

MASTER DEED

WASHINGTON CREEK

THIS MASTER DEED is made and executed on this ____ day of _____, 20__, by Washington Creek Development Associates LLC, a Michigan limited liability company (hereinafter referred to as "Developer"), the address of which is 40950 Woodward Avenue, Site 300, Bloomfield Hills, Michigan 48304 in pursuance of the provisions of the Michigan Condominium Act (being Act 59 of the Public Acts of 1978, as amended), hereinafter referred to as the "Act."

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

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

ARTICLE I

TITLE AND NATURE

The Condominium Project shall be known as Washington Creek, Macomb County Condominium Subdivision **Plan No. _____**. The Project is a multi-phase Condominium Development. Phase I consists of 110 single family units and Phase II consists of 198 multi-family units. Phase I and Phase II may be developed and constructed simultaneously. 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, and the designation of Common Elements as General Common Elements or Limited Common Elements, are set forth completely in the Condominium Subdivision Plan attached as Exhibit "B" hereto. Each Unit in Phase I is designed to contain a single-family residential structure and other improvements for residential purposes which improvements shall comply with this Master Deed. Each Unit is capable of individual utilization. Each unit in Phase II is designed to contain a multi-

family residential structure and other improvements for residential purposes. Each Co-owner in the Condominium Project shall have an exclusive right to his or her Unit and shall have undivided and inseparable rights to share with other Co-owners the General and Limited Common Elements of the Condominium Project. The provisions of this Master Deed, including, but not limited to, the purposes of the Condominium, shall not be construed to give rise to any warranty or representation, express or implied, as to the composition or physical condition of the Condominium, other than that which is expressly provided herein.

ARTICLE II LEGAL DESCRIPTION

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

Property located in the Township of Washington, County of Macomb, State of Michigan, described as:

INSERT LEGAL DESCRIPTION

and further being subject to and together with all easements, reservations, exceptions, conditions and restrictions contained in prior conveyances of record or otherwise.

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, rules and regulations of the Washington Creek Association, and deeds, mortgages, liens, land contracts, easements and other instruments affecting the establishment of, or transfer of, interests in Washington Creek as a condominium. Wherever used in such documents or any other pertinent instruments, the terms set forth below shall be defined as follows:

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

Section 2. Architectural Control Committee. "Architectural Control Committee" means that committee consisting of the Developer during the Development and Sales Period and during the first construction of any dwelling or condominium site improvement upon any Unit and thereafter that committee consisting of at least three persons established pursuant to the Condominium Bylaws for the purpose of reviewing proposed house plans to determine compliance with the Master Deed.

Section 3. Association or Association of Co-owners. "Association" or "Association of Co-owners" means Washington Creek 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 and be empowered to (i) provide effectively for the operation, maintenance, improvement, repair and replacement of the General Common Elements; (ii) to secure (and cause to be maintained continuously in force and effect) adequate comprehensive public liability and property damage insurance in connection with the General Common Elements; and (iii) to spread the Association's budgeted costs in regard to the General Common Elements, including, without limitation, all administrative costs of the Association, ratably against the Condominium Units within the Development, by annual and special assessments, each of which shall become a lien upon each Condominium Unit subject to assessment, and the personal obligation of the then Co-owner of the Unit as provided by this Master Deed.

Section 4. Board of Directors or Board. "Board of Directors" or "Board" means the Board of Directors of Washington Creek Association, a Michigan non-profit corporation organized to administer, operate, manage, and maintain the Condominium.

Section 5. Builder. "Builder" shall mean and refer to any person or entity that acquires a Unit for the purpose of engaging in and does engage in the business of constructing residential buildings for the purpose of resale and not for his own use.

Section 6. Condominium Bylaws or Bylaws. "Condominium Bylaws" or "Bylaws" means Exhibit "A" hereto, being the Bylaws setting forth the substantive rights and obligations of the Co-owners and required by Section 3(8) of the Act to be recorded as part of the Master Deed. The Bylaws shall also constitute the corporate bylaws of the Association as provided for under the Michigan Nonprofit Corporation Act.

Section 7. Common Elements. "Common Elements" where used without modification, means both the General Common Elements and the Limited Common Elements described in Article IV hereof.

Section 8. Condominium Documents. "Condominium Documents" means and includes this Master Deed and Exhibits "A" and "B" hereto, and the Articles of Incorporation, Bylaws, Condominium Subdivision Plan, and any rules and regulations of the Association, as all of the same may be amended from time to time.

Section 9. Condominium Premises. "Condominium Premises" means and includes the land described in Article II above, all improvements and structures thereon, and all easements, rights, and appurtenances belonging to Washington Creek as described above.

Section 10. Condominium Project, Condominium or Project. "Condominium Project," "Condominium," or "Project" means Washington Creek, as a Condominium Project established in conformity with the Act.

Section 11. Condominium Subdivision Plan. "Condominium Subdivision Plan" means Exhibit "B" hereto.

Section 12. Consolidating Master Deed. "Consolidating Master Deed" means the final amended Master Deed and shall describe Washington Creek as a completed Condominium Project and shall reflect the entire land in the Condominium Project resulting from parcels that may have been added to and/or withdrawn from the Condominium Project from time to time, and all Units and Common Elements therein, as constructed, and which shall express percentages of value pertinent to each Unit as finally readjusted. Such Consolidating Master Deed shall be recorded in the office of the Macomb County Register of Deeds, and when recorded shall supersede the previously recorded Master Deed for the Condominium and all amendments thereto. A Consolidating Master Deed and plans showing the Condominium as built shall be recorded no later than one year after completion of construction in order to consolidate all phases or amendments of the Project. A copy of the recorded Consolidating Master Deed shall be provided to the Washington Creek Association.

Section 13. Co-owner or Owner. "Co-owner" or "Owner" means a person, firm, corporation, partnership, association, trust, or other legal entity or any combination thereof who or which owns one or more Units in the Condominium Project. The term "Owner", wherever used, shall be synonymous with the term "Co-owner." "Co-owner" includes land contract vendees and land contract vendors who are considered jointly and severally liable under the Condominium Act and the Condominium Documents, except as the recorded Condominium Documents provide otherwise.

Section 14. Developer. "Developer" means Washington Creek Development Associates LLC, 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. The word "successor" as used in this Section shall not be interpreted to mean a "Successor Developer" as defined in Section 135 of the Act.

Section 15. Development and Sales Period. The "Development and Sales Period," for the purposes of the Condominium Documents and the rights reserved to Developer hereunder, shall be deemed to commence on the date that this Master Deed is recorded with the Macomb County Register of Deeds and shall continue for so long as the Developer continues to own any Unit in the Project or during the period when new houses are under construction by the Developer, and/or Builder, and/or independent contractor.

Section 16. 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 that 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 that may be created are conveyed, or (b) mandatorily within (i) 54 months from the date of the first Unit conveyance, or (ii) 120 days after 75% of the Units that may be created are conveyed, whichever first occurs.

Section 17. General Common Elements. "General Common Elements" means the Common Elements other than the Limited Common Elements and as shown on the Condominium Subdivision Plain, Exhibit B.

Section 18. Limited Common Elements. "Limited Common Elements" means the Common Elements reserved for the exclusive use of less than all of the Co-owners.

Section 19. Municipality. "Municipality" means the Township of Washington.

Section 20. Point of Lateral Connection. "Point of lateral connection" means the point where the underground lead taps into the main.

Section 21. Rules and Regulations. "Rules and Regulations" means those rules and regulations promulgated by the Developer during the Development and Sales Period, by the Board of Directors as authorized by the Condominium Bylaws, and by the Architectural Control Committee to facilitate the operation of the Condominium Project.

Section 22. Transitional Control Date. "Transitional Control Date" means the date on which a Board of Directors of the Association takes office pursuant to an election in which the votes that may be cast by eligible Co-owners unaffiliated with the Developer exceed the votes that may be cast by the Developer.

Section 23. Unit or Condominium Unit. "Unit" or "Condominium Unit" each mean a single Unit in Washington Creek, as such space may be described in Article V, Section 1 hereof and on Exhibit "B" hereto, and shall have the same meaning as the term "Condominium Unit" as defined in the Act. All structures and improvements now or hereafter located within the boundaries of a Unit shall be owned in their entirety by the Co-owner of the Unit within which they are located and shall not, unless otherwise expressly provided in the Condominium Documents, constitute Common Elements. The Developer does not intend to and is not obligated to install any structures whatsoever within the Units or their appurtenant Limited Common Elements, if any.

Section 24. Gender. 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.

Section 25. Miscellaneous. Other terms that may be utilized in the Condominium Documents and that are not defined hereinabove shall have the meanings as provided in the Act.

ARTICLE IV COMMON ELEMENTS

The Common Elements of the Project and the respective responsibilities for maintenance, decoration, repair, removal, or replacement thereof, are as follows:

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

(a) **Land.** The land described in Article II hereof not identified as Units or Limited Common Elements.

(b) **Easements**. All easements, if any, which benefit the Condominium Project as a whole.

(c) **Sidewalks**. The sidewalks throughout the Project, if any, which benefit the Condominium Project as a whole.

(d) **Entryway, Monuments and Signs**. The entryway islands, monument, if any and entryway signs, wherever located.

(e) **Electrical**. The electrical transmission mains located throughout the Project up to the point of lateral connection for Unit service.

(f) **Telephone**. The telephone system located throughout the Project up to the point of lateral connection for Unit service.

(g) **Gas**. The gas distribution system located throughout the Project up to the point of lateral connection for Unit service.

(h) **Telecommunications**. The telecommunications system located throughout the Project, if and when any may be installed, up to the point of lateral connection for Unit service.

(i) **Storm Water Drainage System**. The storm water drainage system located throughout the Project and all equipment related thereto, except to the extent set forth in Section 4 of this Article.

(j) **Sanitary Sewer**. The sanitary sewer system located throughout the Project up to the point of lateral connection for Unit Service, except to the extent set forth in Section 4 of this Article.

(k) **Water Distribution System**. The water distribution system located throughout the Project up to the point of lateral connection for Unit service, and the sprinkling system fixtures, connections, and controls located on the General Common Elements to the extent any are installed.

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

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

(a) **Utility Lateral**. Utility laterals from the connection to the mains are limited to the Unit served thereby.

(b) **Mailboxes**. Mailboxes are limited to the Unit to which they are assigned.

(c) **Driveways**. The driveway adjacent to the Unit it serves to the extent that it is not contained within the Unit.

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

(a) Co-owner Responsibilities.

(i) **Units and Dwellings**. It is anticipated that separate residential dwellings will be constructed and maintained upon the Units depicted on Exhibit "B" hereto. Except as otherwise expressly provided, the responsibility for and the costs of maintenance, decoration, repair and replacement of each Unit, its Limited Common Elements, and any dwelling and other related structures constructed within the Unit, shall be borne by the Co-owner of the Unit which is served thereby: provided, however, that the exterior appearance of the dwellings, to the extent visible from any other dwelling or Common Element in the Project, shall be subject to reasonable aesthetic and maintenance standards in the Washington Creek Bylaws attached hereto at Exhibit "A" and as prescribed by the Architectural Control Committee and as provided in duly adopted rules and regulations. Failure of any Co-owner to adhere to such maintenance and aesthetic standards shall entitle the Association or the Developer to enter upon such Co-owner's Unit and to perform the necessary maintenance, decoration, repair, removal, or replacement in accordance with the provisions of Article X, Section 5 of this Master Deed.

(ii) **Limited Common Elements**. The cost of maintenance, repair and replacement of all Limited Common Elements shall be borne by the Co-owners of the Unit served thereby.

(iii) **Utility Services**. All costs of installation and operation of lateral lines for water, sewer, electricity, and natural gas and any other utility services and all costs of service to the Unit shall be borne by the Co-owner of the Unit to which such services are furnished.

(b) **Association Responsibilities for General Common Elements**. The costs of maintenance, repair, and replacement, if any, of all General Common Elements shall be borne by the Association, subject to any provisions of the Bylaws expressly to the contrary.

(c) **Association Responsibility for Units and Dwellings**. The Association shall not be responsible for performing any maintenance, repair, removal, or replacement with respect to any dwelling, or any other related structures or appurtenances located within the Condominium Units. 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 dwellings constructed within any

administration and the value of such Co-owner's vote at meetings of the Association of Co-owners. The total value of the Project is 100%.

ARTICLE VI CONSOLIDATION AND OTHER MODIFICATIONS OF UNITS

Notwithstanding any other provision of the Master Deed or the Bylaws, Units in the Condominium may be consolidated, modified, and the boundaries relocated, in accordance with Section 48 of the Act, any applicable local ordinances and regulations, and this Article; such changes in the affected Unit or Units shall be promptly reflected in a duly recorded amendment or amendments to this Master Deed. Whenever required such changes shall be made subject to such approval of the Township of Washington. Developer reserves the sole right during the Development and Sales Period and without the consent of any other Co-owner or any mortgagee of any Unit to do the following: realign or alter any Unit that it owns or any Units for which the Co-owner has given their consent, consolidate under single ownership two or more Units that are located adjacent to one another, and relocate any boundaries between adjoining Units. Such realignment of Units, consolidation of Units, or relocation of boundaries of Units shall be given effect by an appropriate amendment or amendments to this Master Deed in the manner provided by law, which amendment or amendments shall be prepared by and at the sole discretion of Developer, its successors or assigns.

ARTICLE VII CONTRACTION OF CONDOMINIUM

Section 1. Right to Contract. As of the date this Master Deed is recorded, the Developer intends to establish a Condominium Project consisting of seventy (70) Units on the land described in Article II hereof all as shown on the Condominium Subdivision Plan. Developer reserves the right, however, to establish a Condominium Project consisting of fewer Units and to withdraw from the project all or some portion(s) of the land described in Article II (hereinafter referred to as the "Contractible Area").

Section 2. Withdrawal of Land. Any other provision of this Master Deed notwithstanding, the number of Units in the Project may, at the option of the Developer, from time to time, within a period ending no later than six years from the date of recording this Master Deed, be contracted to any number determined by the Developer in its sole judgment, but in no event shall the number of Units be less than ten (10). In connection with such contraction, the Developer unconditionally reserves the right to withdraw from the Condominium Project such portion or portions of the land described in this Article as is not reasonably necessary to provide access to or otherwise serve the Units included in the Condominium Project as so contracted. Developer reserves the right to use the portion of the land so withdrawn to establish, in its sole discretion, a separate condominium project (or projects) or any other form of development. Developer further reserves the right, subsequent to such withdrawal but prior to six years from the date of recording this Master Deed, to expand the Project as so reduced to include all of any portion of the land so withdrawn.

Section 3. Contraction Not Mandatory. There is no obligation on the part of the Developer to withdraw from the Condominium all or any portion of the Contractible Area described in this Article, nor is there any obligation to withdraw portions thereof in any particular order. Further, portions of the land may be withdrawn from the condominium project at different times.

ARTICLE VIII EXPANSION OF CONDOMINIUM

Section 1. Area of Future Development. The Condominium Project established pursuant to the initial Master Deed of this Condominium and consisting of a maximum of 279 Units is intended to be the first phase of an expandable Condominium under the Act. Subsequent phases of the Condominium Project may add land to the Condominium Project upon which additional Units will be constructed. In its entirety, the Project may contain [REDACTED] Units. Units created in the expansion shall be residential use units. The Developer reserves the right to subject Units added to the Project, i.e. commercial or mixed use, to separate restrictions and methods of assessing for expenses, as well as, subjecting such Units to membership in a commercial association as determined in the sole judgment of the Developer. Additional Units, if any, may be constructed upon all or some portion or portions of the following described land:

Legal Description

Preserving all other lawful easements, restrictions, and right-of ways of record and all governmental limitations (hereinafter referred to as the "Area of Future Development").

Section 2. Increase in Number of Units. Any other provisions of this Master Deed notwithstanding, the number of Units in the Condominium may, at the option of the Developer or its successors or assigns, from time to time, within a period ending no later than six (6) years from the date of recording this Master Deed, be increased by the addition to this Condominium of any portion of the Area of future Development and the construction of Condominium Units thereon. This period may be extended with the prior approval of sixty-six and two-thirds (66 2/3%) of all Co-Owners eligible to vote. The location, nature, appearance, design (interior and exterior), structural components, and common elements of all such additional Units as may be constructed thereon shall be determined by the Developer in its sole discretion. Additional Unit areas may include mixed residential and commercial use.

Section 3. Amendment of Master Deed. Any such expansion of this Condominium Project shall be given effect by appropriate amendments to this Master Deed in the manner provided by law, which amendments shall be prepared by and at the discretion of the Developer and in which the percentages of value set forth in Article V hereof shall be proportionately readjusted when applicable in order to preserve a total value of 100% for the entire Project resulting from such amendments to this Master Deed. The precise determination of the readjustments in percentages of value shall be made within the sole judgment of the

Developer. Such readjustments, however, shall reflect a continuing reasonable relationship among percentages of value based upon the original method of determining percentages of value for the Project.

Section 4. Expansion Not Mandatory. Nothing herein contained shall in any way obligate Developer to enlarge the Condominium beyond the phase established by this Master Deed and Developer (or its successors and assigns) may, in its discretion, establish all of a portion of said Area of Future Development as a rental development, a separate Condominium Project (or Projects) or any other form of development or retain same as raw land. There are no restrictions on the election of the Developer to expand the Condominium other than as explicitly set forth herein. There is no obligation on the part of the Developer to add to the Condominium all or any portion of the Area of Future Development described in this Article VI nor is there any obligation to add portions thereof in any particular order nor to construct particular improvements thereon in any specific locations.

ARTICLE IX CONVERTIBLE AREAS

Section 1. Developer's Rights regarding Convertible Areas. The Developer intends to construct the Units in the Condominium as indicated on the Condominium Subdivision Plan (Exhibit "B"). The Developer reserves the right, in its sole discretion, during a period ending six years from the date of recording of this Master Deed to convert, modify the size, location, design or elevation of Units and/or General or Limited Common Elements appurtenant or geographically proximate to such Units within the areas immediately adjacent to the Units and or immediately adjacent to the Limited Common Elements as need arises in order to make reasonable changes to Unit types and sizes, to increase and decrease the immediately adjacent common areas, or to create additional Limited Common Elements, so long as such modifications do not unreasonably impair or diminish the appearance of the Project or the view, privacy or other significant attribute or amenity of any Unit which adjoins or is proximate to the modified Unit or Common Element.

ARTICLE X OPERATIVE PROVISIONS

The provisions as set forth below shall govern any consolidation, contraction, and conversion in the Project pursuant to Articles VI, VII, VIII and IX above.

Section 1. Amendment of Master Deed and Modification of Percentages of Value. Such consolidation, contraction, or conversion of the Condominium Project shall be given effect by appropriate amendments to this Master Deed in the manner provided by law, which amendments shall be prepared by and at the discretion of the Developer and in which the percentages of value set forth in Article V hereof shall be proportionately readjusted when applicable in order to preserve a total value of 100% for the entire Project resulting from such amendments to this Master Deed. The precise determination of the readjustments in percentages of value shall be made within the sole judgment of the Developer. Such

readjustments, however, shall reflect a continuing reasonable relationship among percentages of value based upon the original method of determining percentages of value for the Project.

Section 2. Redefinition of Common Elements. Such amendments to the Master Deed shall also contain such further definitions and redefinitions of General or Limited Common Elements as may be necessary to adequately describe, serve, and provide access to the additional parcel or parcels being added to or withdrawn from the Project by such amendments. In connection with any such amendments, the Developer shall have the right to change the nature of any Common Element previously included in the Project for any purpose reasonably necessary to achieve the purposes of this Article, including, but not limited to, the connection of roadways and sidewalks in the Project to any roadways and sidewalks that may be located on, or planned for adjacent or contiguous property even if access to such property is by means of an easement, as the case may be.

Section 3. Consolidating Master Deed. A Consolidating Master Deed must be recorded pursuant to the Act when the Project is finally concluded as determined by the Developer in order to incorporate into one set of instruments all successive stages of development. The Consolidating Master Deed, when recorded, shall supersede the previously recorded Master Deed and all amendments thereto.

Section 4. Consent of Interested Persons. All of the Co-owners and mortgagees of Units and other persons interested or to become interested in the Project from time to time shall be deemed to have irrevocably and unanimously consented to such amendments to this Master Deed as may be proposed by the Developer to effectuate the purposes of Articles VI, VII VIII and IX above and to any proportionate reallocation of percentages of value of existing Units which the Developer may determine necessary in conjunction with such amendments. All such interested persons irrevocably appoint the Developer as agent and attorney for the purpose of execution of such amendments to the Master Deed and all other documents necessary to effectuate the foregoing. Such amendments may be effected without the necessity of re-recording the entire Master Deed or the Exhibits hereto and may incorporate by reference all or any pertinent portions of this Master Deed and the Exhibits hereto.

Section 5. Expiration of Rights. Notwithstanding anything herein to the contrary, if the Developer has not completed the development and construction of the entire Project, i.e. all Condominium Units (exclusive of dwellings and other related structures and improvements), and the proposed improvements, identified as "need not be built," during a period ending 10 years from the date of commencement or construction by the Developer of the Project, the Developer, its successors or assigns, have the right to withdraw from the Project all undeveloped portions of the Project without the prior consent of any Co-owners, mortgagees, Units in the Project, or any other party having an interest in the Project. If the Developer has exercised any of its rights contained in the Master Deed permitting consolidation, contraction or rights of convertibility of Units or Common Elements, then the time period is 6 years from the date the Developer exercised its rights with respect to the consolidation, contraction or right of convertibility, whichever right was exercised last. The undeveloped portion of the Project withdrawn shall also automatically be granted easements for utility and access purposes through the Project for the benefit of the undeveloped portions of the Project. If the Developer does not withdraw the undeveloped portions of the Project from the Project before the

expiration of the time periods, such lands shall remain part of the Project as General Common Elements and all rights to construct Units upon that land shall cease. In such an event, if it becomes necessary to adjust percentages of value as a result of fewer Units existing, a Co-owner or the Association of Co-owners may bring an action to require revisions to the Percentages of Value.

Section 6. Municipal Approval. Notwithstanding the rights reserved by the Developer in this Article 10, the exercise of these rights by Developer regarding the consolidation, contraction or conversion of the Project may necessitate an amendment to the approved site plan as well as revisions to Exhibit B of this Master Deed, both of which shall be subject to review and the approval of the Municipality.

ARTICLE XI EASEMENTS AND RESTRICTIONS

Section 1. Easement for Maintenance of Encroachments. In the event of any encroachments due to shifting, settling, moving of a Unit, 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. This Section shall not allow or permit any encroachment upon, or an easement for an encroachment upon, Units described in this Master Deed being comprised of land and/or airspace above and/or below said land, without the consent of the Co-owner of the Unit to be burdened by the encroachment or easement.

Section 2. Easement for Utilities. There shall be easements to, through, and over all portions of the land in the Condominium, including all areas lying within Unit boundaries, for installation and for the continuing existence, maintenance, repair, removal, replacement and enlargement of or tapping into all utilities in the Condominium including but not limited to: underground television cable, sanitary and storm sewer lines, water mains, drainage lines, surface drainage swales, and any other improvement or specific utility easement that would serve the Condominium as shown on the Condominium Subdivision Plan.

In the event the Municipality determines that the detention/retention basins are not being properly repaired/maintained, the Municipality shall serve written notice upon the developer and/or the Associations, as appropriate, setting forth the manner in which they have failed to repair/maintain the detention/retention basins, in reasonable condition and order. Written notice required in this Development Agreement may be provided by mail, or by electronic means or facsimile with a hard copy by mail. The notice shall include a demand that deficiencies in the repair/maintenance be cured within fifteen (15) days. If the deficiencies set forth in the notice are not cured within said fifteen (15) day period, the Municipality may enter upon the Property to repair/maintain the detention/retention basins, and assess the cost of such repair/maintenance, including any related administrative expense including reasonable engineering fees and reasonable attorney fees, to the owners of the parcels within the Project. The Municipality will not take action to enter upon the Property and repair/maintain the detention/retention basins if, within the fifteen (15) days following the Municipality's notice, the developer, the property owner(s) or the Association, as applicable, has taken appropriate steps

to repair/maintain the detention/retention basins, and thereafter diligently pursues completion of the required repair/maintenance work. In the event the Municipality enters upon the Property to repair/maintain the detention/retention basins in accordance with this section, the may add to the actual Municipality cost of maintenance and repair a sum equal to twenty-five (25%) percent of the costs incurred by the Municipality in completing the same to cover the costs of servicing this Agreement. The Municipality may require the payment of such monies prior to commencement of the work. In any event, all maintenance assessments shall be due and payable upon receipt by the developer, the applicable property owner(s) or the Association, as applicable, of a written invoice for the same from the Municipality with appropriate supporting documentation. Any assessment not paid within thirty (30) days following the delivery of the invoice shall bear interest at the rate of one and one-half (1 ½%) percent per month until paid. If such costs and expenses have not been paid within thirty (30) days of a billing to the developer, the property owner(s) or the Association, as applicable, all unpaid amounts may be placed on the delinquent tax roll of the Municipality, as to the applicable component of that particular parcel of Property, and shall accrue interest at the rate of one and one-half (1 ½%) percent per month and penalties, and shall be collected as, and shall be deemed delinquent real property taxes, according to the laws made and provided for the collection of delinquent real property taxes. At the discretion of the Municipality, such costs and expenses may also be collected by suit initiated against Developer, the applicable property owner(s) or the Association and/or future owners, as applicable, and in the event the Municipality prevails in such suit, the Developer, the applicable property owner(s), Association and/or future owner shall pay all court costs and reasonable attorney fees incurred by the Municipality in connection with such suit. The Municipality shall also have the enforcement rights otherwise provided in applicable Ordinances and the Development Documents. This paragraph shall not be deleted or revised without the approval of the Municipality.

Section 3. Rights Retained by Developer.

(a) **Ingress and Egress.** The Developer hereby reserves permanent nonexclusive easements for ingress and egress over the driveways, and walks, if any, in the Condominium and permanent easements to use, tap into, enlarge or extend all driveways, walks, and utility lines in the Condominium, including without limitation, all communications, water, gas, electric, storm and sanitary sewer lines, and any pumps, sprinklers or water retention and detention areas, all of which easement shall be for the benefit of any other land adjoining the Condominium if now owned or hereafter acquired by Developer or its successors. This easement shall run with the land in perpetuity. The Developer has no financial obligation to support such easements.

(b) **Utility Easements.** The Developer also hereby reserves for the benefit of itself, its successors and assigns, and all future owners of the land described in Article II or any portion or portions thereof, and for the benefit of any other land adjoining the Condominium if now owned or hereafter acquired by Developer or its successors, perpetual easements to utilize, tap, tie into, extend, and enlarge all utility mains located in the Condominium, including, but not limited to, water, gas, and storm water drainage system. In the event Developer, its successors or assigns, utilizes, taps, ties into, extends, or enlarges any utilities located in the Condominium, 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. All expenses of maintenance, repair, and replacement of any utility mains referred to in this Section shall be shared by this Condominium and any developed portions of the land described in Article II that are served by such mains including any other land adjoining the Condominium now owned or hereafter acquired by Developer or its successors. This easement shall run with the land in perpetuity. The Developer has no financial obligation to support such easements.

(c) Public Utility Easements. The Developer reserves the right at any time during the Development and Sales Period to grant easements for utilities over, under and across the Condominium and all Units and Common Elements therein to appropriate governmental agencies, public utility companies, Co-owners or owners of property in proximity to the Condominium and to transfer title of utilities to governmental agencies or to utility companies. Any such easement or transfer of title may be conveyed by the Developer without the consent of any Co-owner, mortgagee or other person and shall be evidenced by an appropriate amendment to this Master Deed and to Exhibit "B" hereto, recorded in the Macomb County Records. All of the Co-owners and mortgagees of Units and other persons interested or to become interested in the Project from time to time shall be deemed to have irrevocably and unanimously consented to such amendments to this Master Deed as may be required to effectuate the foregoing grant of easements or transfers of title.

(d) Right to Dedicate. The Developer reserves the right at any time during the Development and Sales Period to dedicate to the public a right-of-way of such width as may be required by the local public authority over any or all of the roadways in Washington Creek, shown as General Common Elements in the Condominium Subdivision Plan. Any such right-of-way dedication may be made by the Developer without the consent of any Co-owner, mortgagee or other person and shall be evidenced by an appropriate amendment to this Master Deed and to the Condominium Subdivision Plan hereto, recorded in the Macomb County Records. All of the Co-owners and mortgagees of Units and other persons interested or to become interested in the Project from time to time shall be deemed to have irrevocably and unanimously consented to such amendment or amendments of this Master Deed to effectuate the foregoing right-of-way dedication.

(e) Development and Sales Period. The Developer reserves the right at any time during the Development and Sales Period to maintain reasonable facilities, including but not limited to, signage, commercial lighting, marketing and sales offices, business offices, construction offices, model Units, storage areas, and parking facilities to facilitate the construction and sales of the Project. During the Development and Sales Period, the Developer may invite the general public, and/or government officials and entities, and/or the media to enter upon the Condominium for purposes of sales and marketing events of the Developer and of the Project. During the Development and Sales Period, and forever thereafter, the Developer reserves the unrestricted right to the use of the "Washington Creek" name and/or other identifying phrases, marks, logos, photographs, drawings, designs, plans, signage, and marketing and promotional materials associated with the Project and may use them for any and all purposes. The

Developer further reserves an access easement for ingress and egress over, across, and through the Project as may be necessary to enable the construction, marketing and sale of the entire Project. The Developer may assign the easements and rights contained in this paragraph without notice or consent of the Co-owners.

Section 4. Grant of Easements by Association. The Association, acting through its lawfully constituted Board of Directors (including any Board of Directors acting prior to the Transitional Control Date) shall be empowered and obligated to grant such reasonable easements, licenses, rights-of-entry, and rights-of-way over, under, and across the Condominium Premises for utility purposes or other lawful purposes as may be necessary for the benefit of the Condominium subject, however, to the approval of the Developer so long as the Development and Sales Period has not expired. No easements created under the Condominium Documents may be modified, nor may any of the obligations with respect thereto be varied, without the consent of each person benefited or burdened thereby.

Section 5. Easements for Maintenance, Repair and Replacement. The Developer, the Association and all public or private utility agencies or companies shall have such easements over, under, across and through the Condominium Premises, including all Units and Common Elements, as may be necessary to fulfill any responsibilities of maintenance, repair, decoration, replacement, removal or upkeep which they or any of them are required or permitted to perform under the Condominium Documents or by law or to respond to any emergency or common need of the Condominium; provided, however, that the easements granted hereunder shall not entitle any person other than the Owner thereof to gain entrance to the interior of any dwelling or garage located within a Unit. While it is intended that each Co-owner shall be solely responsible for the performance and costs of all maintenance, repair, removal, and replacement of and decoration of the dwelling and all other appurtenances and improvements constructed or otherwise located within his or her Unit, it is nevertheless a matter of concern that a Co-owner may fail to maintain the exterior of his or her dwelling or structures appurtenant thereto in a proper manner and in accordance with the standards set forth in this Master Deed, the Bylaws and any rules and regulations promulgated by the Association. Therefore, in the event a Co-owner fails, as required by this Master Deed, the Bylaws or any rules and regulations of the Association, to properly and adequately maintain, decorate, repair, removal, replace, landscape, or otherwise keep his or her Unit, the dwelling thereon or any improvements or appurtenances located therein or any Limited Common Elements appurtenant thereto, the Association (and/or the Developer during the Development and Sale Period) shall have the right, and all necessary easements in furtherance thereof (but not the obligation), to take whatever action or actions it deems desirable to so maintain, decorate, repair, remove, or replace the dwelling or other structures within the Unit, its appurtenances or any of its Limited Common Elements, and any landscaping, all at the expense of the Co-owner of the Unit. Neither the Developer nor the Association shall be liable to the Co-owner of any Unit or any other person, in trespass or in any other form of action, for the exercise of rights pursuant to the provisions of this Section or any other provision of the Condominium Documents which grant such easements, rights of entry or other means of access. Failure of the Association (or the Developer) to take any such action shall not be deemed a waiver of the Association's (or the Developer's) right to take any such action at a future time. All costs incurred by the Association or the Developer in performing any responsibilities which are required, in the first instance to be borne by any Co-owner, shall be

assessed against such Co-owner and shall be due and payable with his or her regular 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 6. Utility Easements and Locations of Utility Installations. Various utility installations exist within the Units and are depicted on the Condominium Subdivision Plan. Perpetual easements exist and are hereby created in this Master Deed and otherwise in favor of all Units and the Co-owners thereof for the continued existence, maintenance, repair, replacement, and removal of such utilities, whether located above or below ground. Also, other utility mains (including, without limitation, natural gas, electric, and telephone conduits) may be installed by or at the instance of Developer across all Units to serve some or all other Units in the Condominium. Developer reserves the right to create all such easements and to install or cause to be installed any and all utilities within and across all Units in such locations as Developer may elect, in Developer's sole and absolute discretion and, further, to tap into, extend, and enlarge such utilities as may be necessary, in Developer's judgment.

Section 7. Telecommunications Agreements. The Association, acting through its duly constituted Board of Directors and subject to the Developer's approval during the Development and Sales Period, shall have the power to grant such easements, licenses and other rights of entry, use and access and to enter into any contract or agreement, including wiring agreements, right-of-way agreements, access agreements, and multi-unit agreements and, to the extent allowed by law, contracts for sharing of any installation or periodic subscriber service fees as may be necessary, convenient, or desirable to provide for telecommunications, videotext, broad band cable, satellite dish, earth antenna and similar services (collectively "Telecommunications") to the Project or any Unit therein. Notwithstanding the foregoing, in no event shall the Board of Directors enter into any contract or agreement or grant any easement, license or right of entry or do any other act or thing which will violate any provision of any federal, state, local law, or ordinance. Any and all sums paid by any telecommunications or other company or entity in connection with such service, including fees, if any, for the privilege of installing same or sharing periodic subscriber service fees, shall be receipts affecting the administration of the Condominium Project within the meaning of the Act and shall be paid over to and shall be the property of the Association.

Section 8. Entryway/Park Easement. There shall exist a perpetual easement in favor of all Units and the Co-owners thereof, and the Association for the installation, construction, maintenance, repair, and replacement of landscaping and monument walls at the entrance of the Condominium, and in, over, and on the median island of any roadways located within the Condominium Project. It shall be the responsibility of the Association to maintain, repair, and replace the landscaped areas, parks, ponds, monument walls, and median islands located throughout the Condominium Project. The Association shall bear the cost of maintenance and repair of ponds, including but not limited to water sources for ponds, electricity for wells, monument walls, lighting, signage, gazebos, footbridges, play areas, paths, and water used for irrigation of the landscaped areas and median islands located upon the Common Elements of the Condominium Project.

Section 9. Sign Easement. There shall exist a perpetual easement in favor of all Units and the Co-owners thereof, and the Association for the construction, maintenance, repair, replacement, and illumination of signs in designating and identifying Washington Creek wherever located. The signs or any replacement signs shall bear the name "Washington Creek" in prominent letters. It shall be the responsibility of the Association to maintain, repair, replace, and illuminate the signs. If the Association fails to maintain, repair, replace or illuminate the signs, the Developer shall have the right, but not the obligation, at its own expense, to maintain, repair, replace, or illuminate the signs, and charge the cost thereof to the Association.

Section 10. Emergency Access Easement. There shall exist for the benefit of all Co-owners, their guests and invitees, the Township of Washington, Macomb County, the State of Michigan, and any and all emergency vehicles, an ingress and egress easement over the roads and Common Elements in the Condominium as depicted on the Condominium Subdivision Plan. This easement shall not obligate the City, the County, or the State to any maintenance or repair obligations with respect to the private roads or Common Elements within the Condominium.

ARTICLE XII AMENDMENT

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

Section 1. Modification of Units or Common Elements. No Unit dimension may be modified in any material way without the written 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 in any material way without such consent, except as otherwise expressly provided in the Master Deed or in the Bylaws.

Section 2. Mortgagee Consent. Whenever a proposed amendment would materially alter or change the rights of mortgagees generally, then such amendments shall require the approval of 2/3 majority vote of all first mortgagees of record allocating one vote for each mortgage held. Mortgagees need not appear at any meeting of Co-owners except that their approval shall be solicited through written ballots. To the extent that a vote of mortgagees of Units are required for the amendment of the Condominium Documents, the procedure described in Section 90a of the Act, MCL 559.190a shall be followed. A person causing or requesting an amendment to the Condominium Documents shall be responsible for costs and expenses of the amendment, except for amendments based upon a vote of a prescribed majority of Co-owners and mortgagees or based upon the advisory committee's decision, the costs of which are expenses of administration.

Section 3. By Developer. Prior to one year after the expiration of the Development and Sales Period and except as provided in Sec 90 (4) of the Act, the Developer reserves the right to amend materially the Condominium Documents, without the consent of any Co-owner or mortgagee, or any other person, in order to correct the survey or other errors or omissions made in such documents and to make such other amendments to Condominium Documents

that are necessary to conform and clarify the terms, provisions, rights, duties, and responsibilities of the Developer, the Association, and Co-owners, including a Consolidating Master Deed amendment or amendment dealing with the addition, withdrawal, or modification of Units, General and Limited Common Elements or other physical characteristics of the Project.

Section 4. Change in Percentage of Value. Except as otherwise provided in this Master Deed, the value of the vote of any Co-owner and the corresponding proportion of common expenses assessed against such Co-owner shall not be modified without the written consent of such Co-owner and his or her first mortgagee, nor shall the percentage of value assigned to any Unit be modified without like consent.

Section 5. Termination, Vacation, Revocation, or Abandonment. The Condominium Project may not be terminated, vacated, revoked, or abandoned without the written consent of 80% of non-Developer Co-owners and mortgagees and, during the Development and Sales Period, the Developer.

Section 6. Developer Approval. During the Development and Sales Period, the Condominium Documents shall not be amended nor shall the provisions thereof be modified in any way without the written consent of the Developer.

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

ARTICLE XIII ASSIGNMENT

Any or all of the rights and powers granted or reserved to the Developer in the Condominium Documents or by law, including the power to approve or disapprove any act, use or proposed action or any other matter or thing, may be assigned by it to any other entity or to the Association. Any such assignment or transfer shall be made by an appropriate instrument in writing duly recorded in the office of the Macomb County Register of Deeds. In the event that any provision of this Master Deed conflicts with any of the provisions of the Bylaws or Condominium Subdivision Plan, the provisions of the Master Deed shall govern.

ARTICLE XIV MUNICIPAL ORDINANCES

All ordinances, building codes and fire codes of the Municipality must be complied with and nothing within the Master Deed or Bylaws shall the Municipality's ordinances.

