

MASTER DEED

HIDDEN HILLS, A Viewshed Condominium

KALKASKA COUNTY CONDOMINIUM SUBDIVISION PLAN NO. 18

This Master Deed is made and executed this 18th day of June, 2004, by: Arbor Investment Company, a Michigan Co-Partnership (hereinafter referred to as "Developer"), whose address is P.O. Box 1138, Kalkaska, Michigan 49646.

WITNESSETH:

WHEREAS, 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 thereon, and the appurtenances thereto, as a condominium under the provisions of the Condominium Act of Michigan;

NOW, THEREFORE, upon the recording hereof, Developer establishes Hidden Hills as a Condominium under the Condominium Act and declares that the Condominium shall be held, conveyed, hypothecated, encumbered, leased, rented, occupied, improved, or in any other manner utilized, subject to the provisions of the Act, and subject to the covenants, conditions, restrictions, uses, limitations, and affirmative obligations set forth in this Master Deed and the Exhibits 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 real property, their grantees, successors, heirs, executors, administrators and assigns.



ARTICLE I

TITLE AND NATURE

The Condominium shall be known as Kalkaska County Condominium Subdivision Plan No. 18. The plans and specifications for the Condominium are filed with the Kalkaska County Register of Deeds. The Units and other improvements contained in the Condominium, including the number, boundaries and dimensions of each Unit therein, are set forth in the Condominium Subdivision Plan attached as Exhibit B hereto. Each Unit contains a site suitable for residential development, and is **limited to residential purposes only**. Each Unit is capable of individual use, having its own entrance from and exit to a private road that connect to a public road. Each Co-owner in the Condominium shall have an exclusive right to the Unit owned; and shall have undivided and inseparable rights to share with other Co-owners the Common Elements of the Condominium as designated by the Master Deed. Co-owners shall have voting rights in the Hidden Hills Owners' Association as set forth herein and in the Condominium Bylaws and Articles of Incorporation of such Association.

ARTICLE II

LEGAL DESCRIPTION

The land which comprises the Condominium established by this Master Deed is a parcel of land situated in Clearwater Township, Kalkaska County, Michigan, and more fully described as follows:

A parcel of land situated in Clearwater Township, Kalkaska County, Michigan, and more fully described as follows: That part of the Southeast 1/4 of Section 21 and the Southwest 1/4 of Section 22, Town 28 North, Range 8 West, described as: Commencing at the West 1/4 corner of said section 22 for the point of beginning; thence South 89°42'21" East along the East and West 1/4 line of said section 2647.83 feet to a point on the North and South 1/4 line of said section 22; thence South 00°06'32" East along said 1/4 line 993.00 feet to a point in the centerline of Morrison Road; thence 311.15 feet along the arc of a 2282.40 foot radius curve to the left whose long chord bears North 83°24'45" West 310.91 feet; thence 387.91 feet along said centerline on the arc of a 791.40 foot radius curve to the left whose long chord bears South 78°38'24" West 384.04 feet; thence South 64°35'52" West along said centerline 217.95 feet; thence 479.23 feet along the arc of a 1500.00 foot radius curve to the right whose long chord bears South 73°45'02" West 477.20 feet; thence South 82°54'12" West along said centerline 431.58 feet to a point on the South 1/8 line of said section; thence North 89°37'43" West along said 1/8 line 879.00 feet to a point on the common line between sections 21 and 22; thence North 89°49'19" West along the South 1/8 line of said section 507.09 feet to a point in the centerline of said Morrison Road; thence continuing North 89°49'19" West along said 1/8 line and said centerline 156.94 feet; thence North 00°06'06" West 661.24 feet; thence North 89°46'02" West 664.19 feet to a point on the East 1/8 line of said section 21 and the centerline of Arts Road; thence North 00°06'54" West along said 1/8 line and said centerline 661.88 feet to a point on the East and West 1/4 line of said section 21; thence South 89°42'46" East along said 1/4 line 1328.68 feet to the point of beginning and containing 102.68 acres of land.

Subject to a 30.00 feet pipeline easement across the Westerly 30.00 feet of said Section 22.

Also subject to a ingress and egress easement over the Northerly 33.00 feet of the Westerly 825.00 feet of the Northeast 1/4 of the Southeast 1/4 of said Section 21.

Also subject to the rights of the public over the Westerly 33 feet thereof as occupied by Arts Road.

Also subject to the rights of the public over the Southerly portion thereof as occupied by Morrison Road.

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Office of County Treasurer, Namanakis, M.

I homely certify that there are no tax lien or titles held by the
State or any individual against the within description and all
tesses on states are paid for 5 years provious to the date of this
implement as appears by the records of my office. This does
not leading tesses in the process of collection.

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TOGETHER WITH RIGHTS IN AND TO **PRIVATE ROADS** FOR INGRESS, EGRESS, AND THE INSTALLATION AND MAINTENANCE OF PRIVATE AND PUBLIC UTILITIES, being legally described as:

HIDDEN HILLS DRIVE NW: A 66.00 feet wide roadway and cul-de-sac for ingress and egress and the installation and maintenance of public and private utilities over and across part of the Southeast 1/4 of Section 21 and the Southwest 1/4 of Section 22, Town 28 North, Range 8 West, the centerline of said roadway being described as: Commencing at the East 1/4 corner of said Section 21; thence North 89°42'46" West along the East and West 1/4 line of said section 21 1328.68 feet to a point on the East 1/8 line of said section and the centerline of Arts Road; thence South 00°06'54" East along said 1/8 line and said centerline 328.91 feet to the Point of Beginning of said roadway centerline; thence North 89°53'06" East 35.11 feet; thence 29.26 feet along the arc of a 200.00 feet radius curve to the right, the long chord of which bears South 85°55'24" East 29.24 feet; thence South 81°43'54" East 581.43 feet; thence 399.95 feet along the arc of a 1100,00 feet radius curve to the right, the long chord of which bears South 71°18'56" East 397.75 feet; thence South 60°53'59" East 546.71 feet; thence 645.23 feet along the arc of a 600.00 feet radius curve to the left, the long chord of which bears North 88°17'34" East 614.59 feet; thence North 57°29'06" East 727.78 feet; thence 273.33 feet along the arc of a 750.00 feet radius curve to the right, the long chord of which bears North 67°55'32" East 271.82 feet; thence North 78°21'58" East 163.90 feet to the center of a 126.00 feet radius culde-sac and the Point of Ending of said roadway centerline.

WONDERVIEW LANE NW: A 33.00 feet wide private drive for ingress and egress and the installation and maintenance of public and private utilities over and across part of the Southwest 1/4 of Section 22, Town 28 North, Range 8 West, the centerline of said private drive being described as: Commencing at the East 1/4 corner of said Section 21; thence North 89°42'46" West along the East and West 1/4 line of said section 21 1328.68 feet to a point on the East 1/8 line of said section and the centerline of Arts Road; thence South 00°06'54" East along said 1/8 line and said centerline 328.91 feet; thence North 89°53'06" East 35.11 feet; thence 29.26 feet along the arc of a 200.00 feet radius curve to the right, the long chord of which bears South 85°55'24" East 29.24 feet; thence South 81°43'54" East 581.43 feet; thence 399.95 feet along the arc of a 1100.00 feet radius curve to the right, the long chord of which bears South 71°18'56" East 397.75 feet; thence South 60°53'59" East 546.71 feet; thence 645.23 feet along the arc of a 600.00 feet radius curve to the left, the long chord of which bears North 88°17'34" East 614.59 feet; thence North 57°29'06" East 727.78 feet; thence 44.67 feet along the arc of a 750,00 feet radius curve to the right, the long chord of which bears North 59°11'28" East 44.66 feet to the Point of Beginning of said private drive centerline; thence North 29°06'10" West 221.19 feet; thence 142.79 feet along the arc of a 135.00 feet radius curve to the left, the long chord of which bears North 59°24'15" West 136.23 feet; thence North 89°42'21" West 224.46 feet; thence 115.27 feet along the arc of a 325.00 feet radius curve to the left, the long chord of which bears South 80°08'00" West 114.67 feet; thence South 69°58'22" West 124.74 feet; thence 128.50 feet along the arc of a 500.00 feet radius curve to the right, the long chord of which bears South 77°20'06" West 128.15 feet; thence South 84°41'51" West 144.94 feet to the Point of Ending of said private drive centerline.



TALL PINES TRAIL NW: A 33.00 feet wide private drive for ingress and egress and the installation and maintenance of public and private utilities over and across part of the Southeast 1/4 of Section 21 and the Southwest 1/4 of Section 22, Town 28 North, Range 8 West, the centerline of said roadway being described as: Commencing at the East 1/4 corner of said Section 21; thence North 89°42'46" West along the East and West 1/4 line of said section 21 1328.68 feet to a point on the East 1/8 line of said section and the centerline of Arts Road; thence South 00°06'54" East along said 1/8 line and said centerline 328.91 feet; thence North 89°53'06" East 35.11 feet; thence 29.26 feet along the arc of a 200.00 feet radius curve to the right, the long chord of which bears South 85°55'24" East 29.24 feet; thence South 81°43'54" East 581.43 feet; thence 399.95 feet along the arc of a 1100.00 feet radius curve to the right, the long chord of which bears South 71°18'56" East 397.75 feet; thence South 60°53'59" East 546.71 feet; thence 645.23 feet along the arc of a 600.00 feet radius curve to the left, the long chord of which bears North 88°17'34" East 614.59 feet; thence North 57°29'06" East 727.78 feet; thence 273.33 feet along the arc of a 750.00 feet radius curve to the right, the long chord of which bears North 67°55'32" East 271.82 feet; thence North 78°21'58" East 163.90 feet; thence South 85°26'33" East 93.00 feet to the Point of Beginning of said private drive centerline; thence South 86°37'50" East 83.81 feet; thence 155.27 feet along the arc of a 700.00 feet radius curve to the left, the long chord of which bears North 87°00'54" East 154.95 feet; thence North 80°39'37" East 211.71 feet; thence 46.68 feet along the arc of a 150.00 feet radius curve to the right, the long chord of which bears North 89°34'33" East 46.49 feet; thence South 81°30'30" East 46.49 feet to the Point of Ending of said private drive centerline.

Notice: the foregoing private roads shall not be maintained by any government agency, such as (by way of example but not limitation) the Kalkaska County Road Commission.

Also subject to the rights of the local or county rural fire department pursuant to an Agreement for Fire Suppression System to be recorded hereafter and dealing with a pond-fed hydrant located at the Arts Road entrance to the Condominium.

Further subject to easements, right-of-ways, reservations and restrictions of record.

Subject to all governmental limitations, including (without limitation) such approvals as were made by Clearwater Township. The Condominium project is adjacent to working farm land, and under the Michigan Right to Farm Act, all purchasers and future co-owners of Units take subject to the rights of the adjacent farmers.

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ARTICLE III

DEFINITIONS

Certain terms used in this Master Deed and the Exhibits hereto, and in the Articles of Incorporation of the Hidden Hills Owners' Association are defined as follows:

- (a) The "Act" or "Condominium Act" means Act 59 of the Public Acts of Michigan of 1978, as amended.
- (a1) "Architectural Control Committee" and "Committee" shall mean the committee established under Article VI of the Condominium Bylaws to definitively ensure compliance of all plans, construction, and use of a Unit with the Condominium Documents.
- (b) "Association" means the Michigan nonprofit corporation, the Hidden Hills Owners' Association, in which all Co-owners shall be members. The Association shall administer, operate, manage and maintain the Condominium. Any action required of, or permitted to the Association shall be done by its Board of Directors unless specifically reserved to its members by the Condominium Documents or the laws of the State of Michigan.
- (c) "Bylaws" means Exhibit "A" hereto, which are the Bylaws required for the Condominium and also, depending on the context, may also mean the Bylaws of the Association.
- (d) "Common Elements" means the portions of the Condominium other than the Condominium Units.
- (e) "Condominium" means Hidden Hills as a condominium established pursuant to the provisions of the Act, and includes the land, all improvements and structures thereon, and all easements, rights and appurtenances belonging to the Condominium.
- (f) "Condominium Documents," wherever used, means and includes this Master Deed and the Exhibits hereto, the Articles of Incorporation of the Association, and any rules and regulations adopted by the Association.
- (g) "Condominium Subdivision Plan" or "Plan" means the Plan attached to this Master Deed as Exhibit "B". The Plan assigns a number to each Condominium Unit and includes a description of the nature, location and approximate size of certain Common Elements.
- (h) "Condominium Unit" or "Unit" means the enclosed space constituting a single Unit designed and intended for separate ownership and use in the Condominium as such space may be described on Exhibit "B" hereto; each Unit shall consist of a buildable lot suitable for building a single-family dwelling under the Clearwater Township Zoning Ordinance as in effect as of the date of recording the Master Deed, subject to the provisions of Article IV governing the Common Elements.
- (i) "Co-owner" means a person, firm, corporation, partnership, association, trust or other legal entity or a combination thereof who or which owns one or more Units in the Condominium. Developer is a Co-owner as long as Developer owns one or more Units.
- (j) "Developer" means Arbor Investment Company, a Michigan general partnership (hereinafter referred to as "Developer"), whose address is P.O. Box 1138, Kalkaska, Michigan 49646. All development rights reserved under the Act to Developer herein are assignable in writing; provided, however, that conveyances of Units by Developer, including without limitation conveyances to a "successor developer" pursuant to Section 135 of the Act, shall not serve to assign Developer's development rights unless the instrument of conveyance expressly so states.

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- (k) "General Common Elements" means the Common Elements other than the Limited Common Elements.
- (l) "Limited Common Elements" means a portion of the Common Elements reserved in this Master Deed for the exclusive use of less than all of the Co-owners.
- (m) "Master Deed" means this document and, depending on the context, may also include the Condominium Bylaws and Condominium Subdivision Plan attached as exhibits.
- (n) "Mortgagee" means the named mortgagee or owner of any mortgage on all or any portion of the Condominium.
- (o) "Percentage of Value" means the percentage assigned to each Condominium Unit in this Master Deed. The Percentages of Value of all Units shall total one hundred (100%) percent. The Percentages of Value shall be determinative only with respect to those matters to which they are specifically deemed to relate either in the Condominium Documents or in the Act.
- (p) "Person" means an individual, firm, corporation, partnership, association, trust, the state or an agency of the state or other legal entity, or any combination thereof.
- (q) "Size" means the number of square feet of ground within each Condominium Unit computed by reference to the Plan and rounded off to a whole number.
- (r) "Transitional Control Date" means the date on which the Board of Directors of the Association takes office pursuant to an election in which the votes which may be cast by eligible Co-owners unaffiliated with the Developer exceed the votes which may be cast by the Developer.

ARTICLE IV

COMMON ELEMENTS

- (a) The General Common Elements of the Condominium described in Exhibit B attached hereto and the respective responsibilities for maintenance, repair, replacement, restoration or renovation thereof are defined as follows:
- (1) Land. The land described in Article II hereof, excluding those portions within the boundaries of any Condominium Unit as described in Article VI hereof and shown on Exhibit B hereto, but including easement interests of the Condominium in the property within the boundaries of any Unit; provided that:
 - A. Each Co-owner shall have the right to drill a <u>water well</u> for on-site domestic water into the earth beneath his or her Unit as deep as is necessary to gain access to water for use within the Unit and, when drilled, the portion of such well as extended beneath a Unit shall be, as provided below, a **Limited Common Element**; and
 - B. Each Co-owner shall have the right to install a <u>septic</u> tank, drainfield, and associated piping in the earth beneath his or her Unit as deep as is necessary and mandated by the local health department, to use for residential on-site waste and sewage treatment within the Unit and, when installed, the portion of such septic system as extended beneath a Unit shall be, as provided below, a **Limited Common Element**.

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- C. <u>Provided</u>, that if and at such time as municipal sewer or water system(s) are available to a point of connection to the Condominium, each Co-owner shall be required to connect to those system(s), as set forth in the conditions for granting a planned unit development permit issued by Clearwater Township, as more fully described in Exhibit "C" to this Master Deed.
- (2) Roads. All roads and utility rights-of-way as indicated in the Condominium Subdivision Plan ("right-of-way") including roads built within the right-of-way, but excluding all portions of driveways installed within a right-of-way by any Co-owner, provided, however, that each Co-owner shall have the right to install a driveway and place a mail box upon the common areas adjoining his or her Unit and, when installed, the portion of the driveway, but not the ground beneath it, lying upon any Common Element, shall be as provided below, a **Limited Common Element**.
- (3) Utilities. The electrical, telephone, natural gas (if any not presently available), and cable television (if any not presently available) networks or systems and/or wireless communications (if any not presently available) throughout the Condominium, up to the point of entry into each Unit.
- (4) Miscellaneous. Such other elements of the Condominium not herein designated as Limited Common Elements which are not enclosed within the boundaries of a Unit, and which are intended for common use or necessary to the existence, upkeep and safety of the Project.
- (5) Certain Described Open Spaces. Among the General Common Elements shall be certain areas which are legally described in Article VI-A, which shall be used for the purposes stated therein.
- (b) The Limited Common Elements are those Common Elements limited in use to the owners of the Unit they abut or to which they pertain, and consist of the following:
 - (1) The portions of any water well and septic system extending beneath a Unit;
- (2) The portion of any driveway and mailbox (but not the ground beneath it), once installed by the Owner of a Unit, shall be a Limited Common Element appurtenant to the Unit it serves; and
- (3) In a vertical plane, the air space above ground level within the boundary of a Unit up to the maximum permitted height of all structures under the Clearwater Township Zoning Ordinance as then in effect, plus an additional fifteen feet above that maximum permitted building height. Under Section 72b of the Act, all air spaces above the Condominium, including Units, except as described in this subparagraph (3), shall retain their character as General Common Elements and the fee thereof shall reside in the Association.
- (c) Maintenance, repair and replacement of all Common Elements shall be the responsibility of the Association, to be assessed to all Co-owners according to their Percentages of Value, subject to the following provisions:
- (1) The Limited Common Elements described in subparagraph (b) above shall be the responsibility of the respective Co-owner and Unit to which such water well, septic system, driveway or mailbox are appurtenant; and
- (2) The cost of repair of damage to a Common Element caused by a Co-owner, or family member or invitee of a Co-owner, shall be assessed against the Co-owner.

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ARTICLE IV-A

RESTRICTIONS ON BUILDABLE AREAS

All Units 1-14 of the Condominium shall be subject to the following added restrictions imposed on the areas where building may occur:

- (a) In the Condominium Subdivision Plans, Exhibit "B", areas are shown within the boundaries of each Unit where construction of improvements shall be permitted. These shall be referred to as the "Buildable Footprint Area(s)."
- (b) Notwithstanding any lesser zoning setback requirements, each co-owner of every Unit agrees to limit the construction and installation of all structures, dwellings, garages, and service buildings to and within those areas lying within the Buildable Footprint Areas, and subject to the approval of the Architectural Control Committee as set forth in Article VI and VI-D of the Bylaws, Exhibit "A" hereto.
- (c) The purpose of the Buildable Footprint Areas is to preserve uncluttered viewsheds for all Units. This is a material feature of this Condominium.
- (d) Since this requirement is being imposed by the private Developer as a deed restriction on all Units, no co-owner shall argue that the limitations arising from this Article IV-A and the Buildable Footprint Areas "take" or unreasonably restrict his, her, or their enjoyment of a Unit.
- (e) In order to ensure compliance with this Article IV-A, all co-owners, their agents, and representatives shall comply with the procedures for building set forth in Article VI of the Condominium Bylaws, Exhibit "A" hereto. The failure to so comply shall render any structure, improvement, construction, plans, or activity associated therewith a violation of this Master Deed.

ARTICLE V

USE OF PREMISES

No person shall use any 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 the Condominium. The Condominium is intended for single family residential purposes, and no commercial uses shall be permitted, except home occupations allowed under local zoning. In addition, foster care homes and day care centers are subject to the restrictions contained in Article VI-A of the Condominium Bylaws, Exhibit A hereto.

ARTICLE VI

CONDOMINIUM UNIT DESCRIPTION AND PERCENTAGE OF VALUE

(a) The Condominium consists of fourteen (14) residential Units, capable of individual use and enjoyment, subject to all applicable governmental limitations. Each Unit is described in this paragraph with reference to the Condominium Subdivision Plans attached hereto as Exhibit "B". Each Unit shall include all that space contained within a Unit in a horizontal plain at ground level, as shown on the Plans; together with areas below and above ground level as permitted in Article IV. For all purposes, individual Units may hereafter be defined and described by reference to this Master Deed and the individual number assigned to the Unit in the Plan.

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- (b) The Percentage of Value assigned to each Unit is set forth below and shall be determinative of the proportionate share of each respective Co-owner in the proceeds and expenses of the Association 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 value of the Condominium is 100%. All Units are hereby assigned an equal percentage of value because all Units are expected to have equal allocable expenses of maintenance.
- (c) Each Unit shall therefore have a 7.143% percentage of value on matters open to general voting.
- (d) The method and formula used by Developer to determine the foregoing percentages was to divide the number of Units into 100. Developer rounded off percentages and made minor adjustments to achieve a total of 100%.

ARTICLE VI-A

CERTAIN RESTRICTIONS ON "OPEN SPACE"

(a) The Developer has dedicated the areas designated as "open space" on the Condominium Subdivision Plans, Exhibit "B", and further described in this Article IV-A, which shall be used and maintained as set forth in this Article.

(b) Purposes

- (i) the purposes of the above-described open spaces shall be for the use and enjoyment of Co-owners of Units in the Condominium, <u>subject to</u> any other purposes required by governmental agencies such as (but without limitation) drainage;
- (ii) an area shown in Exhibit "B" as "Hidden Hills Park" shall be an area for use and enjoyment by the co-owners, their guests and invitees, and may contain children's playground equipment, benches, exercise areas, parking, and other improvements as the Developer determines in its sole discretion or as the Association votes upon after control is turned over to the co-owners:
- (iii) generally, the open space shall contain low impact paths suitable for walking, cross-country skiing, and other similar activities.
- (c) Clearwater Township shall not be liable for any uses or activities occurring within this dedicated open space. Further, the open space shall be protected from all forms of development, except as shown in Exhibit "B" (for example, parking, drainage, walking paths, Hidden Hills Park improvements, etc.).
- (d) The dedicated open space shall be used for recreational purposes only. Hunting and the use of firearms (except bows and arrows in season), and other weapons shall be prohibited in the dedicated open space. No motorized vehicles may be operated in the dedicated open space, except as necessary to install or maintain any walking paths and other permitted improvements, as shown in Exhibit "B".
- (e) The dedicated open space shall be maintained by the Association.



- (f) The dedicated open space shall be maintained in its natural state, except for the permitted improvements described above. The dedicated open space shall be maintained in as natural a condition as possible, keeping in mind the health, safety, and welfare of the Co-owners and the other residents of the Clearwater Township.
- (g) The Developer, for itself and the Association, grants to Clearwater Township a permanent right to come on to the dedicated open space for the purposes of inspection, and also to abate any public nuisance. In the event that the Township is required to abate any public nuisance on the dedicated open space, the costs thereof shall be assessed on the Co-owners, as provided for in the Condominium Bylaws, Exhibit A.
- (h) The provisions of this Article VI-A may not be amended except by the written consent of the Board of Clearwater Township and by the Association.
- (i) Notwithstanding anything in this Article VI-A, and except for the right of inspection and to abate nuisances granted to the Township (acting through its authorized representatives) the open space shall remain private property, owned by the Association. There shall be no license, easement, or right of entry to members of the public. In the event that persons are found on the open space, the Association may enforce the laws on trespass, including criminal trespass after warning. To implement this subparagraph (i), the Association may post the open space.

ARTICLE VII

EASEMENTS, RESTRICTIONS AND AGREEMENTS

The Condominium is subject to or benefited by the following easements, restrictions and agreements:

- (a) Developer hereby reserves permanent nonexclusive easements for ingress and egress over the roads and walks in the Condominium, and permanent easements to use, tap into, enlarge or extend all roads, walks and utility lines in the Condominium, including, without limitation, all communications, water, gas, electric, storm lines, and any pumps, sprinklers or water retention areas, for marketing purposes and for any future developments adjacent or contiguous to the Condominium.
- (a-1) Developer has reserved easements for drainage over and across portions of Units 5, 6, 10, 11, and 13, as shown in the Plans (Exhibit "B"), which easements shall be an appurtenance to and shall burden those units in perpetuity,
- (b) Developer reserves the right and power to grant easements over, or dedicate, portions of any of the Common Elements for utility, conservation, drainage, street, safety or construction purposes, and all persons acquiring any interest in the Condominium shall be deemed irrevocably to have appointed Developer and its successors as agent and attorney-in-fact to make such easements or dedications. After sale of all Units in the Condominium, the foregoing right and power may be exercised by the Association.
- (c) In the event any portion of a Common Element encroaches upon another Unit or Common Element due to survey errors or construction deviations, reconstruction or repair, reciprocal easements shall exist for the maintenance of such encroachment for as long as such encroachment exists, and for maintenance thereof after rebuilding in the event of any destruction. There shall be easements to, through and over those portions of the land for the installation, maintenance and servicing of all utilities in the Condominium, including, but not limited to, lighting, heating, power, sewer, water and communications (including telephone and cable television lines).

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- (d) All electrical service, cable television (if any not presently available), telephone, and natural gas lines (if any not presently available) servicing any Unit shall be placed underground, from the point of entry onto the Unit from a Common Element.
- (f) The Association shall financially support all easements described in this Article VII or otherwise pertaining to the Project, regardless of the rights of others to utilize such easements.

ARTICLE VII-A

EASEMENTS FOR VIEWSHEDS

- (a) A material and valuable feature of the Condominium, and each co-owner's Unit and rights in the open space, is the viewsheds that exist on the lands comprising the Condominium.
- (b) Accordingly, the Developer and the Association are hereby granted easements in perpetuity, which shall run with the lands, and which shall ensure that the viewsheds as they exist are and shall be maintained, subject only to permitted construction and improvements as shown in the Plans, Exhibit B, and in the Buildable Footprint Areas as described in Article IV-A above.
- (c) The enforcement of this Article VII-A shall be as set forth in the Condominium Bylaws, in Article XVIII thereof.

ARTICLE VIII

AMENDMENTS

This Master Deed and any Exhibit hereto may be amended in the following manner:

- (a) Amendments may be made and recorded by Developer or by the Association.
- (b) If the amendment will materially change the rights of the Co-owners or mortgagees, then such amendment requires the consent of not less than two-thirds (2/3) of the in value of the votes of the Co-owners or first mortgagees. A mortgagee shall have one vote for each first mortgage held.
- (c) Notwithstanding subparagraph (b) above, but subject to the limitation of subparagraph (d) below, Developer reserves the right to amend this Master Deed or any of its Exhibits for any of the following purposes without the consent of Co-owners or Mortgagees:
- (1) To modify the locations, types and sizes of unsold Units (including Buildable Footprint Areas) and the General and/or Limited Common Elements adjoining or appurtenant to unsold Units;
- (2) To amend the Condominium Bylaws, subject to any restrictions on amendments stated therein;
- (3) To correct arithmetic errors, typographical errors, survey errors, or any similar errors in the Master Deed, Plan or Condominium Bylaws;
 - (4) To clarify or explain the provisions of the Master Deed or its exhibits;



- (5) 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;
 - (6) To make, define or limit easements affecting the Condominium;
- (7) To record an "as-built" Condominium Subdivision Plan and/or consolidating master deed and to depict thereon any other improvements, if any, not shown on the Plan attached hereto;
- (d) Notwithstanding any other provision of this Article VIII, the method or formula used to determine the Percentages of Value for Units in the Condominium, as described above, 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 modified without the Co-owner's consent. The Association may make no amendment which materially changes the rights of Developer without the written consent of the Developer as long as the Developer owns any Units in the Condominium.
- (e) The Developer and Association, and each Co-owner, agree that no amendment shall be proposed or made to this Master Deed which would in any way change or purport to change the terms, conditions, and provisions of the Planned Unit Development permit issued by Clearwater Township, without the prior express approval of the Township Board.

ARTICLE IX

ASSIGNMENT

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



IN WITNESS WHEREOF, Developer has caused this Master Deed to be executed the day and year first above written.

ARBOR INVESTMENT COMPANY A MICHIGAN CO-PARTNER SHIP

BY: ROBERT BURGIN

ITS: MANAGING PARTN

STATE OF MICHIGAN

) ss

COUNTY OF KALKASKA

The foregoing instrument was acknowledged before me this 18th day of June 2004 by Robert Burgin as the Managing Partner of Arbor Investment Company, a Michigan Co-Partnership, who has full authority under the partnership agreement currently in force, to execute this document, on behalf of the partnership.

My Commission Expires: April 12, 2008

KITCHEN. Notary Public

Antrim County, Michigan

Acting In Kalkaska County, Michigan

DRAFTED BY:

Charles R. Meyer, III, P.C. (P 36193) 236 1/2 East Front Street P.O. Box 950 Traverse City, Michigan 49685 (231) 922-0800

WHEN RECORDED RETURN TO:

Arbor Investment Company P.O. Box 1138 Kalkaska, MI 49646 (231) 258-5100



EXHIBIT "A" TO MASTER DEED

CONDOMINIUM BYLAWS

ARTICLE I

ASSOCIATION OF CO-OWNERS

Hidden Hills, a residential site condominium located in Kalkaska County, Michigan, shall be administered by an Association of Co-owners. This Association shall be a nonprofit corporation (herein referred to as the "Association") organized under the applicable laws of the State of Michigan. The Association shall be responsible for the management, maintenance, operation and administration of the Common Elements, easements, and affairs of the Condominium in accordance with the Condominium Documents and the laws of the State of Michigan. These Bylaws shall constitute both the Bylaws referred to in the Master Deed and required by Section 3(g) of the Act, and the Bylaws provided for under the Michigan Nonprofit Corporation Act.

Each Co-owner shall be entitled to membership and no other person or entity shall be entitled to membership. The share of a Co-owner in the lands and assets of the Association cannot be assigned, pledged or transferred in any manner, except as an appurtenance to the Co-owner's Unit.

The Association shall keep current copies of the Master Deed, all amendments to the Master Deed, and other Condominium Documents for the Condominium available for inspection at reasonable hours to Co-owners, prospective purchasers and prospective mortgagees of Units in the Condominium. The Association, all Co-owners in the Condominium and all persons using or entering upon or acquiring any interest in any Unit therein or the Common Elements thereof shall be subject to the provisions and terms set forth in the aforesaid Condominium Documents. All terms used herein shall have the same meaning as set forth in the Master Deed to which these Bylaws are attached as an Exhibit, or as set forth in the Act.

ARTICLE II

ASSESSMENTS

The Association's levying of assessments against the Units and collection of such assessments from the Co-owners in order to pay the expenses arising from the management, administration and operation of the Association shall be governed by the following provisions:

Section 1. <u>Taxes Assessed on Personal Property Owned or Possessed in Common.</u> The Association shall be assessed as the person or entity in possession of any tangible personal property of the Condominium owned or possessed in common by the Co-owners, and personal property taxes based thereon shall be treated as expenses of the Association.

Section 2. Receipts and Expenditures Affecting Administration. Expenditures affecting administration of the Condominium shall include all costs incurred in satisfaction of any liability arising within, caused by or connected with the General Common Elements or the administration of the Condominium. Receipts affecting administration of the Condominium shall include all sums received by the Association as proceeds of, or pursuant to, a policy of insurance securing the interests of the Co-owners against liabilities or losses arising within, or caused by or connected with the Common Elements. Annual recurring expenses to run and manage the Association, bank accounts, maintenance and repair costs, and management fees shall also be expenditures of administration.

Section 3. <u>Determination of Assessments</u>. Assessments shall be determined in accordance with the following provisions:

- (a) The Annual Budget and Regular Assessments. The Developer shall establish an initial annual budget and, thereafter, the Board of Directors may amend that initial budget, from time to time, in advance for each calendar year. The annual budget shall project all expenses for the forthcoming year which may be required for the proper operation, management and maintenance of the Condominium, including a reasonable allowance for contingencies and reserves. Upon adoption of an annual budget by the Board of Directors, copies of the budget shall be delivered to each Co-owner, and the assessment for said year shall be established based upon said budget. The failure to deliver a copy of the budget to each Co-owner shall not affect or in any way diminish the liability of any Co-owner for any existing or future assessments.
- (b) Special Assessments. Special assessments, in addition to the regular assessments in subparagraph (a) above, may be made by the Board of Directors from time to time (in its discretion), and approved by the Co-owners to meet other appropriate requirements of the Association. Special assessments referred to in this subparagraph (b) shall be levied only upon the approval of more than 50% of all Co-owners in value. The discretionary authority to propose a levy of special assessments pursuant to this subparagraph shall rest solely with the Board of Directors for the benefit of the Association and the members thereof, and shall not be enforceable by any creditors of the Association or of the members thereof.
- Section 4. <u>Apportionment of Assessments</u>. Unless otherwise provided herein or in the Master Deed, all assessments levied against the Co-owners to cover expenses of management, administration and operation of the Condominium shall be apportioned among and paid by the Co-owners in accordance with the Percentage of Value assigned to each Unit in Article VI of the Master Deed.
- Section 5. Payment of Assessments and Penalty for Default. Regular assessments as determined in accordance with Article II, Section 3(a) above shall be payable by Co-owners in one annual installment, commencing with acceptance of a deed to or a land contract vendee's interest in a Unit, or with the acquisition of fee simple title to a Unit by any other means. Special assessments shall be payable in accordance with the Board of Directors' schedule therefor as approved by the Co-owners. The payment of an assessment shall be in default if such assessment, or any part thereof, is not paid to the Association in full on or before the due date for such payment. Each installment in default for ten (10) or more days shall bear interest from the initial due date thereof at the rate of 7% per annum until each installment is paid in full. The Board of Directors may also adopt uniform late charges pursuant to Section 7 of Article VI of these Bylaws. Each Co-owner (whether one or more persons) shall be, and remain, personally liable for the payment of all assessments (including interest, late charges and costs of collection and enforcement of payment) levied against the Unit while such Co-owner is the owner thereof. A land contract purchaser from any Co-owner shall be personally liable and the land contract seller shall not be personally liable for all such assessments levied up to and including the date upon which, if applicable, a land contract seller actually takes possession of the Unit following extinguishment of all rights of the land contract purchaser in the Unit. Payments on account of installments of assessments in default shall be applied as follows: first, to costs of collection and enforcement of payment, including reasonable attorneys' fees; second, to any interest and other charges for late payment on such installments; and third, to

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installments in default in order of their due dates. A Co-owner selling a Unit shall not be entitled to any refund whatsoever from the Association with respect to any reserve, account or other asset of the Association.

Section 6. Effect of Waiver of Use or Abandonment of Unit. A Co-owner's waiver of the use or enjoyment of any of the Common Elements or abandonment of the Co-owner's Unit shall not exempt the Co-owner from liability for the Co-owner's contribution toward the expenses of administration.

Section 7. Enforcement.

- (a) Remedies. In addition to any other remedies available to the Association, the Association may enforce collection of delinquent assessments by a suit at law for a money judgment or by foreclosure of the statutory lien that secures payment of assessments. In the event of default by any Co-owner in the payment of any installment of the regular annual assessment or any approved special assessment levied against the Co-owner's Unit or limited common elements (if applicable), the Association shall have the right to declare all unpaid installments of the annual assessment for the pertinent fiscal year immediately due and payable. The Association may also discontinue the furnishing of any utilities or other services to a Co-owner in default upon seven (7) days' written notice to such Co-owner of its intention to do so. A Co-owner in default shall not be entitled to vote at any meeting of the Association so long as the default continues. In a judicial foreclosure action, a receiver may be appointed to, and empowered to take possession of the Unit (if the Unit is not occupied by the Co-owner) and to lease the Unit and collect and apply the rental therefrom. All of these remedies shall be cumulative and not alternative.
- (b) Foreclosure Proceedings. Each Co-owner, and every other person who from time to time has any interest in the Condominium, shall be deemed to have granted to the Association the unqualified right to elect to foreclose the statutory lien that secures payment of assessments either by judicial action or by advertisement. The provisions of Michigan law pertaining to foreclosure of mortgages by judicial action and by advertisement, as the same may be amended from time to time, are incorporated herein by reference for the purposes of establishing the alternative procedures to be followed in lien foreclosure actions and the rights and obligations of the parties to such actions. Further, each Co-owner and every other person who, from time to time, has any interest in the Condominium shall be deemed to have authorized and empowered the Association to sell or cause to be sold the Unit with aspect to which the assessment(s) is or are delinquent to receive, hold and distribute the proceeds of such sale in accordance with the priorities established by Michigan law. The Association, acting on behalf of all Co-owners, may bid at the foreclosure sale, and acquire, hold, lease, mortgage, or convey the Unit sold.
- (c) Notice of Action. The Association may not commence proceedings to foreclose a lien for unpaid assessments without recording and serving a notice of lien in the following manner:
- (i) The notice of lien shall set forth the legal description of the Condominium Units to which the lien attaches, the name of the Co-owner of record thereof, the amount due the Association as of the date of the notice, exclusive of interest, costs, attorneys fees and future assessments.
- (ii) The notice of lien shall be in recordable form, executed by an authorized representative of the Association, and may contain such other information as the Association deems appropriate.
- (iii) The notice of lien shall be recorded in the office of the register of deeds in the county in which the Condominium is situated and shall be served upon the delinquent Co-owner by first class mail, postage prepaid, addressed to the last known address of the Co-owner at least ten (10) days in advance of the commencement of the foreclosure proceedings.

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(d) <u>Expenses of Collection</u>. The expenses incurred in collecting unpaid assessments shall include interest, costs, actual attorneys' fees (not limited to statutory fees), advances for taxes or other liens paid by the Association to protect its lien, and any late charges. They shall collectively be chargeable to the Co-owner in default and shall be secured by the lien on the Unit.

Section 8. <u>Liability of Mortgagee</u>. Notwithstanding any other provisions of the Condominium Documents, if the mortgagee of a first mortgage of record or other purchaser of a Condominium Unit obtains title to the Condominium Unit as a result of foreclosure of the first mortgage, such person, its successors and assigns, is not liable for the assessments by the Association chargeable to the Unit or limited common elements (if applicable) which became due prior to the acquisition of title to the Unit by such person and the expiration of the period of redemption from such foreclosure. The unpaid assessments covered by this Section 8 shall be deemed to be common expenses collectible from all of the Condominium Unit Co-owners, or from the group of Co-owners who are benefitted by limited common elements.

Section 9. <u>Developer's Responsibility for Assessments</u>. Notwithstanding any other provisions of the Condominium Documents to the contrary, **the Developer shall not pay regular or special Association assessments** for Units which are owned by the Developer, but shall only reimburse the Association for actual expenses incurred by the Association which are reasonably allocated to such Units or to any limited common elements. Developer shall in no event be liable for any assessment levied in whole or in part to purchase any Unit from the Developer or to finance any litigation against the Developer, any cost of investigating and preparing such litigation or claim, or any similar or related costs.

Section 10. <u>Unpaid Assessments Due on Unit Sale</u>; <u>Statement of Unpaid Assessments</u>. Upon the sale or conveyance of a Condominium Unit, all unpaid assessments against the Condominium Unit shall be paid out of the sale price or by the purchaser in preference over any other assessments or charges of whatever nature except (a) amounts due the State of Michigan or any subdivision thereof for taxes or special tax assessments due and unpaid on the Unit; and (b) payments due under first mortgages having priority thereto. A purchaser of a Condominium Unit is entitled to a written statement from the Association setting forth the amount of unpaid assessments outstanding against the Unit and the purchaser is not liable for unpaid assessments in excess of the amount set forth in such written statement, nor shall the Unit be subject to any lien for any amounts in excess of the amount set forth in the written statement. Any purchaser or grantee who fails to request a written statement from the Association at least five days before the sale, or to pay any unpaid assessments against the Unit at the closing of the Unit purchase if such a statement was requested, shall be liable for any unpaid assessments against the Unit together with interest, costs, and attorneys' fees incurred in connection with the collection thereof.

Section 11. <u>Property Taxes and Special Assessments</u>. All property taxes and special assessments levied by any public taxing authority shall be assessed in accordance with Section 131 of the Act.

Section 12. <u>Construction Liens</u>. A construction lien otherwise arising under Act No. 497 of the Michigan Public Acts of 1980, as amended, shall be subject to Section 132 of the Act.

ARTICLE III

JUDICIAL ACTIONS AND CLAIMS

Actions on behalf of and against the Co-owners shall he brought in the name of the Association. The Association may assert, defend or settle claims on behalf of all Co-owners in connection with the Common Elements (including at the Association's election the limited common elements) of the Condominium. The commencement of any such civil action (other than one to enforce or collect delinquent assessments) shall require the approval of a majority in value of the Co-owners.

ARTICLE IV

INSURANCE

- Section 1. Extent of Coverage. The Association shall carry fire and extended coverage vandalism, malicious mischief, liability insurance, and worker's compensation insurance, if applicable, pertinent to the ownership, use and maintenance of the General Common Elements, and such other insurance as the Board of Directors deems advisable, and all such insurance shall be carried and administered in accordance with the following provisions:
- (a) Responsibilities of Co-owners and Association. All such insurance shall be purchased by the Association for the benefit of the Association, and the Co-owners and their mortgagees, as their interests may appear, and provision shall be made for the issuance of certificates of mortgagee endorsements to the mortgagees of Co-owners. Co-owners shall obtain additional insurance upon their Units, at their own expense, in addition to the coverage carried by the Association. It shall be each Co-owner's responsibility to obtain insurance coverage for all improvements located within a Unit (including all structures and improvements, dwelling, and personal property) and for personal liability for occurrences within a Unit or upon Limited Common Elements appurtenant to a Unit. The Association shall have absolutely no liability for obtaining such coverages.
- (b) Amount of Insurance on General Common Elements. All General Common Elements of the Condominium shall be insured against perils covered by a standard extended coverage endorsement, in an amount equal to the appropriate percentage of maximum insurable replacement value, as determined annually by the Board of Directors of the Association.
- (c) <u>Premium Expenses</u>. All premiums on insurance purchased by the Association pursuant to these Bylaws shall be expenses of administration.
- (d) <u>Proceeds of Insurance Policies</u>. Proceeds of all insurance policies owned by the Association shall be received by the Association, held in a separate account and distributed to the Association and the Co-owners and their mortgagees, as their interests may appear; <u>provided</u>, however, whenever repair or reconstruction of the Condominium shall be required as provided in Article V of these Bylaws, the proceeds of any insurance received by the Association as a result of any loss requiring repair or reconstruction shall be applied for such repair or reconstruction and in no event shall hazard insurance be used for any purpose other than for repair, replacement or reconstruction of the Condominium unless all of the institutional holders of first mortgages on Units in the Condominium have given their prior written approval.
- Section 2. Authority of Association to Settle Insurance Claims. Each Co-owner, by ownership of a Unit in the Condominium, shall be deemed to appoint the Association as the Co-owner's true and lawful attorney-in-fact to act in connection with all matters concerning the maintenance of extended coverage, vandalism and malicious mischief, liability insurance and workmen's compensation insurance, if applicable, pertinent to the Condominium, with such insurer as may, from time to time, be designated to provide such insurance for the Condominium. Without limitation on the generality of the foregoing, the Association as agent shall have full power and authority to purchase and maintain such insurance, to collect and remit premiums therefore, to collect proceeds and to distribute the same to the Association, the Co-owners and respective mortgagees, as their interests may appear (subject always to the Condominium Documents), to execute releases of liability, to execute all documents and to do all things on behalf of such Co-owner and the Condominium as shall be necessary or convenient to the foregoing.

ARTICLE V

RECONSTRUCTION OR REPAIR

Section 1. Reconstruction or Repair Unless Unanimous Vote to the Contrary. If any part of the Condominium shall be partially or completely destroyed, it shall be reconstructed or repaired unless it is determined by a unanimous vote of all Co-owners that the Condominium shall be terminated, and each institutional holder of a first mortgage lien on any Unit in the Condominium has given prior written approval of such termination.

Section 2. Repair in Accordance with Master Deed and Plans and Specification. Any such reconstruction or repair shall be substantially in accordance with the Master Deed and the Plans and specifications for the Condominium to a condition as comparable as possible to the condition existing prior to damage, unless the Co-owners shall unanimously decide otherwise.

Section 3. Responsibility for Reconstruction and Repair. If the damage is only to a part of a Unit which is the responsibility of a Co-owner to maintain and repair, it shall be the responsibility of the Co-owner to repair such damage in accordance with Section 4 hereof. In all other cases, the responsibility for reconstruction and repair shall be that of the Association.

Section 4. Damage to Part of Unit Which a Co-owner Has the Responsibility to Repair. Each Co-owner shall be responsible for the reconstruction and repair of all improvements and structures located in the Co-owner's Unit. In the event damage to any of the foregoing within a Co-owner's Unit, to pipes, wires, conduits, or other Common Elements is covered by insurance held by the Association, then the reconstruction or repair shall be the responsibility of the Association in accordance with Section 5 of this Article. If any other portion of a Unit is covered by insurance held by the Association for the benefit of the Co-owner, the Co-owner shall be entitled to receive the proceeds of insurance relative thereto, and if there is a mortgagee endorsement, the proceeds shall be payable to the Co-owner and the mortgagee jointly. In the event of substantial damage to or destruction of any Unit or any part of the Common Elements, the Association promptly shall so notify each institutional holder of a first mortgage lien on any Unit in the Condominium.

Section 5. Association Responsibility for Reconstruction and Repair. The Association shall be responsible for the reconstruction and repair of the General Common Elements (except as specifically otherwise provided in the Master Deed) and any incidental damage to a Unit or its appurtenant Limited Common Elements caused by such General Common Elements or the reconstruction and repair thereof. Immediately after a casualty causing damage to property for which the Association has the responsibility of repair and reconstruction, the Association shall obtain reliable and detailed estimates of the cost to replace the damaged property in a condition as good as that existing before the damage. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction or repair required to be performed by the Association, or if at any time during such reconstruction or repair, or or upon completion of such reconstruction or repair, the funds for the repayment of the costs thereof are insufficient, assessments shall be made against all Co-owners for the cost of reconstruction or repair of the damaged property in sufficient amounts to provide funds to pay the estimated or actual cost of repair. This provision shall not be construed to require replacement of mature trees and vegetation with equivalent trees or vegetation. Assessments pursuant to this Article V, Section 5 may be made by the Association without a vote of the Co-owners.

Section 6. Timely Reconstruction and Repair. Subject to Section 1 of this Article V, if damage to General Common Elements or a Unit adversely affects the appearance of the Condominium, the Association or Co-owner responsible for the reconstruction and repair thereof shall proceed with replacement of the damaged property without 3057879 Page: 19 of 52 06/23/2004 04:01P delay.

Section 7. Eminent Domain. The following provisions shall control upon any taking by eminent domain:

- (a) The provisions of Section 133 of the Condominium Act of Michigan shall apply.
- (b) In the event the Condominium continues after a taking by eminent domain, the remaining portion of the Condominium shall be re-surveyed and the Master Deed amended accordingly by the Association.
- (c) In the event any Unit in the Condominium, or any portion thereof, or the Common Elements or any portion thereof, is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, the Association promptly shall so notify each institutional holder of a first mortgage lien on any of the Units in the Condominium.
- Section 8. Notices to Certain Mortgagees. In the event any mortgage in the Condominium is held by the Federal Home Loan Mortgage Corporation ("FHLMC"), or in the event any mortgage is held by or insured by the United States Department of Housing and Urban Development ("HUD"), the Association shall give FHLMC and HUD written notice at such address as it may from time to time direct of any loss to or taking of the Common Elements of the Condominium, or any loss to or taking of any Unit, or part thereof, if the loss or taking exceeds \$10,000 in amount.
- Section 9. <u>Priority of Mortgagees in Proceeds</u>. Nothing contained in the Condominium Documents shall be construed to give a Co-owner or any other party priority over any rights of first mortgagees of Condominium Units pursuant to their mortgages in the case of a distribution to Condominium Unit owners of insurance proceeds or condemnation awards for losses to or a taking Of Condominium Units and/or Common Elements.

ARTICLE VI RESTRICTIONS

Section 1. <u>Uses Permitted.</u> The Property is intended to become a high quality, single-family residential community. No Unit shall be used for any other purpose than single family residential purposes. No Co-owner shall carry on any commercial activities anywhere on the premises of the condominium, except for home occupations specifically permitted by local zoning ordinance. Not withstanding the foregoing, Developer may conduct any of the activities expressly described in the Master Deed or its exhibits.

Section 2. Procedure for Building.

- (a) <u>Architectural Control Committee.</u> An Architectural Control Committee (the "Committee") shall exist at all times. The Committee shall be vested with the discretionary authority to approve all building plans for any Unit, subject to the criteria, restrictions, and limitations set forth in Section 3.
- (b) The Committee shall be established by the Developer and initially consist of Arbor Investment Company, Robert Burgin as the Developer and R.Clark Associates, Inc. No member of the Committee shall be entitled to compensation except R.Clark Associates, Inc. The Developer may resign at any time upon thirty days written notice to the other members of the Committee and upon doing so he may appoint a substitute member. If R.Clark Associates, Inc resigns from the Committee, the Developer may also appoint a substitute member. At such time as 50% of the Units in Hidden Hills Site Condominium have been sold, the developer shall appoint a third member to the Committee from the existing Unit Owners. The Developer shall always have the right to appoint himself and one other member so long as Developer owns any Unit in the subdivision.

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- (c) Until such time as residences have been constructed on all the Units developed in the Property, Arbor Investments Company retains the right to designate the members of the Committee, including the number of members.
 - i. From and after the time residences have been constructed on all Units in the Property or from and after such earlier time as Arbor Investment Company may relinquish its rights hereunder, the Hidden Hills Association will have the right to constitute and direct the Committee.
 - ii. From and after the time residences have been constructed on all Units in the Property or from and after such earlier time as Arbor Investment Company may relinquish its rights, R. Clark Associates, Inc. shall relinquish its rights and responsibilities as part of the Committee.
- (d) Prior to submitting plans and specifications that are required to the Committee, owner shall request a copy of the Architectural Review Checklist. The check list shall be a punch list to help the owner in creating a complete set of plans and specifications to submit to the Committee.
- (e) There shall be no charge for the first submission and initial re-submission of the plans required to be submitted to the Committee. Any re-submission required to be submitted thereafter shall be charged a re-submission fee of \$100.00. The review will not continue until fee is paid.
- (f) In making its review, the committee shall be limited to the record before it, consisting of the plan and specifications, any written statement of deficiencies, amendments submitted to the Committee, and any public documents. The record shall expressly exclude alleged conversations, oral statements, promises, or other verbal acts.
- (g) The Committee shall be limited to the following actions: approve, disapprove, approve with conditions, or disapprove due to an inadequate record on any reasonable ground, including, but not limited to, the perceived impact of the proposed plans and specifications on the Property, on other Units and residences, or on any adjoining lands, including, without limitations, the impact on the view(s) of the water or the surrounding countryside from any residential unit. The actions of the Committee as required in these covenants shall be in writing. If an action is an approval or approval with conditions, each member of the Committee shall sign the submitted plans that are part of the record. The Co-owner or representative shall also countersign the submitted plans, which signature shall be conclusive proof and assent to the plans and specifications. The following procedure and timetables are essential to these covenants and shall be followed very strictly:
 - i. The Committee shall approve or reject the proposed plans and specifications, as defined above, within 30 days of all required documents being submitted. In the event that the Committee fails to approve or disapprove within 30 days after plans and specifications have been submitted to it, then the plans may be deemed to be approved. If any Unit owner commences or threatens to commence construction in violation of these restrictions or procedures, the Committee, or any other Unit owner may file suit to enforce the restrictions and to seek injunctive for relief and/or damages. If any Unit owner is found by a court of competent jurisdiction to have built in violation of such restrictions or procedures, the Unit owner shall be required to pay the enforcing party's reasonable attorney fees and costs. Under unusual circumstances, and only upon the written consent of all members of the Committee, the Committee may authorize a variance from the restrictions provided herein where the plans, specifications and site development plan assure, in the judgment of all members of the Committee, a high quality dwelling in harmony with the exterior designs, locations and use of all other dwellings in the subdivision.

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- ii. At the time plans and specifications are provided to the Architectural Control Committee, three (3) copies of all plans and specifications, together with related data and any other information the Committee may reasonably request, shall be furnished by the owner or owner's representative.
- iii. If an owner submits plans and specifications as required hereunder, the Committee will act with reasonable diligence to review and approve, disapprove, approve with conditions, or disapprove due to an inadequate record. It is to be expected that the Committee may, in lieu of express acceptance or rejection, make suggestions as to the changes it desires before giving approval, and owners are strongly recommended to review their preliminary plans with the Committee before proceeding to final drawings. In order to enhance a thorough review of plans and specifications, no specific time for approval or rejection will be required, but based on the complexity of the plans and specifications submitted and the workload of the Committee at the time, approval or rejection can be expected within a reasonable time frame.
- iv. In order to obtain approval of plans and specifications, as required under this paragraph, the following (which are hereby defined to mean "plans and specifications") must be submitted to, and approved in writing by, the Committee.
 - a) A site plan indicating the location of the building, well, septic system, utilities lines and any other improvements to be made.
 - b) A topographical survey which shows existing and proposed grades, the location of all trees in excess of 4" in diameter, the location of each building or structure, and the proposed location of driveways, parking areas, pools, decks, patios, landscaping and other improvements to be located on the Unit.
 - c) Construction plans prepared and designed by a registered, professional architect, including dimensional floor plans, typical sections and all elevations, which plans shall bear the architect's seal.
 - d) Specifications setting forth the type and quality of all materials and workmanship, including a detailed finish schedule for all exterior materials, products and finishes.
 - e) A landscaping plan prepared by a registered landscape architect or experienced contractor showing all finish grading, mailbox location and design, planting, seeding, lighting and signage details, including plant type, plant size at planting and at maturity, quality, method of planting, as well as any reasonable requirements imposed by the Committee. The plan must also include the use of irrigation or watering system, which involves 100 percent coverage of all maintained landscaped areas. The Committee may exempt natural areas from the irrigation requirement, in its sole discretion.
 - f) A construction schedule, which will require execution of the plans and specifications as approved without material changes.
- v. In making its decisions, the Committee will have the broadest discretion permitted by law to assure that all requirements of this Article VI shall be complied with. The following guidelines have been established to assist prospective buyers, owners and the Committee:
 - a) The preservation and enhancement of views will receive high priority, including views from area roads to the Property as well as views from residences (existing and future).
 - b) Wide houses may be limited if their configuration adversely affects the views from other Units. In a similar manner, height may be limited if it would adversely affect views to the water.

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- c) To avoid monotony and create visual beauty, Arbor Investment Company seeks to have a variety of architecture and materials, provided the same are compatible and not ultra-contemporary. As an example, flat roofs will not generally be permitted even for variety.
- d) The Committee will expect architectural detail and quality to be carried throughout the structure as opposed to only one or more sides.
- e) When trees and shrubs are to be planted, the Committee must approve the location, and generally, it will only approve species that are not likely to obstruct views as the plants grow.
- f) Color compatibility will be a concern, although, as in the case of architecture, every attempt should be made to avoid monotony.
- g) All plans and specifications must in addition to the provisions of this Declaration, conform with any applicable zoning, Health Dept. regulations, and all applicable building codes.
- h) All plans and specifications must comply with Article IV-A of the Master Deed (relating to "Buildable Footprint Areas" and Article VII-A (relating to viewsheds).
- vi. No building, structure or other improvement, including earthwork and landscaping, shall be constructed on the Property, nor shall any exterior modification, including, but not limited to, repainting, re-siding, re-roofing, an addition or alteration of patios, decks, porches, three season rooms, pools, hot tubs, landscaping, retaining walls, water features or other changes in the exterior appearance, be made to any existing building, structure or improvement, unless plans and specifications therefore, containing such detail, have first been approved in writing by the Committee.
- vii. The purpose of these controls is to assure the development of the property as a beautiful and harmonious residential development. As a guideline, it is intended that all architectural designs should be in character with the area and with the immediate natural surroundings present in the Property. See Building Restrictions below for further detail.

Section 3. Building, Use, & Construction Phase Restrictions.

a) Building Restrictions

- All improvements located within a Unit shall be shown with reference to site plans showing that the improvements shall be within the Buildable Footprint Area for that Unit. Improvements shall be of exterior design, materials, workmanship, and quality as to be harmonious with other homes and improvements in the Condominium Project.
- ii. As a general rule, only one structure will be permitted on a Condominium Unit, which shall incorporate the dwelling unit, the garage and any ancillary facilities to be constructed. Any variation from this limitation will be permitted only with the approval of the Committee and only as a result of circumstances unique to the particular Unit or design. In addition, the variation may not, in the judgment of the Committee, detract from the overall development plan for the Property.

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- iii. A single-floor or lot level residence structure shall not be erected, placed or permitted to remain on any Lot unless such structure shall have one floor of living area at least 1,600 square feet in size (two floor areas are used for this calculation). Residences classified as a two-story structure shall not have less than 1,100 square feet on the main level, nor less than a total living area of 2,000 square feet. The area may be computed by including exterior walls, partitions, bay windows (if the same reach to the floor and are fully enclosed and heated). The Committee may deny construction in accordance with any plan submitted because of lack of harmony of external design with existing structures or because of too great a similarity to other or nearby existing structures. Criteria for style character shall include but not be limited to rooflines, roof line breaks, exterior windows and window treatments, design by breaks or jogs in the house, balanced "eye appeal", exterior materials and artistically pleasing (no plain, boxy or "trac-like") house designs. Overall finished appearance and character of the house shall be conducive to the development.
- iv. The (required) attached garages shall be finished on the outside in the same manner and with the same materials as the dwelling, and shall be a minimum of 575 square feet for a twocar and a minimum of 860 square feet for a three-car garage. If permitted by local zoning, the attached garage may have finished upper levels suitable as living space.
- One detached garage of not more than 860 square feet (including without limitation sheds v. whether affixed to the land or not) shall be permitted, provided it is finished in the same manner and with the same materials as the dwelling.
- All exterior finish materials shall be earth tone, natural colors to be harmonious with the vi. existing surroundings. The Committee may, in it's discretion, permit variation from natural materials where it is satisfied that the materials will be compatible in terms of long-term quality and appearance, and that they will be applied in a manner that ensures quality in appearance and durability. The Committee, or a member or designee of the Committee, will also meet with any owner and his or her architect to indicate, on a preliminary basis, whether or not a proposed architectural theme or direction will be acceptable, provided that such preliminary approval shall in no event assure final approval of the plans and specifications. All homes are required to have a minimum of 30% of their front elevation to be stone or brick veneer. Siding types may include wood, cement board or vinyl siding as long as they have a natural, earth tone color. Samples will be required at time that owner is submitting complete sets of plans and specifications.
- No mobile home, doublewide, tri-levels, or modular home shall be placed, stored, occupied vii. constructed or installed upon any Unit. Only "stick-built" custom homes by a licensed general contractor shall be permitted.
- The interior and exterior of all structures must be completed within one (1) year after viii. construction commences, except where such completion is impossible or would result in great hardship to the owner or structure due to strikes, fires, national emergencies, natural calamities or the like. If a residence is likely to take more than one (1) year to complete, even though the work is diligently pursued, the Committee may approve deviations from the general one (1) year rule. No structure may be temporarily or permanently occupied until the exterior is complete and the remainder is complete to the point that a certificate of occupancy has been obtained. During construction, the owner shall require the contractor(s) to maintain the Unit in a reasonably clean and uncluttered condition, to do no more damage to the site than is necessary

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for construction, and to not permit debris on adjoining land. No one shall live on the Lot in trailers, tents or any other shelter prior to receiving an occupancy permit.

- ix. All exterior lighting to be downward directional, per condition set forth by Clearwater Township Board 10-7-03.
- x. Adequate provision shall be made for the storage of trash either indoors or in a fully screened adjunct to the structure so that no trash will be visible on the exterior of a structure, except at the time it must be placed at roadside for pickup, at which time the same shall also be located within an enclosed animal proof container designed for that purpose and approved by the Association Board of Directors.
- xi. All driveways shall be finished in asphalt, concrete or other hard surface and shall blend with the roadway, as approved be the Committee.
- xii. No owner shall in any way restrict access to any utility line or other element that must be accessible to service the common areas or any other Unit.
- xiii. No nuisances shall be permitted, nor shall its residents permit any use or practice which is a source of annoyance to residents or which interferes with the peaceful possession or proper use of the Property.
- xiv. No owner will display, hang or store clothing, sheets, blankets, laundry or other articles outside a residence or which may be visible from the outside of a residence (other than draperies or curtains, blinds and/or shades of a customary nature and appearance). The foregoing restrictions shall not be construed to prohibit an owner from placing and maintaining outdoor furniture and decorative foliage of a customary nature and appearance on a patio, deck or balcony appurtenant to a residence; provided that no furniture or other personal property shall be stored during the winter season on any open patio, deck or balcony which is visible from any other residence or the roads.
- xv. All detention basins that are designed and developed to catch any stormwater runoff from roads accessing Hidden Hills PUD shall be maintained by the individual homeowner(s) when said basin is located on their Unit or by the Hidden Hills Association when said basin is located on any Limited or General Common Elements.

b) Use Restrictions

i. Motorcycles, ATV's, off-road vehicles, dirt bikes and other similar powered vehicles are not allowed on any of the Limited or General Common Elements and may not be operated on any Unit in a manner that is loud, offensive, or dangerous to the neighbors. Snowmobiles shall be permitted on designated pedestrian path within the Limited Common Elements. Any equipment needed to provide maintenance to the Limited or General Common Elements shall be permitted, following approval by the Hidden Hills Association.

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c) Construction Phase Restrictions

- i. Large vehicles necessary for construction shall be permitted on a Unit and on its appurtenant limited common elements during the construction phase. Otherwise, dump trucks, tractors, commercial trailers, flatbed trailers, construction equipment, and other machinery shall not be permitted for extended periods on any Unit and its appurtenant Common Elements.
- ii. All construction must be complete within one year (12 months) from the date that the Committee signs the plans, as set forth in Section 2 hereof, unless for good cause shown the Committee extends that period. All construction materials shall be removed and the Unit shall be in a clean and neat condition within 30 days, weather permitting, after the structure is ready for occupancy.
- iii. Location of all canopy trees shall be reviewed on a case by case basis to protect viewshed corridors. No canopy trees will be permitted outside of the "Buildable Footprint Area". All Units shall as a minimum landscape with bush/shrub type plantings around the perimeter of the front and side foundations. Conventional lawns shall be planted or sodded and maintained in the front yard areas of all Units. All landscaping, as set forth in this section shall be completed within twelve (12) months from the date of occupancy of the home built on each Unit.
- iv. No exposed concrete or concrete block walls shall be permitted on any exterior except for foundation walls, which may be exposed to a maximum height of sixteen (16) inches above the finished ground level (grade). Any concrete or concrete block wall, which exceeds sixteen (16) inches in height above finished grades, must be covered with an approved finish material or must have a finished appearance.
- v. Driveways shall be graded and paved with asphalt, concrete or other hard surface. Installation shall be complete within one (1) year of the receipt of a certificate of occupancy for the Unit. A four-foot poured concrete apron shall be placed in front of each garage.
- vi. Dwelling Units shall not exceed 2-1/2 stories or 35 feet in height as per Article 9.01 of the Clearwater Township Zoning Ordinance.
- vii. Dwelling Units shall commence construction within five (5) years of the closing date on the Condominium Unit.
- viii. It shall be mandatory that facilities be connected to community-type water and sewer facilities as they become available to the development. (Per Clearwater Township Zoning Requirements under the Planned Unit Development Section 24.09 (F) 3.)

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Section 4. Miscellaneous Restrictions.

- (a) No immoral, improper, unlawful or offensive activity shall be carried on in any Unit or upon the Common Elements, nor shall anything be done which may be or become an annoyance or a nuisance to the Coowners of the Condominium, nor shall any unreasonably noisy activity be carried on in or on the Common Elements or within any Unit at any time. No Co-owner shall do or permit anything to be done or keep or permit to be kept in the Co-owner's Unit or on the Common Elements anything that will increase the rate of insurance on the Condominium without the written approval of the Association. Each Co-owner shall pay to the Association the increased cost of insurance premiums resulting from any such activity or the maintenance of any such condition even if approved, which increased cost may be assessed to and collected from the Co-owner in the manner provided in Article II hereof.
- (b) <u>Domestic pets</u> may be kept. Horses may be permitted provided the Board of Directors adopts regulations governing same (including the location and types of fencing and barns). No farm animals of any kind may be kept. Any pets kept in the Condominium shall have such care and restraint as not to be obnoxious on account of noise, odor or unsanitary conditions. No savage or dangerous animal shall he kept. No animal may be permitted to run loose upon the General Common Elements, and any animal shall at all times be attended by a responsible person while on the Common Elements. Any person who causes or permits an animal to be brought or kept on the Condominium property shall indemnify and hold harmless the Association for any loss, damage or liability which the Association may sustain as a result of the presence of such animal on the property. The Board of Directors may adopt reasonable rules and regulations regarding pets, and shall have the authority to require removal of offensive or dangerous animals from the Condominium. No commercial breeding of domestic pets shall be allowed.
- (c) Common Elements shall not be used for storage of supplies, materials, personal property or trash or refuse of any kind, except as provided in the Master Deed or in duly adopted rules and regulations of the Association. All rubbish, trash, garbage and other waste shall be regularly removed from each Unit and shall not be allowed to accumulate therein. Unless special areas are designated by the Association, trash receptacles shall not be permitted on the General Common Elements, except for such short periods of time as may be reasonably necessary for construction. In general, no activity shall be carried on nor condition maintained by a Co-owner, either in a Unit or upon the Common Elements, which is detrimental to the appearance of the Condominium.
- (d) The Common Elements shall not be obstructed in any way nor shall they be used for purposes other than for which they are reasonably and obviously intended. No Co-owner may leave personal property of any description unattended on or about the Common Elements, except for the Limited Common Elements associated with the zoning setbacks. Use of all General Common Elements may be limited to such times and in such manner as the Board of Directors shall determine by duly adopted regulations.
- (e) No abandoned or junk vehicles of any kind, and no unlicensed house trailers, commercial vehicles, boat trailers, boats, camping vehicles, snowmobiles, snowmobile trailers, recreational vehicles, automobiles, motorcycles or ATVs may be kept outdoors in any Unit or any Common Elements.
- (f) No Co-owner shall use, or permit the use by any occupant, agent, employee, invitee, guest or member of his or her family of any firearms, air rifles, pellet guns, B-B guns, sling shots, or other similar weapons, projectiles or devices anywhere on or about the Condominium. Bow and arrows for target and hunting shall be permitted in accordance with State hunting laws.



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- Section 5. <u>Signs and Advertising</u>. No signs or other advertising devices shall be permitted on the Units or on the Common Elements, other than one sign not greater than four square feet on each building face indicating the Co-owner's name and address. Not more than one "For Sale" sign is permitted per Unit, <u>provided</u> it does not exceed 9 square feet in size. <u>Provided</u> that Developer may place signs in such locations and of such types as it in its sole discretion deems necessary for marketing Units, during such period as Developer owns any Unit.
 - Section 6. Oil and Gas Development. All oil, gas, and mineral rights are reserved.
- Section 7. Rules and Regulations. Reasonable regulations consistent with all laws and the Condominium Documents concerning the use of the Common Elements or the rights and responsibilities of the Co-owners and the Association with respect to the Condominium may be made and amended from time to time by any Board of Directors of the Association, including the first Board of Directors or its successors prior to the Transitional Control Date. Copies of all such rules, regulations and amendments thereto shall be furnished to all Co-owners. Any such regulation or amendment may be revoked at any time by the affirmative vote of 8 of the Co-owners.
- Section 8. Association's Right of Access. The Association or its duly authorized agents shall have access to each Unit and any Limited Common Elements appurtenant thereto from time to time, during reasonable working hours, upon notice to the Co-owner thereof, as may be necessary for the maintenance, repair or replacement of any of the Common Elements. The Association or its agent shall also have access to each Unit and any Limited Common Elements appurtenant thereto at all times without notice as may be necessary to make emergency repairs to prevent damage to the Common Elements or to another Unit. Subject to the foregoing and other provisions in the Master Deed and these Bylaws, each Co-owner shall be entitled to exclusive occupancy and control over the Co-owner's Unit and all Limited Common Elements appurtenant thereto.
- Section 9. Co-owner Maintenance. Each Co-owner shall maintain the Unit owned and any Limited Common Elements appurtenant thereto for which the Co-owner has maintenance responsibility in a safe, clean and sanitary condition. Each Co-owner shall also use due care to avoid damaging any of the Common Elements including but not limited to the telephone, water, gas, plumbing, electrical or other utility conduits and systems and any other elements in any Unit which are appurtenant to or which may affect any other Unit. Each Co-owner shall be responsible for damages or costs to the Association resulting from negligent damage to or misuse of any of the Common Elements by the Co-owner or the Co-owner's family, guests, agents or invitees, unless such damages or costs are covered by insurance carried by the Association. Any costs or damages to the Association may be assessed to and collected from the responsible Co-owner in the manner provided in Article II hereof.

Section 10. Prohibited Acts.

- (a) No change of any kind shall be made by a Co-owner to any Common Element without the express approval of the Board of Directors.
- (b) No garbage shall be burned or buried, nor allowed to accumulate, on any Unit or Common Element. <u>Provided</u> that brush and other items may be burned out of doors so long as all local and State ordinances and laws are complied with.
- (c) No Co-owner, invitee, guest, or contractor shall dispose of any chemical, toxic or hazardous substances on the Condominium Project or introduce such materials into any sewage treatment system contrary to local, state or federal law.
- (d) No protected viewsheds shall be interrupted or encumbered. For purposes of this subparagraph (d), the viewsheds shall mean lines of sight lying outside of the Buildable Footprint Areas. This restriction shall not apply to natural vegetation.

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Section 11. Reserved Rights of Developer.

- (a) <u>Developer's Rights in Furtherance of Development and Sales</u>. None of the restrictions contained in this Article VI shall apply to the commercial activities or signs or billboards of the Developer with respect to unsold Units owned by the Developer. Notwithstanding anything to contrary elsewhere herein contained, until all Units in the entire planned Condominium are sold by Developer, Developer shall have the right to maintain storage areas and reasonable parking incident to the foregoing and such access to, from and over the Condominium as may be reasonable to enable development and sale of the entire Condominium by the Developer.
- (b) Enforcement of Bylaws. The Condominium shall at all times be maintained in a manner consistent with the highest standards of a beautiful, serene, private residential community for the benefit of the Coowners and all persons having interests in the Condominium. If at any time the Association fails or refuses to carry out its obligation to maintain, repair, replace and landscape in a manner consistent with the maintenance of such high standards, then the Developer, or any entity to which it may assign this right, at its option, may elect to maintain, repair and/or replace any Common Elements, and to charge the cost thereof to the Association as an expense of administration. The Developer shall have the right to enforce these Bylaws so long as Developer owns any Unit which Developer offers for sale, which right of enforcement shall include without limitation an action to restrain the Association or any Co-owner from any activity prohibited by these Bylaws.
- Section 12. <u>Leasing and Rental</u>. Co-owners, including Developer, may rent any number of Units at any time for any term of occupancy not less than six months (180 days). No daily or weekly rentals shall be permitted. Any leasing shall be subject to the following:
- (a) Disclosure of Lease Terms to Association. A Co-owner, including the Developer, desiring to rent or lease a Unit shall disclose that fact in writing to the Association at least ten (10) days before presenting a lease form to a potential lessee and, at the same time, shall supply the Association with a copy of the exact lease form for its review for compliance with the Condominium Documents. If Developer desires to rent Units before the Transitional Control Date, it shall notify the Advisory Committee or each Co-owner in writing.
- (b) Compliance with Condominium Documents. Tenants and non-owner occupants shall comply with all of the conditions of the Condominium Documents and all leases and rental agreements shall so state.
- (c) Procedures in the Event of Non-Compliance with Condominium Documents. If the Association determines that the tenant or non-owner occupant has failed to comply with the conditions of the Condominium Documents, the Association shall take the following action:
- (i) The Association shall notify the Co-owner by certified mail advising of the alleged violation by the tenant.
- (ii) The Co-owner shall have 15 days (or such additional time as may be granted by the Association if the Co-owner is diligently proceeding to cure) after receipt of such notice to investigate and correct the alleged breach by the tenant or advise the Association that a violation has not occurred.
- (iii) If after 15 days the Association believes that the alleged breach is not cured or may be repeated, it may institute on its behalf or derivatively by the Co-owners on behalf of the Association, if it is under the control of the Developer, an action for both eviction against the tenant or non-owner occupant and, simultaneously, for money damages against the Co-owner and tenant or non-owner occupant for breach of the conditions of the Condominium Documents. The relief provided for in this subparagraph may be by summary proceeding. The Association may hold both the tenant and the Co-owner liable for any damages to the Common Elements caused by the Co-owner or tenant in connection with the Unit or Condominium.

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

Section 13. <u>Amendments</u>. Unless otherwise provided above, the foregoing restrictions contained in this Article VI may be amended, canceled, or modified at any time by an instrument signed by the then Co-owners of record of a majority of the Units in Hidden Hills. No such amendment shall become effective until same shall have been recorded with the Register of Deeds for Kalkaska County.

ARTICLE VI-A

SPECIAL CONDITIONS IMPOSED BY HEALTH DEPARTMENT OR TOWNSHIP

If the local health department imposes restrictions and conditions on Hidden Hills as to its septic treatment and well water systems, they shall be appended as Exhibit C to the Master Deed. Clearwater Township's PUD permit conditions are appended as Exhibit C to the Master Deed.

ARTICLE VI-B

CERTAIN PUBLIC POLICY RIGHTS PRESERVED

Section 1. Flag Rights. In accordance with Section 56a of the Act, all Co-owners shall have the rights to raise and fly the United States flag as reserved by State law.

Section 2. <u>Persons with Disabilities</u>. In accordance with Section 47a of the Act, the right of Co-owners with disabilities to make improvements to reasonably accommodate their disability is preserved within the Condominium, <u>but subject</u> to the limitations set forth in that statutory provision. The Condominium nonetheless retains its character as private property, and this section shall not require construction of barrier-free accesses to any of the common elements or structures therein.

ARTICLE VI-C

CERTAIN RESTRICTIONS ON DAY CARE AND FOSTER CARE

Section 1. <u>Statement of Policy</u>. The Condominium hereby states that it is its policy to **PROHIBIT ABSOLUTELY** foster care homes of any kind or type, regardless of whether they are licensed by the State of Michigan, which are intended to and serve as homes for minor children under the age of eighteen (18) years of age, for the reason that such homes might tend to diminish the values of the adjacent homes due to poor supervision of the wards of such homes. The Condominium hereby states that it is its policy to **PERMIT WITH CONDITIONS** day care and adult foster care homes, provided that the procedures for such approval as are contained in this Article VI-C are followed.

Section 2. <u>Application to Architectural Control Committee</u>. The provisions of Article VI, Section 2 shall apply. In the event that all Units have been developed and the need for such a committee has passed, then a new committee shall be appointed to consider all applications under this Article VI-C.

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Section 3. Required Items. Each applicant who wishes to establish a day care center or adult foster care home shall provide the Committee described in Section 2 with the following information: (a) copy of all required State and local permits to operate such a facility, (b) copy of insurance binders containing aggregate limits on liability as required by licensing authorities or, in the absence of such limits, in an amount deemed prudent by the agent who procures insurance for the Association, in his or her sole discretion, and (c) plan to handle increased traffic and any outdoor activities which could impact on other Units or the Condominium.

Section 4. <u>Approval Process</u>. Provided a completed application is submitted, the Committee shall lack discretionary authority to approve or disapprove any application. However, the Committee shall have complete discretion to determine the completeness of a submitted application. The Committee may impose reasonable conditions on its approval, including some or all of the following - (a) annual updates on licensing and insurance, (b) signed contract regarding plans for handling concerns identified in Section 3(c) hereof, and (c) automatic agreement that a facility which is in violation of licensing or any such contract shall be a muisance per se and shall automatically be closed.

Section 5. Remedies. The remedies in Article XVIII shall apply to this Article VI-C.

ARTICLE VI-D

BUILDABLE FOOTPRINT AREAS

Each Unit shall be subject to the applicable "Buildable Footprint Areas" as described in Article IV-A of the Master Deed and as depicted for each Unit in the Plans, Exhibit B. Each Co-owner takes a Unit subject to the actual record notice of those restrictions regarding areas where construction and improvements may occur. No construction of any of the foundations or walls of a single family dwelling or garage or other structures (whether removable or not) shall be done outside of the Buildable Footprint Areas, and as approved by the Architectural Control Committee in accordance with Article VI above. Moreover, no Co-owners may request a variance from the Association or the Developer to this restriction. This Article VI-D shall not be amended except with the written approval of the Clearwater Township Board.

ARTICLE VI-E

RESTRICTIONS IMPOSED BY COUNTY

The Association shall conduct routine maintenance of the stormwater retention areas and other stormwater management facilities within the development to continually meet the specifications of the overall stormwater plan or surface water discharge permit for Hidden Hills approved by Kalkaska County or the Michigan Department of Environmental Quality.

ARTICLE VII

MORTGAGES

Section 1. <u>Notice to Association</u>. Any Co-owner who mortgages the Co-owner's Unit shall notify the Association of the name and address of the mortgagee, and the Association shall maintain such information in a book entitled "Mortgages of Units". The Association may, at the written request of a mortgagee of any such Unit, report any unpaid assessments due from the Co-owner of such Unit. The Association shall give to the holder of any first mortgage covering any Unit in the Condominium written notification of any default in the performance of the obligations of the Co-owner of such Unit that is not cured within 60 days.

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

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

ARTICLE VIII

VOTING

Section 1. Vote. Except as limited in these Bylaws, each Co-owner shall be entitled to one vote, the value of which shall equal the Percentage of Value percentage allocated to the Units owned by such Co-owner as set forth in the Master Deed. Voting shall be by value unless otherwise expressly required by the Condominium Documents or by law. In the case of any Unit owned jointly by more than one Co-owner, the voting rights appurtenant to that Unit may be exercised jointly as a single vote or may be split if all the joint Co-owners of the Unit so agree in writing.

Section 2. Eligibility to Vote. No Co-owner, other than the Developer, shall be entitled to vote at any meeting of the Association until the Co-owner has presented evidence of ownership of a Unit in the Condominium to the Association. Except as provided in Article XI, Section 2 of these Bylaws, no Co-owner, other than the Developer, shall be entitled to vote prior to the date of the First Annual Meeting of members held in accordance with Section 2 of Article IX. The vote of each Co-owner may be cast only by the individual representative designated by such Co-owner in the notice required in Section 3 of this Article VIII or by a proxy given by such individual representative.

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

Section 4. Annual Meeting. There shall be an annual meeting of the Co-owners commencing with the First Annual Meeting held as provided in Article IX, Section 2 hereof. Other meetings shall be held as provided for in Article IX hereof. Notice of the time, place and subject matter of all meetings shall be given by mailing the same to each individual representative designated by the respective Co-owners.

Section 5. Quorum. The presence in person or by proxy of more than one-half (1/2) in value of the Coowners qualified to vote shall constitute a quorum for holding a meeting of the members of the Association, except for voting on questions specifically required by the Condominium Documents to require a greater quorum. The written vote of any person furnished at or prior to any duly called meeting at which meeting such person is not otherwise present in person or by proxy shall be counted in determining the presence of a quorum with respect to the question upon which the vote is cast.

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Section 6. <u>Voting</u>. Votes may be cast only in person or by a writing duly signed by the designated voting representative not present at a given meeting in person or by proxy. Proxies and any written votes must be filed with the Secretary of the Association at or before the appointed time of each meeting of the members of the Association. Cumulative voting shall not be permitted.

Section 7. Majority. Unless otherwise required by law or by the Condominium Documents, any action which could be authorized at a meeting of the members shall be authorized by an affirmative vote of more than fifty (50%) percent in value. The foregoing statement and any other provision of the Master Deed or these Bylaws requiring the approval of a majority (or other stated percentage) of the members shall be construed to mean, unless otherwise specifically stated, a majority (or other stated percentage) in value of the votes cast by those qualified to vote and present in person or by proxy (or written vote, if applicable) at a given meeting of the Co-owners duly called and held.

ARTICLE IX

<u>MEETINGS</u>

Section 1. <u>Place of Meeting</u>. Meetings of the Association shall be held at the registered office of the Association or at such other suitable place convenient to the Co-owners as may be designated by the Board of Directors. Meetings of the Association shall be conducted in accordance with Roberts Rules of Order or some other generally recognized manual of parliamentary procedure, when not otherwise in conflict with the Condominium Documents or the laws of the State of Michigan.

Section 2. First Annual Meeting. The First Annual Meeting of members of the Association may be convened by the Developer. The First Annual Meeting may be called at any time in the Developer's discretion after the first conveyance of legal or equitable title of a Unit in the Condominium to a non-developer Co-owner. As provided in Article XI, Section 2 hereof, the First Annual Meeting shall be held on or before one hundred twenty (120) days after the conveyance of legal or equitable title to non-developer Co-owners of seventy-five (75 %) in number of the Units that may be created in the Condominium or fifty-four (54) months after the first conveyance of legal or equitable title to a non-developer Co-owner of a unit in the Condominium, whichever first occurs. The Developer may call meetings of members for informative or other appropriate purposes prior to the First Annual Meeting of members and no such meeting shall be construed as the First Annual Meeting of members. The date, time and place of such meeting shall be set by the Board of Directors, and at least ten (10) days' written notice thereof shall be given to each Co-owner.

Section 3. <u>Annual Meetings</u>. Annual meetings of members of the Association shall be held at such time and place as shall he determined by the Board of Directors. At such meetings there shall be elected by ballot of the Coowners a Board of Directors in accordance with the requirements of these Bylaws. The Co-owners may also transact at annual meetings such other business of the Association as may properly come before them.

Section 4. <u>Special Meetings</u>. It shall be the duty of the President to call a special meeting of the Co-owners as directed by resolution of the Board of Directors or upon a petition signed by one-third (1/3) of the Co-owners presented to the Secretary of the Association, but only after the First Annual Meeting has been held. Notice of any special meeting shall state the time and place of such meeting and the purposes thereof. No business shall be transacted at a special meeting except as stated in the notice.



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

Section 6. Adjournment. If any meeting of Co-owners cannot be held because a quorum is not in attendance, the Co-owners who are present may adjourn the meeting to a time not less than ten (10) days from the time the original meeting was called, and notice of the meeting shall be provided as set forth in Section 5 of this Article IX.

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

Section 8. Action Without Meeting. Any action which may be taken at a meeting of the members (except for the election or removal of Directors) may be taken without a meeting by written ballot of the members. Ballots shall be solicited in the same manner as provided in Section 5 of this Article IX for the giving of notice of meetings of members. Such solicitations shall specify (a) the number of responses needed to meet the quorum requirements; (b) the percentage of approvals necessary to approve the action; and (c) the time by which ballots must be received in order to be counted. The form of written ballot shall afford an opportunity to specify a choice between approval and disapproval of each matter and shall provide that, where the member specifies a choice, the vote shall be cast in accordance therewith. Approval by written ballot shall be constituted by receipt, within the time period specified in the solicitation, of (1) a number of ballots which equals or exceeds the quorum which would be required if the action were taken at a meeting; and (ii) a number of votes or total percentage of approvals which equals or exceeds the number of votes or percentage of approvals which would be required for approval if the action were taken at a meeting at which the total number of votes cast was the same as the total number of ballots cast.

Section 9. Minutes: Presumption of Notice. Minutes or a similar record of the proceedings of meetings of members, when signed by the President or Secretary, shall be presumed truthfully to evidence the matters set forth therein. A recitation in the minutes of any such meeting that notice of the meeting was properly given shall be prima facie evidence that such notice was given.

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ADVISORY COMMITTEE

An advisory committee of non-developer Co-owners shall be established either one hundred twenty (120) days after conveyance of legal or equitable title to non-developer Co-owners of one-third (1/3) of the Units that may be created, or one year after the initial conveyance of legal or equitable title to a non-developer Co-owner of a Unit in the Condominium, whichever occurs first. The advisory committee shall meet with the Board of Directors for the purpose of facilitating communication and aiding the transition of control to the Association of Co-owners. The advisory committee shall cease to exist when a majority of the Board of Directors of the Association is elected by the non-developer Co-owners.

ARTICLE XI

BOARD OF DIRECTORS

Section 1. Number and Qualification of Directors.

The Board of Directors shall consist of between 1 and 5 members, all of whom must be members of the Association, except for the first Board of Directors. Directors shall serve without compensation. After the First Annual Meeting, the number of directors may be increased or decreased by action of the Board of Directors, provided that the Board of Directors shall be comprised of at least 3 members.

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

- (a) <u>First Board of Directors</u>. The first Board of Directors, or its successors as selected by the Developer, shall manage the affairs of the Association until the appointment of the first non-developer Co-owners to the Board. Elections for non-developer Co-owner directors shall be held as provided in subsections (b) and (c) below.
- (b) Appointment of Non-Developer Co-owners to Board Prior to First Annual Meeting. Not later than one hundred twenty (120) days after conveyance of legal or equitable title to non-developer Co-owners of twenty-five (25%) percent of the Units that may be created, at least one director and not less than twenty-five (25%) percent of the Board of Directors shall be elected by non-developer Co-owners. Not later than one hundred twenty (120) days after conveyance of legal or equitable title to non-developer Co-owners of fifty (50%) percent of the Units that may be created, not less than thirty-three and one-third (33 1/3 %) percent of the Board of Directors shall be elected by non-developer Co-owners. When the required percentage of conveyances has been reached, the Developer shall notify the non-developer Co-owners and request that they hold a meeting and elect the required director. Upon certification by the Co-owners to the Developer of the director so elected, the Developer shall then immediately appoint such director to the Board to serve until the First Annual Meeting of members unless the director is removed pursuant to Section 7 of this Article XI or the director resigns or becomes incapacitated.

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

(i) Not later than one hundred twenty (120) days after conveyance of legal or equitable title to non-developer Co-owners of seventy-five (75%) percent of the Units created, and before conveyance of ninety (90%) percent of such Units the First Annual Meeting shall be called and the non-developer Co-owners shall elect all directors on the Board of Directors, except that the Developer shall have the right to designate at least one director as long as the Developer owns and offers for sale at least ten (10%) percent of the Units in the Condominium or as long as ten (10%) percent of the Units remain that may be created.



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(ii) Notwithstanding the formula provided in subsection (i), 54 months after the first conveyance of legal or equitable title to a non-developer Co-owner of a Unit in the Condominium, if title to at least seventy-five (75 %) percent of the Units that may be created has not been conveyed to non-developer Co-owners, the First Annual Meeting shall be called and the non-developer Co-owners shall have the right to elect as provided in the Condominium Documents, a number of members of the Board of Directors equal to the percentage of Units they hold, and the Developer has the right to elect, as provided in the Condominium Documents, a number of members of the board equal to the percentage of Units which are owned by the Developer and for which all assessments are payable by the Developer. This election may increase, but shall not reduce, the minimum election and designation rights otherwise established in subsection (i). Application of this subsection does not require a change in the size of the board as determined in the Condominium Documents.

- (iii) If the calculation of the percentage of members of the Board of Directors that the non-developer Co-owners have the right to elect under this Section 2, or if the product of the number of members of the Board of Directors multiplied by the percentage of Units held by the non-developer Co-owners under this Section 2 results in a right of non-developer Co-owners to elect a fractional number of members of the Board of Directors, then a fractional election right of 0.5 or greater shall be rounded up to the nearest whole number, which number shall be the number of members of the Board of Directors that the non-developer Co-owners have the right to elect. After application of this formula the Developer shall have the right to elect the remaining members of the Board of Directors. Application of this subsection shall not eliminate the right of the Developer to designate one director as provided in subsection (i) of this Section 2(c).
- (iv) At the First Annual Meeting one-half (½) of the directors (rounded up if fractional) shall be elected for a term of two years and the remaining directors shall be elected for a term of one year. At such meeting, all nominees shall stand for election as one slate and the number of persons equal to one-half of the number of directors (rounded up if fractional) who receive the highest number of votes shall be elected for terms of two years and the number of persons equal to the remaining directors to be elected who receive the next highest number of votes shall be elected for terms of one year. After the First Annual Meeting, the term of office (except for directors elected at the First Annual Meeting for one year terms) of each director shall be two years. The directors shall hold office until their successors have been elected and hold their first meeting.
- (v) Once the Co-owners have acquired the right hereunder to elect a majority of the Board of Directors, annual meetings of Co-owners to elect directors and conduct other business shall be held in accordance with the provisions of Article IX, Section 3 hereof.
- (vi) As used in this section, the term "Units that may be created" means the maximum number of Units which may be included in the Condominium in accordance with any limitation stated in the Master Deed or imposed by law.
- Section 3. <u>Powers and Duties</u>. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and may do all acts and things necessary thereto subject always to the Condominium Documents and applicable laws.
- Section 4. Other Duties. In addition to the foregoing duties imposed by these Bylaws or any further duties which may be imposed by resolution of the members of the Association, the Board of Directors shall be responsible specifically for the following:
- (a) To manage and administer the affairs of and to maintain the Condominium and the Common Elements thereof.

- (b) To levy and collect assessments against and from the members of the Association and to use the proceeds thereof for the purposes of the Association.
 - (c) To carry insurance and collect and allocate the proceeds thereof.
 - (d) To rebuild improvements after casualty.
- (e) To contract for and employ persons, firms, corporations or other agents to assist in the management, operation, maintenance and administration of the Condominium.
- (f) To own, maintain, improve, operate and manage, and to buy, sell, convey, assign, mortgage, or lease (as Landlord or Tenant) any real or personal property (including any Unit in the Condominium and easements, rights-of-way and licenses) on behalf of the Association in furtherance of any of the purposes of the Association.
- (g) To borrow money and issue evidences of indebtedness in furtherance of any or all of the purposes of the Association, and to secure the same by mortgage, pledge, or other lien on property owned by the Association.
 - (h) To make rules and regulations in accordance with Article VI, Section 10 of these Bylaws.
- (i) To establish such committees as it deems necessary, convenient or desirable and to appoint persons thereto for the purpose of implementing the administration of the Condominium and to delegate to such committees any functions or responsibilities which are not by law or the Condominium Documents required to be performed by the Board.
 - (i) To enforce the provisions of the Condominium Documents.
- Section 5. Management Agent. The Board of Directors may employ for the Association a professional management agent (which may include the Developer or any person or entity related thereto) at reasonable compensation established by the Board to perform such duties and services as the Board shall authorize, including, but not limited to, the duties listed in Sections 3 and 4 of this Article, and the Board may delegate to such management agent any other duties or powers which are not by law or by the Condominium Documents required to be performed by or have the approval of the Board of Directors or the members of the Association. In no event shall the Board be authorized to enter into any contract with a professional management agent, or any other contract providing for services by the Developer, in which the maximum term is greater than 3 years or which is not terminable by the Association upon ninety (90) days' written notice thereof to the other party and no such contract shall violate the provisions of Section 55 of the Act.

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

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Section 7. Removal. At any regular or special meeting of the Association duly called with due notice of the removal action proposed to be taken, any one or more of the directors may be removed with or without cause by the affirmative vote of more than fifty (50%) percent in number and in value of all of the Co-owners and a successor may then and there be elected to fill any vacancy thus created. The quorum requirement for the purpose of filling such vacancy shall be the normal quorum set forth in Article VIII, Section 5. Any director whose removal has been proposed by the Co-owners shall be given an opportunity to be heard at the meeting. The Developer may remove and replace any or all of the directors selected by it at any time or from time to time in its sole discretion. Likewise, any director selected by the non-developer Co-owners to serve before the First Annual Meeting may be removed before the First Annual Meeting in the same Manner set forth in this paragraph for removal of directors generally.

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

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

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

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

Section 12. Quorum. At all meetings of the Board of Directors, a majority of the directors constitute a quorum for the transaction of business, and the acts of the majority of the directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there is less than a quorum present, the majority of those present may adjourn the meeting to a subsequent time upon twenty-four (24) hours' prior written notice delivered to all directors not present. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice. The joinder of a director in the action of a meeting by signing and concurring in the minutes thereof, shall constitute the presence of such director for purposes of determining a quorum.

Section 13. <u>First Board of Directors</u>. All of the actions (including, without limitation, the adoption of these Bylaws and any Rules and Regulations for the Association, and any undertaking or contracts entered into with others on behalf of the Association) of the first Board of Directors of the Association named in its Articles of Incorporation or any successors thereto appointed before the First Annual Meeting of Co-owners shall be binding upon the Association in the same manner as though such actions had been authorized by a Board of Directors duly elected by the Co-owners.

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

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<u>ARTICLE XII</u>

OFFICERS

- Section 1. Officers. The principal officers of the Association shall be the President, who shall be a member of the Board of Directors, a Secretary and a Treasurer. The directors may appoint such other officers as in their judgment may be necessary. Any two offices except that of President and Treasurer may be held by one person.
- (a) President. The President shall be the chief executive officer of the Association, and shall preside at all meetings of the Association and of the Board of Directors. The President shall have all of the general powers and duties which are usually vested in the office of the President of an Association, including but not limited to, the power to appoint committees from among the members of the Association from time to time in the President's discretion as may be deemed appropriate to assist in the conduct of the affairs of the Association.
- (b) Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the members of the Association and shall have charge of the corporate seal and of such books and papers as the Board of Directors may direct; and shall, in general, perform all duties incident to the office of the Secretary.
- (c) Treasurer. The Treasurer shall have responsibility for the Association's funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. The Treasurer shall be responsible for the deposit of all monies and other valuable effects in the name and to the credit of the Association, and in such depositories as may, from time to time, be designated by the Board of Directors.
- Section 2. Election. The officers of the Association shall be elected annually by the Board of Directors at the organizational meeting of each new Board, and shall hold office at the pleasure of the Board.
- Section 3. Removal. Upon affirmative vote of a majority of the members of the Board of Directors, any officer may be removed either with or without cause, and the officer's successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board called for such purpose. No such removal action may be taken, however, unless the matter shall have been included in the notice of such meeting. The officer who is proposed to be removed shall be given an opportunity to be heard at the meeting.

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

ARTICLE XIII

SEAL

The Board of Directors may adopt a seal on behalf of the Association which shall have inscribed thereon the name of the Association, the words "corporate seal", and "Michigan".

ARTICLE XIV

FINANCE

Section 1. Records. The Association shall keep detailed books of account showing all expenditures and receipts of administration, and which shall specify the maintenance and repair expenses of the Common Elements and any other expenses incurred by or on behalf of the Association and the Co-owners. Such accounts and all other Association records shall be open for inspection by the Co-owners and their mortgagees during reasonable working hours. The Association shall prepare and distribute to each Co-owner at least once a year a financial statement, the contents of which shall be defined by the Association. Any institutional holder of a first mortgage lien on any Unit in the Condominium shall be entitled to receive a copy of such annual financial statement within ninety (90) days following the end of the Association's fiscal year upon request therefor.

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

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

ARTICLE XV

INDEMNIFICATION OF OFFICERS AND DIRECTORS

Every director and officer of the Association shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees, incurred by or imposed upon the director or officer in connection with any proceeding to which the director or officer may be a party, or may become involved, by reason of the director or officer being or having been a director or officer of the Association, whether or not a director or officer at the time such expenses are incurred, except in such cases wherein the director or officer is adjudged guilty of willful or wanton misconduct or gross negligence in the performance of such duties. Provided that, in the event of any claim for reimbursement for indemnification hereunder based upon a settlement by the director or officer seeking such reimbursement or indemnification, the indemnification herein shall apply only if the Board of Directors (with the director seeking reimbursement abstaining) approves such settlement and reimbursement as being in the best interest of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled. At least ten (10) days prior to payment of any indemnification which it has approved, the Board of Directors shall notify all Co-owners thereof. Further, the Board of Directors is authorized to carry officers' and directors' liability insurance covering acts of the officers and directors of the Association in such amounts as it shall deem appropriate.

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ARTICLE XVI

AMENDMENTS

Section 1. Generally. These Bylaws may be amended by the Association or by the Developer in the manner provided in the Master Deed. Any amendment to these Bylaws shall become effective upon recording in the office of the register of deeds in the county in which the Condominium is located. A copy of each amendment to these Bylaws shall be made available to every member of the Association after adoption; provided, however, that any amendment adopted in accordance with this Article shall be binding upon all persons who have an interest in the Condominium irrespective of whether such persons actually receive a copy of the amendment.

Section 2. <u>Certain Amendments Prohibited by Act or Master Deed</u>. These Bylaws may not be amended in any manner to eliminate or conflict with any mandatory provision of the Act or any applicable law or any provision of the Master Deed, nor may they be amended to materially reduce or eliminate the rights of any Co-owners or first mortgagees without the consent of the Co-owner or mortgagee affected.

Section 3. <u>Limitations on Amendments Where Governmental Approval Required</u>. All governmental limitations as described herein, the Master Deed, or the Plans shall not be amended unless the appropriate governmental agency imposing those limitations assents to the amendment in a written document approved by its governing board or authorized agent.

Section 4. <u>Prohibition on Amendments Affecting Architectural Control Committee</u>. For the period that any Units remain unsold by the Developer or its successors and assigns, no changes shall be made to the fixed composition of the Committee as provided in Article VI, Section 2 by the Association or any majority of the Coowners. This section shall automatically lapse upon a first-time sale and development of all Units comprising the Condominium.

ARTICLE XVII

COMPLIANCE

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

ARTICLE XVIII

REMEDIES

Section 1. <u>Default by a Co-owner</u>. Any default by a Co-owner shall entitle the Association or another Co-owner or Co-owners to the following relief:

(a) <u>Legal Action</u>. Failure to comply with any of the terms or provisions of the Condominium Documents or the regulations of the Association shall be grounds for relief, which may include without limitation an action to recover sums due for damages, injunctive relief, foreclosure of lien (if default in payment of assessments) or any combination thereof, and such relief may be sought by the Association or, if appropriate, by an aggrieved Co-owner or Co-owners.

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(b) Recovery of Costs. In any proceeding arising because of an alleged default by any Co-owner, the Association and Developer, if successful, shall be entitled to recover the costs of the proceeding and such reasonable attorneys' fees (not limited to statutory fees) as may be determined by the court. In no event shall any Co-owner be entitled to recover such attorneys' fees.

Section 2. No Waiver. The failure of the Association or of any Co-owner to enforce any right, provision, covenant or condition which may be granted by the Condominium Documents shall not constitute a waiver of the right of the Association or of any such Co-owner to enforce such right, provision, covenant or condition in the future.

Section 3. Cumulative Rights, Remedies and Privileges. All rights, remedies, and privileges granted to the Association or any Co-owner or Co-owners pursuant to any terms, provisions, covenants or conditions of the Condominium Documents shall be cumulative and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be available to such party at law or in equity.

Section 4. Enforcement of Provisions of Condominium Documents. A Co-owner may maintain an action against the Association and its officers and directors to compel such persons to enforce the provisions of the Condominium Documents. Only if the Association fails to act, a Co-owner may maintain an action against any other Co-owner for injunctive relief or for damages or any combination thereof for noncompliance with the Condominium Documents or the Act.

Section 5. Disputes Arising with Architectural Control Committee. Any Co-owner who shall be aggrieved by final action of the Committee, shall be required to submit such claim in accordance with the following procedure. First, the Co-owner shall be required to submit a completed set of plans and specifications, if the Committee has notified him or her that same is deficient. The failure to submit a completed set shall absolutely preclude any further review. Second, if a Co-owner is aggrieved by final action disapproving all or part of the plans and specifications, the Co-owner shall be required to appeal the disapproval to a regular or special meeting of the Board of Directors, unless there is complete overlap in the composition of the Board and the Committee. In such an appeal, members of the Committee who are on the Board shall not be entitled to vote. Third, if the Coowner is unsuccessful with or cannot (due to overlap) appeal to the Board of Directors, he or she shall be required to appeal the Board's action sustaining the Committee to the members of the Association at the next regular or at a special meeting. In all appeals, the aggrieved Co-owner, and members who serve on either the Committee or the Board shall not be entitled to vote. Fourth, and finally, if such Co-owner is unsuccessful with the appeal to the membership, he or she shall then but only then be permitted to file suit in Kalkaska County Circuit Court, which shall be the court of exclusive jurisdiction. In any further appeal to the court, the Association shall be the named defendant. Judicial review shall be on the record under the arbitrary and capricious standard. Nothing herein shall preclude the Association from commencing immediate suit to enjoin work done or to be done by or for a Co-owner which violates Article VI hereof, as interpreted by the Committee. The provisions of Section 1(b) of this Article XVIII regarding costs and fees shall apply to any proceeding under this Section 5.

Section 6. Aggrieved Co-owner of Action Taken by Architectural Control Committee. For purposes of Section 5, a neighbor of a Unit where construction is proposed shall NOT be deemed an "aggrieved" Co-owner.

ARTICLE XIX

ARBITRATION

Section 1. Scope and Election. Upon the election and written consent of the parties to any disputes, claims or grievances (which consent shall include an agreement of the parties that the Judgment of any Circuit Court of the State of Michigan may be rendered upon any award pursuant to such arbitration) shall be submitted to arbitration and the parties thereto shall accept the arbitrator's decision as final and binding, provided that no question affecting the claim of title of any person to any fee or life estate in real estate is involved. The Commercial Arbitration Rules of the American Arbitration Association, as amended, and in effect from time to time hereafter shall be applicable to any such arbitration. Arbitration may be had for disputes, claims, or grievances arising out of or relating to the interpretation or the application of the Condominium Documents; or any disputes, claims or grievances arising among or between the Co-owners and the Association. In all cases where arbitration is sought written notice must be provided to the Association,

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

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

ARTICLE XX

SEVERABILITY

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

Effective as of the same date as the Master Deed recorded herewith which is June 18th, 2004.

Prepared By:.....Charles R. Meyer, III, P.C. (P 36193);

Whose Address is:....P.O. Box 950; Traverse City, Michigan 49685; (231) 922-0800

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KALKASKA COUNTY CONDOMINIUM
SUBDIVISION PLAN NUMBER 19
EXHIBIT B TO THE MASTER DEED OF

HIDDEN HILLS

A SITE CONDOMINIUM IN

PART OF SECTIONS 21 AND 22, TOWN 28 NORTH, RANGE 8 WEST, CLEARWATER TOWNSHIP, KALKASKA COUNTY, MICHIGAN.

DESCRIPTION HEDGEN HILLS: A parest of land situated in Cheanwater Townships Kalkaeko County, Michigan, and more fully described as fallows:

That part of the Southwest 1/4 or Section 25 and the Southwest 1/4 of Section 22, Town 26 North, Range 8 West, described are Commenting at the West 1/4 commer of adia section 22 for the point of beginning thereos South 89/427. East adong the East and West 1/4 like of adia section 264/28 feet to a point or the North and South 1/4 like of said section 22 that of the point of the North and South 1/4 like of said section 22 that of 1/4 like 1/4

Subject to a 30.00 feet pipeline ecoement across the Westerly 30.00 feet of eald Section 22.

Asio subject to a ingress and agrees ecsement over the Northerly 33.00 feet of the Wasterly 825.50 feet of the Northeast 1/4 of the Southwest 1/4 of soid Section 21.

Also subject to the rights of the public over the Westerly 33 feet thereof on occupied by Arts Rood.

Also subject to the rights of the public over the Southerly portion thereof ca occupied by Morrison Road.

Further subject to ecsements, right—of—ways, reservations and restrictions of record.

PANARAMA DRIVE NIF A roadway effuciled in Clearwater Township, Kalbaska County, Michigan, and more fully described as follows:

A 85.00 feet wide reactively and cull-de-sec for highest and agress and the hatalistion and maintenance of public and private utilities over and across part of the Southeast 1/4 of Southeast 1/5 of Southeast 1/4 of Southeast 1/

Subject to economicate, right-of-ways, reservations and restrictions of record.

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ATTENTION TO COUNTY REGISTER OF DEEDS

IN CONSECUTIVE SEQUENCE. WHEN A NUMBER HAS BEEN ASSIGNE TO THIS CONDOMINIUM, IT MUST BE SHOWN ON THIS COVER SHEET AND THE SURVEYOR'S CERTIFICATE ON SHEET 2. THE CONDOMINIUM SUBDIVISION PLAN NUMBER MUST BE ASSIGNED BEEN ASSIGNED

MONDERVIEW LANE NY A private drive alfunted in Coorwater Township, Kolkosko County, Michigan, and more fully described as follows:

A 33.00 feet wide private drive for ingress and agrees and the installation and maintenance of public and private utilities over and across part of the Southwest 1/4 or Southon 22, Town 25 North, Range S Neet, the centerfine of said private after being described at: Commencing at the East 1/4 corner of said Southon 22, Town 25 North, Range S Neet, the centerfine of said private after being described at: Commencing at the Control of Con

Subject to eccements, right-of-ways, reservations and restrictions of record.

TALL PRIES TRAIL NW A private drive effueted in Clearwolter Township, Kakaska County, Michigan, and more tully described as follows:

A 33.00 feet wide private drive for layeres and egrees and the instabilition and maintenance of public and private utilities over and across part of the Southeast 1/4 of Socilian 21 and the Southeast 1/4 of Socilian 21 and the Southeast 1/4 of Socilian 21 feet and 28 kmrlin, Range 8 West, the centerine of said producy being described one. Commencing at the East 1/4 kmrl of said section 21 1328.68 feet to a point on the East 1/4 kmrl of said section 21 1328.68 feet to a point on the East 1/5 line of said south 87.05 feet of a 150.00 feet of which bears South 85.05 feet only the arc of a 150.00 feet radius curve to the right, the long chard of which bears South 87.05 feet and 178.75 feet there 392.65 feet doing the arc of a 150.00 feet radius curve to the right, the long chard of which bears South 87.05 feet there south 87.05 feet and south 87.05 feet and south 87.05 feet there south 87.05 feet and south 87.05 feet there south 87.05 feet there south 87.05 feet south 87.05 f

Subject to educaments, right-of-ways, reservations and restrictions of record

ARBOR INVESTMENT COMPANY P.O. BOX 1138

DEVELOPER

EALEASEA, MICHICAN 291-268-6100

49640

여누너지

COVER SHEET
SURVEY PLAN — BOUNDARY
SURVEY PLAN — UNITS
UNIT & UTILITY PLAN
TOPOGRAPHIC & SOIL EVALUATION PLAN

315

COYER SHEET

74 No. 2002-189 STOPMENT BY D.J.C. (20-08) hedkad By: N.L.W. SHEET

CHARK ASSOCIATES, INC.

IN. CLARK ASSOCIATES, INC.

LARGEVE MONTOTE & UNO PLANETS

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10 June Or



ROFESSIONAL LAND SURVEYOR, AGD. 28432

JNE 2004

URVEYING, me.

THE PLANTS AND LAKE

(231) 264—8110 FAX: 264—9311 ecglelondeurvey@col.com

HIDDEN HILLS

units 1 and 2 are subject to and together with a 10° utility easiment as deficted on sheet ϵ NOTE: ALL UNITS SHOWN ARE "AS BURLT" AS OF 10 JUNE 2004, UNLESS OTHERWISE MOTED. BEARING BASE: EAGLE LAND SURVEYING JOB \$2000-084, 5/10/2000 ALL IMPROVEMENTS SHOWN ON THIS SHEET MUST BE BUILT. SKEGEMOG PART OF SECTIONS 21 AND 22, TOWN 28 NORTH, RANGE 8 WEST, CLEARWATER TOWNSHIP, Ę Æ HIDDEN SITE MAP KALKASKA COUNTY, MICHIGAN. A SITE CONDOMINIUM IN 111. 111. * HILLS CENTER POST SEC. 21, T28N-RBW FNO. 3/4" PIPE C/L ARTS ROAD 1 N 89'42'46 W---1328.68 --**SELVINO** Chee Day delay TOTAL ACREAGE = 102.68 ACRES 14 UNITS = 33.89 ACRES OPEN SPACE = 68.69 ACRES OPEN SPACE = 0.87% 33" INGRESS ECRESS EASEMENT EAST & WEST 1/4 LINE SECTION 21-C/L MORRISON ROAD (68' PUBLIC) S 89"42"46" E -N 894819" W--684,03 132B,68 E 1/4 COR. SEC. 21 W 1/4 COR. SEC. 22 128N-RSW KALXASKA CD. MON. TAN WE NOT RICLUSED N 89'57'45" W 878.00"-1 11 TINU UNUT2 County Joan Hall, Register 124 AC SPORTS FIELD 102.68 ACRES 235 AC \$ 69'42'21" E TANK NA UNIT4 ### HTHE LON AC EAST & WEST 1/4 LINE SECTION 22 - 2847.83" UNITS N 89'37"43" W TANT 10 3057879 Page: 45 of 52 05/23/2004 04:01P 167.00 TEN ST. (SE) AN TOTAL STREET TRY. 1769.33 SOUTH 1/B LINE CHICA CENTO CENTER POST SEC. 22, TZBN-R8W SET 1/2" I. ROD & C. CHILATED JA2 AC N 1/4 COR. SEC. 22 T28N-RBW FND. 3/4" PIPE # 34 80's 2657.92 **GRUYAN** E 1/4 COR. SECTION 22 TZON-ROW





units 5, 6, 10, 11 and 13 are subject to story water retention easements as depicted on sheet 4.

GELYAND

S 1/4 COR. SECTION 22 T2BN-REW

THE OPEN SPACE, SPORTS FELD AND WALK PATHS ARE GENERAL COMMON ELDMENT AND ARE NON-CONVERTIBLE.

WASTON'S CENTURALES

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LOGGETTÉ.

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CONNOR BOUNDARY CORNER
1/2" SET REAN ROD & CAP

POUND RION ROD

AND PARALLE, WITH THE ROSIT-OF-WAY LIKE, (10' OFFSET) AND THE AND A LIVE (100 OFFSET) ON THE SOC BAT LIKES AT THE POART OF RESPECTION ALL PROPERTY WAS ASSETTED THE SOCIETY WAS AND FEET OFFSET, AND THE SOCIETY WAS ASSETTED TO SOCIETY.

GRAPHIC SCALL

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teat the required monuments and from markers have been located in the ground as Wierd by rules projectabled under section 142 of act humber 40 of the public acts of

JNE 2004

- Lagle URVEYING, 1mg.

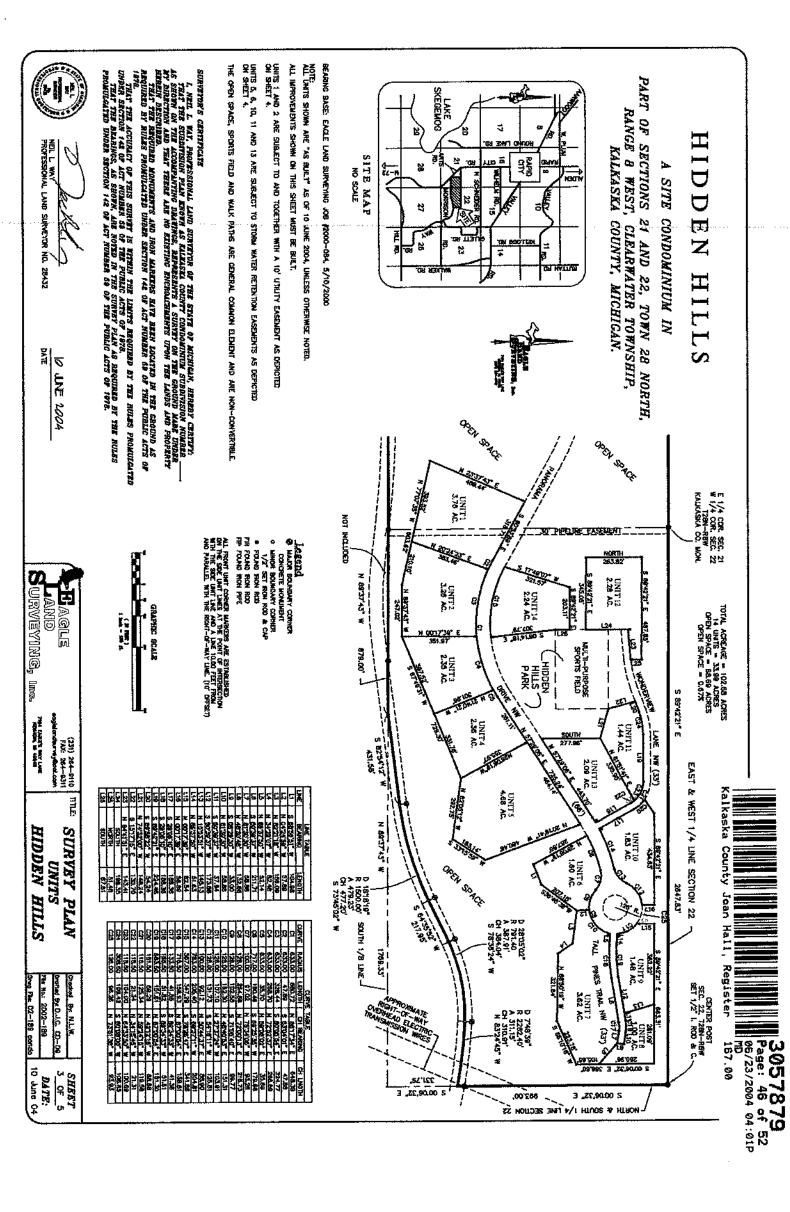
(23) 284-9110 FAX: 284-9311 explaiendeurwy@cci.com PIRA CARLETS WAY LAND

HILE

SURVEY PLAN HIDDEN HILLS BOUNDARY

Drug Flux 02-188 condo n + +o.: 2002-189 THE PROJECTO-08 cied by N.L.W.

SHEET 2 OF 5 DATE:

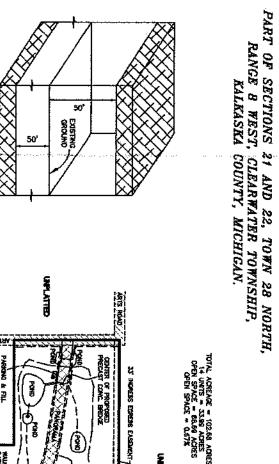


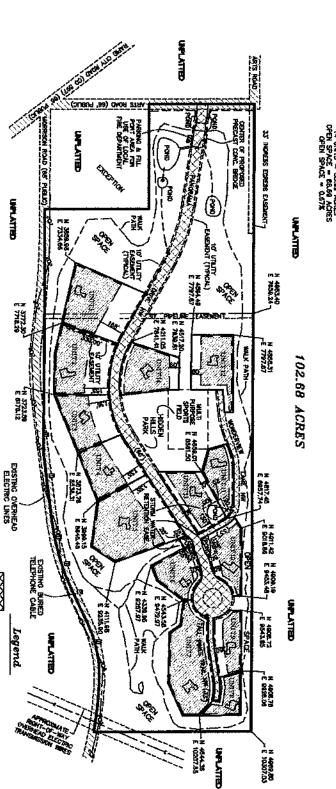
HIDDEN HILLS

A SITE CONDOMINIUM IN

Kalkaska County Joan Hall, Register

3057879 Page: 47 of 52 06/23/2004 04:01P 1167.00









10 JUNE 2004

NOTE
HILLS BITE COMPONINHUM. THERE ARE 11 OF THE MAINTS
WHICH, WAY FROM THE STANDARD FOOTBRENTS MAINTS
WHICH WAY FROM THE STANDARD FOOTBRENT HAS SO FROM FOOTBRENT. HE

UNITS 5, 8, 10, 11 AND 13 ARE SUBJECT TO STORM WATER RETENTION EASEMENTS AS DEPICIED ON SHEET 4. units 1 and 2 are subject to and together with a 10' utility easement as depicted on sheet 4.

NOTE:
ALL UNITS SHOWN ARE "AS BURET" AS OF 10 JUNE 2004, UNLESS OTHERWISE NOTED.

VERTICAL MEASUREMENTS TO LIMITS OF OWNERSHIP ARE TO BE MADE FROM EXISTING GRADE TYPICAL UNIT ENVELOPE

ALL IMPROVEMENTS SHOWN ON THIS SHEET MUST BE BUILT.

THE OPEN SPACE, SPORTS FIELD AND WALK PATHS ARE GENERAL COMMON ELEMENT AND ARE NON-CONVERTIBLE.

SEWER IS TO BE ON SITE SEPTIC AND IS THE RESPONSIBILITY OF THE INDIVIDUAL UNIT DINNERS

all public utilities shall be located within private roadways and designated eassaignts.

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COORDINATE VALUE POINT STORM WATER SEMER STRUCTURE

PUBLIC ROADWAY

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EXISTING UTILITY POLE EXISTING TELEPHONE PEDESTAL

GENERAL COMMON ELENENT

STORM WATER INLET STRUCTURE

C BUILDABLE FOOTPRINT

PROPOSED HOME LOCATION
ACTUAL LOCATION SUBJECT TO
ARCHITECTURAL COMMITTEE APPROVAL

Surveying, inc.

(231) 264—6110 FAX: 264—9311 eoglelondsurvey@sol.com

THE CARES NOT LAKE

11715

UNIT & UTILITY PLAN HIDDEN HILLS

orested 8x 0.J.C. CD--Of THE NO. 2002-189 Nadord By N. W. 10 June 04 SHEET

reg File 02-159 condo

HIDDEN HILLS

A SITE CONDOMINIUM IN

Kalkaska County Joan Hall, Register

3057879 Page: 48 of 52 06/23/2004 04:01P

PART OF SECTIONS 21 AND 22, TOWN 28 NORTH, RANGE 8 WEST, CLEARWATER TOWNSHIP, KALKASKA COUNTY, MICHIGAN.

TOTAL ACREAGE = 102.68 ACRES
14 UNITS = 33.99 ACRES
OPEN SPACE = 68.69 ACRES
OPEN SPACE = 0.67%

STATES

102.68 ACRES

SELVINO ARTS ROAD 33' INGRESS EGRESS EASEMENT MELATED SON ROAD (66' PUBLIC) UNPLATTED SOIL LOG UNIT 6

O-4* TOP SOM.

O-4* TOP SOM.

WITH LIGHT CLAY BALLS

WITH LIGHT CLAY BALLS

20-72* SAMOY LOAM WITH LIGHT GROWN SAMO

72* SAMOY LOAM WITH LIGHT GROWN SAMO

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STE BENCH MARK: RALROAD SING IN WEST SIED OF POWER POLE AT THE NORTHEAST COWER OF INTERSECTION OF RAPID CITY ROAD, AND ARTS ROAD.

ELEVATION = 823.88 (USGS)

GRAPHIC SCA

PROPOSED HOME LOCATION
ACTUAL LOCATION SUBJECT TO
ARCHITECTURAL COMMITTEE APPROVAL

CONTOUR INTERVAL = 2.0'

SOIL EVALUATION DIG SITE TEST WELL LOCATION

Legend



BL L WAY ROFESSIONAL LAND SURVEYOR NO. 28432

UNITS 5, 6, 10, 11 AND 13 ARE SUBJECT TO STORM WATER RETENTION EASEMENTS AS DEPICTED ON SHEET 4. units 1 and 2 are subject to and together with a 10' utility easement as depicted on sheet 4.

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ALL UNITS SHOWN ARE "AS BUILT" AS OF 10 JUNE 2004, UNLESS OTHERWISE NOTED

ALL IMPROVEMENTS SHOWN ON THIS SHEET MUST BE BUILT.

10 JUNE 2004

SURVEYING, Inc. AND

(231) 264—9110 FAX: 264—9311 eoglelandsurvey@col.com

UNIT 4
0-6" TOP SOIL
6-16" MEDIUM DARK BROWN SAND
18-72" MEDIUM LIGHT BROWN SAND

UNIT 8
0-6" TOP SOIL
6-12 TO 45" MEDIUM BROWN SAND
16" THICK BROWN CANY, SPRALING
16" THICK BROWN 12" TO 46" DEEP
28 TO 64-96" MEDIUM LIGHT BROWN SAND

UNIT 12
0-6" TOP SOIL
6-20" HEDIUM DARK BROWN SAND
20-72" HEDIUM LIGHT BROWN SAND

UNIT 11
0-10" TOP SOIL
10-24" MEDIUM DARK BROWN SAND
24-72" MEDIUM LIGHT BROWN SAND

UNIT 10
0-4" TOP SOIL
4-18" MEDIUM DARK BROWN SAND
18-84" MEDIUM LIGHT BROWN SAND

UNIT 13 0-8" TOP SOIL 8-72" MEDIUM LIGHT BROWN SAND

UNT 5
0-6" TOP SOIL
6-46" MEDIUM BROWN SAND
46-72" MEDIUM LICHT BROWN SAND
WITH LICHT GRAVEL

UNIT 9

O-8" TOP SOIL
B-10" HEDLIN DARK BROWN SAND
WITH LIGHT CLAY BALLS
10-24" MEDIUM DARK BROWN SAND
24-72" MEDIUM LIGHT BROWN SAND

UNIT 14

O-4" TOP SOIL

4-18" MEDIUM DARK BROWN SAND

18-72" MEDIUM LIGHT BROWN SAND

UNIT 2
0-6" TOP SOIL
6-20" MEDIUM DARK BROWN SAND
20-72" MEDIUM LIGHT BROWN SAND

UNIT 7 TOP SOIL

3-24" MEDIUM LIGHT BROWN SAND
WITH LIGHT GRAVEL
24-72" MEDIUM LIGHT BROWN SAND

UNT 1
0-8" TOP SOIL
8-24" MEDIUM DARK BROWN SAND
24-72" MEDIUM LIGHT BROWN SAND

UNT 3 0-8" TOP SOIL 5-72" MEDIUM LIGHT BROWN SAND

File No.: 2002-189 refted By D.J.C. CD-09 medicad By: N.L.W. SHEET 5 OF 5

TOPOGRAPHIC & SOIL

HIDDEN HILLS

794 CASE'S WAY LAKE

rug File: 02-189 condo 10 June 04 DATE:

District Health Department #10

Kalkaska County Office 625 Courthouse Drive Kalkaska, Michigan 49646 231-258-8669 fax: 231-258-2805

EXHIBIT "C-1"



June 10, 2004



rage: 49 or 06/23/2004 0

167.00

Mr. Robert Burgin Arbor Investment Company P.O. Box 1138 Kalkaska, MI 49646

Re: Hidden Hills site condominium development in Clearwater Township, Section 21, T28N, R8W, Kalkaska County

Dear Mr. Burgin,

In accordance with Section 71a of Act 59, Public Acts of 1978 as amended, the subject proposed site condominium subdivision has been reviewed and is granted preliminary health department approval. This approval is conditioned on the restrictions and conditions contained in this correspondence.

As proposed, this site condominium subdivision consists of 14 single family residential units on approximately 102.68 acres of land. The typical unit size provided for an area of approximately 2.32 acres. The approximate distance to the nearest public water system is 6 miles and the nearest public sewage system is 6 miles. It has been confirmed that these public systems will not be available in the foreseeable future. Individual units will be entirely dependent on individual on-site water supplies and individual on-site sewage treatment and disposal systems.

Soils data submitted by the project engineer has been reviewed and confirmed as to accuracy by this department. The typical soil conditions encountered were topsoil, dark to tan colored loamy sands to a depth of 72 inches. Soils conditions are considered suitable for on-site sewage treatment and disposal systems. Some units will need to be recontoured to allow for siting of the septic system.

An assessment of the suitability of proposed on-site water supplies has been provided by the project engineer. This included and analysis of the water from four (4) nearby residential water wells as well as one (1) test well located on unit 5. This analysis included the following parameters; Arsenic, Hardness, Iron, Sodium, Chloride, Fluoride, Nitrates, Nitrites, and Sulfates. These samples have confirmed the chemical and bacteriological suitability of the water withdrawn from the aquifer. Our reviews of this assessment confirms that an adequate quantity and quality of water is available to serve this development subject to restrictions requested below.

In accordance with administrative rules applicable to this proposal under the authority of Section 71a, Act 59, Public Acts 1978 as amended, the preliminary site condominium subdivision of Hidden Hills is approved by this department subject to the following restrictions which are to be made part of the master deed:

- 1. Each unit is to have only one (1) single family dwelling.
- 2. Each unit is to have only one (1) water well.
- 3. Units 7,8,9 will require recontouring of the slopes in the area of septic system.
- 4. Permits for a water well and on-site sewage disposal systems are to be obtained from the local health department prior to beginning construction.

The above restrictions must run in perpetuity and may not be waived by this department. A copy of the proposed master deed incorporating the above restrictions must be submitted to this department for review as to form and content prior to recording. Upon recording of the approved master deed, final approval can then be granted by this department.

Should you have further questions regarding this approval, please do not hesitate to contact this office at your earliest convenience.

Sincerely,

Richard Courson, R.S.

Environmental Health Department

Richard Cours

Kalkaska County

cc: Neal Way

Dan Sandahl, Michigan Department of Environmental Quality

Clearwater Township

File

/rat

Regular Meeting October 21, 2003

The regular meeting of the Clearwater Township Board was called to order at 7:01 p.m. by Supervisor Grimm. Board members present were: D. Grimm, Vance, S. Grimm, Veen and Seaman. Also present were approximately 27 guests.

Supervisor Grimm opened meeting with the Pledge of Allegiance.

Bids: Sidewalk Snowplowing - One bid was received from Chain O'Lakes Lawn & Snow for \$90.00 per time.

Moved by D. Grimm, seconded by Veen to accept Chain O'Lakes Lawn & Snow bid at \$90.00 per time for sidewalk snowplowing. Roll Call Vote: S. Grimm-Yes; Vance-Yes; D. Grimm-Yes; Veen-Yes; Seaman-Yes. Motion carried.

Clerks Report: Moved by D. Grimm, seconded by Seaman to accept the Regular Meeting minutes of September 16, 2003 as presented. All in favor. Motion carried.

Moved by D. Grimm, seconded by Vance to accept the Special Meeting minutes of September 29, 2003 as presented. All in favor. Motion carried.

Moved by S. Grimm, seconded by Veen to approve paying bills from General Fund, voucher number 14152 through 14175 as presented. Roll Call Vote: Vance-Yes; Seaman-Yes; D. Grimm-Yes; Veen-Yes; S. Grimm-Yes. Motion carried.

Moved by S. Grimm, seconded by Vance to approve paying bills from Fire Fund, voucher number 4327 through 4334 as presented. Roll Call Vote: Seaman-Yes; S. Grimm-Yes; Veen-Yes; Vance-Yes; D. Grimm-Yes. Motion carried.

Moved by D. Grimm, seconded by S. Grimm to accept audit report from Anderson & Decker, P.C. as presented. Roll Call Vote: D. Grimm-Yes; Scaman-Yes; S. Grimm-Yes; Vance-Yes; Veen-Yes. Motion carried.

Treasurers Report: General Fund (all accounts) \$370,330.92; Public Improvement Fund \$116,489.80; Fire Fund \$42,868.45; Tax Fund \$6,789.10.

Accountability Statement: Treasurer balanced with bank and clerk balanced with treasurer on all accounts,

Sheriff Report: Deputy Scott Frank presented reports for August and September, 2003.

Insurance: Paul Olson from Michigan Township Participating Plan presented insurance renewal policy.

Moved by D. Grimm, seconded by Seaman to approve Municipal Underwriters of Michigan, Inc. as township insurance carrier and cost to be split as follows: Township \$5,377.00 and Fire Department \$6,723.00, totaling \$12,100.00. Roll Call Vote: Veen-Yes; Seaman-Yes; S. Grimm-Yes; D. Grimm-Yes; Vance-Yes. Motion carried.

Meeting recessed at 8:31 p.m. and was called back to order at 8:45 p.m.

Zoning: Hidden Hills Planned Unit Development was presented. Zoning Board recommended approval to township board.

Moved by Veen, seconded by Seaman to approve Hidden Hills Planned Unit Development with the understanding that everyone involved makes a good faith effort to work towards the closure and/or improvement of the South end of Arts Road and subject to the restrictions by the Zoning Board as follows: (a) That downward directed lighting restrictions (i.e., dark sky lighting principles) be part of the master deed restrictions; (b) that the entrance be constructed with a mind to safety, the precise plan to be determined

lkaska County Joan Hall, Register 15

3057879 Page: 51 of 52 05/23/2004 04:01P

157.00

EXHIBIT "C-2"

through the cooperative efforts of the County Road Commission engineers, Township appointees and the developers. Roll Call Vote: D. Grimm-Yes; S. Grimm-Yes; Veen-Yes; Vance-Yes; Seaman-Yes. Motion carried.

Zoning Board of Appeals: Moved by Seaman, seconded by S. Grimm to appoint Adam Parzych to the unexpired term of Tammy Barber on the Zoning Board of Appeals. Roll Call Vote: S. Grimm-Yes; Seaman-Yes; Vance-No; D. Grimm-No; Veen-No. Motion denied.

Moved by D. Grimm, seconded by Veen to appoint Robert Balley to the unexpired term of Tammy Barber on the Zoning Board of Appeals. Roll Call Vote; Vance-Yes; Seaman-No; D. Grimm-Yes; S. Grimm-Yes; Veen-Yes. Motion carried.

Parks & Recreation: DNR Resolution - Moved by Vance, seconded by S. Grimm as follows: RESOLVED, that Clearwater Township, Kalkaska County, Michigan, does hereby accept the terms of the Agreement as received from the Michigan Department of Natural Resources, and that Clearwater Township does specifically agree, but not by way of limitation, as follows: (1) to appropriate all funds necessary to complete the project during the project period and to provide Twenty Four Thousand Five Hundred Twenty Dollars (\$24,520.00) to match the grant authorized by the DEPARTMENT. (2) To maintain satisfactory financial accounts, documents, and records to make them available to the DEPARTMENT for auditing at reasonable times. (3) To construct the project and provide such funds, services, and materials as may be necessary to satisfy the terms of said Agreement. (4) To regulate the use of the facility constructed and reserved under this Agreement to assure the use thereof by the public on equal and reasonable terms. (5) to comply with any and all terms of said Agreement including all terms not specifically set forth in the foregoing portions of this Resolution. Roll Call Vote: Veen-Yes; S. Grimm-Yes; Seaman-Yes; Vance-Yes; D. Grimm-Yes. Motion carried.

Fire Department: Moved by D. Grimm, seconded by Veen to approve the payment of \$200.00 for Fire Chief Association Dues; \$408.92 to Wes Spink for the repair and replacement of door at fire station. All in favor. Motion carried.

Moved by D. Grimm, seconded by Veen to allow Stephen Middleton to attend Fire Fighters II class in Mancelona and pay mileage for same. All in favor. Motion carried.

Old Business: Moved by D. Grimm, seconded by Seaman to hire North Country Sanitation to do Township Spring Clean Up Day and to have the site be at their facility at 1624 West Plum Valley Road. Roll Call Vote: Seaman-Yes; Veen-Yes; D. Grimm-Yes; S. Grimm-Yes; Vance-Yes. Motion carried.

Meeting adjourned at 10:45 p.m.

Respectfully submitted,

Julie K. Vance Township Clerk

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Kalkaska County Joan Hall, Register

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167.00