

DECLARATION OF COVENANTS, CONDITIONS, AND RESTRICTIONS

THIS DECLARATION made on the date hereinafter set forth by Republic Development Corporation, a Michigan corporation, hereinafter referred to as "Declarant."

WITNESSETH:

WHEREAS, Declarant is the owner of certain lands located in Sections 3 and 4, Waterford Township, and Section 34, Independence Township, Oakland County, Michigan, consisting of approximately 188 acres including subaqueous land as described on Exhibit A;

AND WHEREAS, Declarant will be platting certain portions of this land as single family subdivisions;

AND WHEREAS, Declarant will be conveying certain portions of this land as 'Open Space' to a Homeowners Association,

NOW, THEREFORE, Declarant will immediately form a Homeowners Association and convey to it certain lands, or portions of lands owned by it for the sole usage as "Open Space."

The legal description of land conveyed will be in accordance with agreement between Waterford township and Declarant at time of final approval of each plat, and shall be deemed attached hereto and made a part hereof by virtue of Declarant filing amendments to this Declaration of Covenants, Conditions and Restrictions.

ARTICLE I
DEFINITIONS

Section 1. "Association" shall mean and refer to Parkwoode Shores Homeowners Association, a Michigan nonprofit corporation, its successors or assigns.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of the fee title to any lot shown on the recorded plat of any subdivision including land contract purchasers and excluding land contract vendors; provided, however, that during the period that any land is in force between Declarant and any purchaser from the Declarant who is acquiring a lot or lots for the purpose of constructing a home or homes thereon for sale to another, the Declarant shall be deemed to be the owner of any such lot or lots.

Section 3. "Subdivision" shall mean and refer to all of that portion or portions of the land which comprise a recorded plat.

Section 4. "Open Space" shall mean any land described by metes and bounds and so designated.

Section 5. "Lot" shall mean and refer to any numbered lot in a "Subdivision" as defined in Section 3 above.

Section 6. "Declarant" shall mean and refer to Republic Development Corporation, a Michigan corporation, and such of its successors and assigns to whom Declarant shall specifically assign any rights, powers, or obligations under this Declaration.

ARTICLE II
PROPERTY RIGHTS

Section 1. Owner's Easements of Enjoyment. The Declarant shall convey the open space to the Association prior to the approval by Waterford Township of any final plat to which the open space abuts. Title to the open space will be conveyed by warranty deed to the Association. This conveyance to the Association will be a metes and bounds description setting forth the description of the open space and be subject to this Declaration of Covenants, Conditions, and Restrictions which shall run with the land forever and which shall pass with the title to every lot and be appurtenant thereto as listed below:

- (a) The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon any open space, it being understood that the Declarant shall have no obligation to install any recreational facility upon the open space.
- (b) The right of the Association to suspend the voting rights and right to the use of the open space and recreational facilities, if any, by an owner for any period during which any assessment against his lot remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations.
- (c) The right of the Association to dedicate or transfer all or any part of the open space to any public agency, authority or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless agreed to in writing by two-thirds (2/3) of the members and unless approved by the Waterford Township Board provided, however, that the Declarant may make any such dedication or transfer on behalf of the Association without the agreement of any members with the approval of the Waterford Township Board so long as the Declarant is the owner of any portion of the land described in Exhibit A for which a final plat has not been recorded an/or is the owner of ten (10%) percent or more of the lots within any subdivision of which a plat has been recorded.
- (d) The subject land shall forever remain as open space to be used by the members of the Association for recreational purposes only.
- (e) Each member of the Association shall have the right to enter upon and use said land and the recreational facilities thereon subject to the other listed restrictions in the deed.
- (f) No member shall ever at any time have the right to use, possess or own any individual private dock rights on the existing shoreline abutting the open space of the lakes, providing, however, that the Association shall have the right to create dock facilities on the shoreline of the open space to be used, maintained and controlled by the members in common. Such dock facilities in no event shall ever exceed 900 feet of the total existing shoreline abutting the open space.

- (g) No residential or commercial structure for profit shall ever be constructed on the open space (except for recreational facilities as determined by the Association).
- (h) The riparian rights of any lot owner whose property abuts the canal shall be subject to the terms and conditions of this Declaration of Covenants, Conditions and Restrictions and as the same may be amended.
- (i) The deed shall also provide that should the Association ever at any time neglect to maintain the open space, thus creating a nuisance which might be detrimental to health and public welfare, then, and in that event, the Charter Township of Waterford may upon determination by a Resolution of the Township Board after thirty (30) days written notice to the Association have the power to cure the situation creating such nuisances and levy a charge against the Association for the cost of terminating such nuisance.

Section 2. The warranty deed to the open space to the Association shall be further subject to an easement for the use of the owners of lots in Lakeland Estates Subdivisions No. 1, 2, & 3, granting to such owners an exclusive easement (not in common with the owners of the Parkwoode Shores Subdivisions No. 1 and 2) to the use of an area 200 feet by 10 feet on the canal area, together with an exclusive access easement to the 200 feet by 10 feet canal area and an exclusive easement to the now existing tennis court facilities located in the southeast corner of the project with an access way as an easement, in common with others, to and from both such easements, it being understood, however, that the conveyance of these exclusive easements shall impose on the owners of lots in Lakeland Estates Subdivisions No. 1, 2 and 3, the obligation of maintaining and caring for both the dock facilities on the canal and the tennis court facilities in the southeast corner of the property together with all access ways. This conveyance of exclusive easements shall also provide that should the residents of Lakeland Estates Subdivisions No. 1, 2 and 3 use either of these facilities, other than for the purpose granted or should they ever fail to maintain the area to the standards imposed by the association, these easements shall terminate and said property shall automatically revert to the Association, extinguishing all easement rights contained in said grant.

Section 3. Should the Department of Housing and Urban Development or the Veterans Administration or any other governmental agency having jurisdiction over this development refuse to accept any of the terms of this agreement, and should Waterford Township and Republic Development Corporation not agree to add or delete terms as required by any of these agencies, Republic Development Corporation shall have the right to cancel and void this agreement, provided construction of the structures has not begun.

Section 4. Delegation of Use. Any owner may delegate, in accordance with the By-Laws, his right of enjoyment to the open space and facilities to the members of his family, his guests, tenants, or contract purchasers who reside on the property.

Section 5. The open space shall be left in its natural state except where it may be necessary to cross any park area with utility lines, including but not limited to sewer, water, electrical, and telephone lines and further except for recreational facilities as determined by the Association.

Section 6. The conveyance by the Declarant to the Association of any open space shall be subject to the following: easements, restrictions, any matters shown on the plat

of any subdivision which abuts to the open space, any matter which would be disclosed by an accurate survey of the land to be conveyed, the rights of Waterford Township and the public in any portion of the open space dedicated or granted or to be granted to Waterford Township pursuant to any agreement between the Declarant and Waterford Township, or any requirement of Waterford Township, the rights of the public in any portion of the land used for street, road, or highway purposes, any of the reserved rights of the Declarant under this Declaration, or the deed conveying the open space to the Association.

Section 7. It is hereby declared that Waterford Township be specifically empowered under Section 3 of Act 206 of 1893, as amended, to consider all grantees of any legal interest in and right to the use of the "open space" under deeds given pursuant to this agreement and recorded plat as occupants of said open space and may, in its discretion, assess and levy real estate taxes in proportion to said interest, against the grantees, their heirs and assigns. In such event, and for such tax year, the open space shall be assessed as possessing no value for real estate tax purposes. In the event the Township shall assess in the manner as provided in the paragraph next preceding, the Board of Directors of the Association shall have the right for any such period covered by such assessment to calculate the proportion of the assessment as the same relates to members of the Association not owning lots in Parkwoode Shores, namely members of the Association owning lots in Lakeland Estates Subdivisions No. 1, 2 and 3, and for said owners only the dues and/or annual or special assessments as provided in Article IV shall be adjusted to allocate a portion of the assessments to said lot owners. It is the express intention of the foregoing that the Board of Directors shall make this determination, which determination shall be absolute and binding upon the lot owners in Lakeland Estates Subdivisions No. 1, 2 and 3.

ARTICLE III MEMBERSHIP AND VOTING RIGHTS IN ASSOCIATION

Section 1. Class of Membership. Declarant will create a homeowners association which shall be termed the Parkwoode Shores Homeowners Association (P.S.H.A.). Every owner of a lot within any subdivision which is included within this Declaration shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any lot. This Association will be a non-profit corporation and will require from each owner a contribution for the maintenance of the open space. Membership to the P.S.H.A. will be open on a voluntary basis and for a reasonable length of time to all owners of homes in the Lakeland Estates Subdivisions No. 1, 2 and 3, subject, of course, to payment of dues to the P.S.H.A. as determined by the P.S.H.A.

Section 2. Voting Rights. Each member shall be entitled to one vote for each lot of which it is the owner. When more than one person holds an ownership interest in any lot, all such persons shall be members and the vote for such lot shall be exercised as they among themselves determine and designate to the Association, but in no event shall more than one vote be cast with respect to any such lot, and in the absence of such determination and designation of who is to exercise the vote, the eldest of such persons shall be deemed the person so designated. The Declarant shall also be entitled to two (2)

votes for each acre of land of which it is the owner and for which a final plat has not, at the time of the vote, been recorded and/or has not been conveyed or committed to be conveyed to the Homeowners Association.

ARTICLE IV
COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Declarant, for each lot it owns, hereby covenants, and each purchaser of any lot by acceptance of a deed or other conveyance therefor, whether or not it shall be so expressed in any such deed or other conveyance, hereby covenants and agrees, for himself, his heirs, personal representatives, successors and assigns, to pay to the Association:

- (a) Annual assessments of charges of not less than Fifteen (\$15.00) Dollars per year, payable monthly or on any other periodic basis as may be designated by the Board of Directors of the Association.
- (b) Special assessments for capital improvements, such assessments to be fixed, established, and collected from time to time as hereinafter provided.
- (c) The annual and special assessments, together with such interest thereon and costs of collection thereof as hereinafter provided, shall be a charge on the land and shall be a continuing lien upon the property against which each such assessment is made until it is paid. Each such assessment, together with such interest thereon and cost of collection thereof as hereinafter provided, shall also be the personal obligation of the person who was the owner of such property at the time when the assessment fell due.
- (d) The lien provided for herein shall be subordinate to the lien of any mortgage or mortgages on any lot. The sale or transfer of any lot shall not affect the assessment lien. The sale or transfer of any lot which is subject to any mortgage pursuant to a decree of foreclosure under such mortgage or any proceeding in lieu of foreclosure, however, shall extinguish the lien of such assessment as to payments thereof which become due prior to such sale or transfer. No sale or transfer shall relieve such lot from responsibility for any assessments thereafter becoming due, from the lien thereof or from assessments which include a share of previously assessed and uncollected assessments.

Section 2. Purpose of Assessments. The assessments levied by the Association shall be used for the purpose of payment of insurance premiums and taxes on the open space, the maintenance of the open space, including any retention ponds, if any, unless the maintenance of them has been taken over by a public agency or unit of government, the cost of labor, materials, management, and the supervision of the open space and sums necessary to reimburse the Charter Township of Waterford for labor and materials used in nuisance abatement.

Section 3. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, or replacement of a capital

improvement upon the open space, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of two-thirds (2/3) of the votes of members who are voting in person or by proxy at a meeting duly called for this purpose. Written notice of said meeting shall be given to all members at least fifteen (15) days in advance of same, and shall set forth the purpose of the meeting.

Section 4. Notice and Quorum for Any Action Authorized Under Section 3.

Written notice of any meeting under Section 3 shall be sent to all members not less than fifteen (15) days nor more than thirty (30) days in advance of the meeting. At the first such meeting called the presence of members or of proxies entitled to cast sixty (60%) percent of all votes shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 5. Uniform Rate of Assessment. Both annual and special assessments must be fixed at a uniform rate for all lots (except as provided in Section 7 of Article II) and may be collected on a monthly basis or any other basis established by the Board of Directors.

Section 6. Date of Commencement of Annual Assessments: Due Dates.

The annual assessments against each Lot still owned by the Declarant one (1) year from the date of the recording of the plat in which the Lot or Lots are located, or one (1) year from the date of completion of the installation of all subdivision improvements including water main, sanitary sewer, storm sewer and paving, whichever is later, shall commence one (1) year from the date of the recording of the plat, or one (1) year from the date of completion of the of the installation of all subdivision improvements, including water main, sanitary sewer, storm sewer and paving, whichever is later. The annual assessments provided for herein shall commence as to all other Lots the first day of the month following the conveyance of the Lot to an owner other than Declarant. The first annual assessment for the Declarant and for each new owner shall be adjusted according to the number of months remaining in the calendar year in which the assessment commences. The Board of Directors shall fix the amount of the annual assessment against each Lot at least forty (40) days in advance of each annual assessment period. Written notice of the annual assessment shall be sent to every Owner subject thereto at his last address shown on the Association's records. The due dates shall be established by the Board of Directors. The Association shall, upon demand and for a reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. The Board of Directors may also, in its discretion, designate and retain a collecting agency for the Association to whom assessment payments shall be made.

Section 7. Effect on Non-Payment of Assessment: The Personal Obligation of the Owner; the Lien; Remedies of Association. If the assessments are not paid on the date when due (being the dates specified in Section 6 hereof), then such assessment shall become delinquent and shall, together with such interest thereon and cost of collection thereof as hereinafter provided, thereupon become a continuing lien on the property, which shall bind such property in the hands of the then Owner, his heirs, devisees, personal representatives and assigns.

If the assessment is not paid with thirty (30) days after the delinquency date, the assessment shall bear interest from the date of delinquency at the rate of seven (7%) percent per annum, and the Association, or its collecting agent designated by the Board of Directors, may bring any action at law against the owner personally obligated to pay same or to foreclose the lien against the property in the same manner mortgages are foreclosed by a court action, and there shall be added to the amount of such assessment the costs of preparing and filing the complaint in such action and in the event a judgment is obtained, such judgment shall include interest on the assessment as above provided and a reasonable attorney's fee to be fixed by the court together with the costs of the action. In addition thereto, the Association may deny to the owner the use and enjoyment of any of the park areas and facilities thereon, if any, until the delinquent assessment is paid along with any interest, costs, and other sums set forth above which the Association is entitled to receive.

ARTICLE V MAINTENANCE DUTIES AND RIGHTS OF THE ASSOCIATION

The Association, acting through its Board of Directors, shall maintain the open space to the extent deemed necessary by the Association, shall pay the cost of maintenance, taxes and insurance on the open space, shall maintain and add to the open space as deemed necessary by the Association, and shall pay for the cost of materials and supervision of the open space. Walkways, if any, shown on the recorded plat of any subdivision leading to or from the open space shall be deemed to be part of the open space.

The extent and frequency of the activities of the Association in carrying out the duties of maintenance and management shall be decided by the Board of Directors, and the Board of Directors may appoint committees to advise the Board on such matters. The Board of Directors may also promulgate Rules and Regulations to aid in carrying out the said maintenance and management duties, and may amend said Rules and Regulations from time to time.

ARTICLE VI USE AND RIGHTS IN OPEN SPACE

Section 1. Use and Rights of Owners and the Association. Except as the right may be suspended under Article IV, Section 7, herein or as provided below, each Owner during the period of time he is an Owner, shall have the right and easement of enjoyment in and to the open space as set forth in Article II, Section 1, subject, however, to all of the provisions of this Declaration and subject to the rules and regulations of the Association as promulgated from time to time. Each Owner shall also have an easement for access to the open space, such access to be over those walkways designated for that purpose on the plat of any subdivision. The Association shall have the right to suspend the use and access by any Owner to and over any open space and the facilities thereon, if any, for a period not to exceed sixty (60) days for any infraction of its promulgated rules and

regulations as from time to time amended. The Association may charge reasonable admission and other fees for the use of any facilities situated upon the open space for use by guests of any Owners. The Association shall have the power, in accordance with its Articles of Incorporation and By-Laws, to borrow money for the purpose of improving any portion or portions of the open space and any facilities thereon and in connection therewith, to mortgage all or portions of the open space with the approval of two-thirds (2/3) of the Owners and the rights of any such mortgagees in the open space shall be superior to the right of the Owners. The Association may dedicate or transfer all or any part of the open space to any public agency, authority or utility, subject to the provisions of Article II, Section 1(c). Fee title to any Lot which may abut any open space shall not extend into any open space area, and the open space is reserved to the Declarant to be conveyed by it to the Association for the common enjoyment of the owners, pursuant to this Declaration.

ARTICLE VII GENERAL PROVISIONS

Section 1. Enforcement. Each owner shall be deemed to have vested in the Association the right and power in its own name to take and prosecute all suits, legal, equitable or otherwise, which may in the opinion of the Association, be necessary or advisable for the collection of any assessment provided for in this Declaration. The Association and/or the Declarant shall have the right to enforce by any proceeding in law or in equity all of the provisions, conditions, covenants, responsibilities, liens and charges now or hereafter imposed by the provisions of this Declaration and any matters related to the open space. Any settlement in connection therewith shall be binding upon all persons who may now or hereafter have any interest in the land which is the subject of this Declaration. Failure by either or both to enforce any condition, provision, covenant, responsibility, lien or charge herein contained shall in no event be deemed a waiver of the right to do so hereafter. No owners other than the Declarant shall have any of the rights granted to the Association and/or the Declarant under the provisions of this paragraph.

Section 2. Severability. Invalidation of any of these restrictions or portions thereof by judgment or court order shall in no way affect the validity of any of the other provisions or portions thereof and the same shall remain in full force and effect.

Section 3. Terminology. The word "it" and "he" wherever used in this instrument shall be used as synonymous with the words "he", "she", "it" and "they", and the word "his" synonymous with the words "hers", "its" and "theirs." The word "person" may refer to an individual, corporation, partnership, or other legal entity.

Section 4. Amendment. The covenants and restrictions set forth in this Declaration shall run with the land forever and in perpetuity. This Declaration may be amended during the twenty (20) year period immediately following the date this Declaration is recorded by an instrument signed by not less than ninety (90%) percent of the lot owners and thereafter by an instrument signed by not less than seventy-five (75%) percent of the lot owners, subject, however, to the approval of the Township. The Declarant, without the consent of any owner, any other person or entity whatsoever, whether or not any such person or entity shall now or hereafter have any interest in any

lot or portion of the land which is the subject of this Declaration, may amend this Declaration as may be necessary or required to comply with the requirements of any Federal, State, County or local statute, ordinance, rule, regulation or formal requirement relating to the land; and to change any other provisions of the Declaration it deems necessary except that not amendment either by the owners or the Declarant shall relieve the owners of their obligations and responsibilities to maintain the open space unless the open space has been dedicated or transferred in accordance with Article II, Section 1 (c).

Section 5. Notwithstanding any other provisions of this Declaration, Declarant reserves the right to grant easements within the open space for roads, walkways, bicycle paths and the installation, repair, maintenance and replacement of water mains, sewers, drainage courses, and other public and private utilities. Declarant reserves the right to assign such easements over, under, above and across the open space for the construction, installation, maintenance and replacement of all public and private utilities, including all equipment, facilities, and equipment relating thereto and for streets, roads, walks, bicycle paths, including the right to install repair, maintain and replace them. The design and location of any streets, roads, walks, bicycle paths and utilities shall be determined by the Declarant.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has hereunto set its hand and seal this 6th day of October, 1978.

WITNESSED

DECLARANT:

Mary Sue Streit

REPUBLIC DEVELOPMENT CORPORATION,
a Michigan Corporation

Helen Greenstein

By _____
Leonard R. Farber, President

STATE OF MICHIGAN)

ss

COUNTY OF OAKLAND)

On this 6th day of October, 1978, before me, a notary public in and for said county, personally appeared Leonard R. Farber, to me personally known, who, being by me duly sworn, did say that he is the President of Republic Development Corporation, a Michigan corporation, the corporation named in and which executed the within instrument, and that the seal affixed to said instrument is the corporate seal of said corporation, and that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors; and said Leonard R. Farber acknowledged said instrument to be the fee act and deed of said corporation.

My commission expires 5/31/81

Mary Sue Streit, Notary Public
Oakland County, Michigan

Prepared by:
Leonard R. Farber
31275 Northwestern Highway, Suite 100
Farmington Hills, Michigan 48018

When recorded return to:
Republic Development Corporation
31275 Northwestern Highway, Suite 100
Farmington Hills, Michigan 48018
Attn: Helen Greenstein

October 6, 1978