

MASTER DEED
APPLE COVE CONDOMINIUM

This Master Deed is made and executed on this ^{3rd} ~~6th~~ day of ~~May~~ ^{September}, 1989, by CHAPEL HILL DEVELOPMENT CO., INC., a Michigan Corporation, hereinafter referred to as "Developer", whose office is located at 6400 Farmington Road, West Bloomfield, Michigan, represented herein by an officer fully empowered and qualified to act on its behalf, in pursuance of the provisions of the Michigan Condominium Act (being Act 59 of the Public Acts of 1978, as amended by Act 283 of the Public Acts of 1980, Act 513 of the Public Acts of 1980, Act 4 of the Public Acts of 1982, Act 42 of the Public Acts of 1982, Act 530 of the Public Acts of 1982 and Act 113 of the Public Acts of 1987), hereinafter collectively referred to as the "Act".

WITNESSETH:

WHEREAS, the Developer desires by recording this Master Deed, together with the Condominium Bylaws attached hereto as Exhibit "A" and the condominium Subdivision Plan attached hereto as Exhibit "B" (both of which are hereby incorporated 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 Apple Cove Condominium as a Condominium Project under the Act and does declare that Apple Cove Condominium (hereinafter referred to as the "Condominium", the "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 bind and 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 said real property, their grantees, successors, heirs, executors, administrators and assigns. In furtherance of the establishment of said Condominium Project, it is provided as follows:

90-11-15

ARTICLE I

TITLE AND NATURE

The Condominium Project shall be known as "Apple Cove Condominium", Oakland County, Subdivision Plan No. 648, the Township of West Bloomfield, Michigan.

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The Condominium Project shall consist of a maximum of seventeen (17) detached building sites, each of which is intended for separate ownership and use and shall be known as a Condominium Unit. Each Unit shall consist of only the land as delineated on the Condominium Subdivision Plan attached hereto as Exhibit "B", and shall be used only for residential purposes. Each Co-Owner will hold title to his or her Unit and to any residential building and other improvements constructed upon the Unit. All residences and improvements to be constructed upon the Unit shall comply with the Developer's Architectural and Building Specifications and Use Restrictions set forth in detail in Article VI of the Condominium Bylaws attached as Exhibit "A" hereto.

The architectural plans and specifications for the Project have been approved by the Township of West Bloomfield, and the Project is established in accordance with the Act. The buildings and Units contained in the Condominium, including the number, boundaries, dimensions and area of each Unit therein, and the designation of Common Elements as General Common Elements or Limited Common Elements are set forth completely in the Condominium Subdivision Plan attached hereto as Exhibit "B". 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 Common Elements of the Condominium Project as are designated by the 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:

Land in the Township of West Bloomfield, Oakland County, Michigan, more particularly described as:

A part of Lot 7 of Supervisor's Plat No. 5, as recorded in Liber 51, Page 40 and 40A of Plats, Oakland County Records, being a Subdivision of Part of Sections 7, 8, and 9, T.-2-N., R.-9-E., West Bloomfield Township, Oakland County, Michigan and more particularly described as: Beginning at a point on the westerly line of said Lot 7 at the northerly line of Commerce Road (33 foot 1/2 right-of-way); thence N. 02°25'51" E., 943.29 feet along the westerly line of said Lot 7; thence S. 86°57'50" E., 341.83 feet to a point on the easterly line of said Lot 7; thence S. 02°06'00" W., 854.48 feet along said easterly line to a point on the northerly line of said Commerce Road; thence the following two courses along said line: (1) S. 72°47'24" W., 69.24 feet and (2) along a curve to the right 289.03 feet said

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curve having a radius of 1,144.70 feet, central angle of 14 20'01" and a long chord bearing of S. 80 01'25" W., 288.26 feet to the point of beginning and containing 312,575 square feet or 7.176 acres.

18-09-301-020

This Master Deed is subject to all covenants, restrictions and easements of record.

ARTICLE III

DEFINITIONS

Certain terms are utilized not only in this Master Deed and Exhibits "A" and "B" hereto, but are or may be used in various other instruments such as, by way of example and not limitation, the Articles of Incorporation, Corporate Bylaws, Rules and Regulations of the Apple Cove 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 the Condominium Project, these terms are set forth below and shall be defined as follows:

A. The "Act" means the Michigan Condominium Act, being Act 59 of the Public Acts of 1978, as amended by Act 283 of the Public Acts of 1980, Act 513 of the Public Acts of 1980, Act 4 of the Public Acts of 1982, Act 42 of the Public Acts of 1982, as amended by Act 538 of the Public Acts of 1982 and Act 113 of the Public Acts of 1983.

B. "Advisory Committee" shall mean the committee of non-developer Co-owners established in accordance with Section 52 (1) of the Act, being MCLA 559.152, which shall be established for the purpose of facilitating communication and aiding the transition of control from the Condominium Project Board of Directors to the Association Co-owners. The Advisory Committee shall cease to exist when a majority of the Board of Directors of the Association of Co-owners is elected by the non-developer Co-owners.

C. "Association" means Apple Cove Condominium Association, which is a 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. Any action required of, or permitted to, the Association shall be exercisable by its Board of Directors unless specifically reserved to its members by the Condominium Documents or the laws of the State of Michigan.

D. "Common Elements," where used with that modification, shall mean both the General and Limited Common Elements described in Article IV hereof.

E. "Common Expenses" shall mean the expenses or financial liabilities for the operation of the Common Elements which are the obligation of the Association. These include:

(1) Expenses of administration, maintenance, repair or replacement of the General Common Elements.

(2) Expenses declared to be Common Expenses by this Master Deed or by the Act.

(3) Expenses agreed upon as Common Expenses by the Association.

(4) Such reasonable reserves as may be established by the Association, whether held in trust or by the Association, for repair, replacement or an addition to the Common Elements or any other real or personal property acquired or held by the Association.

F. "Condominium 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.

G. "Condominium Documents" wherever used means and includes this Master Deed and Exhibits "A" and "B" hereto, the Articles of Incorporation, Bylaws and Rules and Regulations, if any, of the Association, and any other instrument referred to in the Master Deed or Bylaws which affects the rights and obligations of a Co-owner in the Condominium as same may be amended from time to time.

H. "Condominium Premises" means and includes the land and the buildings, all improvements and structures thereon, and all easements, rights and appurtenances belonging to Apple Cove Condominium as described above.

I. "Condominium Project," "Condominium," "Development" or "Project" means Apple Cove as a Condominium Project established in conformity with the provisions of the Act.

J. "Consolidating Master Deed" shall mean the final amended Master Deed which shall describe Apple Cove Condominium as a completed Condominium Project and shall reflect the entire land area of the Condominium Project and all Units and Common Elements therein. Such Consolidating Master Deed when, and if, recorded in the office of the Oakland County Register of Deeds, shall supercede the previously recorded Master Deed for the Condominium and all amendments thereon.

K. "Condominium Subdivision Plan" means the drawings and information attached hereto as Exhibit "B".

L. "Construction and Sales Period" 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 or for so long as the Developer continues to develop additional Units.

M. "Co-owner" or "Owner" means a person, firm, corporation, partnership, association, trust or other legal entity whether one or more persons or entities or any combination thereof who owns, or are purchasing from the Developer on land contract which are not in default, as the case may be, one or more Units in the Condominium Project. The term "Owner," wherever used, shall be synonymous with the term "Co-owner."

N. "Developer" shall mean CHAPEL HILL DEVELOPMENT CO., INC., a Michigan corporation, which has made and executed this Master Deed, and its successors and assigns.

O. "First Annual Meeting" means the initial meeting of the Co-owners at which non-Developer Co-owners are permitted to vote for the election of all Directors and upon all other matters which may properly be brought before the meeting. Such meeting is to be held (a) in the Developer's sole discretion after 50% of the Units which may be created are sold or (b) mandatorily after (i) the expiration of 54 months from the date of the first Unit conveyance or (ii) 75% of all Units which may be created are sold, whichever occurs first.

P. "General Common Element" shall mean all real and personal property which the Association now or hereafter owns or otherwise holds for the common use and enjoyment of all Owners.

Q. "Improvements" means any construction, structure, fixture or facilities existing or to be constructed on the Condominium Premises, including, but not limited to, buildings, trees and shrubbery, paving, utility wires, pipes and poles.

R. "Limited Common Element" means a portion of the Common Elements reserved in this Master Deed for the exclusive use of less than all of the Co-owners, as more particularly described in Article IV B. hereof.

S. "Majority of Unit Owners" shall mean the Owners representing more than fifty (50%) percent of the votes in the Association.

T. "Mortgage" shall mean and refer to a permanent or construction mortgage, a deed of trust, a deed to secure debt, or any other form of security deed, including any collateral security documents executed in connection therewith.

U. "Mortgagee" shall mean and refer to a beneficiary or holder of a Mortgage.

V. "Mortgagor" shall mean and refer to any person or entity who gives a Mortgage.

W. "Mortgage," "Mortgagor," and "Mortgagee" where used herein shall include where applicable, "land contract" "land contract vendee" and "land contract vendor" respectively.

X. "Percentage of Value" shall mean the percentage assigned to each Condominium Unit in this Master Deed. The Percentage of Value for all Units in the Project shall total 100%. Percentages of Value shall be determinative only with respect to those matters to which they are specifically deemed to relate either in the Act or in the Condominium Documents. Percentages of Value for each Condominium Unit are assigned in Article V.

Y. "Transitional Control Date" means the date on which a Board of Directors of the Association of Co-owners 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.

Z. "Unit" or "Condominium Unit" each mean that portion of the Condominium Project designed and intended for separate ownership and use as described in Exhibit "B" hereto. Unless otherwise stated, a Unit shall not include any residence or other improvements constructed by the Co-Owner within the perimeter of a Unit.

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.

ARTICLE IV

COMMON ELEMENTS

The Common Elements of the Project (depicted in Exhibit "B" attached hereto) and the respective responsibilities for maintenance, decoration, repair or replacement thereof are as follows:

A. General Common Elements. The General Common Elements are:

- (1) The land and beneficial easements, if any, described in Article II hereof, including roads, sidewalks, porches, yards, play areas, gardens, outdoor structures, ponds and parking spaces not identified as Limited Common Elements but excluding that portion designated in Exhibit "B" hereto as the Condominium Units; provided, however, that the Association may, in its discretion assign General Common Element parking spaces to individual Co-owners on an equitable basis.
- (2) The electrical wiring network throughout the Project up to, but not including, the electric meter for each Unit.
- (3) The telephone wiring network throughout the Project up to the point of entry to each Unit.
- (4) The gas line network throughout the Project up to the gas meter for each Unit.
- (5) The water distribution system, throughout the Project, up to the point of entry to each Unit.
- (6) The water and waste disposal system throughout the Project up to the point of entry to each Unit.
- (7) The storm drainage system throughout the Project.
- (8) The outdoor water sprinkling system, if any, throughout the Condominium Project.
- (9) Street lighting throughout the Project, if any.
- (10) The cable television transmission system and security system, if any is installed, throughout the Condominium, including that contained within any Unit walls up to the point of connection with outlets within any Unit.
- (11) The parking area, including all parking spaces, unless assigned by the Developer to specific Units.
- (12) The telecommunications system, if and when it may be installed, up to, but not including, connections to provide service to individual Units.
- (13) All elements of the Project designated as General Common Elements in Exhibit "B" to this Master Deed.
- (14) Such other elements, devices, or installations of the Condominium not herein designated as General or Limited Common Elements which are not installations enclosed within the boundaries of a Unit, and which are of common use or necessary to the existence, upkeep, and safety of the Condominium Project.

Some or all of the utility lines, systems (including mains and service leads) and equipment and the cable television system and security system 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 cable television system shall be General Common Elements only to the extent of the Co-owners' interest therein, if any, and Developer makes no warranty whatever with respect to the nature or extent of such interest, if any.

Subject to the provisions of this Master Deed, every Owner shall have for himself or herself, his or her family, tenants and guests, a nonexclusive easement of access, ingress, egress, use and enjoyment of, in and to the General Common Elements and such easements shall be appurtenant to and shall pass with title to every Condominium Unit in the Condominium Project.

B. Limited Common Elements.

The Limited Common Elements, which, except as otherwise provided in this Subsection (B), shall be appurtenant to the Unit or Units to which they are attached or adjacent or which they service (or which they are deemed by Exhibit B to benefit) and limited in use to the Owners of such Unit or Units, or their designee, are:

(1) The residence or dwelling, including the garage, decks and patios erected within a Unit, and all improvements, equipment, and fixtures within a dwelling.

(2) Individual driveways, sidewalks and walkways located within the Unit.

(3) All fixtures and attachments to a dwelling and garage shall be Limited Common Elements subject to the exclusive use and enjoyment of the Owner of the Unit to which such Limited Common Elements are appurtenant.

(4) The driveway approach leading from the private roadway servicing all of the Condominium Units to the garage of each individual Unit shall be Limited Common Elements for the Units serviced by these driveways as designated in Exhibit B.

(5) Each air conditioner compressor and the pad upon which it is located.

(6) Each utility meter and the electrical, water and gas distribution systems from the point of connection with the meters, and the telephone, television cable, and sanitary sewer and waste water systems after the point of entry into each Unit.

(7) Each Mailbox and mailbox stand, if any.

(8) The outdoor lighting attached to and illuminating individual dwellings or the Limited Common Elements appurtenant thereto.

C. Responsibilities for Maintenance and Utilities.

The Association shall maintain, repair and replace all of the General Common Elements. Except as otherwise provided herein, the maintenance, repair and replacement of all Limited Common Elements shall be borne by the Unit Owner to which the Limited Common Element is assigned.

The respective responsibilities for the maintenance, decoration, repair and replacement of certain Common Elements, certain mechanical devices and for the payment of utility bills are as follows:

(1) Exterior Wall Surfaces, Windows and Screens. The cost of decorating and maintaining, repairing, and replacing of all window glass and screens shall be borne by the Co-owner of the Unit to which such windows and screens are appurtenant. The Association shall be solely responsible for the decoration and painting of the exterior surfaces of all exterior walls, doors and windows of a dwelling within a Unit. Any repairs to exterior walls shall be the responsibility of the Co-owner of the Unit to which such walls are appurtenant.

(2) Equipment. The cost of decorating, maintaining, repairing and replacing the furnace, humidifier, hot water heater, internal Unit plumbing, dishwasher, refrigerator, stove, oven, garbage disposal, air conditioning equipment, interior lighting, and other equipment and fixtures described in Paragraphs B(5) through B(8) servicing a dwelling within a Unit as well as all other equipment and fixtures within a dwelling situated within a Unit shall be the sole responsibility of the Co-owner whose Condominium home is serviced by such items.

(3) Decks. The cost of maintenance, repair, or replacement of any deck or patio shall be borne by the Co-owner of the Condominium home to which such deck or patio is appurtenant.

(4) Roofs. The cost of repairing and maintaining the roof of each Unit shall be the responsibility of the Co-owner of the Unit to which such roof is appurtenant.

(5) Lighting. The costs of maintenance, repair or replacement of the lighting referred to in Article IV (B)(8) as well as all other outside lighting shall be borne by the Association.

(6) Garage Doors and Floors. The costs of maintenance, repair and replacement of each garage door and its hardware, fixtures and equipment including garage door openers (if any) and garage floors shall be borne by the Co-owner of the Unit in which the same are located except that periodic repainting of the exterior surfaces of

each garage door shall be an Association expense. Any replacement garage door shall be identical to the original door, or its installation approved in writing by the Board prior to its installation.

(7) Interior Surfaces. The decoration, maintenance, and repair of all interior surfaces of a Condominium home, including, but not limited to, walls, ceilings, floors, subfloors, doors and fireplaces shall be the responsibility and at the cost of the Co-owner of each Unit to which such Limited Common Elements are appurtenant.

(8) Driveways, Roadways and Sidewalks. All driveways, roads and sidewalks located on the Condominium Premises, excluding driveways, roads and sidewalks within a Unit, shall be cleaned, maintained, repaired and replaced at the sole expense of the Association. All driveways, roads and sidewalks within a Unit shall be cleaned, maintained, repaired and replaced at the sole expense of the Co-Owner.

(9) Rubbish Removal System. All rubbish removal systems, if any, for the Project shall be maintained, repaired and replaced by the Association as an expense of administration.

(10) Other. Except as provided above, the cost of maintaining, decorating, repairing and replacing all Common Elements and all exterior surfaces and all landscaping, including the landscaping within a Unit, and painting, refurnishing, staining or varnishing of any exterior portion or surfaces of the Condominium homes constructed within Units, shall be borne by the Association, except to the extent of maintenance, repair or replacement due to the act or neglect of a Co-owner or his agent, guest, invitee, family member or pet, for which such Co-owner shall be wholly responsible. Each Unit Owner shall also reimburse the Association for any damages to any other Unit caused intentionally, negligently or by his or her failure to properly maintain, repair, or make replacements to his or her Unit or to those Limited Common Elements for which he or she is responsible pursuant to this Article IV. Any damage caused negligently or intentionally by a Unit Owner or the Association shall be the responsibility of the Association to repair, who in the case of damages due to the act of a Co-owner, shall assess the Co-owner whose negligent or intentional acts caused the damages, following a hearing before the Board of Directors at which the affected Co-owner may be present and have the opportunity to be heard.

Exterior surfaces of Units shall not be painted, decorated or modified by Unit Owners.

(11) Utilities. Each Co-owner shall be responsible for payment of the utilities attributable to his or her Unit or Condominium home.

Any maintenance, repair or replacement (the cost of which is to be borne by the Co-owner) may, if not performed by the Co-owner, be performed by or under the direction of the Association and the cost may be assessed against the responsible Co-owner following notice and hearing.

ARTICLE V

UNIT DESCRIPTION, PERCENTAGE OF VALUE, AND INTEGRITY OF UNITS

A. Unit Description Each Unit in the Condominium Project is described in this paragraph with reference to the Condominium Subdivision Plan of Apple Cove Condominium as prepared 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 but not including any residence and improvements constructed by the Co-Owner within the Unit.

B. Percentage of Value. The Percentage of Value assigned to each Unit as set forth in this Article shall be determinative of the proportionate share of each respective Co-owner in the proceeds and expenses of the Association (except as provided in Article IV(C) above) and the value of such Co-owner's vote at meetings of the Association and the undivided interest of the Co-owner in the Common Elements. The total Percentage of Value of the Condominium is 100%. An equal Percentage of Value shall be allocated to each Condominium Unit, irrespective of the comparative characteristics of each Unit. All common expenses shall be assessed against all Units in accordance with their Percentage of Value.

The Percentage of Value allocated to each Condominium Unit may be changed only with the unanimous consent of all Co-owners expressed in an amendment to this Master Deed, duly approved and recorded, except as otherwise provided herein.

C. Consolidation or Subdivision of Units. No Co-owner may consolidate any two or more Units into a lesser number of Units, and no Co-owner may subdivide any Unit or Units into a larger number of Units.

ARTICLE VI

EASEMENTSA. EASEMENT FOR MAINTENANCE OF ENCHROACHMENTS

In the event any portion of a Condominium home 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, Developer, for itself, its successors and assigns declares that every Owner shall have a perpetual reciprocal easement for the continuance of any such encroachment by his or her Condominium home for so long as such encroachment exists, and for maintenance thereof after rebuilding in the event of any destruction, so that any such encroachment may remain undisturbed so long as the Condominium home is in existence. There shall be easements to, through and over those portions of the land, structures, buildings, improvements and walls (including interior dwelling walls) contained therein for the continuing maintenance and repair of all utilities in the Condominium.

B. ACCESS BY UTILITY COMPANIES AND DAMAGE CAUSED.

Utility companies and governmental units furnishing services such as water, sanitary sewer, storm sewer, electricity, television cable, gas, oil and telephons shall have access to the Common Elements and the Units as may be reasonable for the installation, repair or maintenance of such services. Any costs, including damage to the Limited Common Elements, incurred in the installation, maintenance or repair of such services designated as General Common Elements, shall be an expense of administration to be paid by the Association. Any costs, including damage to any general or Limited Common Elements, incurred in the installation, repair or maintenance of service designated as Limited Common Elements which are the responsibility of the Co-Owner, shall be paid by the Co-Owner of the Unit to which the Limited Common Element is appurtenant.

C. ACCESS FOR REPAIRS.

No Co-Owner shall, in any way, restrict access to any of the common utilities or utility distribution systems, or any other Common Element that must be accessible to service any Condominium homes. Should access to any of these facilities be required, the Association may remove any coverings or attachments that restrict such access and will have no responsibility for repairing or replacing any materials that are damaged in the course of gaining such access. There shall be easements to, through and over those portions of the land, structures, buildings and improvements, as may be reasonable, for the installation, maintenance and repair of the utilities necessary to the Condominium Project.

D. EASEMENTS FOR MAINTENANCE, REPAIR AND REPLACEMENT.

The Developer, the Association and all public or private utilities shall have such easements as may be necessary over the Condominium Premises, including all Units and Common Elements to fulfill any responsibilities of maintenance, warranty work, repairs, decoration or replacement, or for the purpose of making improvements which they or any of them are required or permitted to perform under the Condominium Documents, and for the purpose of doing all things reasonably necessary and proper in connection therewith, including the right to store equipment and materials on the Common Elements and the right to control all such work and repairs, and the right of access thereto until completion. These easements include, without any implication or limitation, the right of the Developer and the Association to obtain access during reasonable hours and upon reasonable notice to water meters, sprinkler controls and valves, lighting and other Common Elements located within any Unit or its appurtenant Limited Common Elements, and the right to convey utility and drainage easements to public utilities, municipalities, the State of Michigan, riparian owners or adjacent landowners to complete construction of the Improvements.

E. GRANT OF EASEMENTS BY DEVELOPER.

(1) Roadway Easements. Developer reserves for the benefit of itself, its successors and assigns, and all future owners of the Condominium Premises or any portion or portions thereof, an easement for the unrestricted use of all roads and walkways in the Condominium for the purpose of ingress and egress to and from all or any portion of the property described in Article II. All expenses of maintenance, repair, replacement and resurfacing of any road referred to in this Article shall be borne by the Association pursuant to Article IV (C)(8).

(2) Utility Easements. Developer also reserves for the benefit of itself, its successors and assigns, and all future owners of the Condominium Premises or any portion or portions thereof, perpetual easements to utilize, tap, tie into, extend and enlarge all utility mains located in or upon the Condominium Premises, including, but not limited to, water, gas, telephone, electric, cable television, storm and sewer mains. In the event the Developer, its successors or assigns, 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. All expenses of maintenance, resurfacing, repair, and replacement of the utility mains described in this Article shall be borne by the Association pursuant to Article IV.

The 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. Any such easement or transfer of title may be conveyed by the Developer without the consent of any Co-owner, mortgagee or other person and shall be evidenced by an appropriate amendment to this Master Deed and to Exhibit B hereto, recorded in the Oakland County Records. All of the Co-owners and Mortgagees of Units and other persons interested or to become interested in the Project from time to time shall be deemed to have irrevocably and unanimously consented to such amendment or amendments of this Master Deed to effectuate the foregoing easement or transfer of title.

F. 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 easements, licenses, rights-of-entry and rights-of-way over, under and across the Condominium Premises for utility purposes, access 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 Construction and Sales Period has not expired.

G. TELECOMMUNICATIONS AGREEMENTS.

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

H. DEDICATION.

The Developer reserves the right at any time prior to the Transitional Control Date to dedicate to the public a right-of-way of such width as may be required by the local public authorities over any or all of the roadways in Apple Cove Condominium, shown as General Common Elements on Exhibit "B". 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 Exhibit "B" hereto, recorded in the Oakland County Records. All of the Co-owners and Mortgagees of Units and other persons interested or to become interested in the Project from time to time shall be deemed to have irrevocably and unanimously consented to such amendment or amendments of this Master Deed to effectuate the foregoing right-of-way dedication.

ARTICLE VII

AMENDMENTS

This Master Deed and any Exhibit hereto may be amended as provided in the Act with the consent of 66-2/3% of the Co-owners, except as hereinafter set forth:

A. Amendments may be made and recorded by Developer or by the Association without the consent of Co-owners or Mortgagees if the amendment does not materially alter or change the rights of a Co-owner or

Mortgagee and is for one or more of the purposes stated in Article VI hereof. The Association may make no amendment without the written consent of the Developer as long as the Developer owns any Units in the Condominium.

B. Whenever an amendment will materially alter or change the rights of Mortgagees of record, then such amendments shall require the approval of not less than 66-2/3% of all Mortgagees of record. A Mortgagee shall have one vote for each mortgage held. A "material" alteration shall be defined as any modification affecting:

- (1) Assessments, assessment liens or subordination of assessment liens;
- (2) Voting rights;
- (3) Reserves for maintenance, repair and replacement of Common Elements;
- (4) Responsibility for maintenance and repairs;
- (5) Reallocation of interests in the General Common Elements or Limited Common Elements except that when Limited Common Elements are reallocated by agreement between Unit Owners, only those Unit Owners and Mortgagees holding Mortgages in such Units must approve such action;
- (6) Convertibility of Units into Common Elements or Common Elements into Units;
- (7) Insurance;
- (8) Leasing of Units;
- (9) Restoration or repair of the Condominium Premises after a hazard damage or partial condemnation in a manner other than specified herein;
- (10) Imposition of restrictions on a Unit Owner's right to sell or transfer his or her Unit;
- (11) The benefits of Mortgagees.

C. Notwithstanding any contrary provision of this Master Deed or the By-Laws, Developer reserves the right to amend materially this Master Deed or any of its exhibits for any of the following purposes:

- (1) To redefine Common Elements, Limited Common Elements and/or adjust Percentages of Value in connection therewith to equitably allocate the Association's expenses among the Owners and to make any other amendments specifically described and permitted to Developer in any provision of this Master Deed;

(2) To modify the types, sizes and elevations of unsold Condominium homes and their appurtenant Limited Common Elements and/or Percentages of Value and to modify the General Common Elements in the area of unsold Units;

(3) To amend the Condominium Bylaws, subject to any restrictions on amendments stated therein;

(4) To correct arithmetic errors, typographical errors, survey or plan errors, deviations in construction or any similar errors in the Master Deed, Condominium Subdivision Plan or Condominium By-Laws or to correct errors in the boundaries or locations of improvements;

(5) To clarify or explain the provisions of the Master Deed or its exhibits;

(6) To comply with the Act or rules promulgated thereunder or with any requirements of any governmental or quasi-governmental agency or any financing institution providing or proposing to provide a mortgage on any Unit or to satisfy the title requirements of any title insurer insuring or proposing to insure title to any Unit;

(7) To make, define or limit easements affecting the Condominium Premises;

(8) To record an "as-built" Condominium Subdivision Plan and/or Consolidating Master Deed and/or to designate any improvements shown on the Plan as "must be built," subject to any limitations or obligations imposed by the Act;

(9) 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 Corporation, the Federal National Mortgage Association, the Government National Mortgage Association, the Veterans Administration, the Department of Housing and Urban Development, 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. The rights reserved to Developer herein may not be amended except by or with the consent of the Developer.

D. Notwithstanding any other provision of this Article VII, the method or formula used to determine the Percentages of Value of Units in the Condominium, as described in Article V hereof, and any provisions relating to the ability or terms under which a Co-owner may rent a Unit, may not be modified without the consent of each affected Co-owner and Mortgagee. A Co-owner's Condominium Unit dimensions or appurtenant Limited Common Elements may not be modi-

fied without the Co-owner's consent. Parking and storage areas may be relocated, assigned or reassigned as provided herein without any Co-owner's consent.

E. 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 so long as the Developer continues to offer any Unit in the Condominium for sale. No easements created under the Condominium Documents may be modified or obligations with respect thereto varied without the consent of each Owner benefitted thereby.

ARTICLE VIII

SIGNS AND SALES FACILITIES

The Developer and its duly authorized agents, representatives, and employees reserve an easement as to all Units to maintain offices, model homes, signs and other facilities in the Condominium as may reasonably facilitate development and sale of Units in the Condominium Project. Developer shall pay all costs related to the use of such facilities while owned by Developer and shall restore all Condominium Units or Common Elements to habitable status upon termination of use. The Developer reserves the right to post signs, advertising, and displays in the Common Elements to promote sales of Units and Condominium homes, and to conduct general sales activities in a manner that will not unreasonably disturb the rights of Unit Owners. Developer shall have the right to restrict the use of certain Common Element parking spaces for sales purposes. This easement shall continue until the Developer has conveyed all Units in the Condominium Project to Owners other than the Developer.

ARTICLE IX

USE OF PREMISES

No Co-owner shall use his or her Unit or the Common Elements in any manner inconsistent with the purposes of the Condominium or in any manner which will interfere with or impair the rights of any other Co-owner in the use and enjoyment of his or her Unit or the Common Elements. No immoral, improper, offensive or unlawful use may be made of the Unit or Common Elements and Unit Owners shall comply with all applicable laws and regulations.

ARTICLE X

LEASING AND USE OF CONDOMINIUM UNITS

The Developer reserves the right to lease or more Condominium homes in accordance with the provisions of Section 112 of the Act,

and without limitation as to the term of occupancy. All Condominium homes are restricted exclusively to single family residential use. Except as otherwise provided in Article VIII hereof, no industry, business, trade, or commercial activities, other than home professional pursuits without employees shall be conducted in any part of a Unit, or on the Condominium Premises.

ARTICLE XI

ASSIGNMENT

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

ARTICLE XII

RECREATIONAL AREAS

There are currently no recreational facilities located in the Condominium Development and the Developer, at this time, has no intention to construct any recreational facility and has no obligation to do so.

ARTICLE XIII

TERMINATION OF PROJECT

If there is no Co-owner other than the Developer, the Developer with the consent of any interested Mortgagee, may unilaterally terminate the Condominium Project or amend the Master Deed. A termination or amendment pursuant to this Article shall become effective upon the recordation thereof if executed by the Developer.

If there is a Co-owner other than the Developer, then the Condominium Project shall be terminated only by the agreement of the Developer and unaffiliated Co-owners and Mortgagees of Condominium Units to which eighty (80%) percent of the votes in the Association appertain. Agreement of the required majority of Co-owners to termination of the Condominium shall be evidenced by their execution of the termination agreement or of ratifications thereof, and the termination shall become effective only when the agreement is so evidenced of record. Following termination of the Condominium Project, the rights and interests of the Co-owners shall be as provided in Section 51 of the Act, as amended.

ARTICLE XIV

REQUIRED CONSTRUCTION

The Condominium Project established pursuant to this initial Master Deed consists of seventeen (17) Units, as is designated in Exhibit "B". All such Units must be built.

The quality of construction of any building or home to be created on the Condominium Premises shall be consistent with the quality of existing buildings and homes. The substitution of materials of like durability and strength shall be included in the standard of like quality. Developer reserves the right to vary architectural types of buildings and homes, and Developer makes no other assurances regarding compatibility.

WITNESSES:

CHAPEL HILL DEVELOPMENT CO., INC.,
a Michigan Corporation

[Signature]
L. P. SWISTAK
[Signature]
Janus L. Allen

BY: [Signature]
Baruch Parnes, President
Gregory L. Sicilia
Sec./Treas.

STATE OF MICHIGAN)
)ss
COUNTY OF OAKLAND)

On this 6th day of Sept., 1989, the foregoing Master Deed was acknowledged before me by Baruch Parnes, President of Chapel Hill Development Co., Inc., a Michigan Corporation, on behalf of the Corporation.

[Signature]
Notary Public
Oakland County, State of Michigan
My commission expires:

DRAFTED BY AND WHEN RECORDED
RETURN TO:

Notary Public, Oakland County, MI
My Commission Expires Mar. 14, 1992

LAWRENCE P. SWISTAK, ESQ.
SWISTAK & LEVINE
30301 Northwestern Hwy., Suite 300
Farmington Hills, Michigan 48018
(313) 851-8000

CONDOE/16
08/09/89