EXHIBIT "A"

B Y L A W S  O F  C A R R I A G E  T R A C E  C O N D O M I N I U M

A RT I C L E  I
T H E  C O N D O M I N I U M  P R O J E C T

1. Organization. Carriage Trace Condominium (the "Project"), is a detached single family residential condominium project located in the City of South Lyon. 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. Unit Co-owners in all Phases developed within the lands owned by Carriage Trace Associates (described in the Master Deed) shall become members of the Association with the full rights, duties and obligations of all other members.

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, 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 Michigan Condominium 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.

A RT I C L E  I I
M E M B E R S H I P  A N D  V O T I N G

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 cumulative voting 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, 51 percent 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 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 20 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 sixty-six (66%) 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 remain unsold.

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 sixty-six (66%) percent of the Units 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 nor affect the Developer's rights pertaining to the Architectural Control Committee set forth in Article VII, 5 (b) hereof.

5. **First Annual Meeting.** "First Annual Meeting" means the initial meeting at which non-developer Co-owners are permitted to vote for the election of Directors and upon all other matters which properly may be brought before the meeting. Such meeting is to be held (a) in the Developer's sole discretion after 50% of the Units which may be created are sold, or (b) mandatorily within (i) 54 months from the date of the first Unit conveyance, or (ii) 120 days after 66% of the Units which may be created are sold, whichever first occurs.
6. **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. 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 personnel 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. leasing or purchasing premises suitable for use by a managing agent or custodial personnel, on terms approved by the board;

h. granting concessions and licenses for the use of parts of the common elements for purposes not inconsistent with the Michigan Condominium Act or the Condominium documents;

i. 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;

j. making repairs, additions, improvements, and alterations to the condominium property and repairing and restoring the property in accordance with the other provisions of these Bylaws after damage or destruction by fire or other casualties or condemnation or eminent domain proceedings;

k. 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;

l. other duties as imposed by resolutions of the members of the Association or as stated in 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 must maintain and repair their condominium units, except general common elements in their units. Any Co-owner who desires to repair a common element or structurally modify a unit must first obtain written consent from the Association and shall be responsible for all damages to any other units or to the common elements resulting from such repairs or from the Co-owner's failure to effect such maintenance and repairs.

   b. The Association shall maintain and repair the general common elements and limited common elements to the 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. The Association and its agents shall have access to each Unit during reasonable working hours, on notice to its occupant, for the purpose of maintaining, repairing, or replacing any of the common elements in the unit or accessible from it. The Association and its agents shall also have access to each unit at all times without notice for emergency repairs necessary to prevent damage to other units or the common elements.

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 fund shall be established in the minimum amount stated in these Bylaws on or before the transitional control date and shall, to the extent possible, be maintained at a level that is equal to or greater than 10 percent of the current annual budget of the Association. The minimum reserve standard required by this provision may prove to be inadequate, and the board shall carefully analyze the project from time to time to determine whether a greater amount should be set aside or if additional reserve funds shall be established for other purposes.

6. **Mechanics Liens.** A mechanics lien for work performed on a Condominium Unit or a Limited Common Element shall attach
only to the Unit or element on which the work was performed. A lien for work authorized by the developer or the principal contractor shall attach only to condominium units owned by the developer when the statement of account and lien are recorded. A mechanics lien for work authorized by the Association shall attach to each unit in proportion to the extent to which the Co-owner must contribute to the administration expenses. No mechanics lien shall arise or attach to a condominium unit for work performed on the general common elements that is not contracted by the Association or the Developer.

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. The Board of Directors may elect to purchase Officers and Directors insurance coverage at the expense of the Association to assist in the fulfillment of its obligations under this section.

**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 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 $7,500 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. **Waiver or Use or Abandonment of Unit.** No Co-owner may exempt himself or herself from liability for contribution toward the expenses of administration by waiver of the use or enjoyment of any of the Common Elements, or Limited Common Elements, or by the abandonment of his or her Unit.

5. **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. 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 Michigan Condominium 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 Michigan Condominium 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.

6. **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 monthly 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, together with a reasonable share of the costs of administration that indirectly benefit the Developer (other than costs attributable to the maintenance of dwellings), such as legal fees, accounting fees, and maintenance of the landscaping, drives, and walks. If a Unit owned by the Developer is leased or otherwise permanently occupied by a person holding under or through the developer, the Developer shall pay all regular monthly assessments for the Unit. In no event shall the Developer be responsible for the cost of capital improvements or additions, by special assessment or otherwise, except for occupied units owned by it.

c. The Developer shall have no obligations to the Co-owners and the Association other than as stated in these Bylaws, in the Master Deed, and as imposed by law. The Developer makes no representations as to the use and/or conditions, current or future, of lands outside of the Condominium Project.
ARTICLE VI
TAXES, INSURANCE, AND REPAIRS

1. **Taxes.** 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 be appointed as attorney-in-fact for each Co-owner to act in connection with insurance matters and shall be required to obtain and maintain, to the extent available and applicable, 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 common elements to the project. Such insurance shall be in amount to be determined by the Developer or the Association in its discretion, but in no event less than $1,000,000 per occurrence. 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 Association for the benefit of the Association, the Co-owners, their mortgagees, and the Developer, according to their respective interests. Each Co-owner shall be responsible for obtaining insurance coverage at the Co-owner's expense for any dwellings, structures or buildings contained in the 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 Condominium, 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 common elements of the project shall be insured against perils covered by a standard extended coverage endorsement, if applicable and appropriate, in an amount equal to the maximum insurable replacement value, excluding land, landscaping, concrete and/or 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. If the Association elects to include owner improvements under its insurance coverage, any additional premium cost to the Association attributable to the coverage shall be assessed to the Co-owner and collected as a part of the assessments against the Co-owner as provided in these Bylaws.

c. The Association 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.

d. 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.

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 provisions for reconstruction are not made pursuant to the preceding paragraph, provisions for the withdrawal of any part of the property from the provisions of the Michigan Condominium Act and the project 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. When a unit or part of a unit is withdrawn, the percentage of ownership in the common elements appurtenant to that unit shall be reallocated among the remaining units based on the relative percentages of ownership in the common elements appurtenant to each remaining Unit. If only part of a Unit is withdrawn, the percentage of ownership in the common elements appurtenant to that Unit shall be reduced accordingly, based on the diminution in the market value of the unit, as determined by the board. Any insurance proceeds shall be allocated, on the basis of square footage withdrawn or some other equitable basis determined by the board, among the Units, parts of Units, and parts of the common elements withdrawn. As compensation for such withdrawals,

(1) any insurance proceeds allocated to withdrawn Units or parts of units shall be paid to the owners in proportion to their percentages of ownership in the common elements appurtenant to the withdrawn units or parts of Units;

(2) any insurance proceeds allocated to withdrawn parts of the Limited Common Elements shall be paid
to the Unit owners entitled to their use in proportion to their percentages of ownership in the common elements appurtenant to the units served by the withdrawn limited common elements; and

(3) any insurance proceeds allocated to withdrawn parts of the general common elements shall be paid to all unit owners in proportion to their percentages of ownership in the common elements.

On the withdrawal of any unit or part of a unit, the owner shall be relieved of any further responsibility or liability for the payment of any assessments for the Unit, if the entire unit is withdrawn or for the payment of the part of assessments proportional to the diminution in square footage of the unit if only part of the unit is withdrawn.

c. 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 Michigan Condominium 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 pertain on any taking by eminent domain:

a. If any part of the Common Elements is taken by eminent domain, the award shall be allocated to the Co-owners in proportion to their undivided interests in the Common Elements. The Association, through its board of directors, may negotiate on behalf of all Co-owners for any taking of Common Elements, and any negotiated settlement approved by more than two-thirds of the Co-owners based on assigned voting rights shall bind all Co-owners.

b. If a Unit is taken by eminent domain, that Unit's undivided interest in the Common Elements shall be reallocated to the remaining Units in proportion to their undivided interests in the Common Elements. The court shall enter a decree reflecting the reallocation
of undivided interests and the award shall include just compensation to the Co-owner of the Unit taken for the Co-owner's undivided interest in the Common Elements, as well as for the Unit.

c. If part of a Unit is taken by eminent domain, the court shall determine the fair market value of the part of the Unit not taken. The undivided interest for the Unit in the common elements shall be reduced in proportion to the diminution in the fair market value of the Unit resulting from the taking. The part of the undivided interest in the Common Elements thus divested from the Co-owner of a unit shall be reallocated among the other units in the project in proportion to their undivided interests in the Common Elements. A Unit that is partially taken shall receive the reallocation in proportion to its undivided interest as reduced by the court order under this provision. The court shall enter a decree reflecting the reallocation of undivided interests, and the award shall include just compensation to the Co-owner of the Unit partially taken for that part of the undivided interest in the common elements divested from the Co-owner and not revested in the Co-owner pursuant to provision d, as well as for the part of the Unit taken by eminent domain.

d. If the taking of part of a Unit makes it impractical to use the remaining part of that unit for a lawful purpose permitted by the condominium documents, the entire undivided interest in the common elements appertaining to that Unit shall be reallocated to the remaining Units in the Project in proportion to their undivided interests in the Common Elements. The remaining part of the Unit shall then be a Common Element. The court shall enter an order reflecting the reallocation of undivided interests, and the award shall include just compensation to the Co-owner of the Unit for the Co-owner's entire undivided interest in the Common Elements and for the entire Condominium unit.

e. Votes in the Association and liability for future administration expenses pertaining to a Unit that is taken or partially taken by eminent domain shall be reallocated to the remaining Units in proportion to their voting strength in the Association. The voting strength in the Association of a Unit that is partially taken shall be reduced in proportion to the reduction in its undivided interest in the common elements.
ARTICLE VII
CONSTRUCTION REQUIREMENTS AND USE RESTRICTIONS

1. Building Requirements and Specifications. It is the intention and purpose of this section and these Bylaws to insure that all dwellings in the condominium shall be of quality design, workmanship and materials approved by Developer. All dwellings shall be constructed in accordance with the applicable governmental building codes, ordinances and/or regulations and with such further standards as may be required by Developer pursuant to these Bylaws and the Master Deed, its successors and/or assigns. The following building requirements and specifications must be observed:

(a) No building shall be constructed or permitted to remain on any Unit other than a single family residence. Out buildings, storage sheds, barns and the like are prohibited. No building shall be erected on any Unit except by a contractor licensed by the State of Michigan for such purpose.

(b) All residences must have a private attached side entry garage for not less than two (2) cars.

(c) No residence shall be more than two (2) stories high and the maximum height of any residence regardless of the number of stories shall not exceed 35 feet, or the height allowed by applicable zoning ordinances, whichever is less.

(d) (i) Residences having one story (i.e. ranch homes) shall have a minimum main floor Livable Floor Area of at least one thousand seven hundred fifty (1750) square feet;

(ii) Residences having two stories shall have a minimum Livable Floor Area of at least one thousand seven hundred fifty (1750) square feet on the first level and a total minimum Livable Floor Area of at least two thousand (2000) square feet;

(iii) Tri-level residences (dwellings having two stories positioned side-by-side at different levels to one another) shall have a minimum Livable Floor Area of at least one thousand seven hundred fifty (1750) square feet on the main or ground floor, and a total minimum Livable Floor Area of at least at least two thousand (2000) square feet.
(iv) "Livable Floor Area" as used in this section shall mean the area within the outer surface of the exterior walls but shall not include the area of any garage, basement, chimney, or of any open or enclosed deck, porch, patio, or breezeway.

(e) No residence shall be constructed or located on any Unit except within the setbacks established in these Bylaws and consistent with City of South Lyon ordinances.

(f) All exterior lighting, including lamps, posts and fixtures, and landscaping lighting, for any residence or garage must receive prior written approval from the Architectural Control Committee. Each residence must have one exterior light wired to a photocell which will keep the light on from dusk to dawn every day. All exterior garage lights and lamp posts facing a street must be wired to a photocell which will keep the lights on from dusk to dawn every day. Each garage must have two exterior lights, one on each side of the overhead garage vehicle door. No co-owner shall in any way disconnect, modify, or in any way tamper with the exterior garage lighting or the photoelectric controls. The exterior lighting is a feature common to all residences and garages and is intended to provide light to Common Elements despite individual metering to each Co-owner.

(g) All outside equipment, including air conditioning compressors and pads, shall be placed and located within ten (10) feet of the rear of the residence unless otherwise approved in writing by the Architectural Control Committee. Such equipment may not be placed anywhere in the side yard area of a Unit nor may it be placed so that it is visible from the Project roadways inset a minimum of five (5) feet from corner (except in the instances of corner units if no reasonable alternative location can be found).

(h) Decks or patios may only be constructed with the prior approval of the Architectural Control Committee. All decks, steps and patios must built in conformity with the ordinances of the City of South Lyon. Decks or patios may not have an area of greater than 500 square feet. Where topography permits, a dwelling may have both a deck and a patio (such as a dwelling with a walkout basement) and as long as the total area of a deck and/or patio does not exceed 750 square feet. Any such construction must also comply with all applicable
laws, regulations, and local ordinances. The Co-owner is also required to obtain all permits required by the City of South Lyon, Michigan Department of Environmental Quality ("MDEQ"), and/or other governmental agencies, and furnish copies of said permits to the Association upon request.

(i) The entire first floor elevation of all dwellings, including the garage, must be 50% brick or masonry. All dwellings (including the garage) must have brick or masonry ledge on the sides and rear of the entire first floor. Acceptable masonry materials are: brick (including reclaimed brick), fieldstone and quarry stone. Cinderblock is prohibited. So called "cultured stone" and panel brick may be used as exterior finishes, provided the prior approval has been obtained from the Architectural Control Committee. Lower level walkouts must have brick or masonry finished on exposed surfaces of the lower level.

(j) All dwellings must have concrete or brick pavers driveways and walkways. Tinted concrete is not permitted in the construction of such driveways and walkways. Color of brick pavers must be approved by the Architectural Control Committee. All driveway curb cuts must be located at the front elevation of the dwelling.

(k) Siding may be used on second stories. Asbestos siding and texture 1-11 are prohibited. Only wood, wood shingle, brick, stone, stucco, vinyl or aluminum siding may be used. Other materials may be permitted with the approval of the Architectural Control Committee provided they blend with the architectural and natural landscape.

(l) Except as may be permitted by and in the sole discretion of both of the appropriate officials of the City of South Lyon and the Developer or the Architectural Control Committee, no residence, building or other structure shall be placed, erected, altered or located on any Unit nearer to the front, side or rear line of any Unit than is permitted by the ordinances of the City of South Lyon.

(m) No flat roofs shall be permitted on the main body of any dwelling or other structure. Flat roofs may be installed over Florida rooms, porches or patios with the approval of the Developer and/or Architectural Control Committee.
(n) The roof of each dwelling and garage shall have a minimum pitch of 6/12 (vertical/horizontal) unless otherwise permitted by the Architectural Control Committee. White, off-white and cream-colored covering or shingle materials are prohibited. Rolled sheet goods roofing materials may not be used as a final finish for a roof. All roofing material shall be dimensional style shingles. All other shingle and roofing materials are subject to approval of the Architectural Control Committee.

(o) Prefabricated chimneys must be enclosed by a material which is substantially the same as the materials which are used for the exterior finish of the dwelling. All prefabricated chimneys must have end caps. The purpose of this provision is to assure that no metal chimneys are visible in the Condominium. Chimneys may not be placed on a garage. Indirect vented furnaces or fireplaces are permitted, but must vent to the rear of the dwelling and comply with all manufacturers specifications and recommendations, as well as all applicable state, local and federal laws, codes, and regulations.

(p) All driveways must be completed as soon as possible after occupancy and in any event no later than six (6) months after initial occupancy of the dwelling.

(q) Any construction undertaken must be completed as soon as practical and all construction of any dwelling must be completed within one (1) year of the date on which construction first commenced.

(r) Each Unit within the Project must have a tree, of a species permitted for use in public areas within the City of South Lyon with a diameter at chest height of not less than two (2") inches located at the front of the dwelling per City Ordinance. The exact location and type of tree is subject to the prior approval of the Developer and its sole and absolute discretion.

(s) Soil removal from lots shall not be permitted, except as required for construction purposes and as permitted by Developer. In addition, all construction shall be subject to the requirements of applicable laws including the Michigan Soil Erosion and Sedimentation control act, as amended, and consistent with the Condominium Grading Plan (See Sec. 6 (b)).
(t) Retractable awnings are only permitted in the rear of the house, subject to prior approval of the Architectural Control Committee as to size, location, color, and material.

2. **Residential Use.** Condominium Units shall be used exclusively for residential occupancy, and no Unit or any common element appurtenant thereto shall be used for any purpose other than that of a single family residence or other purposes customarily incidental thereto, except that business and professional Co-owners may use their residence as an ancillary facility to an office established elsewhere, so long as such use does not generate traffic by members of the general public or employees of the business. No building intended for business purposes, and no apartment house, rooming house, day care facility, foster care residence or other commercial and/or multiple-family dwelling of any kind shall be erected, placed or permitted.

3. **Compliance with Government Regulation.** All construction of buildings or other structures within the Units of the Condominium must comply with all applicable laws, governmental regulations, ordinances, and codes. Use of the Common Elements or Limited Common Elements must likewise be lawful. The Association reserves the right to require compliance with all applicable laws, codes, ordinances, and regulations, even if governmental authorities have failed or declined to take enforcement action.

4. **Common Areas.** The common areas shall be used only by the Co-owners of Units in the Condominium and by their agents, tenants, family members, invitees and licensees for access, ingress to and egress from the respective Units and for other purposes incidental to use of the Units; provided, however, that any storage facilities, parking areas or other common areas designed for a specific use shall be used only for the purposes approved by the Board. The use, maintenance and operation of the common elements shall not be obstructed, damaged or unreasonably interfered with by any Co-owner, and shall be subject to any lease, concession or easement, presently in existence or entered into by the Board at some future time, affecting any part or all of said common elements.

5. **Architectural Review.**

   (a) No building, structure or other improvements shall be constructed within the perimeters of a Condominium Unit or elsewhere on the Condominium Premises, nor shall any exterior modification be made to any existing building,
structure or improvement, unless plans and specifications therefore, containing such detail as the Association may reasonably require, have first been approved in writing by the Association or its Architectural Control Committee. The Architectural Control Committee shall have the right to refuse to approve any plans or specifications, color and/or material applications, grading or landscaping plans, or building location plans which are not suitable or desirable in its opinion for aesthetic or other reasons; and in passing upon such plans and specifications it shall have the right to take into consideration the suitability of the proposed structure, improvement or modification, the site upon which it is proposed to be constructed, the proposed location within the Unit, the location of structures within adjoining Units and the degree of harmony thereof with the Condominium as a whole.

(b) Until the end of the Development and Sales Period, as defined in the Master Deed, Ronald L. Hughes, as representative appointed by the Developer, shall constitute the sole member of the first Architectural Control Committee of the Association. The purpose of this Committee is to assure that the Condominium is developed and maintained in a beautiful and professional manner consistent with high quality and uniform standards. In the event of death or resignation of any member of the Committee, the Developer or its appointed successor, shall have the sole authority to designate a successor. The members of the Committee shall not receive any compensation. Once the entire Development and Sales Period has ended, Ronald Hughes shall forthwith resign his office as member of the Committee to be succeeded by the persons selected by the Board of Directors of the Association.

Until the end of the Development and Sales Period, the Developer may, in its sole discretion, assign all rights, authority, and privileges of membership on the Architectural Control Committee to the Association.

Until the end of the Development and Sales Period, the Architectural Control Committee shall have all of the remedies and enforcement rights contained in these Bylaws.

(c) Before constructing any Condominium residence with attached garage or making any exterior improvement, change, or elevation upon any Unit, a Co-owner shall receive the written approval of the Architectural Control Committee. No application for a building
permit or application for any other governmental approval or construction shall be filed until written approval of the Committee is received. The Committee shall approve in advance the licensed residential builder engaged by the Co-owner to construct a residence and other improvements on his or her Unit. The Committee may require that such builder or Co-owner furnish to the Association adequate security, in the Committee's sole discretion, to protect the Association against costs and expenses which it might incur in connection with the failure to complete construction in a timely and diligent manner in accordance with the approved plans and specifications for the residence and its improvements and to protect the Common Elements from damage.

(d) A Co-owner intending to construct any residence, improvement, deck, patio, garage, structure, or intending to change the exterior or elevation of any Unit shall submit to the Architectural Control Committee plans and specifications, including site, grading, utility, garage, landscape and irrigation plans (if applicable), prepared and sealed by an architect registered in the State of Michigan (if applicable in the case of residences, garages or similar structures), showing the size, nature, kind, type and color of brick, shape, elevations, facade, height and materials, color scheme, (including, but not limited to stain and paint colors), location, and the approximate cost of such improvement. A copy of the plans and specifications, as finally approved, may be kept permanently with the Committee. Items requiring the written approval of the Committee include, but are not limited to, the following: Dwellings, walls, landscaping, drives, walks, substantial plantings, playground equipment and decks.

(e) The Architectural Control Committee shall have the absolute right to waive any specifications in these Bylaws and the right to refuse to approve any plans and specifications which are not suitable or desirable in its sole and absolute discretion for aesthetic or any other reasons. In no event shall the Committee have any personal liability for its actions and approval of any plans shall not be considered to be an evaluation, recommendation or guaranty of the soundness or adequacy of the plans. In considering any plans and specifications, the Committee may take into consideration any of the following: (1) the suitability and aesthetic quality of the proposed
building or other structure to be built, (2) the site upon which it is proposed to erect the same, (3) the compatibility of the planned structure with the adjacent or neighboring residences, (4) whether the proposed improvement will impair the structural integrity of a residence or Common Elements, (5) whether the proposed improvement would create a nuisance or annoyance to surrounding Co-owners, and (6) the impact of the overall standards and appearance of the Condominium.

(f) The Architectural Control Committee shall have thirty (30) days after the receipt of all required plans and specifications to issue a written approval or denial. Developer shall be entitled to charge each applicant a review fee in an amount not to exceed One Hundred and 00/100 ($100.00) Dollars, to reimburse Developer for costs incurred in connection with the review of said applicant's plans, specifications and related materials. This fee shall be applicable after a temporary or final Certificate of Occupancy has been issued by City of South Lyon, except for decks and landscaping approval requests.

If the Architectural Control Committee fails to give written notice of approval of any final architectural plans and/or specifications submitted to Developer under this Article 7, within thirty (30) days from the date of submittal and receipt by architectural control committee, such architectural plans and/or specifications shall be deemed approved by the Architectural Control Committee.

(g) During the Development and Sales Period, the Developer may construct dwellings or other improvements upon the Condominium premises without the necessity of prior consent from the Association, its Architectural Committee or any other person or entity, subject only to the express limitations contained in the Condominium Documents; provided, however, that all such dwellings and improvements shall, in the reasonable judgment of the Developer or its architect, be architecturally compatible with the structures and improvements constructed elsewhere on the Condominium premises.

6. **General Use and Occupancy Restrictions.** Without limiting the generality of the foregoing provisions, use of the Project and all common elements by any Co-owner shall be subject to the following restrictions:
(a) No Co-owner shall make any additions, alterations, or modifications to any of the common elements, nor make changes to the exterior appearance of the residence or other improvements located within the perimeters of his Unit without prior approval of the Association or its Architectural Committee. No Co-owner shall in any way restrict access to any utility line or other element that must be accessible to service the common elements or any element which affects an Association responsibility in any way.

(b) No portion of a Unit may be rented and no transient tenants may be accommodated therein; provided, that nothing herein shall prevent the rental or sublease of an entire Unit together with the limited common elements appurtenant to such Unit for residential purposes in the manner set forth in Article IX hereof.

(c) No nuisances shall be permitted on the Condominium property nor shall any use or practice be permitted which is a source of annoyance to its residents, or which interferes with the peaceful possession or proper use of the Project by its residents. No substance or material shall be kept on a Unit that will emit foul or obnoxious odors, or that will cause excessive noise which will or might disturb the peace, quiet, comfort or serenity of the occupants of surrounding Units.

(d) No immoral, improper, offensive or unlawful use shall be made of the Condominium Premises or any part thereof, and nothing shall be done or kept in any Unit or on the Common Elements which will increase the rate of insurance for the Project without the prior written consent of the Board. No Co-owner shall permit anything to be done or kept in his Unit or on the Common Elements which will result in the cancellation of insurance on any Unit, or any part of the common elements, or which would be in violation of any law.

(e) All vacant Units must remain free of debris, litter and trans and be cleaned up regularly. All grass and weeds on any vacant Unit must be mowed at least once monthly. Where a residence is under construction within a Unit, all debris, construction debris, unusable materials, litter, and trash must be cleaned up and removed every Friday afternoon and more often if required by the Architectural Control Committee.

(f) No Unit shall be used or maintained as a dumping ground for rubbish, trash, garbage or other waste. Garbage
and trash shall be kept only in sanitary container within the Co-owner's garage and may not be put out for collection any earlier than the evening before the day scheduled for collection. The burning or incineration of rubbish, trash, construction materials or other waste outside of any residential dwelling is strictly prohibited.

(g) Trailers, tents, shacks, barns, or any temporary building of any description whatsoever are expressly prohibited within the Condominium. No temporary occupancy shall be permitted in an unfinished Condominium residence. The use of a trailer for materials and supplies to be used by a builder in the construction of a residence and which shall be removed from the premises upon enclosure of the residence, may be allowed with the written consent of the Architectural Control Committee which shall have the sole discretion to approve or disapprove the same. No old or used buildings of any kind shall be brought on any Unit or in the Condominium. No accessory buildings shall be permitted within any Unit. Temporary sales or construction trailer shall be permitted subject to City of South Lyon approval.

(h) Fences, dog runs, wall or solid hedge may not be erected or maintained on any Unit except for special purposes approved by the architectural Control Committee. ("Invisible fence" devices for the control of pets are approved). Before such a fence or wall is installed (i.e. for swimming pool, hot tub, or tennis court), the Co-owner shall obtain the express written consent of the Architectural Control Committee which shall have the sole and absolute discretion to determine the suitability of the location, design, shape, height, size and materials for any required fence, wall, or solid hedge. Any such fencing shall be black in color. Any fencing around pools or hot tubs shall be of the "wrought iron" style. In the circumstances where a fence is permitted under this subsection it may not, in any event, be a chain link fence — chain link fences are prohibited under all circumstances.

(i) The design, material, color, location and construction of all mailboxes and mailbox stands on side or street only shall be as required by postal authorities and approved by the Architectural Control Committee. Costs of installation of mailboxes are the responsibility of
the Co-owners, and must be paid prior to their installation.

(j) In-ground swimming pools, in-ground hot-tubs, tennis courts, or other similar recreational structures, shall be permitted, subject to design approval by the Architectural Control Committee. Above-ground and free-standing swimming pools, hot-tubs, or jacuzzis are prohibited. Any swimming pool or similar structure which has been approved in writing by the Association shall be constructed in accordance with manufacturers' specifications and with all applicable local ordinances, state laws and other government regulation. Swimming pools and in-ground hot tubs, if approved by the Architectural Control Committee, shall be screened by a black wrought iron or black aluminum fence, and in compliance with all laws and governmental regulations and ordinances pertaining thereto. Tennis courts, if approved by the Architectural Control Committee, shall be screened by black cyclone wire fencing, and in compliance with all laws and governmental regulations and ordinances pertaining thereto. However, in the event a Co-owner seeks approval for a hot tub to be installed as part of an approved deck structure fencing may be waived, provided the Co-owner is in compliance with all governmental laws, ordinances, and regulations.

(k) No unsightly condition shall be maintained upon any deck or patio and only furniture and equipment consistent with ordinary deck or patio use shall be permitted to remain there during seasons when decks or patio are reasonably in use and no furniture or equipment of any kind shall be stored on decks or patio during seasons when such areas are not reasonably in use. No furniture or equipment may be placed out on decks or patios before April 1 and all furniture and equipment shall be removed and stored inside by November 1 of each year.

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

(m) The Common Elements, limited or general, shall not be used for storage of supplies, materials, personal property or trash or refuse of any kind except as provided in duly adopted Rules and Regulations of the Association.

(n) Trash receptacles shall be maintained inside each individual garage at all times and shall not be permitted to remain elsewhere on the Common Elements except for such short periods of time as may be reasonably necessary to permit periodic collection of trash. In any event, no trash container may be placed out for pick up prior to 6:00 a.m. on the day which rubbish is collected and the containers must be returned to the garage by no later than 6:00 p.m. that day.

(o) The Common Elements shall not be used in any way for the drying, shaking or airing of clothing or other fabrics. No laundry drying equipment shall be erected or used outdoors and no laundry shall be hung for drying outside of the dwelling.

(p) In general, no activity shall be carried on, nor condition maintained by a Co-owner either in his Unit or upon the Common Elements, which spoils the appearance of the Condominium.

(q) Sidewalks, yards, landscaped areas, driveways, roads and parking areas shall not be obstructed in any way, nor shall they be used for purposes other than for which they are reasonably and obviously intended. No bicycles, vehicles, chairs or benches may be left unattended on or about the Common Elements.

(r) No Co-owner shall use, or permit the use by any occupant, agent, employee, invitee, guest or member of
his family of any firearms, air rifles, pellet guns, B-B guns, bows and arrows or other similar dangerous weapons, projectiles or devices anywhere on or about the Condominium Premises.

(s) No signs, billboards or other advertising devices of any kind, including those of home improvement contractors, shall be displayed or located on a Unit or on the Common Elements, including "For Sale" signs, except that one (1) "For Sale" sign may be placed inside the window of dwelling.

(t) Basketball backboards and nets may not be attached directly to dwellings or garages. However, freestanding basketball backboards may be installed in locations which have been approved by the Architectural Control Committee.

(u) Burning of trash, waste, or leaves is not permitted in the Project.

(v) No outside antennas or satellite dishes are permitted in the Condominium. Provided, however, that satellite dishes one meter or less in diameter, and antenna masts 12 feet or less in length may be placed within a Unit with the prior approval of the Architectural Control Committee. The Architectural Control Committee may review proposed antenna placement for safety and aesthetics, and may require the owner of the unit to make reasonable expenditures to screen dishes from view prior to placement. Any satellite dish which approved must be located in the rear of a dwelling and must be screened from view so it cannot be seen from the street, walkway or adjoining residences, unless such location would prevent the antenna from receiving its signal. Any of the foregoing notwithstanding, the Architectural Control Committee may require any new dish or antenna to meet any size and placement restrictions not prohibited or preempted by federal law and/or FCC regulation at the time of placement.

(w) Free standing flag poles are not permitted, but this shall not prohibit the display of flags from flag poles attached to the dwelling as long as the flag pole is a minimum of four (4) feet long and does not exceed eight (8) feet in total length.

(x) Powered lawn maintenance equipment may not be operated within the Condominium before 10:00 a.m. on Sundays or legal holidays or before 8:00 a.m. on any other day.
(y) Overhead garage vehicle entry doors shall remain closed when not in use.

(z) Home address signs shall be in locations which have been approved by the Architectural Control Committee. Such signs shall be engraved limestone stone. Neon address signs and address signs with internal lighting systems are prohibited.

(aa) Spot lights shall not be permitted. No security lighting shall be allowed in the front of any dwelling. Security lighting in the background and side yard areas shall be shielded so as not to allow "glare" into adjoining dwellings. This section shall not be interpreted to preclude decorative landscaping lighting. Lights may not be connected to motion-detector activated switches.

(bb) No outside claxons or sirens may be maintained on any dwellings or outbuilding as part of an alarm or security system. All such devices must be placed inside the dwelling.

(cc) (Intentionally left blank).

(dd) Owners of Units shall be responsible for the maintenance of parkways or public rights-of-way located between their unit boundary lines and edges of street pavements on which said Unit building envelope lines and edges of street pavements or walkways on which said Units abut. Owner of Units are also responsible for the maintenance of parkways or public rights of way located between the boundary of their Unit and the edge of walkways abutting their Unit.

(ee) Exterior fuel tanks, above ground, shall not be permitted. The stockpiling and storage of building and landscape materials and/or equipment shall not be permitted on any Unit, except such materials and/or equipment as may be used within a reasonable length of time. Any such temporary storage shall be at the rear of the dwelling. In no event shall the storage of landscape materials extend for a period of more than thirty (30) days.

(ff) Playground equipment may be placed on a unit with prior approval of the Architectural Control Committee as to size, layout, and material. No metal equipments shall be permitted, and the playground area may not cover
more that 150 square feet of a Unit. Treehouses shall not be permitted.

(gg) Holiday or event decorations and lights are permitted. However, all such lights and decorations shall be removed within two weeks after the holiday or event. (i.e. Christmas Lights must be removed on or before January 7). Decorations shall not be placed so as to cause an unsightly condition or cause a hindrance to any other co-owner. All decorations should be used in moderation, so as not to cause a cluttered appearance to the unit. Decorations may not be placed to create a use other than that of a decoration (i.e. placing decorations to create a fence.) The Architectural Control Committee shall have sole discretion over what is allowed.


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

(b) The grade of any Unit in the Condominium may not be changed from the Grading Plan prepared by Ambit Land Surveyors, Inc., dated March 30, 1999, as part of the Engineering Plan and approved by the City of South Lyon. The Grading Plan may be subsequently amended from time to time as conditions require and subsequently approved by the City of South Lyon without the written consent of the Architectural Control Committee and any governmental authority having jurisdiction.

(c) It shall be the responsibility of each Owner to maintain the surface drainage grades of his Unit as established by the Developer. Each Owner covenants that he will not change the surface grade of his Unit in a manner which will materially increase or decrease the storm water flowing onto or off of his Unit and will not block, pond or obstruct surface water. The Board of Directors of the Association shall enforce this covenant and shall charge the costs of the
correction to the Owner and such costs shall be a lien upon the Unit.

8. Alterations and Modifications. No Co-owner shall make any alterations in the exterior appearance of his dwelling or make changes in any of the Common Elements, limited or general, without the express written approval of the Architectural Control Committee. No Co-owner shall in any way restrict access to or tamper with any pump, plumbing, waterline, waterline valves, water meter, sprinkler system valves or any other element that must be accessible to service other Units, the Common Elements or which affects an Association responsibility in any way. Should access to any facilities of any sort be required, the Association may remove any coverings or attachment of any nature that restrict such access and it will have no responsibility for repairing, replacing or reinstalling any materials that are damaged in the course of gaining such access.

9. Pets and Animals. The following restrictions shall apply to pets and animals:

(a) No more than two (2) pets may be maintained on a Unit or in a dwelling. The term "pet" for, the purpose of this Section 6, shall not include fish or small birds. All animals must be cared for and restrained so as not to be obnoxious or offensive on account of, by way of illustration and not as limitation, excessive or persistent barking, odor, or unsanitary conditions. No animal may be kept or bred for any commercial purpose. No animal may be permitted to run loose at any time upon the Common Elements and any animal shall at all times be leashed and attended by some responsible person while on the Common Elements. No pets may be "tied out" on the Common Elements. While on the Common Elements all animals shall be leashed or restrained on a leash not to exceed ten (10) feet in length. When on the Common Elements, all animals must be accompanied by the owner or other responsible adult. No savage or dangerous animal shall be kept in the Condominium. Any Co-owner who causes any animal to be brought or kept upon or within the Condominium shall indemnify and hold harmless the Association for any loss, damage or liability which the Association may sustain as the result of the presence of such animal on the premises, whether or not the Association has given its permission therefor. Each Co-owner shall be responsible for collection and disposition of all fecal matter deposited by any animal maintained by such Co-owner. The Association may charge all Co-owners maintaining
animals a reasonable additional assessment to be collected in the manner provided in Article II of these Bylaws in the event that the Association determines such assessment necessary to defray the maintenance cost to the Association of accommodating animals within the Condominium. The Association may, without liability to the owner thereof, remove or cause to be removed any animal from the Condominium which it determines to be in violation of the restrictions imposed by this Section. The Association shall have the right to adopt such additional reasonable rules and regulations with respect to animals as it may deem proper.

(b) Stray animals and wild animals shall not be fed or housed by Co-owners, nor shall Co-owners allow any condition to exist within their dwelling, on their Unit or the Common Elements, limited or general, appurtenant to their Units, which may attract stray or wild animals.

(c) In the event of any violation of this Section, the Board of Directors of the Association may assess fines for such violation in accordance with these Bylaws and in accordance with duly adopted rules and regulations of the Association.

10. Vehicles and Parking. The following restrictions shall apply to vehicles.

(a) Co-owners must park all of their vehicles in the driveway or garage and parking areas on their Units. Garage doors shall be kept closed when not in use.

(b) Any vehicles parked on the General Common Elements must be moved not less than every 48 hours or they will be deemed abandoned and subject to removal by the Association at the expense of the vehicle's owner.

(c) Any unlicensed or non-operative vehicle parked within the Condominium Premises for more than 48 hours will also be deemed abandoned and subject to removal at the expense of the owner.

(d) No vehicle repair or non-emergency maintenance or similar repairs are allowed on the Common Elements or Units, except within the garages of the Units.
(e) Washing or polishing of vehicles may only be undertaken in the garage or on the driveway appurtenant to the Co-owner's Unit.

(f) No inoperable vehicles of any type may be brought in or stored upon the Condominium Premises either temporary or permanently.

(g) No vehicles may be parked, stored or maintained on any lawn areas within the Condominium Premises, including the lawns within any Units.

(h) Any damage to the Condominium Premises or Project caused by violation of these vehicle restrictions are the responsibility of the Co-owner who owns the vehicle or the Co-owner of the Unit which the operator/owner the vehicle is visiting.

(i) No recreational vehicles, boats or trailers shall be parked or stored in any garage if such storage would prevent full closure of the door thereto, or elsewhere on the Condominium Premises without the written approval of the Association, and no snowmobile, all-terrain vehicle or other motorized recreational vehicles shall be operated on the Condominium property. No maintenance or repair shall be performed on any boat or vehicle except within a garage or residence where totally isolated from public view.

(j) If the prior written approval of the Association has been obtained, a Co-owner may park a vehicle of the type listed in subparagraph (i), above, on the Condominium Premises for a period not to exceed 72 consecutive hours not more than once per month.

(k) It will be the responsibility of the Co-owner to assure that his or her garage is available for parking of the Co-owner's vehicle. The fact that garage is used for storage shall not entitle a Co-owner to park a vehicle on the General Common Elements.

(l) No trail bikes, motorcycles, snowmobiles or other motorized recreational vehicles shall be operated on any Unit or in any easement, side strip, walkways, parks, or common elements within the Condominium.

11. Rules and Regulations. Reasonable regulations consistent with the Act, the Master Deed and these Bylaws, concerning the operation and use of the Common Elements may be made and amended from time to time by any Board of Directors of the
Association, including the First Board of Directors (or its successors elected by the Developer) prior to the First Annual Meeting of the entire Association held as provided by these Bylaws. Copies of all such regulations and amendments thereto shall be furnished to all Co-owners and shall become effective thirty (30) days after mailing or delivery thereof to the designated voting representative of each Co-owner. Any such regulation or amendment may be revoked at any time by the affirmative vote of more than fifty (50%) percent of all Co-owners, except that the Co-owners may not revoke any regulation or amendment prior to said First Annual Meeting of the entire Association.

12. **Right of Access of Association.** The Association or its duly authorized agents shall have access to each Unit (but not any dwelling) and any Common Elements appurtenant thereto from time to time, during reasonable working hours, upon notice to the Co-owner thereof, as may be necessary for the maintenance, repair or replacement of any of the Common Elements. The Association or its agents shall also have access to each Unit and any Common Elements appurtenant thereto at all times without notice as may be necessary to make emergency repairs to prevent damage to the Common Elements or to another Unit or dwelling. It shall be the responsibility of each Co-owner to provide the Association means of access to his Unit and any Common Elements appurtenant thereto during all periods of absence, and in the event of the failure of such Co-owner to provide means of access, the Association may gain access in such manner as may be reasonable under the circumstances and shall not be liable to such Co-owner for any necessary damage to his Unit and any Common Elements appurtenant. The Association shall also have a right of access for to any Unit and dwelling for the purpose of assuring compliance with the Project Documents. This provision shall not, however, entitle the Association to access to a dwelling built upon a Unit, except with reasonable notice to the Unit owner.

13. **Landscaping.** The following provisions shall control landscaping issues within the Condominium Project:

   (a) All landscaping and construction activity shall be performed in a neat and orderly manner without offensive storing of tools or materials during work and the site preparation, construction of the home, and landscaping, paving, etc.; the work shall comply with the highest standards of professional workmanlike practices. Debris and material storage shall be screened from streets and neighboring Units.
(b) No Co-owner shall perform any landscaping or plant any
trees, shrubs, or flowers or place any ornamental
materials upon the General Common Elements without the
prior written approval of the Association. Any
landscaping installed by the Co-owner pursuant to this
Section shall be maintained by the Co-owner and the
Association shall have no responsibility for its
maintenance. No plants, seeds or other things or
conditions harboring or breeding infectious plant
diseases or noxious insects or weeds shall be
introduced or maintained upon any part of a Unit.

(c) Lawns shall be installed as soon as practical after
occupancy. Front lawns shall be sodded and rear and
side yards may be seeded or sodded by the Co-owner.
Seeding or hydro seeding, in front yards, shall not be
acceptable. In all events, dwellings occupied after
December 1 must have lawns installed by no later than
June 1 of the following year.

(d) Each lawn must be watered as may reasonably be required
to keep it in good condition.

(e) Each Co-owner shall be responsible for the maintenance
of any lawn area directly in front of his or her Unit
and between the Unit line and the pavement,
notwithstanding the fact that this may be a General
Common Element.

(f) Foundation plantings shall be installed as soon as
practical after completion of construction and shall be
in conformity with the minimum specifications
established by Developer.

(g) The Condominium Project contains wetland areas which
are regulated by the Michigan Department of
Environmental Quality ("MDEQ"). The approximate
boundaries of the wetlands are identified on the
Condominium Subdivision Plan attached as Exhibit B to
the Master Deed. No wetlands shall be modified in any
manner, including, but not limited to, altering the
topography of, placing fill material in, dredging,
removing or excavating any soil or minerals from,
draining surface water from, constructing or placing
any structure on or over, plowing, tilling,
cultivating, or otherwise altering or developing the
wetlands, unless a permit (for such modification has
been issued by MDEQ and all other governmental units or
agencies having jurisdiction over the wetlands within
the Condominium site plan, and unless such modification
is approved by Developer prior to the date on which Developer conveys to a co-owner the last unit in which Developer holds a fee interest and by the Association thereafter.

(h) Clear-cutting or removal of trees greater than six (6) inch caliper at breast height ("large trees") by any person other than Developer shall not be permitted unless such clear-cutting or tree removal is in compliance with all applicable municipal ordinances, and approved by Developer. Prior to commencement of construction, each unit co-owner shall submit to Developer for its approval, a plan for the preservation of trees in connection with the construction process. It shall be the responsibility of each unit co-owner to maintain and preserve all large trees on his lot, which responsibility includes welling trees, if necessary.

(i) Co-owner shall remove an unhealthy or dead tree of any size from his Unit or any limited common element for which that Co-owner is responsible.

(j) Landscaping decorations (i.e. windmills, wishing wells, bird baths, statues, etc.) shall not be permitted.

(k) Reservation of Easements. Subject to all applicable state laws and municipal ordinances, easements for the construction, installation, maintenance and replacement of public utilities, surface drainage facilities, sanitary sewer, storm sewer, water supply facilities, public walkways, pathways, trails and ingress and egress are hereby reserved to Developer, its successors and assigns, over, under and across common areas and as may be indicated on the Condominium Subdivision Plan, attached as Exhibit B to the Master Deed as officially approved and/or as may otherwise appear of record or as such easements may hereafter be required in the sole discretion of Developer, provided such easements are established in accordance with applicable laws, rules and regulations, including the commencement of legal proceedings, if necessary. The use of such easements, or any portion thereof, may be assigned by Developer at any time to any person, firm, corporation, governmental agency or municipal authority or department furnishing one or more of the foregoing services and/or facilities and any such easements hereby reserved may be relinquished and waived, in whole or in part, by Developer, by the filing of record of an appropriate instrument of relinquishment provided such waiver or relinquishment is in accordance with applicable laws,
rules and regulations, including commencement of legal proceedings, if necessary. Developer shall have the right and authority at any time to enter into such maintenance or other agreements with the Association, any municipal authority or other governmental authority as Developer may determine to be necessary or appropriate for the purpose of providing for the maintenance, repair or replacement of any such easements or facilities located upon, over, under or through such easement and for the further purpose of providing for assessments for such purpose against any or all of the units and common areas within the total Condominium site. To the extent provided for in any such agreement(s), such assessments shall be levied as provided for therein and shall constitute a lien upon the unit(s) or upon the Association upon which it is levied. No structure, landscaping or other materials shall be placed or permitted to remain within any of the foregoing easements which may damage or interfere with the installation or maintenance of the aforesaid utilities or which may change, obstruct or retard the flow or direction of water in, on or through any drainage channels, if any, in such easements, nor shall any change be made by any owner in the finished grade of any lot once established by the builder of any residential dwelling thereon, without the prior written consent of Developer. Developer and its successors and assigns shall have access over each unit for the maintenance of all improvements in, on, over and/or under any easement which burdens such unit, without charge or liability for damages. Except as may otherwise be provided in this declaration, or in any maintenance agreement made between Developer and any municipal or governmental authority, the co-owner of each unit shall maintain the service area of all easements within his Unit, keep grass and weeds cut, keep the area free of trash and debris and take such actions as may be necessary to eliminate or minimize surface erosion. The co-owner of each unit shall be liable for any damage to any improvements which are located in, on, over and/or under the subject easement, including, but not limited to, damage to electric, gas, telephone cable, and other utility and communication distribution lines and facilities, which damage arises as a consequence of any act or omission of the co-owner, his agents, contractors, invitees and/or licensees.

14. **Easements for Irrigation of Traffic Islands.** One or more units located on each cul-de-sac, and in other areas
adjacent to traffic islands, in the Condominium Project will be subject to easements for the placement and maintenance of water meters and pipes for the purpose of providing irrigation to the islands in the roadway in each cul-de-sac. The Developer shall designate which Units are subject to said easements during the construction of dwellings on each cul-de-sac. The Association shall be responsible for the maintenance and water charges associated with such irrigation.

15. **Public Rights of Way.** Any Unit may be converted to use as a public right-of-way by agreement, only, of the Unit Co-Owner and the City of South Lyon, without consent of other Co-owners and/or the Condominium Association. Should such a public right-of-way be created, the Master Deed shall be promptly amended by the Co-Owner, at his sole expense, and the Developer and/or the Condominium Association shall have no responsibility or liability for such amendment. It is contemplated that certain Units may be adjacent to public rights of way for use by other Co-owners, their guests, and members of the general public for access to parks and bike paths, as well as other uses. The Association shall have the right to dedicate common elements, or limited common elements, to governmental entities to provide such public access, even though such dedication may increase the use of said public rights of way. At the present time Units 12, 13, 22, 23, 26, 27, 62 and 63 are adjacent to areas containing such public rights of way, or potential public rights of way, although it is contemplated that others may be created as additional phases of the Condominium Project are developed, and additional lands are added. Should lands be dedicated to any governmental authority the Master Deed shall be promptly amended at the expense of the Grantee or the Grantor (and not the Developer).

16. **Real Estate Sales Office.** Notwithstanding anything to the contrary contained in these Bylaws, Developer, and/or any builder which developer may designate, may construct and maintain on any lot(s) a real estate sales office, with such promotional signs as developer or said builder may determine and/or a model home or homes for such purposes; Developer and any such designated builder may continue such activity until such time as all of the lots in which Developer and such builder have an interest are sold. Additionally, the Developer shall be entitled to a sign at each entrance to the Condominium Project identifying the Project as being developed by the Developer. Said sign shall be harmonious with the landscape of the entrance and the Condominium Project, and shall be maintained by the Association in perpetuity.
17. Covenant to Build. Each Co-owner of a Unit in the Condominium by acceptance of a deed of conveyance or land contract from the Developer agrees to commence construction of a residence upon the Co-owner's Unit in conformity with the restrictions contained in the Condominium Documents not later than twelve (12) months from the date on which the deed or contract is delivered to the Owner.

(a) Intentionally left blank.

(b) In the event that a Co-owner does not construct a residence on the Unit and desires to sell, assign, transfer or convey the Unit to another party within five (5) years from the date of receiving a deed or land contract from the Developer, the Developer shall have an option to repurchase the Unit for a purchase price at the lesser of the price for which the Co-owner proposes to transfer the Unit to another party or the purchase price paid by such Owner of his predecessor(s) to the Developer.

(c) The Developer shall have a period of thirty (30) days from the date of receiving notice from the Co-owner of the latter's intention to sell, transfer or convey the Unit in which to elect to repurchase. The option may be exercised by giving written notice to the Owner, and the repurchase shall be closed within ten (10) days from the date of the notice. At closing, the Developer will pay the purchase price to the Co-owner and the Owner shall deliver to the Developer a warranty deed from and clear of all liens and encumbrances other than those reflected on the original title policy under which the Owner received title to the Unit. This option shall run with the land and in the event that it is breached by the Co-owner, the Developer will have the right to acquire the Unit from a subsequent purchaser on the same price and terms, commencing on the date the Developer learns of such transfer and expiring ninety (90) days thereafter.

(d) The provisions of this Section may be waived in writing by the Developer, or may be modified by a written agreement between the Co-owner and the Developer.

18. Disputes Absent an election to arbitrate pursuant to Article X of these Bylaws, a dispute or question as to whether a violation of any specific regulation or restriction contained in this Article has occurred shall be submitted to the Board of Directors of the Association which shall conduct a hearing and render a decision thereon in
writing, which decision shall be binding upon all owners and other parties having an interest in the Condominium Project.

BYLAWS OF CARRIAGE TRACE CONDOMINIUM

Carriage Trace Associates Limited Partnership
A Michigan Limited Partnership

By: Lyon Development, LLC
Its: General Partner

By: Ronald L. Hughes
Its: Managing Member
LEGAL DESCRIPTION
PHASE 1 OF "CARRIAGE TRACE" CONDOMINIUMS

A part of the Southwest 1/4 and the Southeast 1/4 of Section 17, Town 1 North, Range 7 East, City of South Lyon, Oakland County, Michigan; more particularly described as commencing at the South 1/4 Corner of said Section 17; thence North 89°38'44" West, 549.23 feet, along the South line of said Section 17 and the centerline of Eleven Mile Road; thence 69.63 feet along a curve to the right, said curve having a radius of 2914.78 feet, a central angle of 01°22'07", and a chord bearing and distance of North 30°52'23" East, 69.62 feet, to the Northerly right of way line of said Eleven Mile Road (60' 1/2 right of way), and the POINT OF BEGINNING; thence North 89°38'44" West, 408.83 feet, along the Northerly right of way line of said Eleven Mile Road; thence North 01°10'47" East, 484.88 feet; thence North 89°38'44" West, 400.00 feet; thence North 01°10'47" East, 105.91 feet; thence North 89°38'44" West, 525.61 feet; thence North 00°56'32" East, 662.34 feet; thence North 88°11'31" East, 529.02 feet; thence North 01°10'47" East, 234.68 feet; thence North 78°57'58" East, 578.49 feet; thence North 08°15'36" East, 145.28 feet; thence South 31°44'24" East, 79.98 feet; thence South 08°15'36" West, 143.01 feet; thence South 83°22'16" East, 208.87 feet; thence South 62°32'38" East, 40.98 feet; thence South 54°26'55" East, 150.28 feet; thence South 57°42'38" East, 60.12 feet; thence 19.54 feet along a curve to the right, said curve having a radius of 800.00 feet, a central angle of 01°23'58", and a chord bearing and distance of South 36°28'30" West, 19.54 feet; thence South 37°10'29" West, 104.08 feet; thence South 52°49'31" East, 320.87 feet; thence North 57°03'09" East, 244.35 feet; thence North 84°42'16" West, 157.57 feet; thence 54.63 feet along a curve to the left, said curve having a radius of 60.00 feet, a central angle of 01°10'02", and a chord bearing and distance of North 00°47'17" West, 52.76 feet; thence North 43°47'00" East, 132.96 feet; thence North 48°32'15" West, 58.42 feet; thence North 68°23'09" West, 81.42 feet; thence North 28°31'55" East, 114.47 feet, to the North and South 1/4 line of said Section 17; thence North 01°25'12" East, 214.40 feet, along the North and South 1/4 line of said Section 17 [said point being located South 01°25'12" West, 687.10 feet from the Center of said Section 17]; thence South 99°22'08" East, 991.98 feet; thence South 01°39'39" West, 1396.55 feet; thence North 50°20'50" West, 14.59 feet; thence 68.39 feet along a curve to the right, said curve having a radius of 60.00 feet, a central angle of 01°52'43", and a chord bearing and distance of South 39°45'31" West, 85.25 feet; thence South 50°20'50" East, 14.71 feet; thence South 39°39'10" West, 140.97 feet, to the North and South 1/4 line of said Section 17 [said point being located North 01°25'12" East, 710.83 feet from the South 1/4 Corner of said Section 17]; thence North 73°20'11" West, 27.16 feet; thence South 39°39'10" West, 416.09 feet; thence 411.84 feet along a curve to the left, said curve having a radius of 2914.78 feet, a central angle of 00°05'44", and a chord bearing and distance of South 35°36'18" West, 411.49 feet, to the point of beginning. All of the above containing 59.168 Acres. All of the above being subject to all easements and restrictions of record.

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December 28, 1998
Job No. 97-10-3.offsan

LEGAL DESCRIPTION
EASEMENT FOR OFF-SITE SANITARY SEWER
SERVING PHASE 1 OF "CARRIAGE TRACE" CONDOMINIUMS

A 20.00 foot wide easement for sanitary sewer, being a part of the Southwest 1/4 of Section 17, Town 1 North, Range 7 East, City of South Lyon, Oakland County, Michigan; the centerline of said easement being more particularly described as commencing at the South 1/4 Corner of said Section 17; thence North 89°36'44" West, 549.23 feet, along the South line of said Section 17 and the centerline of Eleven Mile Road; thence 89.63 feet along a curve to the right, said curve having a radius of 2914.73 feet, a central angle of 01°22'07", and a chord bearing and distance of North 30°52'23" East, 89.82 feet, to the Northerly right of way line of said Eleven Mile Road (80' 1/2 right of way), and the boundary of Proposed "Carriage Trace" condominium; thence the following courses along the boundary of said "Carriage Trace"; thence North 89°36'44" West, 408.83 feet, along the Northerly right of way line of said Eleven Mile Road, and, North 01°10'47" East, 484.58 feet, and, North 89°36'44" West, 400.00 feet, and, North 01°10'47" East, 105.91 feet, and, North 89°36'44" West, 525.61 feet, and, North 00°56'32" East, 682.34 feet, and, North 88°11'31" East, 529.02 feet, and, North 01°10'47" East, 234.88 feet, and, North 78°57'58" East, 578.49 feet, and, North 08°15'36" East, 145.28 feet, and, South 81°44'24" East, 23.59 feet, along the boundary of said "Carriage Trace", to the POINT OF BEGINNING of said centerline; thence North 08°15'36" East, 10.00 feet; thence South 81°44'24" East, 188.07 feet; thence South 79°12'36" East, 318.52 feet; thence South 26°41'30" West, 225.87 feet, to the Northerly boundary of said "Carriage Trace", and the point of ending. The extents of said easement to be shortened or lengthen to terminate at the boundary of said "Carriage Trace".

This easement shall automatically expire and terminate upon the replacement of this easement with an "easement for sanitary sewer" across the required land in any future condominium or plat which includes this land.
December 28, 1998
Job No. 97-10-3.offorce

LEGAL DESCRIPTION
EASEMENT FOR OFF-SITE SANITARY SEWER FORCE MAIN
SERVING PHASE 1 OF “CARRIAGE TRACE” CONDOMINIUMS

A 12.00 foot wide easement for sanitary sewer force main, being a part of the Southwest 1/4 of Section 17, Town 1 North, Range 7 East, City of South Lyon, Oakland County, Michigan; the centerline of said easement being more particularly described as commencing at the South 1/4 Corner of said Section 17; thence North 89°36'44" West, 549.23 feet, along the South line of said Section 17 and the centerline of Eleven Mile Road; thence 69.63 feet along a curve to the right, said curve having a radius of 2914.98 feet, a central angle of 01°22'07", and a chord bearing and distance of North 30°52'23" East, 69.82 feet, to the Northerly right of way line of said Eleven Mile Road (60' 1/2 right of way), and the boundary of Proposed "Carriage Trace" condominium; thence the following courses along the boundary of said "Carriage Trace"; thence North 89°36'44" West, 408.83 feet, along the Northerly right of way line of said Eleven Mile Road, and, North 01°10'47" East, 484.88 feet, and, North 89°36'44" West, 400.00 feet, and, North 01°10'47" East, 105.91 feet, and, North 89°36'44" West, 525.81 feet, and, North 00°56'32" East, 362.34 feet, and, North 89°11'31" East, 529.02 feet, and, North 01°10'47" East, 234.58 feet, and, North 78°57'58" East, 578.49 feet, and, North 08°15'36" East, 145.28 feet, and, South 81°44'24" East, 79.98 feet, and South 08°15'36" West, 95.00 feet, along the boundary of said "Carriage Trace", to the POINT OF BEGINNING of said centerline; thence South 81°44'24" East, 131.68 feet; thence South 82°36'36" East, 89.08 feet; thence South 34°48'32" East, 32.55 feet; thence South 00°31'00" West, 33.41 feet, to the Northerly boundary of said "Carriage Trace", and the point of ending. The extents of said easement to be shortened or lengthened to terminate at the boundary of said "Carriage Trace".

This easement shall automatically expire and terminate upon the replacement of this easement with an "easement for sanitary sewer force main" across the required land in any future condominium or plat which includes this land.
EXHIBIT "F"

December 28, 1998
Job No. 97-10-3.offacc

LEGAL DESCRIPTION

EASEMENT FOR ACCESS TO "PARK LAND" AT
PHASE 1 OF "CARRIAGE TRACE" CONDOMINIUMS

A 10.00 foot wide easement for access to park land, being a part of the Southwest 1/4 of Section 17, Town 7 North, Range 7 East, City of South Lyon, Oakland County, Michigan; the centerline of said easement being more particularly described as commencing at the South 1/4 Corner of said Section 17; thence North 89°36'44" West, 549.23 feet, along the South line of said Section 17 and the centerline of Eleven Mile Road; thence 69.63 feet along a curve to the right, said curve having a radius of 2914.78 feet, a central angle of 01°22'07", and a chord bearing and distance of North 30°52'23" East, 69.62 feet, to the Northerly right of way line of said Eleven Mile Road (80' 1/2 right of way), and the boundary of Proposed "Carriage Trace" condominium; thence the following courses along the boundary of said "Carriage Trace"; thence North 89°36'44" West, 408.83 feet, along the Northerly right of way line of said Eleven Mile Road, and, North 01°10'47" East, 484.88 feet, and, North 89°36'44" West, 400.00 feet, and, North 01°10'47" East, 105.91 feet, and, North 89°36'44" West, 525.81 feet, and, North 00°56'32" East, 662.34 feet, and, North 89°11'31" East, 529.02 feet, and, North 01°10'47" East, 234.68 feet, and, North 78°57'58" East, 578.49 feet, and, North 08°15'36" East, 145.28 feet, and, South 81°44'24" East, 79.98 feet, and South 08°15'36" West, 143.01 feet, and, South 83°22'16" East, 208.87 feet, and, South 62°32'38" East, 40.98 feet, and, South 54°26'55" East, 150.28 feet, and, South 57°42'38" East, 80.12 feet, and, South 57°42'38" East, 55.03 feet, along the boundary of said "Carriage Trace", to the POINT OF BEGINNING of said centerline; thence North 21°39'25" East, 393.24 feet; thence South 82°27'41" East, 133.66 feet, to the boundary of said "Carriage Trace", and the point of ending. The extents of said easement to be shortened or lengthened to terminate at the boundary of said "Carriage Trace".

This easement shall automatically expire and terminate upon the replacement of this easement with acceptable means of access to the "Park" land in any future condominium or plat which includes this land.
EXHIBIT "G"

December 28, 1998
Job No. 97-10-3

LEGAL DESCRIPTION
EASEMENT FOR OFF-SITE PUBLIC UTILITIES
SERVING PHASE 1 OF "CARRIAGE TRACE" CONDOMINIUMS

A 10.00 foot wide easement for public utilities, being a part of the Southwest 1/4 of Section 17, Town 1 North, Range 7 East, City of South Lyon, Oakland County, Michigan; the centerline of said easement being more particularly described as commencing at the South 1/4 Corner of said Section 17; thence North 89°36'44" West, 549.23 feet, along the South line of said Section 17 and the centerline of Eleven Mile Road; thence 69.63 feet along a curve to the right, said curve having a radius of 2914.78 feet, a central angle of 01°22'07", and a chord bearing and distance of North 30°52'23" East, 69.62 feet, to the Northerly right of way line of said Eleven Mile Road (80' 1/2 right of way); thence North 89°36'44" West, 408.83 feet, along the Northerly right of way line of said Eleven Mile Road; thence North 01°10'47" East, 484.58 feet; thence North 89°36'44" West, 400.00 feet; thence North 01°10'47" East, 105.91 feet; thence North 89°36'44" West, 525.61 feet; thence North 00°56'32" East, 662.34 feet; thence North 88°11'31" East, 529.02 feet; thence North 01°10'47" East, 663.05 feet; thence North 89°33'28" West, 671.83 feet; thence North 00°56'39" East, 5.00 feet, to the POINT OF BEGINNING; thence South 89°33'28" East, 791.36 feet; thence South 01°10'47" East, 58.35 feet; thence 22.93 feet, along a curve to the right, said curve having a radius of 45.00 feet, a central angle of 29°11'21", and a chord bearing and distance of South 15°46'28" West, 22.68 feet; thence 178.35 feet, along a curve to the left, said curve having a radius of 65.00 feet, a central angle of 157°12'39", and a chord bearing and distance of South 48°14'11" East, 127.44 feet; thence 29.36 feet, along a curve to the right, said curve having a radius of 45.00 feet, a central angle of 38°01'17", and a chord bearing and distance of North 72°10'08" East, 29.32 feet; thence South 88°49'13" East, 125.89 feet; thence 119.25 feet, along a curve to the right, said curve having a radius of 965.00 feet, a central angle of 07°04'49", and a chord bearing and distance of South 35°16'49" East, 119.17 feet; thence South 81°44'24" East, 99.83 feet, to the point of ending.

This easement shall automatically expire and terminate upon the replacement of this easement with an "easement for public utilities" across the required land in any future condominium or plat which includes this land.
December 28, 1998
Job No. 97-10-3.ingress

LEGAL DESCRIPTION
ELEVEN MILE ROAD EASEMENT FOR INGRESS AND EGRESS

A 100.00 foot wide easement for ingress and egress, being a part of the Southwest 1/4 of Section 17, Town 1 North, Range 7 East, City of South Lyon, Oakland County, Michigan; said easement being more particularly described as commencing at the South 1/4 Corner of said Section 17; thence North 89°36'44" West, 678.47 feet, along the South line of said Section 17 and the centerline of Eleven Mile Road, to the POINT OF BEGINNING; thence continuing North 89°36'44" West, 100.00 feet, along the South line of said Section 17 and the centerline of said Eleven Mile Road; thence North 00°23'16" East, 60.00 feet, to the Northerly right of way line of said Eleven Mile Road (60' 1/2 right of way); thence South 89°36'44" East, 100.00 feet, along the Northerly right of way line of said Eleven Mile Road; thence South 00°23'16" East, 60.00 feet, to the point of beginning.
LEGAL DESCRIPTION
FUTURE EXPANSION AREA AT "CARRIAGE TRACE" CONDOMINIUMS

A part of the Southwest 1/4 and the Southeast 1/4 of Section 17, Town 1 North, Range 7 East, City of South Lyon, Oakland County, Michigan; more particularly described as commencing at the South 1/4 Corner of said Section 17; thence North 89°36'44" West, 549.23 feet, along the South line of said Section 17 and the centerline of Eleven Mile Road; thence 89.63 feet along a curve to the right, said curve having a radius of 2914.78 feet, a central angle of 01°22'07", and a chord bearing and distance of North 30°52'23" East, 69.82 feet, to the Northerly right of way line of said Eleven Mile Road (60° 1/2 right of way); thence North 89°36'44" West, 408.83 feet, along the Northerly right of way line of said Eleven Mile Road; thence North 01°10'47" East, 484.88 feet; thence North 89°36'44" West, 400.00 feet; thence North 01°10'47" East, 106.91 feet; thence North 89°36'44" West, 525.51 feet; thence North 00°56'32" East, 662.34 feet; thence North 88°11'31" East, 529.02 feet; thence North 01°10'47" East, 234.68 feet, to the POINT OF BEGINNING; thence continuing North 01°10'47" East, 428.37 feet; thence North 89°33'28" West, 671.83 feet; thence North 00°56'39" East, 208.72 feet; thence North 89°33'28" West, 208.72 feet; thence South 00°56'39" West, 208.72 feet; thence North 89°33'28" West, 329.33 feet; thence North 28°46'45" East, 741.30 feet, to the East and West 1/4 line of said Section 17 (said point being located South 88°55'15" East, 468.10 feet from the West 1/4 Corner of said Section 17); thence South 88°55'15" East, 2200.80 feet, along the East and West 1/4 line of said Section 17, to the Center of said Section 17; thence South 01°25'12" West, 881.50 feet, along the North and South 1/4 line of said Section 17; thence South 28°31'55" West, 114.47 feet; thence South 88°23'09" East, 81.42 feet; thence South 48°32'15" East, 58.42 feet; thence South 43°47'00" West, 132.95 feet; thence 54.83 feet along a curve to the right, said curve having a radius of 60.00 feet, a central angle of 52°10'02", and a chord bearing and distance of South 00°47'17" East, 52.76 feet; thence South 64°42'16" East, 157.57 feet; thence South 57°03'09" West, 244.35 feet; thence North 52°49'31" West, 320.87 feet; thence North 37°10'29" East, 104.06 feet; thence 19.54 feet along a curve to the left, said curve having a radius of 800.00 feet, a central angle of 01°23'58", and a chord bearing and distance of North 36°23'30" East, 19.54 feet; thence North 57°42'38" West, 60.12 feet; thence North 54°26'55" West, 150.28 feet; thence North 62°32'38" West, 40.98 feet; thence North 83°22'16" West, 208.87 feet; thence North 08°15'36" East, 143.01 feet; thence North 81°44'24" West, 79.98 feet; thence South 08°15'36" West, 145.28 feet; thence South 78°57'58" West, 578.49 feet, to the point of beginning. All of the above containing 47.318 Acres. All of the above being subject to all easements and restrictions of record.
FIRST AMENDMENT TO MASTER DEED CARRIAGE TRACE

Recorded in Liber ____, Pages ___ through ___, Oakland County
Records, on __________, 2000.

CARRIAGE TRACE ASSOCIATES LIMITED PARTNERSHIP, a Michigan limited partnership, whose address is 30100 Telegraph Road, Suite 220, Bingham Farms, Michigan 48025 (the "Developer"), being the Developer of CARRIAGE TRACE, a residential site condominium project located in the City of South Lyon, Oakland County, Michigan and established pursuant to the Master Deed thereof, recorded on April 21, 1999 in Liber 19870, Pages 312 through 403, both inclusive, Oakland County Records, and designated as Oakland County Condominium Subdivision Plan No. 1170 (the "Original Master Deed"), and being the owner of all of the Units established within the aforesaid condominium project (the "Condominium"), hereby amends the Original Master Deed for certain purposes, including, without limitation, properly reserving the right to expand the Condominium as provided for herein. Upon the recording of this First Amendment to Master Deed ("First Amendment") in the office of the Oakland County Register of Deeds, the Original Master Deed (including the Condominium By-Laws and the Condominium Subdivision Plan which are attached to the Original Master Deed as Exhibits "A" and "B", respectively and the other Exhibits attached thereto), shall be amended, as follows: (Also to correct descriptions of various utility easements.)

1. Article III, Section 3 of the Original Master Deed is hereby amended in its entirety to read as follows:

   Section 3. Bylaws. "Bylaws", as used in this Master Deed and the Exhibits thereto, mean the Condominium Bylaws attached hereto as Exhibit "A", being the Bylaws setting forth the substantive rights and obligations of the Co-owners and required by Section 3(8) of the Act to be recorded as part of the Master Deed. The said Bylaws (or Condominium Bylaws) are separate from the corporate bylaws of the Association (sometimes referred to as the "Association Bylaws"), which have been established pursuant to the Michigan Nonprofit Corporation Act. The Association Bylaws shall be included in the "Condominium Documents" defined below in Section 5 of this Article III.

2. Article III, Section 10 of the Original Master Deed is hereby amended in its entirety to read as follows:

   [Handwritten note: 24/17-3102-600]
Section 10. Consolidating Master Deed. “Consolidating Master Deed” means the final amended Master Deed which shall be recorded to describe Carriage Trace as a completed Condominium Project and to reflect the Project as finally configured and surveyed if the Condominium Project is expanded as provided for in Article XI of the Master Deed set forth below in this First Amendment. Such Consolidating Master Deed, if and when recorded in the office of the Oakland County Register of Deeds, shall supersede the previously recorded Master Deed for the Condominium Project and all amendments thereto. If the Condominium is not expanded as provided for in Article XI of this Master Deed, no Consolidating Master Deed shall be required or recorded; provided, however, that the Developer shall cause an “as-built” Condominium Subdivision Plan to be recorded with respect to the Condominium upon its completion in conformance with the Act and the rules promulgated pursuant to the Act.

3. Article III, Section 12 of the Original Master Deed is hereby amended in its entirety to read as follows:

Section 12. Development and Sales Period. “Development and Sales Period”, for the purposes of the Condominium Documents and the rights reserved to the Developer thereunder, shall be deemed to continue for so long as Developer or any party comprising a “Successor Developer” pursuant to Section 135 of the Act continues to own and hold for sale any Unit in the Condominium, as the same may be expanded pursuant to Article XI of the Master Deed set forth below in this First Amendment.

4. Article IV, Part A of the Original Master Deed describing the General Common Elements is hereby amended in its entirety to read as follows:

A. The General Common Elements are:

(1) The land described in Article II hereof (except for that portion described in Article V(A), as constituting a part of a Condominium Unit, and any portion otherwise designated in Exhibit "B" as a Limited Common Element), including easement interests of the Condominium Project provided to it for ingress, egress and/or utility installation, over, across and through non-condominium properties and/or the Units in the Project;

(2) The private roads, drives, and the common walkways, lawns, trees, shrubs and other improvements not located within the boundaries of a Condominium Unit. All structures and improvements located within the boundaries of a Condominium Unit shall be owned in their entirety by the Co-owner of the Unit within which they are located and shall not constitute Common Elements;
(3) Unless owned, operated and maintained by the City of South Lyon, the street lighting system throughout the common areas of the Project.

(4) Unless owned, operated and maintained by the respective utility, the natural gas line network and distribution system, electrical, telephone and/or cable television wiring networks throughout the common areas of the Project up to, but not including, the point of lateral connection for service to each residence now or hereafter constructed within Unit boundaries;

(5) The underground sprinkling system, if and when such is installed in a general common element, but not any underground sprinkling system installed within a Unit;

(6) The entry signage and other improvements located at the entrance to the Project;

(7) Unless owned, operated and maintained by the City of South Lyon, the sanitary sewer system (including force mains and lift station) throughout the Project up to, but not including the point of lateral connections for Unit service;

(8) Unless owned, operated and maintained by the City of South Lyon, the Storm Water Drainage System including the Storm Water Detention/Retention Area(s) and other drainage areas and apparatus depicted as such on the Condominium Subdivision Plan;

(9) Unless owned, operated and maintained by the City of South Lyon, the water distribution system throughout the Project, up to, but not including, the point of lateral connection to the water meter for each unit;

(10) The Open Space Areas and park (unless dedicated to the City or other governmental entity) areas designated as such on the Condominium Project plan;

(11) All street signs and traffic control signs located within the condominium project;

(12) (Intentionally left blank);

(13) All other Common Elements of the Project not herein designated as Limited Common Elements which are not enclosed within the boundaries of a Condominium Unit, and which are intended for common use or are necessary to the existence, upkeep or safety of the Project;
Some or all of the utility lines, systems (including mains and service leads) and equipment, and the cable television system may be owned by the local public authority or by the utility or cable television company that is providing the pertinent service. Accordingly, such utility and/or cable television lines, systems and equipment shall be General Common Elements only to the extent of the Co-owners' interest therein, if any, and Developer makes no warranty whatsoever with respect to the nature or extent of such interest.

Developer reserves the right to establish such mailbox system as Developer may elect or as may be required by a public authority or service agency having jurisdiction, and, to that end may establish an individual mailbox system or may consolidate or cluster mailboxes as Developer deems appropriate. If mailboxes are clustered or consolidated, Developer reserves the right to assign, and reassign, individual mailboxes from time to time for use by the co-owners. Developer also reserves the right, in its discretion to install street signs, traffic control signs, street address signs, and other signage at any location or locations as Developer deems appropriate within the General Common Element or road rights of way. The costs of such signs shall be borne by the Association.

5. Article IV, Part C of the Original Master Deed regarding the cleaning, decoration, maintenance, repair and replacement of Common Elements is hereby amended in its entirety to read as follows:

C. Responsibility for the cleaning, decoration, maintenance, repair and replacement of the Common Elements will be as follows:

(1) The costs of maintenance, repair and replacement of the Limited Common Elements and the routine cleaning and snow removal of the Limited Common Elements, shall be the responsibility of the Co-owners of the Unit or Units to which such Limited Common Elements are appurtenant.

(2) Notwithstanding paragraph (1) above, the initial installation cost and the cost of maintaining, repairing and replacing the mailbox assigned as a limited common element to each Unit, whether installed in clusters or individually as described above in Part A of this Article IV, shall be paid for by the Association; provided that the Association shall be entitled to advance payment or reimbursement for such costs by the Co-owners of the Unit to which the mailbox is appurtenant as set forth in Article VII, paragraph 6(1) of the Bylaws. The Association shall be entitled to include any such cost not paid for in advance by the affected Co-owner in the assessments imposed with respect to the Co-owner's Unit pursuant to Article V of the Bylaws attached to the Master Deed as Exhibit "A".

(3) Unit Owners, or their agents or employees (including landscaping companies) may not alter or change the grading of a Unit
which will result in drainage problems, and each Unit Owner is responsible for the cost of maintaining the final grade established by the Developer, including any grade alteration of a Unit which affects another Unit or other Units. Unit Owners shall also be responsible for the maintenance, repair and replacement of all structures and improvements, and the maintenance and mowing of all yard areas situated within the boundaries of a Unit, including any portions thereof which may extend beyond Unit boundaries up to the paved roadway, including maintenance, trimming and upkeep of trees, and maintenance, upkeep, repair, and replacement of landscaping and other development features and infrastructures including sidewalks and driveways; provided, that the exterior appearance of all such structures, improvements and yard areas (to the extent visible from any other Unit or Common Element), shall be subject at all times to the approval of the Association and to such reasonable aesthetic and maintenance standards as may be prescribed by the Association in duty adopted rules and regulations; provided that the Association may not disapprove the appearance of an improvement so long as maintained as constructed by the Developer or constructed with the Developer’s approval.

(4) The Association shall maintain and repair any common sanitary sewers, storm sewers, water mains, and pavement. This shall not be construed to relieve any person of legal liability for such maintenance and repair due to negligent and/or defective construction, design or materials or the failure to install any such improvements in accordance with the approved Engineering Plans. The Association’s obligations extend only to those obligations which are not the responsibility of the City of South Lyon or other governmental entity.

(5) The cost of cleaning, decoration, maintenance, repair and replacement of all Common Elements other than as described above shall be borne by the Association, except to the extent of repair or replacement due to the act or neglect of a Co-owner or his agent, invitee, family member or pet. The Association shall maintain all Common Elements requiring periodic maintenance in a neat, clean, and first-class condition nature maintaining the natural characteristics and environment of all components or natural elements. Additional maintenance assessments may be levied for individual Units requiring expenditures by the Association. Standards for maintenance may be established by the Association through its Board of Directors. The Association shall not be responsible, in the first instance, for performing any maintenance, repair or replacement with respect to residences and their appurtenances located within the Condominium Units. Nevertheless, in order to provide for flexibility in administering the Condominium Project, the Association, acting through its Board of Directors, may undertake such other regularly recurring, reasonably uniform, periodic exterior maintenance functions within any Unit boundaries as it may deem appropriate and as the affected Co-owners
may agree (including, without limitation, lawn mowing, snow and
trash/ refuse removal and tree/shrub trimming). Nothing herein contained,
however, shall compel the Association to undertake such responsibilities.
Any such responsibilities undertaken by the Association shall be charged
to any affected Co-owner on a reasonably uniform basis and collected in
accordance with the assessment procedures established under the Bylaws.
The Developer, in the initial maintenance budget for the Association, shall
be entitled to determine the nature and extent of such services and
reasonable rules and regulations may be promulgated in connection
therewith.

6. Article IV, Part D of the Original Master Deed regarding the cleaning, decoration,
maintenance, repair and replacement of residences and improvements constructed or located
within Units is hereby amended by the addition of the following subparagraph (4):

(4) Notwithstanding any provision in this Master Deed or exhibits
hereto to the contrary, the Association shall provide for the seal coating of the
asphalt driveways installed within each Unit on a once a year basis and the cost of
the seal coating will be assessed only against the Units that contain asphalt
driveways. The Association and its contractors shall have the right to enter upon
Units to perform the seal coating pursuant to the easement established in Article
VIII, Section 4 of this Master Deed.

7. Article IV, Part F of the Original Master Deed regarding use of the Condominium
Project is hereby amended in its entirety to read as follows:

F. No Co-owner shall use any part of the Condominium
Project in any manner inconsistent with the purposes of the Project, or the
Ordinances of the City of South Lyon, or in any manner which will
interfere with or impair the rights of any other Co-owner in the use and
enjoyment of the Project. Each dwelling constructed within a Unit shall be
located entirely within the building setback limits identified on the Sheet
entitled Area and Volume Data that is included in the Condominium
Subdivision Plan attached as Exhibit "B" to the Master Deed.

8. Article VIII, Section 2, paragraph (e) of the Original Master Deed is hereby
amended in its entirety to read as follows:

(e) Granting Rights For Use Of Certain Common Elements.
The Developer reserves the right at any time during the Development and
Sales Period to grant easements of use over and across the General
Common Elements of the Condominium Project in favor of any Unit, lot or
parcel of land which is contiguous to the Condominium Project Premises
to enable the owner or owners of such Units ("lots") or parcels to utilize the pedestrian paths and the park areas lying within the Condominium Project. Any such easement may be granted by the Developer without consent of any Co-owner, mortgagee or other person and shall be evidenced, at Developer's election, by an appropriate amendment to the Master Deed and Exhibit "B" to the Master Deed or by a separate instrument recorded in the Oakland County Records. However, the Developer shall have no right to subject any portion of a Unit to such an easement subsequent to the Developer's conveyance of the affected Unit unless the Co-owner consents in writing to such easement. All of the Co-owners and mortgagees of Units and other persons interested or to become interested in the Condominium Project from time to time shall be deemed to have irrevocably and unanimously consented to such amendments to this Master Deed or other instrument as may be required to effectuate the foregoing grants of easement by Developer. Provided, however, that no rights in such other Units, lots or parcels or their owners are created by virtue hereof unless the Developer takes express written action pursuant hereto.

9. Article VIII, Section 2 of the Original Master Deed is hereby amended by the addition thereto of the following paragraph (f):

(f) Easements Retained by Developer For Future Expansion Area and Land Adjacent to the Condominium Project.

(i) Developer reserves for the benefit of itself, its successors and assigns, an easement for the unrestricted use of all roads, sidewalks and walkways in the Condominium Project for the purpose of ingress and egress to and from any portion of the Future Expansion Area described in Article XI of this Master Deed, whether or not such benefitted portion of the Future Expansion Area is integrated into the Condominium Project, and for the benefit of such other land ("Adjacent Land") acquired by the Developer and located adjacent to the Condominium Project, as the same may be expanded, pursuant to this Master Deed. All expenses of maintenance, repair, replacement and resurfacing of any road referred to herein shall be shared by the Association established for this Condominium and the owners of units or lots within any developed portions of the Future Expansion Area described in Article VI whose closest means of access to a public road is over such road or roads; provided that all such shared expenses shall be reduced to the extent that a public agency bears responsibility for the maintenance, repair, replacement and resurfacing of any such road or roads. The Co-Owners of this Condominium shall be responsible, from time to time, for payment of a proportionate share of said expenses, which share shall be determined by multiplying such expenses times a fraction, the numerator of which is the number of Units in this Condominium and the denominator of which is comprised of the number of such Units.
plus all other Units (or lots in the case of a platted subdivision) in the adjoining Future Expansion Area described in Article XI or such other Adjacent Land whose closest means of access to a public road is over such road or roads. This easement is expressly intended to survive the six (6) year period during which the Developer can unilaterally amend this Master Deed as set forth in Article XI hereof.

(ii) Developer also hereby reserves for the benefit of itself, its successors and assigns, and all future owners of the Future Expansion Area described in Article XI or the Adjacent Land, or any portion or portions thereof, perpetual easements over the Condominium Property to access, install, utilize, tap, tie into, extend and enlarge all utilities located (whether now or in the future) on the Condominium Property for, including, without limitation, water, gas, storm and sanitary sewer, whether or not the benefitted portion of the Future Expansion Area or Adjacent Land is integrated into the Condominium Project. In the event Developer, its successors or assigns, access, install, utilize, tap, tie into, extend or enlarge any utility or utilities located on the Condominium Property, it or they shall be obligated to pay all of the expenses reasonably necessary to restore the Condominium Property to its state immediately prior to such utilization, tapping, tying-in, extension or enlargement. This easement is expressly intended to survive the six (6) year period during which the Developer can unilaterally amend the Master Deed to enlarge the Condominium Project as set forth in Article XI hereof.

10. Article VIII, Section 8 of the Original Master Deed regarding roads is hereby amended in its entirety to read as follows:

Section 8. Roads: Private and Public. The private roads referred to in Article IV above will be maintained, replaced, repaired and resurfaced as necessary by the Association until they are dedicated to the public. It is the Association's responsibility to inspect and to perform preventative maintenance of the Condominium Project roadways on a regular basis in order to maximize their useful life and to minimize repair and replacement costs. It is contemplated that the roads will be dedicated to the public, although it is possible such dedication may not necessarily take place immediately, or at all. In the event dedication of the roads takes place, the Association will no longer be responsible for maintaining the roads, although the Association, in its sole discretion, may elect to continue to maintain the road to the extent it deems appropriate. Nothing contained in the Condominium Documents shall be read so as to impose an obligation on the Association to maintain the roads once they are dedicated to public use.

Upon approval by an affirmative vote of not less than fifty-one (51%) percent 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 any and all public roads located within or adjacent to the Condominium 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 the Co-Owners of each Unit in the Condominium, as it may be expanded.

11. Article VIII of the Original Master Deed is hereby amended by the addition thereto of the following Sections 11 and 12:

Section 11. **Off-Site Easements.** In connection with the development of the Condominium as established by the recording of the Master Deed, the Developer has granted certain easements over portions of the Future Expansion Area owned by the Developer. Those easements is depicted on Sheet 19 of the Condominium Subdivision Plan and identified in Article II of the Master Deed. They include a sanitary sewer easement, an easement for a sanitary force main, a public utilities easement, and an easement to provide access to the park identified in the Condominium Subdivision Plan as "Carriage Trace Park." The Developer has also granted an easement across land owned by the Developer and located at the entryway to the Condominium for ingress and egress to the Condominium over such portion of Carriage Trace Boulevard as may be constructed on that land. The easement for ingress and egress will terminate upon the dedication of Carriage Trace Boulevard or upon the expansion of the Eleven Mile Road right of way to its planned total width of 120 feet.

Section 12. **Possible Assessment for Maintenance of Off-Site Private Road.** Approximately eight (8) acres of the land included in the Condominium is subject to a provision in the chain of title that potentially subjects the land to an obligation to contribute to the cost of maintaining and repairing two private roads identified in the applicable document as "Aloha Drive" and "Phil-Crest Drive". Phil-Crest Drive extends south from a point near the southwest corner of Unit 14 to Eleven Mile Road. The intended location of Aloha Drive, which has never been constructed, extends from near the southwest corner of Unit 14 almost due west to Pontiac Trail. In the event that any assessment is imposed with respect to Phil-Crest Drive (or Aloha Drive if that road is ever constructed), the amount of the assessment allocable to the eight acres included in the Condominium shall be considered an common administrative expense payable by the Association and shall be included in the expenses used to determine the amount of the regular assessments imposed by the Association pursuant to Article V of the Bylaws attached as Exhibit "A" to the Master Deed.

12. The Original Master Deed is hereby amended by the addition of the following Article XI of the Master Deed:

9
ARTICLE XI

FUTURE EXPANSION OF CONDOMINIUM

The Condominium is established as an expandable Condominium in accordance with the provisions of this Article.

(a) Developer (on its behalf and on behalf of its successors and assigns, and no other third party, unless assigned in writing by the Developer), reserves the right, but does not undertake any obligation, to expand the Condominium. Except as set forth herein, no other person or entity may exercise the right to expand the Condominium.

(b) There are no restrictions or limitations on Developer's right to expand the Condominium except as stated in this Article XI. The consent of any Co-owner shall not be required to expand the Condominium. All of the Co-owners and Mortgagees of Units and persons interested or to become interested in the Condominium from time to time shall be deemed to have irrevocably and unanimously consented to such expansion of the Condominium and any amendment or amendments to this Master Deed to effectuate the expansion and to any reallocation of Percentages of Value of existing Units which Developer may determine necessary in conjunction with such amendment or amendments. All such interested persons irrevocably appoint Developer or its successors as agent and attorney for the purpose of executing such amendment or amendments to the Master Deed and all other documents necessary to effectuate the foregoing. Such amendments may be made without the necessity of recording an entire Master Deed or the Exhibits thereto and may incorporate by reference all or any pertinent portions of this Master Deed or the Exhibits thereto. Nothing herein contained, however, shall in any way obligate Developer to enlarge the Condominium and Developer may, in its discretion, establish all or a portion of the Future Expansion Area described below as a rental development, a separate condominium, or any other form of development. These provisions give notice to all persons acquiring interests in the Condominium that such amendments of this Master Deed may be made and recorded, and no further notice of amendment shall be required.

(c) The Developer's right to expand the Condominium shall expire (6) years after the initial recording of this Master Deed.

(d) The land which may be added to the Condominium (herein referred to as the "Future Expansion Area") is referred to in the Plan as the
proposed Future Expansion Area, and is situated in the City of South Lyon, Oakland County, Michigan, being more specifically described in Exhibit "I" attached hereto.

(e) The Future Expansion Area may be added to the Condominium in its entirety or in parcels, in one amendment to this Master Deed or in separate amendments, at the same time or at different times, all in Developer’s discretion. There are no restrictions upon the order in which portion of the Future Expansion Area may be added to the Condominium.

(f) There are no restrictions upon the locations of any improvements that may be made on any portions of the Future Expansion Area, and Developer reserves the right to locate such improvements in Developer’s sole discretion subject only to such applicable laws and ordinances which may affect the Condominium, and the approved site plan for the Project, as the same may be amended. By way of illustration, and not as a limitation on Developer, the Developer has the right to create larger units in the Future Expansion Area, which may or may not contain Limited Common Element Yard Areas, and/or to create a portion of the Units as attached units.

(g) The number of Units which Developer reserves the right to establish, all or in part, upon the Future Expansion Area is up to 111 Units, for a maximum of up to 200 Units which may be included in the Condominium (including the Units now shown on the Plan).

(h) All land and improvements added to the Condominium shall be restricted exclusively to residential units and to such Common Elements as may be consistent and compatible with residential use. There are no other restrictions upon such improvements except those which are imposed by state law, local ordinances or building authorities.

(i) The extent to which any structure erected on any portion of the Future Expansion Area added to the Condominium are compatible with structures on land included in the original Master Deed is solely within the discretion of the Developer, subject only to the requirements of local ordinances and building authorities, and is not limited by this Master Deed.

(j) There are no restrictions as to types of Condominium Units which may be created upon the Future Expansion Area except that such Units must comply with state law, local ordinances and the requirements of building authorities.
(k) Developer may create Limited Common Elements upon the Future Expansion Area and designate Common Elements thereon which may be subsequently assigned as Limited Common Elements. The nature of any such Limited Common Elements to be added to the Condominium is exclusively within the discretion of the Developer.

(l) If the Condominium is expanded, it shall be expanded by an amendment to the Master Deed or by a series of successive amendments to the Master Deed, each adding Future Expansion Area and/or improvements to the Condominium.

(m) Any amendment to the Master Deed which alters the number of Units in the Condominium shall proportionately readjust the existing Percentages of Value of Condominium Units to preserve a total value of one hundred (100%) percent of the entire Condominium. Percentages of Value shall be readjusted and determined in accordance with the method and formula described in Article V of this Master Deed.

(n) Any expansion shall be deemed to have occurred at the time of the recording of an amendment to this Master Deed embodying all essential elements of the expansion. At the conclusion of expansion of the Condominium, not later than one hundred eighty (180) days after completion of construction, a Consolidating Master Deed and plans showing the Condominium "as built" shall be prepared and recorded by the Developer. A copy of the recorded Consolidating Master Deed shall be provided to the Association.

13. The Original Master Deed is hereby amended by the addition of the following Article XII of the Master Deed:

ARTICLE XII

CONTRACTION OF CONDOMINIUM

(a) Reservation of Right. Developer reserves the right to withdraw from the Condominium that portion of the land described in Article II that consists of the roads and road right-of-way(s) as the same are shown on the Condominium Subdivision Plan if the Developer in its sole discretion should determine that dedication of said roads and road right-of-ways is desired or is appropriate. At the option of the Developer, within a period ending no later than six (6) years from the date of recording this Master Deed, the land included in the Condominium may be contracted to withdraw from the Condominium the roads and road right-of-way(s) dedicated to public use in the event such dedication is undertaken. Developer further reserves the right to withdraw portions of the land situated
on the southeast boundary of the Condominium Project, including portions of one or more unsold Units, to the extent required or convenient for the completion of such exchanges of land as may be negotiated by the Developer and the State of Michigan with respect to Lakeland Trails State Park, which is described below in Article XIII of the Master Deed; said Article XIII being added to the Master Deed by this First Amendment.

(b) **Amendment to Master Deed.** In connection with the right of contraction described above, Developer unconditionally reserves the right to withdraw from the Condominium that portion of the land described in Article II that is dedicated to public use as a road and/or road right-of-way or that may be conveyed to the State of Michigan for inclusion in Lakeland Trails State Park. The withdrawal of such land pursuant to this Article XII shall be effected by an amendment of the Master Deed as provided in paragraph (d), below, and by a conveyance of all roads and road right-of-way(s) in the Condominium to the City of South Lyon (or other appropriate governmental unit with appropriate jurisdiction).

(c) **Lack of Restrictions.** Apart from satisfying any governmental conditions to dedication of the road and road right-of-way(s) or conveyance of land to the State of Michigan for the use as a state park, there are no restrictions on Developer's right to contract the Condominium as provided in this Article XII.

(d) **Consents not Required.** The consent of any Co-Owner shall not be required to contract the Condominium or to dedicate the roads and road right-of-ways to public use or to convey land to the State of Michigan for inclusion in a state park. All of the Co-Owners and mortgagees and other persons interested or to become interested in the Condominium from time to time shall be deemed to have irrevocably and unanimously consented to such contraction of the Condominium and any amendment or amendments to this Master Deed to effectuate the contraction. All such interested persons irrevocably appoint the Developer or its successors, as agent and attorney for the purpose of execution of such amendment or amendments to the Master Deed and all other documents necessary to effectuate the foregoing. Such amendments may be effected without the necessity of rerecording an entire Master Deed or the Exhibits thereto and may incorporate by reference all or any pertinent portions of this Master Deed and the Exhibits thereto. Nothing herein contained, however, shall in any way obligate Developer to dedicate the roads and road right-of-ways in the Condominium to public use or to convey land for inclusion in a state park or to thereafter contract the Condominium as herein provided. These provisions give notice to all Co-Owners, mortgagees and other persons acquiring interests in the Condominium that such amendments of this Master Deed may be made and recorded, and no further notice of such amendment shall be required.

14. The Original Master Deed is hereby amended by the addition of the following Article XIII of the Master Deed:
ARTICLE XIII

PROXIMITY TO LAKELAND TRAILS STATE PARK

Portions of the Condominium, including Units 78 through 89, both inclusive, border Lakeland Trails State Park, which is owned and maintained by the State of Michigan as a hiking and bicycling path installed within a converted railroad right of way. As part of a state park, the path or trail is open to the public and the Developer has no control whatsoever over the frequency or nature of the use of the path or trail. Developer disclaims any and all liability for any property damage or injury of any sort that may result from the proximity to the Condominium of Lakeland Trails State Park or the trail or path located therein. This disclaimer includes any injury or harm resulting from the public use of the roads in the Condominium for access to Lakeland Trails State Park over Brougham Court or from any trespass over private property, including Units, by users or visitors to Lakeland Trails State Park.

15. Article V of the Bylaws recorded as Exhibit “A” to the Original Master Deed is hereby amended by the addition of the following paragraphs 7 and 8:

7. Initial Capital Contribution. At the closing of the initial sale of a Unit in the Condominium by the Developer, any successor Developer or such builder as may be designated by the Developer, the Co-owner purchasers of said Unit shall pay a non-refundable capital contribution to the reserves of the Association in the amount of two hundred ($200.00) dollars. The Association shall be under no obligation whatsoever to refund any portion of this contribution at any time, including upon the resale of the Unit by the contributing Co-owner.

8. Assessments Against Individual Units: Imposition of Lien. The Association, through its Board of Directors, may impose assessments against individual Units to pay for expenditures made by the Association as a result of a Co-owner’s failure to perform his or her obligations under the Condominium Documents, including, without limitation, the soil erosion protection requirements described in Article VII below. Such assessments may include the cost of the Association performing such obligations itself or hiring agents to do so. Any such assessments imposed by the Association shall comprise a lien on the Unit subject to the assessment and the Association shall have all of the rights described in this Article V with respect to enforcement and foreclosure of such lien.

16. Paragraph 1(j) of Article VII of the Bylaws recorded as Exhibit “A” to the Original Master Deed is hereby amended in its entirety to read as follows:
(j) All dwellings must have concrete driveways and concrete or brick paver walkways; provided that asphalt driveways may be installed instead of concrete or brick paver driveways so long as prior written approval is obtained from the Architectural Control Committee. Tinted concrete is not permitted in the construction of driveways and walkways, and the color of all brick pavers must be approved by the Architectural Control Committee. All driveway curb cuts must be located at the front elevation of the dwelling.

17. Paragraph 1(r) of Article VII of the Bylaws recorded as Exhibit "A" to the Original Master Deed is hereby amended in its entirety to read as follows:

(r) Each Unit within the Project must have a tree, of a species permitted for use in public areas within the City of South Lyon with a diameter at chest height of not less than two (2") inches located at the front of the dwelling per City Ordinance. The exact location, size and species of tree are subject to the prior approval of the Developer and its sole and absolute discretion. All trees between the sidewalk and street on a Unit shall be planted before the end of the first month of occupancy at the expense of the Unit Co-owner. All trees within a Unit shall be maintained and, if necessary, replaced by the Unit Co-owner at the expense of the Co-owner.

18. Paragraph 6(b) of Article VII of the Bylaws recorded as Exhibit "A" to the Original Master Deed is hereby amended in its entirety to read as follows:

(b) No portion of a Unit may be rented and no transient tenants may be accommodated therein; provided, that nothing herein shall prevent the rental or sublease of an entire Unit, together with the limited common elements appurtenant to such Unit, for residential purposes as described in paragraph 2 of this Article VII of the Bylaws for a term of not less than six (6) months. Prior to renting or subleasing a Unit, the lessor shall give ten (10) days prior written notice of his or her intent to rent or sublease the Unit to the Association along with a copy of the lease. Rental or sublease of a Unit in the Condominium shall be subject to the following terms and conditions:

(i) Tenants and non-owner occupants shall comply with all of the conditions of the Condominium Documents and all leases and rental agreements shall so state.

(ii) If the Association determines that the tenant or non-owner occupant has failed to comply with the conditions of the Condominium Documents, the Association shall take the following action:
(a) The Association shall notify the Co-owner by certified mail advising of the alleged violation by the tenant.

(b) The Co-owner shall have 30 days (or such additional time as may be granted by the Association if the Co-owner is diligently proceeding to cure) after receipt of such notice to investigate and correct the alleged breach by the tenant or advise the Association that a violation has not occurred.

(c) If after 30 days the Association believes that the alleged breach is not cured or may be repeated, it may institute on its behalf or derivatively by the Co-owners on behalf of the Association, if it is under the control of the Developer, an action for eviction against the tenant or non-owner occupant and simultaneously for money damages in the same action against the Co-owner and tenant or non-owner occupant for breach of the conditions of the Condominium Documents. The relief provided for in this subparagraph may be by summary proceeding. The Association may hold both the tenant and the Co-owner liable for any damages to the Common Elements caused by the Co-owner or tenant in connection with the Unit or Condominium.

(iii) When a Co-owner is in arrears to the Association for assessments, the Association may give written notice of the arrearage to a tenant occupying a Co-owner's Unit under a lease or rental agreement and the tenant, after receiving the notice, shall deduct from rental payments due the Co-owner the arrearage and future assessments as they fall due and pay them to the Association. The deductions shall not constitute a breach of the rental agreement or lease by the tenant.

19. Paragraph 6(i) of Article VII of the Bylaws recorded as Exhibit “A” to the Original Master Deed is hereby amended in its entirety to read as follows:

(i) The design, material, color, location and construction of all mailboxes and mailbox stands on side or street only shall be as required by postal authorities and approved by the Architectural Control Committee. Selection, purchase, installation and maintenance of mailboxes will be done by the Association. Costs of installation and maintenance of mailboxes and stands are the responsibility of the Co-owners, and the Association may require payment prior to their installation or maintenance or, at the option of the Association, assess the cost of the purchase, installation, and maintenance to the Co-owners and the affected Units as the mailboxes are installed, replaced, or maintained.
20. Paragraph 6(l) of Article VII of the Bylaws recorded as Exhibit “A” to the Original Master Deed is hereby amended in its entirety to read as follows:

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

21. Paragraphs 13(b) and 13(c) of Article VII of the Bylaws recorded as Exhibit “A” to the Original Master Deed are hereby amended in their entirety to read as follows:

(b) No Co-owner shall perform any landscaping or plant any trees, shrubs, or flowers or place any ornamental materials upon the General Common Elements (including the areas located between Unit boundaries and the curb or pavement located in the road rights of way within the Condominium), without the prior written approval of the Association. Before occupying the Residence constructed within a Unit, the initial Co-owner purchaser of a Unit shall submit a professionally prepared landscaping plan for his or her Unit to the Developer or to such successor Developer or designated builder as may have been authorized by Developer to approve such plans. As a condition of approving the required landscaping plan, the Developer (or the authorized successor Developer or builder) shall collect up to four thousand ($4,000.00) from the purchasing Co-owner to be held in escrow pending completion of the landscaping and tree installation provided for in the landscaping plan; provided that the Developer or authorized successor Developer or builder shall have the right to waive this deposit requirement. The aforesaid deposit or “Landscape Escrow” may be collected from the purchasing Co-owner at the closing of his or her purchase of his or her Unit. If the purchasing Co-owner fails to install the landscaping provided for in the approved plan within sixty (60) days after closing on the purchase of his or her Unit, or such longer time as may reasonably be required due to weather conditions, the recipient of the Landscape Escrow may use it to complete the landscaping and tree planting required by the
approved plan to the extent that the work has not been completed by the purchasing Co-owner. (The approved landscaping plan shall provide for the installation of any trees required to be installed by the Co-owner within the General Common Element road right of way located in front of his or her Unit.) The recipient of the Landscape Escrow shall have the right to charge the Co-owner of a Unit for any costs incurred by that party in excess of the amount of the Landscape Escrow for completing the required landscaping and tree planting and shall refund any part of the Landscape Escrow that is required for that purpose. If the excess cost incurred by recipient of the Landscape Escrow is not paid by the purchasing Co-owner within ten (10) days of mailing of a written invoice by the recipient of the Landscape Escrow for the amount due, the unpaid amount, plus interest in the amount of seven (7%) percent per annum beginning on the date of the invoice, shall constitute an unpaid assessment, and the recipient of the Landscape Escrow shall have the right to file and foreclose a lien against the affected Unit and/or to commence legal proceedings to collect such amounts due, in the same manner as set forth in these By-Laws for the collection of unpaid assessments. Upon timely completion by the purchasing Co-owner of the landscaping and tree planting required by the approved landscape plan, the recipient of the Landscape Escrow shall return the entire amount of the Landscape Escrow to the purchasing Co-owner. To the extent that the Landscape Escrow earns interest, the interest will be paid to the purchasing Co-owner at such time as the landscaping of the Unit has been completed pursuant to the approved landscaping plan; provided that if the recipient of the Landscape Escrow completes the required, any such interest shall be available to the recipient of the Landscape Escrow pay for such work. The recipient of the Landscape Escrow shall not be required to maintain the Landscape Escrow in an interest bearing account or to otherwise generate a return on that deposit.

After landscaping has been installed, the purchasing Co-owner and each subsequent Co-owner shall maintain the same in a good and sightly condition consistent with the approved landscaping plan. The Association shall have no responsibility for maintaining such landscaping, including trees. No plants, seeds or other things or conditions harboring or breeding infectious plant diseases or noxious insects or weeds shall be introduced or maintained upon any part of a Unit.

(c) All final grading to permit the sodding or growing of grass and the implementation of proper and reasonable soil erosion prevention measures shall be the responsibility of the Co-owners of each Unit, with such responsibility beginning on the date of closing of the Co-owners' purchase of the Unit. Notwithstanding the time provided above for the completion of landscaping of the Unit, lawns on Units shall be installed within thirty (30) days after closing on the purchase of the Unit by the purchasing Co-owners, weather permitting. Front lawns shall be sodded and
rear and side yards may be seeded or sodded by the Co-owner. Seeding or hydro seeding in front yards shall not be acceptable. In all event, dwellings occupied after December 1 must have lawns installed by no later than June 1 of the following year. In the event that soil erodes into catch basins, storm sewers or sanitary sewers, the Association shall have the right to assess the Unit or Units that are the source of the erosion for the cost of restoring the affected facilities to their original condition.

22. The Bylaws recorded as Exhibit "A" to the Original Master Deed are hereby amended by the addition of the following Articles VIII and IX:

**ARTICLE VIII**

**JUDICIAL ACTIONS AND CLAIMS**

Actions on behalf of and against the Co-owners shall be brought in the name of the Association. Subject to the express limitations on actions in these Bylaws and in the Association’s Articles of Incorporation, the Association may assert, defend or settle claims on behalf of all Co-owners in connection with the Common Elements of the Condominium. As provided in the Articles of Incorporation of the Association, the commencement of any civil action (other than one to enforce these Bylaws or collect delinquent assessments) shall require the approval of a majority in number and in value of the Co-owners, and shall be governed by the requirements of this Article. The requirements of this Article will ensure that the Co-owners are fully informed regarding the prospects and likely costs of any civil actions actually filed by the Association. These requirements are imposed in order to reduce both the cost of litigation and the risk of improvident litigation, and in order to avoid the waste of the Association’s assets in litigation where reasonable and prudent alternatives to the litigation exist. Each Co-owner shall have standing to sue to enforce the requirements of this Article. The following procedures and requirements apply to the Association’s commencement of any civil action other than an action to enforce these Bylaws or to collect delinquent assessments:

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

**Section 2. Litigation Evaluation Meeting.** Before an attorney is engaged for purposed of filing a civil action on behalf of the Association, the Board of Directors shall call a special meeting of the Co-owners ("litigation evaluation meeting") for the express purpose of evaluating the merits of the proposed civil action. The written notice to the Co-owners of the date, time and place of the litigation evaluation meeting shall be sent to
all Co-owners not less than twenty (20) days before the date of the meeting and shall include the following information copied onto 8 ½" x 11" paper:

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

(i) it is in the best interests of the Association to file a lawsuit;

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

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

(iv) the Board of Director’s proposed attorney for the civil action is of the written opinion that litigation is the Association’s most reasonable and prudent alternative.

(b) A written summary of the relevant experience of the attorney (“litigation attorney”) the Board of Directors recommends be retained to represent the Association in the proposed civil action, including the following information: (i) the number of years the litigation attorney has practiced law; and (ii) the name and address of every condominium and homeowner association for which the attorney has filed a civil action in any court, together with the case number, county and court in which each civil action was filed.

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

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

(e) The litigation attorney’s proposed written fee agreement.

(f) The amount to be specially assessed against each Unit in the Condominium to fund the estimated cost of the civil action both in total and on a monthly per Unit basis, as required by Section 6 of this Article.
Section 3. **Independent Expert Opinion.** If the lawsuit relates to the condition of any of the Common Elements of the Condominium, the Board of Directors shall obtain a written independent expert opinion as to reasonable and practical alternative approaches to repairing the problems with the Common Elements, which shall set forth the estimated costs and expected viability of each alternative. In obtaining the independent expert opinion required by the preceding sentence, the Board of directors shall conduct its own investigation as to the qualifications of any expert and shall not retain any expert recommended by the litigation attorney or any other attorney with whom the Board of Directors consults. The purpose of the independent expert opinion is to avoid any potential confusion regarding the condition of the Common Elements that might be created by a report prepared as an instrument of advocacy for use in a civil action. The independent expert opinion will ensure that the Co-owners have a realistic appraisal of the condition of the Common Elements, the likely cost of repairs to or replacement of the same, and the reasonable and prudent repair and replacement alternatives. The independent expert opinion shall be sent to all Co-owners with the written notice of the litigation evaluation meeting.

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

Section 5 **Co-owner Vote Required.** At the litigation evaluation meeting the Co-owners shall vote on whether to authorize the Board of Directors to proceed with the proposed civil action and whether the matter should be handled by the litigation attorney. The commencement of any civil action by the Association (other than a suit to enforce these Bylaws or collect delinquent assessments) shall require the approval of a majority in number and in value of the Co-owners. Any proxies to be voted at the litigation evaluation meeting must be signed by at least seven (7) days prior to the litigation evaluation meeting. Notwithstanding any other provision of the Condominium Documents, no litigation shall be initiate by the Association against the Developer until such litigation has been approved by an affirmative vote seventy-five (75%) percent of all members of the Association in number and value attained after a litigation evaluation meeting held specifically for the purpose of approving such action.

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

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

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

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

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

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

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

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

(a) the status of the litigation;

(b) the status of settlement efforts, if any; and

(c) the attorney’s written report.
Section 9. Changes in the Litigation Special Assessment. If, at any time during the course of a civil action, the Board of Directors determines that the originally estimated total cost of the civil action or any revision thereof is inaccurate, the Board of directors shall immediately prepare a revised estimate of the total cost of the civil action. If the revised estimate exceed the litigation special assessment previously approved by the Co-owners, the Board of directors shall call a special meeting of the Co-owners to review the status of the litigation, and to allow the Co-owners to vote on whether to continue the civil action and increase the litigation special assessment. The meeting shall have the same quorum and voting requirements as a litigation evaluation meeting.

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

ARTICLE IX

SEVERABILITY

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

23. Sheets 1, 5, 9, 12, 13, 14 and 19 of the Condominium Subdivision Plan of Carriage Trace (Exhibit "B" to the Original Master Deed) are superseded in their entirety by Sheets 1, 5, 9, 12, 13, 14 and 19 of attached Amendment No. 1 to the aforesaid Condominium Subdivision Plan and a new sheet 20 is added to the Condominium Subdivision Plan. Exhibit "I" attached hereto, which sets forth the legal description of the land that may be added to the Condominium pursuant to Article XI of the Master Deed, as amended by this First Amendment, supersedes the Exhibit "I" recorded with the Original Master Deed.
24. Except as set forth in this First Amendment, the Original Master Deed (including the Condominium By-Laws, Condominium Subdivision Plan and all other Exhibits attached thereto), is hereby ratified and confirmed.

WITNESSES:

SIGNED BY:

CARRIAGE TRACE ASSOCIATES LIMITED PARTNERSHIP, a Michigan limited partnership

By: Lyon Development, L.L.C., a Michigan limited liability company,
Its General Partner

By: Ronald L. Hughes
Its: Managing Member

STATE OF MICHIGAN )
COUNTY OF WAYNE ) SS

The foregoing instrument was acknowledged before me this 7th day of February, 2000, by Ronald H. Hughes, Managing Member of Lyon Development, L.L.C., a Michigan limited liability company, the General Partner of Carriage Trace Associates Limited Partnership, a Michigan limited partnership, on behalf of the limited partnership.

Judith A. Boettcher, NOTARY PUBLIC

County of Wayne, State of Michigan
My Commission Expires: Nov. 26, 2002

WHEN RECORDED RETURN TO:

DRAFTED BY:

Edward C. Johnson, Esq.
81 Kercheval
Grosse Pointe Farms, MI 48236
(313) 885-4700

Dale T. McPherson, Esq.
Johnson & McPherson, P.L.C.
81 Kercheval
Grosse Pointe Farms, MI 48236
(313) 885-4700

24
Exhibit B to the Master Deed of Carriage Trace
Oakland County Condominium Subdivision Plan No. 1170
Replat No. 1

Carriage Trace
City of South Lyon, Oakland County, Michigan
Carriage Trace Homeowners Association

Proposed BY-LAW CHANGES

A **YES** vote would be in favor of changing the existing by-law wording to the proposed wording. A **NO** vote would be in favor of keeping the existing by-law wording as is.

1. **Change language to allow hot tubs/spas to be above ground or on deck level.**

**BY-LAW:** Article VII, 6 (j)

**EXISTING BY-LAW:**

In-ground swimming pools, in-ground hot-tubs, tennis courts, or other similar recreational structures, shall be permitted, subject to design approval by the Architectural Control Committee. Above-ground and free-standing swimming pools, hot-tubs, or jacuzzis are prohibited. Any swimming pool or similar structure which has been approved in writing by the Association shall be constructed in accordance with manufacturers' specifications and with all applicable local ordinances, state laws and other government regulation. Swimming pools and in-ground hot tubs, if approved by the Architectural Control Committee, shall be screened by a black wrought iron or black aluminum fence, and in compliance with all laws and governmental regulations and ordinances pertaining thereto. Tennis courts, if approved by the Architectural Control Committee, shall be screened by black cyclone wire fencing, and in compliance with all laws and governmental regulations and ordinances pertaining thereto. However, in the event a Co-owner seeks approval for a hot tub to be installed as part of an approved deck structure fencing may be waived, provided the Co-owner is in compliance with all governmental laws, ordinances, and regulations.

**PROPOSED CHANGE:**

In-ground swimming pools, hot-tubs/jacuzzis, tennis courts, or other similar recreational structures, shall be permitted, subject to design approval by the Architectural Control Committee. Above-ground and free-standing swimming pools are prohibited. Any swimming pool or similar structure which has been approved in writing by the Association shall be constructed in accordance with manufacturers' specifications and with all applicable local ordinances, state laws and other government regulation. Swimming pools, if approved by the Architectural Control Committee, shall be screened by a black wrought iron or black aluminum fence, and in compliance with all laws and governmental regulations and ordinances pertaining thereto. Tennis courts, if approved by the Architectural Control Committee, shall be screened by black cyclone wire fencing, and in compliance with all laws and governmental regulations and ordinances pertaining thereto. However, in the event a Co-owner seeks approval for a hot tub to be installed as part of an approved deck structure fencing may be waived, provided the Co-owner is in compliance with all governmental laws, ordinances, and regulations.

**VOTE (Circle One Only):**

**YES**  
**NO**

Voter Signature: ___________________________  Unit No.: _______  
Print Name: _______________________________
2. Change language to allow tinted concrete walkways/patios with prior approval.

BY-LAW: Article VII, 1 (j)

EXISTING BY-LAW:
All dwellings must have concrete or brick paver driveways and walkways. Tinted concrete is not permitted in the construction of such driveways and walkways. Color of brick paver must be approved by the Architectural Control Committee. All driveway curb cuts must be located at the front elevation of the dwelling.

PROPOSED CHANGE:
All dwellings must have concrete or brick paver driveways and walkways. Tinted concrete is permitted on walkways and patios with prior approval by the Architectural Control Committee. Color of brick paver must be approved by the Architectural Control Committee.

VOTE (Circle One Only): YES  NO

3. Change language to require play sets to be placed at a specific distance from neighboring property lines.

BY-LAW: Article VII, 6 (ff)

EXISTING BY-LAW:
Playground equipment may be placed on a unit with prior approval of the Architectural Control Committee as to size, layout, and material. No metal equipments shall be permitted, and the playground area may not cover more that 150 square feet of a Unit. Tree houses shall not be permitted.

PROPOSED CHANGE:
Playground equipment may be placed on a unit with prior approval of the Architectural Control Committee as to size, layout, and material. Playground equipment must be placed a minimum of three (3) feet from neighboring property lines. No metal equipments shall be permitted, and the playground area may not cover more that 150 square feet of a Unit. Tree houses shall not be permitted.

VOTE (Circle One Only): YES  NO

Voter Signature: ___________________________  Unit No.: _______
Print Name: _______________________________

By-law revisions 4 and 5 are related to the make-up of the board. Vote to keep a 3 member board with revisions identifying board election process and terms OR vote to expand board to a 5 member board. If you vote for both and item 5 is approved a five member board will be adopted regardless of results of 4.
4. Change language to clarify terms of 3 member board for the Carriage Trace Homeowners Association Board of Directors.

BY-LAW: Article III, 4

EXISTING BY-LAW:

Not later than 120 days after the conveyance of legal or equitable title to non-developer 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 non-developer Co-owners. Not later than 120 days after the conveyance of legal or equitable title to non-developer 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 non-developer Co-owners. Not later than 120 days after the conveyance of legal or equitable title to non-developer Co-owners of sixty-six (66%) percent of the units, the non-developer 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 remain unsold. Notwithstanding the formula provided above, 54 months after the first conveyance of legal or equitable title to a non-developer Co-owner of a Unit in the project, if title to at least sixty-six (66%) percent of the Units has not been conveyed, the non-developer 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 non-developer 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 non-developer Co-owners results in a right of non-developer 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 non-developer 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 nor affect the Developer's rights pertaining to the Architectural Control Committee set forth in Article VII, 5 (b) hereof.

PROPOSED CHANGE:

The Board of Directors shall consist of three (3) members. The non-developer 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 remain unsold. A quorum of sixty-six percent (66%) attendance by board members is needed to conduct official association business. Board elections will be held annually. The term limit for an individual on the board of directors is 2 years for two members (A & B seats) and 1 year for the third board member (C seat) of the 3 member board. Every year two (2) new board members will be elected. One seat will be for 2 years (A or B) while the other is for 1 year (C). The arrangement will ensure that the board always has one individual on it that has Association operational experience. The application of this provision shall not eliminate the right of the developer to designate at least one member, as provided in these Bylaws nor affect the Developer's rights pertaining to the Architectural Control Committee set forth in Article VII, 5 (b) hereof.

VOTE (Circle One Only): YES NO

Voter Signature: ___________________________ Unit No.: _______

Print Name: _______________________________
5. Change language to increase the Carriage Trace Homeowners Association to a five (5) member board with a fifty percent (50%) attendance requirement needed to establish a quorum to conduct official association business.

BY-LAW: Article III, 4

EXISTING BY-LAW:

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 sixty-six (66%) percent of the units, the nondeveloper Coowners 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 remain unsold. 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 sixty-six (66%) percent of the Units has not been conveyed, the nondeveloper Coowners 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 nor affect the Developer's rights pertaining to the Architectural Control Committee set forth in Article VII, 5 (b) hereof.

PROPOSED CHANGE:

The Board of Directors shall consist of five (5) members. 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 remain unsold. A quorum of fifty percent (50%) attendance by board members is needed to conduct official association business. Board members will serve a term of two (2) years. Board elections will be held annually. Current 2006 board members will serve an initial one (1) year term until a staggered schedule of board elections can be established in 2007. The application of this provision shall not eliminate the right of the developer to designate at least one member, as provided in these Bylaws nor affect the Developer's rights pertaining to the Architectural Control Committee set forth in Article VII, 5 (b) hereof.

VOTE (Circle One Only): YES NO

Voter Signature: ___________________________ Unit No.: _______
Print Name: _______________________________
6. Allow grills on deck year round.

**BY-LAW: Article VII, 6 (k)**

**EXISTING BY-LAW:**

No unsightly condition shall be maintained upon any deck or patio and only furniture and equipment consistent with ordinary deck or patio use shall be permitted to remain there during seasons when decks or patio are reasonably in use and no furniture or equipment of any kind shall be stored on decks or patio during seasons when such areas are not reasonably in use. No furniture or equipment may be placed out on decks or patios before April 1 and all furniture and equipment shall be removed and stored inside by November 1 of each year.

**PROPOSED CHANGE:**

No unsightly condition shall be maintained upon any deck or patio and only furniture and equipment consistent with ordinary deck or patio use shall be permitted to remain there during seasons when decks or patio are reasonably in use and no furniture or equipment of any kind (except grills) shall be stored on decks or patio during seasons when such areas are not reasonably in use. No furniture or equipment (except grills) may be placed out on decks or patios before April 1 and all furniture and equipment (except grills) shall be removed and stored inside by November 1 of each year. Grills may remain on decks and patios year-round.

VOTE (Circle One Only): YES NO

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7. Additions to ADMINISTRATION section of by-laws to add term limits for directors and means of replacement of board members.

**BY-LAW: Article IV ADMINISTRATION 8 (a,b)**

**EXISTING BY-LAW:** There are currently no provisions outlining term limits or replacement procedures.

**PROPOSED CHANGE:**

a. An individual may be elected to the Board of Directors for a two (2) year term maximum. There is no limit on the number of terms an individual may serve if re-elected.

VOTE (Circle One Only): YES NO

b. Recall of board members can be done at any time during the term of any board member. A petition of signatures of designated voters of at least 60% of he units must be submitted to the Board of Directors for review. The board has 60 days to arrange for a recall vote at a special hearing and meeting. If the vote is successful (majority) the board will mail a request for new board nominations to all units and arrange for a special election within 30 days.

VOTE (Circle One Only): YES NO

Voter Signature: ___________________________ Unit No.: _______

Print Name: _______________________________
8. Additions to ADMINISTRATION section of by-laws to hearings for contract value changes and Association spending for any project over $10,000.

**BYLAW: Article IV ADMINISTRATION 10**

**EXISTING BY-LAW:** There are currently no provisions outlining hearings or spending limits for the board.

**PROPOSED CHANGE:**
Special Project Spending Hearings and Limits – Any expenditure that is considered emergency or dispersed over time (lawn maintenance contract) is not subject to spending hearings; however contracts may be subject to a hearing if their value from one year to the next jumps more than 40% and the new contract value is in excess of $10,000.

The board of director must hold a hearing or take a vote of the community for project spending over $10,000. The hearing can be scheduled as a separate meeting or held as part of the annual meeting. In many cases the community may not have a choice to spend the money if it is required in the by-laws to maintain a common area. It is the responsibility of the board to inform the neighbors of these types of expenditures before a contract is signed.

**VOTE (Circle One Only):**

- **YES**
- **NO**

**Expenditure Request:**

9. The Board of Directors (BOD) seeks approval to spend a not to exceed amount of $30,000 from the reserve to replace all mailboxes in Phases 1 and 2. The BOD believes that maintaining the same mailboxes throughout the community is important. Additionally the board recognized that the current mailboxes in phases 1 and 2 will require continual maintenance of an unknown yearly amount. Many of boxes are already in disrepair and require painting, have broken hinges, and flags as well as leaking. We have received multiple complaints and something must be done. It is the recommendation of the board that the boxes be replaced by boxes found in phases 3 & 4. A “no” vote on this expenditures means that the community desires to spend money yearly to repair and maintain the current boxes in phases 1 and 2.

**VOTE (Circle One Only):**

- **YES** - (spend up to $30,000)
- **NO** - (spend yearly to maintain)

Voter Signature: ___________________________  Unit No.: _______

Print Name: _______________________________
SECOND AMENDMENT TO MASTER DEED CARRIAGE TRACE

CARRIAGE TRACE ASSOCIATES LIMITED PARTNERSHIP, a Michigan limited partnership, whose address is 30100 Telegraph Road, Suite 220, Bingham Farms, Michigan 48025 (the "Developer"), being the Developer of CARRIAGE TRACE, a residential site condominium project located in the City of South Lyon, Oakland County, Michigan and established pursuant to the Master Deed thereof, recorded on April 21, 1999 in Liber 19870, Pages 312 through 403, both inclusive, Oakland County Records, and designated as Oakland County Condominium Subdivision Plan No. 1170 (the "Original Master Deed"), and the First Amendment to Master Deed Carriage Trace, recorded on February 25, 2000 in Liber 21136, Page 116, Oakland County Records (the "Condominium"), and pursuant to Article IX of the Master Deed as amended, hereby amends the Original Master Deed for certain purposes, including, without limitation, properly designating additional area, formerly designated as "Future Expansion Area" which is being developed as Phase Two of the Condominium. Phase Two adds 43 units to the Condominium (Units 90 through 132, inclusive) for a total of 132 units. Upon the recording of this Second Amendment to Master Deed ("First Amendment") in the office of the Oakland County Register of Deeds, the Original Master Deed (including the Condominium By-Laws and the Condominium Subdivision Plan which are attached to the Original Master Deed as Exhibits "A" and "B", respectively and the other Exhibits attached thereto), shall be amended, as follows:

1. The Condominium Subdivision Plan designated as Exhibit B in Article I of the Original Master Deed and attached to the Original Master Deed, is amended to add Replat No. 2 of the Oakland County Subdivision Plan No. 1170, which is attached hereto as Exhibit "B".

2. The legal description designated as Exhibit "C" in Article II of the Original Master Deed and attached to the Original Master Deed, is replaced in its entirety by Exhibit "C" attached hereto.

3. Except as set forth in this Second Amendment, the Original Master Deed (including the Condominium By-Laws, Condominium Subdivision Plan and all other Exhibits

O.K. - LG
O.K. - RC
attached thereto), as previously amended by the First Amendment To Master Deed Carriage Trace, is hereby ratified and confirmed.

WITNESSES:

[Signatures]

STATE OF MICHIGAN

COUNTY OF Oakland

The foregoing instrument was acknowledged before me this _w_th day of January, 2002, by Ronald H. Hughes, Managing Member of Lyon Development, L.L.C., a Michigan limited liability company, the General Partner of Carriage Trace Associates Limited Partnership, a Michigan limited partnership, on behalf of the limited partnership.

DRAFTED BY:

Dale T. McPherson, Esq.
Johnson & McPherson, P.L.C.
81 Kercheval
Grosse Pointe Farms, MI 48236
(313) 885-4700

MITTED: 8:17

EDITH E. WILLIAMS

NOTARY PUBLIC

County of Oakland, State of Michigan
My Commission Expires:
My Commission Expires Sept. 30, 2002

WHEN RECORDED RETURN TO:

Edward C. Johnson, Esq.
81 Kercheval
Grosse Pointe Farms, MI 48236
CARRIAGE TRACED

EXHIBIT "B" TO THE SECOND AMENDED MASTER DEED OF
OAKLAND COUNTY CONDOMINIUM SUBDIVISION PLAN NO. 1170

REPLAT NO. 2 OF
CARRIAGE TRACE

COMMENCING AT THE SOUTH ¼ CORNER OF SECTION 17, T1N, R7E, CITY OF SOUTH LYON, OAKLAND COUNTY, MICHIGAN; THENCE N89°36'44"W 549.23 FEET ALONG THE SOUTH LINE OF SAID SECTION AND THE CENTERLINE OF ELEVEN MILE ROAD TO A POINT ON THE NORTHWESTERLY LINE OF THE DEPARTMENT OF NATURAL RESOURCES WESTERN OAKLAND COUNTY TRAILWAY; THENCE NORTHERLY 69.63 FEET ALONG SAID NORTHWESTERLY LINE IN THE ARC OF 2914.78 FOOT RADIUS CIRCULAR CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 01°22'07"; HAVING A CHORD WHICH BEARS N30°52'23"E 69.62 FEET TO A POINT ON THE NORTHERLY RIGHT-OF-WAY LINE OF ELEVEN MILE ROAD, SAID POINT BEING THE POINT OF BEGINNING; THENCE N89°36'44"W 408.83 FEET ALONG SAID RIGHT-OF-WAY LINE; THENCE N01°10'47"E 484.68 FEET; THENCE N89°36'44"W 400.00 FEET TO A POINT ON THE WEST LINE OF THE EAST ¼ OF THE SOUTHWEST ¼ OF SAID SECTION (AS MONUMENTED); THENCE N01°10'47"E 105.91 FEET ALONG SAID WEST LINE; THENCE N89°36'44"W 525.61 FEET; THENCE N00°56'32"E 662.34 FEET; THENCE N88°11'31"E 529.02 FEET TO A POINT ON THE WEST LINE OF THE EAST ¼ OF THE SOUTHWEST ¼ OF SAID SECTION (AS MONUMENTED); THENCE N01°10'47"E 676.35 FEET ALONG SAID WEST LINE; THENCE S88°49'13"E 125.00 FEET; THENCE N01°10'47"E 30.15 FEET; THENCE S88°49'13"E 60.00 FEET; THENCE S01°10'47"W 10.55 FEET; THENCE S88°49'13"E 155.19 FEET; THENCE N07°43'58"E 149.87 FEET; THENCE N35°55'11"E 104.42 FEET; THENCE N57°48'53"E 120.38 FEET; THENCE S88°55'15"E 630.81 FEET; THENCE S01°25'12"W 113.57 FEET; THENCE S88°34'48"E 60.00 FEET; THENCE S01°25'12"W 11.32 FEET; THENCE S88°34'48"E 125.00 FEET TO A POINT ON THE NORTH AND SOUTH ¼ LINE OF SAID SECTION; THENCE S01°25'12"W 231.11 FEET ALONG SAID NORTH AND SOUTH ¼ LINE; THENCE S89°22'06"E 991.98 FEET TO A POINT ON THE NORTHWESTERLY LINE OF THE DEPARTMENT OF NATURAL RESOURCES WESTERN OAKLAND COUNTY TRAILWAY; THENCE ALONG SAID NORTHWESTERLY LINE IN THE FOLLOWING EIGHT (8) COURSES; S39°59'10"W 1396.55 FEET. N 50°29'50"W 14.59 FEET.

SOUTHWESTERLY 68.99 FEET IN THE ARC OF A 60.00 FOOT RADIUS CIRCULAR CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 65°52'43"; HAVING A CHORD WHICH BEARS N39°45'31"W 65.25 FEET. S50°20'50"E 14.71 FEET. S39°39'10"W 140.97 FEET N73°20'11"W 27.16 FEET. S39°39'10"W 416.09 FEET. SOUTHWESTERLY 411.84 FEET IN THE ARC OF A 2914.78 FOOT RADIUS CIRCULAR CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 08°35'44"; HAVING A CHORD WHICH BEARS S55°36'18"W 411.49 FEET TO THE POINT OF BEGINNING.

BEING A PART OF THE SOUTH ¼ OF SECTION 17, T1N, R7E, CITY OF SOUTH LYON, OAKLAND COUNTY, MICHIGAN AND CONTAINING 79.33 ACRES OF LAND. MORE OR LESS. BEING SUBJECT OF EASEMENTS AND RESTRICTIONS OF RECORD, IF ANY.

\[ C\begin{align*} \text{TraceL.D}\times838 \end{align*} \]
THIRD AMENDMENT TO MASTER DEED CARRIAGE TRACE

CARRIAGE TRACE ASSOCIATES LIMITED PARTNERSHIP, a Michigan limited partnership, whose address is 30100 Telegraph Road, Suite 220, Bingham Farms, Michigan 48025 (the "Developer"), being the Developer of CARRIAGE TRACE, a residential site condominium project located in the City of South Lyon, Oakland County, Michigan and established pursuant to the Master Deed thereof, recorded on April 21, 1999 in Liber 19870, Pages 312 through 403, both inclusive, Oakland County Records, and designated as Oakland County Condominium Subdivision Plan No. 1170 (the "Original Master Deed"), and the First Amendment to Master Deed Carriage Trace, recorded on February 25, 2000 in Liber 21136, Page 116, Oakland County Records, and the Second Amendment to Master Deed Carriage Trace, recorded on January 23, 2002 in Liber 24589, Page 796 (the "Condominium"), and pursuant to Article IX of the Master Deed as amended, hereby amends the Original Master Deed for certain purposes, including, without limitation, properly designating additional area, formerly designated as "Future Expansion Area" which is being developed as Phase Three of the Condominium. Phase Three adds 59 units to the Condominium (Units 133 through 191 inclusive) for a total of 191 units. The area being added is described as shown on the attached Exhibit "1". Additionally, the Master Deed and Bylaws are being amended to clarify the way in which costs and maintenance expenses are to be shared with the adjoining condominium, Carriage Trace Phase Five, which is being developed on the adjoining parcel which is within the jurisdiction of Lyon Charter Township and previously designated as part of the "Future Expansion Area" of the Carriage Trace Condominium. Upon the recording of this Third Amendment to Master Deed ("Third Amendment") in the office of the Oakland County Register of Deeds, the Original Master Deed (including the Condominium By-Laws and the Condominium Subdivision Plan which are attached to the Original Master Deed as Exhibits "A" and "B", respectively and the other Exhibits attached thereto), shall be amended, as follows:

1. The Condominium Subdivision Plan designated as Exhibit B in Article I of the Original Master Deed and attached to the Original Master Deed, is amended to add Replat No. 3 of the Oakland County Subdivision Plan No. 1170, which is attached hereto as Exhibit "B".
2. Article V of the Bylaws set forth in the Original Master Deed, as Amended by the First and Second Amendments to Master Deed Carriage Trace, is amended by the addition thereto of the following Section C:

C. The Association shall also administer the adjacent condominium project, Carriage Trace Phase Five Condominium, which is located on land located in Lyon Charter Township, and which was previously designated in the Condominium Documents as part of the “Future Expansion Area.” Unit owners in the two Condominium Projects (Carriage Trace Condominium project located in the City of South Lyon, and Carriage Trace Phase Five Condominium located in Lyon Charter Township) will be assessed by the Association, and will share in the costs associated with each other’s common elements with the two Condominium Projects being treated as one for purposes of the Association. Costs associated with the maintenance of private roads located within Carriage Trace Phase Five will be the responsibility of the Association. Unit owners in Carriage Trace Phase Five will be considered Unit Owners in the Carriage Trace Condominium for purposes of these Bylaws.

3. The legal description designated as Exhibit “C” in Article II of the Original Master Deed and attached to the Original Master Deed, is replaced in its entirety by Exhibit “C” attached hereto.

4. The legal description designated as Exhibit “I” (Future Expansion Area) in Article II of the Original Master Deed and attached to the Original Master Deed, is replaced in its entirety by Exhibit “I” attached hereto.

5. Except as set forth in this Third Amendment, the Original Master Deed (including the Condominium By-Laws, Condominium Subdivision Plan and all other Exhibits, as previously amended by the First and Second Amendments to Master Deed Carriage Trace, is hereby ratified and affirmed.

WITNESSES:

SIGNED BY:

CARRIAGE TRACE ASSOCIATES LIMITED PARTNERSHIP, a Michigan limited partnership

By: Lyon Development, L.L.C., a Michigan limited liability company,
   Its General Partner

By: Ronald L. Hughes
   Its: Managing Member
STATE OF MICHIGAN )
COUNTY OF OAKLAND )

The foregoing instrument was acknowledged before me this 4th day of August, 2003, by Ronald H. Hughes, Managing Member of Lyon Development, L.L.C., a Michigan limited liability company, the General Partner of Carriage Trace Associates Limited Partnership, a Michigan limited partnership, on behalf of the limited partnership.

Heidi M. Quaune
NOTARY PUBLIC
County of Oakland, State of Michigan
My Commission Expires: ____________________

DRAFTED BY:

Dale T. McPherson, Esq.
Johnson & McPherson, P.L.C.
81 Kercheval
Grosse Pointe Farms, MI 48236
(313) 885-4700

WHEN RECORDED RETURN TO:

Edward C. Johnson, Esq.
81 Kercheval
Grosse Pointe Farms, MI 48236
EXHIBIT "1" - LEGAL DESCRIPTION - AREA BEING ADDED

(CARRIAGE TRACE CONDOMINIUM PHASES III & IV)

COMMENCING AT WEST 1/4 CORNER OF SECTION 17, T1N, R7E, CITY OF SOUTH LYON, OAKLAND COUNTY, MICHIGAN; THENCE S88°55'35"E 468.43 FEET ALONG THE EAST AND WEST 1/4 LINE OF SAID SECTION TO THE POINT OF BEGINNING; THENCE CONTINUING S88°55'35"E 2200.91 FEET ALONG SAID EAST AND WEST 1/4 LINE TO THE CENTER OF SAID SECTION 17; THENCE S01°25'12"W 435.99 FEET ALONG THE NORTH AND SOUTH 1/4 LINE OF SAID SECTION; THENCE N88°34'48"W 125.00 FEET; THENCE N01°25'12"E 11.32 FEET; THENCE N88°34'48"W 60.00 FEET; THENCE N01°25'12"E 113.57 FEET; THENCE N88°55'15"W 630.81 FEET; THENCE S57°48'53"W 120.38 FEET; THENCE S35°55'11"W 104.42 FEET; THENCE S07°43'58"W 149.87 FEET; THENCE N88°49'13"W 155.19 FEET; THENCE N01°10'47"E 10.55 FEET; THENCE N88°49'13"W 60.00 FEET; THENCE S01°10'47"W 30.15 FEET; THENCE N88°49'13"W 125.00 FEET TO A POINT ON THE WEST LINE OF THE EAST ¼ OF THE SOUTHWEST 1/4 OF SAID SECTION 17 (AS MONUMENTED); THENCE S01°10'47"W 13.30 FEET ALONG SAID WEST LINE; THENCE N89°33'28"W 671.83 FEET; THENCE N00°56'39"E 208.72 FEET; THENCE N89°33'28"W 208.72 FEET; THENCE N00°56'39"E 208.72 FEET; THENCE N89°33'28"W 329.33 FEET; THENCE N28°46'45"E 741.06 FEET TO THE POINT OF BEGINNING. BEING A PART OF THE SOUTH ¼ OF SECTION 17, T1N, R7E, CITY OF SOUTH LYON, OAKLAND COUNTY, MICHIGAN AND CONTAINING 27.16 ACRES OF LAND, MORE OR LESS. BEING SUBJECT TO EASEMENTS AND RESTRICTIONS OF RECORD, IF ANY.

Legal Description Prepared by Tetra Tech MPS

CTPhn1-144gL08598063203
CITY OF SOUTH LION, OAKLAND COUNTY, MICHIGAN

CARriage TRACE

EXHIBIT "B" TO THE THIRD AMENDED MASTER DEED OF
OAKLAND COUNTY CONDOMINIUM SUBDIVISION PLAN NO. 1170

Replat No. 3 Of
EXHIBIT "C"

CARRIAGE TRACE

COMMENCING AT THE SOUTH 1/4 CORNER OF SECTION 17, T1N, R7E, CITY OF SOUTH LYON, OAKLAND COUNTY, MICHIGAN; THENCE N89°36'44"W 549.23 FEET ALONG THE SOUTH LINE OF SAID SECTION AND THE CENTERLINE OF ELEVEN MILE ROAD TO A POINT ON THE NORTHWESTERLY LINE OF THE DEPARTMENT OF NATURAL RESOURCES WESTERN OAKLAND COUNTY TRAILWAY; THENCE NORTHERLY 69.63 FEET ALONG SAID NORTHWESTERLY LINE IN THE ARC OF 2914.78 FOOT RADIUS CIRCULAR CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 01°22'07", HAVING A CHORD WHICH BEARS N30°52'53"E 69.62 FEET TO A POINT ON THE NORTHERLY RIGHT-OF-WAY LINE OF ELEVEN MILE ROAD, SAID POINT BEING THE POINT OF BEGINNING; THENCE N89°36'44"W 408.83 FEET ALONG SAID RIGHT-OF-WAY LINE; THENCE N01°10'47"E 484.68 FEET; THENCE N89°36'44"W 400.00 FEET TO A POINT ON THE WEST LINE OF THE EAST ¼ SECTION OF THE SOUTHWEST 1/4 OF SAID SECTION (AS MONUMENTED); THENCE N01°10'47"E 105.91 FEET ALONG SAID WEST LINE; THENCE N89°36'44"W 525.61 FEET; THENCE N00°56'32"E 662.34 FEET; THENCE N88°11'31"E 529.02 FEET TO A POINT ON THE WEST LINE OF THE EAST ¼ OF THE SOUTHWEST 1/4 OF SAID SECTION (AS MONUMENTED); THENCE N01°10'47"E 663.05 FEET ALONG SAID WEST LINE; THENCE N89°33'28"W 671.83 FEET; THENCE N00°56'39"E 208.72 FEET; THENCE N89°33'28"W 208.72 FEET; THENCE S00°56'39"W 208.72 FEET; THENCE N89°33'28"E 329.33 FEET; THENCE N28°46'45"E 741.06 FEET TO A POINT ON THE EAST AND WEST 1/4 LINE OF SAID SECTION; THENCE S88°55'35"E 2200.91 FEET ALONG SAID EAST AND WEST 1/4 LINE TO THE CENTER OF SAID SECTION 17; THENCE S01°25'12"W 667.10 FEET ALONG THE NORTH AND SOUTH 1/4 LINE OF SAID SECTION; THENCE S89°22'06"E 991.98 FEET TO A POINT ON THE NORTHWESTERLY LINE OF THE DEPARTMENT OF NATURAL RESOURCES WESTERN OAKLAND COUNTY TRAILWAY; THENCE ALONG SAID NORTHWESTERLY LINE IN THE FOLLOWING WIGHT (8) COURSES; S39°39'10"W 1396.55 FEET, N50°29'50"W 14.359 FEET, SOUTHWESTERLY 68.99 FEET IN THE ARC OF A 60.00 FOOT RADIUS CIRCULAR CURVE TO THE RIGHT THROUGH A CENTRAL ANGLE OF 65°52'43", HAVING A CHORD WHICH BEARS S39°45'31"W 65.25 FEET, S50°20'50"E 74.71 FEET, S39°39'10"W 140.97 FEET, N73°20'11"W 27.16 FEET, S39°39'10"W 416.09 FEET AND SOUTHWESTERLY 411.84 FEET IN THE ARC OF A 2914.78 FOOT RADIUS CIRCULAR CURVE TO THE LEFT THROUGH A CENTRAL ANGLE OF 08°05'44", HAVING A CHORD WHICH BEARS S35°36'18"W 411.49 FEET TO THE POINT OF BEGINNING, BEING A PART OF THE SOUTHWEST 1/4 AND PART OF THE WEST 1/4 OF THE SOUTHEAST 1/4 OF SECTION 17, T1N, R7E, CITY OF SOUTH LYON, OAKLAND COUNTY, MICHIGAN AND CONTAINING 106.49 ACRES OF LAND, MORE OR LESS, BEING SUBJECT OF EASEMENTS AND RESTRICTIONS OF RECORD, IF ANY.
BEGINNING AT WEST ¼ CORNER OF SECTION 17, T1N, R7E, LYON TOWNSHIP, OAKLAND COUNTY, MICHIGAN; THENCE N00°56'04"E 660.14 FEET ALONG THE WEST LINE OF SAID SECTION AND THE CENTERLINE OF PONTIAC TRAIL TO A POINT ON THE WESTERLY EXTENSION OF THE CENTERLINE OF TREBOR DRIVE; THENCE S89°02'39"E 661.00 FEET ALONG SAID CENTERLINE (AND THE WESTERLY EXTENSION THEREOF); THENCE S00°56'04"W 661.50 FEET TO A POINT ON THE EAST AND WEST ¼ LINE OF SAID SECTION; THENCE N88°55'35"W 661.00 FEET ALONG SAID EAST AND WEST ¼ LINE TO THE POINT OF BEGINNING. BEING A PART OF THE SOUTHWEST ¼ OF THE NORTHWEST ¼ OF SECTION 17, T1N, R7E, LYON TOWNSHIP, OAKLAND COUNTY, MICHIGAN AND CONTAINING 10.05 ACRES OF LAND, MORE OR LESS. BEING SUBJECT TO THE RIGHTS OF THE PUBLIC OVER THE EASTERLY 33 FEET OF PONTIAC TRAIL. ALSO BEING SUBJECT TO AND TOGETHER WITH A PERPETUAL EASEMENT FOR ROAD AND PUBLIC UTILITY PURPOSES OVER THE NORTHERLY THIRTY (30) FEET OF THE SUBJECT PROPERTY (TREBOR DRIVE). ALSO BEING SUBJECT TO EASEMENTS AND RESTRICTIONS OF RECORD, IF ANY.

Legal Description Prepared by Tetra Tech
from survey performed by Tetra Tech MPS
MASTER DEED CARRIAGE TRACE

Recorded in Liber _____,
Pages _____ through _____,
Oakland County Records,
on ________, 1999.

This Master Deed is made and executed on this 5th day of April, 1999, by Carriage Trace Associates Limited Partnership, a Michigan limited partnership, (hereinafter referred to as "Developer"), of 30100 Telegraph Road, Suite 220, Bingham Farms, Michigan 48025, pursuant to the provisions of the Michigan Condominium Act (being Act 59 of the Public Acts of 1978, as amended), hereinafter referred to as the "Act".

WHEREAS, the Developer desires by recording this Master Deed, together with the Bylaws attached hereto as Exhibit "A" and together with the Condominium Subdivision Plan attached hereto as Exhibit "B" (both of which are hereby incorporated herein by reference and made a part hereof), to establish the real property described in Article II below, together with the improvements located and to be located thereon, and the appurtenances thereto, as a residential Condominium Project planned for development in two or more phases under the provisions of the Act.

NOW, THEREFORE, the Developer does, upon the recording hereof, establish Carriage Trace as a Condominium Project under the Act and does declare that Carriage Trace (hereinafter referred to as the "Condominium", "Project" or the "Condominium Project") shall, after such establishment, be held, conveyed, hypothecated, encumbered, leased, rented, occupied, improved, or in any other manner utilized, subject to the provisions of the Act, and to the covenants, conditions, restrictions, uses, limitations and affirmative obligations set forth in this Master Deed and Exhibits "A" and "B" hereto, all of which shall be deemed to run with the land and shall be a burden and a benefit to the land and the Developer, and any additional lands added to the Project by amendment to this Master Deed, if any, and the Developer's successors and assigns, and any persons acquiring or owning an interest in the Condominium Project Premises, and their successors and assigns. In furtherance of the establishment of the Condominium Project, it is provided as follows:

OAKLAND COUNTY TREASURERS CERTIFICATE

I HEREBY CERTIFY that there are no "TAX LIENS or TITLES" held by the state or any individual against this within description and all TAXES on same are paid for five years previous to the date of this instrument, as appears by the records in the office except as stated.

C. HUGH DOHANY

C. HUGH DOHANY, County Treasurer
Sec. 135, Act 206, 1893 as amended

O.K. - KB

O.K. - RC

4-15-99
ARTICLE I

TITLE AND NATURE

The Condominium Project shall be known as Carriage Trace, a Detached Single Family Residential Community ("Carriage Trace"). Phase One of Carriage Trace is recorded with the Oakland County Register of Deeds as Oakland County Condominium Subdivision Plan No. 1170. The Condominium Project is established in accordance with the Act and in accordance with the laws of the City of South Lyon including particularly its "Subdivision Open Space Plan" Ordinance (Zoning Ordinance Article XVII, Section 5.450-2-f), and the approved plans therefor are on file with said City. The Units contained in the Condominium Project, including the number, boundaries, dimensions and area of each, are set forth completely in the Condominium Subdivision Plan attached as Exhibit "B" hereto. Each Unit is a residential building site capable of individual utilization with its own entrance and exit to and from the Unit to and from the General Common Elements of the Condominium Project. Each Co-owner in the Condominium Project shall have an exclusive right to its Unit and shall have undivided and inseparable rights to share with other Co-owners the General Common Elements of the Condominium Project.

ARTICLE II

LEGAL DESCRIPTION

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

See Exhibit "C" legal description attached hereto and made a part hereof.

The Exhibit "C" legal description shall be read to be inclusive of easements over adjacent lands owned by Carriage Trace Associates Limited Partnership for a Sanitary Sewer; for a Sanitary Force Main; for an Access to Park; and for Public Utilities all lying outside of the boundary lines of the above described 59.116 acres comprising Phase One of Carriage Trace, and said easements more particularly described in Exhibit "D", Exhibit "E", Exhibit "F", Exhibit "G", and Exhibit "H".

CENTERLINE OF 20' WIDE EASEMENT FOR SANITARY SEWER

See Exhibit "D" legal description attached hereto and made a part hereof.
CENTERLINE OF 12' WIDE EASEMENT FOR SANITARY FORCE MAIN

See Exhibit "E" legal description attached hereto and made a part hereof.

CENTERLINE OF 10' WIDE EASEMENT FOR ACCESS TO PARK

See Exhibit "F" legal description attached hereto and made a part hereof.

CENTERLINE OF 10' WIDE EASEMENT FOR PUBLIC UTILITIES

See Exhibit "G" legal description attached hereto and made a part hereof.

ELEVEN MILE ROAD EASEMENT FOR INGRESS AND EGRESS

See Exhibit "H" legal description attached hereto and made a part hereof.

The Carriage Trace Condominium Project has additional lands designated as future expansion area which may be developed in one or more additional Phases.

See Exhibit "I" legal description attached hereto and made a part hereof.

Also, additional lands may be acquired in the future by Carriage Trace Associates Limited Partnership and further expand the Condominium Project by amendment to this Master Deed.

ARTICLE III

DEFINITIONS

Certain terms are utilized not only in this Master Deed and Exhibits "A" and "B" hereto, but are or may be used in various other instruments such as, by way of example and not limitation, the Articles of Incorporation and rules and regulations of the Carriage Trace Condominium Association, a Michigan non-profit corporation, and deeds, mortgages, liens, land contracts, easements and other instruments affecting the establishment of, or transfer of, interests in Carriage Trace as a Condominium Project. Wherever used in such documents or any other pertinent instruments, the terms set forth below shall be defined as follows:

Section 2. **Association.** "Association" means Carriage Trace Condominium Association, which is the non-profit corporation organized under the Michigan law of which all Co-owners shall be members, which corporation shall administer, operate, manage and maintain the Condominium Project.

Section 3. **Bylaws.** "Bylaws" means Exhibit "A" attached hereto, being the Bylaws setting forth the substantive rights and obligations of the Co-owners and required by Section 3(8) of the Act to be recorded as part of the Master Deed. The Bylaws shall also constitute the corporate bylaws of the Association as provided for under the Michigan Nonprofit Corporation Act.

Section 4. **Common Elements.** "Common Elements", where used without modification, means both the General and Limited Common Elements described in Article IV hereof.

Section 5. **Condominium Documents.** "Condominium Documents" means and includes this Master Deed and Exhibits "A" and "B" hereto, and the Articles of Incorporation, Bylaws, rules and regulations, if any, of the Association, as all of the same may be amended from time to time.

Section 6. **Condominium Premises.** "Condominium Premises" means and includes the land described in Article II above, all additions thereto, and all improvements and structures thereon, and all easements, rights of way and appurtenances belonging to Carriage Trace as described above.

Section 7. **Condominium Project, Condominium or Project.** "Condominium Project", "Condominium" or "Project" means Carriage Trace, as a Condominium Project established in conformity with the Act.

Section 8. **Condominium Subdivision Plan.** "Condominium Subdivision Plan" means Exhibit "B" hereto.

Section 9. **Co-owner or Owner.** "Co-owner" means a person, firm, corporation, partnership, association, trust or other legal entity or any combination thereof who or which owns one or more Units in the Condominium Project. The term "Owner", wherever used, shall be synonymous with the term "Co-owner".

Section 10. **Consolidating Master Deed.** "Consolidating Master Deed" means the final amended Master Deed which shall describe Carriage Trace as a completed Condominium Project, and shall reflect the Project as finally configured and surveyed. Such Consolidating Master Deed, if and when recorded in the office of the Oakland County Register of Deeds, shall supersede the previously recorded Master Deed for the Condominium Project and all amendments thereto. In the event the Units and Common Elements in the Condominium Project are constructed in
substantial conformance with the proposed Condominium Subdivision Plan attached as Exhibit "B" to this Master Deed, the Developer shall be able to satisfy the foregoing obligation by filing a certificate in the office of the Oakland County Register of Deeds confirming that the Units and Common Elements "as built" are in substantial conformity with the approved proposed Condominium Subdivision Plan and that no Consolidating Master Deed need to be recorded. Further, in the event that there is no need to modify the terms of the Master Deed or Bylaws and if the only changes are revisions to the Condominium Subdivision Plan, then there shall be no need to re-record the Master Deed and/or Bylaws but any such revisions may be reflected by the recording of an amendment for the purpose of evidencing the locations of Units, Common Elements and utilities as actually built, as well as additional Phases of the Condominium Project.

Section 11. **Developer.** "Developer" means Carriage Trace Associates Limited Partnership, which has made and executed this Master Deed, and its successors and assigns. Both successors and assigns shall always be deemed to be included within the term "Developer" whenever, however and wherever such terms are used in the Condominium Documents.

Section 12. **Development and Sales Period.** "Development and Sales Period", for the purposes of the Condominium Documents and the rights reserved to Developer thereunder, shall be deemed to continue for so long as Developer continues to own any Unit in the Project.

Section 13. **First Annual Meeting.** "First Annual Meeting" means the initial meeting at which non-developer Co-owners are permitted to vote for the election of Directors and upon all other matters which properly may be brought before the meeting. Such meeting is to be held (a) in the Developer's sole discretion after 50% of the Units which may be created are sold, or (b) mandatorily within (i) 54 months from the date of the first Unit conveyance, or (ii) 120 days after 66% of the Units which may be created are sold, whichever first occurs.

Section 14. **City.** "City" means the City of South Lyon and/or its duly authorized officers and agencies as may be applicable from time to time.

Section 15. **Transitional Control Date.** "Transitional Control Date" means the date on which a Board of Directors of the Association takes office pursuant to an election in which the votes which may be cast by eligible Co-owners unaffiliated with the Developer exceed the votes which may be cast by the Developer, with the exception of the Architectural Control Committee, as set forth in Article VII, 5 (b), of the Bylaws of Carriage Trace Condominium.
Section 16. **Unit or Condominium Unit.** "Unit" or "Condominium Unit" each mean a single Unit in the Carriage Trace Project, as such space may be described in Article V, Section 1, hereof and on Exhibit "B" hereto, and shall have the same meaning as the term "Condominium Unit" as defined in the Act. All structures and improvements now or hereafter located within the boundaries of a Unit shall be owned in their entirety by the Co-owner of the Unit within which they are located and shall not, unless otherwise expressly provided in the Condominium Documents, constitute Common Elements. The Developer does not intend to and is not obligated to install any structures whatsoever within the Units. Each Unit shall be co-extensive with an entire lot within the Units. Each Condominium "Unit" shall be a term co-extensive with an entire "lot" within the meaning of the City ordinances and shall extend beyond its related Building Envelope to the full limit of its perimeter Unit (or "lot") lines as depicted on the Condominium Subdivision Plan.

Section 17. **Park.** Carriage Trace Condominium Project shall have a park along part of the easterly boundary of the Project; however, it is anticipated that the city, county, or a governmental authority may take over the operation, maintenance, and ownership of this Park, at some future time, for the use of the Public. Should this Park be dedicated to any governmental authority the Master Deed shall be promptly amended to reflect said dedication.

Section 18. **Building Envelope.** Building Envelope is the location of lines wherein structures may be placed on a residential site in conformity with the ordinances of the City of South Lyon, namely the setback requirements of front, rear and side yards. Refer to Exhibit "B", Sheet 17 (AREA & VOLUME DATA) for "Typical Unit Detail" for Building Setback Data.

Section 19. **Pronouns.** Whenever any reference herein is made to one gender, the same shall include a reference to any and all genders where the same would be appropriate; similarly, whenever a reference is made herein to the singular, a reference shall also be included to the plural where the same would be appropriate and vice versa.

**ARTICLE IV**

**COMMON ELEMENTS**

The Common Elements of the Project as depicted in Exhibit "B", and the respective responsibilities for maintenance, repair and replacement thereof are as follows:
A. The General Common Elements are:

(1) The land described in Article II hereof (except for that portion described in Article V(A), as constituting a part of a Condominium Unit, and any portion otherwise designated in Exhibit "B" as a Limited Common Element), including easement interests of the Condominium Project provided to it for ingress, egress and/or utility installation, over, across and through non-condominium properties and/or the Units in the Project;

(2) The private roads, drives, and the common walkways, lawns, trees, shrubs and other improvements not located within the boundaries of a Condominium Unit. All structures and improvements located within the boundaries of a Condominium Unit shall be owned in their entirety by the Co-owner of the Unit within which they are located and shall not constitute Common Elements;

(3) Unless owned, operated and maintained by the City of South Lyon, the street lighting system throughout the common areas of the Project.

(4) Unless owned, operated and maintained by the respective utility, the natural gas line network and distribution system, electrical, telephone and/or cable television wiring networks throughout the common areas of the Project up to, but not including, the point of lateral connection for service to each residence now or hereafter constructed within Unit boundaries;

(5) The underground sprinkling system, if and when such is installed in a general common element;

(6) The entry signage and other improvements located at the entrance to the Project;

(7) Unless owned, operated and maintained by the City of South Lyon, the sanitary sewer system (including force mains and lift station) throughout the Project up to, but not including the point of lateral connections for Unit service;

(8) Unless owned, operated and maintained by the City of South Lyon, the Storm Water Drainage System including the Storm Water Detention\Retention Area(s) and other drainage areas and apparatus depicted as such on the Condominium Subdivision Plan;
(9) Unless owned, operated and maintained by the City of South Lyon, the water distribution system throughout the Project, up to, but not including, the point of lateral connection to the water meter for each unit;

(10) The Open Space Areas and park (unless dedicated to the City or other governmental entity) areas designated as such on the Condominium Project plan;

(11) (Intentionally left blank);

(12) (Intentionally left blank);

(13) All other Common Elements of the Project not herein designated as Limited Common Elements which are not enclosed within the boundaries of a Condominium Unit, and which are intended for common use or are necessary to the existence, upkeep or safety of the Project;

Some or all of the utility lines, systems (including mains and service leads) and equipment, and the cable television system may be owned by the local public authority or by the utility or cable television company that is providing the pertinent service. Accordingly, such utility and/or cable television lines, systems and equipment shall be General Common Elements only to the extent of the Co-owners' interest therein, if any, and Developer makes no warranty whatsoever with respect to the nature or extent of such interest.

Developer reserves the right to establish such mailbox system as Developer may elect or as may be required by a public authority or service agency having jurisdiction, and, to that end may establish an individual mailbox system or may consolidate or cluster mailboxes as Developer deems appropriate. If mailboxes are clustered or consolidated, Developer reserves the right to assign, and reassign, individual mailboxes from time to time for use by the co-owners. Developer also reserves the right, in its discretion to install street signs, traffic control signs, street address signs, and other signage at any location or locations as Developer deems appropriate within the General Common Element or road rights of way.

B. **The Limited Common Elements are:**

(1) The pipes, ducts, wiring and conduits supplying service for electricity, gas, telephone, television, water, sanitary sewer and/or other utilities to or from a Unit, up to and including the point of lateral connection with a General Common
Element of the Project or utility line or system owned by the local public authority or company providing the service;

(2) The subterranean land, excluding any footing or foundation, located within Unit boundaries, from and below a depth of twelve (12) feet as shown on Exhibit "B", including all utility and/or supporting lines located therein;

(3) (Intentionally left blank);

(4) The portion of any yard area designated as a Limited Common Element on the Condominium Subdivision Plan, which is limited in use to the Unit which it surrounds; the Plan has no Limited Common Elements in any yard area, and none is anticipated in the future;

(5) The mail and/or paper box located on the General Common Elements to serve the residence constructed on each Unit;

(6) The portion of any driveway or sidewalk located between the Unit and the paved common roadway; until such time as the roadway area is dedicated to and maintained by the City of South Lyon;

(7) Any other improvement designated as a Limited Common Element appurtenant to a particular Unit or Units in the Condominium Subdivision Plan attached as Exhibit "B" or in any future amendment to the Master Deed made by the Developer or the Association.

In the event that no specific assignment of all the Limited Common Elements described herein has been made in the Condominium Subdivision Plan, the Developer reserves the right to designate each such space or improvement as a Limited Common Element appurtenant to a particular Unit by subsequent amendment or amendments to this Master Deed. The Co-owners and mortgagees of Condominium Units, and all other persons interested or to become interested in the Project from time to time shall be deemed to have unanimously consented to any such amendment or amendments, and hereby irrevocably appoint the Developer and/or its successors as agent and attorney for the purpose of executing any such amendment or amendments to the Master Deed.

C. Responsibility for the cleaning, decoration, maintenance, repair and replacement of the Common Elements will be as follows:
(1) The costs of maintenance, repair and replacement of the Limited Common Elements and the routine cleaning and snow removal of the Limited Common Elements, shall be the responsibility of the Co-owners of the Unit or Units to which such Limited Common Elements are appurtenant.

(2) Unit Owners, or their agents or employees (including landscaping companies) may not alter or change the grading of a Unit which will result in drainage problems, and each Unit Owner is responsible for the cost of maintaining the final grade established by the Developer, including any grade alteration of a Unit which affects another Unit or other Units. Unit Owners shall also be responsible for the maintenance, repair and replacement of all structures and improvements, and the maintenance and mowing of all yard areas situated within the boundaries of a Unit, including any portions thereof which may extend beyond Unit boundaries up to the paved roadway, including maintenance, trimming and upkeep of trees, and maintenance, upkeep, repair, and replacement of landscaping and other development features and infrastructures including sidewalks and driveways; provided, that the exterior appearance of all such structures, improvements and yard areas (to the extent visible from any other Unit or Common Element), shall be subject at all times to the approval of the Association and to such reasonable aesthetic and maintenance standards as may be prescribed by the Association in duly adopted rules and regulations; provided that the Association may not disapprove the appearance of an improvement so long as maintained as constructed by the Developer or constructed with the Developer's approval.

(3) The cost of cleaning, decoration, maintenance, repair and replacement of all Common Elements other than as described above shall be borne by the Association, except to the extent of repair or replacement due to the act or neglect of a Co-owner or his agent, invitee, family member or pet. The Association shall maintain all Common Elements requiring periodic maintenance in a neat, clean, and first-class condition nature maintaining the natural characteristics and environment of all components or natural elements. Additional maintenance assessments may be levied for individual Units requiring expenditures by the Association. Standards for maintenance may be established by the Association through its Board of Directors. The Association shall not be responsible, in the first instance, for
performing any maintenance, repair or replacement with respect to residences and their appurtenances located within the Condominium Units. Nevertheless, in order to provide for flexibility in administering the Condominium Project, the Association, acting through its Board of Directors, may undertake such other regularly recurring, reasonably uniform, periodic exterior maintenance functions within any Unit boundaries as it may deem appropriate and as the affected Co-owners may agree (including, without limitation, lawn mowing, snow and trash/refuse removal and tree/shrub trimming). Nothing herein contained, however, shall compel the Association to undertake such responsibilities. Any such responsibilities undertaken by the Association shall be charged to any affected Co-owner on a reasonably uniform basis and collected in accordance with the assessment procedures established under the Bylaws. The Developer, in the initial maintenance budget for the Association, shall be entitled to determine the nature and extent of such services and reasonable rules and regulations may be promulgated in connection therewith.

D. While it is intended that each Co-owner will be solely responsible, except as noted above, for the performance and cost of the maintenance, repair and replacement of the residence and all other appurtenances and improvements constructed or located within a Unit, it is nevertheless a matter of concern that a Co-owner may fail to properly maintain the exterior of his residence, improvements or any Limited Common Element appurtenant thereto in a proper manner and in accordance with the standards set forth by the Association.

(1) In the event a Co-owner fails, as required by this Master Deed, the Bylaws or any rules or regulations promulgated by the Association, to properly and adequately decorate, repair, replace or otherwise maintain his Unit or any improvement or appurtenance located therein or any Limited Common Element appurtenant thereto, the Association shall have the right, but not the obligation, to undertake such reasonably uniform, periodic exterior maintenance functions with respect to residences, yard areas, landscaping features, or other improvement constructed or installed within any Unit boundary as it may deem appropriate (including without limitation painting or other decoration, lawn mowing, snow removal, tree trimming and replacement of shrubbery and other plantings); provided, that the Association will in no event be obligated to repair any residence or other improvement located within or appurtenant to a Unit,
nor will the Association be obligated to perform any maintenance or repair thereon.

(2) Failure of the Association (or the Developer) to take any such action shall not be deemed a waiver of the Association's (or 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 a Co-owner shall be charged to the affected Co-owner or Co-owners on a reasonably uniform basis and collected in accordance with the assessment procedures established by the Condominium Bylaws. The lien for non-payment shall attach to any such charges as in all cases of regular assessments and may be enforced by the use of all means available to the Association under the Condominium Documents and by law for the collection of regular assessments, including without limitation, legal action, foreclosure of the lien securing payment and the imposition of fines.

(3) In the event the Association fails to provide adequate maintenance, repair or replacement of the private roads, walkways, or the storm water drainage system, the City of South Lyon, or other appropriate governmental authority, may serve written notice of such failure upon the Association. Such notice shall identify the deficiencies demanded to be cured and state a reasonable period of time within which such deficiencies are to be cured. If such deficiencies are not cured or satisfied, the City may undertake such maintenance, repair or replacement and the costs therefor plus a 25% administrative fee may be assessed against the Co-owners and collected as a special assessment on the next annual tax roll of the City of South Lyon.

E. Costs of initial installation and subsequent operation of water, electricity, natural gas, telephone, cable television, sanitary sewer, (to the extent they are available and/or installed) shall be borne by the Co-owner of the unit to which such services are furnished. All utility laterals and leads shall be installed, maintained, repaired and replaced at the expense of the Co-owner whose Unit they service, except to the extent that such expenses are borne by a utility company or a public authority and the Association shall have no responsibility therefore. The extent of the Developer's responsibility will be to provide access to water, sewer, and arrange to have provided telephone, cable television, electricity, and natural gas mains (if any) are existing and installed within reasonable proximity to, but not within, the units. Each Co-owner will be entirely
responsible for arranging for and paying all costs in connection with extension of such utilities by laterals from the mains to any structures and/or fixtures located within the units.

F. No Co-owner shall use any part of the Condominium Project in any manner inconsistent with the purposes of the Project, or the Ordinances of the City of South Lyon, or in any manner which will interfere with or impair the rights of any other Co-owner in the use and enjoyment of the Project. Each dwelling constructed within a Unit shall be located entirely within the Building Envelope Lines for such unit as depicted on the Site Plan which constitutes a part of Exhibit "B" hereto.

ARTICLE V

UNIT DESCRIPTIONS, PERCENTAGES OF VALUE AND CO-OWNER RESPONSIBILITIES

A. Each unit in the Carriage Trace Condominium Project Phase One is described in this paragraph with reference to the Condominium Project Subdivision Plan of Carriage Trace as prepared by Ambit Land Surveyors, Inc., and attached hereto as Exhibit "B". There are eighty nine (89) units in Phase One of the Condominium Project established by this Master Deed. Each Unit shall consist of the space located within the Unit boundaries as delineated on Exhibit "B" hereto together with all appurtenances thereto.

B. The percentage of value assigned to each of the Units is equal. The determination that percentages of value are equal is made for the purpose of the administration of these Articles and Bylaws, and does not prevent the Developer or its agents from offering Units at varying prices. Therefore, the price paid for any given Unit shall not be taken into consideration when making assessments against that Unit, allocating shares of costs incurred by the Association, or voting rights under the Bylaws.

ARTICLE VI

CONSOLIDATION AND OTHER MODIFICATIONS OF UNITS

Notwithstanding any other provision of the Master Deed or the Bylaws, Units in the Condominium Project may be consolidated, modified and the boundaries relocated, in accordance with Section 48 of the Act, any applicable local ordinances and regulations, 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. No such changes shall be made, however, without the approval of the City of South Lyon. Subject to approval of the City, 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 do the following:
Section 1. Realignment and Changes to Units: Consolidation of Units; Relocation of Boundaries. Realign or alter any Unit which it owns, consolidate under single ownership two or more Units located adjacent to one another, and relocate any boundaries between adjoining Units. Such realignment of Units, consolidation of Units and/or relocation of boundaries 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, its successors or assigns. The provisions of the South Lyon City Zoning Ordinance regarding minimum lot (or "Unit") size, minimum floor area per dwelling unit, yard setbacks, and maximum height of building shall apply at all times to this Condominium Project. For purposes of applying these ordinance provisions to the Condominium Project development, the following shall apply: The term "lot" as used in the Zoning Ordinance shall mean "Unit" as defined herein and as shown on Exhibit "B". Units could be altered to roadway, open space, park(s), walkway(s), or other general or Limited Common Elements in conformity with approval or requirement of the City of South Lyon or other governmental unit or regulatory agency.

Section 2. Amendments to Effectuate Modifications. In any amendment or amendments resulting from the exercise of the rights reserved to Developer above, the Unit or Units resulting from such realignment or consolidation shall be separately identified by number and the percentage of value as set forth in Article V hereof shall be adjusted so that all Units have equal percentages of value. 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 consolidated. All of the Co-owners and mortgagees of Units and other persons interested or to become interested in the Project from time to time shall be deemed to have irrevocably and unanimously consented to such amendment or amendments of this Master Deed to effectuate the foregoing and to any proportionate reallocation of percentages of value of Units which Developer or its successors may determine necessary in conjunction with such amendment or amendments. All such interested persons irrevocably appoint Developer or its successors as agent and attorney for the purpose of execution of such amendment or amendments to the Master Deed and all other documents necessary to effectuate the foregoing. Such amendments may be effected without the necessity of rerecording an entire Master Deed or the Exhibits hereto.

ARTICLE VII

CONVERTIBLE AREAS

Notwithstanding any other provision of the Master Deed or the Bylaws, Developer retains and may exercise rights of
convertibility in accordance with Section 31 of the Act, any applicable local ordinances and regulations, and this Article; such changes in the affected Units and/or Common Elements shall be promptly reflected in a duly recorded amendment or amendments to this Master Deed. No such changes shall be made, however, without the approval of the City. Subject to approval of the City, 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 do the following:

Section 1. Designation of Convertible Areas. All Units and Common Element areas are hereby designated as Convertible Areas within which: (a) the individual Units may be expanded or reduced in size, otherwise modified and/or relocated; (b) General and Limited Common Elements may be constructed, expanded or reduced in size, otherwise modified and/or relocated. Only the Developer or such person or persons to whom it specifically assigns the rights under this Article may exercise convertibility rights hereunder, subject at all times to the approval of the City and subject to the same requirements and limitations as set forth in Article VI, Section 1 of this Master Deed.

Section 2. Modification of Units and/or Common Elements. The Developer reserves the right in Developer's sole discretion, from time to time, during a period ending six years from the date of recording this Master Deed, to enlarge, extend, diminish, and/or relocate Units, and to construct private amenities on all or any portion or portions of the Convertible Areas. The Developer shall also be entitled to convert General Common Element areas into Limited Common Elements or Units in such areas as it, in its sole discretion, may determine. The precise number, nature size and location of Unit and/or Common Element extensions and/or reductions and/or amenities which may be constructed and designated shall be determined by Developer in its sole judgment or by any other person to whom the Developer specifically assigns the right to make such determination subject only to necessary public and regulatory agency approvals. Any private amenity other than a dwelling extension may be assigned by the Developer as a Limited Common Element appurtenant to an individual Unit.

Section 3. Grants of Specific Rights of Convertibility. The Developer shall have the authority to assign to the Owner of a particular Unit the right of future convertibility for a specific purpose. Such assignment shall be by specific written authority duly executed by the Developer prior to the completion of the Development and Sales Period and shall be granted only at the sole discretion of the Developer.

Section 4. Compatibility of Improvements. All improvements constructed within the Convertible Areas described above shall be
reasonably compatible with the development and structures of 
Developer in its sole discretion.

Section 5. **Amendment of Master Deed.** The exercise of 
rights of modification and/or convertibility in this Condominium 
Project shall be given effect by appropriate amendments to this 
Master Deed in the manner provided by law, which amendments shall 
be prepared by and at the discretion of the Developer or its 
assigns. The Developer shall be obligated to amend the 
Condominium Subdivision Plan to show all changes in the Units 
resulting from exercise of convertibility-rights pursuant to this 
Article VII. The Developer shall, however, have the right to 
close on the sale of a Unit, notwithstanding the fact that the 
Unit may not conform in size and/or shape to the depiction of the 
Unit on the Condominium Subdivision Plan, provided that a 
Consolidating Master Deed depicting the modified Unit is 
ultimately recorded as required by the Act.

Section 6. **Redefinition of Common Elements.** Amendments to 
the Master Deed shall also contain such further definitions and 
redefinitions of General or Limited Common Elements as may be 
necessary to adequately describe and service the modified Units, 
dwellings and appurtenances being included in the Project under 
this Article VII. In connection with any such amendments, the 
Developer shall have the right to change the nature of any Common 
Element previously included in the Project for any purpose 
reasonably necessary to achieve the purposes of this Article. In 
the event a Co-owner exercises the right of convertibility 
described herein subsequent to Developer's final recording of a 
Consolidating Master Deed or other final amendment to the Master 
Deed such Co-owner shall be responsible, at the Co-owner's 
expense, to cause the Association to prepare and record an 
amendment to the Master Deed depicting such changes made by Co-
owner to the Unit and/or Common Elements.

Section 7. **Consent of Interested Persons.** 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 proposed by the 
developer to effectuate the purposes of this Article VII. All 
such interested persons irrevocably appoint the Developer as 
agent and attorney-in-fact for the purpose of execution of such 
amendments to the Master Deed and all other documents necessary 
to effectuate the foregoing. Such amendments may be effected 
without the necessity of rerecording the entire Master Deed or 
the Exhibits hereto and may incorporate by reference all or any 
pertinent portions of this Master Deed and the Exhibits hereto.
ARTICLE VIII
EASEMENTS, RESERVATIONS, RESTRICTIONS AND ENABLEMENTS

Section 1. Easement for Utilities. There shall be easements to, through and over all portions of the land in the Condominium Project, including all areas lying within Unit boundaries for installation and for the continuing existence, operation, maintenance, repair, replacement and enlargement of or tapping into all utilities in the Condominium Project, without limitation, placement of electrical transformers.

Section 2. Rights Retained By Developer.

(a) Access Easements for Development Purposes. The Developer reserves for the benefit of Developer, and Developer's successors and assigns, the right of unrestricted use and access over all of the Condominium Project roadways, and all other Common Elements and all Units for the purposes of ingress and egress to and from all or any portion of the Condominium Project for purposes of development thereof.

(b) Utility Easements for Development Purposes. The Developer reserves for the benefit of itself, its successors and assigns, perpetual easements to utilize, tap, tie into, extend and enlarge all utilities located in the Condominium Project, including, but not limited to, water, gas, storm and sanitary sewer mains, telephone, cable television, if any. In the event Developer or its successors or assigns, utilizes, taps, ties into, extends or enlarges any utilities located in the Condominium Project, it shall be obligated to pay all of the expenses reasonably necessary to restore the Condominium Project Premises to their state immediately prior to such utilization, tapping, tying-in, extension or enlargement.

(c) Dedication of Right-of-Way. 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 general Common Elements, Units, and appurtenant Limited Common Elements, if any, in the Project. 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 Oakland County Records. All of the Co-owners and mortgagees of Units and all 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 to this Master Deed to effect the foregoing rights-of-way dedication.

(d) Granting Utility Rights to Agencies. 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 Project and all Units and Common Elements therein to appropriate governmental agencies or public utility companies and/or private cable television franchises, 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 Oakland 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 easements or transfers of title.

(e) Granting Rights For Use Of Certain Common Elements. The Developer reserves the right at any time during the Development and Sales Period to grant easements of use over and across the Condominium Project in favor of any Unit ("lot") or parcel of land which is contiguous to the Condominium Project Premises to enable the owner or owners of such Units ("lots") or parcels to utilize the pedestrian paths and the park areas lying within the Condominium Project. Any such easement may be granted by the Developer without consent of any Co-owner, mortgagee or other person and shall be evidenced, at Developer's election, by an appropriate amendment to this Master Deed and Exhibit "B" hereto or by a separate instrument recorded in the Oakland County Records. All of the Co-owners and mortgagees of Units and other persons interested or to become interested in the Condominium Project from time to time shall be deemed to have irrevocably and unanimously consented to such amendments to this Master Deed or other instrument as may be required to effectuate the foregoing grants of easement by Developer. Provided, however, that no rights in such other Units ("lots") or parcels or their owners are created by virtue hereof unless the Developer takes express written action pursuant hereto.
Section 3. **Grant of Easements by Association.** 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, licenses, rights-of-entry and rights-of-way over, under and across the Condominium Project Premises for utility purposes or other lawful purposes as may be necessary for the benefit of the Condominium Project, subject, however, to the approval of the Developer so long as the Development and Sales Period has not expired.

Section 4. **Association Easements for Maintenance, Repair and Replacement.** The Developer, the Association and all public or private utility agencies shall have such easements over, under, across and through the Condominium Project Premises, including all Units and Common Elements, as may be necessary to fulfill any responsibilities of operation, 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 Project; provided, however, that the easements granted hereunder shall not entitle any person other than the Owner thereof to gain entrance to the interior of any dwelling 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 dwelling and all other appurtenances and improvements constructed or otherwise located within the Co-owner's unit, it is nevertheless a matter of concern that a Co-owner may fail to properly maintain the exterior of its Unit in a proper manner and in accordance with the standards set forth in this Master Deed, the Bylaws and any rules promulgated by the Association. Therefore, in the event a Co-owner fails to properly and adequately maintain, decorate, repair, replace, landscape or otherwise keep his Unit, the buildings thereon, or any improvements or appurtenances located therein or any Limited Common Elements appurtenant thereto, the Association (and/or the Developer during the Development and Sale period) shall have the right, and all necessary easements in furtherance thereof, (but not the obligation) to take whatever actions it deems appropriate to so maintain, decorate, repair or replace the dwelling within the Unit (including the exteriors of any structures located therein), its appurtenances or its Limited Common Elements and any landscaping, all at the expense of the Co-owner of the Unit. Neither the Developer nor the Association shall be liable to the Co-owner of any Unit or any other person, in trespass or in any other form of action, for the 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 right to take any such actions 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 regular periodic assessment next falling due; further, the lien for non-payment 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.

Section 5. Utility Easements and Locations of Utility Installations. Various utility installations exist within the Units and are depicted on the Condominium Subdivision Plan. Perpetual easements exist and are hereby created in this Master Deed and otherwise in favor of all Units and the Owners thereof for the continued existence, operation, maintenance, repair and replacement of such utilities, whether located above or below ground. Also, other utility mains (including, without limitation, natural gas, electric and telephone conduits) may be installed by or at the instance of the Developer across all Units to serve some or all other Units in the Condominium Project. Developer reserves the right to create all such easements and to install or cause to be installed any and all utilities within and across all Units in such locations as Developer may elect, in Developer's sole discretion and, further, to tap into, extend and enlarge such utilities as may be necessary, in the Developer's judgment. All Units shall be convertible by Developer to any extent necessary to create General Common Elements and easements and/or rights-of-way in furtherance of the rights reserved in this Section.

Section 6. Easements for Storm Drainage. There shall exist easements over all Units for purposes of providing storm water drainage and retention or detention as designated on the Condominium Subdivision Plan. No Co-owner shall disturb the grade or otherwise modify the areas within such easements in any way so that the storm water drainage designed for the Condominium Project Premises shall be impeded. Each Co-owner shall, however, be responsible for installing, maintaining, repairing and replacing landscaping materials located within any open storm drainage easement areas lying within such Co-owner's Unit except as the same may be necessitated by the actions of the Association or any public agency having jurisdiction in which event the Association or the public agency, as the case may be, shall repair or replace any landscaping materials disturbed by their respective activities.

Section 7. Emergency Vehicle Access Easement. There shall exist for the benefit of the City or other emergency or public service agency or authority, an easement over all roads, walkways, parks, ponds, maintenance drives, and unit drives in
the Condominium Project for use by the emergency and/or service vehicles of the City or such agencies. The easement shall be for purposes of ingress and egress to provide, without limitation, fire and police protection, ambulance and rescue services, school bus and mall or package delivery, and other lawful governmental or private emergency or other reasonable and necessary services to the Condominium Project and the Co-owners thereof. This grant of easement shall in no way be construed as a dedication of any streets, roads or driveways to the public.

Section 8. Roads: Private and Public. The private roads referred to in Article IV above will be maintained, replaced, repaired and resurfaced as necessary by the Association until they are dedicated to the public. It is the Association's responsibility to inspect and to perform preventative maintenance of the Condominium Project roadways on a regular basis in order to maximize their useful life and to minimize repair and replacement costs. It is contemplated that the roads will be dedicated to the public, although it is possible such dedication may not necessarily take place immediately, or at all. In the event dedication of the roads takes place, the Association will no longer be responsible for maintaining the roads, although the Association, in its sole discretion, may elect to continue to maintain the road to the extent it deems appropriate. Nothing contained in the Condominium Documents shall be read so as to impose an obligation on the Association to maintain the roads once they are dedicated to public use.

Any special assessments resulting from the future paving of said roads shall be borne in equal proportions by the Owners of all Units that may be created in the Condominium Project and owners of any residences or building sites that may be constructed or developed on the Units or parcels of land described in Articles VI and VII of this Master Deed.

Section 9. Storm Water Detention\Retention Areas, Storm Water Drainage System, and Sanitary Sewer Lift Station Site. The costs of maintenance, repair and replacement of the Storm Water Detention\Retention Areas (detention\retention basins and permanent sedimentation ponds), the Storm Water Drainage System, and the Sanitary Sewer Lift Station Site, of the Condominium Project shall be borne by the Association. The cost and responsibility for any mowing and/or other landscaping of the Storm Water Detention\Retention Areas, drainage system and sanitary sewer lift station site, shall be that of the Association.

Section 10. Open Space Areas. All areas within the Condominium Project other than the Units, Roads and drives shall be deemed to be Open Space Areas within the meaning of the City of South Lyon's "Subdivision Open Space Plan" Ordinance. The Open Space Areas as designated on the Condominium Subdivision
Plan shall be retained predominantly in their natural, scenic and open space condition, subject to such recreational uses as are provided for in the Bylaws and prohibiting any use which significantly impairs or interferes with the natural and scenic values of the Open Space Areas as part of an ecologically sensitive system of uplands, meadowlands, woodlands, wetlands, ponds and streams. Their use shall perpetually be subject to the covenants, conditions and restrictions set forth herein and in the Bylaws. There shall exist easements for pedestrian access by all Co-owners to the Open Space Areas. The costs of maintenance and/or restoration of the Open Space Areas of the Condominium Project shall be borne by the Association. In the event that the Association fails to provide adequate maintenance or restoration of the Open Space Areas or the City determines all or any portion of the Open Space Areas to be a public nuisance, the City may serve written notice of such failure or such determination upon the Association. Such written notice shall contain a demand that the deficiencies of maintenance and restoration or conditions of nuisance be cured within a stated reasonable time period. If such deficiencies are not cured, the City may undertake such maintenance, repair, or replacement and the costs thereof plus an administrative fee to be determined by the City but not exceeding 25% of such costs may be assessed against the Co-owners and collected as a special assessment on the next annual City tax roll.

ARTICLE IX

AMENDMENT

This Master Deed and the Condominium Subdivision Plan may be amended with the consent of Two-Thirds (66.666%) of the Co-owners, except as set forth below:

Section 1. Modification of Units or Common Elements. No Unit dimension may be modified in any material way without the consent of the Co-owner of such Unit. The Developer may, without such consent, modify the Unit and Limited Common Elements appurtenant to any Unit to make adjustments for survey error or to take into account topographic conditions of the Unit or the Limited Common Elements of the Unit or as elsewhere herein provided, but subject to any necessary approval by the City of South Lyon.

Section 2. Mortgagee Consent. Whenever a proposed amendment would materially alter or change the rights of mortgagees generally, then such amendments shall require the approval of two-thirds of all first mortgagees of record allocating one vote for each first mortgage held.

Section 3. Amendments by Developer. Prior to one 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 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 as do not materially affect the rights of any Co-owners or mortgagees in the Condominium Project.

Section 4. Change in Percentage of Value. Except as otherwise provided in this Master Deed, 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 its first mortgagee, nor shall the percentage of value assigned to any Unit be modified without like consent; thus, any change in such matters shall require unanimity of action of all Co-owners.

Section 5. Termination. The Condominium Project may not be terminated, vacated, revoked, or abandoned without the written consent of the Developer and 100% of non-Developer Co-owners.

Section 6. Developer Approval. During the Development and Sales Period, the Condominium Documents shall not be amended or modified in any way without the written consent of the Developer.

Section 7. Amendments for Secondary Market Purposes. The Developer or Association may amend the Master Deed or Bylaws to facilitate mortgage loan financing for existing or prospective Co-owners and to enable the purchase or insurance of such mortgage loans by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Government National Mortgage Association, the Veterans Administration, the Department of Housing and Urban Development, the Michigan State Housing Development Authority or by any other institutional participant in the secondary mortgage market which purchases or insures mortgages. The foregoing amendments may be made without the consent of Co-owners or mortgagees.

Section 8. Approval of City Required. Anything herein to the contrary notwithstanding, Article VIII, Sections 6 through 11, inclusive; Article IX, Section 8 of this Master Deed; and Exhibit "B" to this Master Deed shall not be amended without the specific approval of the City.

Section 9. Other Exceptions. See Article II; Article III, Section 17; and the Bylaws (Exhibit "A") Article VII, Sections 15 and 16.

ARTICLE X
ASSIGNMENT

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

Witnesses

Dale T. McPherson

Carriage Trace Associates
Limited Partnership

By: [Signature]

Ronald L. Hughes, Managing Member
Lyon Investment LLC, Its General Partner

Brenda J. Butler
STATE OF MICHIGAN
COUNTY OF WAYNE
Subscribed and sworn to before me on
April 5, 1999 by Ronald L. Hughes, Managing Member, Lyon Development Investments LLC, General Partner of Carriage Trace Limited Partnership, a Michigan Limited Partnership.

[Signature]
Brenda J. Butler
Notary Public, Wayne County, Michigan

Drafted by: Dale T. McPherson
Johnson & McPherson, P.L.C.
408 Penobscot Building
Detroit, MI 48226
(313) 961-4700

Recording fee

When recorded return to: Edward C. Johnson, Esq.
408 Penobscot Building
Detroit, MI 48226

Tax Parcel No.
1. Bylaws. Exhibit "A".

2. Condominium Subdivision Plan. Exhibit "B".

3. Legal Description. Exhibit "C".

4. Centerline of 20' Wide Easement for Sanitary Sewer. Exhibit "D".

5. Centerline of 12' Wide Easement for Sanitary Force Main. Exhibit "E".

6. Centerline of 10' Wide Easement for Access to Park. Exhibit "F".

7. Centerline of 10' Wide Easement for Public Utilities. Exhibit "G".

8. Eleven Mile Road Easement for Ingress and Egress. Exhibit "H".

9. The Carriage Trace Condominium Project has additional lands designated as future expansion area which may be developed in one or more additional Phases. Exhibit "I".