bylaws establish procedures that govern all association litigation other than actions to enforce the bylaws or collect delinquent assessments. As with the restrictions on ownership, occupancy and use, it is impossible to paraphrase these procedures without risking the omission of some portion that may be of significance to a purchaser.

**XII. Roads; Telecommunications System.**

The developer intends to dedicate the roads within The Glens at Crystal Creek to the Road Commission for Oakland County. Until the roads are dedicated and accepted for maintenance by the Road Commission, the developer will assume the costs of snow removal.

The Master Deed defines "Telecommunication Systems" as any and all cable television, telecommunication, alarm/monitoring, internet, telephone or other lines, conduits, wires, amplifiers, towers, antennae, equipment, materials, installations and fixtures (including those based on, containing or serving future technological advances not now known), or any combination thereof, installed by or on behalf of the developer or pursuant to any grant of easement or authority by the developer within the condominium and serving more than one site. Pursuant to the Master Deed, the developer reserved the right, but not the obligation, to convey, transfer, sell or assign all or any portion of the Telecommunication Systems (if any) located within the condominium, or all or any portion of the rights, duties or obligations with respect thereto to the association or any other person or entity. Developer has further reserved the right, but not the obligation, to retain ownership (directly or through an affiliate) of one or more of

the Telecommunication Systems and to enter into exclusive agreements with service providers, such as providers of cable or satellite television systems, internet service providers, and security systems. Any payments received by the developer related to such arrangements shall be the sole property of the developer, and the association and co-owners shall have no rights thereto.

**XIII. Purpose of Disclosure Statement.**

This Disclosure Statement paraphrases various provisions of the Purchase Agreement, Escrow Agreement, Master Deed, Limited Warranty and other documents required by law. It is not a complete statement of all the provisions of those documents that may be important to purchasers. In an attempt to be more readable, this Disclosure Statement omits most legal phrases, definitions and detailed provisions of the other documents. Certain of the terms used herein are defined in the Michigan Condominium Act, as amended. This Disclosure Statement is not a substitute for the legal documents which it draws information from, and the rights of purchasers and other parties will be controlled by the other legal documents and not by this Disclosure Statement.

Developer has prepared this Disclosure Statement in good faith, in reliance upon sources of information believed to be accurate and in an effort to disclose material facts about The Glens at Crystal Creek. Developer disclaims liability to any purchaser for misstatements herein (or for omissions which make statements herein appear misleading) if such misstatements were made by the developer in good faith, or were immaterial in nature, or were not relied upon by the purchaser, or did not result in any damages to the purchaser.

Each purchaser is urged to engage a competent lawyer or other advisor in connection with the purchaser's decision to purchase a site. In accepting title to a site in The Glens at Crystal Creek, each purchaser shall be deemed to have waived any claim or right arising out of or relating to any immaterial defect, omission or misstatement in this Disclosure Statement. In preparing this Disclosure Statement and the other condominium documents, Developer's counsel has not undertaken professional responsibility to the association or to any owners or mortgagees for the completeness, accuracy, or validity of the condominium documents.

The Michigan Department of Commerce publishes The Condominium Buyers Handbook which the Developer has delivered to you. The Developer assumes no obligation, liability, or responsibility as to the statements contained therein or omitted from The Condominium Buyers Handbook.

The Crystal Creek Communities Master Association  
Annual Budget  
2006

**Total Projected Units**

**Receipts**

Annual Association Fees  
**GRAND TOTAL**

\$ 36,360.00

**Expense**

Admin.

Postage/Supplies  
Audit/Accounting  
Miscellaneous Expense including Internet  
Legal  
Management  
**Sub-Total**

Annually  
\$ 100.00  
\$ 900.00  
\$ 2,000.00  
\$ 150.00  
\$ 6,840.00  
**\$ 10,590.00**

Avg. Unit/Month  
0.51  
0.66  
1.46  
0.11  
5.00  
**7.74**

Operations

Electricity Including Street Lights  
Water  
**Sub-Total**

\$ 1,000.00  
\$ 7,500.00  
**\$ 8,500.00**

0.73  
5.48  
**6.21**

Maintenance

Lawn & Landscape Maintenance  
General Grounds Maintenance  
Irrigation Maintenance  
Wetland Maintenance  
Snow Removal  
**Sub-Total**

\$ 11,500.00  
\$ 2,400.00  
\$ 3,000.00  
\$ -  
\$ -  
**\$ 16,900.00**

8.41  
1.75  
2.19  
-  
-  
**12.35**

Fees & Insurance.

Tax & Permits  
Insurance  
**Sub-Total**

\$ 20.00  
\$ 350.00  
**\$ 370.00**

0.01  
0.26  
**0.27**

Reserve

Annual Contribution  
**Sub-Total**

\$ -  
\$ -

\$ -  
\$ -

**TOTAL**

**\$ 36,360.00**

**\$ 26.58**

**Monthly Association Fee**

**\$ 26.58**