LIBER 2453 PAGE 0979

RECORDED

1998 OCT 28 A 10:37

NANCY HAVILAND
REGISTER OF DEEDS
LIVINGSTON COUNTY, MI.
48843

HOMESTEAD DENIALS NOT EXAMINED

LIVINGSTON COUNTY TREASURER'S CERTIFICATE
I hereby certify that there are no TAX LIENS or TITLES held by the state or any individual against the within description, and all TAXES are same as paid for five years previous to the date of this instrument or appear on the records in this office except as stated. 1771

10-28 98 Dianne H. Hardy, Treasurer
Sec. 135 Act 206, 1893 as Amended
Taxes not examined

123/2

MASTER DEED FOR BLACK EAGLE VALLEY CONDOMINIUM
as required by the Michigan Condominium Act,
MCLA 559.101 et seq., MSA 26.50(101) et seq.
Plan #158

This master deed is made and signed on October 27, 1998.

Frank J. Giese and Kathleen R. Giese, hereinafter also referred to as the Developer, are fully empowered and qualified to execute this Master Deed.

The developer is constructing a residential condominium project to be known as Black Eagle Valley Condominium, pursuant to plans subject to the approval of Marion Township, Livingston County, Michigan, on a parcel of land described in Article II of this document. The developer desires, by recording this master deed together with the condominium bylaws (Exhibit A hereto) and the condominium subdivision plan (Exhibit B hereto), both of which are incorporated by reference and made a part of this document, to establish this real property and the improvements and appurtenances now and in the future located on it as a condominium project under the provisions of the Michigan Condominium Act ("the Act").

By recording this document, the developer establishes Black Eagle Valley Condominium as a condominium project under the act and declares that the project shall be held, conveyed, hypothecated, encumbered, leased, rented, occupied, improved, and used subject to the act and to the covenants, conditions, restrictions, limitations and obligations stated in this master deed and Exhibits A and B hereto, all of which shall run with the land and burden and benefit the developer; its successors and assigns; any persons acquiring or owning an interest in the real property; and their grantees, successors, heirs, executors, administrators, and assigns.

ARTICLE I
THE PROJECT

The project is a residential condominium that is being constructed in two (2) phases to comprise a total of seventy-four (74) living units, with twenty-nine (29) units in Phase I and forty-five (45) units in Phase II. The developer and its successors specifically reserve the right to elect, within six years after the initial recording of the master deed for the project, to contract the project by withdrawing all or part of the land described in

✓ Frank Giese
3373 Dunlap Ct
Pinckney, Mi. 48169 10-28-100 COMM

Article II by an amendment or a series of amendments to the master deed, without the consent of any co-owner, mortgagee, or other party. However, no unit that has been sold may be withdrawn without the consent of the owner and the mortgagee of the unit. Except as stated in this document, no restrictions or limitations on such an election exist regarding what land may be withdrawn, when or in what order land may be withdrawn, or how many units or common elements may be withdrawn.

The seventy-four (74) condominium units that compose the project, including the numbers, boundaries, dimensions, and areas of them, are completely described in the condominium subdivision plan. Each unit is suitable for individual use, having its own entrance from and exit to a common element of the project. Each co-owner in the project shall have a particular and exclusive right to the co-owner's unit and to the limited common elements appurtenant to it and shall have an undivided and inseparable right to share the general common elements of the project with other co-owners, as designated by this master deed.

ARTICLE II
LEGAL DESCRIPTION

The land on which the project is situated and which is submitted for condominium ownership pursuant to the Michigan Condominium Act, is located in Marion Township, Livingston County, Michigan and is described as follows:

> Part of the West 1/2 of Section 22, T2N-R4E, Marion Township, Livingston County, Michigan, being described as follows: Beginning at the West 1/4 corner of said Section 22, thence along the West line of said Section 22 and centerline of County Farm Road, thence N 00° 16' 35" E, a distance of 480.00 feet; thence S 89° 48' 07" E, a distance of 2265.83 feet; thence S 00° 11' 53" W, a distance of 110.15 feet; thence along a curve having a radius of 75.00 feet, arc length of 149.87 feet, delta angle of 114° 29' 31", a chord bearing of S 50° 09'00" E, and a chord length of 126.15 feet; thence N 79° 06' 07" E, a distance of 251.76 feet; thence along the North-South 1/4 line of said Section 22, S 00° 17' 19" W, a distance of 1673.50 feet; thence N 89° 26' 39" W, a distance of 2354.80 feet; thence N 09° 56' 53" e,, a distance of 405.81 feet; thence along a curve having a radius of 197.00 feet, arc length of 193.65 feet, delta angle of 56° 19' 20", a chord bearing of N 61° 28' 28" W, and a chord length of 185.95 feet; thence N 89° 38' 08" W, a distance of 160.73 feet; thence along the West line of said Section 22 and centerline of County Farm Road, N 00° 21' 52" E, a distance of 832.34 feet to the Point of Beginning and containing 103.90 acres, more or less. Subject to the rights of the public over the existing

County Farm Road and any other easements or restrictions of record. Subject to the Developer's dedication, as required by the Township of Marion, of the following described portion thereof to Marion Township, Livingston County, Michigan: the parcel of land, measuring one foot in width, located along the 117.09 foot length of the northerly boundary of the cul-de-sac of the private road identified as Eagle Valley Court, separating units 5, 7 and 8, as depicted on drawing number 2 of the condominium subdivision plan (Exhibit B hereto).

ARTICLE III
DEFINITIONS

Certain terms are used not only in this master deed and Exhibits A and B hereto but also in other documents for the condominium, such as, by way of example and not limitation, the articles of incorporation; the association bylaws; the rules and regulations of the Black Eagle Valley Condominium Association; and deeds, mortgages, liens, land contracts, easements, and other documents affecting interests, or the transfer thereof, in the project. As used in such documents, the following definitions apply unless the context otherwise requires:

1. The act means the Michigan Condominium Act, being 1978 PA 59, as amended.

2. The arbitration association means the American Arbitration Association or its successor.

3. The association of co-owners or the association means the nonprofit corporation organized under Michigan law of which all co-owners must be members. This corporation shall administer, operate, manage and maintain the project. Any action required of or permitted to the association may be carried out by its board of directors unless it is specifically reserved to its members by the condominium documents or Michigan law.

4. The association bylaws means Exhibit A hereto, being the bylaws of the association organized to maintain and administer the project.

5. Common elements, if used without modification, means the part of the project other than the condominium units, including all general and limited common elements described in Article IV.

6. Condominium bylaws means Exhibit A, which is the bylaws stating the substantive rights and obligations of the co-owners.

7. Condominium documents means and includes this master deed and all its exhibits recorded pursuant to the Michigan Condominium Act and any other documents referred to in this document that affect the rights and obligations of a co-owner in the condominium.

8. Condominium premises means and includes the land described in Article II above, all improvements and structures thereon, and all easements, rights and appurtenances belonging to the project.

9. The condominium subdivision plan means Exhibit B, which is the site drawing, the survey, and/or other drawings depicting the existing and proposed structures and improvements, including their locations on the land.

10. Condominium unit or unit means that part of the project designed and intended for separate ownership and use, as described in this master deed and Exhibit B hereto. All structures and improvements now or hereafter located within the boundaries of a unit shall be owned in their entirety by the co-owner of the unit within which they are located and shall not, unless otherwise expressly provided in the condominium documents, constitute common elements. The developer does not intend to, and is not obligated to, install any structures whatsoever within the units.

11. Co-owner or owner means a person, a firm, a corporation, a partnership, an association, a trust, or another legal entity, or any combination thereof who or which owns any condominium unit or units in the project, including a vendee of a land contract of which the purchase is not in default. Anything contained herein to the contrary notwithstanding, if the develop sells a unit to a licensed residential builder for resale to a non-builder and/or if developer sells a unit on a land contract, the builder or land contract vendee shall not be deemed to be a co-owner hereunder.

12. The developer means Frank J. Giese and Kathleen R. Giese, who have made and signed this master deed, as well as their successors and assigns.

13. Development and sales period means, for the purposes of the condominium documents and the rights reserved to the developer thereunder, that period of time which shall continue so long as developer continues to own any unit in the project. For the purposes of this definition, the term developer shall not include any successor developer(s) as defined in Section 135 of the act unless the developer affirmatively assigns such rights in writing to such successor developer(s), either in whole or in part.

14. General common elements means those common elements of the project described in Article IV(1), which are for the use and enjoyment of all co-owners, subject to such charges as may be assessed to defray the operation costs.

15. Limited common elements means those common elements of the project described in Article IV(2), which are reserved for the exclusive use of the co-owners of a specified unit or units.

16. The master deed means this instrument as well as its exhibits and amendments, by which the project is submitted for condominium ownership.

17. Percentage of value means the percentage assigned to each unit by this master deed, which determines the value of a co-owner's vote at association meetings when voting by value or by number and value and the proportionate share of each co-owner in the common elements of the project. The percentages of value of all of the units shall total one hundred percent.

18. The project or the condominium or the condominium project means Black Eagle Valley Condominium, a condominium development established in conformity with the Michigan Condominium Act.

19. Residence means a residential dwelling together with an attached garage constructed within the perimeter of a unit in accordance with the architectural and building specifications and use restrictions set forth in this master deed or any exhibit hereto.

20. The transitional control date means the date when a board of directors for 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.

Whenever a reference is made in this document to the singular, the same shall include a reference to the plural if appropriate. Whenever a reference is made in this document to a gender, the same shall include a reference to any gender if appropriate.

ARTICLE IV
COMMON ELEMENTS

The common elements of the project and the responsibilities for their maintenance, repair, and/or replacement are as follows:

1. The general common elements include:

   a. Any land described in Article II, including roads and/or easement interests within the condominium project

provided to it for ingress and egress and other common areas, if any, not identified as limited common elements or as units;

b. Any drives, walkways, lawns, yards, trees, shrubs, and other plantings not identified as limited common elements or as units;

c. The electrical transmission lines and transformers, if any, throughout the project, up to the point at which service leads leave the transformer to provide connections for service of units and residences, to the extent not owned by the utility company;

d. The telephone system, if any, throughout the project up to the point of lateral connections for unit service, to the extent not owned by the utility company;

e. The gas distribution system, if any, throughout the project up to the point of lateral connections for unit service, to the extent not owned by the utility company;

f. The telecommunication system, if any, throughout the project up to the point of lateral connections for unit service, to the extent not owned by a cable company or other public utility or authority;

g. The storm water drainage system, if any, throughout the project, including any below-ground and above-ground system;

h. The park area;

i. All other elements of the project not designated in this document as general or limited common elements that are not enclosed within the boundaries of a condominium unit and that are intended for common use or are necessary for the existence, upkeep, appearance, utility or safety of the project.

Some or all of the utility and cable television lines, systems (including mains and service leads), and equipment may be owned by the local public authority or by a utility or cable television company that is providing the pertinent service. Accordingly, such lines, systems, and equipment shall be general common elements only to the extent of the co-owners' interest in them, if any, and the developer makes no warranty of such an interest.

2. The limited common elements are subject to the exclusive use and enjoyment of the owner of the unit to which the limited common elements are appurtenant. The area surrounding each

unit (as shown on the condominium subdivision plan) shall be known as the "limited common element yard area" and shall be subject to the exclusive use and enjoyment of the co-owner of the unit which it immediately surrounds.

If any other elements of the project described in this Article IV have not been assigned in the condominium subdivision plan, the developer reserves the right to designate each such element as a limited common element appurtenant to a particular unit by subsequent amendments to this master deed. The co-owners and mortgagees of condominium units and all other parties interested in the project shall be deemed to have irrevocably and unanimously consented to such amendments and irrevocably appoint the developer or its successors as agent and attorney to make any such amendments to the master deed.

3. Responsibilities for cleaning, decorating, maintaining, repairing, and replacing the common elements are as follows:

a. Co-owner responsibilities.

i. Units. It is anticipated that separate residences will be constructed within the units depicted on Exhibit B. All residences and appurtenances to such residences must be constructed within the boundaries of the units depicted on the condominium subdivision plan and no residence or appurtenance thereto may extend beyond the units without the prior written approval of the developer (during the development and sales period), the association and, if required by law, Marion Township and/or any other governmental agency having jurisdiction over the project property. Except as otherwise specifically provided for, the responsibility for, and the cost of maintenance, decoration, repair and replacement of any residence and appurtenances thereto and all improvements within a unit and a limited common element yard area shall be borne by the co-owner of that unit; provided, however, that the exterior appearance of such unit and residences, to the extent visible from any other unit or common element on the project, shall be subject at all times to the approval of the association and to reasonable aesthetic and maintenance standards prescribed by the association in duly adopted rules and regulations. No improvements can be made within the limited common element yard areas without the prior written approval of the developer (during the development and sales period) and the association.

ii. Utility services. All costs of electricity, natural gas, cable television and any other utility service, except and unless otherwise specifically provided, shall be borne by the co-owner of the unit to which such services are furnished.

iii. Landscaping. Each co-owner shall be responsible for the initial installation of landscaping in his or her unit and limited common element yard area. Co-owners shall be responsible for and bear the costs of maintenance, repair and replacement of all landscaping installed in their respective units and limited common element yard areas, including by way of illustration and not limitation, lawns, trees and shrubs. General common element landscaping installed by the developer, if any, shall be maintained, repaired and replaced by the association.

iv. Private wells. Each co-owner shall be required to install a private well to service his or her unit, in accordance with all applicable laws and ordinances and, further, shall be responsible for the maintenance, repair and replacement of such individual well servicing his or her unit.

v. Private septic/waste disposal systems. Each co-owner shall be required to install a private septic/waste disposal system to service his or her unit, in accordance with all applicable laws and ordinances and, further, shall bear responsible for the maintenance, repair and replacement of such individual septic/waste disposal system servicing his or her unit.

vi. Damage by co-owners and invitees. The costs of repair of damage to a common element caused by a co-owner, family member, invitee of a co-owner or occupant (permanent or temporary) of any unit shall be assessed against the co-owner of that unit.

b. Association not responsible for units. The association shall not be responsible for performing any maintenance, repair or replacement with respect to residences and their appurtenances and/or any other improvements located within the units and limited common element yard areas, except and unless otherwise provided herein. The developer, in the initial maintenance budget for the association, shall be entitled to determine the nature and extent of such services and reasonable rules and regulations may be promulgated in connection therewith.

c. Roads. The roads located within the project may be dedicated to the public through the Livingston County Road Commission. Upon any such dedication, the roads will not be part of the condominium project and the responsibility thereafter for maintenance, repair and replacement of such dedicated roads will be the responsibility of the Livingston County Road Commission. The association may nonetheless decide to separately contract for certain services (such as, by way of example and not limitation, snow removal) and the cost of such services will be borne by the association. Upon approval by an affirmative vote of not less than fifty-one percent (51%) of all co-owners, the association shall be vested with the power and authority to sign petitions requesting establishment of a special assessment district pursuant to provisions of applicable Michigan statutes for improvement of roads within or adjacent to the project. In the event that a special assessment road improvement project is established pursuant to applicable Michigan law, the collective costs assessable to the project as a whole shall be borne equally by all co-owners. Unless and until such dedication occurs, however, the responsibility for maintenance, repair and replacement of the roads located within the project shall be the responsibility of the association and the cost of such services shall be borne by the association and allocated by appropriate assessment of the cost equally among all of the units in the project.

d. General common elements. The cost of maintenance, repair and replacement of all general common elements shall be borne by the association, subject to any provision of the condominium documents expressly to the contrary.

e. Maintenance of drainage areas and retention basins. Any storm drainage plan for the project, consisting of either above ground or below ground surface drainage, with or without on-site retention areas, shall be the responsibility of the association and any and all maintenance associated with such improvements shall be the responsibility of the association.

4. Utilities. Some or all of the utility lines, systems and equipment referenced herein may be owned by a public authority or utility company that is providing the pertinent service. Accordingly, such utility lines, systems and equipment shall be general common elements only to the extent of the co-owner's interest therein, if any, and developer makes no warranty whatever with respect to the nature or extent of such interest, if any. The extent of the developer's responsibility will be to see to it that telephone, electric or other utility systems made available to the project are

installed within reasonable proximity to each of the units. Each co-owner will be entirely responsible for arranging for and paying all costs in connection with extension of such utilities by lateral connections from the main service(s) to any structures and fixtures located within their respective units, as well as the installation, maintenance, repair and replacement of the individual septic systems and wells servicing his or her individual unit(s).

5. All co-owners whose interests would be affected may assign or reassign a limited common element, on notice to any affected mortgagees, by applying in writing to the board of directors of the association. On receipt of such an application, the board shall promptly have an amendment to this master deed assigning or reassigning all rights and obligations with respect to the limited common elements involved prepared and signed and shall deliver the amendment to the co-owners of the units affected once they have paid all reasonable costs for the preparation and recording of the amendment.

6. No co-owner shall use his or her unit, any limited common element yard area or any other general or limited common area in any manner inconsistent with the purposes of the project or in any other way that would interfere with or impair the rights of any co-owner to use and enjoy the co-owner's unit or any of the common elements appurtenant to it.

ARTICLE V
DESCRIPTIONS AND PERCENTAGES OF VALUE OF CONDOMINIUM UNITS

1. Each unit in the condominium project is described in this paragraph with reference to the condominium subdivision plan of Black Eagle Valley Condominium, attached hereto as Exhibit B. Each unit shall consist of the space located within unit boundaries as shown on Exhibit B hereto, together with all appurtenances to said unit. The plans and specifications for the project have been filed with Marion Township. All residences must be constructed on the units within the building envelopes as depicted on Exhibit B and in accordance with these condominium documents.

2. The percentage of value assigned to each unit in Black Eagle Valley Condominium shall be equal. The determination that the percentages of value shall be equal was made after reviewing the comparative characteristics of each unit in the project and concluding that there were no material differences among the units insofar as the allocation of percentages of value was concerned. The percentage of value assigned to each unit shall be determinative of each co-owner's respective share of the common elements of the condominium project, the proportionate share of each respective co-owner in the proceeds and the expenses of administration and the value of

such co-owner's vote at meetings of the association. The total value of the project is one hundred percent (100%).

3. The developer may modify the number, size, style, and location of a unit or of any limited common element appurtenant to a unit as described in Exhibit B by an amendment effected solely by the developer or its successors without the consent of any co-owner, mortgagee, or other party, as long as the modification does not unreasonably impair or diminish the appearance of the project or the view, privacy, or other significant attributes or amenities of other units that adjoin or are proximate to the modified unit or limited common element. No unit that has been sold or is subject to a binding purchase agreement shall be modified without the consent of the co-owner or of the purchaser and the mortgagee. The developer may also, in connection with any such amendment, readjust percentages of value for all units to give reasonable recognition to such a modification, based on the method by which percentages of value for the project were originally determined. However, no unit modified in accordance with this provision shall be conveyed until an amendment to the master deed has been recorded. All co-owners, mortgagees of units, and other parties interested in the project shall be deemed to have unanimously consented to any amendments necessary to effect such modifications and, subject to the limitations stated in this master deed, to the proportionate reallocation of percentages of value of existing units that the developer or its successors determines is necessary in conjunction with such modifications. All such interested parties irrevocably appoint the developer or its successors as agent and attorney to sign such amendments to the master deed and all other condominium documents as may be necessary to effect such modifications. Any such modification shall require the approval of Marion Township.

ARTICLE VI
SUBDIVISION, CONSOLIDATION AND OTHER MODIFICATIONS OF UNITS

Notwithstanding any other provision of the master deed or the bylaws, units in the condominium may be subdivided, consolidated, modified and the boundaries relocated, in accordance with Sections 48 and 49 of the act and this article; such changes in the affected unit or units shall be promptly reflected in a duly recorded amendment or amendments to this master deed.

Section 1. Developer reserves the sole right during the development and sales period and without the consent of any other co-owner or any mortgagee of any unit to take the following action:

a. Subdivide units. Subdivide or re-subdivide any units which it owns and in connection therewith to install utility conduits and connections and any other

improvements reasonably necessary to effect the subdivision, any or all of which may be designated by the developer as general or limited common elements; such installation shall not disturb any utility connections serving units other than temporarily. Such subdivision or re-subdivision of units shall be given effect by an appropriate amendment or amendments to this master deed in the manner provided by law, which amendment or amendments shall be prepared by and at the sole discretion of developer, their successors or assigns.

b. Consolidate contiguous units. Consolidate under single ownership two or more units. Such consolidation of units shall be given effect by an appropriate amendment or amendments to this master deed in the manner provided by law, which amendment or amendments shall be prepared by and at the sole discretion of the developer, their successors or assigns. Any such consolidation shall comply with any applicable Marion Township ordinance.

c. Relocate boundaries. Relocate any boundaries between adjoining units, separate only by unit perimeters or other common elements not necessary for the reasonable use of units other than those subject to the relocation. The relocation of such boundaries shall be given effect by an appropriate amendment or amendments to this master deed in the manner provided by law, which amendment or amendments shall be prepared by and at the sole discretion of the developer, their successors or assigns. No such relocation shall impact required yards or yard area without the consent of Marion Township.

d. Amend to effectuate modifications. In any amendment or amendments resulting from the exercise of the rights reserved to develop above, each portion of the unit or units resulting from such subdivision, consolidation or relocation of boundaries shall be separately identified by number. Such amendment or amendments to the master deed shall also contain such further definitions of general or limited common elements as may be necessary to adequately describe the units in the condominium project as so modified. All of the co-owners and mortgagees of units and other persons interested or to become interested in the project from time to time shall be deemed to have irrevocably and unanimously consented to such amendment or amendments of this master deed to effectuate the foregoing.

Section 2. Limited common elements shall be subject to assignment and reassignment in accordance with Section 39 of the act and in furtherance of the rights to subdivide, consolidate or relocate boundaries described in this article.

Section 3. Any change to the condominium site plan must be approved by Marion Township, Livingston County, Michigan, in accordance with said Township's regulations.

ARTICLE VII
EASEMENTS

1. If any part of a unit or common element encroaches on another unit or common element due to the shifting, settling, or moving of a building or due to survey errors or construction deviations, reciprocal easements shall exist for the maintenance of such encroachments for as long as they exist and for the maintenance of the encroachments after rebuilding in the event of destruction. There shall also be permanent easements in favor of the association for the maintenance and repair of common elements for which the association is responsible. There shall be easements to, through, and over those parts of the land, structures, buildings, improvements, as is reasonable for the installation, maintenance, and repair of all utility services in the project. Public utilities shall have access to the common elements and to the units at reasonable times for the installation, repair, or maintenance of such services.

   Until final completion of the project as described in Article I of this master deed, the developer reserves nonexclusive easements for the benefit of itself and its successors and assigns to use, at any time without charges other than the reasonable cost of work performed, utilities consumed, or maintenance required as a direct result of such use, (1) for the unrestricted use of all roads, driveways, and walkways in the condominium for the purpose of ingress and egress to and from any part of the land described in Article II and (2) to use, tap into, tie into, extend, or enlarge all utility lines and mains, public and private, located on the land described in Article II.

2. Developer reserves for the benefit of themselves, their successors and assigns, and all future owners of any portion of the Contiguous Land of Developer, described in Exhibit C hereto, a permanent easement for the unrestricted use of all roads in the condominium project for the purpose of ingress and egress to and from the Contiguous Land of Developer. All expenses of maintenance, repair, replacement and resurfacing of any road referred to herein shall be shared by the units in this condominium project and any developed portion of the Contiguous Land of Developer whose closest means of access to a presently existing public road is over such road or roads within the condominium project. The owners of any such developed portion of the Contiguous Land of Developer shall be responsible for payment of a proportionate share of said expenses for maintenance, repair, replacement and resurfacing

of the roads in the condominium project, such proportionate share being determined by considering, for purposes of such expenses only, each residence within such developed portion as being one unit in the project. This easement is expressly intended to survive the six (6) year period within which the developer can unilaterally amend this master deed and is further expressly intended to survive any other period of limitations set forth herein.

3. Developer also hereby reserves for the benefit of themselves, their successors and assigns, and all future owners of any portion of the Contiguous Land of Developer, a permanent easement over the property of this condominium project to access, install, utilize, tap into or tie into any and all utilities now or hereafter located on the condominium property, such utilities to include, by way of example and not limitation, water, gas, electrical, storm water, sanitary sewer, cable television and other utilities. In the event developer, their successors or assigns, access, install, utilize, tap into or tie into any utility or utilities located on the condominium property, the owner of the portion of the Contiguous Land of Developer doing so shall be obligated to pay all of the expenses reasonably necessary to restore the condominium property to the state in which it existed immediately prior to such accessing, installation, utilization, tapping in or tying in. This easement is expressly intended to survive the six (6) year period within which the developer can unilaterally amend this master deed and is further expressly intended to survive any other period of limitations set forth herein.

4. The developer reserves the right at any time during the development and sales period to dedicate to the public a right-of-way of such width as may be required by the local public authority over any or all of the roadways and/or walkways in Black Eagle Valley Condominium, shown as general common elements in the condominium subdivision plan. Any such right-of-way dedication may be made by the developer without the consent of any co-owner, mortgagee or other person and shall be evidenced by an appropriate amendment to this master deed and to the condominium subdivision plan hereto, recorded in the Livingston County Records. All of the co-owners and mortgagees of units and other persons interested or to become interested in the project from time to time shall be deemed to have irrevocably and unanimously consented to such amendment or amendments of this master deed to effectuate the foregoing right-of-way dedication.

The developer reserves the right at any time during the development and sales period to grant easements for utilities over, under and across the condominium to appropriate governmental agencies or public utility companies and to

transfer title of utilities to governmental agencies or to utility companies. Any such easement or transfer of title may be conveyed by the developer without the consent of any co-owner, mortgagee or other person and shall be evidenced by an appropriate amendment to this master deed and to Exhibit B hereto, recorded in the Livingston County Records. All of the co-owners and mortgagees of units and other persons interested or to become interested in the project from time to time shall be deemed to have irrevocably and unanimously consented to such amendments to this master deed as may be required to effectuate the foregoing grant of easement or transfer of title.

5. The association, acting through its lawfully constituted board of directors (including any board of directors acting prior to the transitional control date) shall be empowered and obligated to grant such reasonable easements (including dedication of the roadways and/or sidewalks), licenses, rights-of-entry and rights-of-way over, under and across the condominium premises for utility purposes or other lawful purposes, as may be necessary for the benefit of the condominium subject, however, to the approval of the developer so long as the development and sales period has not expired. No easements created under the condominium documents may be modified, nor may any of the obligations with respect thereto be varied, without the consent of each person benefitted or burdened thereby.

6. The association, upon expiration of the development and sales period, acting through its lawfully constituted board of directors shall be empowered to dedicate to the public a right of way of such width as may be required by local public authority over any or all of the roadways or sidewalks of Black Eagle Valley Condominium, shown as general common elements in the condominium subdivision plan. Any such right-of-way dedication shall be evidenced by an appropriate amendment to the master deed and to Exhibit B hereto, recorded in the Livingston County Register of Deeds. The association shall further be empowered, at any time, to execute petitions for and to act on behalf of all co-owners in any statutory proceedings regarding special assessment improvements of the roadways in the condominium. All of the co-owners and mortgagees of units and other persons interested or to become interested in the project from time to time shall be deemed to have irrevocably and unanimously consented to such amendment or amendments of this master deed to effectuate the foregoing right-of-way dedication.

7. The developer, association and all public or private utilities shall have such easements over, under, across and through the condominium premises, including all units or common elements, as may be necessary to fulfill any responsibilities of

maintenance, repair, decoration, 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; provided, however, that the easements granted hereunder shall not entitle any person other than the co-owner thereof to gain entrance to the interior of any residence or garage located within a unit. While it is intended that each co-owner shall be solely responsible for the performance and costs of all maintenance, repair and replacement of and decoration of the residence and all other appurtenances and improvements constructed or otherwise located within his or her unit unless otherwise provided herein, it is nevertheless a matter of concern that a co-owner may fail to properly maintain the exterior of a residence located on his or her unit in a proper manner and in accordance with the standards set forth in this master deed, the bylaws and any rules and regulations promulgated by the association. Therefore, in the event a co-owner fails, as required by this master deed, the bylaws or any rules and regulations of the association, to properly and adequately maintain, decorate, repair, replace or otherwise keep his or her unit or any improvements or appurtenances located thereon, the association (and/or the developer during the development and sales period) shall have the right, and all necessary easements in furtherance thereof, (but not the obligations) to take whatever action or actions it deems desirable to so maintain, decorate, repair or replace the residence (including the exteriors of any structures located therein), or its appurtenances, all at the expense of the co-owner of the unit. Neither the developer nor the association shall be liable to the owner of any unit or any other person, in trespass or in any other firm of action, for the exercise or non-exercise of rights pursuant to the provisions of this Section or any other provision of the condominium documents which grant such easements, rights of entry or other means of access. Failure of the association (or the developer) to take any such action shall not be deemed a waiver of the association's (or the developer's) right to take any such action at a future time. All costs incurred by the association or the developer in performing any responsibilities which are 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 or her monthly assessment next falling due; further, the lien for nonpayment shall attach as in all cases of regular assessments and such assessments 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, foreclosure of the lien securing payment and imposition of fines.

8. The association, acting through its duly constituted board of directors and subject to the developer's approval during the development 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, right-of-way agreements, access agreements and multi-unit agreements and, to the extent allowed by law, contract for sharing of any installation or periodic subscriber service fees as may be necessary, convenient or desirable to provide for telecommunications, videotext, broad band cable, satellite dish, earth antenna and similar services (collectively "telecommunications") to the project or any unit therein. Notwithstanding the foregoing, in no event shall the board of directors enter into any contract or agreement or grant any easement, license or right of entry or do any other act or thing which will violate any provision of any federal, state or local law or ordinance. Any and all sums paid by any telecommunications or other company or entity in connection with such service, including fees, if any, for the privilege of installing same or sharing periodic subscriber service fees, shall be receipts affecting the administration of the condominium project within the meaning of the act and shall be paid over to and shall be the property of the association.

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

10. There shall exist for the benefit of the Township of Marion and any governmental body to which its rights herein may be subsequently assigned, an easement over, under and across the condominium premises for the construction, installation, operation, repair and maintenance of public water supply and/or sewer mains, leads and/or other appurtenances for water supply or for waste water disposal service purposes.

11. There shall be no public funds of Marion Township used to build, repair or maintain the private roads located upon the condominium premises; however, in the event that necessary repairs and maintenance of any such private road is not made, the Township Board of Marion Township may, pursuant to the terms and provisions of its ordinances, cause such road to be brought up to established Livingston County Road Commission standards for public roads and may assess the condominium association and its membership of co-owners for the

improvements required to be made, together with the costs of administration of the work to bring about the improvements, such administrative fee being, at the time of making of this Master Deed, twenty-five (25%) of the total cost of improvement.

12. No co-owner shall prohibit, restrict, limit or in any manner interfere with normal ingress and egress or use by any other co-owner of any of the roads located upon the condominium premises. Normal ingress and egress and use shall include use by family, guests, invitees, vendors, tradesmen, delivery persons and others bound to or returning from any unit and having a need to use the road.

ARTICLE VIII
AMENDMENTS AND TERMINATION

1. If there is no co-owner other than the developer, the developer may unilaterally amend the condominium documents or, with the consent of any interested mortgagee, unilaterally terminate the project. All documents reflecting such amendment or termination shall be recorded in the public records of Livingston County, Michigan. No such amendment or termination shall violate any applicable Marion Township ordinance nor any provision of Marion Township's approval of the project.

2. If there is a co-owner other than the developer, the condominium documents may be amended for a proper purpose only as follows:

   a. An amendment may be made without the consent of any co-owners or mortgagees if the amendment does not materially alter the rights of any co-owners or mortgagees of units in the project, including amendments to modify the types and sizes of unsold condominium units and their appurtenant limited common elements; amendments to facilitate conventional mortgage loan financing for existing or prospective co-owners; and amendments enabling the purchase of such mortgage loans by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Government National Mortgage Association, or any other agency of the federal government or the State of Michigan.

   b. Even if an amendment would materially alter the rights of any co-owners or mortgagees, it can be made if at least two-thirds of the co-owners and mortgagees consent. However, dimensions or limited common elements of a co-owner's unit may not be modified without the co-owner's consent, nor may the formula used to determine percentages of value for the project or provisions relating to the ability or terms under which a unit may

be rented be modified without the consent of the developer and each affected co-owner and mortgagee. Rights reserved by the developer in this master deed, including rights to amend the master deed for purposes of expansion, contraction, or modification of units in the course of construction, shall not be amended without written consent from the developer as long as the developer or its successors continue to own or to offer for sale any unit in the project. For the purpose of this provision, a mortgagee shall have one vote for each mortgage held.

c. The developer may also make a material amendment unilaterally without the consent of any co-owner or mortgagee for the specific purposes reserved by the developer in this master deed. Until the completion and sale of all units as described in Article I, such rights reserved by the developer may not be further amended except with written consent from the developer or its successors or assigns.

d. A person causing or requesting an amendment to the condominium documents shall be responsible for the costs and expenses of the amendment, except for amendments based on a vote of the prescribed majority of co-owners and mortgagees or based on the advisory committee's decision, the costs of which are administration expenses. The co-owners and mortgagees of record shall be notified of proposed amendments under this provision at least 10 days before the amendment is recorded.

e. If there is a co-owner other than the developer, the project may only be terminated with the consent of the developer and at least 80 percent of the co-owners and mortgagees, as follows:

   i. The agreement of the required number of co-owners and mortgagees to terminate the project shall be evidenced by their signing of the termination agreement or ratification of it. The termination shall become effective only when this evidence of the agreement is recorded.

   ii. On recording an instrument terminating the project, the property constituting the condominium shall be owned by the co-owners as tenants in common in proportion to their undivided interests in the common elements immediately before recordation. As long as the tenancy in common lasts, each co-owner or the heirs, successors, or assigns shall have an exclusive right of occupancy of that portion of the property that formerly constituted the condominium unit.

iii. On recording an instrument terminating the project, any rights the co-owners may have to the assets of the association shall be in proportion to their undivided interests in the common elements immediately before recordation, except that common profits shall be distributed in accordance with the condominium documents and the Michigan Condominium Act.

iv. Notification of termination by first-class mail shall be made to all parties interested in the project, including escrow agents, land contract vendors, creditors, lienholders, and prospective purchasers who have deposited funds. Proof of dissolution must be submitted to the administrator.

3. Prior to one (1) year after expiration of the development and sales period, the developer may, without the consent of any co-owner or any other person, amend this master deed and the condominium subdivision plan attached as Exhibit B in order to correct survey or other errors made in such documents and to make such other amendments to such instruments and to the bylaws attached hereto as Exhibit A as to not materially affect rights of any co-owners or mortgagees in this project.

4. The value of the vote of any co-owner and the corresponding proportion of common expenses assessed against such co-owner shall not be modified without the written consent of such co-owner and his mortgagee nor shall the percentage of value assigned to any unit be modified without like consent; thus, any change in such matters shall require unanimous consent of all co-owners.

5. During the development and sales period, the condominium documents shall not be amended nor shall the provisions thereof be modified in any way without the written consent of the developer.

6. Notwithstanding any other provision contained within this master deed, no amendment of the master deed or the approved site plan shall be made without the approval of Marion Township.

ARTICLE IX
DEVELOPMENT

Any or all of the rights and powers granted or reserved to the developer in the condominium documents or bylaws, including the power to approve or disapprove any act, use or proposed action or any other matter or thing, may be assigned, in whole or part, by the developer to any other entity or entities or to the association. Any such assignment or transfer shall be made by

appropriate instrument in writing duly recorded in the office of the Livingston County Register of Deeds.

WITNESSES:

Barb Ritchie
BARB RITCHIE

Timothy T. Przysiecki
Timothy T. Przysiecki

Frank J. Giese
Frank J. Giese

Kathleen R. Giese
Kathleen R. Giese

Subscribed and sworn to before me, a Notary Public, on this 27th day of October, 1998.

Barbara A. Przysiecki
Notary Public, Livingston County
My commission expires 5-24-99.
BARBARA A. PRZYSIECKI

MASTER DEED FOR BLACK EAGLE VALLEY CONDOMINIUM
as required by the Michigan Condominium Act,
MCLA 559.101 et seq., MSA 26.50(101) et seq.

1. The master deed establishing Black Eagle Valley Condominium, a condominium project.

2. Exhibit A to the master deed: Condominium Bylaws of Black Eagle Valley Condominium.

3. Exhibit B to the master deed: Condominium Subdivision Plan for Black Eagle Valley Condominium.

4. Exhibit C to the master deed: Legal Description of Contiguous Land of Developer.

No interest in real estate is being conveyed by this document. No revenue stamps are required.

Drafted by:

Paul L. Decocq
Attorney at Law
408 W. Grand River
Howell, MI 48843
(517) 546-6620

LEGAL DESCRIPTION
PARCEL 3

Part of the West 1/2 of Section 22 and the SW 1/4 of the NE 1/4 of Section 22, T2N-R4E, Marion Township, Livingston County, Michigan being described as follows: Commencing at the West 1/4 Corner of said Section 22, thence along the West line of said Section 22 and centerline of County Farm Road, N 00°16'35" E, a distance of 480.00 feet; thence S 89°48'07" E, a distance of 2265.83 feet to the Point of Beginning of the Parcel to be described; thence continuing S 89°48'07" E, a distance of 344.40 feet, thence along the North-South 1/4 line of said Section 22 N 00°17'19" E a distance of 834.43 feet; thence along the North line of the SW 1/4 of the NE 1/4 of said Section 22, S 89°48'06" E a distance of 1310.39 feet; thence along the East line of the SW 1/4 of the NE 1/4 of said Section 22, S 00°03'40" W, a distance of 1316.51 feet; thence along the East-West 1/4 line of Said Section 22 N 89°46'17" W, a distance of 1315.61 feet to the Center of said Section 22; thence along the North-South 1/4 line of said Section 22, N 00°17'19" E, a distance of 152.81 feet; thence N 89°42'41" W, a distance of 288.45 feet; thence N 00°17'19" E, a distance of 62.97 feet; thence along a curve having a radius of 50.00 feet, arc length of 42.23 feet, delta angle of 48°23'40" and a chord bearing of N 24°29'08" E and a chord length of 40.99 feet; thence along a curve having a radius of 75.00 feet, arc length of 204.31 feet, delta angle of 156°04'44" and a chord bearing of N 29°21'23" W and a chord length of 146.74 feet; thence N 00°11'53" E, a distance of 110.15 feet to the Point of Beginning and containing 41.891 acres, more or less. Subject to and including the use of the proposed 66 foot wide private roads for ingress, egress, and public utilities of the proposed Black Eagle Valley site condominium. (Black Eagle Ridge, Black Eagle Valley Drive, Black Eagle Drive), and also subject to any other easements or restrictions of record, if any.

EXHIBIT C TO MASTER DEED FOR BLACK EAGLE VALLEY CONDOMINIUM
LEGAL DESCRIPTION OF CONTIGUOUS LAND OF DEVELOPER

CONDOMINIUM BYLAWS OF BLACK EAGLE VALLEY CONDOMINIUM

ARTICLE I
THE CONDOMINIUM PROJECT

1. Organization. Black Eagle Valley Condominium, a residential condominium project located in Marion Township, Livingston County, Michigan, is being constructed in two (2) phases to comprise a total of seventy-four (74) living units, with twenty-nine (29) units in Phase I and forty-five (45) units in Phase II. Once the master deed is recorded, the management, maintenance, operation, and administration of the project shall be vested in an association of co-owners organized as a nonprofit corporation under Michigan law. The Bylaws of Black Eagle Valley Condominium Association, attached hereto, are hereby adopted by and incorporated into these Bylaws.

2. Compliance. All present and future co-owners, mortgagees, lessees, or other persons who may use the facilities of the condominium in any manner shall be subject to and comply with the Michigan Condominium Act ("the Act"), MCLA 559.101 et seq., MSA 26.50(101) et seq., the master deed and its amendments, the articles of incorporation, the association bylaws, and other condominium documents that pertain to the use and operation of the condominium property. The association shall keep current copies of these documents and make them available for inspection at reasonable hours to co-owners, prospective purchasers, and prospective mortgagees of units in the project. If the Act conflicts with any condominium documents referred to in these bylaws, the act shall govern. A party's acceptance of a deed of conveyance or of a lease or occupancy of a condominium unit in the project shall constitute an acceptance of the provisions of these documents and an agreement to comply with them.

ARTICLE II
MEMBERSHIP AND VOTING

1. Membership. Each present and future co-owner of a unit in the project shall be a member of the association, and no other person or entity shall be entitled to membership. The share of a member in the funds and assets of the association may be assigned, pledged, or transferred only as an appurtenance to the condominium unit.

2. Voting rights. Except as limited in the master deed and in

these bylaws, each co-owner shall be entitled to one vote for each unit owned when voting by number and one vote, the value of which shall equal the total of the percentages assigned to the units owned by the co-owner as stated in the master deed, when voting by value. Voting shall be by number, except when voting is specifically required to be both by value and by number, and no cumulation of votes shall be permitted.

3. Members entitled to vote. No co-owner, other than the developer, may vote at a meeting of the association until the co-owner presents written evidence of the ownership of a condominium unit in the project, nor may a co-owner vote before the initial meeting of members (except for elections held pursuant to Article III, provision 4). The developer may vote only for those units to which it still holds title and for which it is paying the full monthly assessment in effect when the vote is cast.

The person entitled to cast the vote for the unit and to receive all notices and other communications from the association may be designated by a certificate signed by all the record owners of the unit and filed with the secretary of the association. Such a certificate shall state the name and address of the designated individual, the number of units owned, and the name and address of the party who is the legal co-owner. All certificates shall be valid until revoked, until superseded by a subsequent certificate, or until the ownership of the unit concerned changes.

4. Proxies. Votes may be cast in person or by proxy. Proxies may be made by any person entitled to vote. They shall be valid only for the particular meeting designated and for any adjournment of that meeting and must be filed with the association before the appointed time of the meeting.

5. Majority. At any meeting of members at which a quorum is present, any number greater than fifty percent (50%) of the co-owners entitled to vote and present in person or by proxy, in accordance with the percentages allocated to each condominium unit in the master deed for the project. shall constitute a majority for the approval of the matters presented to the meeting, except as otherwise required in these bylaws, in the master deed, or by law.

ARTICLE III
MEETINGS AND QUORUM

1. Initial meeting of members. The initial meeting of the members of the association shall be convened within 120 days after the conveyance of legal or equitable title to nondeveloper co-owners of 25 percent of the units that may be created or within 54 months after the first conveyance of legal or equitable title to a nondeveloper co-owner of a unit in the project, whichever occurs first. At the initial meeting, the eligible co-owners may vote for the election of directors of

the association. The developer may call meetings of members of the association for informational or other appropriate purposes before the initial meeting, but no such informational meeting shall be construed as the initial meeting of members.

2. Annual meeting of members. After the initial meeting, an annual meeting of the members shall be held in each year at the time and place specified in the association bylaws. At least ten (10) days before an annual meeting, written notice of the time, place, and purpose of the meeting shall be mailed to each member entitled to vote at the meeting. At least twenty (20) days', but not greater than sixty (60) days', written notice shall be provided to each member of any proposed amendment to these bylaws or to other condominium documents.

3. Advisory committee. Not later than 120 days after the conveyance of legal or equitable title to nondeveloper co-owners of one-third of the units that may be created or one year after the initial conveyance of legal or equitable title to a nondeveloper co-owner of a unit in the project, whichever occurs first, the developer shall select three nondeveloper co-owners to serve as an advisory committee to the board of directors. The purpose of the advisory committee shall be to facilitate communication between the board of directors and the nondeveloper co-owners and to aid in the ultimate transfer of control to the association. The members of the advisory committee shall serve for one year or until their successors are selected, and the advisory committee shall automatically cease to exist on the transitional control date. The board of directors and the advisory committee shall meet with each other when the advisory committee requests. However, there shall not be more than two such meetings each year unless both parties agree.

4. Composition of the board. Not later than 120 days after the conveyance of legal or equitable title to nondeveloper co-owners of 25 percent of the units that may be created, at least one director and at least one-fourth of the board of directors of the association shall be elected by nondeveloper co-owners. Not later than 120 days after the conveyance of legal or equitable title to nondeveloper co-owners of 50 percent of the units that may be created, at least one-third of the board of directors shall be elected by nondeveloper co-owners. Not later than 120 days after the conveyance of legal or equitable title to nondeveloper co-owners of 75 percent of the units, the nondeveloper co-owners shall elect all directors on the board except that the developer may designate at least one director as long as the developer owns or offers for sale at least 10 percent of the units in the project or as long as 10 percent of the units that may be created remain unbuilt.

Notwithstanding the formula provided above, 54 months after the first conveyance of legal or equitable title to a nondeveloper co-owner of a unit in the project, if title to at least 75 percent of the units that may be created has not been conveyed, the nondeveloper co-owners may elect the number of members of the board of directors of the association equal to the percentage of units they hold, and the developer may elect the number of members of the board equal to the percentage of units that it owns and pays assessments for. This election may increase but not reduce the minimum election and designation rights otherwise established in these bylaws. The application of this provision does not require a change in the size of the board as stated in the corporate bylaws.

If the calculation of the percentage of members of the board that the nondeveloper co-owners may elect or if the product of the number of members of the board multiplied by the percentage of units held by the nondeveloper co-owners results in a right of nondeveloper co-owners to elect a fractional number of members of the board, a fractional election right of 0.5 or more shall be rounded up to the nearest whole number, which shall be the number of members of the board that the nondeveloper co-owners may elect. After applying this formula, the developer may elect the remaining members of the board. The application of this provision shall not eliminate the right of the developer to designate at least one member, as provided in these bylaws.

5. Quorum of members. The presence in person or by proxy of 30 percent of the co-owners entitled to vote shall constitute a quorum of members. The written vote of any person furnished at or before any meeting at which the 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 on which the vote is cast.

ARTICLE IV
ADMINISTRATION

1. Board of directors. The business, property, and affairs of the association shall be managed and administered by a board of directors to be elected in the manner stated in the association bylaws. The directors designated in the articles of incorporation shall serve until their successors have been elected and qualified at the initial meeting of members. All actions of the first board of directors of the association named in its articles of incorporation or any successors elected by the developer before the initial meeting of members shall be binding on the association as though the actions had been authorized by a board of directors elected by the members of the association at the initial meeting or at any subsequent meeting, as long as the actions are within the scope of the

powers and duties that may be exercised by a board of directors as provided in the condominium documents. The board of directors may void any service contract or management contract between the association and the developer or affiliates of the developer on the transitional control date, within 90 days after the transitional control date, or on 30 days' notice at any time after that for cause.

2. Powers and duties. The board shall have all powers and duties necessary to administer the affairs of the association. The powers and duties to be exercised by the board shall include the following:

a. Managing and administering the affairs of the project and maintaining the common elements;

b. Developing an annual budget and determining, assessing, and collecting amounts required for the operation and other affairs of the condominium;

c. Employing and dismissing persons, firms, corporations or other agents as necessary for the efficient management and operation of the condominium property;

d. Adopting and amending rules and regulations for the use of condominium property;

e. Opening bank accounts, borrowing money, and issuing evidences of indebtedness to further the purposes of the condominium and designating required signatories therefor;

f. Obtaining insurance for condominium property, the premiums of which shall be an administration expense;

g. Granting concessions and licenses for the use of parts of the common elements for purposes not inconsistent with the Act or the condominium documents;

h. Authorizing the signing of contracts, deeds of conveyance, easements, and rights-of-way affecting any real or personal property of the condominium on behalf of the co-owners;

i. Making repairs, additions, improvements, and alterations to the condominium property and repairing and restoring the property after damage or destruction by fire or other casualties or condemnation or eminent domain proceedings;

j. Asserting, defending, or settling claims on behalf of all co-owners in connection with the common elements of the project and, on written notice to all co-owners,

instituting actions on behalf of and against the co-owners in the name of the association;

k. Other duties as imposed by resolutions of the members of the association or as stated in the condominium documents;

l. Enforcing the provisions of the master deed, these bylaws or any other of the condominium documents.

3. Accounting records. The association shall keep detailed records of the expenditures and receipts affecting the administration of the condominium. These records shall specify the maintenance and repair expenses of the common elements and any other expenses incurred by or on behalf of the association and its co-owners. These records shall be open for inspection by the co-owners during reasonable working hours at a place to be designated by the association. The association shall prepare a financial statement from these records and distribute it to all co-owners at least once a year. The association shall define the contents of the annual financial statement. Qualified independent auditors (who need not be certified public accountants) shall review the records annually and audit them every fifth year. The cost of these reviews and audits shall be an administration expense. Audits need not be certified.

4. Maintenance and repair.

a. Co-owners are responsible for the maintenance and repair their condominium units, including the limited common element appurtenant thereto.

b. The association shall maintain and repair the general common elements and limited common elements to any extent stated in the master deed and shall charge the costs to all the co-owners as a common expense unless the repair is necessitated by the negligence, misuse, or neglect of a co-owner, in which case the expense shall be charged to the co-owner.

5. Reserve fund. The association shall maintain a reserve fund, to be used only for major repairs and replacement of the common elements, as required by MCLA 559.205, MSA 26.50(205). The board shall analyze the project from time to time to determine the amount which should be set aside and whether additional reserve funds shall be established for other purposes.

6. Mechanics liens/construction liens. A mechanics lien or construction lien otherwise arising under Act No. 497 of the Michigan Public Acts of 1980, as amended, shall be subject to

Section 132 of the Act.

7. Managing agent. The board may employ for the association a management company or managing agent at a compensation rate established by the board to perform duties and services authorized by the board, including the powers and duties listed in provision 2 of this article. The developer or any person or entity related to it may serve as managing agent if the board appoints the party.

8. Officers. The association bylaws shall provide for the designation, number, terms of office, qualifications, manner of election, duties, removal, and replacement of officers of the association and may contain any other provisions pertinent to officers of the association that are not inconsistent with these bylaws. Officers may be compensated, but only on the affirmative vote of more than 60 percent of all co-owners, in number and in value.

9. Indemnification. All directors and officers of the association shall be entitled to indemnification against costs and expenses incurred as a result of actions (other than willful or wanton misconduct or gross negligence) taken or failed to be taken on behalf of the association on 10 days' notice to all co-owners, in the manner and to the extent provided by the association bylaws. If no judicial determination of indemnification has been made, an opinion of independent counsel on the propriety of indemnification shall be obtained if a majority of co-owners vote to procure such an opinion.

ARTICLE V
ASSESSMENTS

1. Administration expenses. The association shall be assessed as the entity in possession of any tangible personal property of the condominium owned or possessed in common by the co-owners. Personal property taxes based on such assessments shall be treated as administration expenses. All costs incurred by the association for any liability connected with the common elements or the administration of the project shall be administration expenses. All sums received pursuant to any policy of insurance securing the interests of the co-owners against liabilities or losses connected with the common elements or the administration of the project shall be administration receipts.

2. Determination of assessments. From time to time and at least annually, the board shall adopt a budget for the condominium that shall include the estimated funds required to defray common expenses for which the association is responsible for the next year, including a reasonable allowance for contingencies and reserves and shall allocate and assess these

common charges against all co-owners according to their respective common interests on a monthly or yearly basis. In the absence of co-owner approval as provided in these bylaws, such assessments shall be increased only if one of the following conditions is met:

a. The board finds the budget as originally adopted is insufficient to pay the costs of operating and maintaining the common elements.

b. It is necessary to provide for the repair or replacement of existing common elements.

c. The board decides to purchase additions to the common elements, the costs of which may not exceed $1,600 or $50 per unit annually, whichever is less.

d. An emergency or unforeseen development necessitates the increase.

Any increase in assessments other than under these conditions, including assessments to purchase or lease a unit for the use of a resident manager, shall be considered a special assessment requiring approval by a vote of 60 percent or more of the co-owners, in number and in value.

3. Levy of assessments. All assessments levied against the units to cover administration expenses shall be apportioned among and paid by the co-owners equally, in advance and without any increase or decrease in any rights to use limited common elements. The common expenses shall include expenses the board deems proper to operate and maintain the condominium property under the powers and duties delegated to it under these bylaws and may include amounts to be set aside for working capital for the condominium, for a general operating reserve, and for a reserve to replace any deficit in the common expenses for any prior year. Any reserves established by the board before the initial meeting of members shall be subject to approval by the members at the initial meeting. The board shall advise each co-owner in writing of the amount of common charges payable by the co-owner and shall furnish copies of each budget on which such common charges are based to all co-owners.

4. Collection of assessments. Each co-owner shall be obligated to pay all assessments levied on the co-owner's unit while the co-owner owns the unit. No co-owner may be exempted from liability for the co-owner's contribution toward the administration expenses by a waiver of the use or enjoyment of any of the common elements or by the abandonment of the co-owner's unit. If any co-owner defaults in paying the assessed charges, the board may impose reasonable fines or charge

interest at the legal rate on the assessment from the date it is due. Unpaid assessments shall constitute a lien on the unit that has priority over all other liens except state or federal tax liens and sums unpaid on a first mortgage of record recorded before any notice of lien by the association. The association may enforce the collection of a lien by a suit at law for a money judgment or by foreclosure of the liens, securing payment as provided in MCLA 559.208, MSA 26.50(208). In a foreclosure action, a receiver may be appointed and reasonable rent for the unit may be collected from the co-owner or anyone claiming possession under the co-owner. All expenses incurred in collection, including interest, costs, and actual attorney fees, and any advances for taxes or other liens paid by the association to protect its lien shall be chargeable to the co-owner in default.

On the sale or conveyance of a condominium unit, all unpaid assessments against the unit shall be paid out of the sale price by the purchaser in preference over any other assessments or charges except as otherwise provided by the condominium documents or by the Act. A purchaser or grantee shall be entitled to a written statement from the association stating the amount of unpaid assessments against the seller or grantor. Such a purchaser or grantee shall not be liable for liens for any unpaid assessments against the seller or grantor in excess of the amount in the written statement; neither shall the unit conveyed or granted be subject to any such liens. Unless the purchaser or grantee requests a written statement from the association at least five days before a sale, as provided in the Act, the purchaser or grantee shall be liable for any unpaid assessments against the unit, together with interest, costs, and attorney fees incurred in the collection of unpaid assessments.

The association may also enter the common elements, limited or general, to remove or abate any condition or may discontinue the furnishing of any services to a co-owner in default under any of the condominium documents on seven days' written notice to the co-owner. A co-owner in default may not vote at any meeting of the association as long as the default continues.

5. Obligations of the developer.

a. Until the regular monthly assessments paid by co-owners other than the developer are sufficient to support the total costs of administration (excluding reserves), the developer shall pay the balance of such administration costs on account of the units owned by it.

b. Once the regular assessments paid by co-owners other than the developer are sufficient to support the total costs of administration (excluding reserves), the developer

shall be assessed by the association for actual costs, if any, incurred by the association that are directly attributable to the units owned by the developer.

ARTICLE VI
TAXES, INSURANCE, AND REPAIRS

1. 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.

   Assessments for subsequent real property improvements to a specific unit shall be assessed to that unit only. Each unit shall be treated as a separate, single unit of real property for the purpose of property taxes and special assessments and shall not be combined with any other units. No assessment of a fraction of any unit or a combination of any unit with other units or fractions of units shall be made, nor shall any division or split of an assessment or tax on a single unit be made, notwithstanding separate or common ownership of the unit.

2. Insurance. The association shall, to the extent appropriate in light of the nature of the general common elements, obtain and maintain, to the extent available and applicable, fire insurance with extended coverage; vandalism and malicious mischief endorsements; and liability insurance and worker compensation insurance pertinent to the ownership, use, and maintenance of the general common elements to the project. Such insurance, other than title insurance, shall be carried and administered in accordance with the following provisions:

   a. All such insurance shall be purchased by the board of directors for the benefit of the association, the co-owners, their mortgagees, and the developer, according to their interests. Each co-owner shall be responsible for obtaining insurance coverage at the co-owner's expense for any residence or other structure or improvement upon any co-owner's unit. Each co-owner is responsible for obtaining insurance for the personal property located within the co-owner's unit or elsewhere in the project, for personal liability for occurrences within the co-owner's unit or on limited common elements appurtenant to the unit, and for expenses to cover alternate living arrangements if a casualty causes temporary loss of the unit. The association shall have no responsibility for obtaining such insurance. The association and all co-owners shall use their best efforts to see that all property and liability insurance carried by the association or any co-owner shall contain appropriate provisions for the insurer to waive its right of subrogation regarding any claims against any co-owner or the association.

b. All general common elements of the project shall be insured against fire, if appropriate, and other perils covered by a standard extended coverage endorsement, if applicable, in an amount equal to the maximum insurable replacement value, excluding land, landscaping, blacktopping, foundation, and excavation costs, as determined annually by the board of directors of the association. Any improvements made by a co-owner within a unit shall be covered by insurance obtained at the expense of the co-owner.

c. If required, the association shall maintain adequate fidelity coverage to protect against dishonest acts by its officers, directors, trustees, and employees and all others who are responsible for handling the association's funds. Such fidelity bonds shall meet the following requirements:

(1) The association shall be named as an obligee.

(2) The policy shall be written in whatever amount any lending institution or other agency requesting the policy requires, according to the estimated annual operating expenses of the condominium project, including reserves.

(3) The policy shall contain waivers of any defense based on the exclusion of persons who serve without compensation from any definition of employee or similar terms.

(4) The policy shall provide that it may not be canceled or substantially modified, including for nonpayment of premiums, without at least 30 days' written notice.

d. The board of directors is irrevocably appointed the agent for each co-owner, each mortgagee, other named insureds and their beneficiaries, and any other holders of liens or other interests in the condominium or the property, to adjust and settle all claims arising under insurance policies purchased by the board and to sign and deliver releases once claims are paid.

e. Except as otherwise set forth in these bylaws, all premiums on insurance purchased by the association pursuant to these bylaws shall be administration expenses.

3. Reconstruction and repairs. If the condominium project or any of its common elements are destroyed or damaged, in whole or in part, and the proceeds of any policy insuring the project

or common elements and payable because of the destruction or damage are sufficient to reconstruct the project, then the proceeds shall be applied to reconstruction. As used in this provision, **reconstruction** means restoration of the project to substantially the same condition that it was in before the disaster; however, mature trees and vegetation need not be replaced with those of equal maturity.

a. If the property is not insured against the peril causing the loss or the proceeds of the policies insuring the project and payable because of the loss are insufficient to reconstruct the project, provisions for reconstruction may be made by the affirmative vote of at least 75 percent of the co-owners voting at a meeting called for that purpose. Any such meeting shall be held within 30 days after the final adjustment of insurance claims, if any, or within 90 days after the disaster, whichever occurs first. At any such meeting, the board or its representative shall present to the co-owners present an estimate of the cost of the reconstruction and the estimated amount of necessary special assessments against each unit to pay for it. If the property is reconstructed, any insurance proceeds shall be applied to the reconstruction, and special assessments may be made against the units to pay the balance.

b. If the property is not insured against the peril causing the loss or the proceeds of the policies insuring the project and payable because of the loss are insufficient to reconstruct the project and no provisions for either reconstruction or withdrawal are made pursuant to the preceding paragraphs, the provisions of the Act shall apply.

Prompt written notice of all material damage or destruction to a unit or any part of the common elements shall be given to the holders of first mortgage liens on any affected units.

4. Eminent domain. The following provisions shall control upon any taking by eminent domain:

a. Taking of unit or improvements thereon. In the event of any taking of all or any portion of a unit or any improvements thereon by eminent domain, the award for such taking shall be paid to the co-owner of such unit and the mortgagee thereof, as their interests may appear, notwithstanding any provision of the Act to the contrary. If a co-owner's entire unit is taken by eminent domain, such co-owner and his mortgagee shall, after acceptance of the condemnation award therefore, be divested of all interest in the condominium project.

b. Taking of general common elements. If there is any taking of any portion of the general common elements, 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 percent (50%) of the co-owners shall determine whether to repair or replace the portion so taken or to take such other action as they deem appropriate.

c. Continuation of condominium after taking. In the event the condominium project continues after taking by eminent domain, then the remaining portion of the condominium project shall be resurveyed and the master deed amended accordingly, and, if any unit shall have been taken, then 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 percent (100%). Such amended may be effected by an officer of the association duly authorized by the board of directors without the necessity of execution or specific approval thereof by any co-owner.

d. Notification of mortgagees. In the event any unit in the condominium, or any portion thereof, or the common elements or any portion thereof, is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, the association promptly shall so notify each institutional holder of a first mortgage lien on any of the units in the condominium.

e. Applicability of the Act. To the extent not inconsistent with the foregoing provisions, Section 133 of the Act shall control upon any taking by eminent domain.

ARTICLE VII
USE AND OCCUPANCY RESTRICTIONS

1. Residential use. Condominium units shall be used exclusively for residential occupancy. No unit or common element shall be used for any purpose other than as a single-family residence or for other purposes customarily incidental to that use. However, these restrictions on use shall not be construed to prohibit a co-owner from (a) maintaining a personal professional library, (b) keeping personal business or professional records or accounts, or (c) handling personal business or professional telephone calls or correspondence. Such uses are customarily incidental to principal residential use and not in violation of these restrictions.

2. Common areas. Only co-owners of units in the condominium and their agents, tenants, family members, invitees, and licensees may use the common elements for access to and from the units and for other purposes incidental to the use of the units. The use, maintenance, and operation of the common elements shall not be obstructed or unreasonably interfered with by any co-owner and shall be subject to any leases, concessions, or easements now or later entered into by the board.

3. Specific prohibitions, restrictions and requirements. Without limiting the generality of the preceding provisions in this article, the use of the project and all common elements by any co-owner shall be subject to the following provisions:

   a. No co-owner shall make any alterations, additions, or improvements to any general common element. The association shall not approve any alterations or structural modifications that would jeopardize or impair the soundness, safety, or appearance of the project. An owner may make alterations, additions, or improvements within a unit without written approval from the board, but the owner shall be responsible for any damage to other units, the common elements, the property, or any part of them that results from such alterations, additions, or improvements.

   b. No nuisances shall be permitted on the condominium property, nor shall any use or practice that is a source of annoyance to the residents or that interferes with the peaceful possession or proper use of the project by its residents be permitted.

   c. No immoral, improper, offensive, or unlawful use shall be made of the condominium property or any part of it.

   d. No signs, billboards, banners, or other advertising devices or symbols shall be displayed anywhere in the project, except for a "for sale" sign not more than six (6) square feet in area, advertising a unit and accept those signs of a larger size which may be erected and displayed by the developer during the development and sales period. All such permitted signs must be maintained in good condition and must be removed promptly upon the termination of their use.

   e. No co-owner shall display, hang, or store any clothing, sheets, blankets, laundry, or other articles outside a unit or inside the unit in a way that is visible from the outside of the unit, except for draperies, curtains, blinds, or shades of a customary type and appearance.

f. No co-owner shall use or permit any occupant, agent, tenant, invitee, guest, or family member to use any firearms, air rifles, pellet guns, BB guns, bows and arrows, fireworks, or other dangerous weapons, projectiles, or devices anywhere on or around the condominium premises.

g. No van, trailer, tent, shack, nor other similar item or structure, nor any temporary garage, accessory building, outbuilding, or other similar temporary item or structure shall be erected, placed, occupied, or used on the condominium property without written consent from the association. No recreational vehicles, boats, or trailers shall be parked or stored on the condominium property for more than 24 hours without written approval from the association unless kept within an enclosed attached garage, and no snowmobile or other motorized recreational vehicle shall be operated on the condominium property. No maintenance or repair shall be performed on any boat or vehicle except within a garage where it is totally isolated from public view.

h. No automobiles or other vehicles that are not in operating condition or that are unlicensed shall be permitted on the condominium property or upon any unit. No commercial vehicles or trucks shall be parked on the condominium property except to make deliveries or pickups in the normal course of business.

i. No common element shall be used to store supplies or personal property of any kind. Trash and refuse shall be placed only in trash receptacles located at the discretion of the board of directors. No vehicles shall be parked on or along the private drives, and owners and residents shall not use or obstruct any guest parking areas abutting such drives without consent from the association. In general, no activity or condition shall be allowed in any unit or on the common elements that would spoil the appearance of the condominium.

j. No migratory birds or foul, or any other birds or foul existing in their natural state, shall be injured or killed by any co-owner nor shall any co-owner permit any injury or killing of the same. Foul shall not be kept, sheltered or confined on any unit by any co-owner. Animals shall not be kept or maintained on any unit except that as many as three (3) domesticated household pets may be kept and maintained on any unit for the enjoyment of the co-owner and members of his or her family. Household pets shall be kept and maintained so as not to be objectionable to other co-owners and no offensive noise, odor or unsanitary conditions shall be

permitted by any co-owner. No hunting shall be allowed within the condominium project.

k. No swimming pools, fences or walls shall be constructed, erected or maintained on any unit without obtaining prior written permission from the association.

l. No outbuildings or structures shall be placed or constructed on any unit without obtaining prior written permission from the association and all such outbuildings or structures shall be constructed only upon suitable concrete foundations and slabs and shall be similar in style, materials and appearance to the principal residence so as to compliment the exterior of the residence. No outbuilding or other structure shall be constructed on any unit until approved by the association.

m. Co-owners shall keep and maintain their limited common elements, building and all property thereon in an orderly manner and co-owners shall cause weeds and other growth to be seasonably cut and shall also prevent the accumulation of rubbish and debris on the unit and its limited common area.

n. All driveways shall be surfaced with concrete or bituminous paving with suitable sub-base support. The grading, installation and paving of driveways shall be completed within one (1) year after occupancy of the residential structure located within or upon the unit.

o. No residential structure shall be erected, altered, placed or maintained on any unit which shall have an area less than as specified hereafter, which areas may be computed by including exterior walls but may not be computed by including garage area:

1. One story dwellings shall have no less than one thousand eight hundred (1800) square feet of living space on the ground floor, above grade.

2. Two story dwellings shall have no less than one thousand two hundred (1200) square feet of living area on the main ground floor, above grade, and an aggregate living area of no less than two thousand one hundred (2100) square feet.

3. One and one half story dwellings shall have no less than one thousand two hundred seventy-five (1275) square feet of living area on the ground floor, above grade, and an aggregate living area of no less than two thousand (2000) square feet.

4. No bi-level (sometimes also referred to as split level or raised ranch) dwelling shall be placed or erected on any lot.

5. A tri-level or quad-level dwelling shall have no less than one thousand eight hundred (1800) square feet on the top two levels, above grade, and an aggregate living area of no less than two thousand five hundred (2500) square feet.

p. No residential structure shall be erected that does not include an attached garage.

q. All residences shall be erected upon a foundation constructed of suitably permanent material extending below the frost line.

r. Sloping roof pitches are to be a minimum of six/twelve.

s. Only new materials, and no used materials, shall be used in the construction of a residence or structure. At least thirty percent (30%) of the face area of the front of each dwelling shall be constructed of stone or brick.

t. The exterior of a residence shall be completed, including staining or painting, within one (1) year of commencement of construction.

u. During construction and upon completion, the unit shall be kept free and clear of construction debris and rubbish and an orderly and neat appearance shall be maintained. Within sixty (60) days after substantial completion of construction of a residence, all unused construction materials, equipment and supplies shall be removed from the site. Areas of the unit disturbed by excavation and construction work shall be finish-graded and seeded, sodded or otherwise suitably landscaped as soon as practicable after exterior construction activities have been completed.

v. Each unit shall have at least two (2) trees of at least 2½" diameter planted in the front ten (10) feet of the front yard as measured from the front unit boundary line. Types of trees allowed are limited to norway maple, crimson maple, white oak, red oak, mountain ash and honey locust; however, the association may grant written permission for the use of other types of trees which are deemed consistent in quality and appearance with those types listed.

w. No residence shall be occupied unless and until said structure shall be completed, including exterior staining

and painting, according to plans approved as required herein, and until a temporary or permanent occupancy permit has been issued by the governmental unit having jurisdiction over the construction and use of such residence.

x. No construction of a structure shall be commenced on any unit unless and until written approval of the building and site plans for such construction has been given by the association. Architectural design, quality of construction and aesthetic presentation will be a consideration of approval.

y. No modular home may be constructed, erected or placed on any unit.

z. Prior to the issuance of a well and septic permit, the site plan for the same shall be approved by the Livingston County Health Department and all wells and septics shall be located in the exact area indicated on the plans submitted to and filed with the Livingston County Health Department for this purpose.

aa. No structure of any kind may be constructed, erected or placed within seventy (70) feet of the front line, or within twenty-five (25) feet of the rear line or within fifteen (15) of either side line of any unit.

bb. The association may grant exceptions to the building restrictions in order for a lot owner to avoid practical difficulties or undue hardships. However, no such exception shall result in a violation of the Marion Township zoning ordinances. This provision is not meant to pre-empt or interfere with the authority of the Marion Township Zoning Board of Appeals.

cc. All construction shall be performed by a residential builder properly licensed by the State of Michigan.

dd. In the absence of an election to arbitrate pursuant to Article X of these bylaws, a dispute or question whether a violation of any specific regulation or restriction in this article has occurred shall be submitted to the board of directors of the association, which shall conduct a hearing and render a written decision. The board's decision shall bind all owners and other parties that have an interest in the condominium project.

4. Rules of conduct. The board may promulgate and amend reasonable rules and regulations concerning the use of condominium units and limited and general common elements. The board shall furnish copies of such rules and regulations to

each co-owner at least 10 days before they become effective. Such rules and regulations may be revoked at any time by the affirmative vote of more than 66 percent of all co-owners, in number and in value.

5. Remedies on breach. A default by a co-owner shall entitle the association to the following relief:

   a. Failure to comply with any restriction on use and occupancy in these bylaws or with any other provisions of the condominium documents shall be grounds for relief, which may include an action to recover sums due for damages, injunctive relief, the foreclosure of a lien, or any other remedy that the board of directors determines is appropriate as may be stated in the condominium documents, including the discontinuance of services on seven days' notice, the levying of fines against co-owners after notice and hearing, and the imposition of late charges for the nonpayment of assessments. All such remedies shall be cumulative and shall not preclude any other remedies.

   b. In a proceeding arising because of an alleged default by a co-owner, if the association is successful, it may recover the cost of the proceeding and actual attorney fees as the court may determine.

   c. The failure of the association to enforce any provision of the condominium documents shall not constitute a waiver of the right of the association to enforce the provision in the future.

   An aggrieved co-owner may compel the enforcement of the condominium documents by an action for injunctive relief or damages against the association, its officers, or another co-owner in the project.

6. Park area. The following activities are prohibited on the park area: placement of any structures; dumping or storing of any material or refuse; activity that may cause risk of soil erosion, except for removal of dying or diseased vegetation; and use of motorized off road vehicles.

7. Compliance with township ordinances. All residences and other structures shall be constructed and used in accordance with all Marion Township ordinances. Adherence to Marion Township ordinances shall be required in the event of differences between the ordinances and the condominium documents.

8. Use by the developer. While a unit is for sale by the developer, the developer and its agents, employees, contractors, subcontractors, and their agents and employees

may access any part of the project as is reasonably required for the purpose of the sale. Until all the units in the project have been sold by the developer and each unit is occupied by the purchaser, the developer may maintain a sales office, model dwellings, a business office, a construction office, trucks, other construction equipment, storage areas, and customary signs to enable the development and sale of the entire project. The developer shall restore all areas and equipment to habitable status when it is finished with this use.

9. Preservation of certain trees. No co-owner shall remove any tree having a caliper of greater than six (6) inches which is located outside of the building envelope of any unit or outside of an area reserved for drives and/or utilities and all such trees located elsewhere shall be preserved.

10. Preservation of areas near wetlands. No co-owner shall remove any vegetation from any area located within twenty-five (25) feet of any wetland and all areas located within twenty-five (25) feet of any wetland shall be preserved.

11. County Farm Road--no direct vehicular access. No co-owner shall permit direct vehicular access from the co-owner's unit to County Farm Road.

12. Preservation of trees in greenbelt easement. No trees shall be removed from either the fifty (50) foot or twenty-five (25) foot greenbelt easements depicted on the Condominium Subdivision Plan (Exhibit B to the Master Deed). The greenbelt shall be maintained in accordance with the final approved site plan.

13. Future use or development of contiguous property of Developer. The Contiguous Property of Developer, described in Exhibit C to the Master Deed, shall not be used for more than one (1) residential premises nor split or otherwise sub-divided unless the same is done pursuant to and in conformity with any statutes of the State of Michigan, ordinances of the Township of Marion and any other regulations applicable to said property which are then in force and effect.

ARTICLE VIII
LIVINGSTON COUNTY HEALTH DEPARTMENT REQUIREMENTS

1. Compliance with requirements of Livingston County Health Department pursuant to 1983 PA 113, Section 71A. The following requirements placed upon the condominium project by the Livingston County Health Department as prerequisite to its approval of the project, hereinafter set forth, shall be complied with at all times by the association and all co-owners:

a. No unit shall be used for any purpose other than as a single family dwelling.

b. There shall be no future subdividing of any building unit which would utilize individual on-site sewage disposal and/or water supply systems.

c. The condominium project has been approved for seventy-four (74) individual units as described in Advantage Civil Engineering site plan, job number 97305, dated July 14, 1998, and all wells and septics shall be located in the exact area indicated on said site plan.

d. All wells shall be drilled by a well driller licensed by the State of Michigan and shall be drilled to a depth which will penetrate a minimum of a ten foot protective clay barrier (which will most likely be accomplished at depths ranging between 150 feet and 200 feet). Any well shall be grouted the entire length of its casing.

e. The test wells used to determine on-site water supply adequacy have been drilled on units 12, 14, 28, 42 and 57. If these wells are not intended for use as a potable water supply, they must be properly abandoned according to Part 127 of 1978 PA 368, of the Groundwater Quality Control Act. Written certification as to the abandonment of such wells must be submitted to the Livingston County Health Department by a well driller licensed by the State of Michigan.

f. There shall be no underground utility lines located within the areas designated as active or reserve septic system areas on the site plan.

g. The reserve septic locations as designated on the site plan on file at the Livingston County Health Department must be maintained vacant and accessible for future sewage disposal uses.

h. The active and reserve septic areas shall be prepared according to the information submitted by the engineer on units 1, 3, 14, 15, 16, 39 and 61. Elevation and design specifications have been submitted to the Livingston County Health Department for review and have been approved. Written engineer certification indicating that these units have been prepared under engineer guidelines is required along with an "as-built" drawing depicting the original grades and final constructed grades in the cut or filled areas. Due to the fact that engineered plans shall be required along with written engineer approval after the septic areas have been prepared, the cost of the system may be higher than a typical conventional sewage disposal system.

i. The on-site sewage disposal systems for units 2, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 20, 21, 22, 24, 25, 26, 27, 28, 29, 31, 32, 33, 34, 35, 37, 42, 43, 44, 46, 48, 49, 50, 54, 55, 56, 57, 60, 62, 66, 67, 68, 70, 71 and 72 will require the excavation of slow permeable soils to a more permeable soil ranging between four feet and ten feet in depth. Due to the fact that unsuitable soils will be excavated in the area and replaced with a clean sharp sand, the cost of the system may be higher than a conventional sewage disposal system.

j. Units 38, 40, 41, 52 and 58 will require that the bottom of the stone be no deeper than twelve inches below the original grade.

k. Unit 69 will require that the bottom of the stone be no deeper than eighteen inches below the original grade.

l. Due to the topography of the proposed development, there may be significant elevation differences between proposed house grades and septic locations. This will include but not be limited to units 6, 8, 10, 11, 18, 33, 35, 38, 40, 41, 50, 51, 54, 55, 58, 61, 62, 63, 64, 65, 69 and 72. These units may require a pump-type sewage disposal system. If pumping is necessary, engineer specifications for a pump size and design must be submitted prior to permits being issues.

m. Units 38, 43, 45, 49, 50 and 55 will require an enlarged system due to the heavy soil structure witnessed on these units. Reference must be had to the soil conditions on file at Livingston County Health Department. Due to the fact that the system will be enlarged, the cost of the system may be higher than a conventional sewage disposal system.

n. The engineer must give written certification that any additional grades, filling and/or land balancing that has taken place as part of the construction of the development has been completed in accordance with Advantage Civil Engineering Job No. 97305 dated July 14, 1998. This certification must also indicate that there have been no changes on any units affected by proposed land balancing.

o. Written engineer certification must be given which indicates that all storm drains which are within 25 feet of the proposed active or reserve septics have been sealed with a watertight premium joint material.

p. A 2800 square foot to 3200 square foot area has been designated on each unit for the active and reserve sewage

disposal systems to accommodate a typical three to four bedroom single family home. Proposed homes exceeding four bedrooms must be demonstrated to have sufficient area existing for both active and reserve sewage systems which meet all acceptable isolation distances.

q. There shall be no activity within the regulated wetlands unless permits have been obtained from the Michigan Department of Environmental Quality.

r. None of the restrictions placed on the Black Eagle Valley Site Condominium Community by the Livingston County Health Department are severable and none of the restrictions shall expire under any circumstances unless otherwise amended or approved by the Livingston County Health Department.

ARTICLE IX
MORTGAGES

1. Mortgage of condominium units. Any co-owner who mortgages a condominium unit shall notify the association of the name and address of the mortgagee, and the association shall maintain such information in a book entitled "Mortgagees of units." At the written request of a mortgagee of any unit, the mortgagee may (a) inspect the records of the project during normal business hours, on reasonable notice; (b) receive a copy of the annual financial statement of the association, which is prepared for the association and distributed to the owners; and (c) receive written notice of all meetings of the association and designate a representative to attend all such meetings. However, the association's failure to fulfill any such request shall not affect the validity of any action or decision.

2. Notice of insurance. The association shall notify each mortgagee appearing in the book of mortgagees of the name of each company insuring the condominium against fire, perils covered by extended coverage, and vandalism and malicious mischief and of the amounts of such coverage.

3. Rights of mortgagees. Notwithstanding any other provision of the condominium documents, except as required by law, any first mortgage of record of a condominium unit is subject to the following provisions:

   a. The holder of the mortgage is entitled, on written request, to notification from the association of any default by the mortgagor in the performance of the mortgagor's obligations under the condominium documents that is not cured within 30 days.

b. The holder of any first mortgage that comes into possession of a condominium unit pursuant to the remedies provided in the mortgage, deed, or assignment in lieu of foreclosure shall be exempt from any option, right of first refusal, or other restriction on the sale or rental of the mortgaged unit, including restrictions on the posting of signs pertaining to the sale or rental of the unit.

c. The holder of any first mortgage that comes into possession of a condominium unit pursuant to the remedies provided in the mortgage, deed, or assignment in lieu of foreclosure shall receive the property free of any claims for unpaid assessments or charges against the mortgaged unit that have accrued before the holder comes into possession of the unit (except for claims for a pro rata share of assessments or charges resulting from a pro rata reallocation of assessments charged to all units, including the mortgaged unit).

4. Additional notification. When notice is to be given to a mortgagee, the board of directors shall also notify the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Veterans Administration, the Federal Housing Administration, the Farmer's Home Administration, the Government National Mortgage Association, or any other public or private secondary mortgage market entity participating in purchasing or guarantying mortgages of units in the condominium if the board of directors has received notice of the entity's participation.

ARTICLE X
LEASES

1. Notice of leases. Any co-owner, including the developer, who desires to rent or lease a condominium unit for more than 30 consecutive days shall inform the association in writing at least 10 days before presenting a lease form to a prospective tenant and, at the same time, shall give the association a copy of the exact lease form for its review for compliance with the condominium documents. No unit shall be rented or leased for less than 60 days without written consent from the association. If the developer proposes to rent condominium units before the transitional control date, it shall notify either the advisory committee or each co-owner in writing.

2. Terms of leases. Tenants and non-co-owner occupants shall comply with the provisions of the condominium documents of the project, and all lease and rental agreements shall state this condition.

3. Remedies. If the association determines that any tenant or non-co-owner occupant has failed to comply with the provisions of the condominium documents, the association may take the following actions:

   a. The association shall notify the co-owner by certified mail addressed to the co-owner at the co-owner's last known residence of the alleged violation by the tenant.

   b. The co-owner shall have 15 days after receiving the notice to investigate and correct the alleged breach by the tenant or to advise the association that a violation has not occurred.

   c. If, after 15 days, the association believes that the alleged breach has not been cured or might be repeated, it may institute an action for eviction against the tenant or non-co-owner occupant and a simultaneous action for money damages (in the same or another action) against the co-owner and the tenant or non-co-owner occupant for breach of the provisions of the condominium documents. The relief stated in this provision may be by summary proceeding. The association may hold both the tenant and the co-owner liable for any damages to the general common elements caused by the co-owner or the tenant.

4. Assessments. When a co-owner is in arrears to the association for assessments, the association may notify any tenant occupying a co-owner's unit under a lease or rental agreement of the arrearage in writing. After receiving such a notice, the tenant shall deduct from rental payments due to the co-owner the full arrearage and future assessments as they fall due and shall pay them to the association. Such deductions shall not be a breach of the rental agreement or lease.

ARTICLE XI
ARBITRATION

1. Submission to arbitration. Any dispute, claim, or grievance relating to the interpretation or application of the master deed, bylaws, or other condominium documents among co-owners or between owners and the association may, on the election and written consent of the parties to the dispute, claim, or grievance and written notice to the association, be submitted to arbitration by the arbitration association. The parties shall accept the arbitrator's award as final and binding. All arbitration under these bylaws shall proceed in accordance with MCLA 600.5001 et seq., MSA 27A.5001 et seq. and applicable rules of the arbitration association.

2. Disputes involving the developer. A contract to settle by arbitration may also be signed by the developer and any

claimant with a claim against the developer that may be the subject of a civil action, subject to the following conditions:

a. At the exclusive option of a purchaser, co-owner, or person occupying a restricted unit in the project, the developer shall sign a contract to settle by arbitration a claim that may be the subject of a civil action against the developer that involves less than $2,500 and relates to a purchase agreement, condominium unit, or the project.

b. At the exclusive option of the association of co-owners, the developer shall sign a contract to settle by arbitration a claim that may be the subject of a civil action against the developer that relates to the common elements of the project and involves less than $10,000.

3. Preservation of rights. The election of a co-owner or the association to submit a dispute, claim, or grievance to arbitration shall preclude that party from litigating the dispute, claim, or grievance in the courts. However, except as otherwise stated in this article, no interested party shall be precluded from petitioning the courts to resolve a dispute, claim, or grievance in the absence of an election to arbitrate.

ARTICLE XII
MISCELLANEOUS PROVISIONS

1. Severability. If any of the provisions of these bylaws or any condominium document are held to be partially or wholly invalid or unenforceable for any reason, that holding shall not affect, alter, or impair any of the other provisions of these documents or the remaining part of any provision that is held to be partially invalid or unenforceable. In such an event, the documents shall be construed as if the invalid or unenforceable provisions were omitted.

2. Notices. Notices provided for in the Act, the master deed, and the bylaws shall be in writing and shall be addressed to the association at 3373 Dunlap Court, Pinckney, Michigan 48169 or to the co-owner at the address stated in the deed of conveyance, or to either party at a subsequently designated address. The association may designate a different address by notifying all co-owners in writing. Any co-owner may designate a different address by notifying the association in writing. Notices shall be deemed delivered when they are sent by U.S. mail with the postage prepaid or when they are delivered in person.

3. Amendments. These bylaws may be amended or repealed only in the manner stated in Article VIII of the master deed.

4. Approvals. Any approval or permission required from the association pursuant to any provision of the master deed or these bylaws shall also be required from the developer during the development and sales period.

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LIVINGSTON COUNTY CONDOMINIUM SUBDIVISION PLAN NO. 158

EXHIBIT "B" TO THE MASTER DEED OF

BLACK EAGLE VALLEY

A SITE CONDOMINIUM

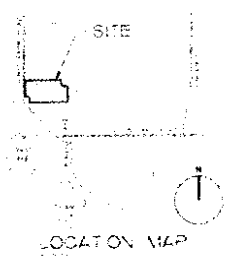
SECTION 22, T2N-R4E MARION TOWNSHIP
LIVINGSTON COUNTY, MICHIGAN

ATTENTION: COUNTY REGISTER OF DEEDS
THE CONDOMINIUM PLAN NUMBER MUST BE ASSIGNED IN CONSECUTIVE SEQUENCE. WHEN A NUMBER HAS BEEN ASSIGNED TO THIS PROJECT, IT MUST BE PROPERLY SHOWN IN THE TITLE ON THIS SHEET AND IN THE SURVEYOR'S CERTIFICATE ON SHEET 6.

DEVELOPER
FRANK GIESE
3373 DUNLAP CT.
PINCKNEY, MI. 48169
(734) 878-3462

CIVIL ENGINEERS
ADVANTAGE CIVIL ENGINEERING, INC.
110 E. GRAND RIVER
HOWELL, MI. 48843
(517) 545-4141

DRAWING INDEX



LEGAL DESCRIPTION

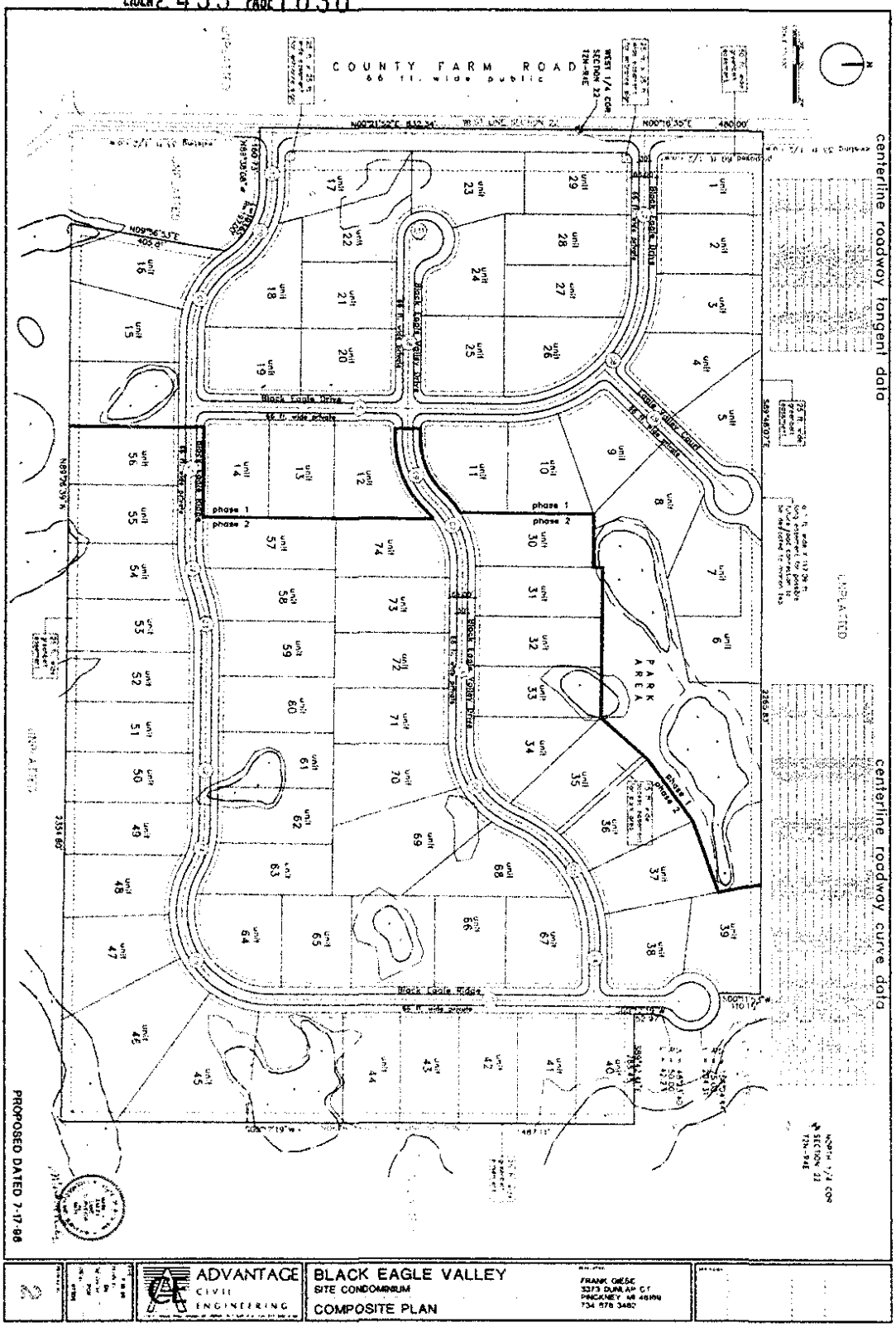
Part of the West 1/2 of Section 22, T2N-R4E, Marion Township, Livingston County, Michigan, being described as follows: Beginning at the West 1/4 Corner of said Section 22; thence along the West line of said Section 22 and centerline of County Farm Road, N 00°16'35" E, a distance of 680.00 feet; thence S 89°48'07" E, a distance of 2365.83 feet; thence S 29°57'51" W, a distance of 110.72 feet; thence along a curve having a radius of 75.00 feet, arc length of 274.91 feet, delta angle of 156°44'44", a chord bearing of S 28°21'23" E, and a chord length of 146.74 feet; thence along a curve having a radius of 50.00 feet, arc length of 42.23 feet, delta angle of 48°23'40", and a chord bearing of S 24°29'08" W, and a chord length of 40.99 feet; thence S 00°17'18" E, a distance of 52.91 feet; thence S 89°42'41" E, a distance of 286.45 feet; thence along the North-South 1/4 line of said Section 22, S 00°17'19" W, a distance of 1528.81 feet to the Center of said Section 22; thence continuing along the North-South 1/4 line of said Section 22, S 00°17'19" W, a distance of 1334.07 feet; thence N 89°26'39" W, a distance of 2354.65 feet; thence N 05°56'37" E, a distance of 405.87 feet; thence along a curve having a radius of 125.00 feet, arc length of 191.65 feet, delta angle of 36°32'20", a chord bearing of N 81°58'25" W, and a chord length of 188.35 feet; thence N 39°18'08" W, a distance of 150.73 feet; thence along the west line of said Section 22 and centerline of County Farm Road N 00°16'35" E, a distance of 832.34 feet to the Point of Beginning and containing 112.83 acres more or less. Subject to the rights of the public over the existing County Farm Road and any other easements or restrictions of record.

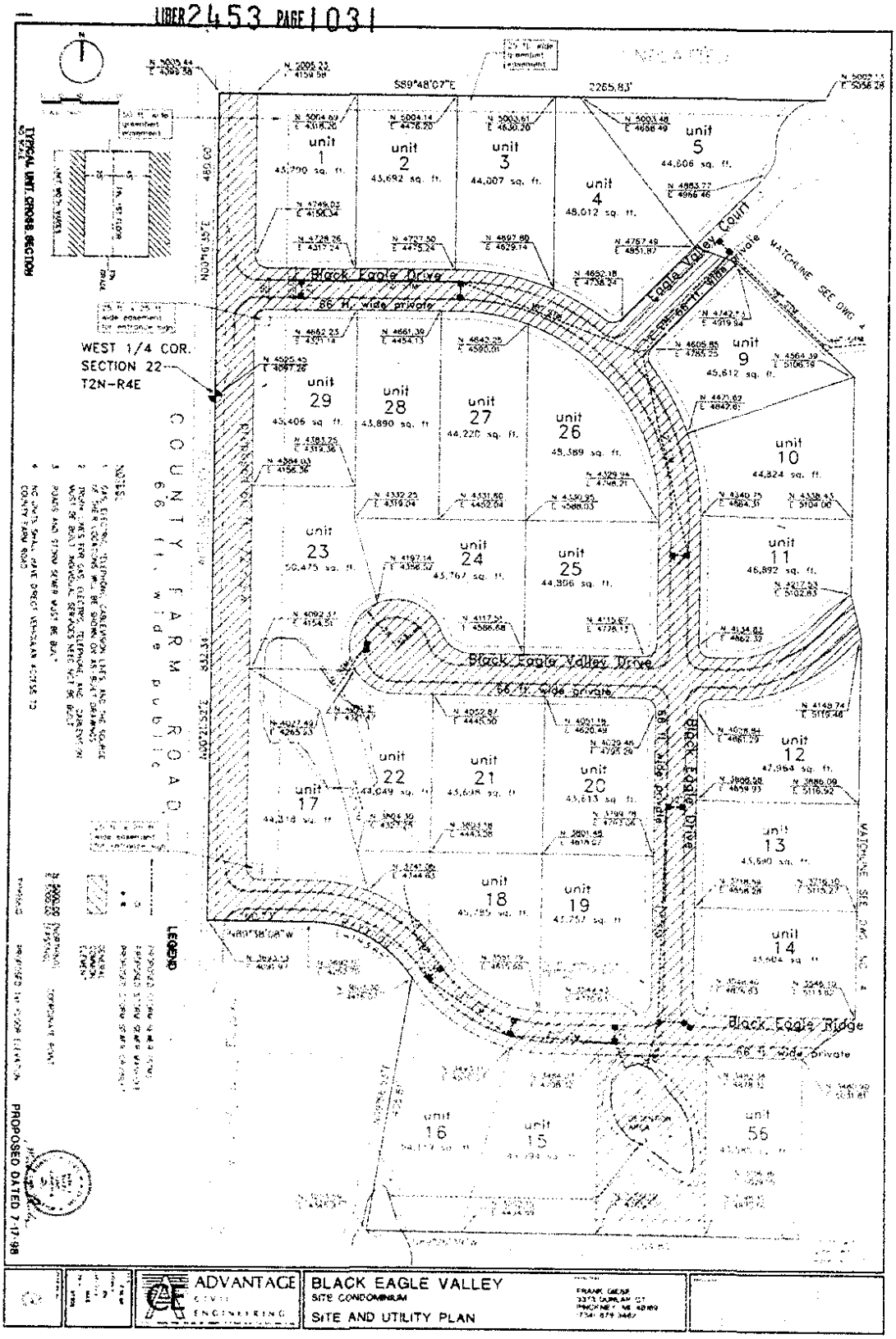
PROPOSED DATED 7-17-98

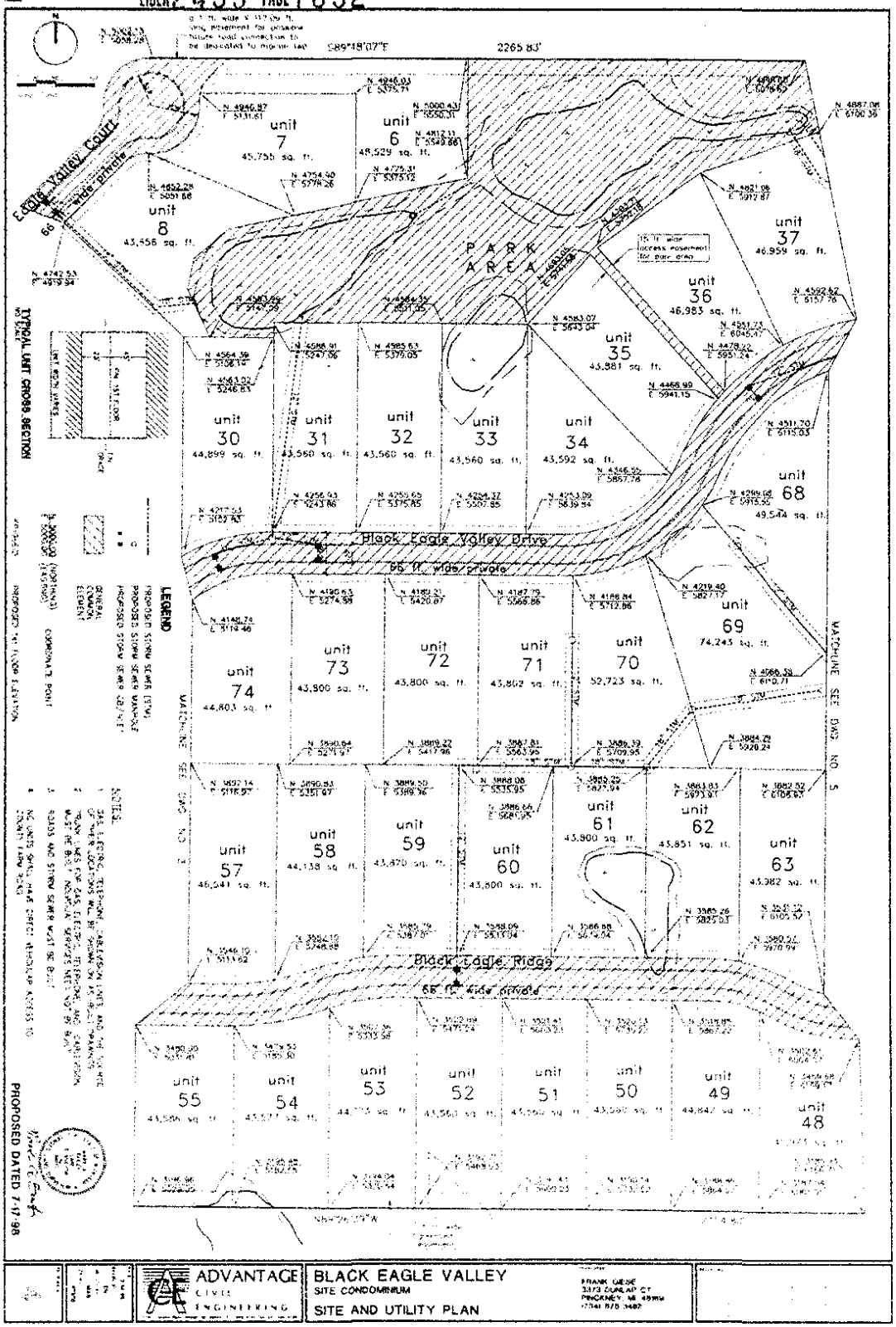
ADVANTAGE CIVIL ENGINEERING, INC.

BLACK EAGLE VALLEY
SITE CONDOMINIUM
COVER SHEET

FRANK GIESE
3373 DUNLAP CT.
PINCKNEY, MI 48169
(734) 878-3462


COUNTY FARM ROAD
66 ft. wide public
centerline roadway tangent data
centerline roadway curve data
Black Eagle Drive
Black Eagle Valley Drive
Eagle Valley Court
Black Eagle Ridge
phase 1
phase 2
PARK AREA
UNPLATTED
PROPOSED DATED 7-17-98
ADVANTAGE CIVIL ENGINEERING
BLACK EAGLE VALLEY
SITE CONDOMINIUM
COMPOSITE PLAN
FRANK GIESE
3373 DUNLAP CT.
PINCKNEY, MI 48169
734 878 3482

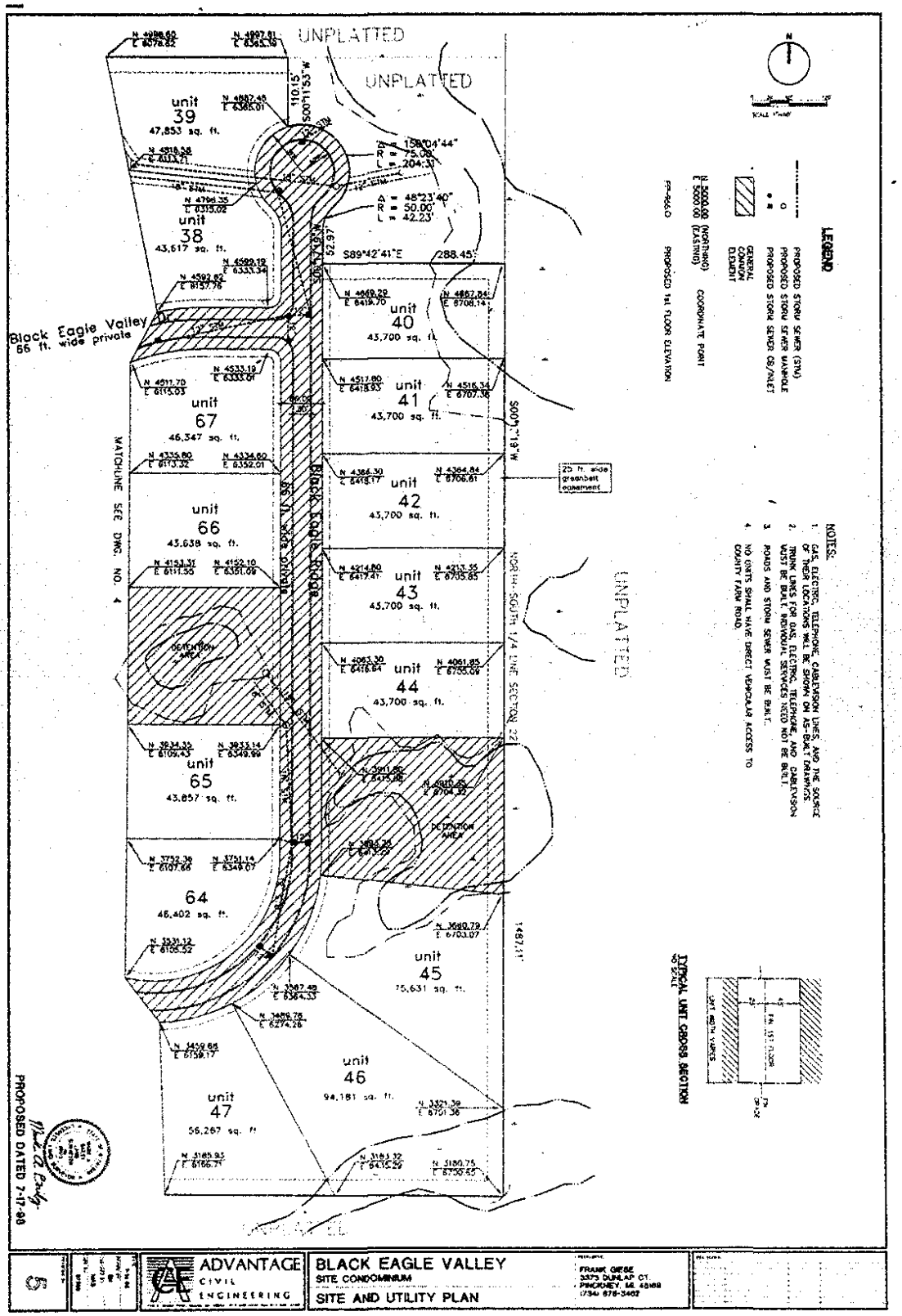

S89°48'07"E
2265.83'
unit 1
45,290 sq. ft.
unit 2
45,692 sq. ft.
unit 3
44,007 sq. ft.
unit 4
48,012 sq. ft.
unit 5
44,606 sq. ft.
unit 9
45,612 sq. ft.
unit 10
44,824 sq. ft.
unit 11
46,892 sq. ft.
unit 12
47,964 sq. ft.
unit 13
45,640 sq. ft.
unit 14
45,604 sq. ft.
unit 55
unit 15
unit 16
unit 17
44,316 sq. ft.
unit 18
unit 19
unit 20
45,613 sq. ft.
unit 21
45,638 sq. ft.
unit 22
45,049 sq. ft.
unit 23
50,475 sq. ft.
unit 24
45,767 sq. ft.
unit 25
44,806 sq. ft.
unit 26
48,589 sq. ft.
unit 27
44,220 sq. ft.
unit 28
45,890 sq. ft.
unit 29
45,406 sq. ft.
Black Eagle Drive
66 ft. wide private
Eagle Valley Court
66 ft. wide private
Black Eagle Valley Drive
66 ft. wide private
Black Eagle Drive
66 ft. wide private
Black Eagle Ridge
66 ft. wide private
WEST 1/4 COR.
SECTION 22
T2N-R4E
COUNTY FARM ROAD
66 ft. wide public
MATCHLINE SEE DWG
TYPICAL UNIT CROSS SECTION
PROPOSED DATED 7-17-98
ADVANTAGE CIVIL ENGINEERING
BLACK EAGLE VALLEY
SITE CONDOMINIUM
SITE AND UTILITY PLAN



ADVANTAGE CIVIL ENGINEERING

BLACK EAGLE VALLEY
SITE CONDOMINIUM
SITE AND UTILITY PLAN

FRANK GEISE
3373 DUNLAP CT
PINCKNEY, MI 48169
(734) 878-3482



5	ADVANTAGE CIVIL ENGINEERING	BLACK EAGLE VALLEY SITE CONDOMINIUM SITE AND UTILITY PLAN	FRANK GIESE 3373 DUNLAP CT. PINCKNEY, MI. 48169 (734) 878-3402

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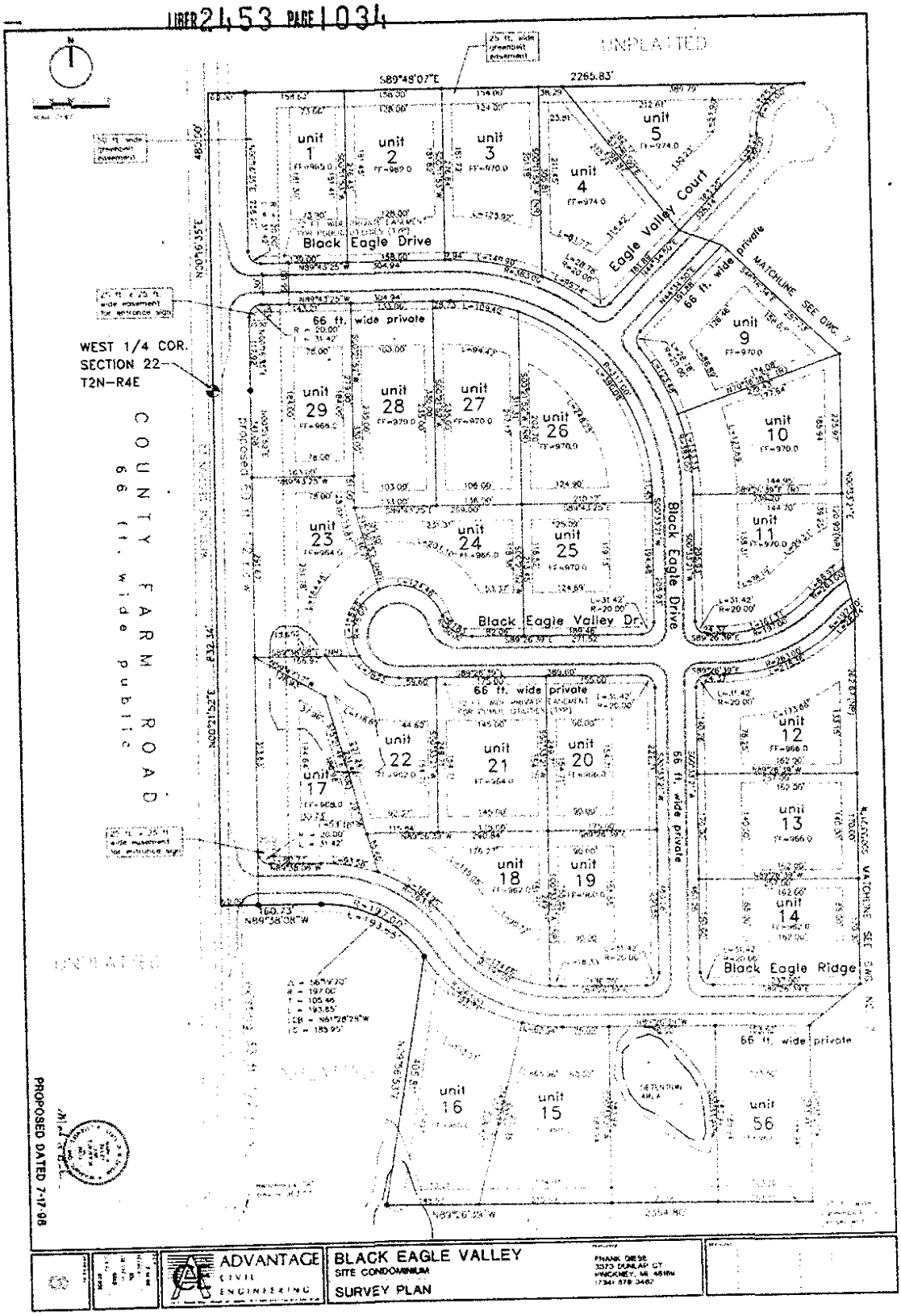
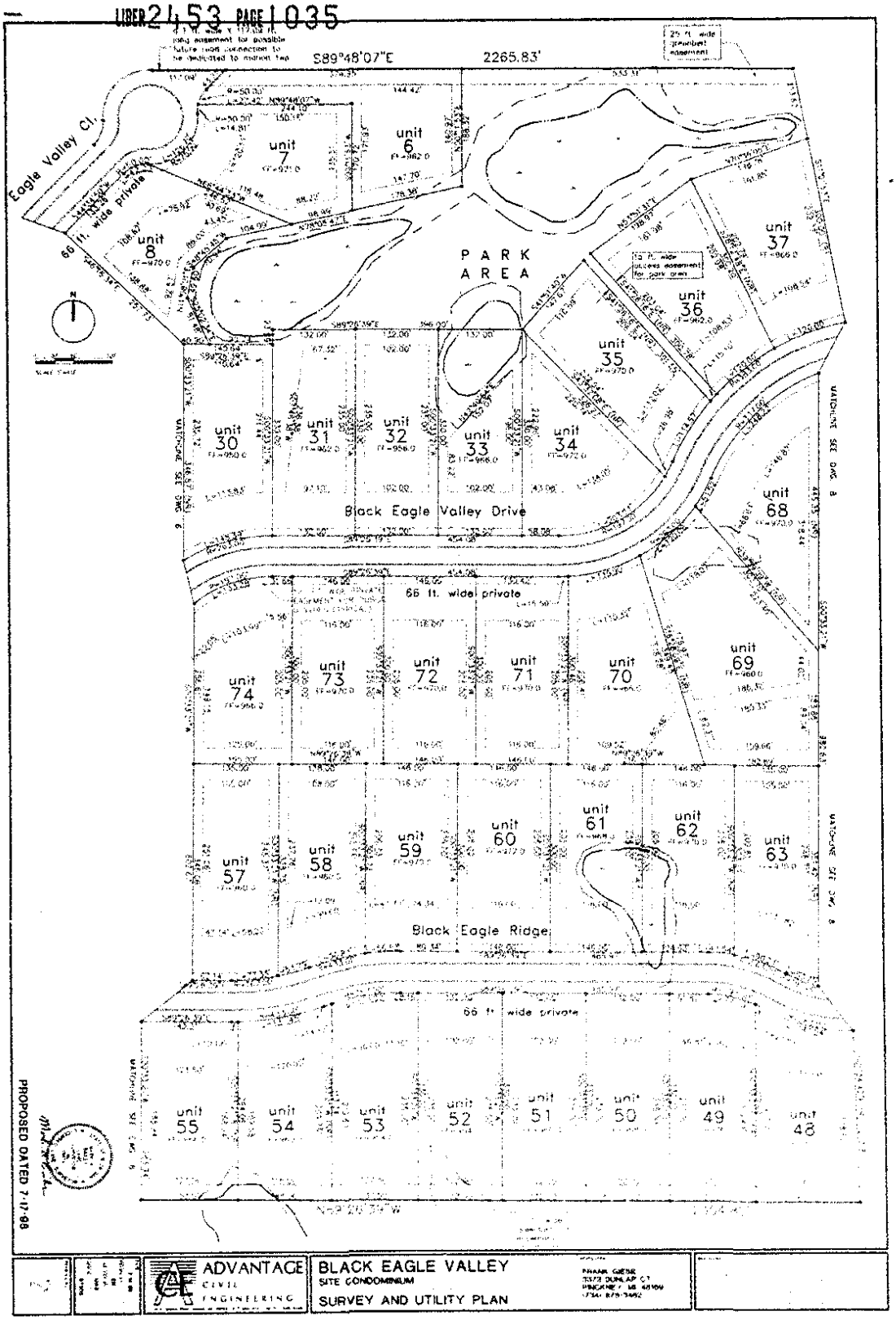


ADVANTAGE CIVIL ENGINEERING

BLACK EAGLE VALLEY
SITE CONDOMINIUM
SURVEY PLAN

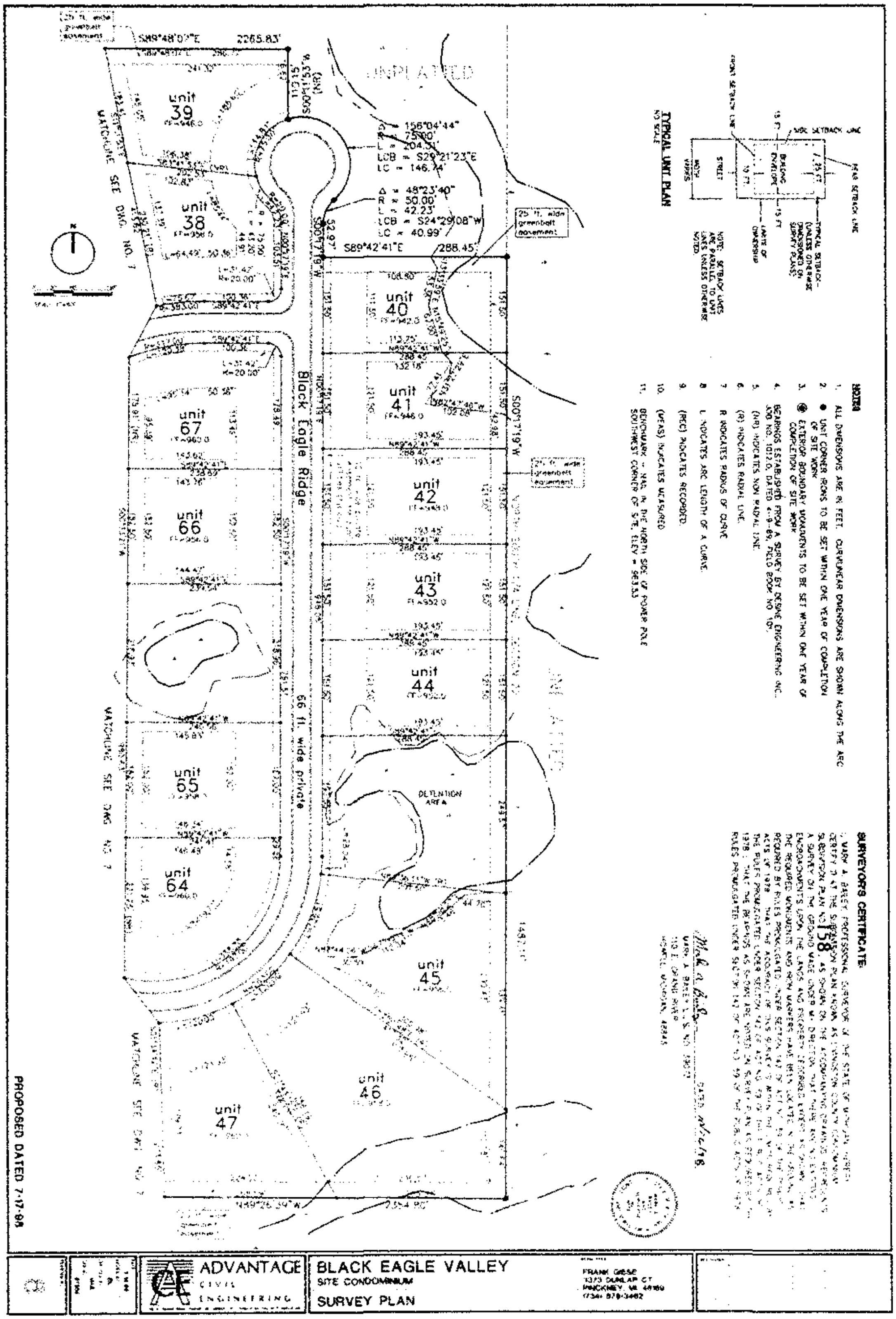
FRANK DIESE
3273 DUNLAP CT
HINCKLEY, MI 48116
(734) 878 3467



PROPOSED DATED 7-17-98

ADVANTAGE CIVIL ENGINEERING

BLACK EAGLE VALLEY
SITE CONDOMINIUM
SURVEY AND UTILITY PLAN


UNPLATTED
unit 39
unit 38
unit 40
unit 41
unit 42
unit 43
unit 44
unit 45
unit 46
unit 47
unit 64
unit 65
unit 66
unit 67
Black Eagle Ridge
66 ft. wide private
DETENTION AREA
MATCHLINE SEE DWG. NO. 7
S89°48'07"E 2265.83'
S89°42'41"E 288.45'
S00°17'19"W
N89°26'34"W 2354.90'
25 ft. wide greenbelt easement
TYPICAL UNIT PLAN
NO SCALE
NOTES
1. ALL DIMENSIONS ARE IN FEET. CURVILINEAR DIMENSIONS ARE SHOWN ALONG THE ARC
2. ● UNIT CORNER IRONS TO BE SET WITHIN ONE YEAR OF COMPLETION OF SITE WORK
3. ◉ EXTERIOR BOUNDARY MONUMENTS TO BE SET WITHIN ONE YEAR OF COMPLETION OF SITE WORK
4. BEARINGS ESTABLISHED FROM A SURVEY BY DESINE ENGINEERING INC.
5. (NR) INDICATES NON RADIAL LINE
6. (R) INDICATES RADIAL LINE
7. R INDICATES RADIUS OF CURVE
8. L INDICATES ARC LENGTH OF A CURVE
9. (REC) INDICATES RECORDED
10. (MEAS) INDICATES MEASURED
11. BENCHMARK - NAIL IN THE NORTH SIDE OF POWER POLE SOUTHWEST CORNER OF SITE
SURVEYOR'S CERTIFICATE
PROPOSED DATED 7-17-98
ADVANTAGE
CIVIL ENGINEERING
BLACK EAGLE VALLEY
SITE CONDOMINIUM
SURVEY PLAN
FRANK GIESE
1373 DUNLAP CT
PINCKNEY, MI 48169
(734) 878-3462