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

1359

11-06-07 Sec. 18. Mardy, Treasurer
Sec. 185 Act 266, 1893 as Amended
Taxes not examined

HOMESTEAD DENIALS NOT EXAMINED

55

* 2 0 0 7 R - 0 3 6 7 0 9 * 2007R-036709

RECORDED ON
11/08/2007 11:57:17AM
SALLY REYNOLDS
REGISTER OF DEEDS
LIVINGSTON COUNTY, MI 48843
RECORDING: 193.00

REMON: 4.00 PAGES: 62

MASTER DEED #380 HARTLAND RETAIL SITE CONDOMINIUM

This Master Deed is made and executed on this day of November, 2007, by DH - HARTLAND, LLC, a Michigan limited liability company, hereinafter referred to as "Developer," whose post office address is 3800 W. Eleven Mile Road, Suite 200, Berkley, Michigan 48072, 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."

WITNESSETH:

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 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 Condominium Project under the provisions of the Act.

NOW, THEREFORE, the Developer does, upon the recording hereof, establish Hartland Retail Site Condominium as a Condominium Project under the Act and does declare that Hartland Retail Site Condominium, 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, B and C 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, their grantees, successors, heirs, personal representatives and assigns. In furtherance of the establishment of the Condominium Project, it is provided as follows:

08-21-300-002

ARTICLE I TITLE AND NATURE

The Condominium Project shall be known as Hartland Retail Site Condominium. Livingston County Condominium Subdivision Plan No. 380 The Condominium Project will initially consist of two (2) detached building sites, each of which is intended for separate ownership and use and shall be known as a Condominium Unit. Condominium Unit shall consist solely of the land included within the perimeter of the site as delineated on the Condominium Subdivision Plan. Each Co-Owner shall hold title to his/her Unit and to any building and other improvements constructed upon the Unit. The engineering plans for the Project were approved by, and are on file with, the Township of The architectural plans for all buildings and other Hartland (the "Township"). improvements to be constructed within the Project must be approved by the Township, and thereafter will be filed with said Township. 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 Unit therein, are set forth completely in the Condominium Subdivision Plan attached as Exhibit B hereto. Each individual Unit has been created for commercial development and use and each Unit is capable of individual utilization on account of having its own access to a 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 Common Elements of the Condominium Project as are designated, described and limited pursuant to this Master Deed.

ARTICLE II LEGAL DESCRIPTION

The land which is submitted to the Condominium Project established by this Master Deed is particularly described as follows: A parcel of land located in the Township of Hartland, County of Livingston and State of Michigan, more particularly described as follows:

A part of the South ¼ corner of Section 21, Town 3 North, Range 6 East, Hartland Township, Livingston County, Michigan and described as beginning at the intersection of the center line of M-59 (Highland Road 120.00 feet wide) and the East Line of Old U.S. Highway 23 (Whitmore Lake Road 120.00 feet wide) and being North 86 degrees 31 minutes 00 seconds West 1323.00 feet as measured along the South Line of said Section 21 and North 03 degrees 11 minutes 00 seconds East 46.00 feet from the South ¼ corner of said Section 21 and proceeding thence along the said East Line of Old U.S. 23 North 3 degrees 11 minutes 00 seconds East 437.26 feet; thence South 86 degrees 49 minutes 00 seconds East 419.00 feet; thence South 00 degrees 42 minutes 00 seconds West 418.69 feet to the centerline of said M-59; thence along said Line North 89 degrees 18 minutes 00 seconds West 437.55 feet (recorded as 437.65 feet) to the place of beginning.

Property Address: Old US 23 & M-59 (vacant land Northeast corner)

Tax ID No.: 08-21-300-002

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 Hartland Retail Site Condominium Association, a Michigan non-profit corporation, and deeds, mortgages, liens, land contracts, easements and other instruments affecting the establishment of, or transfer of, interests in Hartland Retail Site Condominium as a condominium. Wherever used in such documents or any other pertinent instruments, the terms set forth below shall be defined as follows:

- <u>Section 1</u>. <u>Act</u>. The "Act" means the Michigan Condominium Act, being Act 59 of the Public Acts of 1978, as amended.
- <u>Section 2</u>. <u>Association</u>. "Association" means the Hartland Retail Site Condominium 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.
- <u>Section 4</u>. <u>Common Elements</u>. "Common Elements," where used without modification, means both the General and Limited Common Elements described in Article IV hereof.
- <u>Section 5</u>. <u>Condominium Documents</u>. "Condominium Documents" means and includes this Master Deed and Exhibits A and B hereto, and the Articles of Incorporation, and rules and regulations, if any, of the Association, as all of the same may be amended from time to time.
- <u>Section 6</u>. <u>Condominium Premises</u>. "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 Hartland Retail Site Condominium as described above.
- Section 7. Condominium Project, Condominium or Project. "Condominium Project," "Condominium" or "Project" means Hartland Retail Site Condominium as a Condominium Project established in conformity with the provisions of the Act.
- <u>Section 8.</u> <u>Condominium Subdivision Plan</u>. "Condominium Subdivision Plan" means Exhibit B hereto.

- <u>Section 9.</u> Construction and Sales Period. "Construction and Sales Period," for the purposes of the Condominium Documents and the rights reserved to Developer thereunder, means the period commencing with the recording of the Master Deed and continuing as long as the Developer owns any Unit which it offers for sale.
- <u>Section 10</u>. <u>Co-owner</u>. "Co-owner" means a person, firm, corporation, partnership, association, trust or other legal entity or any combination thereof who or which own one or more Units in the Condominium Project. The term "Owner," wherever used, shall be synonymous with the term "Co-owner."
- <u>Section 11</u>. <u>Developer</u>. "Developer" means DH Hartland Development, LLC, a Michigan limited liability company, 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. 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 are sold, or (b) mandatorily within (i) 54 months from the date of the first Unit conveyance, or (ii) 120 days after 75% of all Units are sold, whichever first occurs.
- <u>Section 13</u>. <u>REA</u>. "REA" means the Reciprocal Easements and Additional Covenants, Conditions and Restrictions set forth in the attached Exhibit C.
- <u>Section 14</u>. <u>Transitional Control Date</u>. "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 the enclosed space constituting a single Unit in Hartland Retail Site Condominium, 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, unless otherwise expressly provided in the Condominium Documents, be owned in their entirety by the Co-owner of the Unit within which they are located and shall not constitute Common Elements. The Developer does not intend to and is not obligated to install any structures or other improvements whatsoever within the Units or their appurtenant Limited Common Elements, if any.

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

ARTICLE IV COMMON ELEMENTS

The Common Elements of the Project, as may be modified from time to time pursuant to the provisions of this Master Deed and the Bylaws attached hereto as Exhibit A, and the respective responsibilities for maintenance, decoration, repair or replacement thereof, are as follows:

- <u>Section 1</u>. <u>General Common Elements</u>. The General Common Elements shall consist solely of the following:
- (a) <u>Land</u>. The land described in Article II hereof (excluding, however, that portion thereof described in Exhibit B hereto as constituting the Condominium Units), including riparian and littoral rights, if any, attributable to such land.
- (b) <u>Beneficial Easements</u>. Beneficial easements, if any, which may exist from time to time lying outside the Condominium Project and which provide utilities or other services required by the Project (but excluding any improvements located therein which are the responsibility of the Co-owners to construct and maintain hereunder).
- (c) Other. Those elements of the Project which are not enclosed within the boundaries of a Unit and which are intended for common use or are necessary to the existence, upkeep and safety of the Project, if any; expressly excluding, however, any and all Limited Common Elements, the Driveway and all Water Detention and Drainage Facilities (as those terms are defined in the REA attached hereto as Exhibit C).
- <u>Section 2</u>. <u>Limited Common Elements</u>. The Limited Common Elements shall consist solely of the following:
- (a) Those portions of the Driveway as may be located within each Unit from time to time;
- (b) Those portions of the Water Detention and Drainage Facilities as may be located within each Unit from time to time; and
- (c) In a vertical plane, an additional fifteen (15) feet above the maximum building height for buildings (and their appurtenances) that may be constructed within the Project, as set forth in the Hartland Township zoning ordinance as of the date of recording this Master Deed. Pursuant to Section 72(b) of the Act, all airspaces above the Condominium, including over all Units, except as described in this subparagraph 2(c), shall retain their character as General Common Elements and the fee thereof shall reside in the Condominium Association.
- <u>Section 3</u>. <u>Responsibilities</u>. The respective responsibilities for the maintenance, decoration, repair and replacement of the Common Elements are as follows:
 - (a) <u>Co-owner Responsibilities</u>.

- <u>Units and Other Areas</u>. The responsibility for and the costs of (i) construction, repair, maintenance, decoration replacement of all buildings, appurtenances, Limited Common Elements and other improvements located within each Unit (including without limitation all landscaping, irrigation, and the plowing, salting, maintenance, and resurfacing of parking areas, sidewalks and curbs, as needed, and the Driveway and the Water Detention and Drainage Facilities, wherever located, shall be borne by the Co-Owners. Further, no Co-owner shall construct, attach or otherwise install any improvements to any Common Element, whether or not appurtenant to such Co-owner's Unit, or modify any Common Element, without the Developer's prior written approval; and, in this regard, the Co-owner shall, in all events, be responsible to pay any increase in the costs of maintenance, repair, or replacement for which the Association is responsible that results from any such improvements or modifications, and such increased costs or expenses may, at the option of the Association, be specially assessed against that Unit or Units. Notwithstanding any of the foregoing to the contrary, the Developer hereby consents to the construction of the Driveway, the Water Detention and Drainage Facilities and certain sanitary sewer improvements by the Coowners pursuant to and in accordance with the terms and conditions of the attached REA. Likewise, the responsibility for and the costs of improving and maintaining of the surface of any right of way adjoining the Units, to the back of the curb of the adjoining road (or the shoulder edge, as may be applicable), including, without limitation, all landscaping, irrigation, and the plowing and salting of any approach, driveway, and sidewalks, shall be borne by the Co-Owner of the Unit to which such right of way is adjacent.
- (ii) Utility Services and Access. As provided in Article I above, each Unit is capable of individual utilization on account of having its own access to a Common Element of the Condominium Project. Exhibit C hereto provides, without limitation, for the construction, shared use maintenance of a driveway and related improvements intended to provide each Unit access to and from a public road, and for the construction, shared use and maintenance of storm water detention and drainage and sanitary sewer improvements to serve each Unit. Except as may be otherwise be provided herein and/or in Exhibit C hereto, each Co-owner must contract for and connect to, at its sole cost and expense, any utilities that such Co-owner requires in connection with the development of its Unit including, without limitation, electrical, natural gas, water, sanitary sewer, storm sewer leads, connections and other improvements, and any telecommunications, and no such improvements shall be deemed Common Elements hereunder in any event. Likewise, all costs of electricity, natural gas and any other utility services shall be borne by the Co-owner of the Unit to which such services are furnished.
- (b) <u>Association Responsibilities</u>. The Association shall be responsible to maintain, repair and replace the all General Common Elements, and the costs of the same shall be borne by the Association, subject to any provisions of the Bylaws expressly to the contrary. The Association shall not be responsible, in the first

instance, for performing any construction, maintenance, repair or replacement with respect to buildings and their appurtenances located within the Units, any Limited Common Elements, any adjoining right of ways, utilities within any Units, drives or other paved areas within the Units, any off-site improvements, landscaping within the Units and, except as otherwise expressly provided in the Condominium Documents, all structures and improvements that now or hereafter are located within the boundaries of a Condominium Unit shall be owned in their entirety by the Co-owner of the Unit in which they are located and shall not constitute Common Elements hereunder. Nevertheless, in order to provide for flexibility in administering the Condominium, the Association acting through its Board of Directors, may undertake such other regularly recurring, reasonable uniform, periodic exterior maintenance functions with respect to buildings and/or other improvements constructed within any Unit boundaries (and/or any off-site improvements) as it may deem necessary to maintain reasonable aesthetic and maintenance standards prescribed by the Association in duly adopted rules and regulations; provided, however, as to any improvements expressly made the responsibility of any Coowner pursuant to the REA, that the Association first gives the Co-owner of the offending Unit(s) at least thirty (30) days written notice of its intent to take such action (and notice to Walgreens during the continuation of the Walgreens Lease if Unit 1 is affected), and said Owner (or Walgreens, if applicable) fails to correct the offending condition within thirty (30) days after the date of such notice (notice to Walgreens shall be as provided in the REA); further provided, that no notice shall be required in the event of emergency. Nothing herein contained however, shall compel the Association to undertake such responsibilities. responsibilities undertaken by the Association shall be charged to any affected Coowner on a reasonably uniform basis and collected in accordance with the assessment procedures established under Article II of the Bylaws. The Developer, in the initial maintenance budget for the Association, shall be entitled to determine the nature and extent of such services and reasonable rules and regulations may be promulgated in connection therewith.

Section 4. Utility Systems. Some or all of the utility lines, systems, including mains and service leads, and equipment and the telecommunications system, if and when constructed, 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 the telecommunications system, if and when constructed, shall be General Common Elements (if at all), or shall otherwise be the property of the Co-owners, only to the extent of the Co-owners' interest therein, if any, and the Developer makes no warranty whatever with respect to the nature or extent of such interest, if any. The extent of the Developer's and Association's responsibility will be to see to it that telephone, electric, natural gas, water and sanitary sewer mains are installed and available for use by Co-owners within reasonable proximity to, or 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 buildings and structures located within the Units.

ARTICLE V UNIT DESCRIPTION AND PERCENTAGE OF VALUE

Section 1. Description of Units. Each Unit in the Condominium Project is described in this paragraph with reference to the Condominium Subdivision Plan of Hartland Retail Site Condominium as surveyed by Hennessey Engineers, Inc., of Trenton, Michigan, and attached hereto as Exhibit B. Each Unit shall consist of the land contained within the Unit boundaries as shown in Exhibit B hereto and delineated with heavy outlines, together with all appurtenances thereto.

<u>Section 2</u>. <u>Percentage of Value</u>. The percentage of value assigned to each Unit shall be as follows:

Unit 1	50.00 %
<u>Unit 2</u>	<u>50.00 %</u>
Total	100 %

The percentages of value set forth above were made after reviewing the comparative characteristics of each Unit in the project which would affect maintenance costs and value 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 Common Elements of the Condominium Project, the proportionate share of each respective Co-owner in the proceeds and the expenses of administration and the value of such Co-owner's vote at meetings of the Association. The total value of the Project is 100%.

ARTICLE VI EASEMENTS

Section 1. Easements For Driveway, Water Detention And Drainage Facilities, Utility And Other Purposes. The easements and related rights and obligations set forth in the REA attached hereto as Exhibit C are hereby established, on the terms and conditions therein set forth.

Section 2. Easement for Maintenance of Encroachments and Utilities. In the event any portion of a Unit or Common Element encroaches upon another Unit or Common Element 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 contained within each Unit for the continuing maintenance and repair of all utilities in the Condominium; provided, however, that said utility easements shall remain subject, at all times, to the terms and conditions of Paragraph 2.1(c) of the REA.

<u>Section 3</u>. <u>Grant of Easements by Association</u>. 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 easements,

licenses, rights-of-entry and rights-of-way over, under and across the land contained within each Unit for utility purposes, access purposes or other lawful purposes as may be necessary for the benefit of the Condominium or for the benefit of any other land described in this Article VI; subject, however, to the approval of the Developer so long as the Construction and Sales Period has not expired; and further subject, subject at all times, to the terms and conditions of Paragraph 2.1(c) of the REA.

Section 4. Easements for Development, Marketing, Construction, Maintenance, Repair and Replacement. The Developer, the Association, all public or private utility companies and any other state or local governmental authority shall have such easements as may be necessary over the Condominium Project (but excluding the interior of any buildings) to exercise any rights and fulfill any responsibilities of development, marketing, construction, maintenance, repair, decoration, replacement or relocation 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. These easements include, without any implication of limitation, the right of the Association and the Developer to obtain access during reasonable hours and upon reasonable notice to all Common Elements, wherever located within the Condominium Project. While it is intended that each Co-owner shall be solely responsible for the performance and costs of all maintenance, repair and replacement of or decoration of the building and all other appurtenances and other improvements constructed or otherwise located within the Unit (and, with respect to the Driveway and Water Detention and Drainage Facilities described in the REA, any related off-site improvements; and also any right of ways for which the Co-owner is responsible), it is nevertheless a matter of concern that a Co-owner may fail to properly maintain the exterior of such buildings, appurtenances and other improvements in a proper manner and in accordance with the standards set forth in Article VI of the Bylaws. Therefore, in the event a Co-owner fails, as required by this Master Deed, the Bylaws, the REA or any Rules and Regulations promulgated by the Association, to properly and adequately maintain, decorate, repair, replace or otherwise keep his Unit or any buildings, appurtenances or other improvements located therein (and/or any related off-site improvements), the Association, and/or the Developer during the Construction and Sales Period, shall have the right, and all necessary easements in furtherance thereto, but not the obligation, to take whatever reasonable action or actions it deems desirable to so maintain, decorate, repair or replace buildings and/or other improvements within the confines of the Unit or its appurtenances, all at the expense of the Co-owner of the Unit; provided, however, that the Association's and the Developer's right to take such action shall remain subject, at all times, to the notice requirements set forth in Paragraph 2.1(c) of the REA; further provided, that the Association or the Developer, as the case may be, first gives the Co-owner of the offending Unit(s) at least thirty (30) days written notice of its intent to take such action (and notice to Walgreens during the continuation of the Walgreens Lease if Unit 1 is affected), and said Owner (or Walgreens, if applicable) fails to correct the offending condition within thirty (30) days after the date of such notice (notice to Walgreens shall be as provided in the REA); further provided, that no notice shall be required in the event of emergency. 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 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. <u>Utility Easements</u>. Developer also hereby reserves for the benefit of itself, its successors and assigns, and all future owners of any land adjoining the Condominium or any portion or portions thereof, perpetual easements to utilize, tap, tie into, extend and enlarge all utility mains located on the Condominium Premises, including, but not limited to, water, gas, electrical, telephone, storm and sanitary sewer mains; subject, however, to the terms and conditions of Paragraph 2.1(c) of the REA. In the event Developer, its successors or assigns, thus utilizes, taps, ties into, extends or enlarges any utilities located on the Condominium Premises, it shall be obligated to pay all of the expenses reasonably necessary to restore the Condominium Premises to their state immediately prior to such utilization, tapping, tying-in, extension or enlargement.

Developer reserves the right at any time prior to the Transitional Control Date 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 state, county or local governments; subject, however, to the terms and conditions of Paragraph 2.1(c) of the REA. In addition, the Developer shall have the right, at any time, to cause the termination or release of any of the easements referred to in subparagraph (3) of Article II above. Subject to the foregoing, any such easement or transfer of title (or termination or release) may be conveyed (effected) by 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 real estate records of Livingston County, Michigan. Except as provided above, 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 easement or transfer of title (or termination or release).

In addition, individual Co-owners shall be permitted, at any time, to grant easements for utilities over, under and across the Condominium Unit(s) that they own, and only those Units, respectively, to appropriate governmental agencies or public utility companies, and to transfer title of utilities to state, county or local governments in connection therewith, subject to Developer approval for any easements granted prior to the Transitional Control Date. Except as provided in the preceding sentence (and subject to the rights and obligations of the Co-owners herein and as set forth in the REA), any such easement or transfer of title may be conveyed by a Co-owner without the consent of any other Co-owner, mortgagee or other person and shall be evidenced by proper instrument(s) evidencing the same, executed by such Co-owner and duly recorded in the office of the Livingston County Register of Deeds. The Association shall be provided a copy of any such easement by the Co-owner of the affected Unit not later than the date of its recordation. Except as provided above, all of the other 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 easement or transfer of title.

<u>Section 6</u>. Intentionally deleted.

Section 7. Confirmation of Specific Easements by Subsequent Recordings. All easements created and reserved by and to the Developer, its successors and assigns anywhere in this Master Deed or in any other Condominium Documents may be specifically confirmed, defined, clarified or otherwise established by duly recorded instruments from time to time including, without limitation, master deeds, declarations of easements and other documents executed and recorded by Developer, its successors and assigns.

ARTICLE VII AMENDMENT

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

<u>Section 1</u>. <u>Modification of Units or Common Elements</u>. No Unit dimension may be modified without the consent of the Co-owner and mortgagee of such Unit nor may the nature or extent of Limited Common Elements or the responsibility for maintenance, repair or replacement thereof be modified without the written consent of the Co-owner of any Unit to which the same are appurtenant, except as otherwise expressly provided above to the contrary.

<u>Section 2</u>. <u>Division of Units</u>. No additional Units may be created in the Condominium.

<u>Section 3</u>. <u>Mortgagee Consent</u>. Wherever a proposed amendment would alter or change the rights of mortgagees generally, then such amendment shall require the approval of 66-2/3% of all first mortgagees of record allowing one vote for each mortgage held.

Section 4. By Developer. Pursuant to Section 90(1) of the Act, the Developer hereby reserves the right, on behalf of itself and on behalf of the Association, to amend this Master Deed and the Condominium Documents without approval of any Co-owner or mortgagee for the purposes of correcting survey or other errors and for any other purpose unless the amendment would materially alter or change the rights of a Co-owner or mortgagee, in which event mortgagee consent shall be required as provided in Section 3 of this Article.

<u>Section 5</u>. Change in Percentage of Value. The value of the vote of any Co-owner and the corresponding proportion of common expenses assessed against such Co-owner shall not be modified without the written consent of such Co-owner and his mortgagee, nor shall the percentage of value assigned to any Unit be modified without like consent,

except as otherwise provided in this Master Deed or in the Bylaws.

<u>Section 6.</u> <u>Termination, Vacation, Revocation or Abandonment.</u> The Condominium Project may not be terminated, vacated, revoked or abandoned without the written consent of 85% of all Co-owners.

<u>Section 7.</u> <u>Developer Approval.</u> Prior to the Transitional Control Date, Article VI and this Article VII shall not be amended nor shall the provisions thereof be modified by any other amendment to this Master Deed without the written consent of the Developer.

Section 8. Exhibit C / REA. No amendment or other modification of the attached Exhibit C shall be effective except upon compliance with the terms and conditions of both this Article VII and the terms and conditions of Paragraph 11.2 of said Exhibit C, with respect thereto.

<u>Section 9</u>. <u>Walgreen Approval</u>. Except pursuant to Section 4 above, during the continuance of the Walgreen Lease, no amendment or other modification of this Master Deed or of the Exhibits attached hereto affecting Unit 1 shall be effective without the prior approval of Walgreen (on the terms and conditions set forth in Paragraph 11.3 of the REA).

ARTICLE VIII 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 Developer to any other entity or to the Association. Any such assignment or transfer shall be made by appropriate instrument in writing duly recorded in the office of the Livingston County Register of Deeds.

DEVELOPER:

DH - HARTLAND, LLC,

a Michigan limited liability company

By: Diamond Holdings II, LLC, a Michigan limited liability company, its Manager

By:

Its: Manager

STATE OF MICHIGAN

On this 2 day of ________, 2007, the foregoing Master Deed was acknowledged before me by Shannon Shaya, the Manager of Diamond Holdings II, LLC, a Michigan limited liability company, said company being the Manager of DH-Hartland, LLC, a Michigan limited liability company, on behalf of each such company.

Chloe Falkowski Notary Public of Michigan Wayne County Expires 03/25/2013
Acting in the County of DAKLAND Chloe Jalkouski

CHLOE FACKOUSKI, Notary Public

Wayne County, Michigan

My commission expires: 3-25-2013

Acting in ______Oakland County

Drafted by and when recorded return to:

C. Michael Snyder, Esq. Kotz, Sangster, Wysocki & Berg, P.C. 300 Park - Suite 265 Birmingham, Michigan 48009 248.646.1053

HARTLAND RETAIL SITE CONDOMINIUM

EXHIBIT A

BYLAWS

ARTICLE I ASSOCIATION OF CO-OWNERS

Hartland Retail Site Condominium, a Condominium Project located in the Township of Hartland, Livingston County, Michigan, shall be administered by an Association of Coowners 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 Non-profit 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 Common Elements, or the improvements constructed or to be constructed within the perimeters of the Condominium Units for which the Association has maintenance responsibility, 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 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.

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

- (a) Budgets. 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 project 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 Common Elements that are the responsibility of the Association and that must be replaced on a periodic basis shall be established in the budget and must be funded by regular payments as set forth in Section 3 below rather than by special assessments. At a minimum, the reserve fund shall be equal to ten percent (10%) of the Association's current annual budget on a non-cumulative basis. Since the minimum standard required by this subparagraph may prove to be inadequate for this particular Project, the Association 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 determine, in the sole discretion of the Board of Directors: (1) that the assessments levied are or may prove to be insufficient to pay the costs of operation and management of the Condominium, (2) to provide replacements of existing Common Elements for which the Association is responsible, (3) to provide additions to the Common Elements for which the Association is responsible not exceeding \$2,500 annually for the entire Condominium Project, or (4) that an event of emergency exists, 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 4 hereof. 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 the members thereof.
- (b) <u>Special Assessments</u>. 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 needs or requirements of the Association, including, but not limited to: (1) assessments for additions to the Common Elements for which the Association is responsible of cost exceeding \$2,500 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 (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 fifty percent (50%) 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 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 Coowners to cover expenses of administration shall be apportioned among and paid by the Co-owners in equal proportions. Annual assessments as determined in accordance with Article II, Section 2(a) above shall be payable by Co-owners in equal monthly, quarterly or annual installments, as the Association shall determine annually, 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 ten (10) or more days shall bear interest from the initial due date thereof at the rate of seven percent (7%) per annum until each installment is paid full. The Association may, pursuant to Article XIX, Section 4 hereof, levy fines for the late payment in addition to such interest. Each Co-owner, whether one (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 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 assessments 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. Each Co-owner, whether one (1) or more persons, shall be, and remain, personally liable for the payment of all assessments pertinent to his Unit which may be levied while such Co-owner is the owner thereof. 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 attorneys' 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.

<u>Section 4.</u> 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 another 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. A Co-owner in default shall not be entitled to vote at any meeting of the Association so long as such default continues. 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. All of these remedies shall be cumulative and not alternative and shall not preclude the Association from exercising such other remedies as may be available at law or in equity.

- Foreclosure Proceedings. Each Co-owner, and every other person (b) 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 foreclosure 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. The Association, acting on behalf of all Co-owners, may bid at the foreclosure sale, and acquire, hold, lease, or convey the Unit sold. 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.
- Notice of Action. Notwithstanding the foregoing, neither a judicial (c) 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 at least thirty (30) days after mailing, by first class mail, postage prepaid, addressed to the delinquent Co-owner(s) (and to Walgreen, during the continuance of the Walgreen Lease, as those terms are defined in Exhibit C to the Master Deed; "Exhibit C") at his or their last known address, a written notice that one 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 thirty (30) 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, attorneys' 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 Livingston County, Michigan, 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 said thirty (30) 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 that he 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 attorneys' 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 Unit.
- Section 6. Liability of Mortgagee. Notwithstanding any other provision of the Condominium Documents to the contrary, 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. Developer, however, shall at all times pay all expenses of maintaining any Units that it owns, including any buildings and other 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 buildings and other 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 Developer be responsible for payment of any assessments for deferred maintenance, reserves for replacement, for capital improvements or other special assessments.
- <u>Section 8.</u> <u>Property Taxes and Special Assessments.</u> 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.

<u>Section 10</u>. <u>Mechanic's Lien</u>. A mechanic's 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 (and Walgreen, during the continuance of the Walgreen Lease) 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 exists, 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 five (5) days prior to the closing of the purchase of such Unit shall render any unpaid assessments and the lien securing 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, any disputes, claims or grievances arising among or between the Co-owners and the Association (and Walgreen, during the continuance of the Walgreen Lease) 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 the 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.

<u>Section 2</u>. <u>Judicial Relief</u>. 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.

<u>Section 3</u>. <u>Election of Remedies</u>. Such election and written consent by Co-owners or the Association (and of Walgreen, as may be applicable) 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

- <u>Section 1</u>. <u>Extent of Coverage</u>. The Association shall, to the extent appropriate given the nature of the General Common Elements of the Project, carry fire and extended coverage, vandalism and malicious mischief, flood insurance to the extent available, if applicable, all inclusive liability insurance, and workmen's compensation insurance, if applicable, pertinent to the ownership, use and maintenance of the General Common Elements of the Condominium Project, and such other insurance as the Board of Directors of the Association deems advisable, 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, 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.
 - (b) <u>Insurance of General Common Elements</u>. All General Common Elements of the Condominium Project shall be insured against fire and other perils covered by a standard extended coverage endorsement, if appropriate, in an amount equal to the maximum insurable replacement value, excluding foundation and excavation costs, as determined annually by the Board of Directors of the Association.
 - (c) <u>Premium Expenses</u>. All premiums for insurance purchased by the Association pursuant to these Bylaws shall be expenses of administration.
 - (d) Proceeds of Insurance Policies. Proceeds of all insurance policies owned by the Association shall be received by the Association 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 or 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 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 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.

Section 3. Responsibilities of Co-owners. Each Co-owner shall be responsible for obtaining fire and extended coverage and vandalism and malicious mischief insurance with respect to his building and all other improvements constructed or to be constructed within the perimeter of his Condominium Unit (inclusive of any Limited Common Elements appurtenant thereto that are the responsibility of such Co-owner), and for his personal property located herein or elsewhere on the Condominium Project in accordance with the terms and conditions hereof and of Exhibit C. 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. In the event of the failure of a Co-owner to obtain such insurance, 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 are collected in accordance with Article II. Each Co-owner also shall be obligated to obtain insurance coverage for his personal liability for occurrences within the perimeter of his Condominium Unit or within the building or other improvements located thereon (inclusive of any Limited Common Elements appurtenant thereto that are the responsibility of such Co-owner). 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.

<u>Section 4</u>. <u>Waiver of Right of Subrogation</u>. 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.

ARTICLE V RECONSTRUCTION OR REPAIR

Section 1. Determination to Reconstruct or Repair. If any part of the Condominium Premises (inclusive of any improvements located thereon) shall be partially or completely destroyed, it shall be reconstructed or repaired in accordance with the terms and conditions of this Master Deed (inclusive of these Bylaws, Exhibit B and Exhibit C) unless it is determined by a unanimous vote of all Co-owners (and, during the continuance of the Walgreen Lease, Walgreen) that the Condominium shall be terminated, and each institutional holder of a first mortgage lien on any Unit in the Condominium has given prior written approval of such termination.

Section 2. Repair in Accordance with Plans and Specifications. Any such construction or repair shall be substantially in accordance with the Master Deed; provided, however, that the Driveway and the Water Detention and Drainage Facilities (as those terms are defined in said Exhibit C) shall in all events be constructed in accordance with the plans and specifications for the same on file with the Township of Hartland and

Livingston County, Michigan, to a condition as comparable as possible to the condition existing prior to damage, unless the Co-owners (and Walgreen, during the continuance of the Walgreen Lease) shall unanimously decide otherwise.

Section 3. Co-owner Responsibility for Repair.

- (a) <u>Definition of Co-owner Responsibility</u>. If the damage is to a building or other improvement constructed within the perimeter of a Unit (inclusive of any Limited Common Element appurtenant thereto for which the Co-owner is responsible, and any right of way areas and improvements located therein adjacent to such Unit), it shall be the responsibility of the Co-owner to repair such damage.
- (b) <u>Damage to Buildings and Other Improvements</u>. In the event of substantial damage to or destruction of any Unit, or any building or other improvement located thereon, or any part of the Common Elements, the Association shall promptly so notify each institutional holder of a first mortgage lien on any of the Units in the Condominium.

Section 4. Association Responsibility for Repair. Except as otherwise provided in Section 3 above and/or in the Master Deed (inclusive of Exhibit C), the Association shall be responsible for the reconstruction, repair and maintenance of the General Common Elements. Immediately after a casualty causing damage to property for which the Association has the responsibility of maintenance, repair and reconstruction, the Association shall obtain reliable and detailed estimates of the cost to replace the damaged property in a condition as good as that existing before the damage. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction or repair required to be performed by the Association, or if at any time during such reconstruction or repair, or upon completion of such reconstruction or repair, the funds for the payment of the 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 repair.

Section 5. Timely Reconstruction and Repair.

- (a) Common Elements. In the event damage to the Driveway, the Water Detention and Drainage Facilities and/or any of the other Common Elements adversely affects the ability of any Co-owner to use and enjoy his Unit for commercial purposes in the ordinary course of business or is otherwise required to be repaired or restored pursuant to applicable law, rule or governmental requirement, the Association or Co-owner responsible for the reconstruction, repair or maintenance thereof, as the case may be, shall proceed with the necessary repair or replacement of the damaged property without delay and with all due diligence, and shall complete such repair or replacement within six (6) months after the date of the occurrence which caused damage to the property.
- (b) <u>Buildings and Other Improvements</u>. Except as provided in Section 5(a) above, damage to building(s) and other improvements located in the

Condominium shall be repaired or restored in accordance with Paragraph 3.2 of the attached Exhibit C.

<u>Section 6</u>. <u>Eminent Domain</u>. Section 133 of the Act and the following provisions shall control upon any taking by eminent domain:

- (a) <u>Taking of Unit</u>. In the event of any taking of an entire Unit, or of all the improvements located within the perimeter thereof, 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. After acceptance of such award by the Co-owner and his mortgagee, they shall be divested of all interest in the Condominium Project. In the event that any condemnation award shall become payable to any Co-owner whose Unit is not wholly taken by eminent domain, then such award shall be paid by the condemning authority to the Co-owner and his mortgagee, as their interest may appear.
- (b) <u>Taking of Common Elements</u>. If there is any taking of any portion of the Condominium other than any Unit, the condemnation proceeds relative to such taking shall be paid to the Co-owners and their mortgagees in proportion to their respective interests in the Common Elements and the affirmative vote of more than fifty percent (50%) of the Co-owners shall determine whether to 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 re-surveyed and the Master Deed amended accordingly, and, if any Unit shall have been taken, then Article V of the Master Deed shall also be amended to reflect such taking and to proportionately readjust the percentages of value of the remaining Co-owners based upon the continuing value of the Condominium of one hundred percent (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 or other person having any interest whatever in the Project, as mortgagee or otherwise.
- (d) <u>Notification of of Condemnation</u>. In the event any Unit, or improvements located within the perimeter thereof, 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 first mortgagee lien on any of the Units in the Condominium and (during the continuance of the Walgreen Lease) Walgreen.

Section 7. Priority of Mortgagee Interests. Nothing contained in the Condominium Documents shall be construed to give any Condominium Unit 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 Condominium Unit 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:

<u>Section 1</u>. <u>Commercial Use</u>. No Unit in the Condominium shall be used for other than commercial and otherwise non-residential purposes, and the Common Elements shall be used only for purposes consistent with the use of such commercial purposes.

Section 2. Leasing and Rental.

- (a) Right to Lease. A Co-owner may lease all or any part of his 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. 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) <u>Leasing Procedures</u>. 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 all or any part of a Unit, shall disclose that fact in writing to the Association at least ten (10) days before presenting a lease form to a potential lessee of the Unit 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; provided, however, that business terms such as rent, rent escalators, or other terms of a confidential nature need not be disclosed.
 - (2) All tenants and other non- Co-owner occupants shall comply with all of the conditions of the Condominium Documents of the Condominium Project and all leases and rental agreements shall so state.
 - (3) If the Association determines that the tenant or non- Co-owner occupant has failed to comply with the conditions of the Condominium Documents, the Association shall take the following action:
 - (i) The Association shall notify the Co-owner by certified mail advising of the alleged violation by the tenant (and, during the continuance of the Walgreen Lease, Walgreen).

- (ii) The Co-owner shall have thirty (30) 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 thirty (30) days the Association believes that the alleged breach is not cured or may be repeated, it may institute on its behalf or derivatively by the Co-owners on behalf of the Association, if it is under the control of the Developer, an action for eviction against the tenant or non- Co-owner occupant and simultaneously for money damages in the same action against the Co-owner and tenant or non-Co-owner occupant for breach of the conditions of the Condominium Documents. The relief provided for in this subparagraph may be by summary proceeding. The Association may hold both the tenant and the Co-owner liable for any damages to the Common Elements caused by the Co-owner or tenant in connection with the Unit or Condominium 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. There shall be not more than one (1) commercial building and related improvements within the boundaries of each of the Condominium Units in the Project. All construction and development of the Units shall be undertaken by and at the sole expense of the Co-owners, and the Developer shall not be obligated in any way to construct any improvements whatsoever in connection with the Condominium. The construction of any building and/or other improvements on a Unit by a Co-owner shall remain subject to said Co-owner's receipt of all necessary approvals from the Township of Hartland, Livingston County and the State of Michigan, or other governmental body, as may be applicable, and shall be constructed, operated and maintained in accordance with the terms and conditions of the Master Deed (inclusive of these Bylaws and Exhibits B and C attached thereto). Further, each Co-owner hereby agrees to construct those portions of the Driveway and the Water Detention and Drainage Facilities to be located on (or appurtenant to) its Unit in accordance with Exhibit C and in accordance with the requirement(s) of any governmental body with jurisdiction thereover. Any modification of the Driveway and/or the Water Detention and Drainage Facilities, once constructed, shall be subject to the terms and conditions of Exhibit C. Further, no improvement shall require a change in any of the grades in the Project as initially approved by the Township and Livingston County, Michigan, without Developer's express written consent. In that regard, the Developer and the Association shall have the right to refuse to approve any modification of the Driveway and/or the Water Detention and Drainage Facilities, or any change in grades, which is not suitable or desirable in its reasonable opinion; and in passing upon the same 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

construct the same, and the degree of harmony thereof with the Condominium as a whole. Developer may also, in its discretion, require as a condition of approval of any such modification or change, an agreement for special assessment of increased maintenance charges from any Co-owner whose proposed building and appurtenances and related improvements will cause the Association abnormal expenses in carrying out its responsibilities with respect thereto under the Master Deed. The purpose of this section is to assure the continued maintenance of the Condominium as a first class commercial development, and shall be binding upon both the Association and upon all Co-owners. Developer's rights under this Article VI, Section 3 may, in Developer's discretion, be assigned to the Association or a Successor Developer. Developer may construct any improvements upon the Condominium Premises that it may, in its sole discretion, elect to make without the necessity of prior consent from the Association or any other person or entity, subject only to the express limitations contained in the Condominium Documents.

<u>Section 4.</u> <u>Changes in Common Elements.</u> Except as provided in Article VI, Section 3 above with respect to the Developer, and in Exhibit C, no Co-owner shall make changes in any of the Common Elements, Limited or General, without the express written approval of the Association.

Section 5. Activities. No 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 Co-owner shall do or permit anything to be done or keep or permit to be kept on his 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. In addition, no Unit may be developed or used for any purpose inconsistent with local zoning ordinances and other applicable law.

Section 6. Aesthetics. The Common Elements shall not be used for storage of supplies, materials, personal property or trash or refuse of any kind, except as provided in duly adopted rules and regulations of the Association, except for such short periods of time as may be reasonably necessary in connection with the construction, maintenance and ongoing repair and upkeep of the same. Each Co-owner shall locate and maintain at all times, upon its Unit, proper trash receptacles in accordance with applicable zoning and other law. In general, no activity shall be carried on nor condition maintained by a Co-owner in his building, elsewhere on his Unit or upon the Common Elements which is detrimental to the appearance of the Condominium.

<u>Section 7</u>. <u>Advertising</u>. Each Co-owner shall be permitted to locate such signs or other advertising devices on or about its Unit, or upon any improvements located on its Unit, as may be permitted pursuant to applicable zoning and other law. Developer shall have the right, prior to the Transitional Control Date, to utilize any sign or advertising device it deems appropriate.

Section 8. 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. In no event shall such Rules and Regulations contravene any of the terms and conditions of Exhibit C.

Section 9. Right of Access of Association. The Association or its duly authorized agents shall have access upon each Unit from time to time (but not inside any building), during reasonable working hours, upon notice to the Co-owner thereof, as may be necessary for the maintenance, repair or replacement of any of the Common Elements for which it is responsible, and shall also have access, at all times and without notice, as may be necessary to make emergency repairs to prevent damage to such Common Elements or to the improvements thereon.

Section 10. Landscaping. No Co-owner shall perform any landscaping or plant any trees, shrubs or flowers or place any ornamental materials upon any Common Elements or elsewhere on its Unit except in accordance with the lawful requirements of Hartland Township, Livingston County, Michigan, or other governmental body, as may be applicable, and in accordance with Exhibit C, and each Co-owner shall maintain all such landscaping in accordance with good industry practices consistent with the character of the Condominium as a first class commercial development.

<u>Section 11</u>. <u>Use of Common Elements</u>. Neither the Driveway nor the Water Detention and Drainage Facilities, nor any other Common Elements (as defined in the Master Deed), shall be obstructed or used for purposes other than for which they are reasonably and obviously intended.

Section 12. Co-owner Maintenance. Each Co-owner shall maintain his Unit and the Limited Common Elements appurtenant thereto, and buildings and other improvements located thereon, and any adjoining right of ways and improvements located therein, in a safe, clean and sanitary condition (and, with respect to any Driveway and Water Detention and Drainage Facilities, in good working order), free and clear of snow, ice, trash and other debris at all times. Except in accordance with Exhibit C, each Coowner shall also use due care to avoid damaging any of the 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 his agents, employees 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. Any costs or damages to the Association may be assessed to and collected from the responsible Co-owner in the manner provided in Article II hereof.

Section 13. Reserved Rights of Developer.

- (a) Prior Approval by Developer. Except as otherwise expressly provided herein or in any of the other Condominium Documents, no Developer approval shall be required for the construction of any building or other improvements by the Coowners of the Condominium Units; provided, however, each Co-owner shall, prior to commencement of construction, provide the Developer a full and complete copy of (i) the plans and specifications for its proposed building and related improvements and (ii) all permits and other required governmental consents.
- (b) <u>Developer's Rights in Furtherance of Development and Sales</u>. 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 Construction and Sales Period or of the Association in furtherance of its powers and purposes set forth herein and in its Articles of Incorporation, as the same may be amended from time to time. Notwithstanding anything to the contrary elsewhere herein contained, Developer shall have the right throughout the entire Construction and Sales Period to maintain a sales office, a business office, a construction office, model units, 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 Developer. Developer shall restore the areas so utilized to habitable status upon termination of use.
- Enforcement of Bylaws. The Condominium Project shall at all times (c) be maintained in a manner consistent with the highest standards of a premiere commercial development 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, subject to Exhibit C, Developer, or any entity to which Developer 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 Construction and Sales notwithstanding that it may no longer own a Unit in the Condominium, which right of enforcement may include, without limitation, an action to restrain the Association or any Co-owner from any activity prohibited by these Bylaws.

ARTICLE VII MORTGAGES

Section 1. Notice to Association. Any Co-owner who mortgages his Unit shall notify the Association of the name and address of the mortgagee, and the Association shall maintain such information in a book entitled "Mortgagees of Units." 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 sixty (60) days.

<u>Section 2</u>. <u>Insurance</u>. The Association shall notify each mortgagee appearing in said book of the name of each company insuring the Condominium against fire, perils covered by extended coverage, and vandalism and malicious mischief and the amounts of such coverage.

<u>Section 3</u>. <u>Notification of Meetings</u>. 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.

Section 4. Notification of Amendments and Other Matters. All holders of first mortgages and insurers and guarantors thereof who have requested notice (and Walgreen, during the continuance of the Walgreen Lease), are entitled to timely written notice of: (a) any amendment affecting a Unit in which they have an interest, (b) any amendment effecting a change in the Common Elements, (c) a material change in the voting rights or use of a Unit in which they have an interest, (d) any proposed termination of the Condominium, (e) any condemnation or casualty loss which affects a material portion of the Condominium or a Unit in which they have an interest, (f) any lapse, cancellation or material modification of any insurance policy maintained by the Association, (g) any assessment or other charge payable under the Condominium Documents by the Co-owner of a Unit in which they have an interest which is delinquent for more than sixty (60) days, or (h) any proposed action which, under the Condominium Documents, requires the consent of a specified percentage of Mortgagees

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. A First Mortgagee shall have one vote for each mortgage held. Notwithstanding anything to the contrary contained herein, First Mortgagees are entitled to vote on amendments to the Master Deed or any Exhibits thereto only under the following circumstances: (a) Termination of the Condominium; (b) A change in the method or formula used to determine the Percentage of Value assigned to a Unit subject to the Mortgagee's mortgage; (c) A reallocation of responsibility for maintenance, repair, replacement or declaration for a Unit or the Common Elements from the Association to the Unit subject to the Mortgagee's mortgage; and (d) Elimination of a requirement for the Association to maintain insurance on the condominium as a whole or a Unit subject to the Mortgagee's mortgage or reallocation of responsibility for obtaining or maintaining, or both, insurance from the Association to the Unit subject to the Mortgagee's mortgage.

Section 2. Eligibility to Vote. No Co-owner other than the Developer shall be entitled to vote at any meeting of the Association until he has presented 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 held in accordance with Section 2 of Article IX. 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 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. At and after the First Annual Meeting the Developer shall be entitled to vote for each Unit which it owns.

Section 3. Designation of Voting Representative. Each Co-owner shall file a written notice with the Association designating the individual representative who shall vote at meetings of the Association and receive all notices and other communications from the Association on behalf of such Co-owner. Such notice shall be provided by the Association and 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 thirty five percent (35%) of 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.

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

ARTICLE IX MEETINGS

Section 1. Place of Meeting. Meetings of the Association shall be held at such 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 may be convened only by Developer and may be called at any time after more than fifty percent (50%) of the Units in the Condominium Project have been sold and the purchasers thereof qualified as members of the Association. In no event, however, shall such meeting be called later than one hundred twenty (120) days after the conveyance of legal or equitable title to non-developer Co-owners of seventy five percent (75%) in number of all Units that may be created or fifty four (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 and no such meeting shall be construed as the First Annual Meeting. The date, time and place of such meeting shall be set by the Developer, and at least ten (10) days written notice thereof shall be given to each Co-owner.

Section 3. Annual Meetings. Annual meetings of the Association shall be held on the first Monday of November 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 six (6) 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 at least one third (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 of the time and place where it is to be held, upon each Co-owner of record, at least ten (10) days but not more than sixty (60) days prior to such meeting. 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.

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

<u>Section 7</u>. <u>Order of Business</u>. The order of business at all meetings of the members shall be as follows: (a) roll call to determine the voting power represented at the meeting; (b) proof of notice of meeting or waiver of notice; (c) reading of minutes of preceding meeting; (d) reports of officers; (e) reports of committees; (f) appointment of inspector of elections (at annual meetings or special meetings held for purpose of election

of 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 be 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.

<u>Section 10</u>. <u>Minutes, Presumption of Notice</u>. 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 (1) year after conveyance of legal or equitable title to the first Unit in the Condominium to a purchaser or within one hundred twenty (120) days after conveyance to purchasers of one third (1/3) of the total number of Units that may be created, whichever first occurs, the Developer shall cause to be established an Advisory Committee consisting of at least one (1) non-developer Co-owner. The Committee shall be established and perpetuated in any manner the Developer deems advisable, except that if more than fifty percent (50%) of the non-developer Co-owners petition the Board of Directors for an election to select the Advisory Committee, then an election for such purpose shall be held. The purpose of the Advisory Committee shall be to facilitate communications between the

Board of Directors and the non-developer Co-owners and to aid 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

<u>Section 1</u>. <u>Number and Qualification of Directors</u>. Subject to Section 2 below, the Board of Directors shall be comprised of three (3) members, all of whom must be members of the Association or officers, partners, trustees, employees or agents of members of the Association. Directors shall serve without compensation.

Section 2. Election of Directors.

- (a) <u>First Board of Directors</u>. The first Board of Directors shall be appointed by the Developer and shall be composed of at least one (1) person. Such first Board of Directors or its successors, as selected by the Developer, shall manage the affairs of the Association until the appointment of the first non-developer Co-owners to the Board. 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 one hundred twenty (120) days after conveyance of legal or equitable title to non-developer Co-owners of twenty five percent (25%) of the Units that may be created, the number of Directors on the Board of Directors of the Association shall be fixed at three (3), and one (1) of the three (3) Directors shall be selected by non-developer Co-owners. When the required percentage level of conveyance 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 to the Developer by the Co-owners of the Director so elected, the Developer shall then immediately appoint such Director to the Board to serve until the First Annual Meeting 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.

(i) Not later than one hundred twenty (120) days after conveyance of legal or equitable title to non-developer Co-owners of seventy five percent (75%) of the Units that may be created, and before conveyance of ninety (90%) of such Units, 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 (1) Director as long as the Units that remain to be created and sold equal at least ten percent (10%) of all Units that may be created in the Project. Whenever the seventy five percent (75%) conveyance level is

achieved, a meeting of Co-owners shall be promptly conveyed to effectuate this provision, even if the First Annual Meeting has already occurred.

- (ii) Regardless of the percentage of Units which have been conveyed, upon the expiration of fifty four (54) months after the first conveyance of legal or equitable title to a non-developer Co-owner of a 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 (i). Application of this subsection does not require a change in the size of the Board of Directors.
- (iii) If the calculation of the percentage of members of the Board of Directors that the non-developer Co-owners have the right to elect under subsection (ii), or if the product of the number of 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 one (1) member as provided in subsection (i).
- (iv) At the First Annual Meeting two (2) Directors shall be elected for a term of two (2) years and one (1) Director shall be elected for a term of one (1) year. At such meeting all nominees shall stand for election as one (1) slate and the two (2) persons receiving the highest number of votes shall be elected for a term of two (2) years and one (1) person receiving the next highest number of votes shall be elected for a term of one (1) year. At each annual meeting held thereafter, either one (1) or two (2) 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 (1) of the Directors elected at the First Annual Meeting) of each Director shall be two (2) years. The Directors shall hold office until their successors have been elected and hold their first meeting.
- (v) Once the Co-owners have acquired the right hereunder to elect a majority of the Board of Directors, annual meetings of Co-owners to elect Directors and conduct other business shall be held in accordance with the provisions of Article IX, Section 3 hereof.

- <u>Section 3</u>. <u>Powers and Duties</u>. 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.
- <u>Section 4</u>. <u>Other Duties</u>. 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; subject, however, to the terms and conditions of Exhibit C, as may be applicable:
 - (a) To manage and administer the affairs of and to maintain the Condominium Project and the 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.
 - (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.
- <u>Section 5</u>. <u>Vacancies</u>. 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 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 6. Removal. At any regular or special meeting of the Association duly called with the 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 fifty percent (50%) of all the Co-owners 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 thirty five percent (35%) requirement set forth in Article VIII, 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 7. First Meeting. The first meeting of a newly elected Board of Directors shall be held within thirty (30) 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 8. 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 ten (10) days prior to the date named for such meeting.

Section 9. Special Meetings. Special meetings of the Board of Directors may be called by the President on three (3) days' notice to each Director, given personally, by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting. 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 any two (2) Directors.

Section 10. Waiver of Notice. Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be deemed a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 11. Adjournment. 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, less than a quorum is present, the majority of those present may adjourn the meeting to a subsequent time upon twenty four (24) hours' prior written notice delivered to all Directors not present. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice. Signing and concurring in the minutes of a meeting shall constitute the presence of such Director for purposes of determining a quorum.

<u>Section 12</u>. <u>First Board of Directors</u>. 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.

<u>Section 13</u>. <u>Fidelity Bonds</u>. 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 the Association.

ARTICLE XII OFFICERS

<u>Section 1</u>. <u>Officers</u>. The principal officers of the Association shall be a President, who shall be a member of the Board of Directors, 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 Secretary may be held by one person.

- (a) <u>President</u>. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board of Directors. He shall have all 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 may in his discretion deem appropriate to assist in the conduct of the affairs of the Association.
- (b) <u>Secretary</u>. 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.
- (c) <u>Treasurer</u>. The Treasurer shall have responsibility for the Association funds and securities and shall be responsible for keeping full and accurate

accounts of all receipts and disbursements in books belonging to the Association. 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. In addition, the Treasurer shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Treasurer is able to act, the Board of Directors shall appoint some other member of the Board to so do on an interim basis. The Treasurer shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors.

<u>Section 2</u>. <u>Election</u>. 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 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.

<u>Section 4</u>. <u>Duties</u>. 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 have a seal. If the Board determines that the Association shall have a seal, then it shall have inscribed thereof 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 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 financial statement within ninety (90) days following the end of the Association's fiscal year upon written request. The costs of any such audit and any accounting expenses shall be expenses of the Association.

Section 2. Fiscal Year. The fiscal year of the Association shall be the calendar year.

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 an agency of the United States Government 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 in connection with any proceeding to which he may be a party or in which he may become involved by reason of his being or having been a Director or officer of the Association, whether or not he is a Director or officer at the time such expenses are incurred, except in such cases wherein the Director or officer is adjudged guilty of willful or wanton misconduct or gross negligence in the performance of his 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 ten (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 may,

at its option, 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

<u>Section 1</u>. <u>Proposal</u>. 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 one third (1/3) or more of the Co-owners by instrument in writing signed by them.

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

Section 3. Voting. These Bylaws may be amended by the Co-owners at any regular annual meeting or a special meeting called for such purpose by an affirmative vote of not less than sixty six and two thirds percent (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 sixty six and two thirds percent (66-2/3%) of first mortgagees shall be required with each mortgagee to have one vote for each mortgage held. In no event shall any amendment of these Bylaws be deemed to limit or otherwise modify Exhibit C; the terms and conditions of said Exhibit C may only be modified in accordance with the terms and conditions thereof.

<u>Section 4.</u> By <u>Developer.</u> Pursuant to Section 90(1) of the Act, the Developer hereby reserves the right, on behalf of itself and on behalf of the Association, to amend these Bylaws without approval of any Co-owner or mortgagee unless the amendment would materially alter or change the rights of a Co-owner or Mortgagee, in which event mortgagee consent shall be required as provided in Section 3 above.

<u>Section 5</u>. <u>When Effective</u>. Any amendment to these Bylaws shall become effective upon recording of such amendment in the office of the Livingston County, Michigan, Register of Deeds.

<u>Section 6.</u> <u>Binding.</u> 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 of Co-owners and all present or future Co-owners, tenants, or any other persons acquiring an interest in or using the facilities of 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, as set forth in Exhibit C, 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, subject in all events to the terms and conditions of Exhibit C, as may be applicable:

<u>Section 1</u>. <u>Legal Action</u>. 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.

<u>Section 2</u>. <u>Recovery of Costs</u>. 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 attorneys' 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 attorneys' 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, Limited or General, or upon any Unit, 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 rules and regulations establishing such fine have first been duly adopted by the Board of Directors of the Association and notice thereof given to all Co-owners in the same manner as prescribed in Article IX, Section 5 of these Bylaws. Thereafter, fines may be assessed only upon notice to the offending Co-

owners as prescribed in said Article IX, Section 5, and an opportunity for such Co-owner to appear before the Board no less than seven (7) days from the date of the notice and offer evidence in defense of the alleged violation. All fines duly assessed may be collected in the same manner as provided in Article II of these Bylaws. No fine shall be levied for the first violation. No fine shall exceed \$100 for the second violation, \$200 for the third violation or \$300 for any subsequent violation.

<u>Section 5</u>. <u>Non-waiver of Right</u>. 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 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 RIGHTS RESERVED TO DEVELOPER

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

HARTLAND RETAIL CONDOMINIUM PLAN # EXHIBIT "B" TO THE MASTER DEED OF 340

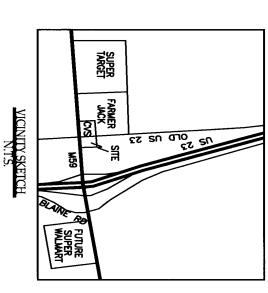
LIVINGSTON COUNTY HARTLAND, MICHIGAN

OWNER/DEVELOPER

BERKLEY, MI 48072 (248) 298-0200 DIAMOND HOLDINGS 3800 W. ELEVEN MILE



ENGINEER





NOUGHICUS DESCRIPTION

A PART OF SOUTHWEST IX OF SECTION 21, T.3N., R.GE., HARTLAND TOWNSHIP, LINKSTON COUNTY, MCHOWN AND DESCRIBED AS BECHANNIC AT THE INTERSECTION OF THE CENTRE LINE OF M-59 (HIGHLAND ROAD) AND THE EAST LINE OF OLD U.S. HIGHWAY 23 (HIMHLORE LINE ROAD RADE) AND BEING HABSTITOW, 1323,00 FEET AS MEASURED ALONG THE SOUTH LINE OF SAID SECTION 21 AND PROCEEDING THENCE ALONG THE SOUTH 1/4 CORNER OF SAID SECTION 21 AND PROCEDING THENCE ALONG THE SAID LINE OF OLD N. U.S. 23, NO311100°E 437.25 FEET; THENCE SOF 4900°E 419.00 FEET; THENCE SOF 4200°E 419.00 FEET; THENCE SOF 4200°E 419.00 FEET; THENCE SOF 4200°E 477.55 FEET (REC. AS 437.65 FEET) TO THE POINT OF BECHNANG, HANNIG AN AREA OF 4.20 ACRES GROSS.

INDEX

- COVER SHEET
- SITE PLAN SURVEY PLAN
- UTILITY PLAN

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COVER SHEET

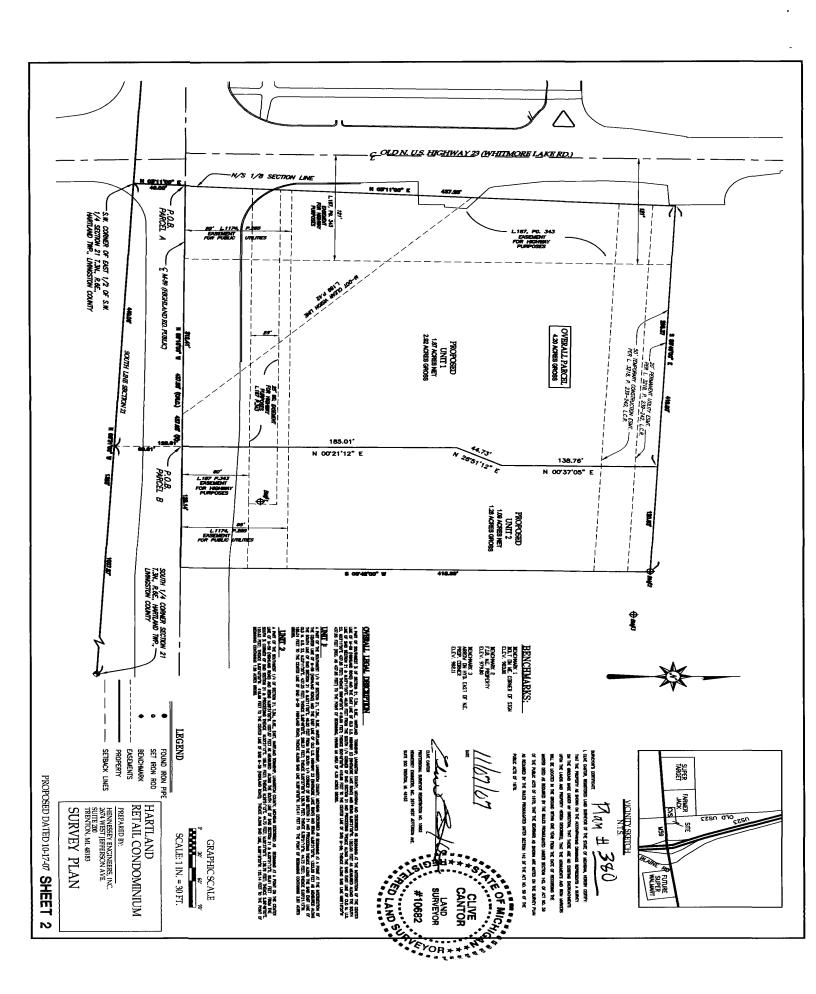
HENNESSEY ENGINEERS, INC. 2674 WEST JEFFERSON AVE. SUITE 200 TRENTON, MI. 49183

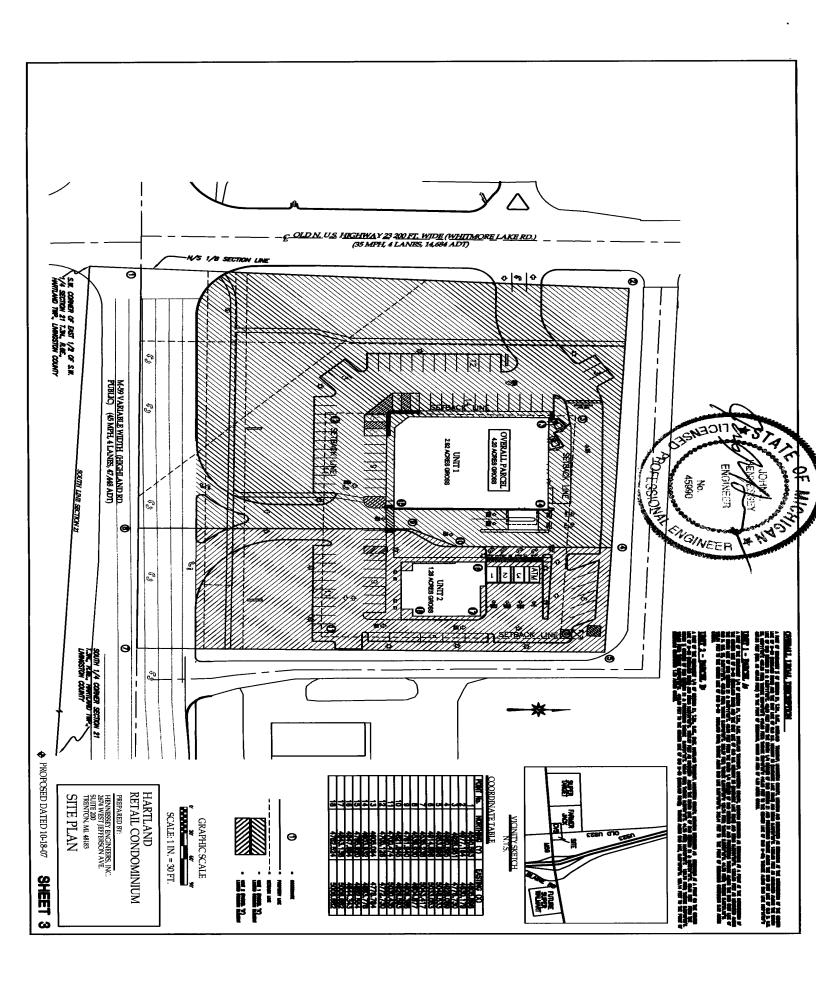
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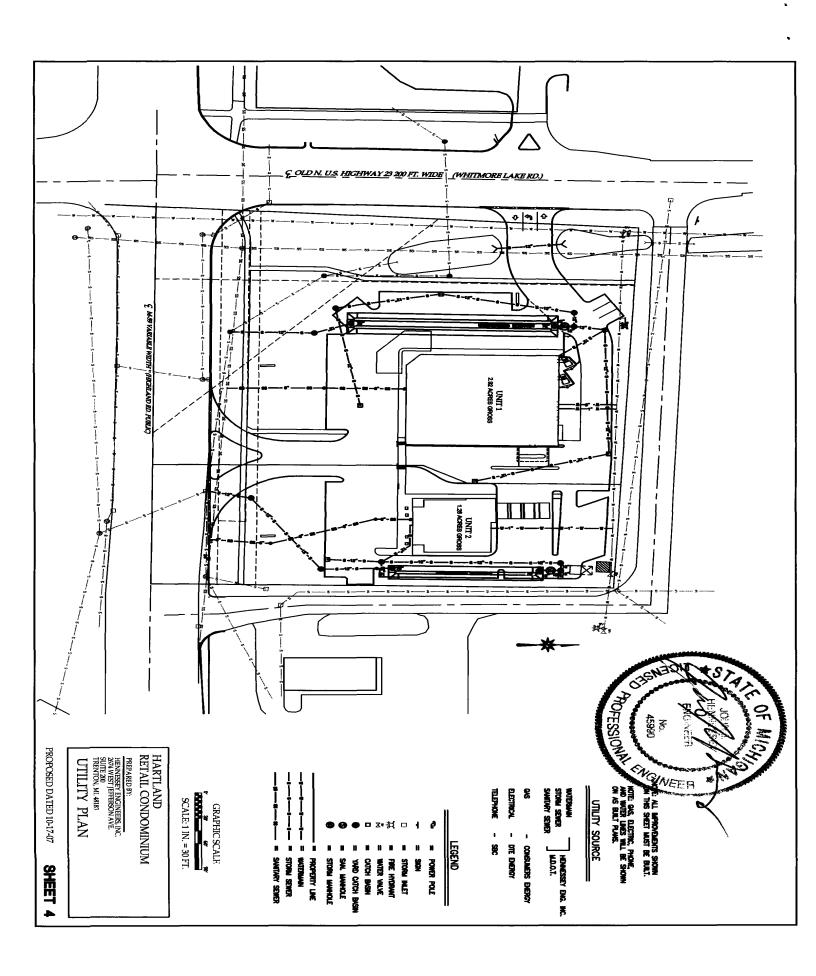
REPARED BY:

HARTLAND

PROPOSED DATED 10-17-07 SHEET







HARTLAND RETAIL SITE CONDOMINIUM

EXHIBIT C

RECIPROCAL EASEMENTS AND ADDITIONAL COVENANTS, CONDITIONS AND RESTRICTIONS

This Exhibit C is attached to and forms a part of the Master Deed of Hartland Retail Site Condominium. The terms and conditions of this Exhibit C are intended to supplement the Master Deed and shall be deemed to control in the event of any conflict between the terms and conditions hereof and of the Master Deed (inclusive of Exhibits A and B thereto). Capitalized terms used in this Exhibit C and not herein defined shall be as defined in the Master Deed.

RECITALS

- A. Subsequent to recording the Master Deed, the Developer intends to retain Unit 1 for development and lease to Walgreen (hereinafter defined); and to convey Unit 2 to DH-Hartland II, LLC, a Michigan limited liability company for development as a Chase Bank branch bank and for future retail/commercial development, respectively.
- B. The Developer desires to impose certain easements upon the Units and to establish certain covenants, conditions and restrictions with respect to such property, for the mutual and reciprocal benefit and complement of the Developer and all future owners and occupants of the Units, on the terms and conditions hereinafter set forth.
 - 1. <u>Definitions</u>. For purposes hereof:
 - (a) The term "Owner" or "Owners" shall mean (i) the Unit 1 Owner (e.g., the Co-owner of Unit 1) and the Unit 2 Owner (e.g., the Co-owner of Unit 2), as may be the case from time to time, and (ii) any and all successors or assigns of such persons as the owner or owners of fee simple title to all or any portion of the real property covered hereby, whether by sale, assignment, inheritance, operation of law, trustee's sale, foreclosure, or otherwise, but not including the holder of any lien or encumbrance on such real property.
 - (b) The term "Unit" or "Units" shall be as defined in the Master Deed, and any future subdivisions thereof.
 - (c) The term "Permittees" shall mean the tenant(s) or occupant(s) of a Unit, and the respective employees, agents, contractors, customers, invitees and licensees of (i) the Owner of such Unit, and/or (ii) such tenant(s) or occupant(s).
 - (d) The term "Common Area" shall mean those portions of Unit 1 and Unit 2 that are outside of exterior walls of buildings or other structures from time to time located on the Units, and which are either unimproved, or are improved as (without limitation) parking areas, landscaped areas, driveways, roadways,

walkways, light standards, curbing, paving, entrances, exits and other similar exterior site improvements.

- (e) The term "Walgreen" or "Walgreens" shall mean Walgreen Co., an Illinois corporation (or any of its affiliates, subsidiaries, successors or assigns). Walgreen shall be deemed a third party beneficiary to the rights and obligations set forth in this Exhibit C.
- (f) The term "Walgreen Lease" or "Walgreens Lease" shall mean that Lease of Unit 1 from the Unit 1 Owner as landlord to Walgreen as tenant, and any amendments, extensions or replacements thereof.
- (g) The term "Site Plan" shall mean that site plan of the Units attached hereto as Exhibit "C-1" and by reference made a part hereof. Except as may be otherwise provided in this Exhibit C, the Site Plan is for identification purposes only.
- (h) The term "Driveway" shall mean that driveway and related (on and offsite) driveway improvements, paving, curbing, entrances and exits, in the location on the Units as shown cross-hatched or otherwise marked on the Site Plan.
- (i) The term "Condominium Association" shall mean the condominium association described in the Master Deed.

2. Easements.

- 2.1 <u>Grant of Reciprocal Easements</u>. Subject to any express conditions, limitations or reservations contained herein, the following nonexclusive, perpetual and reciprocal easements, and their respective benefits and burdens, are hereby imposed upon the Units and all present and future Owners and Permittees of the same:
 - (a) An easement for reasonable access, ingress and egress over all paved driveways, roadways and walkways as presently or hereafter constructed and constituting a part of the Common Area of Unit 1 and Unit 2 including, without limitation, the Driveway, so as to provide for the passage of motor vehicles and pedestrians between all portions of the Common Area of such Units intended for such purposes (but not for parking), and to and from all abutting streets or rights of way furnishing access to such Units.
 - (b) An easement upon, under, over, above and across the Common Areas of the Units for the discharge, drainage, use, detention and retention of storm water runoff in the manner and in the location indicated on the Site Plan, and to install, maintain, repair and replace storm water collection, retention, detention and distribution lines, conduits, pipes and other apparatus under and across those portions of the Common Areas indicated on the Site Plan. The storm water detention areas, if any, indicated on the Site Plan, and all lines, conduits, pipes and other apparatus for water drainage, and all storage systems

necessary in connection therewith, shall be hereinafter called the "Water Detention and Drainage Facilities". The easement granted herein shall include the right of reasonable ingress and egress with respect to the Water Detention and Drainage Facilities as may be required to maintain and operate the same.

- (c) An easement under and across those parts of the Common Areas that are not within any permissible building areas shown on the Site Plan, for the installation, maintenance, repair and replacement of water mains, sanitary sewers, telephone or electrical conduits or systems, cable, gas mains and other utility facilities necessary for the orderly development and operation of the Common Areas and each building from time to time located within the Units, and for such other temporary purposes as may be required in connection therewith; provided that (i) the rights granted pursuant to such easements shall at all times be exercised in such a manner as not to interfere materially with the normal operation of a Unit and the businesses conducted therein, or with any other easements or related rights, (ii) the exact location of any utilities shall be subject to the approval of the Owner(s) of the burdened Unit(s) (and, as to Unit 1 during the continuance of the Walgreen Lease, Walgreen), and (iii) except in an emergency, the right of any Owner to enter upon the Unit of another Owner for the exercise of any right pursuant to such easements shall be conditioned upon providing reasonable prior advance written notice to the other Owner (and, as to any entry upon Unit 1 during the continuance of the Walgreen Lease, Walgreen) as to the time and manner of entry. All such systems, structures, mains, sewers, conduits, lines and other public utilities shall be installed and maintained below the ground level or surface of the Unit (except for such parts thereof that cannot and are not intended to be placed below the surface, such as transformers and control panels, which shall be placed in such location as approved by the Owner of the affected Unit and Walgreen (as to Unit 1). Once the initial construction of Unit 1 shall be completed by the Owner of Unit 1 pursuant to the Walgreen Lease, and Walgreen takes possession of said Unit 1, thereafter no additional utility easements affecting Unit 1 shall be installed without Walgreen's consent (during the continuance of the Walgreen Lease). As used herein, the term "permissible building areas" shall mean the area located within the building set-back lines identified on the Site Plan. Notwithstanding any of the foregoing to the contrary, the sanitary sewer easement shown on the Site Plan (the "Sanitary Sewer Easement") is hereby approved for all purposes, and the further consent or approval of the Owners shall not be required for the construction of any sanitary sewer improvements therein in accordance with the Site Plan.
- (d) A temporary construction easement under and across the Units and all parts thereof (excluding within any buildings or other improvements) as may be necessary for the orderly development of such Units; provided that (i) the rights granted pursuant to such easement shall at all times be exercised in such a manner as not to interfere materially with the normal operation of a Unit and the businesses conducted therein, or with any other easements or related rights, and (ii) except in an emergency, the right of any Owner to enter upon the Unit of another Owner for the exercise of any right pursuant to such easement shall

be conditioned upon providing reasonable prior advance written notice to the other Owner (and, as to any entry upon Unit 1 during the continuance of the Walgreen Lease, Walgreen) as to the time and manner of entry.

- 2.2 <u>Indemnification</u>. Each Owner having rights with respect to an easement granted hereunder shall indemnify and hold the Owner whose Unit is subject to the easement (including Walgreen, in the case of the Owner of Unit 1) harmless from and against all claims, liabilities and expenses (including reasonable attorneys' fees) relating to accidents, injuries, loss, or damage of or to any person or property arising from the negligent, intentional or willful acts or omissions of such Owner, its contractors, employees, agents, or others acting on behalf of such Owner.
- 2.3 Access Openings. The opening(s) and access point(s) contemplated between the Units for use of the Driveway, are to be as shown on the Site Plan and such opening(s) and access point(s) between the Units for use of the Driveway, as contemplated pursuant to paragraph 2.1(a) above, are hereinafter called the "Access Openings." The Access Openings shall in no event be blocked, closed, altered, changed or removed and shall at all times remain in place as shown on the Site Plan. There shall be maintained between the Access Openings a smooth and level grade transition to allow the use of the Driveway for pedestrian and vehicular ingress and egress as set forth in paragraph 2.1 above. Except with respect to the Access Openings, each Owner shall be permitted to maintain a fence, curbing, landscaping or other improvements along the boundary line of its Unit.

2.4 Reasonable Use of Easements.

- (a) The easements herein above granted shall be used and enjoyed by each Owner and its Permittees in such a manner so as not to unreasonably interfere with, obstruct or delay the conduct and operations of the business of any other Owner or its Permittees at any time conducted on its Unit, including, without limitation, public access to and from said business, and the receipt or delivery of merchandise in connection therewith.
- Once the Water Detention and Drainage Facilities are installed (b) pursuant to the easements granted in paragraph 2.1(b) hereof, and/or utility lines, systems and equipment are installed pursuant to the easements granted in paragraph 2.1(c) hereof, no permanent easement, building, structures, trees or other improvements inconsistent with the use and enjoyment of such easements (excluding improvements typically found in common areas of shopping centers and/or, as regards Unit 1, pursuant to the approved Walgreens Lease) shall be placed over or permitted to encroach upon such water detention, drainage and utility installations. The Owner of the Unit served by such installations shall not unreasonably withhold its consent to the reasonable relocation of such installations requested by the Owner of a Unit where such installations are located, at such requesting Owner's sole cost and expense, so long as water detention and drainage services or utility services, as applicable, to the other Owner's Unit are not unreasonably interrupted and the remaining provisions of this paragraph 2.4 are complied with. No such

relocation affecting Unit 1 or the water detention and drainage services or utility service(s) thereto shall be performed without the consent of Walgreen (during the continuance of the Walgreen Lease).

Once commenced, any construction undertaken in reliance upon an easement granted herein shall be diligently prosecuted to completion, so as to minimize any interference with the business of any other Owner and its Permittees. Except in cases of emergency, the right of any Owner to enter upon a Unit of another Owner for the exercise of any right pursuant to the easements set forth, or to prosecute work on such Owner's own Unit if the same interferes with utility or drainage easements or easements of ingress, egress or access to or in favor of another Owner's Unit, shall be undertaken only in such a manner so as to minimize any interference with the business of the other Owner and its Permittees. In such case, no affirmative monetary obligation shall be imposed upon the other Owner (and/or, during the continuance of the Walgreen Lease, Walgreen), and the Owner undertaking such work shall with due diligence repair at its sole cost and expense any and all damage caused by such work and restore the affected portion of the Unit upon which such work is performed to a condition which is equal to or better than the condition which existed prior to the commencement of such work. In addition, the Owner undertaking such work shall pay all costs and expenses associated therewith and shall indemnify and hold harmless the other Owner(s) and its Permittees from all damages, losses, liens or claims attributable to the performance of such work. Notwithstanding the foregoing or anything contained in this Exhibit C to the contrary, neither the Owner of Unit 2 nor its Permittees shall in any event undertake any work described in this paragraph (except normal minor repairs in the ordinary course which do not interfere with the business of the Owner of Unit 1 and its Permittees) which is not of an emergency nature during the months of November or December unless the Owner of Unit 1 (and Walgreen, during the continuance of the Walgreen Lease) shall consent thereto.

3. <u>Maintenance</u>.

- 3.1 <u>General</u>. Until such time as improvements are constructed on a Unit, the Owner thereof shall maintain the same in a clean and neat condition and shall take such measures as are necessary to control grass, weeds, blowing dust, dirt, litter or debris.
- 3.2 <u>Buildings and Appurtenances Thereto</u>. Each Owner covenants to keep and maintain, at its sole cost and expense, all buildings and other improvements located from time to time on its respective Unit in good order, condition and repair. Once constructed, in the event of any damage to or destruction of any such building or improvement, and pursuant to Section 5(b) of the Bylaws, the Owner of such Unit shall, at its sole cost and expense, with all due diligence and without delay, either (a) repair, restore and rebuild such building or improvement to its condition prior to such damage or destruction (or with such changes as shall not conflict with this Exhibit C and the other terms and conditions of the Master Deed), or (b) demolish and remove

all portions of such damaged or destroyed building or improvement then remaining, including the debris resulting therefrom, and otherwise clean and restore the area affected by such casualty to a level, graded condition. Nothing contained in this paragraph 3.2 shall be deemed to allow an Owner to avoid a more stringent obligation for repair, restoration and rebuilding contained in a lease or other written agreement between an Owner and such Owner's Permittee; provided, however, that this paragraph 3.2 shall remain subject and subordinate, in all respects, to Section 5(a) of the Bylaws. All buildings on Unit 2 shall be one story in height, and shall not exceed a maximum height of thirty five (35) feet from grade level on said Units. No building on Unit 2 shall be constructed closer to Old U.S. 23 or M-59 than the building on Unit 1 as shown on the Site Plan. Each Unit shall comply with applicable governmental parking ratio requirements without taking into account the parking provided on any other Owner's Unit, such that each Unit shall be self sufficient for vehicular parking.

- 3.3 Common Area. Each Owner of a Unit covenants at all times during the term hereof to construct, operate and maintain or cause to be constructed, operated and maintained at its expense all Common Area located on its Unit in good order, condition and repair. Following the construction of improvements thereon, maintenance of Common Area shall include, without limitation, maintaining and repairing all sidewalks and the surface of the parking and roadway areas, removing all papers, debris and other refuse from and periodically sweeping all parking and road areas to the extent necessary to maintain the same in a clean, safe and orderly condition, maintaining appropriate lighting fixtures for the parking areas and roadways, maintaining marking, directional signs, lines and striping as needed, maintaining landscaping, maintaining signage in good condition and repair, and performing any and all such other duties as are necessary to maintain such Common Area in a clean. safe and orderly condition. Except as otherwise expressly provided in this Exhibit C, once constructed, in the event of any damage to or destruction of all or a portion of the Common Area on any Unit, the Owner of such Unit shall, at its sole cost and expense, with due diligence repair, restore and rebuild such Common Area to its condition prior to such damage or destruction (or with such changes as shall not conflict with this Exhibit C). Each Owner reserves the right to construct, alter, modify, reconfigure, relocate and/or remove the Common Areas or building areas on its Unit, subject to the following conditions: (i) as to Unit 1, during the continuance of the Walgreen Lease, the express written consent of Walgreen shall be required; (ii) the reciprocal easements between the Units pursuant to paragraph 2.1(a) shall not be closed or materially impaired; (iii) the Driveway and ingress and egress thereto, and to and from the Units and adjacent streets and roads, shall not be so altered, modified, relocated, blocked and/or removed without the express written consent of all Owners (and during the continuance of the Walgreen Lease, Walgreen); (iv) the same shall not violate any of the provisions and easements granted in paragraph 2; and (v) as to Unit 2, the requirements of paragraph 3.2 of this Exhibit C shall be complied with.
- 3.4 <u>Utilities</u>. Each Owner shall at all times during the term hereof construct, operate and maintain or cause to be constructed, operated and maintained, in good order, condition and repair, at its sole expense, any utility or other installations serving the Unit of such Owner and from time to time existing on the Unit of another Owner pursuant to an easement described herein or in the Master Deed.

4. <u>Construction of Improvements.</u>

- 4.1 <u>Buildings</u>. Every building (including its appurtenant Common Area improvements), now or in the future constructed within the Project, shall be constructed, operated and maintained so that the same is in compliance with all applicable governmental requirements.
- 4.2 The Driveway (as referred to in paragraph 2(a) above) shall be Driveway. constructed in stages, on a "per Unit" basis, as each Unit is developed, by and at the sole cost and expense of the Unit 1 Owner and the Unit 2 Owner as to the Driveway improvements located on each such Unit (together with any related off-site improvements), respectively; provided, however, that the Driveway shall be fully constructed and available for use (including, without limitation, any off-site improvements), in all events, not later than the date of substantial completion of the Walgreen building on Unit 1. In that regard, the Unit 1 Owner and the Unit 2 Owner agree to cooperate with each other in all reasonable respects with regard to constructing the Driveway in a timely manner as required hereunder. The Driveway shall be constructed in accordance with the Site Plan and (as to Unit 1) Plans approved by Walgreen under the Walgreen Lease, and applicable governmental Each Owner shall be responsible to obtain and pay for any governmental permits required for the construction of the Driveway improvements located on its Unit.
- 4.3 Water Detention and Drainage Facilities. The Water Detention and Drainage Facilities (as defined in paragraph 2(b) above) shall be constructed in stages, on a "per Unit" basis, as each Unit is developed, by and at the sole cost and expense of the individual Unit Owners as to the Water Detention and Drainage Facilities located, on their respective Units, together with any related off-site improvements; provided, however, that the Water Detention and Drainage Facilities shall be fully constructed and available for use by Unit 1 and Unit 2 (including, without limitation, any off-site improvements), in all events, not later than the date of substantial completion of the Walgreen building on Unit 1. In that regard, the Unit 1 Owner and the Unit 2 Owner agree to cooperate with each other in all reasonable respects with regard to constructing the Water Detention and Drainage Facilities in a timely manner as required hereunder. The Water Detention and Drainage Facilities shall be constructed in accordance with the Site Plan and (as to Unit 1) Plans approved by Walgreen under the Walgreen Lease, and applicable governmental requirements. Each Owner shall be responsible to obtain and pay for any governmental permits required for the construction of the Water Detention and Drainage Facilities located on its Unit. Once constructed, (i) the Water Detention and Drainage Facilities shall not be modified, altered, relocated or otherwise changed, without the prior written consent of all Owners (and, with respect to Unit 1, during the continuance of the Walgreen Lease, Walgreen); and, (ii) each Owner shall operate and maintain, or cause to be operated and maintained, in good order, condition and repair, the Water Detention and Drainage Facilities located upon its Unit and make any and all repairs and replacements that may from time to time be required with respect thereto.

4.4 Sanitary Sewer Improvements. The sanitary sewer improvements to be constructed within the Sanitary Sewer Easement (as defined in paragraph 2.1(c) above), and any related off-site improvements, shall be constructed by and at the sole cost and expense of the first Unit owner to commence development in the Project; provided, however, that said sanitary sewer improvements shall be fully constructed and available for use by all Units, in all events, not later than the date of substantial completion of the Walgreen building on Unit 1. In that regard, the Unit Owners agree to cooperate with each other in all reasonable respects with regard to constructing such improvements in a timely manner as required hereunder. The sanitary sewer improvements shall be constructed in accordance with the Site Plan and (as to Unit 1) Plans approved by Walgreen under the Walgreen Lease, and applicable governmental requirements. The Unit 2 Owner shall be responsible to obtain and pay for any governmental permits required for the construction of the sanitary improvements. Once constructed, (i) the sanitary sewer improvements shall not be modified, altered, relocated or otherwise changed, without the prior written consent of all Owners (and, with respect to Unit 1, during the continuance of the Walgreen Lease, Walgreen); and, (ii) each Owner shall operate and maintain, or cause to be operated and maintained, in good order, condition and repair, the sanitary sewer improvements located upon its Unit and make any and all repairs and replacements that may from time to time be required with respect thereto until such time as the sanitary sewer improvements are dedicated to and accepted by the applicable governmental authority.

5. Restrictions.

5.1 Each Unit shall be used for lawful purposes in conformance with General. all restrictions imposed by all applicable governmental laws, ordinances, codes, and regulations, and no use or operation shall be made, conducted or permitted on or with respect to all or any portion of a Unit which is illegal. In addition to the foregoing, until such time as the Condominium Project is terminated, it is expressly agreed that neither all nor any portion of Unit 1 or Unit 2 shall be used, directly or indirectly, for purposes of a cocktail lounge, bar, any other establishment that sells alcoholic beverages for on-premises consumption, disco, bowling alley, pool hall, billiard parlor, skating rink, roller rink, amusement arcade, a theater of any kind, children's play or party facility, adult book store, adult theatre, adult amusement facility, any facility selling or displaying pornographic materials or having such displays, second hand store, odd lot, closeout or liquidation store, auction house, flea market, educational or training facility (including, without limitation, a beauty school, barber college, school or other facility catering primarily to students or trainees rather than customers), gymnasium, sport or health club or spa, blood bank, massage parlor, funeral home, sleeping quarters or lodging, the outdoor housing or raising of animals, the sale, leasing or storage of automobiles, boats or other vehicles, any industrial use (including, without limitation, any manufacturing, smelting, rendering, brewing, refining, chemical manufacturing or processing, or other manufacturing uses), any mining or mineral exploration or development except by non-surface means, a car wash, a carnival, amusement park or circus, an assembly hall, off track betting establishment. bingo hall, any use involving the use, storage, disposal or handling of hazardous materials or underground storage tanks, any use which may require water and sewer

services in excess of the capacities allocated to each such Unit, respectively, by any governmental authority, a church, temple, synagogue, mosque, or the like, any facility for the sale of paraphernalia for use with illicit drugs, office use (except incidental to a retail or other permitted use), or any use which creates a nuisance; provided, however, that nothing in the Master Deed or this Exhibit C shall be deemed to prohibit (a) the development and use of Unit 1 for a Walgreens retail store and any related uses and (b) the development and use of Unit 2 for a bank building and any related uses.

- 5.2 Additional Unit 2 Restrictions. It is expressly agreed that, until such time as the Condominium Project is terminated, neither all nor any portion of Unit 2 shall be used, directly or indirectly, for any one or more of the following purposes: (a) the operation of a drug store or a so-called prescription pharmacy or prescription ordering, processing or delivery facility, whether or not a pharmacist is present at such facility, or for any other purpose requiring a qualified pharmacist or other person authorized by law to dispense medicinal drugs, directly or indirectly, for a fee or remuneration of any kind; (b) the sale of so-called health and/or beauty aids and/or drug sundries; (c) the operation of a business in which greeting cards and/or gift wrap shall be offered for sale; (d) the sale of alcoholic beverages; (e) the operation of a medical diagnostic lab, and/or (f) the operation of a business in which photofinishing services (including, without limitation, digital photographic processing or printing, or the sale of any other imaging services, processes or goods) and/or photographic film are offered for sale.
- No facility on Unit 1 or Unit 2 for vehicular drive-up or drive-Drive-Throughs. through, in which the stopping or standing of motor vehicles in line at a location for dropoff and/or pickup is intended (as, for example, at a restaurant, car wash or bank), shall be assigned, constructed, used or operated in any manner such that motor vehicles in line at such facility stop or stand onto another Unit and/or the Driveway, or otherwise interfere with the normal pattern and flow of pedestrian or vehicular traffic on and across any other Unit and/or the Driveway; provided, however, nothing contained herein shall be deemed to affect (a) the drive-through serving the building for Walgreen to be initially constructed on Unit 1 by the Owner thereof and (b) the drive-through serving the bank building proposed for Unit 2 (as depicted on the Site Plan), which drive-throughs are hereby expressly approved. In addition, valet parking, if any, in which the stopping or standing of motor vehicles at a location for drop off and/or pick up of passengers is intended, shall not be operated in any manner such that motor vehicles shall stop or stand on any of the Units and/or the Driveway so as to interfere with the normal pattern and flow of pedestrian or vehicular traffic on and across any of the Units and/or the Driveway.
- 6. <u>Insurance</u>. Each Owner shall, until such time as the Condominium Project is terminated, procure and maintain general and/or comprehensive public liability and property damage insurance against claims for personal injury (including contractual liability arising under the indemnity contained in paragraph 2.2 above), death, or property damage occurring upon such Owner's Unit, with single limit coverage of not less than an aggregate of Two Million Dollars (\$2,000,000.00) including umbrella coverage, if any, and naming each other Owner and Walgreen during the continuance of the Walgreen Lease (provided the Owner obtaining such insurance has been supplied with the name of such other Owner in the event of a change thereof) as

additional insureds. Walgreen (whether as tenant under the Walgreen Lease or in the event Walgreen becomes an Owner of a Unit) may elect to self insure and/or carry insurance required hereunder under master or blanket policies of insurance.

- 7. <u>Taxes and Assessments.</u> Each Owner shall pay all taxes, assessments, or charges of any type levied or made by any governmental body or agency with respect to its Unit.
- 8. No Rights in Public; No Implied Easements. Nothing contained herein shall be construed as creating any rights in the general public or as dedicating for public use any portion of the Overall Parcel or the Units. No easements except (a) those expressly set forth in paragraph 2, and/or (b) an easement over Unit 1 and Unit 2 so as to enable the construction of the Driveway and other improvements described herein, shall be implied by this Exhibit C; in that regard, and without limiting the foregoing, no easements for parking or signage are granted or implied.

9. Remedies and Enforcement.

- 9.1 <u>All Legal and Equitable Remedies Available</u>. In the event of a breach or threatened breach by any Owner or its Permittees of any of the terms, covenants, restrictions or conditions hereof, the other Owner(s) and Walgreen shall be entitled forthwith to full and adequate relief by injunction and/or all such other available legal and equitable remedies from the consequences of such breach, including payment of any amounts due and/or specific performance. Walgreen shall have the right, but not the obligation, to enforce the terms and conditions of this Exhibit C on behalf of the Owner of Unit 1, and/or to cure a breach or default hereunder by the Owner of Unit 1, which enforcement or cure shall be accepted by the other Owner(s) as if effected by the Owner of Unit 1.
- In addition to all other remedies available at law or in equity, upon 9.2 Self-Help. the failure of a defaulting Owner to cure a breach of this Exhibit C within thirty (30) days following written notice thereof by an Owner or Walgreen (unless, with respect to any such breach the nature of which cannot reasonably be cured within such 30-day period, the defaulting Owner commences such cure within such 30-day period and thereafter diligently prosecutes such cure to completion), Walgreen or any Owner shall have the right to perform such obligation contained in this Exhibit C on behalf of such defaulting Owner and be reimbursed by such defaulting Owner upon demand for the reasonable costs thereof together with interest at the prime rate charged from time to time by JPMorgan Chase Bank (or its successors or assigns), plus two percent (2%) (not to exceed the maximum rate of interest allowed by law). Notwithstanding the foregoing, in the event of (a) an emergency, (b) blockage or material impairment of the easement rights, (c) the failure of the Unit 2 Owner to timely fulfill its construction obligations under paragraph 4 above, and/or (d) the unauthorized parking of vehicles on Unit 1, an Owner or Walgreen may immediately cure the same and be reimbursed by the other Owner upon demand for the reasonable cost thereof together with interest at the prime rate, plus two percent (2%), as above described.

- 9.3 Lien Rights. Any claim for reimbursement, including interest as aforesaid, and all costs and expenses including reasonable attorneys' fees awarded to any Owner (or to Walgreen in connection with the exercise of its rights set forth in paragraphs 9.1 and/or 9.2 above) in enforcing any payment in any suit or proceeding under this Exhibit C shall be assessed against the defaulting Owner in favor of the prevailing party and shall constitute a lien (the "Assessment Lien") against the Unit of the defaulting Owner until paid, effective upon the recording of a notice of lien with respect thereto in the real estate records of Livingston County, Michigan; provided, however, that any such Assessment Lien shall be subject and subordinate to (i) liens for taxes and other public charges which by applicable law are expressly made superior, (ii) all liens recorded in the real estate records of Livingston County, Michigan, prior to the date of recordation of said notice of lien, (iii) all leases entered into, whether or not recorded, prior to the date of recordation of said notice of lien, and (iv) the Master Deed, whenever recorded. All liens recorded subsequent to the recordation of the notice of lien described herein shall be junior and subordinate to the Assessment Lien. Upon the timely curing by the defaulting Owner of any default for which a notice of lien was recorded, the party recording same shall record an appropriate release of such notice of lien and Assessment Lien.
- 9.4 <u>Remedies Cumulative</u>. The remedies specified herein shall be cumulative and in addition to all other remedies permitted at law or in equity.
- 9.5 <u>No Termination For Breach.</u> Notwithstanding the foregoing to the contrary, no breach hereunder shall entitle any Owner to cancel, rescind, or otherwise terminate any of the terms or conditions of this Exhibit C. No breach hereunder shall defeat or render invalid the lien of any mortgage or deed of trust upon any Unit made in good faith for value, but the easements, covenants, conditions and restrictions hereof shall be binding upon and effective against any Owner of such Unit covered hereby whose title thereto is acquired by foreclosure, trustee's sale, or otherwise.
- 9.6 <u>Irreparable Harm.</u> In the event of a violation or threat thereof of any of the provisions of paragraphs 2 and/or 5 of this Exhibit C, each Owner agrees that such violation or threat thereof shall cause the nondefaulting Owner and/or its Permittees to suffer irreparable harm and such nondefaulting Owner and its Permittees shall have no adequate remedy at law. As a result, in the event of a violation or threat thereof of any of the provisions of paragraphs 2 and/or 5 of this Exhibit C, the nondefaulting Owner and Walgreen, in addition to all remedies available at law or otherwise under this Exhibit C, shall be entitled to injunctive or other equitable relief to enjoin a violation or threat thereof of paragraphs 2 and/or 5 of this Exhibit C.
- 10. <u>Term.</u> The easements, covenants, conditions and restrictions contained in this Exhibit C shall be effective commencing on the date of recordation of the Master Deed in the real estate records of Livingston County, Michigan, and shall remain in full force and effect thereafter in perpetuity, unless the Master Deed is modified, amended, canceled or terminated by the written consent of all then record Owners of Unit 1 and Unit 2 in accordance with paragraph 11.2 hereof.

11. <u>Miscellaneous</u>.

- 11.1 <u>Attorneys' Fees</u>. In the event a party (including Walgreen) institutes any legal action or proceeding for the enforcement of any right or obligation herein contained, the prevailing party after a final adjudication shall be entitled to recover its costs and reasonable attorneys' fees incurred in the preparation and prosecution of such action or proceeding.
- 11.2 <u>Amendment</u>. This Exhibit C shall not be amended except as provided in the Article VII of the Master Deed and as follows:
 - (a) The parties agree that the provisions of this Exhibit C may be modified or amended, in whole or in part, or terminated, only by the written consent of all record Owners of Unit 1 and Unit 2, evidenced by a document that has been fully executed and acknowledged by all such record Owners and recorded in the real estate records of Livingston County, Michigan.
 - (b) Notwithstanding subparagraph 11.2(a) above to the contrary, no termination of the Master Deed, and no modification or amendment of this Exhibit C shall be made, nor (during the continuance of the Walgreen Lease) shall the same be effective unless Walgreen has expressly consented thereto in writing.
 - (c) Notwithstanding anything in this Exhibit C to the contrary, this Exhibit C shall be amended, without the prior consent or approval of any party, for the sole purpose of recognizing the division or "split" of Unit 2 pursuant to and in accordance with Article VII, Section 2 of the Master Deed, and Exhibit C-1 attached hereto shall be replaced with the revised Exhibit C-1 attached to and recorded with said amendment as therein provided.
 - 11.3 <u>Consents</u>. Wherever in this Exhibit C the consent or approval of an Owner is required, unless otherwise expressly provided herein, such consent or approval shall not be unreasonably withheld or delayed. Any request for consent or approval shall: (a) be in writing; (b) specify the section hereof which requires that such notice be given or that such consent or approval be obtained; and (c) be accompanied by such background data as is reasonably necessary to make an informed decision thereon. The consent of an Owner or Walgreen under this Exhibit C, to be effective, must be given, denied or conditioned expressly and in writing. During the continuance of the Walgreen Lease, any consent by the Owner of Unit 1, to be effective, shall also require the consent of Walgreen. Any consent of Walgreen may be given, denied or conditioned by Walgreen in Walgreen's sole and absolute discretion.
 - 11.4 <u>No Waiver</u>. No waiver of any default of any obligation by any party hereto shall be implied from any omission by the other party to take any action with respect to such default.
 - 11.5 <u>No Agency</u>. Nothing in this Exhibit C shall be deemed or construed by any party hereto, by any of the Owners or by any third person to create the relationship of

principal and agent or of limited or general partners or of joint venturers or of any other association between the parties.

- 11.6 <u>Covenants to Run with Land</u>. It is intended that each of the easements, covenants, conditions, restrictions, rights and obligations set forth herein shall run with the land and create equitable servitudes in favor of the real property benefited thereby, shall bind every person having any fee, leasehold or other interest therein and shall inure to the benefit of the respective parties and their successors, assigns, heirs, and personal representatives.
- 11.7 <u>Grantee's Acceptance</u>. The grantee of any Unit or any portion thereof, by acceptance of a deed conveying title thereto or the execution of a contract for the purchase thereof, whether from an original party or from a subsequent owner of such property, shall accept such deed or contract upon and subject to each and all of the easements, covenants, conditions, restrictions and obligations contained herein. By such acceptance, any such grantee shall for himself and his successors, assigns, heirs, and personal representatives, covenant, consent, and agree to and with the other party, to keep, observe, comply with, and perform the obligations and agreements set forth herein with respect to the property so acquired by such grantee.
- 11.8 <u>Separability</u>. Each provision of this Exhibit C and the application thereof to Unit 1 and Unit 2 are hereby declared to be independent of and severable from the remainder of this Exhibit C. If any provision contained herein shall be held to be invalid or to be unenforceable or not to run with the land, such holding shall not affect the validity or enforceability of the remainder hereof. In the event the validity or enforceability of any provision of this Exhibit C is held to be dependent upon the existence of a specific legal description, the parties agree to promptly cause such legal description to be prepared.
- 11.9 Time of Essence. Time is of the essence of this Exhibit C.

11.10 <u>Notices</u>. Notices or other communication pursuant to this Exhibit C shall be in writing and shall be sent certified or registered mail, return receipt requested, or by other national overnight courier company, or personal delivery. Notice shall be deemed given upon receipt or refusal to accept delivery. Each party and Walgreen may change from time to time their respective address for notice hereunder by like notice to the other party and Walgreen. Notice given by any Owner hereunder to be effective shall also simultaneously be delivered to Walgreen (during the continuance of the Walgreen Lease). The notice addresses of the Developer, Walgreen, the Unit 1 Owner and the Unit 2 Owner are as follows:

Walgreen: Walgreens

Attention: Real Estate Law Department

Mail Stop No. 1420 104 Wilmot Road

Deerfield, Illinois 60015

Re: Store # 10804

<u>Developer</u>: DH-Hartland, LLC

c/o Diamond Holdings, LLC 3800 W. Eleven Mile Road

Suite 200

Berkley, Michigan 48072

Attn: Shannon Shaya, Manager

Unit 1 Owner: DH-Hartland, LLC

c/o Diamond Holdings, LLC 3800 W. Eleven Mile Road

Suite 200

Berkley, Michigan 48072

Attn: Shannon Shaya, Manager

Unit 2 Owner: DH-Hartland II, LLC

c/o Diamond Holdings, LLC 3800 W. Eleven Mile Road

Suite 200

Berkley, Michigan 48072

Attn: Shannon Shaya, Manager

- 11.11 <u>Governing Law</u>. The laws of the State in which the condominium Units are located shall govern the interpretation, validity, performance, and enforcement of this Exhibit C.
- 11.12 Estoppel Certificates. Developer and each Owner, within twenty (20) days of its receipt of a written request from the other Owner(s), the Condominium Association or Walgreen, shall from time to time provide the requesting party, a certificate binding upon such Owner stating: (a) to the best of such Owner's knowledge, whether Developer, any other Owner, the Condominium Association or Walgreen, as the case may be, is in default or violation of this Exhibit C and if so identifying such default or violation; and (b) that the terms and conditions of this Exhibit C are in full force and effect and identifying any amendments hereto as of the date of such certificate.
- 11.13 <u>Bankruptcy</u>. In the event of any bankruptcy affecting the Developer or any Owner or occupant of any Unit, the parties agree that the terms and conditions of this Exhibit C, to the maximum extent permitted by law, shall be considered an agreement that runs with the land and that is not rejectable, in whole or in part, by the bankrupt person or entity.

Attached Exhibits: Exhibit "C-1" - Site Plan.

