This Master Deed is made and executed on August 29, 2006 by Pulte Land Company, LLC, a Michigan limited liability company ("Developer"), whose address is 450 W. Fourth Street, Royal Oak, Michigan 48067, pursuant to the provisions of the Michigan Condominium Act (Act 59 of the Public Acts of 1978, as amended) (the "Act").

RECITALS

Developer desires by recording this Master Deed, together with the Bylaws attached as Exhibit A and together with the Condominium Subdivision Plan attached as Exhibit B (both of which are incorporated by reference and made a part of this Master Deed), to establish the real property described in Article 2 below, together with the improvements located and to be located thereon, and the appurtenances thereto, as a residential Condominium Project under the provisions of the Act.

Developer does, upon recording this Master Deed, establish Townes at Grand Reserve as a Condominium Project under the Act and declares that Townes at Grand Reserve (referred to as the "Condominium," the "Project" or the "Condominium Project") shall, after such establishment, be held, conveyed, hypothecated, encumbered, leased, rented, occupied, improved, or in any other manner used subject to the provisions of the Act, and to the covenants, conditions, restrictions, uses, limitations and affirmative obligations set forth in this Master Deed and Exhibits A and B hereto, all of which shall be deemed to run with the land and shall be a burden and a benefit to Developer, its successors and assigns, and any persons acquiring or owning an interest in the Condominium, their grantees, successors, transferees, heirs, personal representatives and assigns.

The Project consists of 159 Units which are contained in residential duplex or triplex buildings. Each Unit is capable of individual use because it has access to a private road or
Common Element of the Condominium and the public roads providing access to the Condominium. Each Unit Owner will hold an absolute and undivided title to such Owner’s Unit, and an undivided inseparable right to share with other Co-Owners the Common Elements of the Condominium.

The Townes at Grand Reserve ("Townes") and the adjacent condominium known as Grand Reserve ("Grand Reserve") are part of The Grand Reserve Community (sometimes referred to as the "Community"). The Community will initially consist of two condominium projects, Townes at Grand Reserve and Grand Reserve. Grand Reserve will initially contain 278 site condominium units, expandable to include up to 319 site condominium units. As set forth above, Townes will initially contain 159 attached condominium units in duplex and triplex buildings. The Community is governed by The Grand Reserve Community Declaration of Easements, Covenants, Conditions and Restrictions recorded in the Genesee County Records ("Declaration"), containing, among other things, Community standards that apply to all units in the Community, including the Units in Townes. The Community will contain certain amenities and services such as a Community Center, Pathways, Open Space Areas and other Shared Improvements and Facilities as described in the Declaration and Sections 3.34 and 4.3 below. Developer has or will establish the Grand Reserve Community Association ("Master Association") to administer, operate, insure, maintain, repair and replace the Shared Improvements and Facilities. Some of the General Common Elements of Townes are Shared Improvements and Facilities serving the Community as a whole, and as such will be operated, administered, insured, maintained, repaired and replaced by the Master Association. The Master Association will assess all units in the Community for costs associated with the Shared Improvements and Facilities as set forth in the Declaration.

As set forth in Article 7 and Article 10 below and as described in Article XII of the Declaration, the Community and the Project may be expanded to include additional land contiguous with the Community.

The Community is an age restricted community as described in the Declaration and Section 4.7 below.

In furtherance of the establishment of the Condominium Project, it is provided as follows:

**ARTICLE 1**

**TITLE AND NATURE**

The Condominium Project shall be known as Townes at Grand Reserve, Genesee County Condominium Subdivision Plan No. _______________. The engineering and architectural plans for the Project are on file with the Township of Grand Blanc. The Condominium Project is established in accordance with the Act. The Units contained in the Condominium, including the number, boundaries, dimensions and area of each Unit, are set forth completely in the Condominium Subdivision Plan attached as Exhibit B hereto. Each individual Unit has been created for residential purposes and each Unit is capable of individual use. Each Co-Owner in the Condominium Project shall have an exclusive right to such Co-Owner’s Unit except to the extent of any Common Elements located thereon, and shall have an undivided and inseparable rights to share with the other Co-Owners the Common Elements of the Condominium Project as are
designated by the Master Deed. Nothing in this Master Deed shall be construed to impose upon Developer any contractual or other legal obligation to build, install or deliver any structure or improvement which is labeled on the Condominium Subdivision Plan attached as Exhibit B as “need not be built.”

**ARTICLE 2**

**LEGAL DESCRIPTION**

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

A PART OF THE SOUTHEAST 1/4 OF SECTION 25, T-6-N., R-7-E., GRAND BLANC TOWNSHIP, GENESEE COUNTY, MICHIGAN, BEING MORE PARTICULARLY DESCRIBED AS: COMMENCING AT THE SOUTH 1/4 CORNER OF SAID SECTION 25; THENCE N 0° 31’ 40” W, 50.00 FEET ALONG THE NORTH-SOUTH 1/4 LINE OF SAID SECTION TO A POINT ON THE NORTH RIGHT-OF-WAY LINE OF BALDWIN ROAD (50 FOOT 1/2 WIDTH); THENCE N 88° 17’ 29” E, 1153.78 FEET ALONG SAID NORTH RIGHT-OF-WAY LINE TO THE POINT OF BEGINNING; THENCE DUE NORTH, 246.52 FEET; THENCE DUE EAST, 149.74 FEET; THENCE DUE NORTH, 655.89 FEET; THENCE N 7° 00’ 00” W, 100.47 FEET; THENCE N 16° 53’ 31” W, 102.34 FEET; THENCE N 35° 53’ 14” W, 264.48 FEET; THENCE N 29° 18’ 41” W, 117.21 FEET; THENCE N 14° 05’ 53” W, 100.05 FEET; THENCE N 77° 46’ 16” E, 118.13 FEET; THENCE ALONG A TANGENT CURVE TO THE LEFT, 421.88 FEET, SAID CURVE HAVING A RADIUS OF 1033.00 FEET, A CENTRAL ANGLE OF 23° 23’ 59” AND A LONG CHORD BEARING N 66° 04’ 16” E, 418.95 FEET; THENCE N 54° 22’ 17” E, 436.83 FEET; THENCE ALONG A TANGENT CURVE TO THE RIGHT, 288.00 FEET, SAID CURVE HAVING A RADIUS OF 467.00 FEET, A CENTRAL ANGLE OF 35° 20’ 04” AND A LONG CHORD BEARING N 72° 02’ 19” E, 283.46 FEET; THENCE N 89° 42’ 21” E, 469.96 FEET TO A POINT ON THE EAST LINE OF SECTION 25 (VASSER ROAD); THENCE S 0° 17’ 39” E, 1970.31 FEET ALONG SAID LINE TO A POINT ON THE NORTH LINE OF BALDWIN ROAD (50 FOOT HALF WIDTH); THENCE THE FOLLOWING FOUR COURSES ALONG SAID NORTH LINE OF BALDWIN ROAD (1) ALONG A NON-TANGENT CURVE TO THE LEFT, 54.30 FEET, SAID CURVE HAVING A RADIUS OF 22868.31 FEET, A CENTRAL ANGLE OF 0° 08’ 10”, AND A LONG CHORD BEARING S 85° 38’ 36” W, 54.30 FEET, AND (2) S 85° 34’ 31” W, 218.23 FEET, AND (3) ALONG A TANGENT CURVE TO THE RIGHT, 1084.30 FEET, SAID CURVE HAVING A RADIUS OF 22868.31 FEET, A CENTRAL ANGLE OF 2° 43’ 00” AND A LONG CHORD BEARING S 86° 56’ 01” W, 1084.19 FEET, AND (4) S 88° 17’ 29” W, 119.84 FEET TO THE POINT OF BEGINNING AND CONTAINING 59.83 ACRES.

Parcel Nos.: 12-25-400-001 (Parcel 1)
12-25-400-002 (Parcel 2)
12-25-300-001 (Parcel 3)
12-36-200-007 (Parcel 4)
Together with and subject to the following:

1. Any rights, title, interest or claim thereof to that portion of the land taken, used or granted for public streets, roads or highways.

2. Liens for taxes and assessments that are not yet due and payable.

3. All governmental limitations.

4. The Declaration of Easements, Covenants, Conditions and Restrictions for The Grand Reserve Community to be recorded in the Genesee County Records, and as further described in Section 3.13 below.


6. Release of Right of Way in favor of the Board of County Road Commissioners as recorded in Liber 1615, Page 484, Genesee County Records.

7. Release of Right of Way in favor of the County Drain Commissioner of the County of Genesee as recorded in Liber 1908, Page 927, Genesee County Records.

8. Release of Right of Way in favor of the County Drain Commissioner of the County of Genesee as set forth in Liber 1908, Page 958, Genesee County Records.


10. Release of Right of Way in favor of the County Drain Commissioner of the County of Genesee as set forth in Liber 1908, Page 932, Genesee County Records.

11. Release of Right of Way in favor of the Board of County Road Commissioners as recorded in Liber 1365, Page 527, Genesee County Records.

12. Release of Right of Way in favor of the Board of County Road Commissioners as recorded in Liber 1557, Page 178, Genesee County Records.

13. Release of Right of Way in favor of the Drain Commissioners of the County of Genesee as recorded in Liber 2080, Page 400, Genesee County Records.

14. Release of Right of Way in favor of Drain Commissioners of the County of Genesee as recorded in Liber 2080, Page 403, Genesee County Records.

15. Proposed AT&T Easement at Baldwin Road and Vassar Road as shown on Exhibit B.
ARTICLE 3
DEFINITIONS

Certain terms are used not only in this Master Deed and Exhibits A and B hereto, but are or may be used in various other instruments such as, by way of example and not limitation, the Articles of Incorporation and rules and regulations of the Townes at Grand Reserve Condominium Association, a Michigan non-profit corporation; the Declaration of Easements, Covenants, Conditions and Restrictions; the Articles of Incorporation and Bylaws of the Grand Reserve Community Association, a Michigan nonprofit corporation; and deeds, mortgages, liens, land contracts, easements and other instruments affecting the establishment of, or transfer of, interests in Townes at Grand Reserve, as a condominium. Wherever used in such documents or any other pertinent instruments, the terms set forth below shall be defined as follows:


Section 3.2. Age Qualified Occupant. "Age Qualified Occupant" means any Person (i) 50 years of age or older who owns and Occupies a Dwelling and was the original purchaser of the Dwelling from Declarant; or (ii) 55 years of age or older who Occupies a Dwelling.

Section 3.3. Association. "Association" means the Townes at Grand Reserve Condominium Association, which is the non-profit corporation organized under Michigan law, of which all Co-Owners shall be members, which corporation shall administer, operate, manage and maintain the Condominium.

Section 3.4. Architectural Review Committee. "Architectural Review Committee" means the committee that Developer may create, at such time as it shall determine in its sole discretion, to review new construction and modifications (other than those installed by Developer), and to administer and enforce the architectural controls for the Grand Reserve Community, as more specifically provided in Article XI of the Declaration and the Design Guidelines described in the Declaration.

Section 3.5. Bylaws. "Bylaws" means Exhibit A hereto, being the By-laws setting forth the substantive rights and obligations of the Co-Owners and required by Section 3(8) of the Act to be recorded as part of the Master Deed. The By-laws shall also constitute the corporate bylaws of the Association as provided for under the Michigan Nonprofit Corporation Act.


Section 3.7. Community. "Community" means the property described in the Declaration which presently consists of Townes at Grand Reserve as a Condominium Project and the adjacent property known as Grand Reserve, and any additional land that may be added as described in the Declaration.

Section 3.8. Community Center. "Community Center" means the community clubhouse which may be owned by the Master Association and may contain various recreational
amenities including, by way of example only and not obligation or limitation, an indoor and outdoor pool, tennis/bocci courts, a physical fitness center, a library, a social room, offices, a kitchen, meeting rooms, an arts and crafts room and other similar amenities. The Community Center is further described in the Declaration and may be located within the Condominium.

Section 3.9. Condominium Documents. “Condominium Documents” means and includes this Master Deed and Exhibits A and B hereto, the Articles of Incorporation, and the rules and regulations, if any, of the Association, as all of the same may be amended from time to time.

Section 3.10. Condominium Premises. “Condominium Premises” means and includes the land described in Article 2 above and all easements, rights and appurtenances belonging to Townes at Grand Reserve as described above.

Section 3.11. Condominium Project, Condominium or Project. “Condominium Project,” “Condominium” or “Project” means Townes at Grand Reserve as a Condominium Project established in conformity with the provisions of the Act.


Section 3.13. Consolidating Master Deed. “Consolidating Master Deed” means the final amended Master Deed, if any, which shall describe Townes at Grand Reserve as a completed Condominium Project and shall reflect the land area, if any, converted pursuant to Article 8 below or contracted pursuant to Article 9 below or expanded pursuant to Article 10 below from time to time, and all Units and Common Elements therein, and which shall express percentages of value pertinent to each Unit as finally readjusted, if necessary. Such Consolidating Master Deed, if and when recorded in the office of the Genesee County Register of Deeds, shall supersede the previously recorded Master Deed for the Condominium and all amendments thereto, but until such time, the terms of this Master Deed, as it may be amended, shall control. In the event the Units and Common Elements in the Condominium are constructed in substantial conformance with the proposed Condominium Subdivision Plan attached as Exhibit B to the Master Deed, the Developer shall be able to satisfy the foregoing obligation by filing a certificate in the office of the Genesee County Register of Deeds confirming that the Units and Common Elements “as built” are in substantial conformity with the proposed Condominium Subdivision Plan and no Consolidating Master Deed need be recorded.

Section 3.14. Construction and Sales Period. “Construction and Sales Period,” for the purposes of the Condominium Documents and the rights reserved to Developer thereunder, means the period commencing with the recording of the Master Deed and continuing as long as Developer owns any Unit which it offers for sale, and for so long as the Developer continues or proposes to construct or is entitled to construct additional Units.

Section 3.15. Co-Owner. “Co-Owner” means a person, firm, corporation, partnership, association, trust or other legal entity or any combination thereof who or which owns one or more Units in the Condominium Project. The term “Owner,” wherever used, shall be synonymous with the term “Co-Owner.” In the event of the conveyance of a Unit by land
contract, the land contract vendees shall be the “Co-Owners” of the Unit and shall bear sole liability for all obligations arising with respect to the Unit to the exclusion of the land contract vendors; provided that the Developer or an affiliate of the Developer shall retain the rights and obligations of a Co-Owner with respect to any Unit sold under land contract by the Developer or an affiliate of the Developer. The foregoing provision regarding the rights and obligations of land contract vendors and vendees shall apply notwithstanding the definition of “Co-Owner” set forth in Section 6 of the Act, as amended by Public Act 379 of 2000. “Owner” or “Co-Owner” shall not include a mortgagee of a Unit unless and until such mortgagee acquires fee simple title to the Unit by foreclosure or other proceeding or conveyance in lieu of foreclosure and shall not include any interest in a Unit held as security for the performance of any obligation. In the event more than one person or entity owns an interest in fee simple title to any Unit, or has an interest as a land contract vendee (other than Units owned by Developer), the interests of all such persons collectively shall be that of one Co-Owner.

Section 3.16. Declaration. ‘Declaration means the Grand Reserve Community Declaration of Easements, Covenants, Conditions and Restrictions recorded in the Genesee County Records, which empowers the Master Association to insure, manage, maintain, repair, replace, operate and administer the Shared Improvements and Facilities described in Section 4.3 below and which obligates the Co-Owners of Townes at Grand Reserve along with other owners in the Community to pay a pro rata share of the cost of administration, operation, maintenance, insurance, repair and replacement of the Shared Improvements and Facilities.

Section 3.17. Design Guidelines. “Design Guidelines” means the written design and construction guidelines, application and review procedures applicable to the Community which are promulgated and administered pursuant to Article XI of the Declaration.

Section 3.18. Developer. “Developer” means Pulte Land Company, LLC, which has made and executed this Master Deed, and its successors and assigns. Both successors and assigns shall always be deemed to be included within the term “Developer” whenever such terms are used in the Condominium Documents.

Section 3.19. Dwelling. “Dwelling” means each residential building located upon a Unit in Grand Reserve intended for use or Occupancy as a detached single family residence and each portion of a residential building located within Townes at Grand Reserve, intended for use and Occupancy as an attached residence for a single family.

Section 3.20. Entrance Way and Landscaping Improvements. “Entrance Way and Landscaping Improvements” means the entranceways and any entranceway signs, monuments, landscaping, boulevard medians, gate house, irrigation systems and related improvements, and any perimeter landscaping and irrigation systems and Open Space Areas identified in the Declaration. Portions of the Entranceway and Landscaping Improvements may be located within the Condominium as generally shown on Exhibit B.

Section 3.21. First Annual Meeting. “First Annual Meeting” means the initial meeting at which non-developer Co-Owners are permitted to vote for the election of Directors and upon all other matters that properly may be brought before the meeting. Such meeting is to be held (a) in Developer’s sole discretion after fifty percent (50%) of the Units that may be created are sold,
or (b) mandatorily within (i) fifty-four (54) months from the date of the first Unit conveyance, or (ii) one hundred twenty (120) days after seventy-five percent (75%) of all Units that may be created are sold, whichever first occurs.

Section 3.22. **Master Association.** "Master Association" means The Grand Reserve Community Association, a Michigan nonprofit corporation organized for a perpetual term to own, administer, operate, insure, maintain, repair and replace the Shared Improvements and Facilities and other matters set forth in the Declaration.

Section 3.23. **Member.** "Member" means each Person entitled to membership in the Master Association. Every owner of a unit in the Community shall be a Member of the Master Association as set forth in Section 5.02 of the Declaration.

Section 3.24. **Neighborhood.** "Neighborhoods" means each separate residential condominium project located within the Community (collectively, the "Neighborhoods ".

Section 3.25. **Occupy, Occupies, Occupied or Occupancy.** "Occupy," or "Occupies," "Occupied" or "Occupancy" means, unless otherwise specified in the Declaration, an individual staying overnight in a particular Dwelling for at least ninety (90) days in any consecutive twelve (12) month period. The term "Occupant" shall refer to an individual who Occupies a Dwelling.

Section 3.26. **Open Space Areas.** "Open Space Areas" means the Open Space Areas located within the Community and all improvements thereto, including any park areas, benches, pavilions, picnic areas, retaining walls and other improvements as described in the Master Declaration, portions of which are to be located in the Condominium as generally shown on Exhibit B.

Section 3.27. **Pathways.** "Pathways" mean the pathways serving the Community as described in the Declaration, portions of which may be located in Condominium as generally shown on Exhibit B.

Section 3.28. **Person.** "Person" means any individual, trust, partnership, firm, association, corporation, limited liability company, trust or any other form of business or government entity, collectively.

Section 3.29. **Qualified Occupant.** "Qualified Occupant" shall mean any of the following individuals who Occupy a Dwelling:

(a) Any Age Qualified Occupant;

(b) Any Person 19 years of age or older who Occupies a Dwelling with an Age Qualified Occupant; or

(c) Any Person 19 years of age or older who Occupied a Dwelling with an Age Qualified Occupant and who continues, without interruption, to Occupy the same Dwelling after termination of the Occupancy of the Age Qualified Occupant.
Section 3.30. **Residential Builder.** "Residential Builder" means any person licensed as a residential builder under Article 24 of the Occupational Code of Michigan, Public Act 299 of 1980, and who acquires title to one or more Units in the Condominium for the purpose of constructing a Residence on the Unit and subsequently reselling the Unit.

Section 3.31. **Reviewing Entity.** "Reviewing Entity" means the Declarant or the Architectural Review Committee as described in Article XI of the Declaration.

Section 3.32. **Roads.** "Roads" means all interior roadways in the Community as described in the Declaration, portions of which are located in the Condominium as described in Section 6.5 below and shown on Exhibit B.

Section 3.33. **Sanitary Sewer Lines.** "Sanitary Sewer Lines" means the sanitary sewer lines and other sanitary sewer improvements and appurtenances that are a part of the sanitary sewer systems within the Community, as identified on the engineering plans for the Community and approved by the Township, up to the point where service is stubbed for lateral connection for service to each Unit in Grand Reserve and each residential building in Townes, as described in the Declaration, including a potential sanitary sewer reserve tank and related facilities that may be installed on Units 181 and 182 or a nearby Open Space Area of the Grand Reserve Neighborhood.

Section 3.34. **Shared Improvements and Facilities.** The "Shared Improvements and Facilities" means the Community Center, the Roads, the Entranceway and Landscaping Improvements, the Open Space Areas, Wetlands, the Sidewalks, Pathways, Utilities, Water Lines, Sanitary Sewer Lines, Storm Drainage Facilities and any other areas, utilities, easements or improvements designated as Shared Improvements and Facilities pursuant to the Declaration, as it may be amended, including those changes to the Shared Improvements and Facilities arising out of amendment to the Declaration or a master deed of a Neighborhood in the Community, including any expansion, contraction or conversion, or any land added pursuant to the Declaration. Portions of the Shared Improvements and Facilities are located within the Condominium.

Section 3.35. **Sidewalks.** "Sidewalks" means the sidewalks that are located within and serve the Community, as described in the Declaration, some of which are located in the Condominium as identified on Exhibit B.

Section 3.36. **Storm Drainage Facilities.** "Storm Drainage Facilities" means all storm drainage and detention/retention facilities, sedimentation basins and appurtenances located in the Community or within easements serving the Community as described in the Declaration, portions of which may be located within the Condominium.

Section 3.37. **Township.** "Township" means the Township of Grand Blanc, Michigan.

Section 3.38. **Transitional Control Date** "Transitional Control Date" means the date on which a Board of Directors of the Association take 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 Developer.
Section 3.39. Unit or Condominium Unit. "Unit" or "Condominium Unit" each means a single Unit in Townes at Grand Reserve as described in Article 5, Section 5.1 of this Master Deed and on Exhibit B hereto, and shall have the same meaning as the term "Condominium Unit" as defined in the Act.

Section 3.40. Utilities. "Utilities" means the electrical transmission mains and wiring, the telecommunications system lines and wiring and natural gas distribution system mains, lines and wiring throughout the Community up to the point of lateral connection to each Unit in Grand Reserve and each residential building in Townes, as described in the Declaration.

Section 3.41. Water Lines. "Water Lines" means the water lines and other water system improvements and appurtenances that are a part of the water distribution systems located within the Community, as identified on the engineering plans for the Community and approved by the Township up to the point where service is stubbed for connection to each Unit in Grand Reserve and each residential building in Townes, as described in the Declaration.

Section 3.42. Wetlands. "Wetlands" means the regulated wetland areas (whether state, federal or local laws or ordinances), including buffers and related facilities located within or serving the Community as described in the Declaration, some of which are located within the Condominium as generally shown on Exhibit B.

ARTICLE 4
COMMON ELEMENTS: USE OF COMMON ELEMENTS AND UNITS

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

Section 4.1. General Common Elements. The General Common Elements are:

4.1.1 Land. The land described in Article 2 above, including riparian and littoral rights, if any, attributable to such land and including that portion of the Open Space Areas, Wetlands and other land areas located within the Condominium and designated as General Common Elements on attached Exhibit B.

4.1.2 Roads. That portion of the Roads located within the Condominium and designed General Common Elements as depicted on Exhibit B, and the easement and beneficial interest of the Co-Owners in other Roads serving the Condominium which are private roads to be maintained by the Master Association as set forth in Section 6.5 below. The Roads in the Project also serve the adjacent condominium known as Grand Reserve as described in Section 4.3 below, and the owners of units in Grand Reserve have an easement interest in and the right to use the Roads in common with the owners of Units in the Grand Reserve Community.

4.1.3 Surface Improvements. Surface improvements not identified as Limited Common Elements, including but not limited to that portion of the Entranceway and
Landscaping Improvements, Community Center, Sidewalks and Pathways located within the Condominium.

4.1.4 Building Improvements. Foundations including the garage/ground floor building slabs, supporting walls and columns, Unit perimeter walls (excluding windows and doors and frames), supporting floors, ceiling, roofs, attics, the exterior of chimneys and other building improvements designated in Exhibit B as General Common Elements.

4.1.5 Easements. All beneficial utility, drainage, access, and other easements pertaining to the Project and the easement and beneficial interest in and the right of all Co-Owners to use in common with the adjacent condominium known as Grand Reserve, the Shared Improvements and Facilities, including the Community Center described in the Declaration and Section 4.9 below.

4.1.6 Utilities. Some or all of the Utilities, Water Lines, Sanitary Sewer Lines and appurtenances, including electricity, telephone and telecommunications, gas and storm sewer systems, Storm Drainage Facilities, any street lights and appurtenances and equipment described below may be owned by the local public authority, or by the company that is providing the pertinent service. Accordingly, such utility lines, systems and equipment shall be General Common Elements only to the extent of the Co-Owners’ interest therein, if any, and Developer makes no warranty whatsoever with respect to the nature or extent of such interest, if any. Certain Utilities, Water Lines and Sanitary Sewer Lines as shown on Exhibit B may be conveyed or dedicated to the Township of Grand Blanc or other governmental authorities, and except to the extent of such conveyance or dedication, such Utilities, Water Lines and Sanitary Sewer Lines located within the Condominium shall be General Common Elements. Some of the Utilities, Water Lines, Sanitary Sewer Lines and Storm Drainage Facilities located in the Project also serve the adjacent condominium known as Grand Reserve and some of the Utilities, Water Lines, Sanitary Sewer Lines and Storm Drainage Facilities serving the Project may be located in Grand Reserve and, as such, shall be Shared Improvements and Facilities subject to the Declaration, and the easement rights of all Unit owners in the Community.

4.1.7 Electrical. Subject to 4.1.6, the electrical transmission system throughout the Project up to, but not including the electric meter for each Unit.

4.1.8 Telephone and Telecommunications System. Subject to 4.1.6, the telephone or telecommunications equipment and system throughout the Project up to the point of connection to each Unit.

4.1.9 Gas. Subject to 4.1.6, the gas distribution system throughout the Project up to but not including the gas meter for each Unit.

4.1.10 Water. Subject to 4.1.6, the Water Lines and water distribution system throughout the Project up to but not including the water meter for each building.

4.1.11 Sanitary Sewer. Subject to 4.1.6, the Sanitary Sewer Lines and the sanitary sewer system throughout the Project up to the point of exterior connection with each residential building.
4.1.12 **Storm Sewer/Storm Water Drainage Facilities.** Subject to 4.1.6, the Storm Drainage Facilities described in Section 6.7 below, including the storm sewer system, storm water detention areas, and drainage facilities throughout the Project.

4.1.13 **Common Lighting.** Subject to Section 4.1.6 above, any common or exterior building lighting installed by Developer at the Project and designated as common lighting.

4.1.14 **Other.** Such other elements of the Project not designated as Limited Common Elements which are not located within the perimeter of a Unit, and which are intended for common use or are necessary to the existence, upkeep and safety of the Project.

Section 4.2. **Limited Common Elements.** Limited Common Elements shall be subject to the exclusive use and enjoyment of the Co-Owners of the Units to which the Limited Common Elements are appurtenant.

4.2.1 **Driveways and Walkways.** The driveway and walkway providing access to each Unit as shown on Exhibit B shall be limited in use to the Co-Owner of the Unit or Units served thereby.

4.2.2 **Patios and Porches.** Each individual patio and porch serving a Unit as generally depicted on Exhibit B is limited in use to the Co-Owner of the Unit served thereby.

4.2.3 **Air Conditioner Compressor/Condenser; Water Heater and Furnaces.** Each individual air conditioner compressor/condenser, corresponding line set, and pad serving a Co-Owner’s Unit and the ground surface immediately below the same is limited in use to the Co-Owner of the Unit which is served thereby. Each individual water heater and furnace serving a Co-Owner’s Unit is limited in use to the Co-Owner of the Unit served thereby.

4.2.4 **Garage Doors and Garage Door Openers.** Each garage door and its hardware including garage door openers shall be limited in use to the Co-Owner of the Unit served thereby.

4.2.5 **Doors and Windows.** Doors (including storm doors), windows, screens and frames serving a Unit shall be limited in use to the Co-Owner of Unit served thereby.

4.2.6 **Exterior Building Lighting.** The lighting fixtures attached to the exterior of each Unit shall be limited in use to the Co-Owner of the Unit served thereby.

4.2.7 **Interior Walls, Chimneys, Ceilings, Floors and Surfaces.** The interior walls, interior chimneys and non-supporting interior ceilings and floors, and the interior surfaces of a Unit shall limited in use to the Co-Owner of the Unit served thereby.

Section 4.3. **Shared Improvements and Facilities.** Townes at Grand Reserve is part of the Grand Reserve Community as described in the Declaration. Certain General Common
Elements of Townes at Grand Reserve are subject to common usage by all owners in the Community as set forth in the Declaration. These Shared Improvements and Facilities are described in detail in the Declaration. The Shared Improvements and Facilities are to be insured, administered, operated, maintained, repaired and replaced by the Master Association, unless such responsibility is delegated to the Association pursuant to the Declaration, and may be owned by the Master Association. All members of the Townes at Grand Reserve Condominium Association shall be members of the Master Association along with members of other Neighborhoods of the Community, including Grand Reserve, as described in the Declaration. The Co-Owners of Townes at Grand Reserve will be assessed charges for maintenance of the Shared Improvements and Facilities through the Grand Reserve Community Association. To the extent a General Common Element of Townes at Grand Reserve is also a Shared Improvements and Facilities, the Master Association shall be responsible for the administration, operation, maintenance, insurance, repair and replacement of such General Common Elements, except to the extent such responsibility is transferred to the Association pursuant to the Declaration.

Section 4.4. Responsibilities. Subject to Section 4.3 above, and subject to the right of the Association and Master Association to control and approve the exterior appearance and use of all Units and Limited Common Elements, the respective responsibilities for the administration, operation, insurance, maintenance, reconstruction, repair and replacement of the Common Elements are as follows:

4.4.1 Co-Owner Responsibilities for Units and Limited Common Elements: Master Association Responsibility for Landscaping and Snow Removal. The primary responsibility for, and the costs of insurance, maintenance, decoration, repair and replacement of a Unit and any and all fixtures, improvements, personal property and upgrades located within or upon or serving a Unit including utility improvements which are not General Common Elements or owned by a public utility, including those appurtenant Limited Common Elements set forth below and those Additional Responsibilities of Co-Owners specified below, shall be borne by the Co-Owner of such Unit. Any exterior or structural improvements constructed or installed within a Unit and its Limited Common Elements shall be subject to the Community Standards and Architectural Controls described in Article X and Article XI of the Declaration. The Master Association shall be responsible for maintenance of the landscaping adjacent to Units and snow removal from Sidewalks and Walkways and driveways serving the Units as provided in Declaration, except to the extent delegated to the Association by the Master Association. Any snow removal on Limited Common Elements serving a Unit not performed by the Master Association or Association shall be the responsibility of the Co-Owner of the Unit. In the event a Limited Common Element serves more than one Unit, the cost of insurance, maintenance, repair and replacement shall be shared equally by the Co-Owners of the Units served.

4.4.2 Association and Master Association Rights Pertaining to Units. Pursuant to Section 6.2 below and the Bylaws, the Association, acting through its Board of Directors, may (but has no obligation to) undertake any maintenance, repair or replacement obligation of the Co-Owner of a Unit or its Limited Common Elements under this Master Deed and Bylaws ("Co-Owner’s Obligations"), to the extent that the Co-Owner has not performed the Co-Owner’s Obligations, and the cost of such work
shall be assessed against the responsible Unit Owner. The Association shall not be liable for any damage to a Unit or its Limited Common Elements resulting from the Association’s performance or non-performance of any Co-Owner’s Obligations. The Master Association shall have the same rights and protections as the Association pertaining to Co-Owner’s Obligations.

4.4.3 Utility Services. All costs of water, electricity, cable television, gas and telephone service shall be borne by the Co-owner of the Unit to which the services are furnished. Water service charges may initially be billed to the Association on a per-building basis. In such case, the Association shall assess each Unit for the water service charges applicable to each Unit. All costs of water service provided to the General Common Elements, and any other utility services furnished to the Project, shall be borne by the Association as an operating expense and assessed against the Unit Owners in accordance with Article 2 of the Bylaws. All utility meters, laterals and leads shall be maintained, repaired and replaced at the expense of the Association, except to the extent that such expenses are borne by a utility company or a public authority or by the Master Association as provided in the Declaration. Each Co-owner shall be responsible for the cost of maintaining, repairing and replacing the (i) gas and electrical wiring, piping and fixtures within or attached to such Co-owner’s Unit from the meter forward, including outlets, switches, breakers and boxes, and shut-off valves, (ii) all water supply lines from the shut-off valve to any fixture, including the shut off valves, and (iii) any individual Unit drain lines located with such Co-owner’s Unit.

4.4.4 Garage Doors and Garage Door Openers. Each Co-Owner shall be responsible for the cost of insurance, repair, replacement and maintenance of the garage door, garage door openers and related equipment and remote control devices appurtenant to such Co-Owner’s Unit. The materials and colors of garage doors must be approved in advance in accordance with the community standards and Architectural Controls set forth in the Declaration.

4.4.5 Doors and Windows. Each Co-Owner shall be responsible for insurance, repair, replacement and exterior maintenance of all glass and screen portions of doors (including storm doors and windows) and windows referred to in Section 4.2.5 above appurtenant to such Co-Owner’s Unit and each Co-Owner shall be responsible for repair, replacement and maintenance of other portions of doors and windows within or serving a Co-Owner’s Unit or appurtenant Limited Common Elements, including frames, window well covers, storms, screens, door hardware and weather stripping. No changes in design, material or color of doors, windows, glass or screens may be made except in accordance with the Community standards and Architectural Controls set forth in the Declaration.

4.4.6 Porches and Patios. Each Co-owner shall be responsible for the cost of insurance of the patio and porch appurtenant to such Co-owner’s Unit. The Association shall be responsible for the maintenance, repair and replacement of the patio and porch appurtenant to a Co-owner’s Unit, and the cost thereof shall be specially assessed against the Co-owner of such Unit.
4.4.7 **Interior Walls, Ceilings, Floors and Surfaces.** Each Co-Owner shall be responsible for the cost of insurance, decoration, maintenance, repair and replacement of all interior Unit interior surfaces, including interior walls, ceilings, and floors appurtenant to such Co-Owner’s Unit.

4.4.8 **Exterior Building Lighting.** The Association shall be responsible for the insurance, maintenance, repair and replacement of the exterior building lighting fixtures attached to such Co-owner’s Unit. Each Co-Owner shall be responsible for the cost of electricity and for replacement of light bulbs pertaining to the exterior building lighting serving the Co-Owner’s Unit. The size and nature of light bulbs for the exterior building lighting fixtures shall be determined by the Association in its discretion. No Co-owner shall modify or change exterior building lighting fixtures and shall not cause the electricity flow for operation thereof to be interrupted at any time, except each Co-owner shall replace burned out light bulbs with light bulbs of the same kind and character. Some lighting fixtures may operate on photoelectric cells whose timers shall be set by and at the discretion of the Association and shall remain lit at all times determined by the Association.

4.4.9 **Air Conditioner, Compressor/Condenser, Water Heaters, Furnaces and Chimneys.** Each Co-Owner shall be responsible for the cost of insurance, maintenance, repair and replacement of the individual air conditioner, compressor/condenser and corresponding set line, and the pad serving a Co-Owner’s Unit. Each Co-Owner shall be responsible for the cost of insurance, maintenance, repair and replacement of the water heater and furnace serving such Co-Owner’s Unit. The cost of maintaining, repairing and replacing all chimneys, flues and dampers and related piping and hardware shall be borne by the Co-owner of the Unit served thereby except the exterior of the chimney, which will be maintained by the Association.

4.4.10 **Driveways and Walkways.** Each Co-owner shall be responsible for the cost of insurance of the driveway and walkway appurtenant to such Co-owner’s Unit. The Association shall be responsible for the maintenance, repair and replacement of the driveway and walkway appurtenant to a Co-owner’s Unit, and the cost thereof shall be specially assessed against the Co-owner of such Unit, except that the Master Association shall be responsible for snow removal on driveways and walkways as described in Section 4.4.1 above.

4.4.11 **Additional Responsibilities of Co-Owners.** In addition, each Co-Owner shall be responsible for the cost of insurance, decoration, maintenance, repair and replacement of the following property, fixtures, equipment, finishes, improvements, or decorations located within or serving a Co-Owner’s Unit or appurtenant Limited Common Elements:

4.4.11.1 **Appliances and Equipment.** All appliances, equipment and supporting hardware, including, but not limited to the humidifier, air cleaner, any personal alarm system, garbage disposal, dishwasher, range, oven, refrigerator, vent fans and related ductwork, dryer venting, vent covers and filters, and
doorbell systems within or serving a Co-Owner’s Unit or appurtenant Limited Common Elements;

4.4.11.2 Cabinets, Counters. All cabinets, counters, interior doors, closet doors, sinks, floor tile, wall tile, and related hardware within a Co-Owner’s Unit or appurtenant Limited Common Elements;

4.4.11.3 Damaged Improvements and Decorations. All improvements, finishes or decorations, including, but not limited to, paint, wallpaper, window treatments, carpeting or other floor coverings and trim within or serving a Co-Owner’s Unit and appurtenant Limited Common Elements that may be damaged, regardless of cause, including damage resulting from the failure or malfunction of a General Common Element or damage resulting from Association maintenance, repair or replacement of a General Common Element;

4.4.11.4 Drywall. All interior drywall repair, maintenance or painting within a Co-Owner’s Unit or appurtenant Limited Common Elements regardless of cause.

4.4.11.5 Additions. Each Co-Owner shall be responsible for insurance, maintenance, repair and replacement of any additions or improvements constructed or installed within a Co-Owner’s Unit by the Unit Owner. Any such addition or improvements shall be subject to any approvals required by Article X and Article XI of the Declaration.

4.4.12 Association Responsibilities: Master Association Responsibilities: Service Contract. Subject to Section 4.3 above, the Association, by its Board of Directors, shall be responsible for insurance, maintenance, repair and replacement of the General Common Elements and to the extent so provided those Limited Common Elements described above. Provided, however, as set forth in Section 4.4.6 above pertaining to porches, patios and decks, the cost incurred by the Association shall be assessed to and paid by the Co-Owner of the Unit served. As set forth in the Declaration, the Master Association shall have the right to undertake maintenance of, repair or replacement of any General Common Elements including the exterior or structured components of any building or Unit if not properly maintained, repaired or replaced by the Co-Owners or the Association. The Master Association shall have the same easement and access rights as the Association for such purpose and the right to assess the Unit Owner through the Association or directly for the cost of such maintenance, repair or replacement as set forth in the Declaration. The cost of insurance, maintenance, repair and replacement of all General Common Elements and the Limited Common Elements for which the Association is responsible pursuant to this Section, shall be subject to any provisions of the Master Deed, Bylaws or the Declaration expressly to the contrary, and assessed to the Co-Owners as set forth in the Bylaws.

Neither the Master Association nor the Association shall have any obligation to reimburse any Co-Owner for the cost of repair, maintenance, or replacement of any portion of a Unit or Common Element contracted for or performed by a Co-Owner. The
Master Association and the Association shall only be responsible for the cost of work authorized by the Master Association or Association Board of Directors and contracted by the Master Association or Association or by a management company hired by the Master Association or Association, subject to reimbursement by the Co-Owners as described in this Article 4 and the Bylaws.

The respective decoration, maintenance and replacement responsibilities set forth above shall be in addition to all such responsibilities set forth elsewhere in the Condominium Documents.

The Association and the Master Association may enter into a service contract under which the Association hires the Master Association to perform all or a portion of the administration, operation, repair, replacement and maintenance responsibilities of the Association. In such event the Association shall reimburse the Master Association for the cost of such administration, operation, repair, replacement and maintenance as set forth in the service contract, which costs shall be expenses of administration of the Project and assessed to the Co-Owners as described in Article 2 of the Bylaws. The Association may also include in the service contract designation of the Master Association as collection agent for the Association. In that case, the Master Association shall collect on behalf of the Association the assessments of Units provided in this Master Deed and the Bylaws and shall remit the amount collected to the Association less any administration fee provided in the service contract.

4.4.13 Unusual Common Expenses Benefiting Less Than All Units. Unusual common expenses benefiting less than all Units or any expenses incurred as a result of the conduct of less than all those entitled to occupy the Project or their licensees or invitees, shall be specially assessed against the Unit or Units involved in accordance with Section 69 of the Michigan Condominium Act.

Section 4.5. Use of Common Elements and Units; Alterations and Modification. No Co-Owner shall use the Co-Owner’s Unit or the Common Elements in any manner inconsistent with the purposes of the Project or the Declaration or in any manner that will interfere with or impair the rights of any other Co-Owner in the use and enjoyment of the Co-Owner’s Unit or the Common Elements. No alterations, modifications or upgrades may be made to any Unit or the Common Elements by any Co-Owner other than Developer without the prior written approval of the Master Association, the Association and Developer (during the Construction and Sale Period).

Section 4.6. Residential Use. The use of the Units is limited to residential use in accordance with this Master Deed and exhibits, the Declaration, the ordinances of the Township and the requirements of other applicable governmental authorities.

Section 4.7. Age Restriction. The ownership, use and occupancy of all of the Units in the Project and all units in the Community are subject to the following age restrictions as described in the Declaration:
4.7.1 Age Restriction. The Community is intended to provide housing primarily for persons 55 years of age or older, subject to the rights reserved to Declarant in the Declaration. The Community shall be operated as an age restricted community in compliance with all applicable Michigan and federal laws.

Subject to the reserved rights of Declarant described in the Declaration, each Occupied Dwelling, shall be Occupied by an Age Qualified Occupant. Provided, however, that once a Dwelling is Occupied by an Age Qualified Occupant, other Qualified Occupants of that Dwelling may continue to Occupy the Dwelling in the absence of an Age Qualified Occupant so long as such continued occupancy does not affect the Community’s compliance with all applicable state and federal laws under which the Community may be developed and operated as an age restricted community. Notwithstanding the preceding sentence, at all times at least eighty percent (80%) of the Units within the Community shall be occupied by at least one person 55 years or older. Persons under 19 years of age may stay overnight in a Dwelling for up to, but not exceeding, ninety (90) days during any twelve (12) consecutive months, but shall not Occupy any Dwelling.

4.7.2 Revisions to Age Restriction Requirements. The board of directors of the Master Association shall establish policies and procedures from time to time as necessary to maintain the Community’s status as an age restricted community under state or federal law. The provisions of this Section may be enforced by the Master Association by an action at law or in equity, including, without limitation, an injunction requiring specific performance.

4.7.3 Sales by Declarant. Notwithstanding these restrictions, the Declarant has reserved the right to sell units in the Community to or for Occupancy by Persons between the ages of 50 and 55, inclusive, provided that such sales shall not affect the Community’s compliance with all applicable state and federal laws under which the Community may be developed and operated as an age restricted community.

Section 4.8. Wetlands: Open Space Areas. No modification, use or occupancy of any Wetlands including buffers shall occur without the prior written consent of Developer, the Township and applicable governmental authorities and all such activity shall be in accordance with any recorded restrictions pertaining to the Wetlands. The Developer, during the Construction and Sales Period, and, to the extent such Open Space Areas do not constitute Shared Improvements and Facilities, the Association, after the Construction and Sales Period, shall have the right to establish reasonable rules and regulations with respect to the use and maintenance of the Open Space Areas. To the extent any such Open Space Areas constitute Shared Improvements and Facilities, the Master Association shall be responsible for establishing any rules and regulations with respect to the use and maintenance of such Open Space Areas.

Section 4.9. Community Center. As described in the Declaration, each Member of the Master Association (including Owners of Units in Townes at Grand Reserve) shall have the right and non-exclusive easement to use the Community Center for the purposes provided in the Declaration. The Members shall be given membership cards for use of the Community Center. The Members’ rights shall exist regardless of whether the Community Center is also a general
common element of a particular Neighborhood, and each member’s right to use the Community
Center shall be deemed a part of, and shall pass with title to, every Member’s unit, regardless of
whether such right is specifically referred to in the document transferring title to such unit. The
Community Center shall be used subject to the following general provisions as described in the
Declaration:

4.9.1 Uses. The Community Center and all improvements and facilities located
thereon may be used for passive and active sports, for recreational, social, civic and
cultural activities, and for the common use and enjoyment of the members, and such
other uses as are established by the board of directors of the Master Association.

4.9.2 Rules and Regulations. The Master Association shall have the right to
establish non-discriminatory rules and regulations as its board of directors may deem
necessary or desirable for the safe, orderly and convenient operation and use of the
Community Center and for the proper maintenance, repair, and replacement of the
Community Center and the improvements and facilities located thereon.

4.9.3 Suspension of Rights. The Master Association shall have the right to
suspend the right of any Member (including such Member’s immediate family members)
to use the Community Center, for: (i) any period for during which any assessment against
such Member’s Unit is delinquent, including any assessments levied by such Member’s
Neighborhood Association; and (ii) a period not in excess of thirty (30) days for any
infraction of any rules or regulations promulgated by the board of directors.

4.9.4 Fees. The Master Association and any activity clubs chartered by the
Master Association shall have the right to charge reasonable fees for the use of all or any
portion of the Community Center or the conduct of any activities therein, provided that
such fees shall be applied equally to all members using such portion of the Community
Center or performing such activity.

4.9.5 Maintenance and Insurance of Community Center: Assessment. The
Master Association shall be responsible for the maintenance, repair, replacement,
administration and operation of the Community Center, subject to the provisions of the
Declaration, as it may be amended. The Master Association shall at all times keep in full
force and effect, with respect to the Community Center, comprehensive public liability
and property damage insurance with limits as deemed appropriate by the board of
directors and casualty insurance in an amount equal to the maximum insurable
replacement value of the Community Center, including equipment located therein, as
determined annually by the board of directors of the Master Association, in consultation
with its insurance carrier in light of commonly employed methods for the reasonable
determination of replacement costs, and as further described in the Declaration. The costs
associated with such obligations shall be assessed to the owners of units in the
Neighborhoods or through the Master Association or the Association as set forth in the
Declaration.

4.9.6 Title To Community Center. At such time as the Master Association has
been formed and organized, Declarant may, in its sole discretion, convey title to the
Community Center to the Master Association. In any event, Declarant shall convey title to the Community Center to the Master Association prior to the expiration of the declarant control period described in the Declaration. The Master Association shall thereafter hold title to the Community Center for the benefit of the owners of units in the Neighborhoods. The foregoing conveyance shall be subject to the Member’s rights of enjoyment and any rights or easements reserved, dedicated or granted by Declarant. In the event the Community Center is taxed as a separate parcel, any taxes and assessments associated with the Community Center shall constitute an obligation of the Master Association to be assessed to the Members as set forth in the Declaration.

4.9.7 Books and Records. The Master Association shall maintain a separate set of books and records for the Community Center and upon the reasonable request of a Member, the Master Association shall make the books and records available to the requesting Member.

4.9.8 Membership Cards; Reserved Rights. The Master Association shall issue membership cards for use in the Community Center as set forth in the Declaration. The Declarant and the Master Association have certain reserved rights pertaining to the Community Center as set forth in the Declaration.

ARTICLE 5
UNIT DESCRIPTION AND PERCENTAGE OF VALUE

Section 5.1. Description of Units. The Project consists of 28 Units numbered 1 through 28 inclusive. Each Unit in the Condominium Project is described in this paragraph with reference to the Condominium Subdivision Plan of Townes at Grand Reserve surveyed by Giffels-Webster, Inc. and attached as Exhibit B. Each Unit shall include all the space, improvements and upgrades contained within the interior finished unpainted walls and ceilings and from the finished subfloor, all as shown on the floor plans and sections in attached Exhibit B and delineated with heavy outlines. Each Unit includes an attached garage and parking within such garage as shown on Exhibit B.

Section 5.2. Percentage of Value. The percentage of value assigned to each Unit shall be equal and the number obtained by dividing 100 by the number of Units in the Condominium.

The determination that the percentages of value of each Unit is equal was made after reviewing the comparative characteristics of each Unit in the Project which would affect maintenance costs and value and concluding that there are no material differences among the Units insofar as the allocation of percentage of value is concerned. The percentage of value assigned to each Unit shall be determinative of each Unit’s respective share of the Common Elements of the Condominium Project, and the proportionate share of each Unit in the proceeds and the expenses of administration, and the vote attributed to each Unit at meetings of the Association. The total value of all of the Units of the Project is one hundred percent (100%).
ARTICLE 6
EASEMENTS, RESERVATIONS AND AGREEMENTS

Section 6.1. Easement for Maintenance of Encroachments and Utilities. In the event any portion of a Unit or Common Element encroaches upon another Unit or Common Element due to shifting, settling or moving of a building, or due to survey errors, or construction deviations, reciprocal easements shall exist for the maintenance, repair or reconstruction of such encroachment for so long as such encroachment exists, and for maintenance thereof after rebuilding in the event of any destruction. There shall be easements to, through and over those portions of the land, structures, buildings and improvements for the continuing maintenance and repair of all utilities in the Condominium. This section shall not be construed to allow or permit any encroachment upon, or an easement for an encroachment upon, a Unit, without the consent of the Co-Owner of the Unit to be burdened by the encroachment or easement. Developer hereby reserves and declares permanent and perpetual non-exclusive easements to the Township, Genesee County and all other companies providing, operating and/or maintaining utility services and their respective successors, assigns and transferees for ingress and egress in, over, under and through all roads, walks and the other General Common Elements and the Limited Common Elements identified in Article 4 in the Condominium for the operation, maintenance, repair and replacement of the water supply system, sanitary sewer system, gas and electrical lines and all other utility lines or systems, and permanent easements to use, tap into, enlarge or extend all utility lines in the Condominium, including, without limitation, all water, gas, electric and sanitary sewer lines, all of which easements shall be for the benefit of the Community and all parties having any interest in any portion of the Community, including mortgagees of any portion of the Community. These easements shall run with land in perpetuity. Developer has no financial obligation to support such easements.

Section 6.2. Easement in Favor of the Association and Master Association. There shall be easements to and in favor of the Association and the Master Association, and their respective officers, directors, agents, and designees, in, on and over all Units and Common Elements in the Project for access to the Units, adjacent properties, Shared Improvements and Facilities, detention basins, drainage facilities, water and sewage disposal systems and other utilities, and the exterior and interior of each of the buildings that is now existing or hereafter constructed within the Project to permit the maintenance, repair, replacement, and/or decoration thereof in accordance with this Master Deed and the Declaration. Each Co-Owner shall be primarily responsible for maintenance of the exterior of all structures and improvements within a Co-Owner's Unit as set forth in Article 4 above. In the absence of performance by the Co-Owner involved, the Association or the Master Association may undertake the maintenance of a Unit or the exterior of structures and improvements and lawn and landscaping. If such work is performed upon a Unit by the Association or Master Association, the Co-Owner of the Unit shall reimburse the Association or Master Association for all costs incurred within fifteen (15) days of billing or the Association or Master Association shall have the right to recover its expenses in the same manner as established for the collection of assessments in Article 2 of the Bylaws and the Declaration. In no event shall the Association or Master Association be liable for the decoration, maintenance, repair, or replacement of any portion of the interior or exterior of a structure or other improvements on any Unit. There also shall exist easements to and in favor of the Association and Master Association, and their respective officers, directors, agents, and designees, in, on and over all Units and Common Elements of the Project and Shared
Improvements and Facilities for which the Association or Master Association may from time to time be responsible.

Section 6.3. Grant of Easements by Association. The Association, acting through its lawfully constituted Board of Directors (including any Board of Directors acting prior to the Transitional Control Date), shall be empowered and obligated to grant such easements, licenses, rights-of-entry and rights-of-way over, under and across the Condominium for utility purposes, access purposes or other lawful purposes as may be necessary for the benefit of the Condominium and Community, subject, however, to the approval of Developer so long as the Construction and Sales Period has not expired.

Section 6.4. Easements for Maintenance, Repair and Replacement. Developer, the Association and Master Association and all public or private utilities shall have such easements as may be necessary over the Condominium including all Units and Common Elements to fulfill any responsibilities of maintenance, repair, decoration or replacement which they or any of them are required or permitted to perform under the Condominium Documents. These easements include, without any implication of limitation, the right of the Association or Master Association to obtain access during reasonable hours and upon reasonable notice to water meters, sprinkler controls and valves and other Common Elements located within any dwelling on any Unit or any appurtenant Limited Common Elements.

Section 6.5. Roadway and Utility Easements: Private Road; Right-of-Way Dedication; Emergency Access. The Roads in and serving the Condominium are private roads and all expenses of insurance, maintenance, repair and replacement of the private Roads shall be paid by the Master Association and shall be assessed to the Co-Owners as set forth in the Bylaws and the Declaration. The Roads in the Project also serve the adjacent condominium known as Grand Reserve as described in the Declaration, and the owners units in Grand Reserve shall be assessed a share of the costs of insurance, maintenance, repair and replacement of the Roads through the Master Association as set forth in the Declaration. The owners of Grand Reserve have an easement and the right to use the Roads in common with the Co-Owners of Townes of Grand Reserve, as set forth in the Declaration. Developer reserves the right at any time during the Construction and Sales Period to grant easements for utilities over, under and across the Condominium and Community to appropriate governmental agencies or public or private utility companies and to dedicate or transfer title of Road rights of way and utilities to state, county or local governments, including a conveyance or dedication of an easement for right of way for roadway purposes. Any such easement or transfer of title may be conveyed by Developer without the consent of any Co-Owner, mortgagee or other person and may be evidenced by an appropriate amendment to this Master Deed and to Exhibit B hereto, recorded in the Genesee County Records. All Co-Owners and mortgagors of Units and other Persons interested in the Project from time to time are deemed to have irrevocably and unanimously consented to an amendment or amendments of this Master Deed to effect the foregoing easement or transfer of title. Developer reserves for itself, its successors and assigns, and all future owners of the land described in Article 2, Article 10, the Community, or any portion or portions thereof, an easement for the unrestricted use of the Roads in the Condominium for the purpose of ingress and egress to and from all or any portion of the land described in Article 2, Article 10 or the Community. Developer also reserves easements over all of the Common Elements areas of the Condominium and the land described in Article 2 or Article 10 for the purpose of reasonable
access from the Roads to the Units located on the land described in Article 2, Article 10 or the Community.

There shall exist for the benefit of the Township or any emergency service agency, an easement over all private Roads in the Condominium, for use by the Township and emergency vehicles for purposes of ingress and egress to provide fire and police protection, ambulance and rescue services and other lawful governmental or private emergency services to the Condominium Project and Co-Owners. This grant of easement shall not be construed as a dedication of any streets, roads, or driveways to the public. The Association or Master Association shall be responsible for maintenance of Road signs in accordance with the Michigan Manual of Uniform Traffic Control Devices, and the Township shall have the authority to enforce all applicable traffic codes and regulations on the Roads of the Condominium. As set forth in the Declaration, the Township is entitled to certain remedies in the event the Roads are not properly maintained by the Master Association.

Section 6.6. Telecommunications Agreements. The Association or Master Association, acting through their respective duly constituted board of directors and subject to Developer’s approval during the Construction and Sales Period, shall have the power to grant such easements, licenses and other rights of entry, use and access and to enter into any contract or agreement, including wiring agreements, right-of-way agreements, access agreements and multi-unit agreements and, to the extent allowed by law, contracts for sharing of any installation or periodic subscriber service fees as may be necessary, convenient or desirable to provide for telecommunications, videotext, broad band cable, satellite dish, earth antenna and similar services (collectively “Telecommunications”) to the Project or any Unit therein or the Community. Notwithstanding the foregoing, in no event shall the board of directors enter into any contract or agreement or easement, license or right of entry or do any other act or thing which will violate any provision of any federal, state or local law or ordinance. Any and all sums paid by any telecommunications or other company or entity in connection with such service, including fees, if any, for the privilege of installing same or sharing periodic subscriber service fees, shall be receipts affecting the administration of the Project or Community within the meaning of the Act and shall be paid over to and shall be the property of the Association or Master Association.

Section 6.7. Storm Drainage Facilities. Developer hereby reserves permanent non-exclusive easements over the Condominium, as shown on Exhibit B for the Storm Drainage Facilities for the benefit of the owners of the Condominium and the Community. The Storm Drainage Facilities shall be insured, maintained, repaired and replaced by the Master Association in accordance with the Declaration. The cost of such insurance, maintenance, repair and replacement shall be assessed to the owners of the Units through the Association as described in the Bylaws and as described in the Declaration. The Storm Drainage Facilities also serve the adjacent condominium known as Townes at Grand Reserve and easements are reserved for such purpose as described in the Declaration. The owners of the units in Townes at Grand Reserve shall be assessed a share of the cost of insurance, maintenance, repair and replacement of the Storm Drainage Facilities as set forth in the Declaration. Developer reserves the right to dedicate easements to the Genesee County Drain Commission for drainage purposes over all or a portion of the Storm Drainage Facilities in accordance with requirements of applicable governmental authorities and all Co-Owners and Mortgagees consent to such dedication.
Section 6.8. Utility Easements Potential Sanitary Sewer Tank. Easements for private and public Utilities including Water Lines, Storm Drainage Facilities, Sanitary Sewer Lines, natural gas, electricity and telecommunication service are reserved and established across the Units, and Common Elements as set forth on Exhibit B. Developer has or may enter into separate easement agreements and dedication with the Township of Grand Blanc, other governmental authorities or utility companies for sewer, water and utility purposes, the terms of which are incorporated herein by reference. The Developer further reserves the right at any time to grant easements for utilities over, under and across the Project to facilitate development of the Community and to appropriate governmental agencies or to utility companies and to transfer title to utilities to governmental agencies or to utility companies. Any such easement or transfer of title may be made by the Developer without the consent of any Co-Owner, mortgagee or other person and shall be evidenced by an appropriate amendment to this Master Deed and to Exhibit B hereto, recorded in the Genesee County Records or the recordings of a separate easement agreement. All of the Co-Owners and mortgagees of Units and other persons interested or to become interested in the Project from time to time shall be deemed to have irrevocably and unanimously consented to such amendment or amendments of this Master Deed or recording of a separate easement as may be required to effectuate the foregoing grant of easement or transfer of title. Some of the utilities in the Project may also serve Townes at Grand Reserve and some of the utilities in Townes at Grand Reserve may also serve the Project as set forth in the Declaration and reciprocal easements are reserved for such purpose. As part of the Shared Improvements and Facilities Developer reserves the right to install a sanitary sewer reserve tank and related facilities on certain designated Units or Open Space Areas within the Community in a manner approved by applicable governmental authorities. Developer has presently reserved the right to install an underground sanitary sewer reserve tank and related above ground facilities on Unit 181 and Unit 182 of the Grand Reserve Neighborhood or on a nearby Open Space Area, to be used for the purpose of detaining sanitary sewer flows during major storm events. If installed and operated, the sanitary sewer reserve tank and facilities will produce noise and odors.

Section 6.9. Further Rights Reserved to Developer. Developer reserves for itself, the Association, the Master Association, their respective successors and assigns and all Co-Owners of the land described in Article 2 and Article 10 and the adjacent parcels or portion or portions thereof, perpetual easements to use, tap, tie into, extend and enlarge all utility mains located in the Condominium, including, but not limited to water, gas, telephone, electrical, cable television, storm and sanitary sewer mains and appurtenances as necessary to serve the Community. Developer further reserves easements over the land described in Article 2 and Article 10 and the adjacent parcels above for the purpose of reasonable access from the Roads to the Units and residences in furtherance of the development of the Project or the Community.

Section 6.10. Easement for Shared Improvements and Facilities. Pursuant to the Declaration, easements are reserved and declared for the benefit of all owners of the Community for use, benefit, maintenance and repair of the Shared Improvements and Facilities as set forth in the Declaration.

Section 6.11. Developer’s Right to Use Facilities and Roads. Developer, its successors and assigns, agents, contractors and employees may maintain offices, model Dwellings within Units, parking, storage areas and other facilities within the Condominium Project as it deems necessary to facilitate the development and sale of the Project. Developer shall have the right of
access to, from and over the Project as may be reasonable to enable the development and sale of
the Condominium Project. Developer shall reasonably restore the facilities used by Developer
upon termination of such use. Developer intends to construct model homes and Units and
maintain a model home area in the Community. Developer reserves the right to limit access to
those private Roads in the Community along which the model homes or Units are constructed,
during the period of Developer's development, construction and sale of homes and Units in the
Community, as it may be expanded.

ARTICLE 7
AMENDMENT

This Master Deed and the Condominium Subdivision Plan (Exhibit B to the Master
Deed) may be amended with the consent of sixty-six and two-thirds percent (66 2/3%) of the Co-
Owners, except as set forth below:

Section 7.1. Modification of Units or Common Elements. No dimensions of any Unit
or its appurtenant Limited Common Elements may be modified without the consent of the Co-
Owner in any material manner without the written consent of the Co-Owner, except as otherwise
expressly provided in this Master Deed including determining the exact location and dimensions
of the Limited Common Elements as set forth in Article 4 above.

Section 7.2. Mortgagees Consent. To the extent required by Section 90a(9) of the Act,
wherever a proposed amendment would alter or change the rights of mortgagees generally, then
such amendment shall require the approval of sixty-six and two-thirds percent (66 2/3 %) of all
first mortgagees of record allowing one vote for each first mortgage held.

Section 7.3. By Developer. Pursuant to Section 90(l) of the Act, Developer hereby
reserves the right, on behalf of itself and on behalf of the Association, to amend this Master Deed
and the Condominium Documents without approval of any Co-Owner or mortgagee for the
purposes of correcting survey or other errors, including building location errors, and for any
other purpose unless the amendment would materially alter or change the rights of a Co-Owner
and of a mortgagee, in which event Co-Owner and mortgagee consent shall be required as above
provided in the introductory paragraph of this Article 7, and in Section 7.2 of this Article, except
as otherwise provided in this Article.

Section 7.4. Changes in Percentage of Value. The method or formula used to determine
the percentage of value of Units in the Project for other than voting purposes may not be
modified without the Consent of the affected Co-Owner or Mortgagee. A Co-Owner's Unit
dimensions or appurtenant Limited Common Elements may not be modified without the consent
of each affected Co-Owner.

Section 7.5. Termination, Vacation, Revocation or Abandonment. The Condominium
Project may not be terminated, vacated, revoked or abandoned without the written consent of all
Co-Owners.
Section 7.6. Developer Approval. During the Construction and Sales Period Article 4, Article 5, Article 6, Article 7, Article 8, Article 9, Article 10 and Article 11 shall not be amended nor shall the provisions thereof be modified by any other amendment to this Master Deed without the written consent of Developer.

Section 7.7. Further Amendment Rights Reserved to Developer. Notwithstanding any contrary provisions of the Master Deed or Bylaws, but subject to the limitations set forth in Section 7.4 above and Section 90(3) of the Act, Developer reserves the right to materially amend the Master Deed or any of its exhibits for the following purposes:

7.7.1 To modify the types and sizes of Units and the General Common Elements and any Limited Common Elements adjoining or appurtenant to Units prior to sale of such Unit to a Co-Owner so long as such modification complies with the requirements of applicable governmental authorities, and does not interfere with adjacent Units or their appurtenant Limited Common Elements which have been sold to a Co-Owner.

7.7.2 To amend the Bylaws subject to any restriction on amendments stated in the Bylaws.

7.7.3 To correct arithmetic errors, typographical errors, survey or plan errors, deviations in construction or any similar errors in the Master Deed, Condominium Subdivision Plan or Bylaws, or to correct errors in the boundaries or location of improvements.

7.7.4 To clarify or explain the provisions of the Master Deed or Exhibits.

7.7.5 To comply with the Act or rules promulgated thereunder, or any requirements of any governmental or quasi-governmental agency or any financing institution or entity providing mortgage loans for Units to the Condominium.

7.7.6 To make, define or limit easements affecting the Condominium.

7.7.7 To record an “AS BUILT” Condominium Subdivision Plan and/or Consolidating Master Deed and/or designate any improvements shown in Exhibit B as “MUST BE BUILT”, subject to any limitations or obligations imposed by the Act.

7.7.8 To convert the Condominium as set forth in Article 8 below.

7.7.9 To contract the Condominium as provided in Article 9 below.

7.7.10 To expand the Condominium as provided in Article 10 below.

7.7.11 To consolidate or modify Units and Common Elements as provided in Article 11 below.

7.7.12 To expand the Condominium or Community to add additional land as described in Article XII of the Declaration and Article 10 below.
The amendments described in this Section 7.7 may be made without the consent of Co-
Owners or mortgagees. The rights reserved to Developer under this section may not be amended 
extcept with the consent of the Developer.

Section 7.8. Declaration. Developer is developing the Project as a part of The 
Grand Reserve Community in accordance with the Declaration. Accordingly, the provisions of 
this Master Deed shall be subject to the provisions of the Declaration. Notwithstanding anything 
to the contrary contained in this Master Deed, any amendment to this Master Deed that conflicts 
with the terms of the Declaration or affects the development or use of the Community shall 
require the prior approval of the board of directors of the Master Association.

Section 7.9 Township Approval. Notwithstanding anything to the contrary in this 
Master Deed, any amendment to this Master Deed that would be inconsistent with the approved 
final site plan for the Project shall require the approval of Grand Blanc Township.

ARTICLE 8
CONVERSION OF CONDOMINIUM

The Condominium is established as a convertible condominium in accordance with the 
provisions of this Article and the Act:

Section 8.1. Convertible Areas. All present and future Common Elements and 
Units are designated as Convertible Areas and the land area within which the Units and Common 
Elements (or Shared Improvements and Facilities) may be expanded and modified and within 
which Limited Common Elements may be created as provided in this Article 8. The Developer 
reserves the right, but not the obligation, to convert all or any portion of the Convertible Areas. 
Units may be expanded, modified or decreased as provided in this Article 8. All structures and 
improvements within the Convertible Areas of the Condominium shall be compatible with 
residential uses (including but not limited to recreational facilities and incidental commercial 
services designed primarily to serve the residents of the Community) and with the structures and 
improvements on other portions of the Project, as determined by Developer in its sole discretion.

Section 8.2. Right to Convert. The Developer reserves the right, in its sole 
discretion, during a period ending six years from the date of recording this Master Deed, to 
modify the size, location, and configuration of any Unit that it owns in the Condominium, and to 
make corresponding changes to the Common Elements or to create General or Limited Common 
Elements. Provided, however, no portion of a Unit owned by a Co-Owner other than Developer 
shall be converted without such Co-Owner's consent.

Section 8.3. Restrictions on Conversion. All improvements constructed or installed 
within the Convertible Areas described above shall be restricted exclusively to residential use 
and to such Common Elements as are compatible with residential use (including but not limited 
to recreational facilities and incidental commercial services designed primarily to serve the 
residents of the Community). There are no other restrictions upon such improvements except 
those which are imposed by state law, local ordinances or building authorities. The extend to 
which any change in the Convertible Areas is compatible with the original Master Deed is not
limited by this Master Deed but lies solely within the discretion of Developer, subject only to the
requirements of local ordinances and building authorities, including the Township.

Section 8.4. Consent Not Required. The consent of any Co-Owner shall not be
required to convert the Convertible Areas except as provided in Section 8.2 above. All of the Co-
Owners and mortgagees and other persons interested or to become interested in the
Condominium from time to time shall be deemed to have irrevocably and unanimously
consented to such conversion of the Convertible Areas and any amendment or amendments to
this Master Deed to effectuate the conversion and to any reallocation of Percentages of Value of
existing Units which Developer may determine necessary in connection with such amendment or
amendments. All such interested persons irrevocably appoint the Developer or its successors, as
agent and attorney for the purpose of execution of such amendment or amendments to the Master
Deed and all other documents necessary to effectuate the foregoing. Such amendments may be
effected without the necessity of re-recording the entire Master Deed or the Exhibits thereto and
may incorporate by reference all or any pertinent portions of this Master Deed and the Exhibits
hereto. Nothing herein contained, however, shall in any way obligated Developer to convert the
Convertible Areas. These provisions give notice to all Co-Owners, mortgagees and other
persons acquiring interests in the Condominium that such amendments of this Master Deed may
be made and recorded, and no further notice of such amendments shall be required.

Section 8.5. Amendment to Master Deed. All modifications to Units and Common
Elements made pursuant to this Article 8 shall be given effect by appropriate amendments to this
Master Deed in the manner provided by law, which amendments shall be prepared by and at the
discretion of the Developer and in which the percentages of value set forth in Article 5 hereof
shall be proportionately readjusted, if the Developer deems it to be applicable, in order to
preserve a total value of 100% for the entire Condominium resulting from such amendments to
this Master Deed. The precise determination of the readjustments in percentages of value shall be
made within the sole judgment of Developer. Such readjustments, however, shall reflect a
continuing reasonable relationship among percentages of value based upon the original method
and formula described in Article 5 of this Master Deed. Such amendments to the Master Deed
shall also contain such further definitions and redefinition of General or Limited Common
Elements as may be necessary to adequately describe and service the Units and Common
Elements being modified by such amendments. In connection with any such amendments,
Developer shall have the right to change the nature of any Common Element previously included
in this Condominium for any purpose reasonably necessary to achieve the purposes of this
Article 8.

ARTICLE 9
CONTRACTION OF CONDOMINIUM

Section 9.1. Units and Common Elements. Developer reserves the right to
withdraw from the Condominium any present or future Units of the Condominium and any
General Common Element land areas of the Condominium. At the option of the Developer,
within a period ending no later than six years from the date of recording this Master Deed, the
land included in the Condominium may be contracted to withdraw from the Condominium any
present or future Units or any portion of the General Common Elements of the Condominium
(“Contractible Area”) when and if Developer, in its sole discretion, determines that development
of the Condominium would be best served by such contraction. The consent of any Unit owner to the contraction of such owner’s Units shall be obtained prior to contraction of a Unit owned by an owner other than Developer.

Section 9.2. Withdrawal of Land. In connection with such contraction, Developer unconditionally reserves the right to withdraw from the Condominium that portion of the land described in Article 2 that is dedicated to public use as the road rights-of-way and all or any portion of the Contractible Area described above. The withdrawal of such land pursuant to this Article 9 shall be effected by an amendment of the Master Deed as provided in 9.4 below, and by a conveyance of such Contractible Area, or by a dedication or grant of easement of the road rights-of-way in the Condominium to the Genesee County Road Commission (or any other appropriate governmental unit with appropriate jurisdiction) in the case of withdrawal of the road rights-of-way.

Section 9.3. Restrictions on Contraction. Apart from satisfying any governmental conditions to dedication of the road and road right-of-ways or other contraction, there are no restrictions on Developer’s right to contract the Condominium as provided in this Article 9, except as set forth in 9.1 above.

Section 9.4. Consent Not Required. The consent of any Co-Owner shall not be required to contract the Condominium or to dedicate the roads and road right-of-ways to public use except as set forth in the last sentence of 9.1 above. All of the Co-Owners and mortgagees an other persons interested or to become interested in the Condominium from time to time shall be deemed to have irrevocably and unanimously consented to contraction of the Condominium and any amendment or amendments to this Master Deed to effectuate the contraction. All such interested persons irrevocably appoint the Developer or its successors, as agent and attorney for the purpose of execution of such amendment or amendments to the Master Deed and all other documents necessary to effectuate the foregoing. Such amendments may be effected without the necessity of re-recording an entire Master Deed or the Exhibits thereto and may incorporate by reference all or any pertinent portions of this Master Deed and the Exhibits hereto. Nothing herein contained, however, shall in any way obligate Developer to dedicate the roads and road right-of-ways in the Condominium to public use or to thereafter contract the Condominium as herein provided. These provisions give notice to all Co-Owners, mortgagees and other persons acquiring interests in the Condominium that such amendments of this Master Deed may be made and recorded, and no further notice of such amendment shall be required.

Section 9.5. Redefinition of Common Elements. The amendment or amendments to the Master Deed contracting the Condominium shall also contain such further definitions and redefinition of General Common Elements or Limited Common Elements and maintenance responsibilities as may be necessary adequately to describe, serve and provide access to the Project as reduced and otherwise comply with agreements and requirements of applicable governmental authorities for development of the Condominium. In connection with any such amendment(s), Developer shall have the right to change the nature of any Common Element or easement previously included in the Project for any purpose reasonably necessary to achieve the purposes of this Article 9.
Section 9.6. **Consolidating Master Deed.** A Consolidating Master Deed may be recorded pursuant to the Act when the Project is finally concluded as determined by Developer in order to incorporate into one set of instruments all successive stages of development. The Consolidating Master Deed, when recorded, and as above provided in Section 3.13, shall supersede the previously recorded Master Deed and all amendments thereto.

**ARTICLE 10**

**EXPANSION OF CONDOMINIUM**

Section 10.1. **Area of Future Development.** The Project established pursuant to the initial Master Deed of Townes at Grand Reserve consists of one hundred fifty nine (159) Units and may be the first stage of an expandable condominium under the Act.

There is presently no area of Future Development in the Project. However, as described in Article XII of the Declaration, Developer has reserved the right to add additional land to the Community. In the event Developer determines that the Community would be best served by the addition of all or a portion of such additional land as a part of the Condominium, the Developer shall have the right to amend this Master Deed to include such additional land as a Future Development area of the Condominium and to add all or a portion of such Future Development areas as Units and Common Elements of the Condominium subject to and in accordance with this Article 10.

Section 10.2. **Increase in Number of Units.** Any other provisions of this Master Deed notwithstanding, the number of Units in the Project may, at the option of Developer from time to time, with a period ending no later than six (6) years from the date of this Master Deed, be increased by the addition to this Condominium of all or any portion of the area of Future Development and the establishment of Units thereon. The location, nature, appearance, design (interior and exterior) and structural components of the dwellings and other improvements to be constructed within the area of Future Development shall be determined by Developer in its sole discretion subject only to approval by the Township, but all such improvements shall be reasonably compatible with the existing structures in the Project, as determined by Developer in its sole discretion. No Unit shall be created within the area of Future Development that is not restricted exclusive to residential use (including but not limited to recreational facilities and incidental commercial services designed primarily to serve the residents of the Community). Developer reserves the right to create easements within the initial Project for the benefit of area of Future Development and adjacent properties and the Community.

Section 10.3. **Expansion Not Mandatory.** Developer is not obligated to enlarge the Condominium Project beyond the initial Project area established by this Master Deed and Developer may, in its discretion, establish all or a portion of the area of Future Development, if any, as a separate condominium project (or projects) or any other form of development. There are no restrictions on the election of Developer to expand the Project other than as explicitly set forth herein. There is no obligation on the part of Developer to add to the Condominium Project all or any portion of the area of Future Development described in this Article nor is there any obligation to add portions thereof in any particular order or to construct particular improvements in any specific location. Developer has reserved easements over the Project for the benefit of the property described in Section 10.1 above regardless of whether the area of Future Development
is added to the Condominium. Developer may create Limited Common Elements within the area of Future Development and designate Common Areas thereon which may be subsequently assigned as Limited Common Elements. The nature of the Limited Common Elements to be added is within the exclusive discretion of the Developer.

Section 10.4. Amendment to Master Deed and Modification of Percentages of Value. Expansion of the Condominium shall be given effect by an appropriate amendment or amendments to this Master Deed in the manner provided by law, which amendment or amendments shall be prepared by and at the discretion of Developer and shall provide that the percentages of value, to the extent appropriate, set forth in Article 5 above shall be proportionately readjusted in order to preserve the total value of one hundred (100%) per cent for the entire Project resulting from such amendment or amendments to this Master Deed. The precise determination of such readjustment shall be in the sole judgment of Developer. Such readjustment, however, shall reflect a continuing reasonable relationship among percentages of value based upon the original method of determining percentages of value for the Project.

Section 10.5. Redefinition of Common Elements. Such amendment or amendments to the Master Deed shall also contain such further definitions and redefinitions of General Common Elements or Limited Common Elements and maintenance responsibilities as may be necessary adequately to describe, serve and provide access to the Project as expanded, or to the additional parcel or parcels added to the Project by such amendment and otherwise comply with agreements and requirements of applicable governmental authorities for development of the Condominium. In connection with any such amendment(s), Developer shall have the right to change the nature of any Common Element or easement previously included in the Project for any purpose reasonably necessary to achieve the purposes of this Article 10.

Section 10.6. Consolidating Master Deed. A Consolidating Master Deed shall be recorded pursuant to the act when the Project is finally concluded as determined by Developer in order to incorporate into one set of instruments all successive stages of development. The Consolidating Master Deed, when recorded, and as above provided in Section 3.13 above, shall supersede the previously recorded Master Deed and all amendments thereto.

Section 10.7. Consent of Interested Parties. All of the Co-Owners and mortgagees of Units and other persons interested or to become interested in the Project from time to time shall be deemed to have irrevocably and unanimously consented to such amendment or amendments to this Master Deed to effectuate the purpose and intent of Article 10 and to any proportionate reallocation of percentages of value of existing Units which Developer may determine necessary in conjunction with such amendment or amendments. All such interested persons irrevocably appoint Developer as agent and attorney for the purpose of execution of such amendment or amendments to the Master Deed and all other documents necessary to effectuate the foregoing. Such amendment may be effected without the necessity of recording the entire Master Deed or the Exhibits hereto and may incorporate by reference all or any pertinent portions of this Master Deed and Exhibits.
ARTICLE 11
SUBDIVISION, CONSOLIDATION AND OTHER MODIFICATION
OF UNITS AND COMMON ELEMENTS;
RIGHT TO CONSTRUCT AMENITIES

Notwithstanding anything to the contrary contained in this Master Deed or the Bylaws, the Units and Common Elements in the Project may be consolidated, modified and the boundaries relocated, in accordance with Section 48 and Section 49 of the Act and this Article 11. Any such consolidation, modification or boundary relocation shall be reflected in a duly recorded amendment to this Master Deed.

Section 11.1. By Developer. Developer reserves the right solely for the benefit of Developer during the Construction and Sale Period and without the consent of any other Co-Owner or any mortgagee of any Unit to:

11.1.1 Subdivide Units; Consolidation of Units; Relocation of Boundaries. Subdivide or re-subdivide any Unit Developer owns, consolidate under single ownership two or more Units that are located adjacent to one another, and relocate any boundaries between adjoining Units. Such subdivision or re-subdivision of Units, consolidation of Units and relocation of boundaries of Units shall be given effect by an appropriate amendment or amendments to this Master Deed in the manner provided by law, which amendment or amendments shall be prepared by the Developer, its successors or assigns.

11.1.2 Amendments to Effectuate Modification. In any amendment or amendments resulting from the exercise of the rights reserved to Developer in Section 11.1.1 above, each portion of the Unit or Units resulting from such subdivision, consolidation or boundary adjustment shall be separately identified by number and the percentage of value for the Unit or Units subdivided, consolidated or as to which boundaries are relocated shall be proportionately allocated to the new Condominium Units in order to preserve a total value of 100% for the entire Project resulting from such amendment or amendments to this Master Deed; provided, however, the percentage of value for all Units in the Project shall remain equal. Such amendment or amendments to the Master Deed shall also contain such further definitions of Common Elements as may be necessary to adequately described the Units in the Condominium Project as so subdivided, consolidated or modified. All of the Co-Owners and mortgagees of Units and other Persons interested or to become interested in the Project from time to time shall be deemed to have irrevocably and unanimously consent to such amendment or amendments of this Master Deed to effectuate the forgoing and to any proportionate reallocation of percentages of value of Units which Developer or its successors may determine necessary in conjunction with such amendment or amendments. All such interested persons irrevocably appoint Developer or its successors as agent and attorney for the purposes of execution of such amendment or amendments to the Master Deed and all other documents necessary to effectuate the foregoing. Such amendments may be effected without the necessity of recording an entire Master Deed or the Exhibits.

Section 11.2. Right to Construct Amenities. Subject to the terms of the Declaration, Developer reserves the right to construct various amenities, including, by way of example,
entranceway monuments, street signs and other signage, foot bridges, jogging or walking paths, nature trails, detention pond areas, landscaping features, fences, walls, benches, tables, and other structures and improvements anywhere within the Common Elements (the foregoing shall be collectively referred to as the “Amenities”). For any Amenities included in the Condominium, all Co-Owners shall be obligated to contribute to the cost of insurance, maintenance, repair and replacement of the Amenities as an expense of administering the Project through assessments by the Association or Master Association. However, Developer has no obligation to construct any Amenities or to include any Amenities in the Condominium. The final determination of the design, layout and location of such Amenities, if constructed, shall be in Developer’s sole discretion.

**ARTICLE 12**

**ASSIGNMENT**

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

Dated: **August 29**, 2006

*(signature on the following page)*
DEVELOPER:

PULTE LAND COMPANY, LLC, a Michigan limited liability company

By:                             

Clark G. Doughty  
Its: Vice President

STATE OF MICHIGAN } ss.
COUNTY OF OAKLAND } ss.

On this 29th day of August, 2006, the foregoing Master Deed was acknowledged before me by Clark G. Doughty, the Vice President of Pulte Land Company, LLC, a Michigan limited liability company, on behalf of said Company.

ALLISON ELMER
NOTARY PUBLIC - STATE OF MICHIGAN  
COUNTY OF MACOMB  
My Commission Expires June 29, 2012  
Acting in the County of OAKLAND

Oakland County, Michigan  
Acting in Oakland County, Michigan  
My Commission Expires: ___________

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