

**PURCHASE INFORMATION BOOKLET**

**FOR**

# **Milford's Hidden Valley**

**A Condominium Project**

**in**

**Milford Township, Oakland County, Michigan**

**Developed by:**

**West Oakland Land Corporation**

**4204 Martin Road, Suite C**

**Walled Lake, Michigan 48390**

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RIGHT-OF-WAY GRANT - PANHANDLE EASTERN PIPE LINE COMPANY

AMENDMENT OF RIGHT-OF-WAY GRANT - PANHANDLE EASTERN PIPE LINE  
COMPANY

EASEMENT - CONSUMERS POWER COMPANY



MASTER DEED

MILFORD'S HIDDEN VALLEY

This Master Deed is made and executed on this 27 day of August, 1990, by West Oakland Land Corporation, a Michigan corporation, (hereinafter referred to as "Developer"), whose address is 4204 Martin Road, Suite C, Walled Lake, Michigan 48390 in pursuance of 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 under the provisions of the Act.

NOW, THEREFORE, the Developer does, upon the recording hereof, establish Milford's Hidden Valley as a Condominium Project under the Act and does declare that Milford's Hidden Valley (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 Developer, its successors and assigns, and any persons acquiring or owning an interest in the Condominium Premises, and its successors and assigns. In furtherance of the establishment of the Condominium Project, it is provided as follows:

ARTICLE I

TITLE AND NATURE

The Condominium Project shall be known as Milford's Hidden Valley, Oakland County Condominium Subdivision Plan No. 692. The Condominium Project is established in accordance with the Act. The Units contained in the Condominium, 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 capable of individual utilization on account of having its own entrance from and exit to the Unit, through a Limited Common Element to



a General Common Element of the Condominium Project. Each Co-owner in the Condominium Project shall have an exclusive right to his 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 to the Condominium Project established by this Master Deed is described as follows:

Part of the Northwest 1/4 of Section 3, Town 2 North, Range 7 East, Milford Township, Oakland County, Michigan, described as beginning at the Northwest corner of said Section 3; thence North 89°21'10" East along the North line of said Section 3 and centerline of Rowe Road (66 feet wide), 125.00 feet; thence South 00°40'57" East, 726.00 feet; thence North 89°21'10" East 300.31 feet (300.00 feet recorded); thence North 00°31'30" West, 226.02 feet (North 00°40'57" West 226.00 feet recorded); thence North 89°21'10" East 418.30 feet; thence North 00°40'57" West, 500.00 feet to the North line of said Section 3 and centerline of Rowe Road; thence North 89°21'10" East along said line, 502.19 feet; thence South 00°07'41" East 2719.45 feet to the East and West 1/4 line of said Section 3; thence North 89°15'04" West along said line, 1320.52 feet to the West 1/4 corner of said Section 3; thence North 00°40'57" West along the West line of said Section 3, 2687.14 feet to the Point of Beginning. Containing 72.93 acres, subject to the rights of the public in Rowe Road, subject also to any other easements of record.

## 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 Milford's Hidden Valley 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 Milford's Hidden Valley

as a condominium. Wherever used in such documents or any other pertinent instruments, the terms set forth below shall be defined as follows:

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

Section 2. Association. "Association" means Milford's Hidden Valley Association, which is the non-profit corporation organized under Michigan law of which all Co-owners shall be members, which corporation shall administer, operate, manage and maintain the Condominium.

Section 3. Bylaws. "Bylaws" means Exhibit A 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 and 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 improvements and structures thereon, and all easements, rights and appurtenances belonging to Milford's Hidden Valley as described above.

Section 7. Condominium Project, Condominium or Project. "Condominium Project", "Condominium" or "Project" means Milford's Hidden Valley, 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 Milford's Hidden Valley as a completed Condominium Project and shall reflect the Project as finally configured and

surveyed. Such Consolidating Master Deed, when recorded in the office of the Oakland County Register of Deeds, shall supersede the previously recorded Master Deed for the Condominium and all amendments thereto. In the event the Units and Common Elements in the Condominium 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 proposed Condominium Subdivision Plan and that no Consolidating Master Deed need be recorded.

Section 11. Developer. "Developer" means West Oakland Land Corporation, a Michigan corporation, which has made and executed this Master Deed, and its successors and assigns. Both successors and assigns shall always be deemed to be included within the term "Developer" whenever, however and wherever such terms are used in the Condominium Documents.

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 all 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 75% of the Units which may be created are sold, whichever first occurs.

Section 14. 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.

Section 15. Unit or Condominium Unit. "Unit" or "Condominium Unit" each mean a single Unit in Milford's Hidden Valley, 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 or their appurtenant Limited Common Elements.

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, and the respective responsibilities for maintenance, decoration, repair or replacement thereof, are as follows:

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

(a) Land. The land described in Article II hereof, including private roads located within the Condominium, and other common areas, if any, not identified as Units or Limited Common Elements.

(b) Easements. All beneficial ingress, egress and utility easements referred to under Article II hereof.

(c) Electrical. The electrical transmission mains throughout the Project, up to the point of lateral connections for Unit service as well as the electric meter measuring electric service to General Common Elements maintained by the Association.

(d) Site Lighting. Lights, if any, designed to provide illumination for the Condominium Premises as a whole, but not including individual lamps and lamp posts required to be installed within each unit.

(e) Telephone. The telephone system throughout the Project up to the point of lateral connections for Unit service.

(f) Gas. The gas distribution system throughout the Project up to the point of lateral connections for Unit service.

(g) Telecommunications. The telecommunications system, if and when any may be installed, up to the point of lateral connections for Unit service.

(h) Storm Water Sewer System and Detention and Retention Basins. The storm water sewer system and detention and retention basins which may be created and maintained on the premises of the Project.

(i) Well. A well, if any, which may provide water for use in servicing the General Common Elements maintained by the Association. The wells servicing each individual Unit are not General Common Elements.

(j) Other. Such other elements of the Project not herein designated as General or Limited Common Elements which are not enclosed within the boundaries of a Unit, and which are intended for common use or are necessary to the existence, upkeep, appearance, utility or safety of the Project.

Section 2. Limited Common Elements. Limited Common Elements shall be subject to the exclusive use and enjoyment of the owner of the Unit to which the Limited Common Elements are appurtenant. The Limited Common Elements are as follows:

(a) Yard Areas. Each Limited Common Element immediately surrounding a Unit as designated on the Condominium Subdivision Plan is a Yard Area limited in use to the Unit which it immediately surrounds.

(b) Electrical Transformers. Each electrical transformer shall be a Limited Common Element appurtenant to the Unit or Units which it services.

(c) Wells. Each water well within the individual Units is limited in use to the Unit served thereby.

(d) Sanitary Disposal Systems. Each sanitary disposal system is limited in use to the Unit served thereby.

Section 3. Responsibilities. The respective responsibilities for the maintenance, decoration, repair and replacement of the Common Elements are as follows:

(a) Co-owner Responsibilities.

(i) Yard Areas. The responsibility for and the costs of maintenance, decoration, repair and replacement of each Unit and its immediately surrounding Yard Area designated in the Condominium Subdivision Plan as appurtenant to each Unit as a Limited Common Element shall be borne by the Co-owner of the Unit which is served thereby; provided, however, that the exterior appearance of the dwellings within the Units and Yard Areas, to the extent visible from any other dwelling

within a Unit or Common Element in the Project, shall be subject at all times to the approval of the Association and to reasonable aesthetic and maintenance standards prescribed by the Association in duly adopted rules and regulations. Co-owners shall also be responsible for maintenance of storm drainage ditches as provided for in Article VI, Section 20 of the Bylaws.

(ii) Utility Services. All costs of electricity and natural gas and any other utility services shall be borne by the Co-owner of the Unit to which such services are furnished.

(iii) Wells and Sanitary Disposal Systems. All costs of initial installation and subsequent maintenance, repair and replacement of the well and sanitary disposal system located within each Unit and its Limited Common Element Yard Area shall be separately borne by the Co-owners of the Units to which they are respectively appurtenant. Each septic/sanitary system must be pumped out every two years by the Co-owner of the Unit.

(b) Association Responsibilities. The costs of maintenance, repair and replacement of all General Common Elements shall be borne by the Association, subject to any provisions of the Bylaws expressly to the contrary. Additional maintenance assessments may be levied for individual units requiring greater maintenance expenditures by the Association. Maintenance standards for yard maintenance and snow removal shall 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 or within the Limited Common Elements appurtenant thereto.

Section 4. Utility Systems. Some or all of the utility lines, systems (including mains and service leads) and equipment and any telecommunications, described above may be owned by the local public authority or by the company that is providing the pertinent service. Accordingly, such utility lines, systems and equipment, and any telecommunications, shall be General Common Elements only to the extent of the Co-owners' interest therein, if any, and Developer makes no warranty whatever with respect to the nature or extent of such interest, if any. The extent of the Developer's responsibility will be to see to it that telephone, electric and natural gas mains are 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 fixtures located within the Units and their respective Limited Common Element Yard Areas.

(a) Water and Sanitary Sewer. In the event that, in the future, it shall be required by a public authority or public authorities or by a majority of Co-owners to install public sewer and/or public water mains to serve the Units in this Condominium, then the collective costs assessable to the Condominium Premises as a whole of installation of such mains shall be borne equally by all Co-owners. Likewise, if a governmental agency which is legally empowered with jurisdiction over such matters requires the installation of such public sewer and/or public water mains, then a main or mains sufficient to serve all Units shall be installed and the costs thereof assessable to the Condominium Premises shall be apportioned equally among all Co-owners as provided in the preceding sentence. In the event of installation of such public sewer and/or public water systems, only the mains shall be General Common Elements and lateral connections to serve Units shall be the individual responsibilities of the respective Co-owners.

(b) Storm Water Sewer System Detention and Retention Basin. Subject to the applicable terms of Article VI, Section 20 of the Bylaws regarding Co-owner responsibilities, the Association shall be solely responsible for the maintenance, repair and replacement of all of the components of the storm sewer system. No Co-owner shall be entitled to fill, change the grade, deposit materials in or in any other way interfere with the detention or retention basins in the Project or the storm sewer system. Subject to the provisions of this Section 4(a), control and maintenance of the basins and the storm water sewer system shall be entirely within the control of the Association. Subject to the applicable terms of Article VI, Section 20 of the Bylaws regarding Co-owner responsibilities, the costs of maintenance, repair and replacement of the retention basin and storm drainage system shall be borne by the Association. In the event that the Association fails to provided adequate maintenance, repair or replacement of the retention basin and storm drainage system, the Township of Milford may serve written notice of such failure on the Association. The written notice may contain a demand that the deficiencies in maintenance, repair and replacement be cured within a reasonable period of time as set forth in the notice. If the deficiencies set forth in the notice are not cured, the Township may, but shall not be required to, undertake such maintenance, repair, or replacement and the

cost thereof, plus an administrative fee of 25% of the cost may be assessed against all Co-owners and collected as a special assessment on the next annual tax roll of the Township.

Section 5. Use of Units and Common Elements. No Co-owner shall use his Unit or the Common Elements in any manner inconsistent with the purposes of the Project or in any manner which will interfere with or impair the rights of any other Co-owner in the use and enjoyment of his Unit or the Common Elements. No Limited Common Element may be modified or its use enlarged or diminished by the Association without the written consent of the Co-owner to whose Unit the same is appurtenant. No Co-owner shall fill, dredge or otherwise disturb any portion of the wetlands depicted on the Condominium Subdivision Plan without receiving prior written approval from the Association and without obtaining any permits required by the public or municipal authorities having jurisdiction over wetlands.

Section 6. Private Road Maintenance. The private roads as shown on Exhibit B will be maintained (including, without limitation, snow removal), replaced, repaired and resurfaced as necessary by the Association. It is the Association's responsibility to inspect and to perform preventive maintenance on the Project roads on a regular basis in order to maximize their useful life and to minimize repair costs.

## ARTICLE V

### UNIT DESCRIPTIONS, PERCENTAGES OF VALUE AND CO-OWNER RESPONSIBILITIES

Section 1. Description of Units. Each Unit in the Condominium Project is described in this paragraph with reference to the Condominium Subdivision Plan of Milford's Hidden Valley as prepared by Kieft Engineering, Inc. and attached hereto as Exhibit B. There are 42 Units in the Condominium Project established by this Master Deed. Each Unit shall consist of the land located within Unit boundaries as shown on Exhibit B hereto and delineated with heavy outlines together with all appurtenances thereto.

Section 2. Percentage of Value. The percentage of value assigned to each of the 42 Units is equal. The determination that percentages of value should be equal was made after reviewing the comparative characteristics of the Units in the Project and concluding that there are not material differences among the Units insofar as the allocation of percentages of value is concerned. The percentage of value assigned to each Unit shall be determinative of each Co-owner's respective share of the General Common Elements of the Condominium Project, the



proportionate share of each respective Co-owner in the proceeds and expenses of administration and the value of such Co-owner's vote at meetings of the Association of Co-owners.

## ARTICLE VI

### CONVERTIBLE AREAS

Section 1. Designation of Convertible Areas. The Limited Common Elements adjacent to the respective Units (sometimes referred to as the "Yard Areas") are hereby designated as Convertible Areas within which the Units and Common Elements may be modified to expand the size of the area of a Unit or Units as provided herein. The Developer's right to so modify the Units under this Article is also subject applicable local ordinances and regulations.

Section 2. The Developer's Right to Modify Units and Common Elements. In addition to the provisions of Article X, Section 1, the Developer reserves the right, in its sole discretion, during a period ending no later than six years from the date of recording this Master Deed, to modify the size, location, design or elevation of Units and/or General or Limited Common Elements appurtenant or geographically proximate to such Units within the Convertible Areas above designated for such purpose, so long as such modifications do not unreasonably impair or diminish the appearance of the Project or the view, privacy or other significant attribute or amenity of any Unit which adjoins or is proximate to the modified Unit or Common Element.

Section 3. Compatibility of Improvements. All improvements constructed within the Convertible Areas described above shall be reasonably compatible with the structures on other portions of the Condominium Project. No improvements, other than as above indicated, may be created on the Convertible Areas.

Section 4. Amendment of Master Deed. Modification of Units and Common Elements within this Condominium Project shall be given effect by appropriate amendments to the Master Deed in the manner provided by law, which amendments shall be prepared by and at the discretion of the Developer, subject to the approval of the Township of Milford if such approval is required.

Section 5. Redefinition of Common Elements. Such 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, serve and provide access to Units modified by such amendments. 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, subject to the approval of the Township of Milford, if such approval is required.

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

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 Article VI above and to any proportionate reallocation of percentages of value of existing Units which the Developer may determine necessary in conjunction with such amendments. All such interested persons irrevocably appoint the Developer as agent and attorney 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 VII

### CONSOLIDATION AND OTHER MODIFICATIONS OF UNITS

Notwithstanding any other provision of the Master Deed or the Bylaws, Units in the Condominium 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.

Section 1. By Developer. 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:

(a) 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 which are located adjacent to one another, and relocate any boundaries between adjoining Units. Such realignment of Units, consolidation of Units and 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.

(b) Amendments to Effectuate Modifications. In any amendment or amendments resulting from the exercise of the rights reserved to Developer above, each of the Unit or Units resulting from such consolidation shall be separately identified by number and the percentage of value as set forth in Article V hereof for the Unit or Units consolidated or as to which boundaries are relocated shall be proportionately allocated, if appropriate, to the new Condominium Units resulting in order to preserve a total value of 100% for the entire Project resulting from such amendment or amendments to this Master Deed. The precise determination of the readjustments in percentage of value shall be within the sole judgment of Developer. Such readjustments, however, shall reflect a continuing reasonable relationship among percentages of value based upon the original method of determining percentages of value for the Project. Such amendment or amendments to the Master Deed shall also contain such further definitions of 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.

Section 2. Limited Common Elements. Limited Common Elements shall be subject to assignment and reassignment in accordance with Section 39 of the Act and in furtherance of the rights to subdivide, consolidate or relocate boundaries described in this Article.

## ARTICLE VIII

### EASEMENTS

Section 1. Easement for Maintenance of Encroachments and Utilities. In the event of any encroachments due to shifting, settling or moving of a building, or due to survey errors, or construction deviations, reciprocal easements shall exist for the maintenance of such encroachment for so long as such encroachment exists, and for maintenance thereof after rebuilding in the event of any destruction. There shall be easements to, through and over those portions of the land, structures, buildings and improvements for the continuing maintenance, repair, replacement and enlargement of or tapping into all utilities in the Condominium. These easements shall be deemed to include an easement for ingress, egress and for public utilities in private roads in the Project. Also there shall be deemed to be a ten (10) foot wide additional easement for public utilities outside of the road rights-of-way within the Project and situated adjacent to the road rights-of-way, (except for areas where the Panhandle Eastern Pipeline Company gas line easement referred to in Article VI, Section 30 of the Bylaws abuts the road right-of-way) as such rights-of-way are depicted on the Condominium Subdivision Plan (being Exhibit B hereto), which shall extend over and onto the Limited Common Elements of the Units. An easement for ingress and egress is also granted to Panhandle Eastern Pipeline Company over the project roadways for access to its pipeline easement.

### Section 2. Rights Retained by Developer.

(a) Dedication of Roadways. Only if required to do so by a governmental agency, the Developer reserves the right at any time during the Development and Sales Period to dedicate to the public a right-of-way of such width as may be required by the local public authority over any or all of the roadways in Milford's Hidden Valley, shown as General Common Elements in the Condominium Subdivision Plan. If required to do so by a governmental agency, 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 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 rights-of-way dedication. The Association may exercise this dedication right after the Development and Sales Period ends. This right may be exercised by the Association even if not required by a governmental agency. If the Association

decides to seek dedication of the roads it must first obtain the approval of 75% of the Co-owners. The Association may only exercise this right after the Development and Sales period ends.

(b) 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 to appropriate governmental agencies or public utility companies and to transfer title of utilities to governmental agencies or to utility companies. Any such easement or transfer of title may be conveyed by the Developer without the consent of any Co-owner, mortgagee or other person and shall be evidenced by an appropriate amendment to this Master Deed and to Exhibit B hereto, recorded in the 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 easement or transfer of title.

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 Premises for utility purposes or other lawful purposes as may be necessary for the benefit of the Condominium subject, however, to the approval of the Developer so long as the Development and Sales Period has not expired. No easements created under the Condominium Documents may be modified, nor may any of the obligations with respect thereto be varied, without the consent of each person benefitted or burdened thereby.

Section 4. Association Easements for Maintenance, Repair and Replacement. The Developer, the Association and all public or private utilities shall have such easements over, under, across and through the Condominium Premises, including all Units and Common Elements, as may be necessary to fulfill any responsibilities of maintenance, repair, decoration, replacement or upkeep which they or any of them are required or permitted to perform under the Condominium Documents or by law or to respond to any emergency or common need of the Condominium; provided, however, that the easements granted hereunder shall not entitle any person other than the Owner thereof to gain entrance to the interior of any dwelling or garage located within a Unit or Yard Area appurtenant thereto. While it is intended that each Co-owner shall be solely responsible for the

performance and costs of all maintenance, repair and replacement of and decoration of the residence and all other appurtenances and improvements constructed or otherwise located within his Unit and its Limited Common Element Yard Area, it is nevertheless a matter of concern that a Co-owner may fail to properly maintain the exterior of his Unit or any Limited Common Elements appurtenant thereto in a proper manner and in accordance with the standards set forth in this Master Deed, the Bylaws and any rules and regulations promulgated by the Association. Therefore, in the event a Co-owner fails, as required by this Master Deed, the Bylaws or any rules and regulations of the Association, to properly and adequately maintain, decorate, repair, replace or otherwise keep his Unit, the dwelling 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 action or actions it deems desirable to so maintain, decorate, repair or replace the dwelling within the Unit (including the exteriors of any structures located therein), its appurtenances or any of its Limited Common Elements, 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 Association's (or the Developer's) right to take any such action at a future time. All costs incurred by the Association or the Developer in performing any responsibilities which are required, in the first instance to be borne by any Co-owner, shall be assessed against such Co-owner and shall be due and payable with his monthly 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. Telecommunications Agreements. The Association, acting through its duly constituted Board of Directors and subject to the Developer's approval during the Development and Sales Period, shall have the power to grant such easements, licenses and other rights of entry, use and access and to enter into any contract or agreement, including wiring agreements, right-of-way agreements, access agreements and multi-unit agreements and, to the extent allowed by law, contracts for sharing of any installation or periodic subscriber service fees as may be necessary, convenient or desirable to provide for telecommunications, videotext, broad

band cable, satellite dish, earth antenna and similar services (collectively "Telecommunications") to the Project or any Unit therein. Notwithstanding the foregoing, in no event shall the Board of Directors enter into any contract or agreement or grant any easement, license or right of entry or do any other act or thing which will violate any provision of any federal, state or local law or ordinance. Any and all sums paid by any Telecommunications or other company or entity in connection with such service, including fees, if any, for the privilege of installing same or sharing periodic subscriber service fees, shall be receipts affecting the administration of the Condominium Project within the meaning of the Act and shall be paid over to and shall be the property of the Association. If the Developer or the Association elect in their sole discretion to provide a satellite dish, the restrictions set forth in the Bylaws shall not apply to that first dish antenna as long as that antenna is available for use by all co-owners and the co-owners shall share in the expense of its maintenance. This exception applies only to a dish antenna installed by the Association or the Developer for the benefit of all co-owners.

Section 6. Emergency Vehicle Access Easement. There shall exist for the benefit of the Township of Milford or any emergency service agency, an easement over all roads in the Condominium for use by the Township or emergency vehicles. The easement shall be for purposes of ingress and egress to provide, without limitation, fire and police protection, ambulance and rescue services and other lawful governmental or private emergency services to the Condominium Project and Co-owners thereof. This grant of easement shall in no way be construed as a dedication of any streets, roads or driveways to the public.

## ARTICLE IX

### AMENDMENT

This Master Deed and the Condominium Subdivision Plan may be amended with the consent of 66-2/3% of the Co-owners, except as hereinafter set forth:

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 nor may the nature or extent of Limited Common Elements or the responsibility for maintenance, repair or replacement thereof be modified in any material way without the written consent of the Co-owner of any Unit to which the same are appurtenant. The Developer may modify the 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. For the purposes of this Article and Section, a reduction or enlargement of the Limited Common Elements of a Unit by a factor of not more than ten (10%) per cent shall be conclusively deemed a non-material change.

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 66-2/3% of all first mortgagees of record allocating one vote for each mortgage held.

Section 3. 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 attached as Exhibit B in order to correct survey or other errors made in such documents and to make such other amendments to such instruments and to the Bylaws attached hereto as Exhibit A as do not materially affect any rights of any Co-owners or mortgagees in the Project. A material change shall be considered that which reduces or increases the area of the Limited Common Elements by more than ten (10%) per cent. Furthermore, the Developer may make a change of any nature, including a material change if such change is necessary to correct survey or typographical errors in the Condominium Documents.

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 his 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, Vacation, Revocation or Abandonment. 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 nor shall the provisions thereof be 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, 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.



ARTICLE X

ASSIGNMENT

Any or all of the rights and powers granted or reserved to the Developer in the Condominium Documents or by law, including the power to approve or disapprove any act, use or proposed action or any other matter or thing, 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:

WEST OAKLAND LAND CORPORATION,  
a Michigan corporation

Kathleen Kida  
Kathleen Kida

By: Keith Mohr  
Keith Mohr, Vice President

Margaret Eddy  
Margaret Eddy

By: Craig Hills  
Craig Hills, President

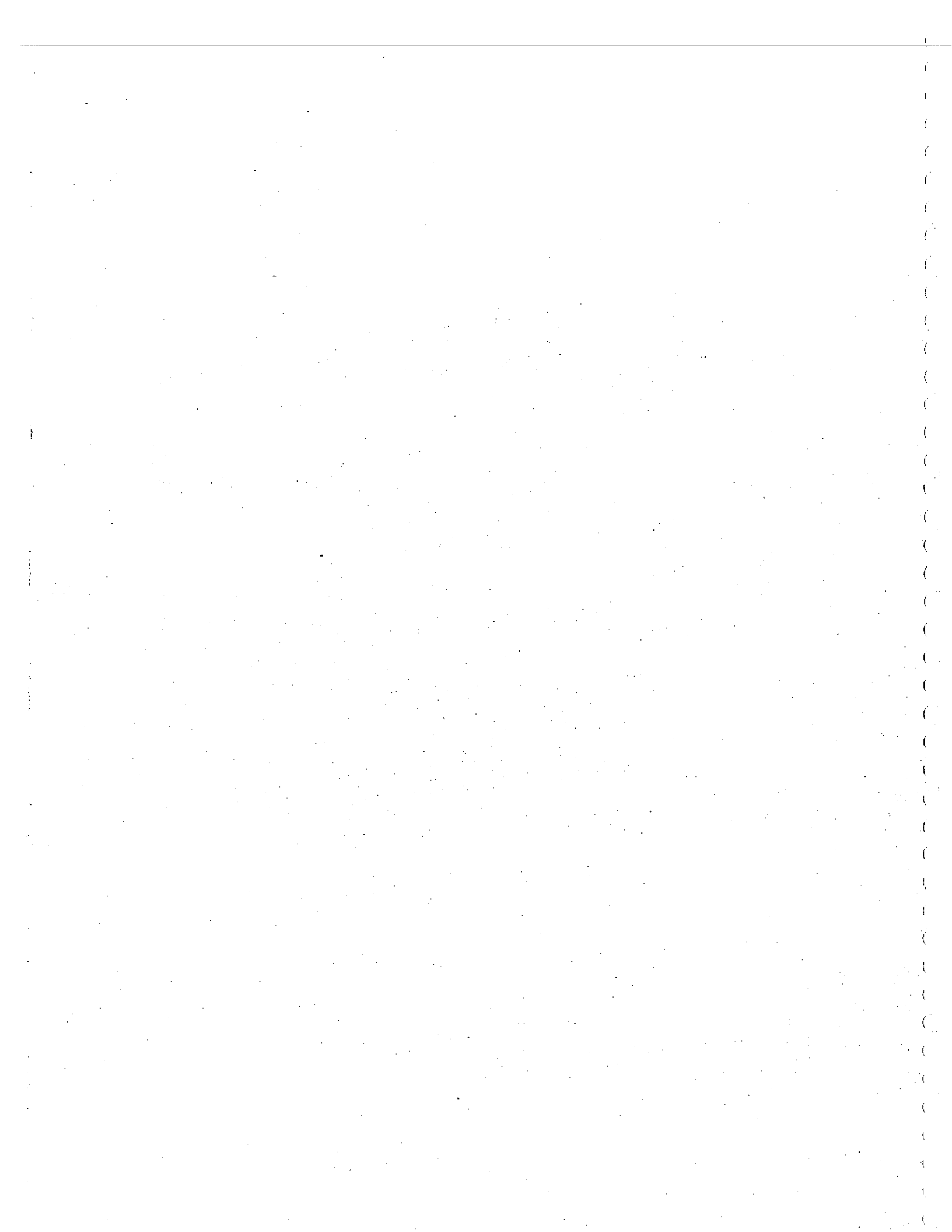
STATE OF MICHIGAN)  
) SS.  
COUNTY OF Oakland)

On this 27 day of Aug., 1990, the foregoing Master Deed was acknowledged before me by Keith Mohr, the Vice President and Craig Hills, the President of West Oakland Land Corporation, a Michigan corporation, on behalf of the corporation.

Margaret E. Eddy  
Margaret E. Eddy  
Notary Public, Oakland County,  
Michigan  
My commission expires:  
June 21, 1992

Master Deed drafted by:  
Gregory J. Gamalski of  
Dykema Gossett  
505 North Woodward Avenue, Suite 3000  
Bloomfield Hills, Michigan 48013

When recorded, return to drafter



MILFORD'S HIDDEN VALLEY

EXHIBIT A

BYLAWS

ARTICLE I

ASSOCIATION OF CO-OWNERS

Milford's Hidden Valley, a residential Condominium Project located in Milford Township, Oakland County, Michigan, shall be administered by an Association of Co-owners which shall be a non-profit corporation, hereinafter called the "Association", organized under the applicable laws of the State of Michigan, and responsible for the management, maintenance, operation and administration of the Common Elements, easements and affairs of the Condominium Project in accordance with the Condominium Documents and the laws of the State of Michigan. These Bylaws shall constitute both the Bylaws referred to in the Master Deed and required by Section 3(8) of the Act and the Bylaws provided for under the Michigan Nonprofit Corporation Act. Each Co-owner shall be entitled to membership and no other person or entity shall be entitled to membership. The share of a Co-owner in the funds and assets of the Association cannot be assigned, pledged or transferred in any manner except as an appurtenance to his Unit. The Association shall keep current copies of the Master Deed, all amendments to the Master Deed, and other Condominium Documents for the Condominium Project available at reasonable hours to Co-owners, prospective purchasers and prospective mortgagees of Units in the Condominium Project. All Co-owners in the Condominium Project and all persons using or entering upon or acquiring any interest in any Unit therein or the Common Elements thereof shall be subject to the provisions and terms set forth in the aforesaid Condominium Documents.

ARTICLE II

ASSESSMENTS

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

Section 1. Assessments for Common Elements. All costs incurred by the Association in satisfaction of any liability arising within, caused by, or connected with the General Common Elements or the administration of the Condominium Project shall

constitute expenditures affecting the administration of the Project, and all sums received as the proceeds of, or pursuant to, any policy of insurance securing the interest of the Co-owners against liabilities or losses arising within, caused by, or connected with the General Common Elements or the administration of the Condominium Project shall constitute receipts affecting the administration of the Condominium Project, within the meaning of Section 54(4) of the Act.

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

(a) Budget. The Board of Directors of the Association shall establish an annual budget in advance for each fiscal year and such budget shall project all expenses for the forthcoming year which may be required for the proper operation, management and maintenance of the Condominium Project, including a reasonable allowance for contingencies and reserves. An adequate reserve fund for maintenance, repairs and replacement of those General Common Elements that must be repaired or replaced on a periodic basis shall be established in the budget and must be funded by regular monthly payments as set forth in Section 3 below rather than by special assessments. At a minimum, the reserve fund shall be equal to 10% of the Association's current annual budget on a noncumulative basis. Since the minimum standard required by this subparagraph may prove to be inadequate for this particular project, the Association of Co-owners should carefully analyze the Condominium Project to determine if a greater amount should be set aside, or if additional reserve funds should be established for other purposes from time to time. Upon adoption of an annual budget by the Board of Directors, copies of the budget shall be delivered to each Co-owner and the assessment for said year shall be established based upon said budget, although the failure to deliver a copy of the budget to each Co-owner shall not affect or in any way diminish the liability of any Co-owner for any existing or future assessments. Should the Board of Directors at any time decide, in the sole discretion of the Board of Directors: (1) that the assessments levied are or may prove to be insufficient to pay the costs of operation and management of the Condominium, (2) to provide repairs or replacements of existing General Common Elements, (3) to provide additions to the General Common Elements not exceeding \$1,000.00 annually for the entire Condominium Project, or (4) in the event of emergencies, the Board of Directors shall have the authority to increase the general assessment or to levy such additional assessment or assessments as it shall deem to be necessary. The Board of Directors also shall have the authority, without Co-owner

consent, to levy assessments pursuant to the provisions of Article V, Section 3 hereof. The discretionary authority of the Board of Directors to levy assessments pursuant to this subparagraph shall rest solely with the Board of Directors for the benefit of the Association and the members thereof, and shall not be enforceable by any creditors of the Association or of the members thereof.

(b) Special Assessments. Special assessments, in addition to those required in subparagraph (a) above, may be made by the Board of Directors from time to time and approved by the Co-owners as hereinafter provided to meet other requirements of the Association, including, but not limited to: (1) assessments for additions to the General Common Elements of a cost exceeding \$1,000.00 for the entire Condominium Project per year, (2) assessments to purchase a Unit upon foreclosure of the lien for assessments described in Section 5 hereof, or (3) assessments for any other appropriate purpose not elsewhere herein described. Special assessments referred to in this subparagraph (b) (but not including those assessments referred to in subparagraph 2(a) above, which shall be levied in the sole discretion of the Board of Directors) shall not be levied without the prior approval of more than 60% of all Co-owners. The authority to levy assessments pursuant to this subparagraph is solely for the benefit of the Association and the members thereof and shall not be enforceable by any creditors of the Association or of the members thereof.

Section 3. Apportionment of Assessments and Penalty for Default. Unless otherwise provided herein or in the Master Deed, all assessments levied against the Co-owners to cover expenses of administration shall be apportioned among and paid by the Co-owners in accordance with the percentage of value allocated to each Unit in Article V of the Master Deed, without increase or decrease for the existence of any rights to the use of Limited Common Elements appurtenant to a Unit. Annual assessments as determined in accordance with Article II, Section 2(a) above shall be payable by Co-owners in 12 equal monthly installments, commencing with acceptance of a deed to or a land contract vendee's interest in a Unit, or with the acquisition of fee simple title to a Unit by any other means. The payment of an assessment shall be in default if such assessment, or any part thereof, is not paid to the Association in full on or before the due date for such payment. Each installment in default for 10 or more days may bear interest from the initial due date thereof at the rate of 7% per annum until each installment is paid in full. The Association may assess reasonable automatic late charges or may, pursuant to Articles XIX and XX hereof, levy fines for late payment of assessments in addition to such interest. Each Co-owner (whether 1 or more persons) shall be, and remain, personally liable for the payment of all

assessments (including fines for late payment and costs of collection and enforcement of payment) pertinent to his Unit which may be levied while such Co-owner is the owner thereof, except a land contract purchaser from any Co-owner including Developer shall be so personally liable and such land contract seller shall not be personally liable for all such assessment levied up to and including the date upon which such land contract seller actually takes possession of the Unit following extinguishment of all rights of the land contract purchaser in the Unit. Payments on account of installments of assessments in default shall be applied as follows: first, to costs of collection and enforcement of payment, including reasonable attorney's fees; second, to any interest charges and fines for late payment on such installments; and third, to installments in default in order of their due dates.

Section 4. Waiver of Use or Abandonment of Unit. No Co-owner may exempt himself from liability for his contribution toward the expenses of administration by waiver of the use or enjoyment of any of the Common Elements or by the abandonment of his Unit.

Section 5. Enforcement.

(a) Remedies. In addition to any other remedies available to the Association, the Association may enforce collection of delinquent assessments by a suit at law for a money judgment or by foreclosure of the statutory lien that secures payment of assessments. In the event of default by any Co-owner in the payment of any installment of the annual assessment levied against his Unit, the Association shall have the right to declare all unpaid installments of the annual assessment for the pertinent fiscal year immediately due and payable. The Association also may discontinue the furnishing of any utilities or other services to a Co-owner in default upon 7 days' written notice to such Co-owner of its intention to do so. A Co-owner in default shall not be entitled to utilize any of the General Common Elements of the Project and shall not be entitled to vote at any meeting of the Association so long as such default continues; provided, however, this provision shall not operate to deprive any Co-owner of ingress or egress to and from his or her Unit. In a judicial foreclosure action, a receiver may be appointed to collect a reasonable rental for the Unit from the Co-owner thereof or any persons claiming under him or her. The Association may also assess fines for late payment or non-payment of assessments in accordance with the provisions of Articles XIX and XX of these Bylaws. All of these remedies shall be cumulative and not alternative.

(b) Foreclosure Proceedings. Each Co-owner, and every other person who from time to time has any

interest in the Project, shall be deemed to have granted to the Association the unqualified right to elect to foreclose the lien securing payment of assessments either by judicial action or by advertisement. The provisions of Michigan law pertaining to foreclosure of mortgages by judicial action and by advertisement, as the same may be amended from time to time, are incorporated herein by reference for the purposes of establishing the alternative procedures to be followed in lien foreclosure actions and the rights and obligations of the parties to such actions. Further, each Co-owner and every other person who from time to time has any interest in the Project shall be deemed to have authorized and empowered the Association to sell or to cause to be sold the Unit with respect to which the assessment(s) is or are delinquent and to receive, hold and distribute the proceeds of such sale in accordance with the priorities established by applicable law. Each Co-owner of a Unit in the Project acknowledges that at the time of acquiring title to such Unit, he was notified of the provisions of this subparagraph and that he voluntarily, intelligently and knowingly waived notice of any proceedings brought by the Association to foreclose by advertisement the lien for nonpayment of assessments and a hearing on the same prior to the sale of the subject Unit.

(c) Notice of Action. Notwithstanding the foregoing, neither a judicial foreclosure action nor a suit at law for a money judgment shall be commenced, nor shall any notice of foreclosure by advertisement be published, until the expiration of 10 days after mailing, by first class mail, postage prepaid, addressed to the delinquent Co-owner(s) at his or her or their last known address, a written notice that 1 or more installments of the annual assessment levied against the pertinent Unit is or are delinquent and that the Association may invoke any of its remedies hereunder if the default is not cured within 10 days after the date of mailing. Such written notice shall be accompanied by a written affidavit of an authorized representative of the Association that sets forth (i) the affiant's capacity to make the affidavit, (ii) the statutory and other authority for the lien, (iii) the amount outstanding (exclusive of interest, costs, attorney's fees and future assessments), (iv) the legal description of the subject Unit(s), and (v) the name(s) of the Co-owner(s) of record. Such affidavit shall be recorded in the office of the Register of Deeds in the county in which the Project is located prior to commencement of any foreclosure proceeding, but it need not have been recorded as of the date of mailing as aforesaid. If the delinquency is not cured within the 10-day period, the Association may take

such remedial action as may be available to it hereunder or under Michigan law. In the event the Association elects to foreclose the lien by advertisement, the Association shall so notify the delinquent Co-owner and shall inform him or her that he or she may request a judicial hearing by bringing suit against the Association.

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

Section 6. Liability of Mortgagee. Notwithstanding any other provisions of the Condominium Documents, the holder of any first mortgage covering any Unit in the Project which comes into possession of the Unit pursuant to the remedies provided in the mortgage or by deed (or assignment) in lieu of foreclosure, or any purchaser at a foreclosure sale, shall take the property free of any claims for unpaid assessments or charges against the mortgaged Unit which accrue prior to the time such holder comes into possession of the Unit (except for claims for a pro rata share of such assessments or charges resulting from a pro rata reallocation of such assessments or charges to all Units including the mortgaged Unit).

Section 7. Developer's Responsibility for Assessments. The Developer of the Condominium, although a member of the Association, shall not be responsible at any time for payment of the regular Association assessments. The Developer, however, shall at all times pay all expenses of maintaining the Units that it owns, including the improvements located thereon, together with a proportionate share of all current expenses of administration actually incurred by the Association from time to time, except expenses related to maintenance and use of the Units in the Project and of the improvements constructed within or appurtenant to the Units that are not owned by Developer. For purposes of the foregoing sentence, the Developer's proportionate share of such expenses shall be based upon the ratio of all Units owned by the Developer at the time the expense is incurred to the total number of Units then in the Project. In no event shall the Developer be responsible for payment of any assessments for deferred maintenance, reserves for replacement, for capital improvements or other special assessments, except with respect to Units owned by it on which a completed residential dwelling is located. For instance, the only expenses presently contemplated that the Developer might be expected to pay are a pro rata share of snow removal and other road maintenance from time to time as well as a pro rata share of any liability insurance and other administrative costs which the Association might incur from time to time. Any assessments levied by the Association against the Developer for other



purposes shall be void without Developer's consent. Further, the Developer shall in no event be liable for any assessment levied in whole or in part to purchase any Unit from the Developer or to finance any litigation or other claims against the Developer, any cost of investigating and preparing such litigation or claim or any similar or related costs. A "completed residential dwelling" shall mean a residential dwelling with respect to which a certificate of occupancy has been issued by Milford Township.

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

Section 9. Personal Property Tax Assessment of Association Property. The Association shall be assessed as the person or entity in possession of any tangible personal property of the Condominium owned or possessed in common by the Co-owners, and personal property taxes based thereon shall be treated as expenses of administration,

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

Section 11. Statement as to Unpaid Assessments. The purchaser of any Unit may request a statement of the Association as to the amount of any unpaid Association assessments thereon, whether regular or special. Upon written request to the Association accompanied by a copy of the executed purchase agreement pursuant to which the purchaser holds the right to acquire a Unit, the Association shall provide a written statement of such unpaid assessments as may exist or a statement that none exist, which statement shall be binding upon the Association for the period stated therein. Upon the payment of that sum within the period stated, the Association's lien for assessments as to such Unit shall be deemed satisfied; provided, however, that the failure of a purchaser to request such statement at least 5 days prior to the closing of the purchase of such Unit shall render any unpaid assessments and the lien securing the same fully enforceable against such purchaser and the Unit itself, to the extent provided by the Act. Under the Act, unpaid assessments constitute a lien upon the Unit and the proceeds of sale thereof prior to all claims except real property taxes and first mortgages of record.

### ARTICLE III

#### ARBITRATION

Section 1. Scope and Election. Disputes, claims, or grievances arising out of or relating to the interpretation or the application of the Condominium Documents, or any disputes,

claims or grievances arising among or between the Co-owners and the Association, upon the election and written consent of the parties to any such disputes, claims or grievances (which consent shall include an agreement of the parties that the judgment of any circuit court of the State of Michigan may be rendered upon any award pursuant to such arbitration), and upon written notice to the Association, shall be submitted to arbitration and the parties thereto shall accept the arbitrator's decision as final and binding, provided that no question affecting the claim of title of any person to any fee or life estate in real estate is involved. The Commercial Arbitration Rules of the American Arbitration Association as amended and in effect from time to time hereafter shall be applicable to any such arbitration.

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

Section 3. Election of Remedies. Such election and written consent by Co-owners or the Association to submit any such dispute, claim or grievance to arbitration shall preclude such parties from litigating such dispute, claim or grievance in the courts.

#### ARTICLE IV

#### INSURANCE

Section 1. Extent of Coverage. The Association shall, to the extent appropriate in light of the nature of the General Common Elements of the Project, carry extended coverage, vandalism and malicious mischief and liability insurance (in a minimum amount to be determined by the Developer or the Association in its discretion, but in no event less than \$1,000,000 per occurrence), officers' and directors' liability insurance, and workmen's compensation insurance, if applicable, and any other insurance the Association may deem applicable, desirable or necessary, pertinent to the ownership, use and maintenance of the General Common Elements and such insurance shall be carried and administered in accordance with the following provisions:

(a) Responsibilities of Association. All such insurance shall be purchased by the Association for the benefit of the Association, the Developer and the Co-owners and their mortgagees, as their interests may appear, and provision shall be made for the issuance of certificates of mortgagee endorsements to the mortgagees of Co-owners, upon request of a mortgagee.

(b) Insurance of Common Elements. All General Common Elements of the Condominium Project shall be insured against perils covered by a standard extended coverage endorsement, if applicable and appropriate, in an amount equal to the current insurable replacement value, excluding foundation and excavation costs, as determined annually by the Board of Directors of the Association. The Association shall not be responsible, in any way, for maintaining insurance with respect to Limited Common Elements.

(c) Premium Expenses. All premiums on insurance purchased by the Association pursuant to these Bylaws shall be expenses of administration.

(d) Proceeds of Insurance Policies. If applicable, proceeds of all insurance policies owned by the Association shall be received by the Association, held in a separate account and distributed to the Association and the Co-owners and their mortgagees, as their interests may appear; provided, however, whenever repair or reconstruction of the Condominium shall be required as provided in Article V of these Bylaws, the proceeds of any insurance received by the Association as a result of any loss requiring repair or reconstruction shall be applied for such repair or reconstruction and in no event shall hazard insurance proceeds be used for any purpose other than for repair, replacement or reconstruction of the Project unless all of the institutional holders of first mortgages on Units in the Project have given their prior written approval.

Section 2. Authority of Association to Settle Insurance Claims. Each Co-owner, by ownership of a Unit in the Condominium Project, shall be deemed to appoint the Association as his or her true and lawful attorney-in-fact to act in connection with all matters concerning the maintenance of fire and extended coverage, vandalism and malicious mischief, liability insurance and workmen's compensation insurance, if applicable, pertinent to the Condominium Project and the General Common Elements appurtenant thereto, with such insurer as may, from time to time, provide such insurance for the Condominium Project. Without limitation on the generality of the foregoing, the Association as said attorney shall have full power and authority to purchase and maintain such insurance, to collect and remit premiums therefor, to collect proceeds and to distribute the same to the Association, the Co-owners and respective mortgagees, as their interests may appear (subject always to the Condominium Documents), to execute releases of liability and to execute all documents and to do all things on behalf of such Co-owner and the Condominium as shall be necessary or convenient to the accomplishment of the foregoing. Unless the Association obtains coverage for the dwelling within the Unit pursuant to the provisions of Article IV, Section 3 below, the Association's authority shall not extend to insurance coverage on any dwelling.

Section 3. Responsibilities of Co-owners. Each Co-owner shall be obligated and responsible for obtaining fire and extended coverage and vandalism and malicious mischief insurance with respect to the building and all other improvements constructed or to be constructed within the perimeter of his or her Condominium Unit and its appurtenant Limited Common Element Yard Area and for his or her personal property located therein or thereon or elsewhere on the Condominium Project. There is no responsibility on the part of the Association to insure any of such improvements whatsoever. All such insurance shall be carried by each Co-owner in an amount equal to the maximum insurable replacement value, excluding foundation and excavation costs. Each Co-owner shall deliver certificates of insurance to the Association from time to time to evidence the continued existence of all insurance required to be maintained by the Co-owner hereunder. In the event of the failure of a Co-owner to obtain such insurance or to provide evidence thereof to the Association, the Association may obtain such insurance on behalf of such Co-owner and the premiums therefor shall constitute a lien against the Co-owner's Unit which may be collected from the Co-owner in the same manner that Association assessments may be collected in accordance with Article II hereof. Each Co-owner also shall be obligated to obtain insurance coverage for his or her personal liability for occurrences within the perimeter of his or her Unit and appurtenant Limited Common Element Yard Area or the improvements located thereon (naming the Association and the Developer as insureds), and also for any other personal insurance coverage that the Co-owner wishes to carry. Such insurance shall be carried in such minimum amounts as may be specified by the Association and such coverage shall not be less than \$1,000,000.00 (and as specified by the Developer during the Development and Sales Period) and each Co-owner shall furnish evidence of such coverage to the Association or the Developer upon request. The Association shall under no circumstances have any obligation to obtain any of the insurance coverage described in this Section 3 or any liability to any person for failure to do so.

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

Section 5. Indemnification. Each individual Co-owner shall indemnify and hold harmless every other Co-owner, the Developer and the Association for all damages and costs, including attorneys' fees, which such other Co-owners, the Developer or the Association may suffer as a result of defending any claim arising out of an occurrence on or within such individual Co-owner's Unit or appurtenant Limited Common Element Yard Area and shall carry insurance to secure this indemnity if so required by the Association (or the Developer

during the Development and Sales Period). This Section 5 shall not be construed to give any insurer any subrogation right or other right or claim against any individual Co-owner, however.

## ARTICLE V

### RECONSTRUCTION OR REPAIR

Section 1. Responsibility for Reconstruction or Repair. If any part of the Condominium Premises shall be damaged, the determination of whether or not it shall be reconstructed or repaired, and the responsibility therefor, shall be as follows:

(a) General Common Elements. If the damaged property is a General Common Element the damaged property shall be rebuilt or repaired unless all of the Co-owners and all of the institutional holders of mortgages on any Unit in the Project unanimously agree to the contrary.

(b) Unit or Improvements Thereon. If the damaged property is a Unit or Limited Common Element Yard Area or any improvements thereon, the Co-owner of such Unit alone shall determine whether to rebuild or repair the damaged property, subject to the rights of any mortgagee or other person or entity having an interest in such property, and such Co-owner shall be responsible for any reconstruction or repair that he elects to make. The Co-owner shall in any event remove all debris and restore his or her Unit and the improvements thereon to a clean and sightly condition satisfactory to the Association and in accordance with the provisions of Article VI hereof as soon as reasonably possible following the occurrence of the damage.

Section 2. Repair in Accordance with Master Deed, Etc. Any such reconstruction or repair of an improvement within the General Common Elements shall be substantially in accordance with the Master Deed and the original plans and specifications of the improvements unless the Co-owners shall unanimously decide otherwise.

Section 3. Association Responsibility for Repair. Immediately after the occurrence of a casualty causing damage to property for which the Association has the responsibility of maintenance, repair and reconstruction, the Association shall obtain reliable and detailed estimates of the cost to place the damaged property in a condition as good as that existing before the damage. If the proceeds of insurance are not sufficient to defray the estimated cost of reconstruction or repair required to be performed by the Association, or if at any time during such reconstruction or repair, or upon completion of such reconstruction or repair, the funds for the payment of the cost

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

Section 4. Timely Reconstruction and Repair. If damage to the General Common Elements adversely affects the appearance of the Project, the Association shall proceed with replacement of the damaged property without delay.

Section 5. Eminent Domain. The following provisions shall control upon any taking by eminent domain:

(a) Taking of Unit or Improvements Thereon. In the event of any taking of all or any portion of a Unit or any improvements thereon by eminent domain, the award for such taking shall be paid to the Co-owner of such Unit and the mortgagee thereof, as their interests may appear, notwithstanding any provision of the Act to the contrary. If a Co-owner's entire Unit is taken by eminent domain, such Co-owner and his or her mortgagee shall, after acceptance of the condemnation award therefor, be divested of all interest in the Condominium Project.

(b) Taking of General Common Elements. If there is any taking of any portion of the General Common Elements, the condemnation proceeds relative to such taking shall be paid to the Co-owners and their mortgagees in proportion to their respective interests in the Common Elements and the affirmative vote of more than 50% of the Co-owners shall determine whether to rebuild, repair or replace the portion so taken or to take such other action as they deem appropriate.

(c) Continuation of Condominium After Taking. In the event the Condominium Project continues after taking by eminent domain, then the remaining portion of the Condominium Project shall be resurveyed and the Master Deed amended accordingly, and, if any Unit shall have been taken, then Article IV of the Master Deed shall also be amended to reflect such taking and to proportionately readjust the percentages of value of the remaining Co-owners based upon the continuing value of the Condominium of 100%. Such amendment may be effected by an officer of the Association duly authorized by the Board of Directors without the necessity of execution or specific approval thereof by any Co-owner.

(d) Notification of Mortgagees. In the event any Unit in the Condominium, or any portion thereof, or the Common Elements or any portion thereof, is made

the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, the Association promptly shall so notify each institutional holder of a first mortgage lien on any of the Units in the Condominium.

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

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

## ARTICLE VI

### RESTRICTIONS

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

Section 1. Residential Use. No Unit in the Condominium shall be used for other than single-family residential purposes and the Common Elements shall be used only for purposes consistent with single-family residential use. Houses shall be designed and erected for occupation by, and occupied by, one single family. A family shall mean one person or a group of two or more persons living together and related by bonds of consanguinity, marriage or legal adoption. The persons constituting a family may also include, foster children, gratuitous guests and domestic servants.

### Section 2. Leasing and Rental.

(a) Right to Lease. A Co-owner may lease or sell his or her Unit for the same purposes set forth in Section 1 of this Article VI; provided that written disclosure of such lease transaction is submitted to the Board of Directors of the Association in the manner specified in subsection (b) below. With the exception of a lender in possession of a Unit following a default of a first mortgage, foreclosure or deed or other arrangement in lieu of foreclosure, no Co-owner shall lease less than an entire Unit in the Condominium and no tenant shall be permitted to occupy except under a lease the initial term of which is at least 6 months unless specifically approved in writing

by the Association. The terms of all leases, occupancy agreements and occupancy arrangements shall incorporate, or be deemed to incorporate, all of the provisions of the Condominium Documents. The Developer may lease any number of Units in the Condominium in its discretion.

(b) Leasing Procedures. The leasing of Units in the Project shall conform to the following provisions:

(1) A Co-owner, including the Developer, desiring to rent or lease a Unit, shall disclose that fact in writing to the Association at least 10 days before presenting a lease form to a potential lessee and, at the same time, shall supply the Association with a copy of the exact lease form for its review for its compliance with the Condominium Documents. If the Developer desires to rent Units before the Transitional Control Date, he shall notify either the Advisory Committee or each Co-owner in writing.

(2) 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.

(3) 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:

(i) The Association shall notify the Co-owner by certified mail advising of the alleged violation by the tenant.

(ii) The Co-owner shall have 15 days 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.

(iii) If after 15 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 General Common Elements caused by the Co-owner or tenant in connection with the Unit or Condominium Project.

(4) 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.

Section 3. Architectural Control. No building, structure or other improvement shall be constructed within a Condominium Unit or elsewhere within the Condominium Project, nor shall any material exterior modification be made to any existing buildings, structure or improvement, unless plans and specifications therefor, containing such detail as the Developer may reasonably request, have first been approved in writing by the Developer. Construction of any building or other improvements must also receive any necessary approvals from the local public authority. Developer shall have the right to refuse to approve any such plans, specifications, location of buildings, grading, or landscaping 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 and the degree of harmony thereof with the Condominium as a whole. All residences constructed in Milford's Hidden Valley shall have at least a two-car attached garage as provided in Section 27 of this Article VI. No detached garages may be constructed without express written consent of the Developer. No residence shall be constructed on any Unit of less than the following sizes, exclusive of porches, patios, garages and basements (keeping in mind that local ordinances in effect from time to time may require greater minimums and will be controlling under such circumstances, and also walk out lower levels or basements shall not be used in computation of square footage):

One Story Home	2,000 square feet and not less than 65 feet wide
One and one-half	2,400 square feet and not less than 60 feet wide

Tri-Level Home or Quad-Level Home	2,500 square feet and not less than 60 feet wide
Two Story Home	2,500 square feet and not less than 60 feet wide
Two and one-half Story Home	2,900 square feet and not less than 65 feet wide

Attached garages may be used for the purpose of computing the width of a house, but not for computing the area. No homes shall exceed two and one-half stories in height. All computations of square footage for determination of the permissibility of erection of a residence shall be exclusive of basements, garages, porches, terraces, or walk out lower levels.

All two-story, one and one-half story and two and one-half story structures shall have brick or stone masonry facing to the top of the first level of the exterior for all four sides of the structure unless waived by Developer. All ranch type residences shall have brick or stone masonry facing of at least the bottom one-half of the exterior of the residential structure for all four sides of the structure unless waived by the Developer. If a disagreement on the guidelines set forth in this paragraph should arise, the decision of Developer shall be final and binding upon all persons to whom these restrictions may apply.

No dog houses, sheds or other ancillary buildings may be constructed nearer than 50 feet to any outside line of a Limited Common Element Yard Area. The design and location of any such structure must be approved in the same manner as in the procedure for approval of residences described above. All structures other than dog houses must be made of exterior materials of the same quality as exterior materials for houses in the project.

In the event that Developer shall fail to approve or disapprove or take any other action upon such plans and specifications within thirty (30) days after complete plans and specifications have been delivered to Developer, such approval will not be required; provided, however, that such plans and locations of structures on the Unit conform to or are in harmony with existing structures in the Condominium, these Bylaws and any zoning or other local laws applicable thereto. If Developer takes action with respect to the plans and specifications within such 30-day period, then the affected Co-owner shall respond appropriately to the Developer's requests until approval shall have been granted. No construction of any building or improvement pursuant either to express approval properly obtained hereunder or by virtue of failure of action either by the Developer or the Association may be constructed as a precedent or waiver, binding on the Developer, the Association, any Co-owner or any other person as to any other structure or improvement which is proposed to be built. The

Developer's failure to demand plans or strictly enforce the terms of this Section in one or more instances, against one Unit Co-owner or several Unit Co-owners, shall under no circumstances be held to be a waiver of the approval rights granted in this Section.

If any portion of the floor of the main level or the first floor of the house is more than two (2) feet above the natural grade of the land immediately in front of the house, Developer shall have the right, in its sole discretion, to require the submission of a grading plan for its approval. Upon Developer's request therefor, a satisfactory grading plan shall be submitted to it and no construction upon the unit shall proceed until the written approval by Developer of the grading plan.

The purpose of this Section is to assure the continued maintenance of the Condominium as a beautiful and harmonious residential development, and shall be binding upon both the Association and upon all Co-owners. Further, the restrictions hereby placed upon the Premises shall not be construed or deemed to create negative reciprocal covenants, easements or any restrictions upon the use of the area of future development described in the Master Deed amendment. Developer's rights under this Article VI, Section 3 may, in Developer's discretion, be assigned to the Association or other successor to Developer. Developer may construct any improvements upon the Condominium Premises that it may, in its sole discretion, elect to make, without the necessity of obtaining the prior written consent from the Association or any other person or entity, subject only to the express limitation contained in the Condominium Documents.

Minimum area requirements under applicable zoning ordinances for the minimum building site or Unit size must also be satisfied. Specifically the provisions of the Milford Township Zoning Ordinance, regarding minimum lot size (or in this case minimum Condominium Unit size), minimum floor area per dwelling, yard setbacks, and maximum height of buildings shall apply to Milford's Hidden Valley. For the purposes of applying the provisions of the Ordinance to Milford's Hidden Valley the following terms shall apply:

(a) The term "lot" as used in the Ordinance shall mean a Unit and the Unit's appurtenant Limited Common Element Yard Area as defined in the Master Deed and depicted on Exhibit B, the Condominium Subdivision Plan.

(b) The term "front lot line" as used in the ordinance shall mean the line separating a Unit's appurtenant Limited Common Element Yard Area from the area of land which is the General Common

Element within which the roadway is located all of which are depicted on Exhibit B, the Condominium Subdivision Plan.

(c) The term "side lot line" as used in the Ordinance is the line between a Unit's appurtenant side Limited Common Element Yard Area and the adjoining Unit's appurtenant Limited Common Element Yard Area, as depicted on Exhibit B, the Condominium Subdivision Plan.

Section 4. Alterations and Modifications of Units and Common Elements. No Co-owner shall make alterations, modifications or changes to any of the Units or Common Elements (as opposed to the dwelling located within the Unit), Limited or General, without the express written approval of the Board of Directors (and the Developer during the Development and Sales Period), including, without limitation, the erection of antennas of any sort (including dish antennas), lights, aerials, awnings, newspaper holders, basketball backboards, mailboxes, flag poles or other exterior attachments or modifications. No attachment, appliance or other item may be installed which is designed to kill or repel insects or other animals by light or humanly audible sound. No Co-owner shall in any way restrict access to any utility line, or any other element that must be accessible to service the Common Elements or any element which affects an Association responsibility in any way. Abnormally tall radio or television antennae, such as the type used by HAM radio operators, shall not be permitted to be installed in any front yard of a homesite and such antennae shall not be permitted to be installed unless their location is 35 feet from a side or rear limited common element boundary line adjoining a neighboring Limited Common Element of another homesite or roadway boundary line. Such antennae must be approved by the Developer or the Association prior to their installation and such antennae may be rejected no matter where they are proposed to be installed if the Developer or the Association, in their sole judgment, deem such an antennae too large or visually unappealing.

Section 5. Activities. No immoral, improper, unlawful or offensive activity shall be carried on in any Unit or upon the Common Elements nor shall anything be done which may be or become an annoyance or a nuisance to the Co-owners of the Condominium. No unreasonably noisy activity shall occur in or on the Common Elements or in any Unit at any time and disputes among Co-owners, arising as a result of this provision which cannot be amicably resolved, shall be arbitrated by the Association. No Co-owner shall do or permit anything to be done or keep or permit to be kept in his or her Unit or on the Common Elements anything that will increase the rate of insurance on the Condominium without the written approval of the Association, and each Co-owner shall pay to the Association the increased cost of insurance premiums resulting from any such activity or the maintenance of any such condition even if

approved. Activities which are deemed offensive and are expressly prohibited include, but are not limited to, the following: any activity involving the use of firearms, air rifles, pellet guns, B-B guns, bows and arrows, or other similar dangerous weapons, projectiles or devices.

Section 6. Pets. Co-owners may maintain two dogs and two cats or other common domestic pets, however, no other pets or animals shall be maintained by any Co-owner unless specifically approved in writing by the Association which consent, if given, shall be revocable at any time for infraction of the rules with respect to animals. No animal may be kept or bred for any commercial purpose and shall have such care and restraint so as not to be obnoxious or offensive on account of noise, odor or unsanitary conditions. No animal may be permitted to run loose at any time upon the General Common Elements and any animal shall at all times be leashed and attended by some responsible person while on the General Common Elements. No savage or dangerous animal shall be kept and any Co-owner who causes any animal to be brought or kept upon the premises of the Condominium shall indemnify and hold harmless the Association for any loss, damage or liability 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 pet maintained by such Co-owner. No dog which barks and can be heard on an obnoxiously continuing basis shall be kept in any Unit or on the Common Elements even if permission was previously granted to maintain the pet on the premises. 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 require that any pets be registered with it and may adopt such additional reasonable rules and regulations with respect to animals as it may deem proper. 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.

Section 7. Aesthetics. The Common Elements, both Limited and 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. Trash receptacles shall be maintained in areas designated therefor at all times and shall not be permitted to remain elsewhere on the Common Elements except for such short periods of time as may be reasonably necessary to permit periodic collection of trash. The Common Elements or Units shall not be used in any way for the outdoor drying, shaking or airing of clothing or other fabrics. In general, no activity shall be carried on nor condition maintained by a Co-owner, either in

his or her Unit or upon the Common Elements, which is detrimental to the appearance of the Condominium. Without written approval by the Association, no Co-owner shall materially change in any way the exterior appearance of the residence and other improvements and appurtenances located within his or her Unit. Thus, in connection with any maintenance, repair, replacement, decoration or redecoration of such residence, improvements or appurtenances, no Co-owner shall substantially modify the design, material or color of any such item including, without limitation, windows, doors, screens, roofs, siding or any other component which is visible from a Common Element or other Unit without the approval of the Developer (during the Development and Sales Period) or the Association (after the Association receives architectural control as provided in these Bylaws.

Section 8. Vehicles. No house trailers, commercial vehicles, boat trailers, boats, camping vehicles, camping trailers, motorcycles, all terrain vehicles, snowmobiles, snowmobile trailers or vehicles, other than automobiles or vehicles used primarily for general personal transportation purposes, may be parked or stored upon the General Common Elements of the Condominium. Vehicles shall be parked in garages to the extent possible. Any extra vehicles or similar equipment shall be parked within a Unit or Yard Areas which have been approved for such purposes by the Association. The Developer or the Association may require garages or screening of such supplementary parking areas within any Unit or Yard Area. Garage doors shall be kept closed when not in use. No inoperable vehicles of any type may be brought or stored upon the Condominium Premises either temporarily or permanently. Commercial vehicles and trucks shall not be parked in or about the Condominium (except as above provided) unless while making deliveries or pickups in the normal course of business. The Association may make reasonable rules and regulations in implementation of this Section. The purpose of this Section is to accommodate reasonable Co-owner parking but to avoid unsightly conditions which may detract from the appearance of the Condominium as a whole, and to assure that all vehicles and recreational or construction type equipment are not to be visible from the roadway, Units or the Limited Common Elements of the Units.

Section 9. Advertising. No signs or other advertising devices of any kind shall be displayed which are visible from the exterior of a Unit or on the Common Elements, including "For Sale" signs, without written permission from the Association and, during the Development and Sales Period, from the Developer. "For Sale" signs are also subject to Article VI, Section 28 of these Bylaws.

Section 10. Rules and Regulations. It is intended that the Board of Directors of the Association may make rules and regulations from time to time to reflect the needs and desires of the majority of the Co-owners in the Condominium.

Reasonable regulations consistent with the Act, the Master Deed and these Bylaws concerning the use of the Common Elements may be made and amended from time to time by any Board of Directors of the Association, including the first Board of Directors (or its successors) prior to the Transitional Control Date. Copies of all such rules, regulations and amendments thereto shall be furnished to all Co-owners.

Section 11. Right of Access of Association. The Association or its duly authorized agents shall have access to each Unit and any Limited Common Elements appurtenant thereto from time to time, during reasonable working hours, upon notice to the Co-owner thereof, as may be necessary to carry out any responsibilities imposed on the Association by the Condominium Documents. The Association or its agents shall also have access to Units and Limited Common Elements appurtenant thereto as may be necessary to respond to emergencies. 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 or her Unit and any Limited Common Elements appurtenant thereto caused thereby. This provision, in and of itself, shall not be construed to permit access to the interiors of residences or other structures.

Section 12. Landscaping. 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 and the Developer, during the Development and Sales Period. Lawns shall be maintained in a healthy and acceptable manner as specified in standards set by the Association. Lawns are also subject to Article VI, Section 20 of these Bylaws.

Section 13. Common Element Maintenance. Yards, landscaped areas, and driveways, shall not be obstructed nor shall they be used for purposes other than that for which they are reasonably and obviously intended. No bicycles, vehicles, chairs or other obstructions may be left unattended on or about the General Common Elements. The Association shall contract for the removal of snow from asphalt areas located within General Common Element areas excepting for any approach for an individual driveway servicing a residential structure on a Condominium Unit. Such snow removal may not be done at times that the snow accumulation is considered by Developer or the Association to be of any amount as not to cause vehicular traffic any substantial difficulty. Individual Co-Owners desiring their respective driveways plowed by the same contractor plowing the roadways or the General Common Element areas shall contact such snow plowing contractor(s) individually and directly and the Co-owner shall be solely responsible for any cost or expense incurred for such individual driveway snow plowing. The Association may coordinate such private snow plowing activities if it, in its sole discretion, deems it appropriate. No noisy vehicles such as motorcycles, mini-bikes

or all terrain vehicles shall be operated on the Project roadways except as may be minimally necessary for ingress and egress from Units to Rowe Road.

Section 14. Co-owner Maintenance. Each Co-owner shall maintain his or her Unit and any Limited Common Elements appurtenant thereto for which he or she has maintenance responsibility in a safe, clean and sanitary condition. Each Co-owner shall also use due care to avoid damaging any of the Common Elements including, but not limited to, the telephone, water, gas, plumbing, electrical or other utility conduits and systems and any other Common Elements which are appurtenant to or which may affect any other Unit. Each Co-owner shall be responsible for damages or costs to the Association resulting from negligent damage to or misuse of any of the Common Elements by him or her, or his or her family, guests, contractors, agents or invitees, unless such damages or costs are covered by insurance carried by the Association (in which case there shall be no such responsibility, unless reimbursement to the Association is limited by virtue of a deductible provision, in which case the responsible Co-owner shall bear the expense to the extent of the deductible amount). Each individual Co-owner shall indemnify the Association and all other Co-owners against such damages and costs, including attorneys' fees, and all such costs or damages to the Association may be assessed to and collected from the responsible Co-owner in the manner provided in Article II hereof.

Section 15. Reserved Rights of Developer.

(a) Prior Approval by Developer. During the Development and Sales Period, no buildings, fences, walls, retaining walls, drives, walks or other structures or improvements shall be commenced, erected, maintained, nor shall any addition to, or change or alteration to any structure be made (including in color or design), except interior alterations which do not affect structural elements of any dwelling, nor shall any hedges, trees or substantial plantings or landscaping modifications be made, until plans and specifications, acceptable to the Developer, showing the nature, kind, shape, height, materials, color scheme, location and approximate cost of such structure or improvement and the grading or landscaping plan of the area to be affected shall have been submitted to and approved in writing by Developer, its successors or assigns, and a copy of said plans and specifications, as finally approved, lodged permanently with the Developer. The Developer shall have the right to refuse to approve any such plan or specifications, or grading or landscaping plans which are not suitable or desirable in its opinion for aesthetic or other reasons; and in passing upon such plans, specifications, grading or landscaping, it shall have the right to take into consideration the



suitability of the proposed structure, improvement or modification, the site upon which it is proposed to effect the same, and the degree of harmony thereof with the Condominium as a whole. The purpose of this Section is to assure the continued maintenance of the Condominium as a beautiful and harmonious residential development, and shall be binding upon both the Association and upon all Co-owners.

(b) Developer's Rights in Furtherance of Development and Sales. None of the restrictions contained in this Article VI shall apply to the commercial activities or signs or billboards, if any, of the Developer during the Development and Sales Period or of the Association in furtherance of its powers and purposes set forth herein and in its Articles of Incorporation, as the same may be amended from time to time. Notwithstanding anything to the contrary elsewhere herein contained, Developer shall have the right to maintain a sales office, model units, mobile trailer used as a sales office, advertising display signs, storage areas and reasonable parking incident to the foregoing and such access to, from and over the Project as may be reasonable to enable development and sale of the entire Project by the Developer and may continue to do so during the entire Development and Sales Period.

(c) Enforcement of Bylaws. The Condominium Project shall at all times be maintained in a manner consistent with the highest standards of a beautiful, serene, private, residential community for the benefit of the Co-owners and all persons interested in the Condominium. If at any time the Association fails or refuses to carry out its obligation to maintain, repair, replace and landscape in a manner consistent with the maintenance of such high standards, then the Developer, or any person to whom it may assign this right, at its option, may elect to maintain, repair and/or replace any Common Elements and/or to do any landscaping required by these Bylaws and to charge the cost thereof to the Association as an expense of administration. The Developer shall have the right to enforce these Bylaws throughout the Development and Sales Period which right of enforcement shall include (without limitation) an action to restrain the Association or any Co-owner from any activity prohibited by these Bylaws.

Section 16. Public Health Requirements. The provisions hereinafter set forth have been required by the Michigan Department of Public Health and the Oakland County Health Division. Permits for the installation of wells and sewage disposal systems shall be obtained from the Oakland County Health Division prior to any construction on the individual building sites. All dwellings must be served by potable water

systems. Each Co-owner shall be solely responsible for installation, maintenance, repair and replacement of the well/water supply system and the septic tank/drain field/sanitary disposal system on his or her building site and the Association shall have absolutely no financial responsibility or other duty with respect thereto. All wells installed for private water supply must, except as set forth below, penetrate an adequate protective clay overburden or aquaclude. Prospective Unit Co-owners are hereby advised of and agree to this requirement. When an adequate aquaclude cannot be demonstrated, additional safeguards in the form of increased distances and/or depth requirements may be required. According to the submitted test well results, it is estimated by the Michigan Department of Public Health, the Oakland County Health Division and the Developer that water wells will need to be between 100 feet and 175 feet deep in order to penetrate an aquaclude. Wells must be drilled at least 50 feet from any septic field. All residential dwellings shall be served by an appropriate potable water supply system constructed in accordance with the Groundwater Quality Control provisions of the Michigan Public Health Code P. A. 368 of 1978, as amended, and, in particular, with Part 127 thereof. All wells on individual sites shall be drilled by a well driller licensed by the State of Michigan to a depth of not less than that required by the Oakland County Health Division and a complete well log form for each such potable water well shall be submitted to the Oakland County Health Division within sixty (60) days following completion of such well. All wells must be completely grouted to a depth of 100 feet or through the final protective aquaclude. Although not considered health related, the elevated hardness, iron content and manganese content may be aesthetically objectionable. Co-owners should note that softening or treatment systems may be necessary or desirable to prevent staining of fixtures, taste or odor problems.

All on-site sewage disposal systems must be installed with not less than 100 feet isolation from any surface water or impounded water. When deemed necessary, due to the size or configuration of a building site, grade conditions or evidence of elevated ground water, an engineered building site plan or system design plan may be required by the Oakland County Health Division. Such plans, if required, must be submitted for review and approval prior to the issuance of a sewage disposal system permit. Filled areas will not be approved for location of on-site sewage disposal systems. All systems are to be installed according to Oakland County Sanitary Code specifications.

All residential dwellings shall be served by an adequate sewage disposal system. Each such sewage disposal system shall be utilized for disposition of human metabolic waste only and not for processed waste of any sort. Private septic tanks and drain fields constructed in compliance with the regulations of the Oakland County Health Division and with applicable Michigan Department of Public Health Division regulations may be installed and shall be deemed an adequate

sewage disposal system. All toilet facilities must be located inside a residential dwelling. Each Co-owner or other user of a sewage disposal system shall be limited in waste water flowage in accordance with the terms and conditions of the On-Site Sewage Disposal Permit issued by the Oakland County Health Division under Article III of the Oakland County Sanitary Code as may be amended or replaced from time to time. Each sewage disposal system shall have a mechanical access system for the purpose of allowing access to the septic system for maintenance and cleaning purposes. The mechanical access shall be of a type that will allow access to the system so that no disruption of soil or earth is needed in order to access the system. Each sewage disposal system must be cleaned out and/or pumped out every two years. The cost of this service may be collected as an administrative expense of the Association if the Association contracts for the pumping of all septic systems. The Association may collect any expenses incurred under this paragraph as it would any other assessments collected under these Bylaws including lien and foreclosure rights as specified in Article II, Section 5. The Association shall also have any easement rights necessary to exercise its rights under this paragraph.

At some time subsequent to the initial development, it may become necessary to construct a community water supply and/or sewage disposal system. The construction of such public systems, or either of them, may be financed, in whole or in part, by the creation of a special assessment district or districts which may include all site condominium Units in Milford's Hidden Valley. The acceptance of a conveyance or the execution of a land contract by any Co-owner or purchaser shall constitute the agreement by such Co-owner or purchaser, his or her heirs, executors, administrators and assigns that such Co-owner or purchaser will execute any petition circulated for the purpose of creating such a special assessment district. The Board of Directors of the Association shall be vested with full power and authority to obligate all Co-owners to participate in a special assessment district or districts and to consider and act upon all other community water and sewer issues on behalf of the Association and all Co-owners. Further, each Co-owner will pay such special assessments as may be levied against his or her Unit by any such special assessment district and shall take the necessary steps as required by the appropriate state, county and township agencies and by the Association, acting through its Board of Directors to connect, at his or her own expense, his or her water intake and sewage discharge facilities to such community water supply system and/or community sewage disposal system within ninety (90) days following the completion of said system or systems.

Section 17. Non-Disturbance of Wetlands. A certain portion of the land within the Condominium may be a wetland which is protected by law. Any disturbance of a wetland by depositing material in it, dredging or removing material from it, or draining water from the wetland may be done only after a permit has been obtained from the public agency, if any, having

jurisdiction over the wetland. In order to assure that no inadvertent violations occur, no Co-owner may disturb the wetlands without obtaining: (1) written authorization of the Association; (2) any necessary municipal permits; and (3) any necessary state permits. The Association may assess fines and penalties as provided for in these Bylaws for violation of this Section 17.

Section 18. Lamp Posts. Each Co-owner of a Unit shall maintain one lamp post and light in front of the homesite. The design and location of the fixture shall be determined by the Developer. Each Co-owner of a Unit shall provide the necessary wiring and cable to connect the fixture to the dwelling lighting system. The fixture must be installed and be operational at the time the final certificate of occupancy is issued. Each fixture shall be equipped with a high pressure sodium vapor bulb equal to no less than a 35 watt bulb or a substantial equivalent which has been approved by the Developer or the Association (after the Development and Sales Period has ended).

In the event the Co-owner fails to provide the necessary electrical connection the Association may enter onto the Unit and into the dwelling to make such electrical connections as are necessary. Likewise, the Association shall be entitled to enter onto the Unit to install the fixture. The costs and expenses incurred by the Association in installing such electrical connections and fixtures shall be charged to the individual Unit Owner and may be collected as are assessments under these Bylaws.

The expenses of operation, installation and maintenance of the fixtures shall be borne by the individual Co-owner. The Association may establish rules and regulations specifying the times when lights must be on. Developer need not comply with this Section during the Development and Sales Period as long as no dwelling has been completed on the affected site.

Section 19. Swimming Pools. Swimming pools may be installed in rear yard areas but only upon specific written approval of the Developer based upon plans and specifications therefor. Such approval shall not be unreasonably withheld. No above-ground pools of any sort shall be permitted under any circumstances, with or without the approval of the Developer or the Association.

Section 20. Maintenance of Yards, Lawns, Ditches and Detention or Retention Areas.

(a) Lawns. The front yard areas of all homesites (unless such homesite has not been built upon) shall have well maintained lawns except on those Yard Areas upon which the presence of existing trees makes lawns impractical (which means densely wooded areas only);

provided, however, in such cases field grass, weeds, ground cover or other non-tree, flower or shrub vegetation shall be maintained as if they were grass type vegetation as provided below. The definition of the front yard area shall be the area between the following lines: a line or lines parallel to the front street (paved portion of street, not the right-of-way line), a line at the rear of the residential structure and running from the residential structure to the boundary line between the Unit and its appurtenant Limited Common Element Yard Area, and the lines where each Condominium Unit's Limited Common Element Yard Area adjoins another Unit's Limited Common Element (or side street, if such Condominium Unit is a corner homesite). A lawn must be installed in the front yard of the Unit as required in this Section. For the purposes of this Section of the Bylaws the term "install a lawn" shall mean to place sod or seed on the front yard area and in case where grass seed or other ground cover is used, such seeded areas must be covered with vegetation that covers the entire front yard lawn area by the dates specified in this Section in order to meet the requirements of this Section. This Section shall not be deemed to preclude other typical compatible landscaping elements such as shrubs, trees, hedges, berms, flower beds, landscaping beds, and existing trees, which shall, subject to the other provisions of these Bylaws, be allowed. In the event a certificate of occupancy is issued between September 15 and March 31, the lawn must be installed by June 30. If the certificate of occupancy is issued between April 1 and September 14, the lawn must be installed by October 15. The Developer may, in its sole discretion, allow extensions of these deadlines due to extraordinary circumstances, such as un-seasonal weather conditions which make the above timetable unmanageable. Well maintained lawns shall be deemed to be lawns which are regularly cut to a uniform height appropriate for such grass in a first-class residential development, and are trimmed and edged to preserve a neat, groomed and cared for appearance in the Condominium. The Developer shall not be required to comply with the terms of this Section with regards to any Units that it owns unless a dwelling has been constructed and completed on the Unit in question.

The Developer, during the Development and Sales Period, and the Board of Directors thereafter, may require owners of Units on which dwellings have not been built to "brush hog" or otherwise mow the weeds or vegetation on the Units and their Limited Common Elements up to twice a year. One mowing or "brush hogging" may be required in the late spring or early summer after initial growth has subsided; a second

mowing or "brush hogging" may be required in the mid-to late fall after the growing season has ended. The Developer, during the Development and Sales Period, and the Board of Directors thereafter, may also elect to require mowing or "brush hogging" of rear yard areas on the same schedule should they deem it appropriate.

(b) Erosion Control. Even before a Co-owner commences construction of a residential dwelling within a Unit, the Co-owner shall be responsible for providing proper and adequate soil erosion measures in order to prevent soil, earth, dirt, sediment and other materials from moving and possibly being deposited into and collecting in the drainage ditches or other inappropriate areas, if any, in front of the Co-owner's Unit and its appurtenant Limited Common Elements, if any. Such erosion prevention methods, by way of example and not as a limitation, may be soil erosion fencing properly installed, sod which is properly staked, and/or seed and mulch which is properly crimped to prevent the mulch from washing away after rains. After a Co-owner constructs a residential dwelling on a Unit, any ground within the Unit and its appurtenant Limited Common Elements, other than wooded areas as provided above, shall be protected from soil erosion by a well maintained lawn as described above.

(c) Rights of Way and Drainage Ditches. Co-owners of Units in the Project, other than the Developer, shall be responsible for maintenance of the land in front of their respective Unit which lies in the road right of way between their front Limited Common Element Unit line and the edge of the road gravel adjacent to the pavement of the road. Even though the ditches are primarily located in General Common Elements, the ditch area shall be maintained by the Co-owner whose Unit (and/or its appurtenant Limited Common Elements) abuts the ditch. If a ditch exists within this area, then the Co-owner shall be responsible for the maintenance thereof. The standard for maintenance of this area will be no less than the standard for lawn maintenance set forth in these Bylaws, except that cobblestones may be necessary at the bottom of drainage areas to prevent erosion. These maintenance responsibilities shall include, by way of illustration and not as limitations, the placement of seed and mulch or sod (which may be required to be staked in place). These soil erosion prevention measures for the ditches shall become the obligation of the Co-owner commencing with the date on which the co-owner receives legal or equitable title to a Unit or receives possession of the Unit, whichever occurs first. In the event erosion or other damage occurs in

a ditch area for which a Unit Co-owner is responsible, the Co-owner shall repair the erosion or other damage to restore the ditch to its former condition and to assure that such damage will not occur again due to reasonably expected acts of nature. This may require that the Co-owner install cobblestone or other erosion reducing features in the ditch where erosion is prevalent. If such installations become necessary, the Co-owner shall place the cobblestones or other erosion reducing features in the ditch in a manner as directed and approved by the Developer or the Association. If there are persistent erosion problems in a ditch after a Co-owner has undertaken to assure adequate and vigorous soil retaining grass growth and has placed cobblestones or other erosion reducing features in the ditch, the Association may, in its sole and absolute discretion, undertake to make such additional improvements to the drainage ditch to preserve the ditch structure and prevent re-occurring erosion problems. The Association shall consider such a request only if it is satisfied that the Co-owner has undertaken to alleviate the erosion problem by assuring that soil retaining grass growth is maintained and cobblestones or such other erosion reducing features have been installed. The purpose of this provision is to assure that the Association will only undertake to assist in ditch maintenance when it appears that a given ditch area is receiving large volumes of storm water run off that defeat ordinary erosion prevention measures undertaken by the responsible Co-owner. In that instance the Association may undertake such corrective measures as it deems appropriate in light of the circumstances and conditions then in existence. It is the intention of this paragraph that the Association give financial relief and assistance to a Unit Co-owner who is having repeated washouts or erosion problems of ditch areas after the Co-owner's herein defined soil erosion responsibilities have been met by the Co-owner.

In addition, any Unit Co-owner, including the Developer, shall maintain the ditch, if any, in this area, so as to provide positive storm water drainage. This shall expressly require that the designed storm water flow through the ditch from one side of a Unit to the other side of the Unit shall not be obstructed or be materially impaired by the intentional or accidental placement or displacement of earth materials, vegetation, any amassed debris erosion or the like.

(d) Driveways, Culvert Installation and Erosion Control During Construction. The definition of the ditches and ditch areas for the purpose of these Bylaws and this project shall be the land area commencing at the edge of the gravel alongside the asphalt

paving and covering the land through the ditch to the top of any slope which may be located into the Limited Common Elements Yard Area. The ditch area will most likely be part of the front lawn area as defined in this Section.

No co-owner shall commence construction of any kind until a culvert and driveway approach is properly constructed over and through the front ditch, if any. The size of the driveway(s) and culvert(s) shall be subject to the approval of the Developer. Furthermore, during any construction activities the Co-owner shall be responsible for placing a fence (such as a snow fence, soil erosion fence or other fencing approved by the Developer) which shall run the entire width of the Unit and its appurtenant Limited Common Elements on the top side of the ditch (opposite the side of the ditch nearest the pavement). This fencing shall serve as the visual deterrent for any and all construction traffic to preclude access to and entry on the Unit from any point other than the approved driveway(s) and culvert(s) constructed by the Co-owner for the purpose of providing access to the Unit. This fence requirement may be waived by the Developer, in writing only, on a individual per Unit basis, for topographic or other appropriate reasons, which waivers may be granted in the Developer's sole discretion. All trucks and other vehicles shall be expressly prohibited from driving through any ditch in the Condominium. This prohibition is for the purpose, among other things, of preventing disruption of sod and seed growth in the ditches, preventing tire and track ruts in the ditches on the side and bottoms of the ditches and to assure the integrity of the drainage system in the Project. The Co-owner of the Unit shall be responsible for the violation of the provisions of this Section by any of his or her contractors, sub-contractors, agents, employees, tenants

(e) Retention and Detention Areas. Certain Retention and Detention Areas, basins and easements are depicted on the Condominium Subdivision Plan, which is Exhibit B to the Master Deed. No grade changes, filling, tree or vegetation removal or transplanting of any kind may be undertaken by the Co-owners, their contractors, agents, employees or any other person unless prior approval has been obtained from the Board of Directors of the Association (and from the Developer during the Development and Sales Period). Furthermore, any of the above described alterations or activities within the Retention Areas may also be subject to the approval of Milford Township and/or other governmental agencies. After Board of Directors and Developer approval has been granted it shall be the Co-owner's responsibility to obtain any permits



required by these agencies for the activity which the Co-owner proposes to undertake.

(f) Enforcement. If any of these provisions are violated by the Co-owner or his or her representatives or there is a failure to comply, the Developer or Association may hire workmen and buy materials necessary to cure the violation and may charge the Co-owner the actual expense incurred for such violations plus an administrative fee equal the expenses to cover the expenses attendant in correcting the damage resulting from the violation of these provisions and to help defray the extra expenses incurred by the Developer and the Association in undertaking the necessary repairs and the supervision of such repairs. The Developer and the Association shall also have available all remedies set forth in these Bylaws and under Michigan law, including the right to place a lien on the Unit and equitable relief.

Section 21. Setbacks. No residence shall be erected closer than 70 feet from the front roadway line nor farther than 110 feet from the front roadway line, unless approved by Developer for topographical reasons or other appropriate reasons. This is the line which is the border between a Unit's appurtenant Limited Common Element Yard Area and the strip of land which is General Common Element and containing the main roadway for ingress or egress out to the public road known as Rowe Road. No building on any homesite shall be erected nearer than 40 feet from the boundary line which is the border between a Unit's side Limited Common Element Yard Area and the adjoining Unit's side Limited Common Element Yard Area, unless approved by Developer for topographical reasons or other appropriate reasons. Further, after construction of a dwelling on a particular building site in the Project, dwellings on the adjoining building sites shall be constructed no more than 30 feet closer to the road than was the dwelling constructed on the adjoining building site(s) and no more than 30 feet farther from the road than is/are any adjoining dwelling(s), unless the deviation was approved or waived in writing by the Developer (or the Association after the Development and Sales Period ends) due to the topography of the site or other appropriate reasons.

Section 22. Driveway Paving Requirements. Each Co-owner shall place 3 inches of asphalt in the road right-of-way for driveway approaches from the edge of the paved road running to at least the Limited Common Yard Area. Further, each Co-owner shall have a culvert in the ditch under each respective driveway approach and the culvert must be sized to the specifications set by the Developer (during the Development and Sales period) or the Association (after the Development and Sales Period ends). Within two years after the dwelling is complete and the certificate of occupancy is issued the entire

driveway must be paved with no less than two inches of asphalt or four inches of concrete.

Section 23. Mailboxes. The type of all mail boxes for all Units shall be prescribed by the Developer and to be located near the roadway approved by the Developer and/or as required by postal authorities. If required by postal authorities, a common mail station for mail boxes will be placed on the premises, the expenses of acquisition, maintenance repair and replacement for which will be borne by the Association as an administrative expense.

Section 24. Used Homes; Manufactured Housing. Used houses shall not be allowed to be moved on to any Unit in the Project and no manufactured houses shall be allowed in the Project unless approved in writing by the Developer. For the purposes of this Section "manufactured houses" shall mean houses in which the majority of the construction or assembly process is performed at a location other than the Unit upon which the house will be permanently situated.

Section 25. Outbuildings. One outbuilding may be permitted to be built on any Unit, provided, however, that the outbuilding has the following characteristics;

(a) Size. An outbuilding shall not be larger than 20 feet by 30 feet in size.

(b) Height. An outbuilding shall be either a single story or 1½ stories.

(c) Exterior Finish. An outbuilding shall have exterior finish materials of the same quality as a typical house in the Project.

(d) Location. An outbuilding shall be located in a back yard area only and shall be a minimum of 40 feet from the outside Limited Common Element boundary line separating the Limited Common Elements of the Unit from the Limited Common Elements of the next Unit. Furthermore all outbuildings shall be constructed at least 45 feet from the rear outside Limited Common Element boundary line of the Unit unless waived by the Developer in writing.

(e) Architectural Approval. An outbuilding shall be architecturally approved in the same manner as a house and the design features of an outbuilding shall be of the same quality as the typical house in the Project.

Section 26. Fences. No boundary line fences shall be permitted on the Units or Limited Common Elements except as provided herein. No fences shall be allowed in front yards areas, other than partial fences, to complement landscaping

berms and plantings, and which have been approved by the Developer. Only wood, stone or brick fences shall be permitted within the Project, provided however, cyclone fences may be permitted by the Developer for dog runs only, and provided further than such dog runs are no larger than 20 feet by 30 feet, are located in compliance with the set back and location requirements pertaining to outbuildings, and there is only one dog run per Unit. In addition, fences will be permitted to be erected around any in-ground swimming pool in accordance with ordinances regulating the construction and use of swimming pools. The location, design and materials of all fences shall be subject to the approval of the Developer. Any fence which is constructed so as to constitute a total visual screen or which prevents light passage through 60% or more of its area is prohibited.

Section 27. Garages. All houses shall have at least a two car rear or side entry attached garage, and no house shall have more than a four car attached garage. No garage shall have its vehicular entry doors facing or primarily facing the front of the homesite. All garages shall have side or rear entries for vehicular ingress or egress, provided, however, that corner homesites may have the vehicular entry doors facing the road which does not face the front of the house.

Section 28. Signs. No sign or billboard shall be placed or maintained on any Unit except one sign advertising the Unit or house and Unit for sale or lease, and having not more than nine square feet of surface and the top of which shall be 4 feet or less above the ground. In addition, until all Units owned by the Developer are sold, no "For Sale" signs shall be allowed on any vacant Unit unless a house is under construction and such house is past the rough carpentry stage of construction, or unless Developer allows a "For Sale" sign on a individual Unit approval basis. This restriction shall not apply to Units owned by the Developer. At a minimum, to be eligible for approval, any "For Sale" sign may not be larger than two feet by three feet, must be within the Unit, may not be more than four and one half feet above the ground and must be prepared by a professional painting or printing service.

Section 29. Damage to Roadways or Common Elements During Construction. To assure the roads are not damaged during construction of the residence and other improvements within a Unit and notwithstanding anything contained in the Condominium Documents stated to the contrary, damage to private roads or other Common Elements in the Project which are the result of construction activities taking place on a Co-owner's Unit must be repaired by the Co-owner who caused the damage (or the contractor, agent or employee having caused the damage). Repairs must return the damaged area to substantially its original condition. Such repairs shall be undertaken as soon as possible. If a Co-owner fails to make the repairs, the Association (or the Developer acting on behalf of the Association) may collect the expense incurred by the Association in

repairing the roadway or other Common Element in the same manner and with the same rights and remedies afforded to the Association (including reimbursement of cost and attorney's fees) for the collection of assessments under the Bylaws. The Association or the Developer shall not be obliged to seek reimbursement from the Co-owner's contractor, agent or employee before seeking reimbursement from the Co-owner in question. All construction equipment (such as tracked equipment like bulldozers and graders) brought to the site by trailers must be unloaded on the Units, their Limited Common Elements, or the driveways of Units. No equipment may be unloaded on the roads or road shoulders. Unloading of equipment will also be subject to Section 20 of these Bylaws.

Section 30. Construction and Construction Traffic Near Reserved Gas Transmission Line Easement. Easements exist within the Project for high pressure gas transmission lines operated by Panhandle Eastern Pipe Line Company ("Panhandle") and Consumers Power Company ("Consumers"). The Panhandle easements are recorded in Liber 1392, Page 73 and Liber 5738, Page 73, Oakland County Records and may be or have been subsequently amended or recorded. The Consumers easements are recorded in Liber 3948, Page 59, Liber 4003, Page 392, and Liber 4011, Page 636, Oakland County Records. The easements are depicted on the Condominium Subdivision Plan. The easements limit the use of the areas covered by the easements. Generally no construction may take place on the easements and no tree-like growth may be placed within the easements. Excavations and deposits of materials within the easements are also proscribed. Structures, pools, patios and decks may not be placed within the easement areas. This Section merely attempts to summarize the easements. Their exact content should be reviewed prior to commencement of any activities within the easement areas. Absolutely no excavation may be made or commenced within these easements without obtaining the prior approval of Panhandle or Consumers. The only excavations typically allowed by Panhandle are for utility leads such as electric, phone, natural gas and cable television. These excavations also require Panhandle to be notified at least three business days before any excavations for such utility leads.

Temporary moundings of earth will be required to be placed over the pipelines within the easements to protect them from heavy construction traffic during construction within the affected Units and their Limited Common Elements. Panhandle must be notified and its approval must be obtained at least three business days before heavy equipment (such as cement trucks or earth moving equipment) passes over the Panhandle easement. Panhandle's approval may be conditioned upon the adequacy of the mounding placed over the easement. In most instances, the minimum mounding requirements set by Panhandle will be adequate for most normal construction traffic.

Panhandle has indicated to the Developer that it may allow shrubs to be planted within its easement but only within

the first ten (10) feet inside either side of the easement. The Co-owners must obtain prior approval from the Developer and Panhandle or Consumers before doing any planting or earth mounding within the easements.

## ARTICLE VII

### MORTGAGES

Section 1. Notice to Association. Any Co-owner who mortgages his or her Unit shall notify the Association of the name and address of the mortgagee at closing and shall further notify the Association of any subsequent mortgagee acquiring an interest in the Co-owner's unit. The Association shall maintain such information in a book entitled "Mortgages of Units". The Association may, at the written request of a mortgagee of any such Unit, report any unpaid assessments due from the Co-owner of such Unit. The Association shall give to the holder of any first mortgage covering any Unit in the Project written notification of any default in the performance of the obligations of the Co-owner of such Unit that is not cured within 60 days. If a Co-owner fails to provide the information required in this section the Association may charge the Co-owner for any costs it incurs in collecting the information for its records and the costs incurred may be collected from the owner in the same manner as assessments are collected under these Bylaws.

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

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

## ARTICLE VIII

### VOTING

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

Section 2. Eligibility to Vote. No Co-owner, other than the Developer, shall be entitled to vote at any meeting of the Association until he or she has presented evidence of ownership of a Unit in the Condominium Project to the Association. Except as provided in Article XI, Section 2 of these Bylaws, no

Co-owner, other than the Developer, shall be entitled to vote prior to the date of the First Annual Meeting of members held in accordance with Section 2 of Article XI. The vote of each Co-owner may be cast only by the individual representative designated by such Co-owner in the notice required in Section 3 of this Article VIII below or by a proxy given by such individual representative. The Developer shall be the only person entitled to vote at a meeting of the Association until the First Annual Meeting of members and shall be entitled to vote during such period notwithstanding the fact that the Developer may own no Units at some time or from time to time during such period. At and after the First Annual Meeting the Developer shall be entitled to one vote for each Unit which it owns. If, however, the Developer elects to designate a Director (or Directors) pursuant to its rights under Article XI; it shall not then be entitled to also vote for the non-developer Directors.

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

Section 4. Quorum. The presence in person or by proxy of 35% the Co-owners qualified to vote shall constitute a quorum for holding a meeting of the members of the Association, except for voting on questions specifically required by the Condominium Documents to require a greater quorum. The written vote of any person furnished at or prior to any duly called meeting at which meeting said person is not otherwise present in person or by proxy shall be counted in determining the presence of a quorum with respect to the question upon which the vote is cast.

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

Section 6. Majority. A majority, except where otherwise provided herein, shall consist of more than 50% of those qualified to vote and present in person or by proxy (or written vote, if applicable) at a given meeting of the members

of the Association. Whenever provided specifically herein, a majority may be required to exceed the simple majority hereinabove set forth.

## ARTICLE IX

### MEETINGS

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

Section 2. First Annual Meeting. The First Annual Meeting of members of the Association may be convened only by the Developer and may be called at any time after more than 50% of the Units in Milford's Hidden Valley have been sold and the purchasers thereof qualified as members of the Association. In no event, however, shall such meeting be called later than 120 days after the conveyance of legal or equitable title to non-developer Co-owners of 75% of all Units or 54 months after the first conveyance of legal or equitable title to a non-developer Co-owner of a Unit in the Project, whichever first occurs. Developer may call meetings of members for informative or other appropriate purposes prior to the First Annual Meeting of members and no such meeting shall be construed as the First Annual Meeting of members. The date, time and place of such meeting shall be set by the Board of Directors, and at least 10 days' written notice thereof shall be given to each Co-owner.

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

Section 4. Special Meetings. It shall be the duty of the President to call a special meeting of the Co-owners as directed by resolution of the Board of Directors or upon a petition signed by 1/3 of the Co-owners presented to the Secretary of the Association. Notice of any special meeting

shall state the time and place of such meeting and the purposes thereof. No business shall be transacted at a special meeting except as stated in the notice.

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

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

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

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



which would be required if the action were taken at a meeting; and (ii) a number of approvals which equals or exceeds the number of votes which would be required for approval if the action were taken at a meeting at which the total number of votes cast was the same as the total number of ballots cast.

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

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

## ARTICLE X

### ADVISORY COMMITTEE

Within one year after conveyance of legal or equitable title to the first Unit in the Condominium to a purchaser or within 120 days after conveyance to purchasers of one-third (1/3) of the Units which may be created, whichever first occurs, the Developer shall cause to be established an Advisory Committee consisting of at least three non-developer Co-owners. The Committee shall be established and perpetuated in any manner the Developer deems advisable. The purpose of the Advisory Committee shall be to facilitate communications between the temporary Board of Directors and the other Co-owners and to aid in the transition of control of the Association from the Developer to purchaser Co-owners. The Advisory Committee shall cease to exist automatically when the non-developer Co-owners have the voting strength to elect a majority of the Board of Directors of the Association. The Developer may remove and replace at its discretion at any time any member of the Advisory Committee who has not been elected thereto by the Co-owners.

## ARTICLE XI

### BOARD OF DIRECTORS

Section 1. Number and Qualification of Directors. The Board of Directors shall be comprised of 3 members, all of

whom must be members of the Association or officers, partners, trustees, employees or agents of members of the Association, except for the first Board of Directors. Directors shall serve without compensation.

Section 2. Election of Directors.

(a) First Board of Directors. The first Board of Directors, or its successors as selected by the Developer, shall manage the affairs of the Association until the appointment of the first non-developer Co-owners to the Board. Elections for non-developer Co-owner Directors shall be held as provided in subsections (b) and (c) below.

(b) Appointment of Non-developer Co-owners to Board Prior to First Annual Meeting. Not later than 120 days after conveyance of legal or equitable title to non-developer Co-owners of 25% of the Units that may be created, one of the three Directors shall be selected by non-developer Co-owners..When the required number of conveyances has been reached, the Developer shall notify the non-developer Co-owners and request that they hold a meeting and elect the required Director. Upon certification by the Co-owners to the Developer of the Director so elected, the Developer shall then immediately appoint such Director to the Board to serve until the First Annual Meeting of members unless he is removed pursuant to Section 7 of this Article or he resigns or becomes incapacitated.

(c) Election of Directors at and After First Annual Meeting.

(1) Not later than 120 days after conveyance of legal or equitable title to non-developer Co-owners of 75% of the Units that may be created, the non-developer Co-owners shall elect all Directors on the Board, except that the Developer shall have the right to designate at least one Director as long as he owns and offers for sale at least five of the Units in the Project. Such designee, if any, shall be one of the total number of Directors referred to in Section 1 above and shall serve a one-year term pursuant to subsection (4) below. Whenever the required conveyance level is achieved, a meeting of Co-owners shall be promptly convened to effectuate this provision, even if the First Annual Meeting has already occurred.

(2) Regardless of the percentage of Units which have been conveyed, upon the expiration of 54 months after the first conveyance of legal or equitable title to a non-developer Co-owner of a

Unit in the Project, the non-developer Co-owners have the right to elect a number of members of the Board of Directors equal to the percentage of Units they own, and the Developer has the right to elect a number of members of the Board of Directors equal to the percentage of Units which are owned by the Developer and for which all assessments are payable by the Developer. This election may increase, but shall not reduce, the minimum election and designation rights otherwise established in subsection (1). Application of this subsection does not require a change in the size of the Board of Directors.

(3) If the calculation of the percentage of members of the Board of Directors that the non-developer Co-owners have the right to elect under subsection (2), or if the product of the number of members of the Board of Directors multiplied by the percentage of Units held by the non-developer Co-owners under subsection (b) results in a right of non-developer Co-owners to elect a fractional number of members of the Board of Directors, then a fractional election right of 0.5 or greater shall be rounded up to the nearest whole number, which number shall be the number of members of the Board of Directors that the non-developer Co-owners have the right to elect. After application of this formula the Developer shall have the right to elect the remaining members of the Board of Directors. Application of this subsection shall not eliminate the right of the Developer to designate 1 Director as provided in subsection (1).

(4) At the First Annual Meeting two Directors shall be elected for a term of two years and one Director shall be elected for a term of one year. At such meeting all nominees shall stand for election as one slate and the two persons receiving the highest number of votes shall be elected for a term of two years and the person receiving the next highest number of votes shall be elected for a term of one year. At each annual meeting held thereafter, either one or two Directors shall be elected depending upon the number of Directors whose terms expire. After the First Annual Meeting, the term of office (except for one of the Directors elected at the First Annual Meeting) of each Director shall be two years. The Directors shall hold office until their successors have been elected and hold their first meeting.

(5) Once the Co-owners have acquired the right hereunder to elect a majority of the Board

of Directors, annual meetings of Co-owners to elect Directors and conduct other business shall be held in accordance with the provisions of Article IX, Section 3 hereof.

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

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

(a) To manage and administer the affairs of and to maintain the Condominium Project and the General Common Elements thereof.

(b) To levy and collect assessments from the members of the Association and to use the proceeds thereof for the purposes of the Association.

(c) To carry insurance and collect and allocate the proceeds thereof.

(d) To rebuild improvements after casualty.

(e) To contract for and employ persons, firms, corporations or other agents to assist in the management, operation, maintenance and administration of the Condominium Project.

(f) To acquire, maintain and improve; and to buy, operate, manage, sell, convey, assign, mortgage or lease any real or personal property (including any Unit in the Condominium and easements, rights-of-way and licenses) on behalf of the Association in furtherance of any of the purposes of the Association.

(g) To borrow money and issue evidences of indebtedness in furtherance of any or all of the purposes of the Association, and to secure the same by mortgage, pledge, or other lien on property owned by the Association; provided, however, that any such action shall also be approved by affirmative vote of 75% of all of the members of the Association in number and in value.

(h) To make rules and regulations in accordance with Article VI, Section 10 of these Bylaws.

(i) To establish such committees as it deems necessary, convenient or desirable and to appoint persons thereto for the purpose of implementing the administration of the Condominium and to delegate to such committees any functions or responsibilities which are not by law or the Condominium Documents required to be performed by the Board.

(j) To enforce the provisions of the Condominium Documents.

Section 5. Management Agent. The Board of Directors may employ for the Association a professional management agent (which may include the Developer or any person or entity related thereto) at reasonable compensation established by the Board to perform such duties and services as the Board shall authorize, including, but not limited to, the duties listed in Sections 3 and 4 of this Article, and the Board may delegate to such management agent any other duties or powers which are not by law or by the Condominium Documents required to be performed by or have the approval of the Board of Directors or the members of the Association. In no event shall the Board be authorized to enter into any contract with a professional management agent, or any other contract providing for services by the Developer, sponsor or builder, in which the maximum term is greater than 3 years or which is not terminable by the Association upon 90 days' written notice thereof to the other party and no such contract shall violate the provisions of Section 55 of the Act. No management contract shall be entered into by the Association where the management fee to be charged to the Association is in excess of five (5%) percent of the total budget, exclusive of reserves for repair and replacement of the common elements.

Section 6. Vacancies. Vacancies in the Board of Directors which occur after the Transitional Control Date caused by any reason other than the removal of a Director by a vote of the members of the Association shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum, except that the Developer shall be solely entitled to fill the vacancy of any Director whom it is permitted in the first instance to designate. Each person so elected shall be a Director until a successor is elected at the next annual meeting of the members of the Association. Vacancies among non-developer Co-owner elected Directors which occur prior to the Transitional Control Date may be filled only through election by non-developer Co-owners and shall be filled in the manner specified in Section 2(b) of this Article.

Section 7. Removal. At any regular or special meeting of the Association duly called with due notice of the removal action proposed to be taken, any one or more of the Directors may be removed with or without cause by the affirmative vote of more than 50% of all of the Co-owners qualified to

vote and a successor may then and there be elected to fill any vacancy thus created. The quorum requirement for the purpose of filling such vacancy shall be the normal 35% requirement set forth in Article VII, Section 4. Any Director whose removal has been proposed by the Co-owners shall be given an opportunity to be heard at the meeting. The Developer may remove and replace any or all of the Directors selected by it at any time or from time to time in its sole discretion. Likewise, any Director selected by the non-developer Co-owners to serve before the First Annual Meeting may be removed before the First Annual Meeting in the same manner set forth in this paragraph for removal of Directors generally.

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

Section 9. Regular Meetings. Regular meetings of the Board of Directors may be held at such times and places as shall be determined from time to time by a majority of the Directors, but at least two such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director personally, by mail, telephone or telegraph, at least 10 days prior to the date named for such meeting.

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

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

Section 12. Quorum. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there be less

than a quorum present, the majority of those present may adjourn the meeting to a subsequent time upon 24 hours' prior written notice delivered to all Directors not present. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice. The joinder of a Director in the action of a meeting by signing and concurring in the minutes thereof, shall constitute the presence of such Director for purposes of determining a quorum.

Section 13. First Board of Directors. The actions of the first Board of Directors of the Association or any successors thereto selected or elected before the Transitional Control Date shall be binding upon the Association so long as such actions are within the scope of the powers and duties which may be exercised generally by the Board of Directors as provided in the Condominium Documents.

Section 14. Fidelity Bonds. The Board of Directors shall require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be expenses of administration.

## ARTICLE XII

### OFFICERS

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

(a) President. The President shall be the chief executive officer of the Association. He or she shall preside at all meetings of the Association and of the Board of Directors. He or she shall have all of the general powers and duties which are usually vested in the office of the President of an association, including, but not limited to, the power to appoint committees from among the members of the Association from time to time as he or she may in his or her discretion deem appropriate to assist in the conduct of the affairs of the Association.

(b) Vice President. The Vice President shall take the place of the President and perform his or her duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board to so do on an

interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him or her by the Board of Directors.

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

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

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

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

Section 4. Duties. The officers shall have such other duties, powers and responsibilities as shall, from time to time, be authorized by the Board of Directors.

## ARTICLE XIII

### SEAL

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



## ARTICLE XIV

### FINANCE

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

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

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

## ARTICLE XV

### INDEMNIFICATION OF OFFICERS AND DIRECTORS

Every Director and officer of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him or her in connection with any proceeding to which he may be a party or in which he may become involved by reason of his or her being or having been a Director or officer of the Association, whether or not he is a Director or officer at the

time such expenses are incurred, except in such cases wherein the Director or officer is adjudged guilty of willful or wanton misconduct or gross negligence in the performance of his or her duties; provided that, in the event of any claim for reimbursement or indemnification hereunder based upon a settlement by the Director or officer seeking such reimbursement or indemnification, the indemnification herein shall apply only if the Board of Directors (with the Director seeking reimbursement abstaining) approves such settlement and reimbursement as being in the best interest of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such Director or officer may be entitled. At least 10 days prior to payment of any indemnification which it has approved, the Board of Directors shall notify all Co-owners thereof. Further, the Board of Directors is authorized to carry officers' and directors' liability insurance covering acts of the officers and Directors of the Association in such amounts as it shall deem appropriate.

## ARTICLE XVI

### AMENDMENTS

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

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

Section 3. Voting. These Bylaws may be amended by the Co-owners at any regular annual meeting or a special meeting called for such purpose by an affirmative vote of not less than 66-2/3% of all Co-owners. No consent of mortgagees shall be required to amend these Bylaws unless such amendment would materially alter or change the rights of such mortgagees, in which event the approval of 66-2/3% of the mortgagees shall be required, with each mortgagee to have one vote for each first mortgage held.

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

Section 5. When Effective. Any amendment to these Bylaws shall become effective upon recording of such amendment in the office of the Oakland County Register of Deeds.

Section 6. Binding. A copy of each amendment to the Bylaws shall be furnished to every member of the Association after adoption; provided, however, that any amendment to these Bylaws that is adopted in accordance with this Article shall be binding upon all persons who have an interest in the Project irrespective of whether such persons actually receive a copy of the amendment.

## ARTICLE XVII

### COMPLIANCE

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

## ARTICLE XVIII

### DEFINITIONS

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

## ARTICLE XIX

### REMEDIES FOR DEFAULT

Any default by a Co-owner shall entitle the Association or another Co-owner or Co-owners to the following relief:

Section 1. Legal Action. Failure to comply with any of the terms or provisions of the Condominium Documents shall be grounds for relief, which may include, without intending to limit the same, an action to recover sums due for damages, injunctive relief, foreclosure of lien (if default in payment of assessment) or any combination thereof, and such relief may be sought by the Association or, if appropriate, by an aggrieved Co-owner or Co-owners.

Section 2. Recovery of Costs. In any proceeding arising because of an alleged default by any Co-owner, the Association, if successful, shall be entitled to recover the costs of the proceeding and such reasonable attorney's fees

(not limited to statutory fees) as may be determined by the court, but in no event shall any Co-owner be entitled to recover such attorney's fees.

Section 3. Removal and Abatement. The violation of any of the provisions of the Condominium Documents shall also give the Association or its duly authorized agents the right, in addition to the rights set forth above, to enter upon the Common Elements or into any Unit (but not into any dwelling or related garage), where reasonably necessary, and summarily remove and abate, at the expense of the Co-owner in violation, any structure, thing or condition existing or maintained contrary to the provisions of the Condominium Documents. The Association shall have no liability to any Co-owner arising out of the exercise of its removal and abatement power authorized herein.

Section 4. Assessment of Fines. The violation of any of the provisions of the Condominium Documents by any Co-owner shall be grounds for assessment by the Association, acting through its duly constituted Board of Directors, of monetary fines for such violations. No fine may be assessed unless in accordance with the provisions of Article XIX thereof.

Section 5. Non-waiver of Right. The failure of the Association or of any Co-owner to enforce any right, provision, covenant or condition which may be granted by the Condominium Documents shall not constitute a waiver of the right of the Association or of any such Co-owner to enforce such right, provision, covenant or condition in the future.

Section 6. Cumulative Rights, Remedies and Privileges. All rights, remedies and privileges granted to the Association or any Co-owner or Co-owners pursuant to any terms, provisions, covenants or conditions of the aforesaid Condominium Documents shall be deemed to be cumulative and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be available to such party at law or in equity.

Section 7. Enforcement of Provisions of Condominium Documents. A Co-owner may maintain an action against the Association and its officers and Directors to compel such persons to enforce the terms and provisions of the Condominium Documents. A Co-owner may maintain an action against any other Co-owner for injunctive relief or for damages or any combination thereof for noncompliance with the terms and provisions of the Condominium Documents or the Act.

## ARTICLE XX

### ASSESSMENT OF FINES

Section 1. General. The violation by any Co-owner, occupant or guest of any provisions of the Condominium Documents including any duly adopted rules and regulations shall be grounds for assessment by the Association, acting through its duly constituted Board of Directors, of monetary fines against the involved Co-owner. Such Co-owner shall be deemed responsible for such violations whether they occur as a result of his or her personal actions or the actions of his or her family, guests, tenants or any other person admitted through such Co-owner to the Condominium Premises.

Section 2. Procedures. Upon any such violation being alleged by the Board, the following procedures will be followed:

(a) Notice. Notice of the violation, including the Condominium Document provision violated, together with a description of the factual nature of the alleged offense set forth with such reasonable specificity as will place the Co-owner on notice as to the violation, shall be sent by first class mail, postage prepaid, or personally delivered to the representative of said Co-owner at the address as shown in the notice required to be filed with the Association pursuant to Article VIII, Section 3 of these Bylaws.

(b) Opportunity to Defend. The offending Co-owner shall have an opportunity to appear before the Board and offer evidence in defense of the alleged violation. The appearance before the Board shall be at its next scheduled meeting but in no event shall the Co-owner be required to appear less than 10 days from the date of the Notice.

(c) Default. Failure to respond to the Notice of Violation constitutes a default.

(d) Hearing and Decision. Upon appearance by the Co-owner before the Board and presentation of evidence of defense, or, in the event of the Co-owner's default, the Board shall, by majority vote of a quorum of the Board, decide whether a violation has occurred. The Board's decision is final.

Section 3. Amounts. Upon violation of any of the provisions of the Condominium Documents and after default of the offending Co-owner or upon the decision of the Board as recited above, the following fines shall be levied:

(a) First Violation. No fine shall be levied.

(b) Second Violation. Twenty-Five Dollars (\$25.00) fine.

(c) Third Violation. Fifty Dollars (\$50.00) fine.

(d) Fourth Violation and Subsequent Violations. One Hundred Dollars (\$100.00) fine.

This schedule of fines may be changed by the Board of Directors by a resolution of the Board. Notwithstanding anything stated in these Bylaws to the contrary, a change in this schedule of fines may be made by Board resolution and will not require that an amendment to these Bylaws be adopted or recorded. Furthermore, should the Board of Directors adopt an appropriate resolution, this schedule of fines may escalate to keep pace with adjustments to the Consumer Price Index as announced by the Bureau of Labor Statistics which Index shall be the Index published to the metropolitan statistical area in which the Project is located.

Section 4. Collection. The fines levied pursuant to Section 3 above shall be assessed against the Co-owner and shall be due and payable together with the regular Condominium assessment on the first of the next following month. Failure to pay the fine will subject the Co-owner to all liabilities set forth in the Condominium Documents including, without limitation, those described in Article II and this Article XX of these Bylaws.

## ARTICLE XXI

### RIGHTS RESERVED TO DEVELOPER

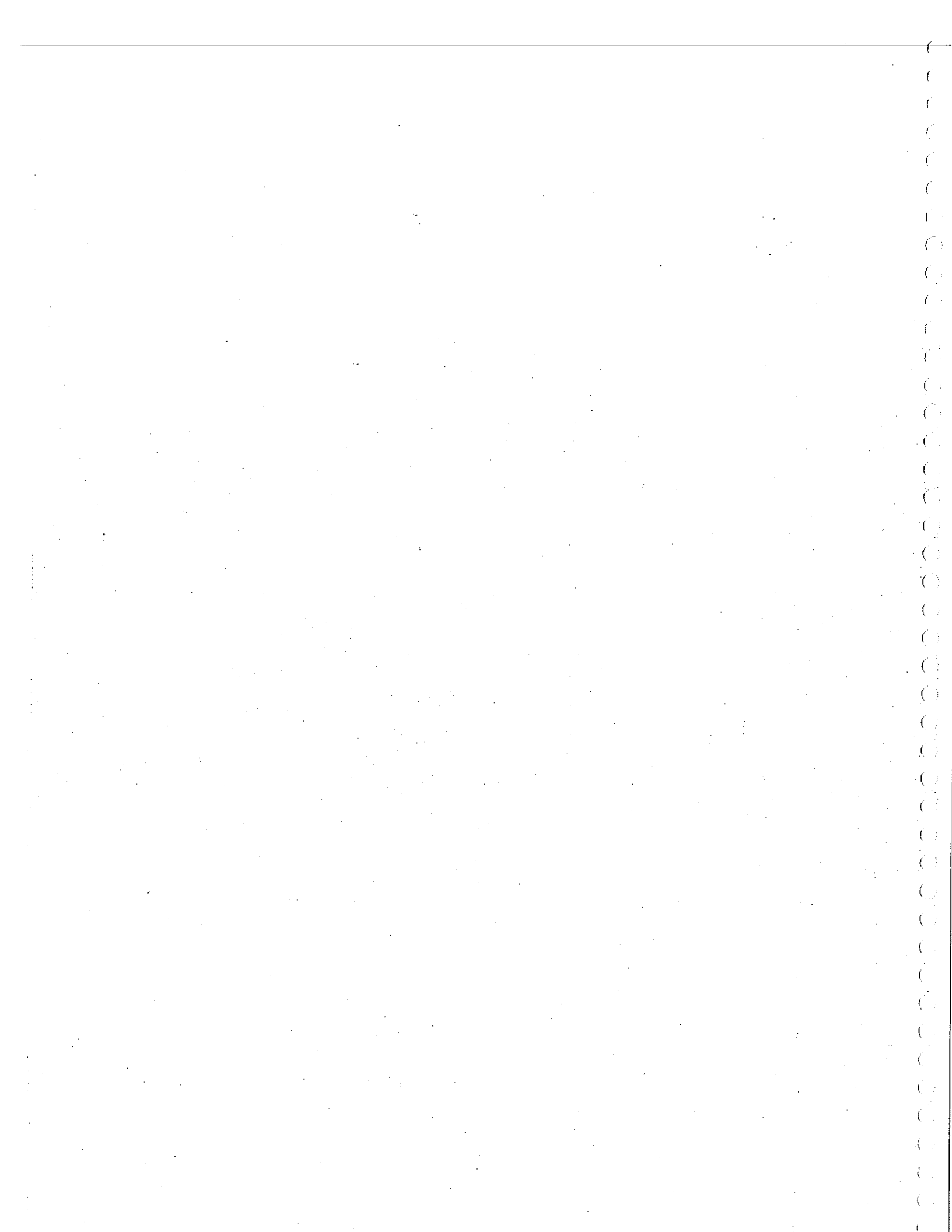
Any or all of the rights and powers granted or reserved to the Developer in the Condominium Documents or by law, including the right and power to approve or disapprove any act, use, or proposed action or any other matter or thing, may be assigned by it to any other entity or to the Association. Any such assignment or transfer shall be made by appropriate instrument in writing in which the assignee or transferee shall join for the purpose of evidencing its acceptance of such powers and rights and such assignee or transferee shall thereupon have the same rights and powers as herein given and reserved to the Developer. Any rights and powers reserved or granted to the Developer or its successors shall terminate, if not sooner assigned to the Association, at the conclusion of the Development and Sales Period as defined in Article IV of the Master Deed. The immediately preceding sentence dealing with the termination of certain rights and powers granted or reserved to the Developer is intended to apply, insofar as the Developer is concerned, only to the Developer's rights to approve and control the administration of the Condominium and shall not, under any circumstances, be construed to apply to or cause the termination of any real property rights granted or

reserved to the Developer or its successors and assigns in the Master Deed or elsewhere (including, but not limited to, access easements, utility easements and all other easements created and reserved in such documents which shall not be terminable in any manner hereunder and which shall be governed only in accordance with the terms of their creation or reservation and not hereby).

## ARTICLE XXII

### SEVERABILITY

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





ATTENTION COUNTY REGISTER OF DEEDS  
THE CONDOMINIUM SUBDIVISION PLAN NUMBER MUST BE SHOWN IN THE TITLE OF THIS PROJECT IT MUST BE PROPERLY SHOWN IN THE TITLE ON THIS SHEET AND IN THE MASTER DEED.

OAKLAND COUNTY CONDOMINIUM  
SUBDIVISION PLAN NO. 692  
EXHIBIT B TO THE MASTER DEED OF  
MILFORD'S HIDDEN VALLEY  
MILFORD TWP., OAKLAND CO., MICHIGAN

ENGINEER & SURVEYOR  
KEFT ENGINEERING INC.  
5952 So. MAIN ST.  
CLARKSTON, MI. 48346

PROPERTY DESCRIPTION

PART OF THE NW 1/4 OF SECTION 3, T2N, R7E, MILFORD TWP., OAKLAND CO. MICHIGAN DESCRIBED AS BEGINNING AT THE NW CORNER OF SAID SECTION 3, TH N 89°21'0"E ALONG THE NORTH LINE OF SAID SECTION 3, TH S 89°21'0"E ALONG THE WEST LINE OF SAID SECTION 3, TH S 00°31'30"W 726.00 FT. TH N 89°21'0"E 100.31 FT. 1300.00 FT. RECORDED, TH N 00°31'30"W 226.02 FT. ALONG SAID LINE, 5021.9 FT. TO THE NORTH LINE OF SAID SECTION 3 AND CENTERLINE OF ROWE RD., TH N 89°21'0"E ALONG SAID LINE, 5021.9 FT. TO THE NW 1/4 CORNER OF SAID SECTION 3, TH N 00°40'57"W 500.00 FT. TO THE LINE OF SAID SECTION 3, 2687.14 FT. TO THE POINT OF BEGINNING, CONTAINING 72.93 ACRES, SUBJECT TO THE RIGHTS OF THE PUBLIC IN ROWE ROAD, SUBJECT ALSO TO ANY OTHER EASEMENTS OF RECORD.

DEVELOPER  
WEST OAKLAND LAND CORP.  
4204 MARTIN ROAD  
WALLED LAKE, MICHIGAN 48390

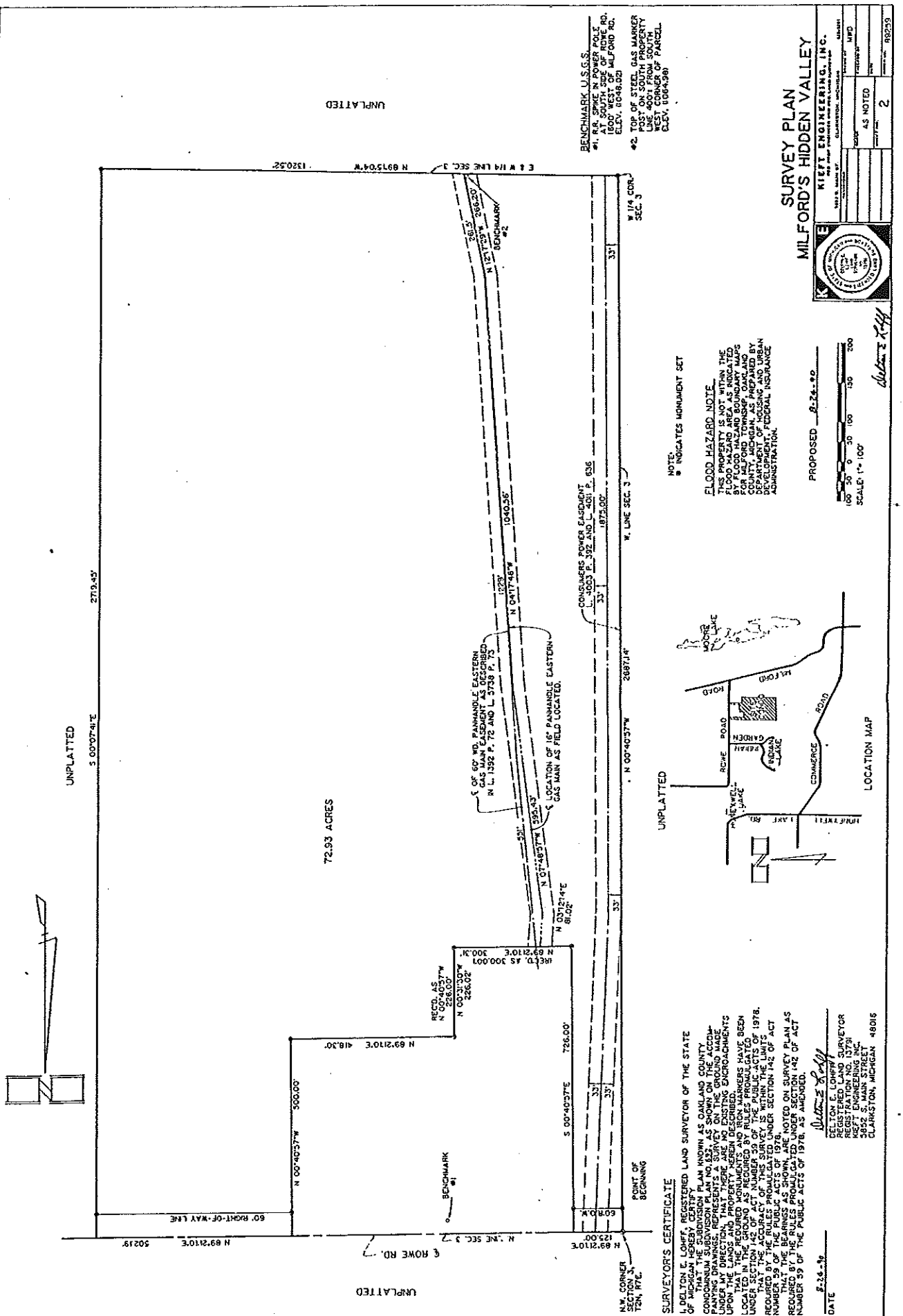
SHEET INDEX

1. TITLE DESCRIPTION
2. SURVEY PLAN
3. SITE PLAN UNITS 1, 2, 26, 27, 28
4. SITE PLAN UNITS 3, THRU 15, 19 THRU 25
5. SITE PLAN UNITS 16 THRU 18, 29 THRU 42
6. UTILITY PLAN UNITS 1, 2, 26, 27, 28
7. UTILITY PLAN UNITS 3, THRU 15, 19 THRU 25
8. UTILITY PLAN UNITS 16 THRU 18, 29 THRU 42
9. PERIMETER PLAN UNITS 1, 2, 26, 27, 28
10. PERIMETER PLAN UNITS 3, THRU 15, 19 THRU 25
11. PERIMETER PLAN UNITS 16 THRU 18, 29 THRU 42
12. COORDINATE CHART, CURVE CHARTS AND UNIT AREAS.



PROPOSED 5-24-90

*Signature*



BENCHMARK U.S.G.S.  
 #1. 8" IR. SPIKE IN POWER POLE  
 AT SOUTH SIDE OF ROWE RD.  
 1600 WEST OF MILFORD RD.  
 ELEV. 1016.02

#2. TOP OF STEEL GAS MARKER  
 IN POWER POLE AT SOUTH  
 WEST CORNER OF PARCEL.  
 ELEV. 1004.98

NOTE:  
 \* INDICATES MONUMENT SET

FLOOD HAZARD NOTE:  
 THIS PROPERTY IS NOT WITHIN THE  
 FLOOD HAZARD ZONE AS SHOWN ON  
 BY FLOOD HAZARD BOUNDARY MAPS  
 FOR MILFORD TOWNSHIP, OAKLAND CO.  
 DEPARTMENT OF HOUSING AND URBAN  
 ADMINISTRATION.

**SURVEY PLAN  
 MILFORD'S HIDDEN VALLEY**

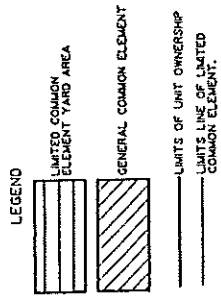
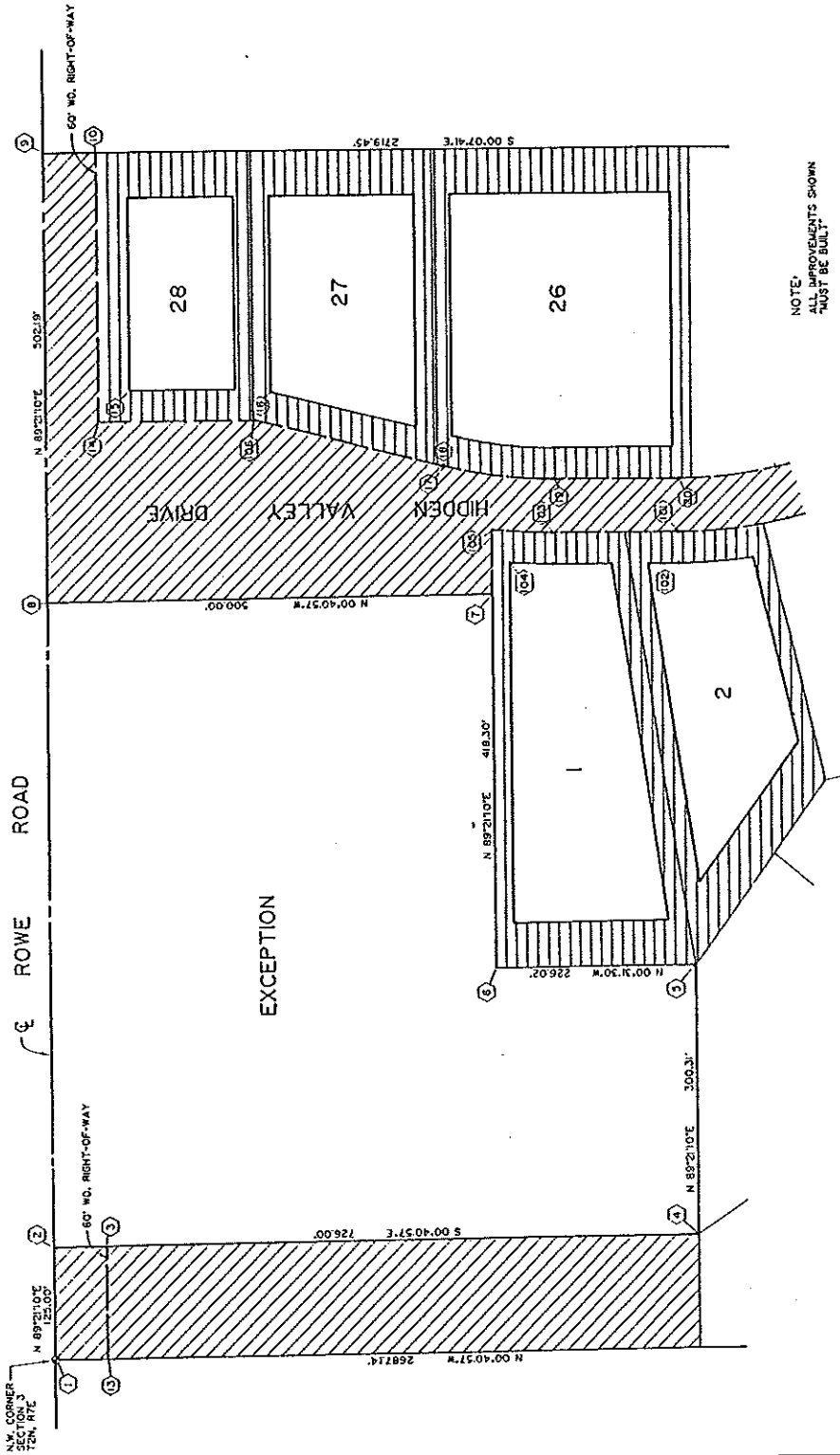
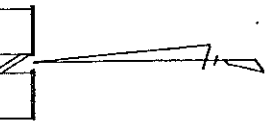
**KIEFF ENGINEERING, INC.**  
 1015 S. MAIN ST.  
 OAKLAND, MICHIGAN 48061

DATE: 8-24-80  
 DRAWN BY: [Signature]  
 CHECKED BY: [Signature]  
 AS NOTED: 2  
 SHEET NO.: 98253

**SURVEYOR'S CERTIFICATE**

I, DELTON E. LOHFF, REGISTERED LAND SURVEYOR OF THE STATE OF MICHIGAN, HEREBY CERTIFY THAT THE SUBDIVISION PLAN KNOWN AS OAKLAND COUNTY PARCEL 1015 S. MAIN ST. AND THE ACCOMPANYING DRAWINGS, REPRESENTS SURVEY ON THE GROUND UNDER MY DIRECTION, THAT THERE ARE NO EXISTING ENCROACHMENTS UPON ANY PORTION OF THE GROUND DESCRIBED, THAT THE REQUIRED MONUMENTS HAVE BEEN LOCATED IN THE GROUND AS REQUIRED BY RULES PROMULGATED UNDER THE PUBLIC ACT NUMBER 39 OF THE PUBLIC ACTS OF 1978, THAT THE SURVEY WAS CONDUCTED AND LISTED ON SURVEY PLAN AS REQUIRED BY THE PUBLIC ACTS OF 1978, NUMBER 39 OF THE PUBLIC ACTS OF 1978, AS AMENDED.

DATE: 8-24-80  
 DELTON E. LOHFF, SURVEYOR  
 REGISTRATION NO. 13731  
 KIEFF ENGINEERING, INC.  
 1015 S. MAIN STREET  
 OAKLAND, MICHIGAN 48061

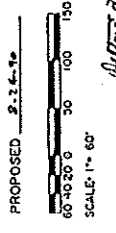


NOTE:  
ALL IMPROVEMENTS SHOWN  
"MUST BE BUILT"

SEE SHEET NO. 4 FOR CONTINUATION

**SITE PLAN  
MILFORD'S HIDDEN VALLEY**

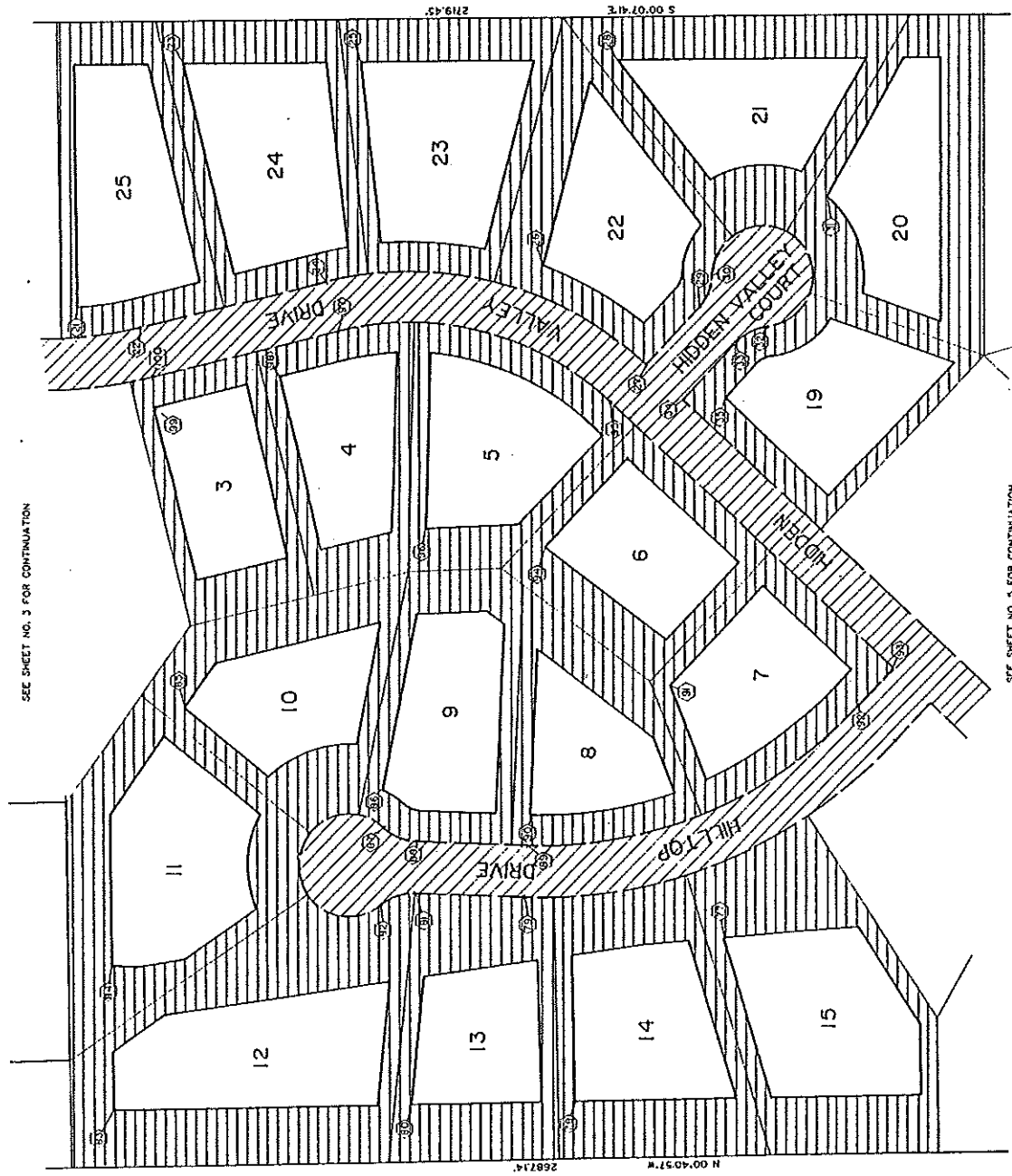
**KIEFT ENGINEERING, INC.**  
 10000 W. GRAND AVENUE, SUITE 100  
 GRAND RAPIDS, MICHIGAN 49508  
 PHONE: (616) 941-1111  
 FAX: (616) 941-1112  
 PROJECT NO. 2000-001  
 SHEET NO. 3  
 DATE: 10/20/00



NOTE: ALL COMMON ELEMENTS, BOTH LIMITED & UNLIMITED, ARE TO BE CONVEYED TO THE UNITS WHICH MAY BE CONVERTED INTO UNITS OR LIMITED COMMON ELEMENTS UNDER SECTION 31 OF THE MICHIGAN CONDOMINIUM ACT.

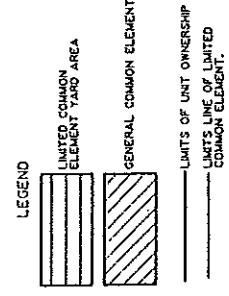
*Patricia Kelly*

SEE SHEET NO. 3 FOR CONTINUATION



2687.14 N 00°40'37" W

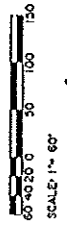
2719.45 S 00°07'41" E



NOTE: ALL COMMON ELEMENTS, BOTH LIMITED & GENERAL, CONVEYED BY THIS PLAN MAY BE CONVERTED INTO UNITS OR LIMITED COMMON ELEMENTS UNDER SECTION 31 OF THE MICHIGAN CONDOMINIUM ACT.

NOTE: ALL IMPROVEMENTS SHOWN MUST BE BUILT.

PROPOSED 2-24-76



*James R. Kelly*

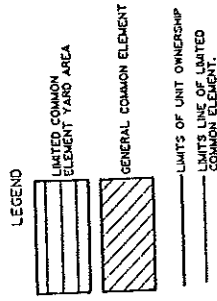
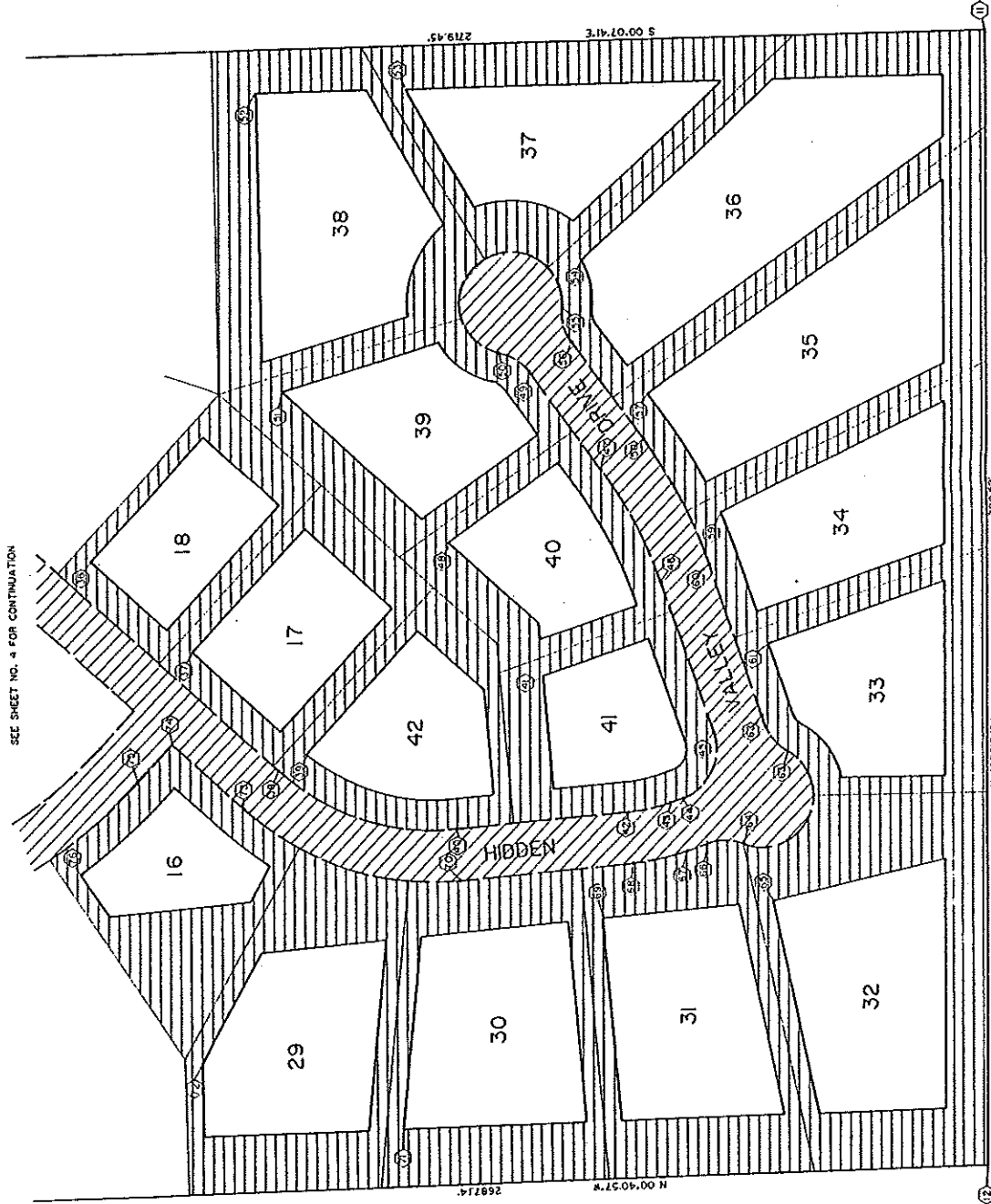


**SITE PLAN  
MILFORD'S HIDDEN VALLEY**

KIEFT ENGINEERING, INC.  
20000 Woodward Ave., Suite 200  
Livonia, Michigan 48150  
Phone: (313) 437-1100

DATE: 02/24/76	PROJECT NO.:
DRAWN BY: J.R.K.	DATE: 02/24/76
CHECKED BY: J.R.K.	SCALE: AS NOTED
PROJECT: MILFORD'S HIDDEN VALLEY	SHEET NO. 4
DATE: 02/24/76	BY: J.R.K.

SEE SHEET NO. 4 FOR CONTINUATION



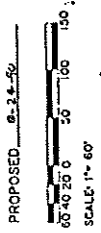
NOTE:  
ALL IMPROVEMENTS SHOWN  
MUST BE BUILT.

# SITE PLAN MILFORD'S HIDDEN VALLEY

**K** **E** **K**

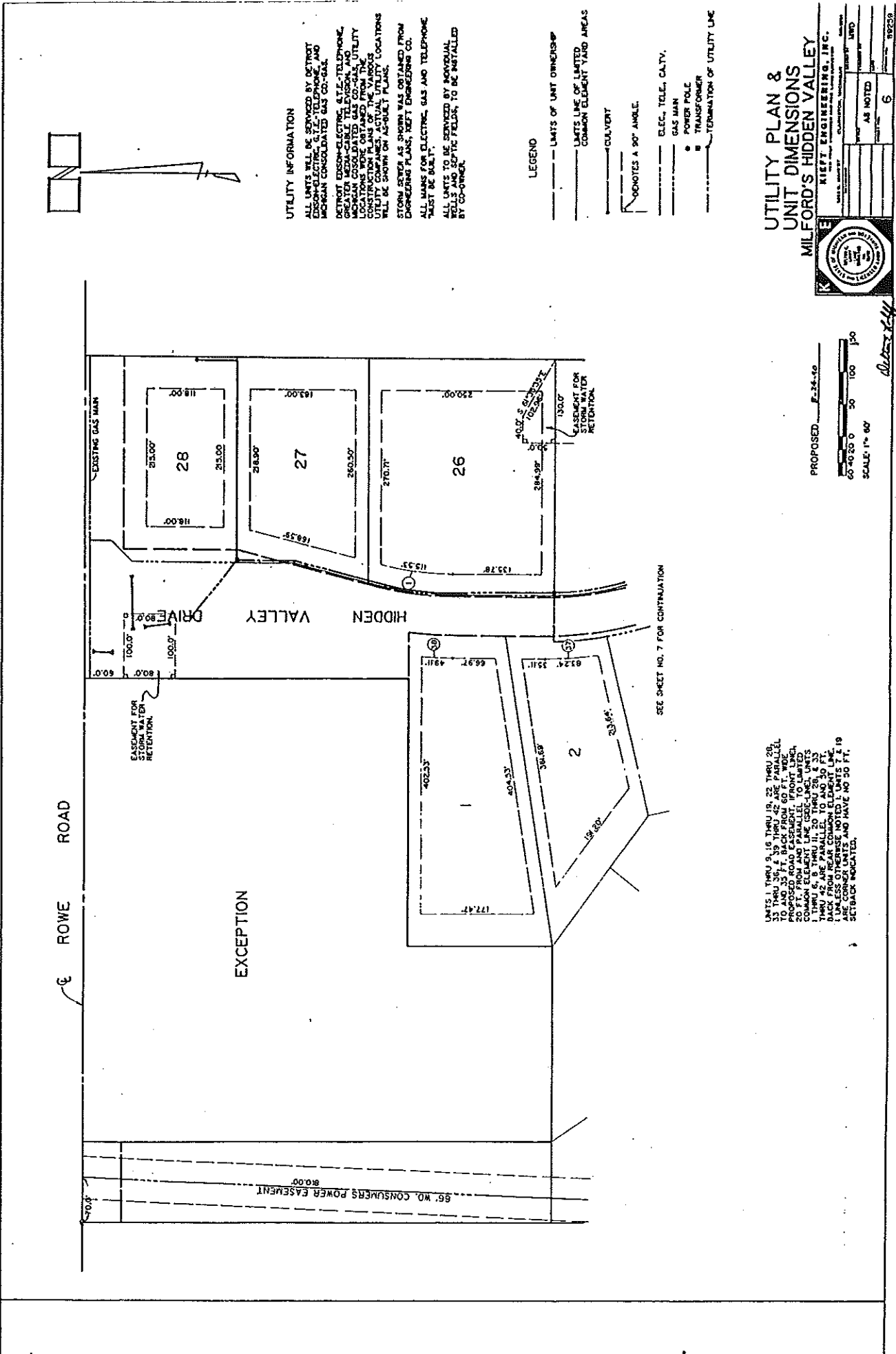
**KIFT ENGINEERING, INC.**  
 10000 W. 10th Street, Suite 100  
 Overland Park, Kansas 66211  
 PHONE: 913-241-5555  
 FAX: 913-241-5556

DATE: 08/25/04  
 DRAWN BY: [blank]  
 CHECKED BY: [blank]  
 PROJECT NO.: [blank]  
 SHEET NO.: 5  
 TOTAL SHEETS: 5



NOTE: ALL COMMON ELEMENTS, BOTH LIMITED & GENERAL, SHOWN HEREON WHICH MAY BE CONVERTED INTO UNITS OR LIMITED COMMON ELEMENTS UNDER SECTION 31 OF THE HIGHERS CONDOMINIUM ACT.

*Detlev R. Kelly*



**UTILITY INFORMATION**  
 ALL UNITS WILL BE SERVED BY DETROIT DISCOM-LECTRIC, G.T.E.-TELEPHONE AND MICHIGAN CONSOLIDATED GAS CO.-GAS.  
 DETROIT DISCOM-LECTRIC, G.T.E.-TELEPHONE, GREATER MEDIA-CABLE TELEVISION, AND MICHIGAN CONSOLIDATED GAS CO.-GAS, UTILITY COMPANIES HAVE BEEN ADVISED OF THE VARIOUS CONSTRUCTION PLANS OF THE VARIOUS UTILITY COMPANIES. ACTUAL UTILITY LOCATIONS WILL BE SHOWN ON AS-BUILT PLANS.  
 STORM SEWER AS SHOWN WAS OBTAINED FROM DRAINAGE PLANS; NEFT ENGINEERING CO.  
 ALL MAINS FOR ELECTRIC, GAS AND TELEPHONE MUST BE BUILT.  
 ALL UNITS TO BE SERVED BY INDIVIDUAL WELLS AND SEPTIC FIELDS, TO BE INSTALLED BY CO-OWNER.

- LEGEND**
- LIMITS OF UNIT OWNERSHIP
  - LIMITS OF LIMITED COMMON ELEMENT YARD AREAS
  - CULVERT
  - DENOTES A 90° ANGLE
  - ELEC, TELE, CATV.
  - GAS MAIN
  - POWER POLE
  - TRANSFORMER
  - TERMINATION OF UTILITY LINE

**UTILITY PLAN & UNIT DIMENSIONS**  
**MILFORD'S HIDDEN VALLEY**

**PROPOSED P-24-40**

SCALE: 1" = 60'

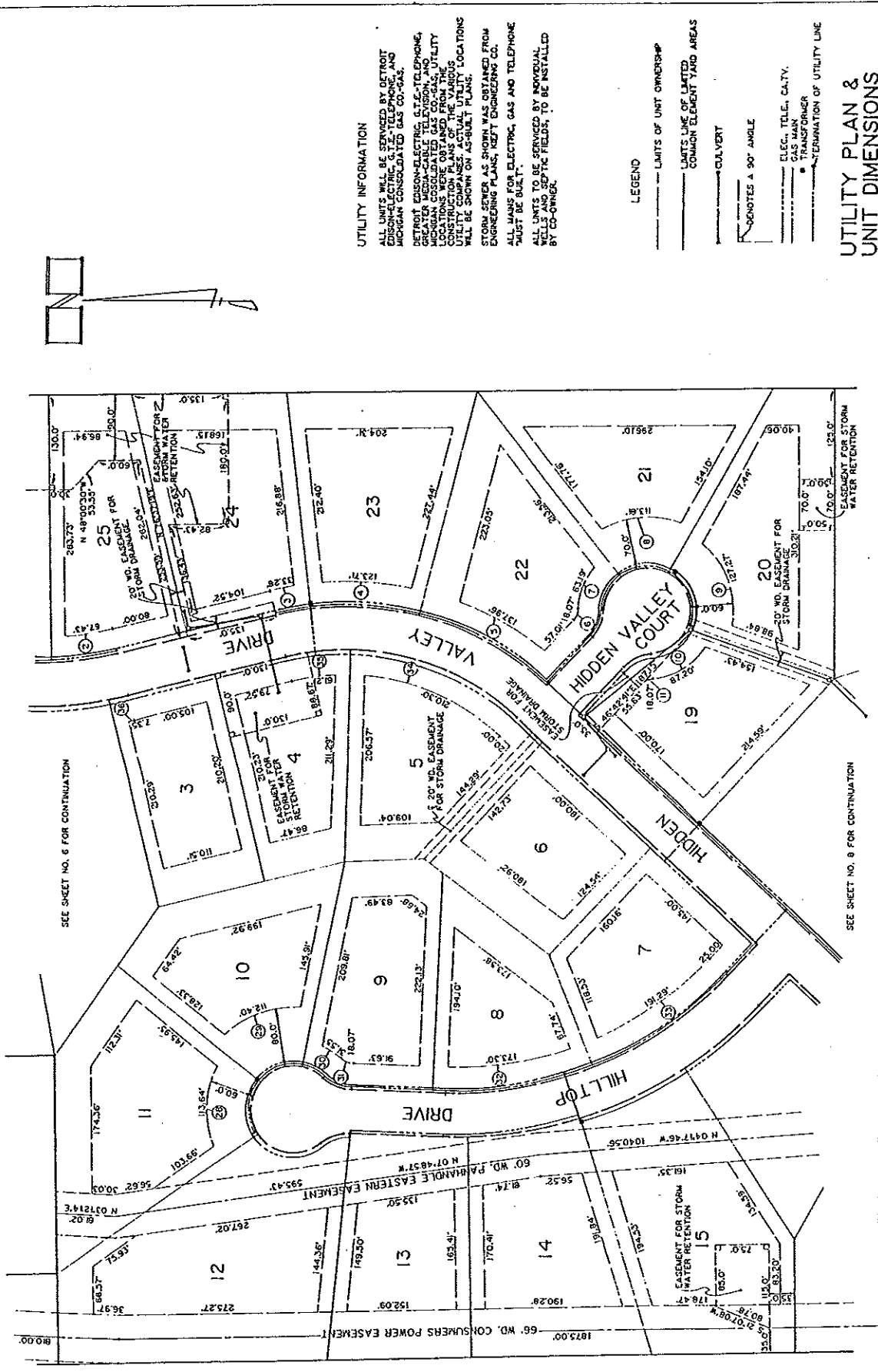
60'-0" 20' 0" 50' 100' 150'

DATE: 11/15/88  
 DRAWN BY: J. J. BROWN  
 CHECKED BY: J. J. BROWN  
 PROJECT NO.: 6  
 SHEET NO.: 6

**RIEFT ENGINEERING, INC.**  
 10000 Woodward Avenue, Detroit, Michigan 48202  
 (313) 963-1100

UNITS 1 THRU 9, 16 THRU 19, 22 THRU 28, 33 THRU 36, 43 THRU 42 ARE PARALLEL TO ROWE ROAD. UNITS 10, 11, 12, 13, 14, 15, 17, 18, 20, 21, 23, 24, 25, 27, 29, 30, 31, 32, 34, 35, 37, 38, 39, 40, 41, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100 ARE PARALLEL TO LIMITED COMMON ELEMENT LINE (SEE PLAN). UNITS 1 THRU 42 ARE PARALLEL TO AND 40 FT. BACK FROM REAR COMMON ELEMENT LINE. UNITS 43 THRU 45 ARE PARALLEL TO AND 40 FT. BACK FROM REAR COMMON ELEMENT LINE. UNITS 46 THRU 48 ARE PARALLEL TO AND 40 FT. BACK FROM REAR COMMON ELEMENT LINE. UNITS 49 THRU 51 ARE PARALLEL TO AND 40 FT. BACK FROM REAR COMMON ELEMENT LINE. UNITS 52 THRU 54 ARE PARALLEL TO AND 40 FT. BACK FROM REAR COMMON ELEMENT LINE. UNITS 55 THRU 57 ARE PARALLEL TO AND 40 FT. BACK FROM REAR COMMON ELEMENT LINE. UNITS 58 THRU 60 ARE PARALLEL TO AND 40 FT. BACK FROM REAR COMMON ELEMENT LINE. UNITS 61 THRU 63 ARE PARALLEL TO AND 40 FT. BACK FROM REAR COMMON ELEMENT LINE. UNITS 64 THRU 66 ARE PARALLEL TO AND 40 FT. BACK FROM REAR COMMON ELEMENT LINE. UNITS 67 THRU 69 ARE PARALLEL TO AND 40 FT. BACK FROM REAR COMMON ELEMENT LINE. UNITS 70 THRU 72 ARE PARALLEL TO AND 40 FT. BACK FROM REAR COMMON ELEMENT LINE. UNITS 73 THRU 75 ARE PARALLEL TO AND 40 FT. BACK FROM REAR COMMON ELEMENT LINE. UNITS 76 THRU 78 ARE PARALLEL TO AND 40 FT. BACK FROM REAR COMMON ELEMENT LINE. UNITS 79 THRU 81 ARE PARALLEL TO AND 40 FT. BACK FROM REAR COMMON ELEMENT LINE. UNITS 82 THRU 84 ARE PARALLEL TO AND 40 FT. BACK FROM REAR COMMON ELEMENT LINE. UNITS 85 THRU 87 ARE PARALLEL TO AND 40 FT. BACK FROM REAR COMMON ELEMENT LINE. UNITS 88 THRU 90 ARE PARALLEL TO AND 40 FT. BACK FROM REAR COMMON ELEMENT LINE. UNITS 91 THRU 93 ARE PARALLEL TO AND 40 FT. BACK FROM REAR COMMON ELEMENT LINE. UNITS 94 THRU 96 ARE PARALLEL TO AND 40 FT. BACK FROM REAR COMMON ELEMENT LINE. UNITS 97 THRU 99 ARE PARALLEL TO AND 40 FT. BACK FROM REAR COMMON ELEMENT LINE. UNITS 100 ARE PARALLEL TO AND 40 FT. BACK FROM REAR COMMON ELEMENT LINE.

SEE SHEET NO. 7 FOR CONTINUATION



**UTILITY INFORMATION**

ALL UNITS WILL BE SERVED BY DETROIT EDISON-ELECTRIC, G.T.E.-TELEPHONE, AND MICHIGAN CONSOLIDATED GAS CO.-GAS.

DETROIT EDISON-ELECTRIC, G.T.E.-TELEPHONE, GREATER MEDIA-CABLE TELEVISION, AND MICHIGAN CONSOLIDATED GAS CO.-GAS CONSTRUCTION PLANS OF THE VARIOUS UTILITIES WILL BE SHOWN ON ASPECT PLANS.

STORM SEWER AS SHOWN WAS OBTAINED FROM ENGINEERING PLANS, NEST ENGINEERING CO.

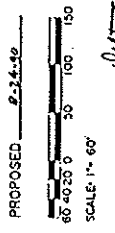
ALL MAINS FOR ELECTRIC, GAS AND TELEPHONE MUST BE BUILT.

ALL UNITS TO BE SERVED BY INDIVIDUAL ELECTRIC AND TELEPHONE, TO BE INSTALLED BY CO-OWNER.

- LEGEND**
- LIMITS OF UNIT OWNERSHIP
  - LIMITS, LINE OF LIMITED COMMON ELEMENT YARD AREAS
  - CALVERTY
  - 90° ANGLE
  - ELEC. TELE. G.A.T.V.
  - GAS MAIN
  - TRANSFORMER
  - TERMINATION OF UTILITY LINE

**UTILITY PLAN & UNIT DIMENSIONS**  
**MILFORD'S HIDDEN VALLEY**

**MILFORD ENGINEERING, INC.**  
 12345 STATE ST. SUITE 100  
 MILFORD, MI 48130  
 PHONE: (313) 123-4567  
 FAX: (313) 123-4568  
 PROJECT NO. 7  
 SHEET NO. 7  
 DATE: 11/15/88



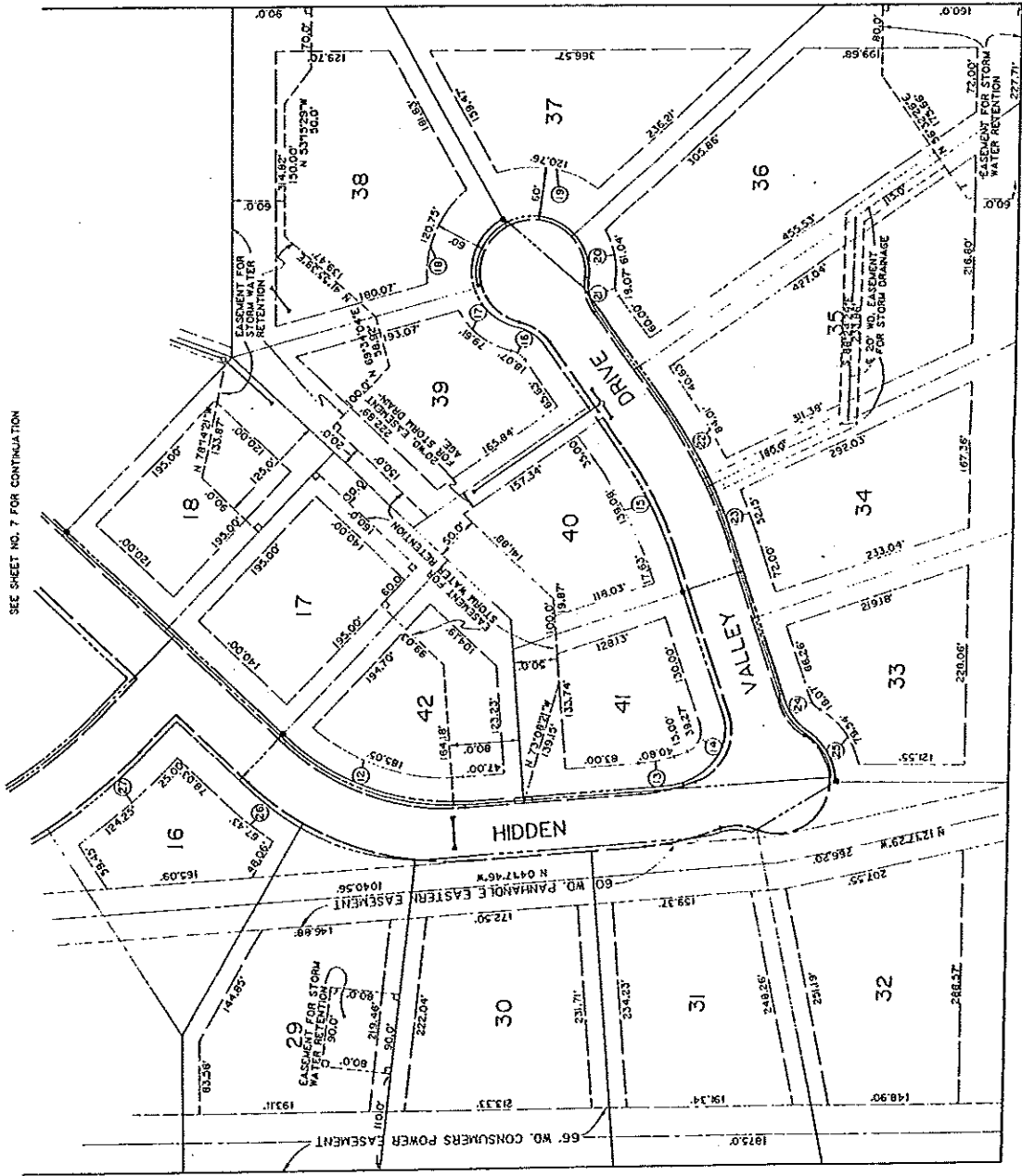
UNITS 1 THRU 5, 16 THRU 19, 22 THRU 28, 30 AND 31, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100, 101, 102, 103, 104, 105, 106, 107, 108, 109, 110, 111, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 130, 131, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 151, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, 232, 233, 234, 235, 236, 237, 238, 239, 240, 241, 242, 243, 244, 245, 246, 247, 248, 249, 250, 251, 252, 253, 254, 255, 256, 257, 258, 259, 260, 261, 262, 263, 264, 265, 266, 267, 268, 269, 270, 271, 272, 273, 274, 275, 276, 277, 278, 279, 280, 281, 282, 283, 284, 285, 286, 287, 288, 289, 290, 291, 292, 293, 294, 295, 296, 297, 298, 299, 300, 301, 302, 303, 304, 305, 306, 307, 308, 309, 310, 311, 312, 313, 314, 315, 316, 317, 318, 319, 320, 321, 322, 323, 324, 325, 326, 327, 328, 329, 330, 331, 332, 333, 334, 335, 336, 337, 338, 339, 340, 341, 342, 343, 344, 345, 346, 347, 348, 349, 350, 351, 352, 353, 354, 355, 356, 357, 358, 359, 360, 361, 362, 363, 364, 365, 366, 367, 368, 369, 370, 371, 372, 373, 374, 375, 376, 377, 378, 379, 380, 381, 382, 383, 384, 385, 386, 387, 388, 389, 390, 391, 392, 393, 394, 395, 396, 397, 398, 399, 400, 401, 402, 403, 404, 405, 406, 407, 408, 409, 410, 411, 412, 413, 414, 415, 416, 417, 418, 419, 420, 421, 422, 423, 424, 425, 426, 427, 428, 429, 430, 431, 432, 433, 434, 435, 436, 437, 438, 439, 440, 441, 442, 443, 444, 445, 446, 447, 448, 449, 450, 451, 452, 453, 454, 455, 456, 457, 458, 459, 460, 461, 462, 463, 464, 465, 466, 467, 468, 469, 470, 471, 472, 473, 474, 475, 476, 477, 478, 479, 480, 481, 482, 483, 484, 485, 486, 487, 488, 489, 490, 491, 492, 493, 494, 495, 496, 497, 498, 499, 500, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 511, 512, 513, 514, 515, 516, 517, 518, 519, 520, 521, 522, 523, 524, 525, 526, 527, 528, 529, 530, 531, 532, 533, 534, 535, 536, 537, 538, 539, 540, 541, 542, 543, 544, 545, 546, 547, 548, 549, 550, 551, 552, 553, 554, 555, 556, 557, 558, 559, 560, 561, 562, 563, 564, 565, 566, 567, 568, 569, 570, 571, 572, 573, 574, 575, 576, 577, 578, 579, 580, 581, 582, 583, 584, 585, 586, 587, 588, 589, 590, 591, 592, 593, 594, 595, 596, 597, 598, 599, 600, 601, 602, 603, 604, 605, 606, 607, 608, 609, 610, 611, 612, 613, 614, 615, 616, 617, 618, 619, 620, 621, 622, 623, 624, 625, 626, 627, 628, 629, 630, 631, 632, 633, 634, 635, 636, 637, 638, 639, 640, 641, 642, 643, 644, 645, 646, 647, 648, 649, 650, 651, 652, 653, 654, 655, 656, 657, 658, 659, 660, 661, 662, 663, 664, 665, 666, 667, 668, 669, 670, 671, 672, 673, 674, 675, 676, 677, 678, 679, 680, 681, 682, 683, 684, 685, 686, 687, 688, 689, 690, 691, 692, 693, 694, 695, 696, 697, 698, 699, 700, 701, 702, 703, 704, 705, 706, 707, 708, 709, 710, 711, 712, 713, 714, 715, 716, 717, 718, 719, 720, 721, 722, 723, 724, 725, 726, 727, 728, 729, 730, 731, 732, 733, 734, 735, 736, 737, 738, 739, 740, 741, 742, 743, 744, 745, 746, 747, 748, 749, 750, 751, 752, 753, 754, 755, 756, 757, 758, 759, 760, 761, 762, 763, 764, 765, 766, 767, 768, 769, 770, 771, 772, 773, 774, 775, 776, 777, 778, 779, 780, 781, 782, 783, 784, 785, 786, 787, 788, 789, 790, 791, 792, 793, 794, 795, 796, 797, 798, 799, 800, 801, 802, 803, 804, 805, 806, 807, 808, 809, 810, 811, 812, 813, 814, 815, 816, 817, 818, 819, 820, 821, 822, 823, 824, 825, 826, 827, 828, 829, 830, 831, 832, 833, 834, 835, 836, 837, 838, 839, 840, 841, 842, 843, 844, 845, 846, 847, 848, 849, 850, 851, 852, 853, 854, 855, 856, 857, 858, 859, 860, 861, 862, 863, 864, 865, 866, 867, 868, 869, 870, 871, 872, 873, 874, 875, 876, 877, 878, 879, 880, 881, 882, 883, 884, 885, 886, 887, 888, 889, 890, 891, 892, 893, 894, 895, 896, 897, 898, 899, 900, 901, 902, 903, 904, 905, 906, 907, 908, 909, 910, 911, 912, 913, 914, 915, 916, 917, 918, 919, 920, 921, 922, 923, 924, 925, 926, 927, 928, 929, 930, 931, 932, 933, 934, 935, 936, 937, 938, 939, 940, 941, 942, 943, 944, 945, 946, 947, 948, 949, 950, 951, 952, 953, 954, 955, 956, 957, 958, 959, 960, 961, 962, 963, 964, 965, 966, 967, 968, 969, 970, 971, 972, 973, 974, 975, 976, 977, 978, 979, 980, 981, 982, 983, 984, 985, 986, 987, 988, 989, 990, 991, 992, 993, 994, 995, 996, 997, 998, 999, 1000.

SEE SHEET NO. 6 FOR CONTINUATION

SEE SHEET NO. 8 FOR CONTINUATION



SEE SHEET NO. 7 FOR CONTINUATION



**UTILITY INFORMATION**  
 ALL UNITS WILL BE SERVICED BY DETROIT EDISON-ELECTRIC, G.T.E.-TELEPHONE, AND MICHIGAN CONSOLIDATED GAS CO.-GAS.  
 DETROIT EDISON-ELECTRIC, G.T.E.-TELEPHONE, AND GREATER MEDIA-CABLE TELEVISION, AND LOCAL CABLE TELEVISION, FROM THE UTILITY LOCATION SERVICE OBTAINED FROM THE UTILITY CONSTRUCTION PLANS OF THE VARIOUS UTILITY COMPANIES. ACTUAL UTILITY LOCATIONS WILL BE SHOWN ON AS-BUILT PLANS.  
 STORM SEWER AS SHOWN WAS OBTAINED FROM ENGINEERING PLANS; KIIFT ENGINEERING CO.  
 ALL MANS FOR ELECTRIC, GAS AND TELEPHONE ALL UNITS TO BE BUILT.  
 ALL UNITS TO BE BUILT, TO BE INSTALLED BY CO-ORDINATE.

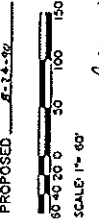
**LEGEND**

- UNITS OF UNIT OWNERSHIP
- LIMITS LINE OF LIMITED COMMON ELEMENT YARD AREAS
- CULVERT
- DENOTES A 90° ANGLE
- ELEC. TELE. CATV.
- GAS MAIN
- TRANSFORMER
- TERMINATION OF UTILITY LINE

**UTILITY PLAN & UNIT DIMENSIONS**  
**MILFORD'S HIDDEN VALLEY**

**KIIFT ENGINEERING, INC.**  
 2700 W. GRAND AVENUE  
 ANN ARBOR, MICHIGAN 48106  
 PHONE: 764-1100  
 FAX: 764-1101  
 PROJECT NO. 88229

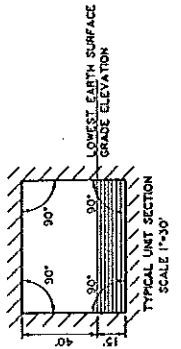
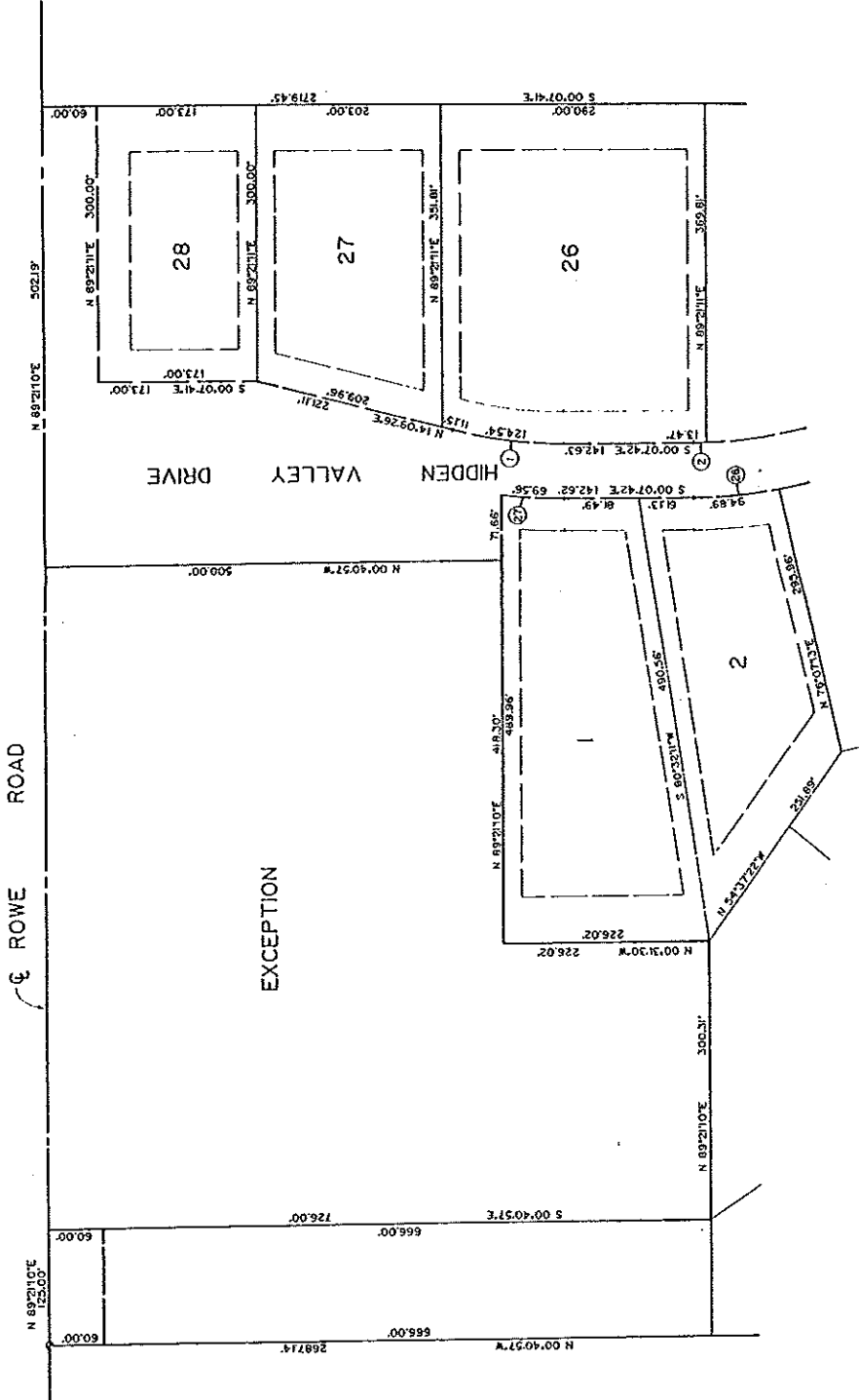
DATE: 11/11/88  
 DRAWN BY: JMD  
 CHECKED BY: JMD  
 SCALE: AS NOTED



UNITS 1 THRU 6, 16 THRU 19, 22 THRU 25, 33 THRU 36, & 39 THRU 42 ARE PARALLEL TO AND 35 FT. BACK FROM 60 FT. WIDE HIDDEN VALLEY DRIVE. UNITS 7, 10, 11, 20, 21, 26, 27, 28, 31, 32, 34, 35, 37, 38, 40, 41, & 42 ARE PARALLEL TO AND 20 FT. FROM AND PARALLEL TO THE COMMON ELEMENT LINE (SIDE LINE). UNITS 1 THRU 6, 8, 9, 10, 11, 20 THRU 25, & 33 THRU 36 FROM REAR COMMON ELEMENT LINE (UNLESS OTHERWISE NOTED). UNITS 7 & 19 SETBACK INDICATED AND HAVE NO 50 FT. SETBACK INDICATED.

*James G. Kelly*





LEGEND  
 ——— BOUNDARY LINE OF CONDOMINIUM  
 - - - UNIT LINE  
 - - - UNIT LINES OF LIMITED COMMON ELEMENT YARD AREAS.

SEE SHEET NO. 10 FOR CONTINUATION

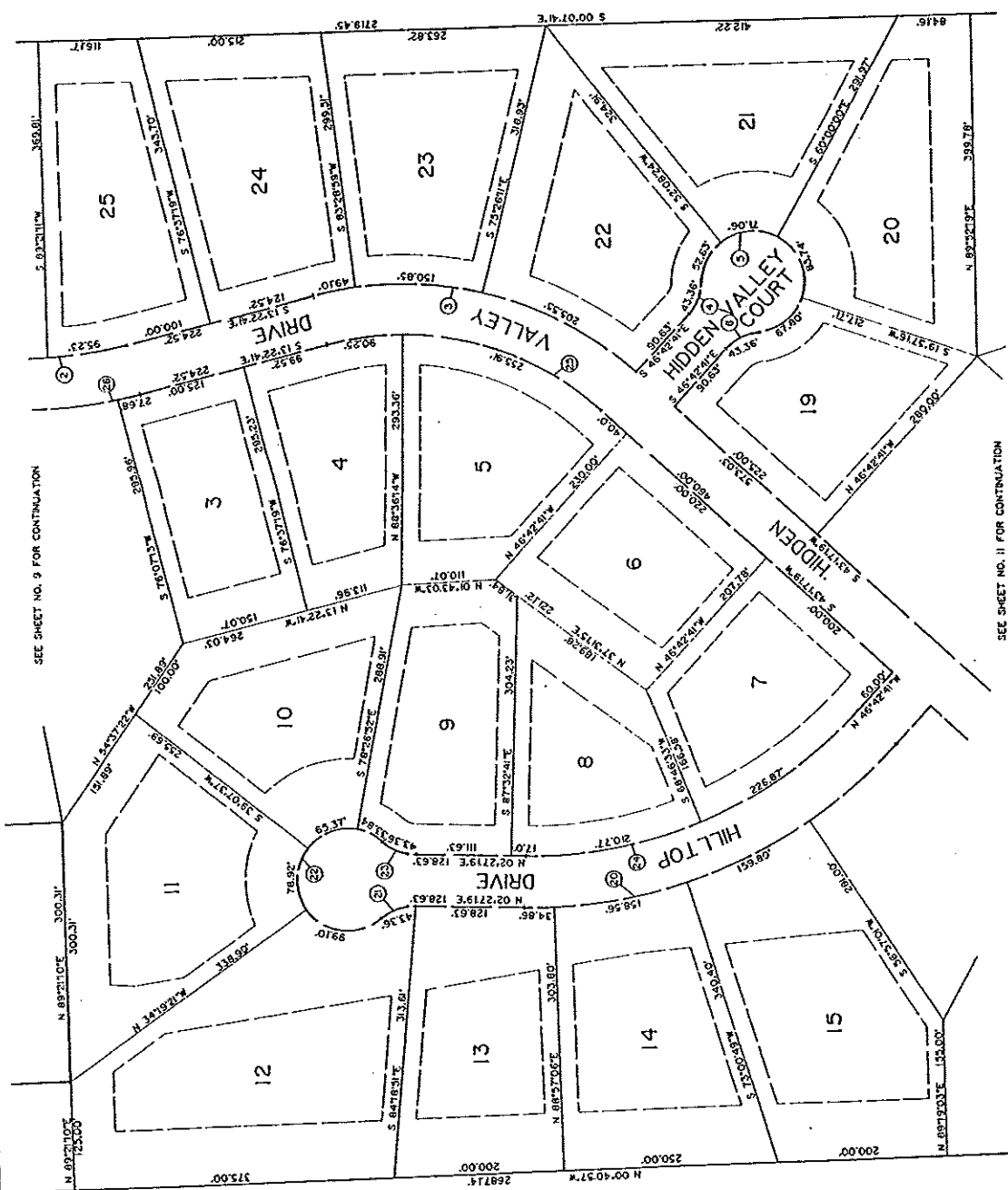


PROPOSED P-24-46

PERIMETERS OF THE  
 LIMITED COMMON LINES  
 MILFORD'S HIDDEN VALLEY



DATE	PROJECT	SHEET NO.	TOTAL SHEETS
10/20/11	MILFORD'S HIDDEN VALLEY	9	10
AS NOTED			
PROJECT NO.		89259	



SEE SHEET NO. 9 FOR CONTINUATION

SEE SHEET NO. 11 FOR CONTINUATION

LEGEND  
 ——— BOUNDARY LINE OF CONDOMINIUM  
 - - - - UNIT LINE  
 - - - - LIMIT LINES OF LIMITED COMMON ELEMENT YARD AREAS.

PERIMETERS OF THE  
 LIMITED COMMON LINES  
 MILFORD'S HIDDEN VALLEY



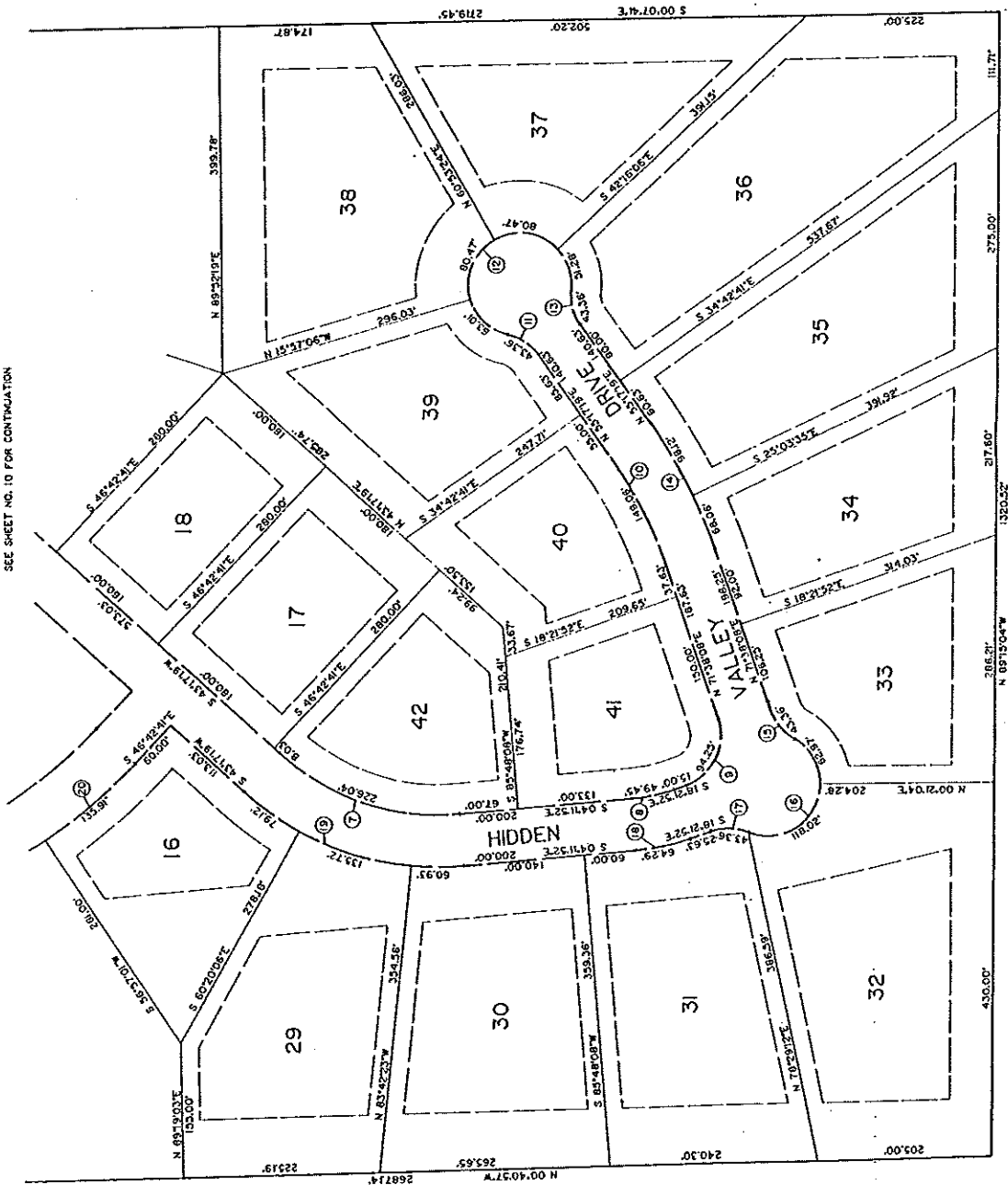
PROJECT NO.	10
DATE	AS NOTED
BY	AS NOTED
CHECKED BY	AS NOTED
SCALE	1" = 60'

PROPOSED 8.14.14  
 60'-0" 30' 150'  
 SCALE: 1" = 60'

*Robert E. Kieft*

KIEFT ENGINEERING, INC.  
 10000 W. LEXINGTON AVENUE  
 SUITE 100  
 LEXINGTON, MICHIGAN 48369-1000  
 PHONE: (248) 837-1000  
 FAX: (248) 837-1001  
 WWW: KIEFTENGINEERING.COM

SEE SHEET NO. 10 FOR CONTINUATION



LEGEND

- BOUNDARY LINE OF CONDOMINIUM
- - - UNIT LINE
- ..... LIMIT LINES OF LIMITED COMMON ELEMENT YARD AREAS.

PERIMETERS OF THE  
LIMITED COMMON LINES  
MILFORD'S HIDDEN VALLEY



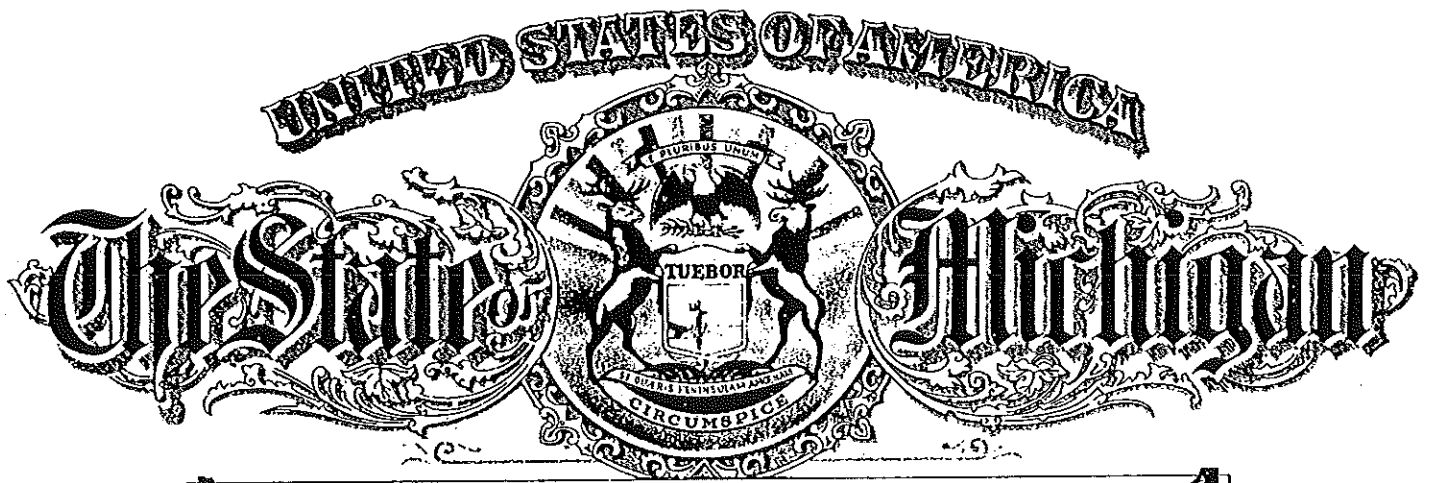
R. J. E. ENGINEERING, INC.  
1000 N. WASHINGTON ST.  
Baltimore, Maryland 21201  
DATE: 11/11/00  
PROJECT: AS NOTED  
DRAWN BY: [Signature]  
CHECKED BY: [Signature]  
SCALE: 1" = 60'

PROPOSED 2'-14'-0"  
60'-0" TO 0 30 100 150  
SCALE: 1" = 60'

*John E. Kelly*







Michigan Department of Commerce

Lansing, Michigan

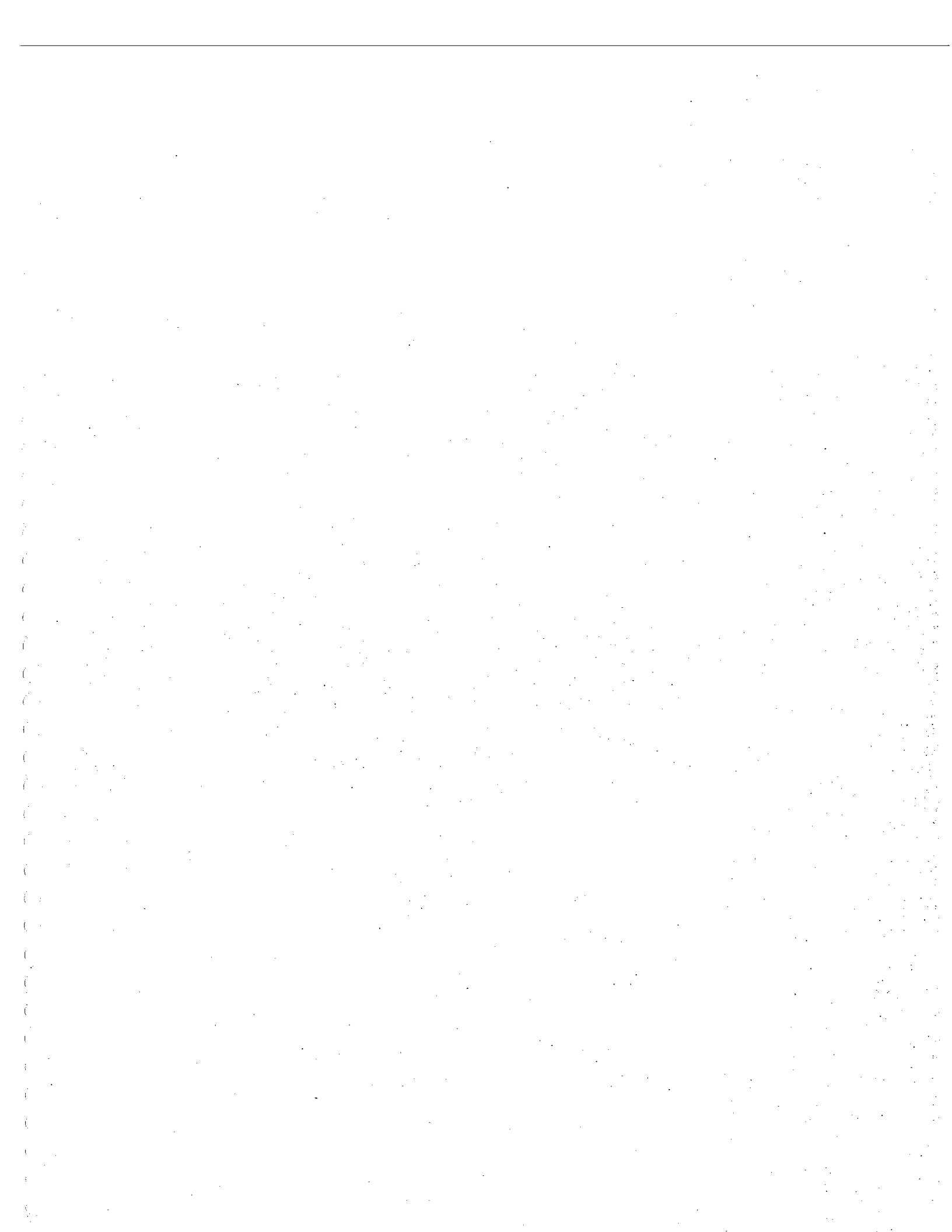
*This is to Certify That Articles of Incorporation of*

MILFORD'S HIDDEN VALLEY ASSOCIATION

*were duly filed in this office on the* 11TH *day of* SEPTEMBER, 19 90 *,*  
*in conformity with Act 162, Public Acts of 1982.*

*In testimony whereof, I have hereunto set my*  
*hand and affixed the Seal of the Department,*  
*in the City of Lansing, this* 11TH *day*  
*of* SEPTEMBER *,* 19 90 *.*

*Louis S. Meyer* Director



RECEIVED

SEP 4 - 1990

904E 41781 0709  
# 20,00

NON-PROFIT  
ARTICLES OF INCORPORATION

760-200

MICHIGAN DEPT OF COMMERCE OF Incorporation are signed and acknowledged by the incorporator for the purpose of forming a non-profit corporation under the provisions of Act No. 162 of the Public Acts of 1982, as amended, as follows:

ARTICLE I  
NAME

The name of the corporation is Milford's Hidden Valley Association.

FILED

SEP 11 1990

ARTICLE II  
PURPOSES

Administrator  
MICHIGAN DEPARTMENT OF COMMERCE  
Corporation & Securities Bureau

The purposes for which the corporation is formed are as follows:

- (a) To manage and administer the affairs of and to maintain Milford's Hidden Valley, a condominium (hereinafter called "Condominium");
- (b) To levy and collect assessments against and from the members of the corporation and to use the proceeds thereof for the purposes of the corporation;
- (c) To carry insurance and to collect and allocate the proceeds thereof;
- (d) To rebuild improvements after casualty;
- (e) To contract for and employ persons, firms, or corporations to assist in management, operation, maintenance and administration of said Condominium;
- (f) To make and enforce reasonable regulations concerning the use and enjoyment of said Condominium;
- (g) To own, maintain and improve, and to buy, sell, convey, assign, mortgage, or lease (as landlord or tenant) any real and personal property, including, but not limited to, any Unit in the Condominium, any easements or licenses or any other real property, whether or not contiguous to the Condominium, for the purpose of providing benefit to the members of the corporation and in furtherance of any of the purposes of the corporation;
- (h) To borrow money and issue evidences of indebtedness in furtherance of any or all of the objects of its business; to secure the same by mortgage, pledge or other lien;
- (i) To enforce the provisions of the Master Deed and Bylaws of the Condominium and of these Articles of Incorporation and such Bylaws and Rules and Regulations of this corporation as may hereinafter be adopted;
- (j) To do anything required of or permitted to it as administrator of said Condominium by the Condominium Master Deed or Bylaws or by Act No. 59 of Public Acts of 1978, as amended; and
- (k) In general, to enter into any kind of activity, to make and perform any contract and to exercise all powers necessary, incidental or convenient to the administration, management, maintenance, repair, replacement and operation of said Condominium and to the accomplishment of any of the purposes thereof.

ARTICLE III  
ADDRESS

Address of the first registered office is 4204 Martin Road, Suite C, Walled Lake, Michigan 48390.

ARTICLE IV  
RESIDENT AGENT

The name of the first resident agent is Keith Mohr.

ARTICLE V  
BASIS OF ORGANIZATION AND ASSETS

Said corporation is organized upon a non-stock, membership basis.

P.



The value of assets which said corporation possesses is — Real Property: None  
Personal Property: None

Said corporation is to be financed under the following general plan: Assessment of members

#### ARTICLE VI INCORPORATOR

The name of the incorporator is Gregory J. Gamalski and his place of business is 505 North Woodward Ave., Suite 3000, Bloomfield Hills, Michigan 48304.

#### ARTICLE VII EXISTENCE

The term of corporate existence is perpetual.

#### ARTICLE VIII MEMBERSHIP AND VOTING

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

- (a) The Developer of the Condominium and each Co-owner of a Unit in the Condominium shall be members of the corporation, and no other person or entity shall be entitled to membership; except that the subscriber hereto shall be a member of the corporation until such time as his membership shall terminate, as hereinafter provided.
- (b) Membership in the corporation (except with respect to the incorporator, who shall cease to be a member upon the recording of the Master Deed) shall be established by acquisition of fee simple title to a Unit in the Condominium and by recording with the Register of Deeds of Oakland County, Michigan, a deed or other instrument establishing a change of record title to such Unit and the furnishing of evidence of same satisfactory to the corporation (except that the Developer of the Condominium shall become a member immediately upon establishment of the Condominium) the new Co-owner thereby becoming a member of the corporation, and the membership of the prior Co-owner thereby being terminated. The Developer's membership shall continue until the Developer no longer owns any Unit in the Condominium.
- (c) The share of a member in the funds and assets of the corporation cannot be assigned, pledged, encumbered or transferred in any manner except as an appurtenance to his Unit in the Condominium.
- (d) Voting by members shall be in accordance with the provisions of the Bylaws of this corporation.

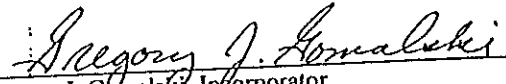
#### ARTICLE IX LIMITATION OF LIABILITY OF DIRECTORS

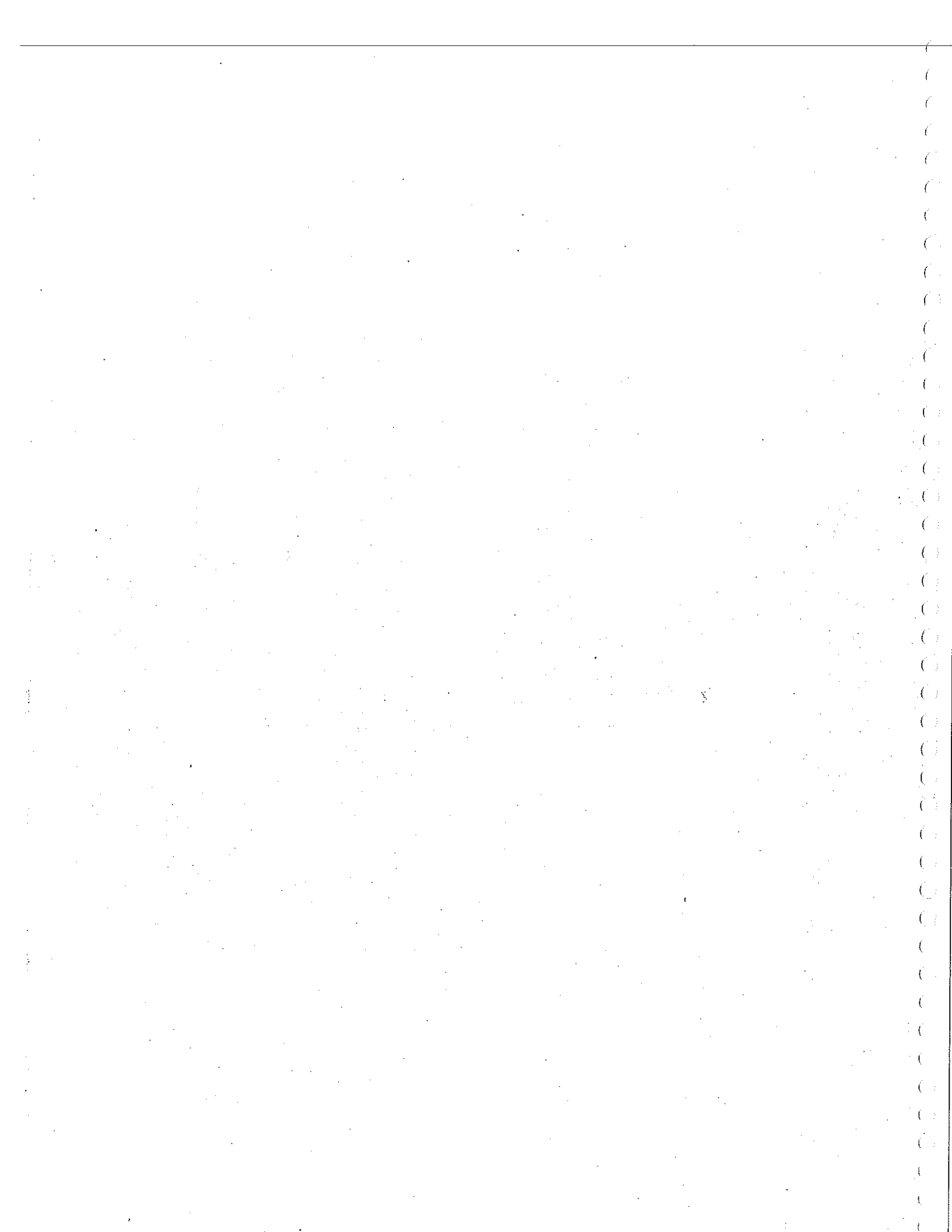
No volunteer director, as that term is defined in Act 162, Public Acts of 1982, as amended ("Act"), shall be personally liable to the corporation or its members for monetary damages for breach of fiduciary duty as a director, provided that the foregoing shall not eliminate the liability of a director for any of the following: (i) breach of the director's duty of loyalty to the corporation or its members; (ii) acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law; (iii) a violation of Section 551(1) of the Act; (iv) a transaction from which the director derived an improper personal benefit; or (v) an act or omission that is grossly negligent. If the Act hereafter is amended to authorize the further elimination or limitation of the liability of directors, then the liability of a director of the corporation, in addition to the limitation on personal liability contained herein, shall be limited to the fullest extent permitted by the amended Act. No amendment or repeal of this Article IX shall apply to or have any effect on the liability of any director of the corporation for or with respect to any acts or omissions of such director occurring prior to such amendment or repeal.

Signed this 5<sup>th</sup> day of July, 1990.

When filed, return to:

Gregory J. Gamalski  
Dykema Gossett  
505 N. Woodward, Suite 3000  
Bloomfield Hills, Michigan 48304

  
Gregory J. Gamalski, Incorporator



## MILFORD'S HIDDEN VALLEY ESCROW AGREEMENT

THIS AGREEMENT is entered into this 28 day of July, 1990, between West Oakland Land Corp., a Michigan corporation ("Developer"), and First American Title Insurance Company of the Mid-West ("Escrow Agent") through its duly designated representative for this purpose, First Metropolitan Title Company.

WHEREAS, Developer has established or intends to establish Milford's Hidden Valley as a residential Condominium Project under applicable Michigan law; and,

WHEREAS, each residential building site will be a separate residential Unit subject to sole ownership and will constitute a Condominium Unit as defined under Michigan law; and

WHEREAS, Developer is selling Condominium Units in Milford's Hidden Valley and is entering into Purchase Agreements with Purchasers for such Units in substantially the form attached hereto, and each Purchase Agreement requires that all deposits made under such Agreement be held in an escrow account with an Escrow Agent; and,

WHEREAS, the parties hereto desire to enter into an Escrow Agreement to establish such an escrow account for the benefit of Developer and for the benefit of each Purchaser (hereinafter "Purchaser") who makes deposits under a Purchase Agreement; and,

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

NOW, THEREFORE, it is agreed as follows:

1. **Initial Deposit of Funds.** Developer shall, promptly after receipt, transmit to Escrow Agent all sums deposited with it under a Purchase Agreement, together with a fully executed copy of such Agreement and a receipt signed by the Purchaser for the recorded Master Deed, The Condominium Buyer's Handbook and the Disclosure Statement.

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

A. **Upon Withdrawal by Purchaser.** The escrowed funds shall be released to Purchaser under the following circumstances:

(i) If the Purchase Agreement is contingent upon Purchaser obtaining a mortgage and he fails to do so as provided therein and duly withdraws from the Purchase Agreement as a result thereof, Escrow Agent shall release to Purchaser all sums held by it pursuant to said Agreement.

(ii) In the event that a Purchaser duly withdraws from a Purchase Agreement prior to the time that said Agreement becomes binding under paragraph 6 of the General Provisions thereof, Escrow Agent shall, within 3 business days from the date of receipt of notice of such withdrawal, release to Purchaser all of Purchaser's deposits held thereunder.

B. **Upon Default by Purchaser.** In the event that a Purchaser under a Purchase Agreement defaults in making any payments required by said Agreement or in fulfilling any other obligations thereunder for a period of ten days after written notice by Developer to Purchaser, Escrow Agent shall release all sums held pursuant to the Purchase Agreement to Developer in accordance with the terms of said Agreement.

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

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

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

If the elements or facilities referred to in paragraphs 2C(i) and 2C(ii) above are not substantially complete, only sufficient funds to finance substantial completion of such elements or facilities shall be retained in escrow and the balance may be released. All funds required to be retained in escrow may be released, however, if other adequate security shall have been arranged as provided in paragraph 2F below. Determination of amounts necessary to finance substantial completion shall likewise be determined by the certificate of a licensed professional architect or engineer. For purposes of paragraph 2C(i) above, the portion of the Condominium Project in which Purchaser's Unit is located shall be "substantially complete" when all utility mains and access roads (to the extent such items are designated on the Condominium Subdivision Plan as "must be built") are substantially complete as evidenced by certificates of substantial completion issued by a licensed professional architect or engineer as described in Section 3 below. Improvements of the type described in paragraph 2C(ii) above shall be substantially complete when certificates of substantial completion have been issued therefor by a licensed professional architect or engineer, as described in Section 3.

D. **Release of Funds Escrowed For Completion of Incomplete Improvements.** Upon furnishing Escrow Agent a certificate from a licensed professional architect or engineer evidencing substantial completion in accordance with the pertinent plans and specifications of an improvement, facility or identifiable portion thereof for which funds or other security have been deposited in escrow, Escrow Agent shall release to Developer the amount of such funds or other security specified by the issuer of the certificate as being attributable to such substantially completed item(s); provided, however, that if the amounts remaining in escrow after any such partial release would be insufficient in the opinion of the issuer of such certificate to finance substantial completion of any remaining incomplete items for which funds or other security have been deposited in escrow, only the amount in escrow in excess of such estimated cost to substantially complete shall be released by Escrow Agent to Developer.

E. **Release of Interest Earned Upon Escrowed Funds.** Escrow Agent shall be under no obligation to earn interest upon the escrowed sums held pursuant hereto. In the event that interest upon such sums is earned, however, all such interest shall be separately accounted for by Escrow Agent and shall be held in escrow and released as and when principal deposits are released hereunder; provided, however, that all interest earned on deposits refunded to a Purchaser upon the occasion of his withdrawal from a Purchase Agreement shall be paid to Developer.

F. **Other Adequate Security.** If Developer requests that all of the escrowed funds held hereunder or any part thereof be delivered to it prior to the time it otherwise becomes entitled to receive the same, Escrow Agent may release all such sums to Developer if Developer has placed with Escrow Agent an irrevocable letter of credit drawn in favor of Escrow Agent in form and substance satisfactory to Escrow Agent and securing full repayment of said sums, or has placed with Escrow Agent such other substitute security as may be permitted by law and approved by Escrow Agent.

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

- (i) Escrow Agent shall upon request give all statutorily required notices under §103b(7) of the Act.
- (ii) If Developer, the Millford's Hidden Valley Association and any other party or parties asserting a claim to or interest in the escrow deposit enter into a written agreement (satisfactory in its terms and conditions to Escrow Agent for Escrow Agent's protection, as determined by Escrow Agent in its absolute and sole discretion), as to the disposition of the funds or security in escrow under §103b(7) of the Act, Escrow Agent shall release such funds or security in accordance with the terms of such written agreement among such parties.
- (iii) Failing written agreement as provided in paragraph 2G(ii) above, Escrow Agent shall be under no obligation whatever to release any such escrowed funds or security, but Escrow Agent may, in its absolute and sole discretion, at any time take either of the following actions:

- (a) Initiate an interpleader action in any circuit court in the State of Michigan naming the Developer, the Millford's Hidden Valley Association and all other claimants and interested parties as parties and deposit all funds or other security in escrow under §103b(7) of the Act with the clerk of such court in full acquittance of its responsibilities under this Agreement; or

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

3. **Proof of Occurrences; Confirmation of Substantial Completion; Determination of Cost to Complete.** Escrow Agent may require reasonable proof of occurrence of any of the events, actions or conditions stated herein before releasing any sums held by it pursuant to any Purchase Agreement either to a Purchaser thereunder or to Developer. Whenever Escrow Agent is required hereby to receive the certification of a licensed professional architect or engineer that a facility, element, improvement or identifiable portion of any of the same is substantially complete in accordance with the pertinent plans therefor, it may base such confirmation entirely upon the certificate of the Developer to such effect coupled with the certificate to the same effect of a licensed professional architect or engineer. Likewise, all estimates and determinations of the cost to substantially complete any incomplete elements, facilities and improvements for which escrowed funds are being specifically maintained under paragraph 2D above shall be made entirely by a licensed professional engineer or architect and the determination of all amounts to be retained or maintained in the escrow account for the completion of any such elements, facilities or improvements shall be based entirely upon such determinations and estimates as are furnished by such engineer or architect. No inspections of the Project or any portion thereof by any representative of Escrow Agent shall be deemed necessary hereunder, nor must any cost estimates or determinations be made by Escrow Agent and Escrow Agent may rely entirely upon certificates, determinations and estimates as described above in retaining and releasing all escrowed funds hereunder.

4. **Limited Liability of Escrow Agent; Right to Deduct Expenses From Escrow Deposits.** Upon making delivery of the funds deposited with Escrow Agent pursuant to any Purchase Agreement and performance of the obligations and services stated therein and herein, Escrow Agent shall be released from any further liability thereunder and hereunder, it being expressly understood that liability is limited by the terms and provisions set forth in such Agreements and in this Agreement, and that by acceptance of this Agreement, Escrow Agent is acting in the capacity of a depository and is not, as such, responsible or liable for the sufficiency, correctness, genuineness or validity of the instruments submitted to it, or the marketability of title to any Unit sold under any other Agreement. Escrow Agent is not responsible for the failure of any bank used by it as an escrow depository for funds received by it under this Agreement.

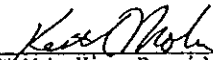
Further, Escrow Agent is not a guarantor of performance by Developer under the Condominium Documents or any Purchase Agreement and Escrow Agent undertakes no responsibilities whatever with respect to the nature, extent or quality of such performance thereunder or with regard to the conformity of such performance to the terms of such documents, to the plans and specifications for the Project, to local or state laws or in any other particular. So long as Escrow Agent relies in good faith upon any certificate, cost estimate or determination of the type described in Section 3, Escrow Agent shall have no liability whatever to Developer, any Purchaser, any Co-owner or any other party for any error in such certificate, cost estimate or determination or for any act or omission by the Escrow Agent in reliance thereon.

Except in instances of gross negligence or willful misconduct, Escrow Agent's liability hereunder shall in all events be limited to return, to the party or parties entitled thereto, of the funds retained in escrow (or which were replaced by security) less any reasonable expenses which Escrow Agent may incur in the administration of such funds or otherwise hereunder, including, without limitation, reasonable attorney's fees and litigation expenses paid in connection with the defense, negotiation or analysis of claims against it, by reason of litigation or otherwise, arising out of the administration of such escrowed funds, all of which costs Escrow Agent shall be entitled without notice to deduct from amounts on deposit hereunder.

Notwithstanding any other provision herein to the contrary, Escrow Agent shall be under no obligation to release funds deposited hereunder to any party until it can satisfactorily ascertain that the funds deposited have been paid, settled and fully collected as such terms are defined under the provisions of MCL 440.4100, et seq.

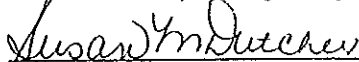
5. **Notices.** All notices required or permitted hereunder and all notices of change of address shall be deemed sufficient if personally delivered or sent by registered mail, postage prepaid and return receipt requested, addressed to the recipient party at the address shown below such party's signature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

WEST OAKLAND LAND CORP., a Michigan corporation,  
Developer

By:   
Keith Mohr, Vice President  
4204 Martin Road, Suite C  
Walled Lake, Michigan 48390  
(313) 363-9444

FIRST AMERICAN TITLE INSURANCE COMPANY OF  
THE MID-WEST, Escrow Agent

By: First Metropolitan Title Company, designated agent

By:   
Susan M. Dutcher  
37000 Grand River Avenue  
Farmington Hills, Michigan 48024  
(313) 477-6310



Recorded in Liber L392,  
Pages 73 and 74, Oakland  
County Records, on April  
20, 1942.

RIGHT-OF-WAY GRANT

KNOW ALL MEN BY THESE PRESENTS, that Clare Dever and Vera Dever, his wife, of the postoffice Milford, in the State of Michigan, hereinafter called Grantors, in consideration of One (\$1.00) Dollar to them in hand paid, receipt of which is hereby acknowledged, and the further consideration of fifty cents per linear rod, to be paid before the pipe line hereinafter specified is laid, hereby grant, convey, and warrant to PANHANDLE EASTERN PIPELINE COMPANY, a Delaware corporation, its successors and assigns, the easement and right of way to lay, construct, maintain, alter, repair, replace, operate and remove at any time hereafter a pipe line for the transportation of natural gas, and for the transportation of natural gas therein, and the grantee, its successors and assigns, is granted the right of ingress and egress to and from said line for the purpose of construction, inspection, repairing, operating, or removing the same, together with the right of removal of such at will in whole or in part, from, on, over and through the following described premises in the County of Oakland, State of Michigan, to-wit:

The west half (W1/2) of the Northwest  
(NW1/4) quarter, of Section 3, Township 2  
North, Range 7 East.

To have and to hold said easement, rights, and right of way unto the said PANHANDLE EASTERN PIPE LINE COMPANY, its successors and assigns.

All pipe laid under this grant shall be buried to a proper depth so as not to interfere with the ordinary cultivation of said lands or the theretofore established drainage systems thereon. The grantee hereby further agrees to pay all damage which may arise to crops and fences of grantors caused by the laying, maintaining, replacing or removing of said pipe line. If the amount of such damage is not mutually agreed upon, the same shall be ascertained and determined by three (3) disinterested persons, one to be appointed by the grantors, one to be appointed by the grantee, and the third to be chosen by the two so appointed. The written award of such three persons shall be final and conclusive. Before said pipe line has been laid across the above described tract, Grantee agrees to pay Grantors the sum \$247.50 as payment in full for damages (real or alleged) that may occur on account of the construction of said pipe line and Grantors agree to accept said sum in full and complete satisfaction and discharge of liability for all damages for laying of said line in the place (sic) and manner it shall be laid across said premises. Contractor must stay on right of way and not use any private roads or bridges in construction of said pipe line and also repair fences to grantors satisfaction.

This agreement is binding upon the heirs, executors, administrators, successors and assigns of the parties hereto, and it is understood that this agreement can not be changed in any way except in writing, signed by the grantors and a duly authorized agent of the grantee.

IN WITNESS WHEREOF the grantors have hereunto set  
their hands and seals on this, the 15th day of November, A.D.,  
1941.

WITNESSES:                     /s/ Clare Dever                     (L.S.)  
Clare Dever

/s/ Vera Dever                     (L.S.)  
Vera Dever

/s/ L.G. Stanley  
L.G. Stanley

/s/ W. Scott Lovejoy  
W. Scott Lovejoy

STATE OF MICHIGAN )  
  ) SS.  
COUNTY OF OAKLAND )

On this 15th day of November, 1941, before me, a  
Notary Public of Oakland County, Michigan, and acting in  
Oakland County, personally appeared Clare Dever and Vera Dever,  
his wife, to me known to be the same persons who executed the  
foregoing instrument and severally acknowledged the execution  
of the same to be their free act and deed.

/s/ W. Scott Lovejoy  
W. Scott Lovejoy  
Notary Public, Oakland County,  
Michigan  
My Commission expires: June 18, 1944

[The foregoing document has been retyped from a photocopy of the  
originally recorded document.]

AMENDMENT OF RIGHT-OF-WAY GRANT

THIS AGREEMENT, made as of the 8th day of September, 1971, by and between Thomas J. Olsen and Nellie M. Olsen, husband and wife, and Thomson Sand & Gravel, Inc., a Michigan corporation, hereinafter referred to as "Grantors," and Panhandle Eastern Pipe Line Company, a Delaware corporation, hereinafter referred to as "Grantee."

WITNESSETH:

THAT WHEREAS, Grantors represent that they are the present owners of the following described tract of land, hereinafter referred to as "TRACT A," in the County of Oakland in the State of Michigan, described as follows, to-wit:

TRACT A: The West 1/2 of Northwest Fractional 1/4 of Section 3, Town 2 North, Range 7 East, Milford Township, Oakland County, Michigan, excepting therefrom the following described parcels of land, to-wit: The Northeast 5 acres thereof, measuring 300 ft. frontage along Rowe Road and 726 ft. deep; also that part described as: Beginning at a point on the North line of said Section 3, distant North 89 degrees 21 minutes 10 seconds East 125 ft. from the Northwest corner of said Section; thence proceeding along said North line North 89 degrees 21 minutes 10 seconds East 718.32 feet; thence South 0 degrees 10 minutes 50 seconds West 500 ft. parallel to the West line of Sec. 3; thence South 89 degrees 21 minutes 10 seconds West 418.32 ft.; thence south 0 degrees 10 minutes 50 seconds West 226 ft.; thence South 89 degrees 21 minutes 10 seconds West 300 ft.; thence North 0 degrees 10 minutes 50 seconds East 726 ft. parallel to the West line of Section 3, to the point of beginning..

which said TRACT A, among other land, is subject to a Right-of-Way Grant dated November 15, 1941, made by Clare Dever and Vera Dever, his wife, as grantors, in favor of Panhandle Eastern Pipe Line Company, its successors and assigns, as grantee, recorded in the office of the Register of Deeds in Oakland County, Michigan, in Liber 1392, pages 73-74; and

WHEREAS, under and pursuant to the above described Right-of-Way Grant, there has heretofore been constructed on, over and across TRACT A a high-pressure natural gas transmission pipeline owned, operated, and maintained by Grantee and hereinafter referred to as "Line 45-08-001-30"; and

WHEREAS, Grantors have requested Grantee to release, surrender, and relinquish the above described Right-of-Way Grant INSOFAR and INSOFAR ONLY, as it covers that portion of the aforesaid TRACT A which lies OUTSIDE of a certain strip of land hereinafter described.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements herein contained, it is agreed by and between the parties hereto as follows:

(1) That Grantee shall and by these presents does release, surrender, and relinquish unto Grantors, their heirs, successors, and assigns, all of Grantee's right, title, and interest in, to, and under the above described Right-of-Way Grant dated November 15, 1941, recorded in the office of the Register of Deeds in and for Oakland County, Michigan, in Liber 1392, pages 73-74, INSOFAR and INSOFAR ONLY as it covers that portion of TRACT A which lies OUTSIDE of a certain sixty (60) foot wide strip of land,



being thirty (30) feet on the east side of and thirty (30) feet on the west side of a surveyed line, corresponding to the approximate centerline of the aforesaid Line 45-08-001-30, which said surveyed line is described as follows, to-wit:

Beginning at a point on the E. & W. 1/4 line of Section 3, T. 2N., R. 7 E., Milford Township, Oakland County, Michigan, distant, S 88°33'30" E., 396 feet from the W. 1/4 corner thereof; thence proceeding N. 11°32' W., 261.5 feet; No. 3°32' W., 1229 feet and No. 5°32' W., 551 feet, more or less to a point of ending, said point of ending being located 726 feet, more or less, south of the North line of Fractional Section 3,

it being the intention of the parties hereto to free all of the above described TRACT A from and of the lien, encumbrance, and burden of the Right-of-Way Grant hereinabove described, SAVE and EXCEPT as to the above described strip of land, as to which said strip of land said Right-of-Way Grant, as herein modified and amended, SHALL REMAIN IN FULL FORCE AND EFFECT. No release, surrender or relinquishment of any part of the above described Right-of-Way Grant covering, affecting, or pertaining to any lands lying OUTSIDE of the boundaries of the above described TRACT A is made or is intended to be made hereunder.

(2) No house, garage, building, septic tank, drain pipes, trees, lake, reservoir, swimming pool, or other structure, facility, or tree-like growth shall be hereafter placed, erected, or planted anywhere on the above described strip of land reserved, as aforesaid by Grantee; provided, however, that Grantors shall have the right to install or authorize the installation of utility installations on said strip of land so long as such utility installations are not placed parallel to and within ten (10) feet of Grantee's aforesaid Line 45-08-001-30, and so long as such utility installations as may cross Grantee's Line 45-08-001-30 do so under said pipeline and at approximate right angles thereto and in such manner as not to interfere with, endanger, or damage Grantee's said pipeline.

(3) No portion of the above described strip of land shall be utilized for the seating or other accommodation of persons in connection with any gathering of any sort, nor shall any portion of the above described strip of land lying within ten (10) feet of said Line 45-08-001-30 be utilized for the parking of vehicles, and no impervious type pavement [TO] connection with the establishment or use of any vehicular parking area shall be placed over or within ten (10) feet of said Line 45-08-001-30.

(4) No mining, quarrying, or dredging operations shall be conducted by Grantors, or their heirs, successors, or assigns, so close to said sixty (60) foot strip of land so reserved as would permit or encourage the sloughing or collapse of any portion of said sixty (60) foot strip of land so reserved, nor shall any earth, rock, gravel, sand, or other material be piled or placed upon the above described strip of land so reserved by Grantee which would interfere with Grantee's access to the aforesaid Line 45-08-001-30.

(5) Grantors shall not remove any cover or overburden from Grantee's existing Line 45-08-001-30, nor shall any lateral or subjacent support be removed therefrom except temporarily and as an incident to the installation of utility installations hereinabove authorized to be placed across said above described reserved strip of land, or as an incident to the construction of any railroad track, street, sidewalk, driveway, road, alley, or curbing not

constructed parallel to and within ten (10) feet of Grantee's said Line 45-08-001-30, and Grantee shall, in no event, except upon the conditions hereinafter referred to in (6) below, be required to alter or change the level or position of Grantee's existing Line 45-08-001-30 by reason of the exercise by Grantors of any of the rights conferred on them under this agreement with respect to the strip of land reserved, as aforesaid, by Grantee.

(6) No railroad track, street, sidewalk, driveway, road, alley, or curbing shall be constructed substantially parallel to and within ten (10) feet of Grantee's said Line 45-08-001-30. Nothing herein shall preclude Grantors, their heirs, successors, or assigns from constructing any railroad track, street, sidewalk, driveway, road, alley, or curbing ACROSS Grantee's said Line 45-08-001-30 so long as said railroad track, street, sidewalk, driveway, road, alley, or curbing shall cross Grantee's said Line 45-08-001-30 at approximate right angles, thereto; provided, however, that if the proposed construction by Grantors, or their heirs, successors, or assigns, of any railroad track, street, sidewalk, driveway, road, alley, or curbing across the aforesaid reserved strip of land would, in Grantee's opinion, imperil Grantee's said Line 45-08-001-30, then Grantors, and their heirs, successors and assigns, shall not proceed with such proposed construction; provided, further, however, that Grantors, or their heirs, successors or assigns, may proceed with such proposed construction after (1) Grantors, or their heirs, successors or assigns, have entered into an agreement in form satisfactory to Grantee to pay to and reimburse Grantee for all direct and indirect costs and expenses of every sort and character which would have to be incurred or expended by Grantee in connection with whatever protective work, for example, lowering, encasing, adjusting, or otherwise altering Grantee's said Line 45-08-001-30, might, in Grantee's opinion, be required to protect its said Line 45-08-001-30 from the consequences of such proposed construction, and (2) Grantee has had such reasonable period of time as might be required by Grantee to complete such protective work as may be covered by the aforesaid reimbursement agreement.

As hereby modified, amended, and restricted, the above described Right-of-Way Grant dated November 15, 1941, recorded in the office of the Register of Deeds in and for Oakland County, Michigan, in Liber 1392, pages 73-74, INSOFAR as said Right-of-Way Grant covers the reserved strip hereinabove described, is hereby confirmed and ratified.

THIS INSTRUMENT shall be binding upon the parties hereto, their heirs, successors, and assigns.

EXECUTED as of the day and year first hereinabove written.

Witnesses to the Signatures  
of Thomas J. and Nellie M.  
Olsen

/s/ Thomas J. Olsen  
Thomas J. Olsen

/s/ Mary K. Welaman  
Mary K. Welaman  
/s/ Philip L. Stromberg  
Philip L. Stromberg

/s/ Nellie M. Olsen  
Nellie M. Olsen  
458 Rowe Road  
Milford, Michigan 48042

THOMSON SAND & GRAVEL, INC.

ATTEST:

By /s/ Helen Thompson  
Helen Thompson, President  
48299 West Seven Mile Road  
Northville, Michigan

/s/ Alta R. Sarseson  
Alta R. Sarseson, Secretary

Witnesses to the signature of  
Thomson Sand & Gravel, Inc.

/s/ Gary Borin  
Gary Borin  
/s/ Charlyne Donahoe  
Charlyne Donahoe

PANHANDLE EASTERN PIPE LINE COMPANY

By /s/ B. H. Longshore  
B. H. Longshore, Vice  
President  
3444 Broadway  
Kansas City, Mo. 64111

ATTEST:

/s/ D.A. Robertson  
D.A. Robertson, Assistant Secretary

Witnesses to the signature of  
Panhandle Eastern Pipe Line Company

/s/ Virginia L. Washam  
Virginia L. Washam  
/s/ Charles B. Amick  
Charles B. Amick

STATE OF MICHIGAN )  
                          ) SS.  
COUNTY OF OAKLAND )

The foregoing instrument was acknowledged before me this  
16th day of August, 1971, by Thomas J. Olsen and Nellie M. Olsen,  
husband and wife.

/s/ Gary Irwin Borin  
Gary Irwin Borin, Notary Public  
Oakland County, Michigan

My Commission Expires: Oct. 19, 1971

STATE OF MICHIGAN )  
                          ) SS.  
COUNTY OF WAYNE )

The foregoing instrument was acknowledged before me this  
27th day of July, 1971, by Helen Thomson, President of Thomson Sand  
& Gravel, Inc., a Michigan corporation, on behalf of the corporation.

/s/ Gary Irwin Borin  
Gary Irwin Borin, Notary Public  
Oakland County, Michigan  
Acting in Wayne County, Michigan

My Commission Expires: Oct. 19, 1971

STATE OF MISSOURI )  
                          ) SS.  
COUNTY OF JACKSON )

The foregoing instrument was acknowledged before me this  
5th day of September, 1971, by B. H. Longshore, a Vice President of  
Panhandle Eastern Pipe Line Company, a Delaware corporation, on  
behalf of th corporation.

/s/ Virginia L. Washam  
Virginia L. Washam, Notary Public

My Commission expires: (illegible)

Drafted by: John H. Ross III  
Address: 3444 Broadway  
Kansas City, Mo. 64111

[The foregoing document has been retyped from a photocopy of the  
originally recorded document.]

Nellie M. Hill

of the first part, in consideration of One Dollars (\$ 1.00 )  
to her paid by the CONSUMERS POWER COMPANY, a Maine corporation authorized to  
do business in Michigan, at 212 Michigan Avenue, West, Jackson, Michigan, second party,  
receipt of which is hereby acknowledged, Conveys and Warrants to the party of the  
second part, its successors and assigns, Forever, the easement and right to lay, con-  
struct and maintain a gas main, with the usual services, connections and accessories,  
for the purpose of transmitting and distributing gas, in, through and across the follow-  
ing described parcel of land, including all public highways upon or adjacent to said  
parcel, which parcel is situate in the Township of Milford,  
County of Oakland and State of Michigan, to wit:  
The West one-half (1/2) of the Northwest fractional one-quarter (1/4) of Section three (3),  
Township two (2) North, Range seven (7) East, except the West four hundred twenty-five  
(425) feet of the North ten hundred twenty-five (1025) feet thereof.

The route to be taken by said gas main across said land being more specifically described  
as follows:  
One gas main to run in a Northerly and Southerly direction in, under, through and across  
said above described land not more than 33 feet Easterly of the Westerly line of said  
above described land.

Together with the full right and authority to the party of the second part, it successors  
and assigns, and its and their agents, and employees, to enter at all times upon said  
premises for the purpose of constructing, repairing, substituting, removing, enlarging,  
replacing and maintaining said gas main, services, connections and accessories.

Second party shall pay to the first part at the rate of Twenty-five and no/100 Dollars  
(\$ 25.00 ) per rod of length of gas main laid on said premises, being in full and  
satisfactory payment for said easement and for all future damage to trees, crops and  
fences and all other damage to the land described in the said easement caused by or aris-  
ing out of the construction, operation and maintenance of said gas main for a period of  
six (6) months from and after the date when construction is completed and said gas main  
is placed in operation.

The undersigned has carefully read this instrument and is fully informed that the  
payment herein provided for is in full and satisfactory payment for all future damages  
arising out of the construction and operation of said line for a period of 6 months  
after said line is first placed in operation.

WITNESS the hand and seal of the party of the first part, this 9th  
day of June, 1959.

Signed, Sealed and Delivered  
in presence of

/s/ Phelps Newberry III  
Phelps Newberry III

/s/ Nellie M. Hill (L.S.)  
Nellie M. Hill

/s/ John J. Loughray  
John J. Loughray

\_\_\_\_\_ (L.S.)

\_\_\_\_\_ (L.S.)

\_\_\_\_\_ (L.S.)

STATE OF MICHIGAN )  
                          ) ss.  
County of Oakland )

On this 9th day of June, 1959, before me, a Notary Public  
of Jackson County, Michigan, acting in Oakland County,  
personally appeared Nellie M. Hill  
to me known to be the same person named in and who executed the foregoing instrument  
and xxxxxxxx acknowledged the execution of the same to be her free act and deed.

John J. Loughray  
Notary Public, Jackson County, Mich.

My commission expires July 1, 1963

[The foregoing document has been  
retyped from a photocopy of the  
originally recorded document.]

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DISCLOSURE STATEMENT  
MILFORD'S HIDDEN VALLEY

DEVELOPER

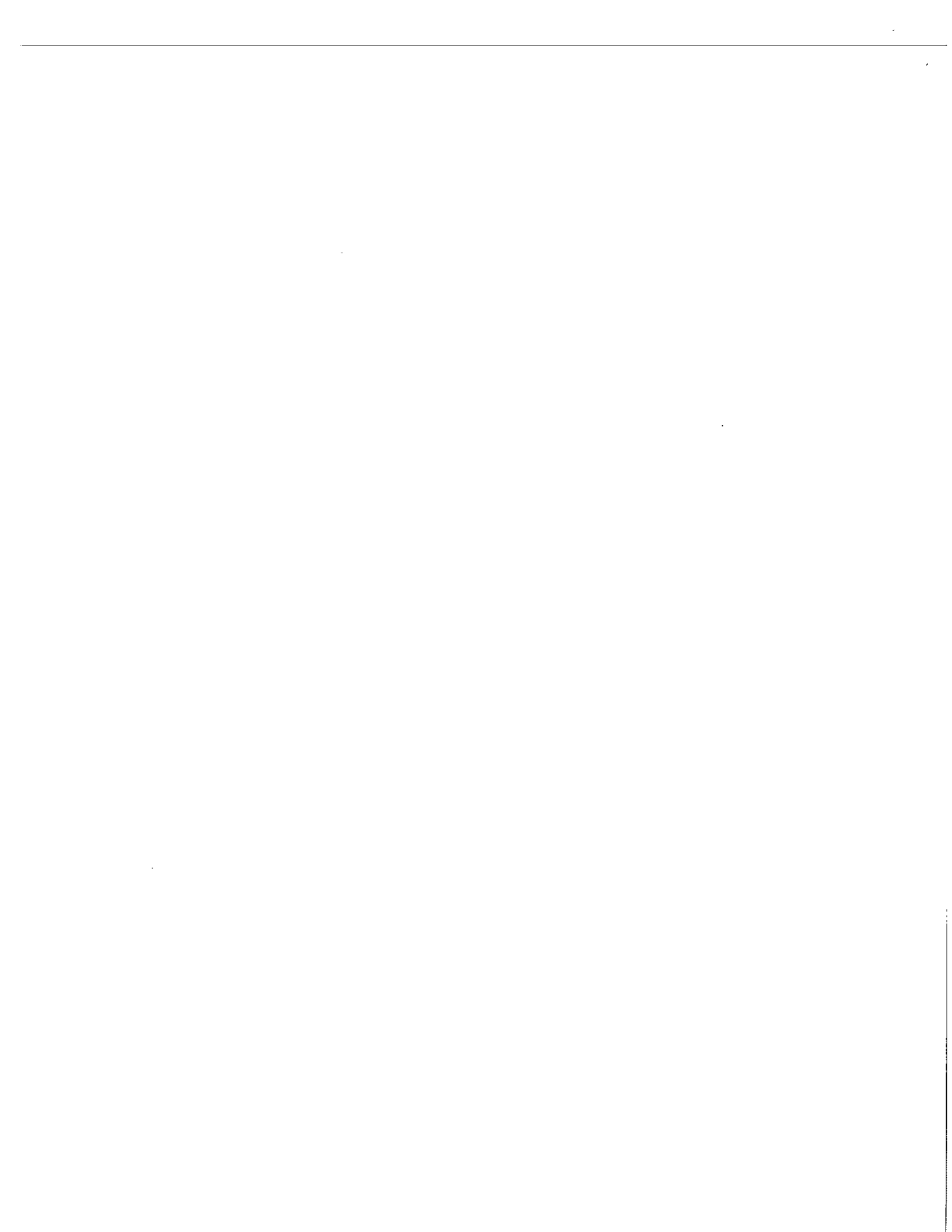
WEST OAKLAND LAND CORPORATION  
4204 MARTIN ROAD, SUITE C  
WALLED LAKE, MICHIGAN 48088  
313-363-9444

Milford's Hidden Valley is a 42-unit residential condominium project that may not be further expanded.

THIS DISCLOSURE STATEMENT IS NOT A SUBSTITUTE FOR THE MASTER DEED. THE CONDOMINIUM BUYERS HANDBOOK OR OTHER APPLICABLE LEGAL DOCUMENTS AND BUYERS SHOULD READ ALL SUCH DOCUMENTS TO FULLY ACQUAINT THEMSELVES WITH THE PROJECT AND THEIR RIGHTS AND RESPONSIBILITIES RELATING THERETO.

IT IS RECOMMENDED THAT PROFESSIONAL LEGAL ASSISTANCE BE SOUGHT PRIOR TO PURCHASING A CONDOMINIUM UNIT.

AUGUST 1990



MILFORD'S HIDDEN VALLEY

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DISCLOSURE STATEMENT  
MILFORD'S HIDDEN VALLEY

I.        Introduction

Condominium development in Michigan is governed largely by Act 59 of the Michigan Public Acts of 1978, as amended (the Condominium Act).

This Disclosure Statement, together with copies of the legal documents required for the creation and operation of the project, are furnished each purchaser pursuant to the requirement of Michigan law that the Developer of a condominium project disclose to prospective purchasers the characteristics of the condominium units that are offered for sale.

II.       The Condominium Concept

A.    General.    A condominium is a method of subdividing, describing and owning real property. A condominium unit has the same legal attributes as any other form of real property under Michigan law and may be sold, mortgaged or leased subject only to such restrictions as are contained in the condominium documents and as otherwise may be applicable to the property.

Each owner receives a deed to his individual condominium unit. Each owner owns, in addition to his unit, an undivided interest in the other components ("common elements") of the project. Title to the common elements is included as part of, and is inseparable from, title to the individual condominium units. Each owner's proportionate share of the common elements is determined by the percentage of value assigned to his unit in the Master Deed described in Section IV of this Disclosure Statement.

All portions of the project not included within the units constitute the common elements. Generally, limited common elements are those common elements that are set aside for use by one co-owner such as the yard area surrounding the unit. General common elements are all common elements other than limited common elements.

The project is administered generally by a non-profit corporation of which all owners are members (the "Association"). The nature and duties of the Association are described more fully in Section VI of this Disclosure Statement.

Except for the year in which the project is established, or, in the case of units added to a project by subsequent amendment to the Master Deed, the year in which such amendment



is recorded, real property taxes and assessments are levied individually against each unit in the project. The separate taxes and assessments cover the unit and its proportionate share of the common elements. No taxes or assessments are levied independently against the common elements. In the year in which the project is established or in which an amendment adding units is recorded, the taxes and assessments for the units covered by the Master Deed or amendment usually are billed to the Association and are paid by the owners of such units in proportion to the percentages of value assigned to the units owned by them.

B. Condominium Building Sites. Milford's Hidden Valley is different from most condominium projects in this area because the condominium units in this project consist of only the individual building sites, and the common elements generally do not include the buildings and other improvements to be constructed on the sites. Each condominium unit consists of the space contained within the unit boundaries as shown in the Condominium Subdivision Plan and delineated with heavy outlines. In the more traditional form of condominium project, the units consist of the air space enclosed within each of the buildings, and the common elements include the exterior structural components of the buildings. In Milford's Hidden Valley, each owner holds an absolute and undivided title to his unit and to the dwelling and other improvements located thereon (to the extent such improvements are not designated in the Master Deed as common elements). Each unit owner generally will be responsible for all decoration, maintenance, repair and replacement of the dwelling and other improvements, lawns and landscaping elements located on the unit and limited common elements. Unlike more traditional condominium projects, each owner in this project will be responsible for maintaining fire and extended coverage insurance on his unit and the dwelling and other improvements located thereon, as well as personal property, liability and other personal insurance coverage. The Association will maintain only liability insurance coverage for occurrences on the common elements and such other insurance on the common elements as is otherwise specified in the condominium documents.

C. Other Information. Although the foregoing is generally accurate as applied to most condominium developments, the details of each development may vary substantially. Accordingly, each purchaser is urged to review carefully all of the documents contained in the Milford's Hidden Valley Purchaser Information Booklet as well as any other documents that the Developer has delivered to the purchaser in connection with this development. Any purchaser having questions pertaining to the legal aspects of the project is advised to consult his or her own lawyer or other professional advisor.

III. Description of the Condominium Project

A. Size, Scope and Physical Characteristics of the Project. Milford's Hidden Valley is a 42 unit residential condominium project located on Rowe Road in the Township of Milford. The project consists of 42 building sites, each of which is a separate residential condominium unit, together with the roadways, parking areas and other improvements provided for common use by the owners of the units.

B. Utilities.

(1) Gas, Telephone, Cable Television and Electric.

Milford's Hidden Valley is served by public gas, electric and telephone service. Gas service is furnished by Michigan Consolidated Gas Company, electricity is furnished by Detroit Edison and telephone service is provided by GTE.

The local cable television franchisee is Greater Media Cable. Cable service will be provided consistent with their procedures. Due to the fact that cable television installation is controlled by Greater Media Cable the Developer has no control over the timing of when such service will become available to the project. The Developer has advised Greater Media Cable that service is desired for the project. Greater Media Cable currently has existing lines in Rowe Road.

All utilities, other than utilities provided to service the common elements, will be separately metered for payment by the individual unit owners; utilities furnished to the common elements will be billed directly to the Association. The costs of maintaining the and storm sewer systems serving the project, to the extent those systems are located within the project boundaries, will be borne by the Association.

(2) Water and Septic Systems.

Milford's Hidden Valley is not served by public water or sanitary sewer systems. Purchasers should take note of the following facts related to the water system and septic systems. The

requirements referred to have been mandated by the Michigan Department of Public Health and the Oakland County Health Division.

Permits for the installation of wells and sewage disposal systems must be obtained from the Oakland County Health Division prior to any construction on the individual building sites. All dwellings must be served by potable water systems. Each Co-owner will be solely responsible for installation, maintenance, repair and replacement of the well water supply system and the septic tank, drain field and sanitary disposal system on his or her building site. The Association has absolutely no financial responsibility or other duty with respect wells and sanitary systems and their respective components.

All residential dwellings shall be served by an appropriate potable water supply system constructed in accordance with the Groundwater Quality Control provisions of the Michigan Public Health Code P. A. 368 of 1978, as amended, and, in particular, with Part 127 thereof. All wells installed for private water supply must penetrate an adequate protective clay overburden which is sometimes referred to as an aquaclude. When an adequate aquaclude cannot be demonstrated, additional safeguards in the form of increased distances and/or depth requirements may be required. According to the submitted test well results, it is estimated by the Michigan Department of Public Health, the Oakland County Health Division and the Developer that water wells will need to be between 100 feet and 175 feet deep in order to penetrate an aquaclude. Wells must be drilled at least 50 feet from any septic field.

All wells on individual sites shall be drilled by a well driller licensed by the State of Michigan to a depth of not less than that required by the Oakland County Health Division and a complete well log form for each such potable water well shall be submitted to the Oakland County Health Division within sixty (60) days following completion of such well. All wells must be completely grouted to a depth of 100 feet or through the final protective clay layer.

The Developer has been advised by the Oakland County Health Division that although not considered health related, the elevated hardness, iron content and manganese levels may be aesthetically objectionable. Co-owners should note that softening or treatment systems may be necessary or desirable to prevent staining of fixtures or taste and/or odor problems.

All on-site septic systems must be installed with not less than 100 feet isolation from any surface water or impounded water. When deemed necessary, due to the size or configuration of a building site, grade conditions or evidence of elevated ground water, an engineered building site plan or system design plan may be required by the Oakland County Health Division. Such plans, if required, must be submitted for review and approval prior to the issuance of a sewage disposal system permit. Filled areas will not be approved for location of on-site sewage disposal systems. All systems are to be installed according to Oakland County Sanitary Code specifications.

All residential dwellings must be served by an adequate sewage disposal system. Each such sewage disposal system shall be utilized for disposition of human metabolic waste only and not for processed waste of any sort. All toilet facilities must be located inside a residential dwelling. Each Co-owner or other user of a sewage disposal system shall be limited in waste water flowage in accordance with the terms and conditions of the On-Site Sewage Disposal Permit issued by the Oakland County Health Division under Article III of the Oakland County Sanitary Code as may be amended or replaced from time to time.

Each sewage disposal system must have a mechanical access system for the purpose of allowing access to the septic system for maintenance and cleaning purposes. The mechanical access must be of a type that will allow access to the system so that no disruption of soil or earth is needed in order to access the system. Each sewage disposal system must be cleaned out and/or pumped out every two years. The cost of this service may be collected as an administrative expense of the Association if the Association contracts for the pumping of all septic systems.

(3) Mandatory Connection to Public Facilities,  
If and When Available.

At some time subsequent to the initial development, it may become necessary to construct a community water supply and/or sewage disposal system. The construction of such public systems may be financed, in whole or in part, by the creation of a special assessment district or districts which may include all site condominium Units in Milford's Hidden Valley. The acceptance of a conveyance or the execution of a land contract by any purchaser constitutes their agreement that they will execute any petition circulated for the purpose of creating such a special assessment district. The Board of Directors of the Association is be vested with full power and authority to obligate all Co-owners to participate in a special assessment district and to consider and act upon all other community water and sewer issues on behalf of the Association and all Co-owners.

Further, each co-owner will pay such special assessments as may be levied against his or her site condominium Unit by any such special assessment district and shall take the necessary steps as required by the appropriate state, county and township agencies, at his or her own expense, to connect his or her water intake and sewage discharge facilities to such community water supply system and/or community sewage disposal system within ninety (90) days following the completion of the systems.

(4) Rubbish Collection.

The Association will arrange for rubbish removal and the charges for the service will be included in the assessments collected by the Association.

C. Roads. The roads in Milford's Hidden Valley are private and will be maintained (including, without limitation, snow removal) by the Association. Replacement, repair and resurfacing will be necessary from time to time as circumstances dictate. It is impossible to estimate with any degree of accuracy future roadway repair or replacement costs. It is the Association's responsibility to inspect and to perform preventative maintenance on condominium roadways on a regular basis in order to maximize the life of project roadways and to minimize repair and replacement costs. The Developer does not

contemplate that the road will be dedicated during the Development and Sales Period. However, if required by a public agency with jurisdiction over the roads, the roads will be dedicated.

D. Reserved Rights of Developer.

(1) Convertible Areas. The Developer has reserved the right, at any time on or before six years after the Master Deed was recorded to redefine by division or combination or otherwise to modify the condominium units and common elements, to change the size and configuration of Units and/or common elements within the convertible areas identified as such in the project documents. However, Developer cannot materially alter an owner's unit without the owner's consent.

(2) Right to Approve Improvements. No dwelling, structure or other improvement may be constructed, nor may exterior modifications of any type be made without the Developer's approval.

(3) Conduct of Commercial Activities. The Developer has reserved the right, until all of the units in the project have been sold, to maintain on the condominium premises a sales office, a business office, model units, storage areas, reasonable parking incident to the use of such areas, and such access to, from and over the condominium premises as may be reasonable to enable development and sale of the entire project. The Developer is obligated to restore the areas so utilized to habitable status upon termination of use.

(4) Right to Amend. The Developer has reserved the right to amend the Master Deed without approval from owners and mortgagees for the purpose of correcting errors and for any other purpose. Any such amendment that would materially alter the rights of an owner or mortgagee may be made only with the approval of 66-2/3% of the owners and first mortgagees. Further, certain provisions of the Master Deed cannot be amended without the Developer's approval.

(5) Easements.

(a) For Maintenance, Repair and Replacement. The Developer has reserved such easements over the condominium project (including all units and common elements) as may be required to perform any of the Developer's maintenance, repair, decoration or replacement obligations.

(6) Enforcement of Bylaws. The Developer has reserved the right to enforce the Bylaws as long as the Developer owns any unit in the project that it offers for sale or until six years after the Master Deed was recorded, whichever is longer.

(7) General. In the condominium documents and in the Condominium Act, certain rights and powers are granted or reserved to the Developer to facilitate the development and sale of the project as a condominium, including the power to approve or disapprove a variety of proposed acts and uses and the power to secure representation on the Board of Directors of the Association.

#### IV. Legal Documentation

A. General. Milford's Hidden Valley was established as a condominium project pursuant to the Master Deed recorded in the Oakland County Records and contained in the Milford's Hidden Valley Purchaser Information Booklet. The Master Deed includes the Bylaws as Exhibit A and the Condominium Subdivision Plan as Exhibit B.

B. Master Deed. The Master Deed contains the definitions of certain terms used in the condominium documents, the percentage of value assigned to each unit in the condominium project, a general description of the units and common elements included in the project and a statement regarding the relative responsibilities for maintaining the common elements. Article VI of the Master Deed contains the convertible area provisions, Article VIII covers consolidation of Units, Article IX covers easements, Article X covers the provisions for amending the Master Deed and Article XI provides that the Developer may assign to the Association or to another entity any or all of its rights and powers granted or reserved in the condominium documents or by law.

C. Bylaws. The Bylaws contain provisions relating to the operation, management and fiscal affairs of the condominium and, in particular, set forth the provisions relating to assessments of Association members for the costs of operating the condominium project. Article VI contains certain restrictions upon the ownership, occupancy and use of the condominium project. Article VI also contains provisions permitting the adoption of rules and regulations governing the common elements. At the present time no rules and regulations have been adopted by the Board of Directors of the Association. The Bylaws contain significant restrictions and impose important duties on the co-owners of the Units. The Bylaws are discussed in Article VI of this Disclosure Statement.

D. Condominium Subdivision Plan. The Condominium Subdivision Plan is a two dimensional survey depicting the physical location and boundaries of each of the units and all of the common elements in the project.

V. The Developer and Other Service Organizations

A. Developer's Background and Experience. The Developer of the Project is West Oakland Land Corporation. The principals in West Oakland Land Corporation are Craig Hills, its President and Keith Mohr, its Vice President. Craig Hills is also a licensed residential builder who began constructing homes in 1978. He and his companies have constructed around 300 homes in that time, as many as 58 homes in single year. Craig Hills was also involved in the development of Emerald Pines, a 66 unit site condominium project in Commerce Township. Keith Mohr has been involved in the real estate industry for 16 years in a variety of sectors within the industry including property management, single family and multi-family residential land development, marketing consultation, and commercial and industrial land sales. Keith Mohr was also involved in the development of Emerald Pines. He has also developed Towering Oaks, a site condominium also located in White Lake Township in association with other parties not involved in Milford's Hidden Valley. West Oakland Land Corporation also has a site condominium project under development in White Lake Township which is called Tamarack Hills. Craig Hill and Keith Mohr are also both involved in Eagle Ridge Condominium in the Village of Milford.

B. Affiliates. Except for the broker, as disclosed below, no other affiliates of the Developer are involved with the Project.

C. Broker. The real estate broker for the project is Lakeside Realty, Inc., the address of which is 4204 Martin Road, Suite C, Walled Lake, Michigan. Lakeside Realty is wholly owned by Keith Mohr. Mr. Mohr's experience is set forth above.

D. Legal Proceedings Involving the Condominium Project or the Developer. The Developer is not aware of any pending judicial or administrative proceedings involving the condominium project or the Developer.

VI. Operation and Management of the Condominium Project

A. The Condominium Association. The responsibility for management and maintenance of the project is vested in the Milford's Hidden Valley Association, which has been incorporated as a non-profit corporation under Michigan law. The Articles of Incorporation of the Association are contained in the Purchaser Information Booklet. The Bylaws include provisions that govern the procedural operations of the Association. The Association is governed by its Board of Directors, the initial members of which are designees of the Developer.



Within 120 days after closing the sales of one-fourth of the units that may be created, one of the five directors will be selected by the non-developer owners; within 120 days after closing the sales of one-half of the units that may be created, not less than two of the five directors will be selected by the non-developer owners; and within 120 days closing the sales of three-quarters of the units that may be created, the non-developer owners will elect all five directors, except that the Developer will have the right to designate at least one director as long as it owns at least ten percent of the units in the project. Regardless of the number of units conveyed, 54 months after the first conveyance, non-developer owners may elect directors in proportion to the number of units that they own.

Within 120 days after closing the sales of one-third of the units that may be created or one year from the date of the first conveyance, whichever first occurs, the Developer must establish an advisory committee to serve as liaison between the non-developer owners and the Developer.

The First Annual Meeting may be convened any time after half of the units that may be created have been sold and must be held on or before the expiration of 120 days after three-quarters of the units that may be created have been sold or within 54 months after conveyance of the first unit, whichever first occurs. At the First Annual Meeting, the members of the Association will elect directors, and the directors in turn will elect officers for the Association.

The Developer's voting rights are set forth in Article VIII, Section 2 of the Bylaws.

B. Percentages of Value. All of the units in Milford's Hidden Valley have equal percentages of value. The percentage of value assigned to each unit determines each owner's share of the common elements of the project.

C. Project Finances.

(1) Budget. Article II of the Bylaws requires the Board of Directors to adopt an annual budget for the operation of the project. The initial budget formulated by the Developer is intended to provide for the normal and reasonably predictable expenses of administration of the project and includes a reserve for major repairs to and replacement of common elements. Inasmuch as the budget must necessarily be prepared in advance, it reflects estimates of expenses made by the Developer. To the extent that estimates prove inaccurate during actual operation and to the extent that the goods and services necessary to service the condominium project change in

cost in the future, the budget and the expenses of the Association also will require revision. The current budget of the Association has been included as Appendix I to this Disclosure Statement.

(2) Assessments. Each owner of a unit, including the Developer, must contribute to the Association to defray expenses of administration; while the Developer is obligated to contribute to the Association for such purpose, its contributions are determined differently than the other owners' contributions are determined. See Article II, Section 7 of the Bylaws. The Board of Directors may also levy special assessments in accordance with the provisions of Article II, Section 2 of the Bylaws.

(3) Foreclosure of Lien. The Association has a lien on each unit to secure payment of Association assessments. The Bylaws provide that the Association may foreclose its lien in the same fashion that mortgages may be foreclosed by action or by advertisement under Michigan law. By closing on the purchase of a unit, each purchaser will be deemed to have waived notice of any proceedings brought by the Association to foreclose its lien by advertisement and notice of a hearing prior to the sale of his unit.

(4) Other Possible Liabilities. Each purchaser is advised of the following possible liability of each owner under Section 58 of the Condominium Act:

If the holder of the first mortgage or other purchaser of a condominium unit obtains title to that unit by foreclosing that mortgage, the holder of the first mortgage or other purchaser is not liable for unpaid assessments that are chargeable against that unit and that became due prior to foreclosure. These unpaid assessments are common expenses which are collectible from all unit owners including the holder of the first mortgage who has obtained title to the unit through foreclosure.

D. Management of Condominium. No management agent has been selected for the project at this time. Professional management is not required by the condominium documents. If and when a management agent is retained, the budget must be increased to cover the costs thereof.

E. Insurance.

(1) Title Insurance. The Purchase Agreement provides that the Developer shall furnish each purchaser a commitment for an owner's title insurance policy issued by First Metropolitan Title as agent for a licensed title insurance

company at or prior to closing, and that the policy itself shall be provided within a reasonable time after closing. The cost of the commitment and policy is to be borne by the Developer. Each purchaser should review the title insurance commitment with a qualified advisor of his choice prior to closing to make certain that it conforms to the requirements of the Purchase Agreement.

(2) Other Insurance. The condominium documents require that the Association carry insurance coverage for vandalism and malicious mischief and liability insurance with respect to all of the common elements of the project. The insurance policies have deductible clauses and, to the extent thereof, losses will be borne by the Association. The Board of Directors is responsible for obtaining insurance coverage for the Association. Each owner's pro rata share of the annual Association insurance premiums is included in the monthly assessment. The Association insurance policies are available for inspection during normal working hours. A copy of the certificate of insurance with respect to the condominium project will be furnished to each owner upon request.

Each owner is responsible for obtaining fire and extended coverage insurance on his unit and the building and other improvements located thereon, as well as personal property, liability and other individual insurance coverage to the extent indicated in Article IV of the Bylaws. Each owner must deliver a certificate of insurance to the Association to confirm that the required insurance coverage is being maintained. If an owner fails to maintain any such insurance coverage or to provide evidence thereof to the Association, the Association may obtain such insurance and collect the cost thereof from the delinquent owner. The Association should periodically review all insurance coverage to be assured of its continued adequacy and owners should each do the same with respect to their individual insurance.

F. Restrictions on Ownership, Occupancy and Use. Article VI of the Bylaws sets forth restrictions on the ownership, occupancy and use of a unit in the condominium project. It is impossible to paraphrase these restrictions without risking the omission of some provision that may be of significance to a purchaser. Consequently, each purchaser should examine the restrictions with care to be sure that they do not infringe upon an important intended use. The following is a list of certain of the more significant restrictions:

(1) Residential Use Only; Article VI, Section 1.

Units are to be used for residential purposes only.

(2) Leasing Limitations; Article VI, Section 2.

An owner must disclose his intention to lease a unit and provide a copy of the exact lease form to the Association at least ten days before presenting a lease to a potential lessee.

(3) Architectural Controls; Bylaws, Article VI, Section 3.

The minimum size of dwellings is fixed by the Bylaws. The Developer also has the right to approve all architectural plans.

(4) Activities; Bylaws, Article VI, Section 5.

The use of weapons within the Common Elements is prohibited. Activities which are offensive to the project as a whole are also prohibited.

(5) Pets; Bylaws, Article VI, Section 6.

The number of pets maintained by a co-owner is limited to two dogs and two cats. Exotic dangerous animals are prohibited. Animals which become a nuisance may be required to be removed from the project.

(6) No Signs, Article VI, Section 9; For Sale Signs, Article VI, Section 28.

Generally, no signs are permitted on the project premises. "For Sale" signs are permitted only with the prior approval of the Developer and their size is limited. At a minimum, in order to obtain Developer's approval, any "For Sale" sign may not be longer than 2 feet by 3 feet, must be on the Unit, cannot be more than 4 1/2 feet above the ground, and must be professionally painted or printed.

(7) Wetlands, Detention and Retention Areas; Bylaws, Section 17.

The wetlands within the site must not be disturbed because they are protected. Co-owners must obtain permits from government agencies having jurisdiction over them before doing any work filling or excavating in the wetlands. Furthermore, the storm water detention and retention areas may not be disturbed; this will assure the drainage system for the project stays in working order.

(8) Maintenance of Lawns, Drainage Ditches; Bylaws, Article VI, Section 20.

Detailed standards of maintenance for lawns and drainage systems are set forth in Bylaws. Lawns must be installed soon after the completion of constructions. Ditches must be seeded or otherwise protected to insure erosion problems do not occur. Co-owners will be responsible for damage to the drainage system caused by them or by their contractors. Co-owners should review these responsibilities in detail.

(9) Driveway Paving; Bylaws, Article VI, Section 22.

Driveways must be paved within two years after the dwelling on the site is complete.

(10) Rules and Regulations; Article VI, Section 10.

Reasonable regulations may be adopted by the Board of Directors of the Association concerning the use of common elements, without vote of the owners.

None of the restrictions apply to the commercial activities or signs of the Developer.

VII. Rights and Obligations as Between Developer and Owners

A. Before Closing. The respective obligations of the Developer and the purchaser of a unit in the project prior to closing are set forth in the Purchase Agreement and the accompanying Escrow Agreement. Those documents should be closely examined by all purchasers in order to ascertain the disposition at closing of earnest money deposits advanced by the purchaser, anticipated closing adjustments, and other important matters. The Escrow Agreement provides, pursuant to Section 103b of the Condominium Act, that the escrow agent shall maintain sufficient funds or other security to complete those improvements shown as "must be built" on the Condominium Subdivision Plan until such improvements are substantially complete. This provision does not, however, pertain to any dwelling or other appurtenances to be constructed on the building site, but relates only to the improvements (such as utilities and roadways) requisite to placing each unit (site) in a condition suitable for issuance of a building permit, which improvements are shown as "must be built" on the Condominium Subdivision Plan until such improvements are substantially complete. Improvements that "must be built" with relation to

condominium building sites such as those in Milford's Hidden Valley include such improvements as are necessary to obtain a building permit for the construction of a dwelling but do not include the costs of construction of the dwelling itself, for which no such escrow is required. Funds retained in escrow are not to be released to the Developer until conveyance to a purchaser of title to a unit and confirmation by the escrow agent that all improvements labeled "must be built" are substantially complete. The Developer is providing all of the funds necessary to complete the construction of all improvements shown on the Condominium Subdivision Plan as "must be built".

B. At Closing. Each purchaser will receive by warranty deed fee simple title to his unit subject to no liens or encumbrances other than the condominium documents and those other easements and restrictions that are specifically set forth in the condominium documents and title insurance commitment.

C. After Closing.

(1) General. Subsequent to the purchase of the unit, relations between the Developer and the owner are governed by the Master Deed and the Condominium Act, except to the extent that any contractual provisions of the Purchase Agreement are intended to survive the closing.

(2) Condominium Project Warranties. The Developer is warranting only that utility mains have or will be installed to serve the unit as shown on the Condominium Subdivision Plan and that the purchaser will, upon payment of normal fees, be entitled to issuance of a building permit with respect to the unit.

D. Construction Contract. Each purchaser must recognize that a Purchase Agreement covers only the building site and that it will be necessary to enter into a separate construction contract with a contractor of his or her choosing for the construction of the building and other improvements to be located on the building site.

VIII. Purpose of Disclosure Statement

The Developer has prepared this Disclosure Statement in good faith, in reliance upon sources of information believed to be accurate and in an effort to disclose material facts about the project. Each purchaser is urged to engage a competent lawyer or other advisor in connection with deciding whether to purchase a unit. In accepting title to a unit, each purchaser shall be deemed to have waived any claim or right arising out of or relating to any immaterial defect, omission

or misstatement in this Disclosure Statement. The terms used herein are defined in the Condominium Act.

The Michigan Department of Commerce publishes The Condominium Buyers Handbook that the Developer has delivered to you. The Developer assumes no obligation, liability, or responsibility as to the statements contained in or omitted from The Condominium Buyers Handbook.

The descriptions of the Master Deed and other instruments contained herein are summary only and may or may not completely and adequately express the content of the various condominium documents. Each purchaser is referred to the original Master Deed and other original instruments as contained in the Purchaser Information Booklet. Legal phraseology, technical terms and terms of art have been minimized and brevity has been the objective to the extent consistent with the purposes of the Disclosure Statement and rules of the Michigan Department of Commerce.

APPENDIX I

MILFORD'S HIDDEN VALLEY ASSOCIATION  
 PROPOSED BUDGET FOR 199091  
 COVERING 42 UNITS <sup>1</sup>

	PER UNIT MONTHLY	PER UNIT ANNUALLY	TOTAL ANNUALLY
ADMINISTRATIVE:			
Liability Insurance	\$ 4.00	\$48.00	\$2,016.00
Postage and Supplies; Miscellaneous	1.00	12.00	504.00
LAND SERVICES:			
Landscaping	5.27	63.24	2,656.08
Snow Removal	7.50	90.00	3,780.00
Trash and Rubbish Removal <sup>2</sup>	7.50	90.00	3,780.00
RESERVES:			
Replacement and deferred maintenance reserves for the common elements such as the roads and drainage systems <sup>3</sup>	<u>6.23</u>	<u>74.76</u>	<u>3,139.92</u>
Operating expenses and reserves			
TOTAL	\$31.50	\$378.00	\$15,876.00

1/ This budget covers 42 units created by the originally recorded Master Deed. It assumes 42 units will be closed in the 1990-91 budget year. However, the expenses incurred and amounts collected will vary depending on closings. This is a projection of Association expenses for the first full year.

2/ Until a temporary or final certificate of occupancy is issued, Units will not be charged for rubbish removal. Thus for Units on which houses are not yet completed, the monthly charge will be reduced initially to \$24.00.

3/ The legal minimum for a reserve under the Michigan Condominium Act is ten percent of the total budget.