

RECORDED

2001 MAR 12 P 12:34

NANCY HAVILAND  
REGISTER OF DEEDS  
LIVINGSTON COUNTY, MI.  
48843

MARION TOWNSHIP – TURTLE CREEK OF MARION  
WATER SUPPLY AGREEMENT

*KMS* THIS AGREEMENT is made this *21st* day of *February*, 2001 by and between Marion Township, a general law township, with offices located at 2877 W. Coon Lake Road, Howell, Michigan 48843, hereinafter called "Township" and Mitch Harris Building Company, Inc., a Michigan Corporation, with principal offices located at 211 North First Street, Brighton, Michigan 48116, hereinafter referred to as "Developer". *13/2*

RECITALS

1. Developer has constructed a residential development known as Turtle Creek of Marion located in the Northwest 1/4 of Section 3 and the Northeast 1/4 of Section 4 in Marion Township. The development is a site condominium project containing 57 units, each of which is a separate site for construction of a single family residence.
2. Marion Township has established the Marion Township Water District No. 1. Water mains in the district are located adjacent to Norton Road and are of sufficient size and capacity to provide water supply to the Turtle Creek of Marion residential development.
3. The Developer has installed water mains, lines and appurtenances and has with the Permission of Marion Township completed connection to the adjacent water main.
4. The land area of the Turtle Creek of Marion development was not included in the said water district.
5. The Turtle Creek of Marion Condominium was recorded at Liber 2861, page 782, Livingston County Records and designated as Livingston County Condominium Plan No. 207. The legal description of the land area comprising the condominium is as follows:

Part of the Northwest fractional 1/4 of Section 3 and the Northeast fractional 1/4 of Section 4, T2N-R4E, Marion Township, Livingston County, Michigan, more particularly described as follows: Commencing at the West 1/4 corner of Section 3 and East 1/4 corner of Section 4; thence along the line common to Sections 3 and 4, North 01\*22'22" West, 1379.14 feet (recorded as North 1384.5 feet), to the POINT OF BEGINNING of the Parcel to be described; thence along the centerline of Norton Road, South 89\*52'41" West (recorded as West), 1064.17 feet; thence North 01\*19'45" West, 1542.48 feet (recorded as North, 1543 feet); thence South 89\*48'52" East, 176.00 feet; thence along the South line of a survey by Boss Engineering Company recorded in Liber 1386 on Pages 258-259 of the Livingston County Records, South 89\*53'17" East, 887.11 feet; thence along the line common to Sections 3 and 4, South 01\*22'22" East, 187.44 feet; thence along the South line of the previously described Boss Engineering Company survey, North 89\*55'55" East, 449.23 feet (recorded as East, 446.5 feet); thence along the West line of a survey by Boss Engineering Company recorded in Liber 1549 on Pages 598-600 of the Livingston County Records, South 01\*15'17" East, 1352.11 feet (recorded as South 1347 feet); thence along the centerline of Norton Road, North 89\*51'14" West, 446.49 feet (recorded as West 444 feet), to the POINT OF BEGINNING; Containing 51.49 acres, more or less, and subject to the rights of the public over the existing Norton Road. Also subject to any other easements or restrictions of record. (Symbol \* = degrees)

6. The Developer desires to tap into the municipal water supply system and the Township is willing to allow the Developer to tap into the system providing the Developer agrees to pay the consideration of \$201,780.00 on the terms hereafter described:

NOW THEREFORE, in consideration of the mutual benefits to the parties, IT IS AGREED as follows:

1. The Township agrees that the Developer may tap into the Marion Township Water District No. 1, water supply system at the location where the connection has heretofore been designated on the construction plans filed with the Township.
2. The Township further agrees to provide a sufficient supply of potable water to adequately meet the needs of the fifty-seven (57) units in the Turtle Creek of Marion residential development.
3. The Developer and its successors in interest agree to pay the Township the sum of \$3,540.00 per residential unit for the right to connect each one of the homes to be constructed in Turtle Creek of Marion for an aggregate amount of \$201,780.00.
4. The Developer agrees to make and deliver to the Township a short form Master Mortgage on the fifty seven (57) condominium units to provide the Township with security for payment of this debt contemporaneous with the signing of this Agreement. The Township agrees that Developer may hereafter elect to assign 1/57<sup>th</sup> of the debt, that is \$3,540 to encumber each individual unit and, if so, Developer will make and deliver to the Township an individual mortgage on the respective unit at the time Developer, or its successor in interest, applies for a land use permit for a residential unit. Developer shall also have the option to pay to the Township \$3,540 for the water service connection to a residential unit, at the time of applying for a land use permit. The Township shall deliver to the Developer a partial release from the Master Mortgage for each unit on which a home is to be constructed at the time of issuance of a land use permit and payment of \$3,540 as described, or upon the Township being provided with a recorded mortgage for the individual unit for which a land use permit is being applied for. The Township further agrees that if a mortgage on an individual unit is recorded and the mortgage debt of \$3,540 is assumed by a third party purchasing a unit from the Developer, that the total indebtedness of the Developer owed to the Township hereunder shall be reduced by \$3,540 on the date of recording of the mortgage and debt assumption agreement. The cost of recording any mortgage, discharge or assumption shall be the responsibility of the Developer or its successor in interest.
5. The parties further agree that the Developer, or its successors in interest, will be entitled to pay the consideration for the water supply for each residential unit the sum of \$3,540.00 in twenty (20) equal annual installments payments of \$177.00 each to be due on December 1st of each year during the term of this agreement together with accrued interest at the rate of eight (8%) per annum on the unpaid principal balance of the debt. In the event that a unit owner seeks to finance the acquisition of a unit with a regulated lender and the lender refuses to make a loan because the Township's mortgage debt has priority over the lender's proposed mortgage, then the unit owner may prepay the balance of the debt including accrued interest to date of remittance to the Township. At the time of prepayment, the Township shall deliver to the unit owner a duly executed discharge of mortgage that the unit owner can record at his expense thereby releasing the Township's mortgage on the subject unit only. The Developer, and its successors in interest, agree and promise to pay interest on the unpaid balance of the debt at the rate of eight (8%) percent per annum. Interest shall be paid annually on December 1st of each year, beginning December 1, 2001. Interest shall begin to accrue on February 15, 2001.
6. The parties agree that should the Developer be delinquent in paying the annual interest when issuance of a use permit is requested that the Township shall not issue a use permit until the delinquent annual interest is paid to the Township.
7. The Township agrees to bill the Developer, or its successors in interest, each year for the accrued interest. The Developer, on behalf of itself and its successors in interest, agrees that should it fail to pay the annual interest within 45 days of the due date then the Township may foreclose its mortgage in any manner authorized by law. The Developer, on behalf of itself and its successors in interest, agrees that it shall be responsible for and pay all costs of collection including actual attorney fees incurred by the Township.

- 8 The Township agrees that the water supply charges to be made for the supply of water to the site condominium units shall be at the same rates as charged from time to time to other township residents located in the Marion Township Water District No. 1.
- 9 This Agreement is binding upon the parties hereto, their heirs successors and assigns.

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

In the Presence of:

MARION TOWNSHIP

James H. Leppik  
 James H. Leppik

Myrna Schlittler  
 Myrna Schlittler, Township Clerk  
 By authority of the Marion Township  
 Board of Trustees

Cynthia Hodge  
 Cynthia Hodge

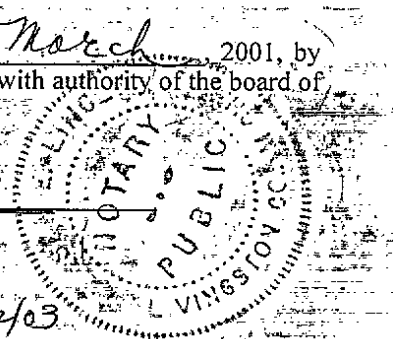
STATE OF MICHIGAN

)ss

COUNTY OF LIVINGSTON

The foregoing Water Supply Agreement was acknowledged before me this 15 day of March, 2001, by Myrna Schlittler, the Clerk of Marion Township, a general law township, on behalf of said township with authority of the board of trustees.

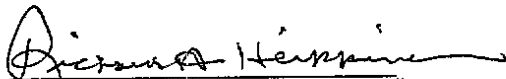
Sue E. Lingle  
 Sue E. Lingle  
 Notary Public  
 Livingston County, Michigan  
 My commission expires: 7/12/03

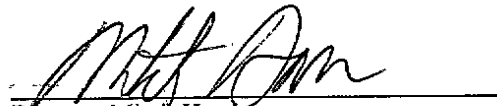


IN WITNESS WHEREOF, the parties hereto have caused this Water Supply Agreement to be executed by the duly authorized officers as of the day and year first above written.

In the Presence of:

Mitch Harris Building Company, Inc.,  
a Michigan corporation

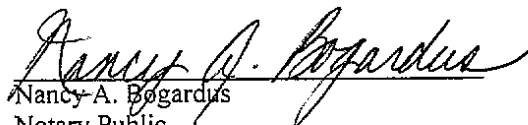
  
Richard A. Heikkinen

  
By: Mitch Harris  
Its: President

  
Nancy A. Bogardus

STATE OF MICHIGAN )  
COUNTY OF LIVINGSTON )ss

The foregoing Water Supply Agreement was acknowledged before me this 21st day of February, 2001, by Mitch Harris, President of the Mitch Harris Building Company, Inc., a Michigan corporation, on behalf of, and with the authority of said corporation.

  
Nancy A. Bogardus  
Notary Public  
Livingston County, Michigan  
My commission expires: 06/26/2004

DRAFTED BY AND RETURN TO: \_\_\_\_\_

Michael J. Kehoe, Attorney  
2790 W. Grand River, Ste. 100  
P.O. Box 677  
Howell MI 48844-0677

Tax Code Nos. 10-03-100-006  
10-04-200-010  
10-04-200-011