

To be recorded in Oakland County Records

MILL RIVER

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS LYON TOWNSHIP, OAKLAND COUNTY, MICHIGAN

THIS DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS (hereinafter referred to as the "Declaration"), is made this 1st day of December, 2005, by Mill River Investors LLC, a Michigan limited liability company ("Mill River") (hereinafter Mill River is sometimes referred to as the "Declarant"), whose address is 3005 University Drive, Auburn Hills, Michigan 48326.

WITNESSETH:

WHEREAS, Mill River is the owner of all legal and equitable title in and to the land which makes up the real property located in the Township of Lyon, Oakland County, State of Michigan, as legally described on Exhibit A attached hereto (the "Property"); and

WHEREAS, the Property has been approved as a residential development containing (i) up to two hundred sixty-four (264) multi-family condominium units in twenty-two (22) buildings containing twelve (12) attached units to a building (which shall be known as "Oakmonte at Mill River"); (ii) up to seventy-four (74) residential units in condominium duplex buildings containing two (2) attached units to a building (which shall be known as "Reflections at Mill River"); (iii) up to one hundred fifty-three (153) detached single-family condominium units (which units are subdivided into two (2) condominiums comprised of ninety-seven (97) and fifty-six (56) detached single-family condominium units which shall be known as "Trailside at Mill River" and "Cottages at Mill River" respectively) (collectively, (i) through (iii) are sometimes referred to hereinafter as the "Units"); and (iv) the Community Area and Facilities, Shared Interest Areas and Roadways (each hereinafter defined).

WHEREAS, Declarant desires to impose upon the Property, consistent with the Judgment, covenants, conditions, restrictions, easements, charges and liens in order to: (i) insure the most beneficial development of the Property; (ii) prevent any use thereof which might tend to diminish its valuable or pleasurable enjoyment; (iii) assure the harmony, attractiveness and utility thereof; (iv) provide that the Condominium Associations in the Property (and ultimately Unit Owners by virtue of their membership in their respective Condominium Associations) shall bear certain expenses and impose other rights and obligations as set forth below; (v) establish a Master Association to which shall be delegated the powers and responsibility to maintain and administer the Community Areas and Facilities, Shared Interest Areas and Roadways; and (vi) empower the Master Association to administer and enforce the covenants, conditions, restrictions, easements, charges and liens that are established and set

forth in this Declaration and to collect and disburse the assessments and charges hereinafter set forth.

NOW, THEREFORE, Declarant hereby declares that the Property and each and every Unit therein shall be held, sold, transferred and conveyed subject to the following covenants, conditions, restrictions, easements, charges and liens which shall run with the Property and each and every Unit therein and shall be binding upon and inure to the benefit of all parties having any right, title or interest in the Property or any part thereof, their heirs, successors and assigns.

ARTICLE I

DEFINITIONS

As used in this Declaration, the following terms shall have the following meanings:

A. **Board of Directors.** "Board of Directors" shall mean persons appointed or elected to govern the affairs of the Master Association pursuant to the bylaws of the Master Association and this Declaration.

B. **Community Areas and Facilities.** "Community Areas and Facilities" shall mean the amenities to be constructed by Declarant and/or Developers, such as, but not limited to, the clubhouse, swimming pool, basketball court and tennis court(s). The Community Areas and Facilities are a part of the Oakmonte at Mill River, Reflections at Mill River, Cottages at Mill River and Trailside at Mill River condominiums that are or will be located within the Property. The Community Areas and Facilities will be administered and maintained by the Master Association as provided herein.

C. **Condominium Association(s).** "Condominium Association(s)" means the co-owner associations for each of the condominiums located on the Property. The primary (but not exclusive) purpose of the Condominium Associations shall be to administer and maintain all common areas in the Property. Each of the Condominium Associations shall be members of the Master Association.

D. **Declarant.** "Declarant," for the purpose of this Declaration and the powers, rights, and authorities granted to Declarant herein, shall mean and refer to not only Mill River Investors LLC, a Michigan limited liability company, but also to any successor, alternate, or additional Declarant appointed by Mill River Investors LLC, as a successor, alternate, or additional Declarant, by an instrument in writing, specifically setting forth that such successor, alternate, or additional Declarant is to have together with or in lieu of Mill River Investors LLC, Declarant's rights, duties, obligations and responsibilities, in whole or in part, for all or any portion of the Property.

The term "Declarant" shall not include any person or party who purchases a Unit from Declarant, unless such purchaser is specifically assigned, by a separate recorded instrument, some or all of the Declarant's rights, duties, obligations or responsibilities under this Declaration with regard to the property conveyed.

E. **Developers.** "Developers" shall mean collectively, the following: ***Oakmonte/Mill River LLC***, a Michigan limited liability company, the developer of Oakmonte at Mill River, ***Reflections/Mill River LLC***, a Michigan limited liability company, the developer of Reflections

at Mill River, **Palazzolo Brothers of Mill River LLC**, a Michigan limited liability company, the developer of Cottages at Mill River and **Multi of Mill River LLC**, a Michigan limited liability company, the developer of Trailside at Mill River.

F. **Judgment.** "Judgment" means the Judgment entered by the Oakland County Circuit Court on February 11, 2004 to be recorded in Oakland County Records, as amended by that certain First Amended Consent Judgment and Second Amended Consent Judgment.

G. **Master Association.** "Master Association" shall mean Mill River Master Association, a Michigan nonprofit corporation to be organized for a perpetual term by the Declarant and in which the all Condominium Associations shall be Members.

H. **Master Association Responsibility Plan.** "Master Association Responsibility Plan" means Exhibit B to the Master Declaration, which identifies the areas within the Overall Development for which the Master Association is responsible.

I. **Master Deed.** "Master Deed" shall mean individually and collectively the master deeds, as the same may be recorded and amended from time to time, that are expected to cumulatively cover all of the Units of Oakmonte at Mill, Reflections at Mill River, Cottages at Mill River and Trailside at Mill River as described and depicted in the Judgment.

J. **Roadways.** "Roadways" shall mean all private roadways created to service the condominium developments Trailside at Mill River, Cottages at Mill River, Reflections at Mill River and Oakmonte at Mill River, which roadways shall be administered and maintained by the Master Association as provided herein.

K. **Shared Interest Areas.** "Shared Interest Areas" means the landscaping area along Milford Road including all boardwalks, walkways, safety paths and roadways, if any, identified on the Master Association Responsibility Plan. The Shared Interest Areas shall be administered and maintained by the Master Association pursuant to the Master Declaration and in accordance with the Judgment. All owners of Units, including Unit Owners, shall pay a pro rata share of the costs of maintenance, insurance and replacement of the Shared Interest Areas through their respective Condominium Association, which shall be in the form of assessments paid to the Master Association.

L. **Structure.** "Structure" means any building, structure, dwelling, garage, shed, outbuilding, fence, wall, gazebo, hedge, or any other improvement whether temporary or permanent in nature.

M. **Township.** "Township" shall mean and refer to the Township of Lyon, Oakland County, Michigan or any other successor to the Township relative to the Property.

N. **Unit.** "Unit" means any unit within the Property, as such Units are established, from time to time, by recordation of Master Deeds and Condominium Plans containing such Unit(s). For the purposes of this Declaration, the term Unit shall include the terms "Condominium Site" and "Site" referred to in the Master Deeds for the Trailside at Mill River and Cottages at Mill River condominium developments.

O. **Unit Owner.** "Unit Owner" means the holder of record title to a Unit, whether one or more persons or entities, and shall include Declarant and any land contract vendees of the Unit. Optionees or land contract vendees of Units owned by any of the Developers shall not

be considered Unit Owners, and shall have no voting rights hereunder. The term "Unit 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 any of the Developers), the interests of all such persons collectively shall be that of one Unit Owner.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION

The land which comprises the Property is several parcels of land in Lyon Township, Oakland County, Michigan which are legally described on Exhibit A. The Property, including the Unit, the Community Areas and Facilities, Shared Interest Areas and Roadways, is subject to and shall be held, transferred, sold, conveyed and occupied pursuant to this Declaration.

ARTICLE III

MASTER ASSOCIATION MEMBERSHIP AND VOTING RIGHTS

A. **Membership.** Each of the four (4) Condominium Associations shall be members of the Master Association. Unit Owners' interest in the Master Association shall, by virtue of each Unit Owner's membership in their respective Condominium Association, be appurtenant to and may not be separated from ownership of any Unit. Optionees or land contract vendees of any of the Developers shall not be members of the Condominium Associations and shall therefore not have an interest in the Master Association, but shall be fully responsible for all assessments and charges imposed under the bylaws of the Condominium Associations against the Units purchased including, without limitation, those assessments payable to the Master Association pursuant to this Declaration. Notwithstanding anything contained herein to the contrary, all Unit Owners have the right, but not the obligation, to attend all meetings concerning Master Association matters.

B. **Voting Rights.** Each of the Condominium Associations established for the Condominiums shall be entitled to one (1) vote in Master Association matters.

At such time that any of the Developers has sold, closed and conveyed title to all of the Units on its portion of the Property and certificates of occupancy have been issued for such Units (an "Exiting Developer"), the Condominium Association(s) for the condominiums located in the Exiting Developer's portion of the Property shall appoint two (2) individuals to the Board of Directors of the Master Association, and the Exiting Developer shall have no further responsibilities with respect to the Master Association. The remaining Developers and the directors so appointed shall each have a total of two (2) votes with respect to Master Association matters. At such time that the remaining Developers have sold, closed and conveyed title to all of the Units on their portion of the Property and certificates of occupancy have been issued for such Units, the Condominium Association(s) for the condominiums located in the remaining Developers' portion of the Property shall appoint two (2) individuals to the Board of Directors of the Master Association, and the remaining Developers shall have no further responsibilities with respect to the Master Association matters. For the purposes of this paragraph, a sale and conveyance shall be deemed to have occurred only when a Unit has

been sold for occupancy. At any time prior to selling, closing and conveying title to all of the Units on its portion of the Property and having certificates of occupancy have been issued for such Units, any of the Developers may execute and deliver to the Master Association a written instrument specifically relinquishing its voting rights in Master Association matters. At such time when any of the Developers relinquishes its voting rights to the Master Association, the Condominium Association(s) for the condominiums located in the relinquishing Developer's portion of the Property shall appoint two (2) individuals to the Board of Directors of the Master Association, and the relinquishing Developer shall have no further responsibilities with respect to the Master Association, and the remaining Developers and the directors so appointed shall each have a total of two (2) votes with respect to Master Association matters. Upon the earlier of: (i) such time when all Developers have sold the last Unit; and (ii) such time when all Developers have relinquished their voting rights to the Master Association pursuant to this paragraph, the Condominium Associations shall have all responsibility for the Master Association.

C. Declarant shall have the exclusive right to establish bylaws for the Master Association and to amend this Declaration, all in the Declarant's discretion, subject to the limitations set forth in paragraph D below, until the earlier to occur of: (a) such time as all Developers have sold, closed and conveyed title to all of the Units in the Property and the issuance of certificates of occupancy for all such Units; and (b) such time as the Developers have executed and delivered to the Master Association a written instrument executed by the Developers specifically relinquishing such exclusive voting rights.

D. Notwithstanding anything to the contrary in this Declaration, no amendment shall be made to any provision of this Declaration that will affect the Township's rights under this Declaration or the Judgment without the prior written consent of the Township.

ARTICLE IV

EASEMENTS AND PROPERTY RIGHTS IN THE COMMUNITY AREAS AND FACILITIES, SHARED INTEREST AREAS AND ROADWAYS

A. **Unit Owner's Easement of Use and Enjoyment.** Subject to the covenants, conditions and restrictions of this Declaration, as the same may be amended as provided herein, and further subject to any other rules established in the future by the Master Association, Declarant hereby reserves and declares for the benefit of the Property and all parties having an interest in any portion of the Property, including mortgagees of property located within the Property, a non-exclusive easement for use and enjoyment of the Community Areas and Facilities, Shared Interest Areas and Roadways for their intended purposes, and such easement shall be appurtenant to and shall pass with title to every Unit, subject to each Unit Owner's payment of a pro rata share of the costs of maintenance, insurance and replacement of the Community Areas and Facilities, Shared Interest Areas and Roadways, through their respective Condominium Association, which will be in the form of assessments paid to the Master Association, and further subject to any limitations on such use rights contained in the Judgment and any limitations hereafter established by Declarant or by the Master Deed recorded for such Unit Owner's condominium.

B. **Unit Owners' Interest in the Community Areas and Facilities, Shared Interest Areas and the Roadways.** Each Unit Owner and any mortgagee of any portion of the Property shall have an undivided interest in the Community Areas and Facilities, Shared Interest Areas and the Roadways which is inseparable from the Unit Owner's title to the Unit and the

mortgagees' interest in the Property, but subject to the covenants, conditions and restrictions of this Declaration.

ARTICLE V

MAINTENANCE AND ASSESSMENT COVENANT

A. **Master Association Responsibilities.** Except as provided in this Declaration, the Master Association shall have the duty and responsibility to maintain the Community Areas and Facilities, Shared Interest Areas and the Roadways for the benefit of the Property, the Condominium Associations and Unit Owners. Notwithstanding the foregoing, lawn maintenance, street maintenance and snow removal may be handled by individual Condominium Associations as designated by the Master Deeds of each condominium (including the bylaws thereof).

B. **Community Areas and Facilities.** The Master Association shall have the right to establish rules and regulations for the beautification of the Community Areas and Facilities, Shared Interest Areas and the Roadways in order to insure an aesthetically pleasing appearance for the benefit of all Unit Owners.

C. **Lien and Personal Obligation for Assessments and Charges.** Declarant, for and on behalf of each and every Unit within the Property, does hereby covenant and agree, and each Unit Owner by acceptance of a deed therefor whether or not it shall be set forth therein, is deemed to covenant and agree to pay to the Master Association: (a) all annual assessments or charges when due; and (b) special assessments, if any, for capital improvements to be established and collected as set forth herein. As provided in Article III above, any optionee or land contract vendee of any Unit shall be responsible for the payment of all assessments and charges imposed pursuant to this Declaration.

D. **Purpose of Assessments.** The purpose of the assessments levied by the Master Association shall be for the fulfillment of the obligations of the Master Association hereunder and for the repair, maintenance, operation, management and improvement of the Community Areas and Facilities, Shared Interest Areas and the Roadways, including, but not limited to, the payment of all taxes and insurance thereon, the repair and replacement thereof, the operation thereof, additions thereto and improvements thereon, and for the cost of labor, equipment, materials, management and supervision for and in conjunction therewith.

E. **Assessments.** From and after the issuance of building permits to Developers for vertical construction of Units (provided the Community Areas and Facilities are substantially complete) ("Completion Date") until January 1 of the year immediately following the first conveyance by any Developer of a Unit to a Unit Owner, the minimum monthly assessment shall be Forty-five Dollars (\$45) per Unit.

1. From and after January 1 of the year immediately following the first conveyance by any of the Developers of a Unit to a Unit Owner, the maximum annual assessment may be increased or decreased annually as may be determined by the Board of Directors of the Master Association (the "Board of Directors"). Notwithstanding the foregoing, in no event shall the annual assessment be increased during any calendar year by more than twenty-five percent (25%) of the annual assessment levied in the preceding calendar year except with the written consent of all Developers or, after conveyance of one hundred (100%) percent of the Units in the Property and the issuance of certificates of occupancy for all such

Units, by a vote of two-thirds (2/3) of each of the members of the boards of directors for all the Condominium Associations then existing, at a meeting duly called for this purpose.

2. In the event the Board of Directors does not or cannot agree on any change from and after January 1 of the year immediately following the first conveyance of a Unit to a Unit Owner, then and in such event the monthly assessment shall continue at the rate of Forty Dollars (\$40) per Unit.

F. **Developers' Responsibility for Assessments.** All Developers shall be obligated to pay the assessments for all the unsold Units in their respective portion of the Property from and after the Completion Date.

G. **Exemption from Assessments.** The assessments, charges, and liens provided for or created by this Article VI shall not apply to any property dedicated to and accepted for maintenance by a public or governmental authority or agency, any property owned by a public or private utility company or public or governmental body or agency or any property used for commercial purposes.

H. **Special Assessments.** In addition to the annual assessments provided for herein, the Developers and the Master Association (but only after the Declarant transfer control to the Condominium Associations as provided in this Declaration) may levy special assessments applicable to an assessment year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement to the Community Areas and Facilities, Shared Interest Areas and the Roadways.

I. **Uniform Assessment Rate.** All monthly, special and deficiency assessments shall be fixed and established at the same rate for all Units.

J. **Commencement Date of Assessments for Unit Owners.** The first monthly assessment shall commence and be due for each Unit from the Unit Owner on the date legal or equitable title is acquired from by the Unit Owner.

K. **Board of Directors' Duties; Indemnity.** Subject to the foregoing provisions, the Board of Directors of the Master Association shall fix the amount of the assessments against each Unit for each assessment period at least thirty (30) days in advance of such date or period and shall prepare a roster of the Units and the assessments applicable thereto to be maintained in the office of the Master Association and which shall be open to inspection by any Unit Owner at all reasonable times. Written notice of the assessment shall thereupon be sent to every Unit Owner subject thereto and the Master Association shall, upon demand and payment of a reasonable charge, furnish to any Unit Owner liable for such assessment a certificate in writing signed by an officer of the Master Association, which states whether such assessment has been paid and the amount of any due but unpaid assessments. To the fullest extent permitted by law and as more fully set forth in the Bylaws of the Master Association, the Master Association shall defend, indemnify and hold harmless each member of the Board of Directors against all liability, costs and expenses (including attorneys' fees) incurred in the course of or as a result of their conduct in their capacity as members of the Board of Directors excepting only fraud and other forms of willful wrongdoing. The Master Association shall maintain insurance for such purpose.

L. **Effect of Non-Payment of Assessments or Charges, Personal Obligation of the Unit Owner and Liens and Remedies of the Master Association.** In the event any assessment or charge is not paid on the due date then such assessment or charge shall

become delinquent and a lien therefor shall thereupon arise and shall, together with interest thereon and costs of collection therefor (as hereinafter provided), be and become a continuing lien on such Unit until paid in full, and such lien shall be binding upon the Unit, the Unit Owner thereof and his or her heirs, personal representatives, successors and assigns. Such assessments and charges shall also be a personal obligation and debt of each Unit Owner and shall be binding upon each Unit Owner and remain the Unit Owner's obligation and debt for the statutory period. Any successor or assign in or to title may obtain from the Master Association a written statement as to any unpaid assessments and charges on such Unit and such statement shall be binding upon the Master Association. In the event the assessment is not paid in full within thirty (30) days after delinquency, the assessment shall bear interest from the date of delinquency at the maximum rate of interest allowed by law and the Master Association may bring an action at law against the Unit Owner personally obligated to pay the same or foreclose the lien against the Unit, and the costs of preparing and filing the complaint in such action and/or in connection with foreclosure shall be added to the amount of such assessment(s) and interest, and, in the event a judgment is obtained, the judgment shall include interest on the assessment(s) as above provided and reasonable attorneys' fees together with all costs and expenses of the action.

M. **Subordination of the Assessment Lien to Mortgages.** The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage and any sale or transfer of any Unit shall not affect the assessment lien; provided, however, that the sale or transfer of any Unit in connection with a mortgage foreclosure preceding or any proceeding in lieu thereof, shall extinguish the lien of the assessments, interest and charges due prior to such sale or transfer, but in no event shall the prior Unit Owner thereof be relieved of any liability whatsoever for such obligation and debt. No subsequent sale or transfer shall relieve such Unit from liability for any assessments, interest or charges which thereafter become due or from any lien therefor.

ARTICLE VI

RESTRICTIONS ON THE USE OF COMMUNITY AREAS AND FACILITIES, SHARED INTEREST AREAS AND WETLANDS AREAS

A. **Motor Vehicles.** All vehicles propelled by a motor, other than those used for maintenance purposes, including, but not limited to, snowmobiles, all-terrain vehicles, motorcycles, mopeds, boats, automobiles, trucks and vans, are expressly prohibited from operation or storage in the wetlands areas and from storage in the Community Areas and Facilities and Shared Interest Areas.

B. **Structures.** No wall, building or Structure may be constructed nor any development or improvement done in the Community Areas and Facilities, Shared Interest Areas and wetlands areas without the prior written consent of all government agencies having jurisdiction.

C. **Refuse and Storage.** The Community Areas and Facilities, Shared Interest Areas and wetlands areas shall not be used as a dumping ground for storage or disposal of rubbish, trash, garbage or other materials.

D. **Pets.** No Unit Owner shall allow the Unit Owner's dog to run loose in the Community Areas, Shared Interest Areas and Facilities and wetlands areas. There are

additional restrictions concerning pets contained in the Master Deed and Bylaws for each condominium.

E. **Fertilizer and Pesticide Use.** No Unit Owner shall cause any pollutants or debris to be released in the Community Areas and Facilities, Shared Interest Areas and wetlands areas.

F. **Wildlife.** No Unit Owner shall permit or suffer the molestation or destruction of wild ducks, geese, birds or other wild life in the Community Areas and Facilities, Shared Interest Areas and wetlands areas.

G. **Liability Insurance.** The Master Association shall maintain liability insurance in sufficient amounts for the purpose of protecting itself as well as the Unit Owners and Declarant from the burden of liability resulting from accidents which may cause death or injury to anyone while in the Community Areas and Facilities, Shared Interest Areas and wetlands areas, or on property under the jurisdiction or control of the Master Association.

H. **Rules and Regulations.** The Board of Directors of the Master Association shall have the right to publish from time to time reasonable rules and regulations consistent herewith governing the use of the Community Areas and Facilities, Shared Interest Areas and wetlands areas as well as other matters relating thereto.

I. **Reservation of Rights.** Declarant reserves for itself and for the Master Association and their respective agents the right to enter upon any Unit for the purpose of mowing, removing, clearing, cutting or pruning underbrush, weeds or other unsightly growth, that in the opinion of Declarant or the Master Association detracts from the overall beauty, setting and safety of the Property. Such entrance for the purpose of mowing, cutting, clearing or pruning shall not be deemed a trespass. Declarant and the Master Association and their respective agents may likewise enter upon any Unit to remove any trash which has collected on the Unit without such entrance and removal being deemed a trespass. The provisions of this paragraph shall not be construed as an obligation on the part of Declarant or the Master Association to mow, clear, cut, or prune any Unit, or to provide garbage or trash removal services.

ARTICLE VII

EXCULPATION FROM LIABILITY

In no event shall any party have the right to impose liability on Declarant or the Master Association, or otherwise contest judicially any decision of Declarant or the Master Association (or alleged failure of Declarant or the Master Association to make a decision) relative to the approval or disapproval of a Structure or any aspect or other matter as to which Declarant reserves the right to approve or waive under this Declaration.

ARTICLE VIII

GENERAL PROVISIONS

A. **Duration.** The Declaration and the Covenants, Conditions and Restrictions herein created shall run with and bind the land, and shall inure to the benefit of and be

enforceable by the Unit Owner of any land subject to this Declaration, their respective legal representatives, heirs, successors and assigns, forever.

B. **Amendment by Declarant.** Declarant has reserved the right to amend this Declaration as provided in Article III, paragraph C.

C. **Notices.** Any notice required to be sent to any Unit Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postpaid, to the last known address of the person who appears as Unit Owner on the records of the Oakland County Register of Deeds at the time of such mailing.

D. **Enforcement.** Enforcement of these covenants and restrictions shall be by a proceeding at law or in equity against any person or persons violating or attempting to violate any covenant or restriction, either to restrain violation or to recover damages, and against the land to enforce any lien created by these covenants; and failure by the Master Association or any Unit Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

E. **Severability.** Invalidation of any one or more of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

F. **Headings.** Captions and caption headings contained in this Declaration are for convenience and shall not be considered for any purpose in construing this Declaration.

[SIGNATURE ON FOLLOWING PAGE]

IN WITNESS WHEREOF, Declarant has caused this Declaration of Covenants, Conditions and Restrictions to be executed the day and year first above written.

MILL RIVER INVESTORS LLC, a Michigan limited liability company

By: MB Mill River LLC, a Michigan limited liability company

Its: Member

By: Dominic J. Mocerì L.L.C., a Michigan limited liability company

Its: Member

By: /s/ Dominic J. Mocerì
Dominic J. Mocerì, Manager

STATE OF MICHIGAN)
)ss
COUNTY OF OAKLAND)

Signed this 1st day of December, 2005, by Dominic J. Mocerì, the Manager of Dominic J. Mocerì L.L.C., a Michigan limited liability company, a Member of MB Mill River LLC, a Michigan limited liability company, a Member of Mill River Investors LLC, a Michigan limited liability company, on behalf of the limited liability company.

/s/ Sandra L. Ferrari

Notary Public, Oakland County, Michigan
My commission expires: 05/2012
Notary Public acting in the County of Oakland

THIS INSTRUMENT PREPARED BY AND WHEN RECORDED RETURN TO:

Matthew D. Grubba, Esq.
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EXHIBIT A

Legal Description of Property

REFLECTIONS AT MILL RIVER

PART OF THE SOUTHWEST 1/4 AND PART OF THE SOUTHEAST 1/4 OF SECTION 9, T1N-R7E, LYON TOWNSHIP, OAKLAND COUNTY, MICHIGAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 9; THENCE ALONG THE CENTERLINE OF MILFORD ROAD (66 FOOT WIDE RIGHT OF WAY) AND THE EAST LINE OF SAID SECTION 9, N 02°34'47" W, 1120.92 FEET, TO THE POINT OF BEGINNING OF THE PARCEL TO BE DESCRIBED; THENCE S 88°26'32" W, 235.03 FEET; THENCE WESTERLY ON AN ARC RIGHT, HAVING A LENGTH OF 84.30 FEET, A RADIUS OF 605.00 FEET, A CENTRAL ANGLE OF 07°58'59", AND A LONG CHORD WHICH BEARS N 87°33'58" W, 84.23 FEET; THENCE S 01°25'05" E, 257.58 FEET; THENCE S 89°55'09" W, 217.24 FEET; THENCE S 71°16'33" W, 65.50 FEET; THENCE S 51°05'57" W, 72.18 FEET; THENCE S 28°00'25" W, 76.74 FEET; THENCE S 17°53'54" W, 125.70 FEET; THENCE S 82°58'23" W, 139.63 FEET; THENCE S 68°29'47" W, 92.12 FEET; THENCE S 57°00'47" W, 91.96 FEET; THENCE S 48°53'21" W, 76.88 FEET; THENCE S 48°28'52" W, 216.00 FEET; THENCE S 53°05'27" W, 61.80 FEET; THENCE S 75°22'53" W, 56.32 FEET; THENCE S 86°45'14" W, 70.31 FEET; THENCE S 86°18'04" W, 69.72 FEET; THENCE N 85°27'39" W, 66.35 FEET; THENCE S 07°30'11" W, 130.00 FEET; THENCE N 82°29'49" W, 4.61 FEET; THENCE WESTERLY ON AN ARC LEFT, HAVING A LENGTH OF 64.06 FEET, A RADIUS OF 516.50 FEET, A CENTRAL ANGLE OF 07°06'24", AND A LONG CHORD WHICH BEARS N 86°03'01" W, 64.02 FEET; THENCE S 88°41'44" W, 80.03 FEET; THENCE WESTERLY ON AN ARC RIGHT, HAVING A LENGTH OF 396.28 FEET, A RADIUS OF 5951.50 FEET, A CENTRAL ANGLE OF 03°48'54", AND A LONG CHORD WHICH BEARS N 89°03'07" W, 396.21 FEET; THENCE N 87°08'40" W, 170.53 FEET; THENCE NORTHWESTERLY ON AN ARC RIGHT, HAVING A LENGTH OF 167.09 FEET, A RADIUS OF 181.50 FEET, A CENTRAL ANGLE OF 52°44'50", AND A LONG CHORD WHICH BEARS N 60°46'15" W, 161.25 FEET; THENCE NORTHWESTERLY ON AN ARC LEFT, HAVING A LENGTH OF 36.05 FEET, A RADIUS OF 246.50 FEET, A CENTRAL ANGLE OF 08°22'47", AND A LONG CHORD WHICH BEARS N 38°35'14" W, 36.02 FEET; THENCE N 55°17'28" E, 130.98 FEET; THENCE N 44°21'50" W, 73.00 FEET; THENCE N 38°31'40" W, 72.16 FEET; THENCE N 37°07'14" W, 84.42 FEET; THENCE N 47°34'09" W, 91.94 FEET; THENCE N 56°02'26" W, 64.18 FEET; THENCE N 37°41'30" W, 61.04 FEET; THENCE N 24°33'40" W, 78.11 FEET; THENCE N 36°35'22" W, 97.00 FEET; THENCE N 50°45'05" W, 95.30 FEET; THENCE N 64°53'46" W, 96.78 FEET; THENCE N 79°08'59" W, 96.77 FEET; THENCE S 86°37'04" W, 96.49 FEET; THENCE S 77°00'13" W, 86.24 FEET; THENCE S 64°20'16" W, 96.81 FEET; THENCE S 51°13'26" W, 97.24 FEET; THENCE ALONG THE EAST RIGHT-OF-WAY LINE OF HURON VALLEY TRAIL (FORMERLY GRAND TRUNK WESTERN RAILROAD) (66 FOOT WIDE RIGHT OF WAY), N 36°44'00" E, 1342.29 FEET; THENCE S 53°11'12" E, 147.28 FEET; THENCE S 36°43'57" W, 136.87 FEET; THENCE SOUTHWESTERLY ON AN ARC LEFT, HAVING A LENGTH OF 159.56 FEET, A RADIUS OF 340.00 FEET, A CENTRAL ANGLE OF 26°53'21", AND A LONG CHORD WHICH BEARS S 23°17'16" W, 158.10 FEET; THENCE S 83°46'00" W, 123.24 FEET; THENCE S 06°12'38" E, 265.96 FEET; THENCE N 83°47'22" E, 156.69 FEET; THENCE SOUTHEASTERLY ON AN ARC LEFT, HAVING A LENGTH OF 73.73 FEET, A RADIUS OF 340.00 FEET, A CENTRAL ANGLE OF 12°25'27", AND A LONG CHORD WHICH BEARS S 42°48'34" E, 73.58 FEET; THENCE S 49°01'17" E, 100.14 FEET; THENCE SOUTHEASTERLY ON AN ARC LEFT, HAVING A LENGTH OF 14.55 FEET, A RADIUS OF 270.00 FEET, A CENTRAL ANGLE OF 03°05'16", AND A LONG CHORD WHICH BEARS S 50°33'55" E, 14.55 FEET; THENCE S 07°04'30" W, 158.25 FEET; THENCE S 82°56'36" E, 265.90 FEET; THENCE N 07°23'40" E, 152.55 FEET; THENCE NORTHEASTERLY ON AN ARC LEFT, HAVING A LENGTH OF 90.31 FEET, A RADIUS OF 270.00 FEET, A CENTRAL ANGLE OF 19°09'50", AND A LONG CHORD WHICH BEARS N 59°05'16" E, 89.89 FEET; THENCE S 46°04'16" E, 123.17 FEET; THENCE N 43°39'16" E, 266.00 FEET; THENCE N 46°20'44" W, 121.70 FEET; THENCE N 43°40'13" E, 226.11 FEET; THENCE S 46°19'47" E, 7.84 FEET; THENCE SOUTHEASTERLY ON AN ARC RIGHT, HAVING A LENGTH OF 68.91 FEET, A RADIUS OF 256.50 FEET, A CENTRAL ANGLE OF 15°23'33", AND A LONG CHORD WHICH BEARS S 38°38'01" E, 68.70 FEET; THENCE SOUTHEASTERLY ON AN ARC LEFT, HAVING A LENGTH OF

54.67 FEET, A RADIUS OF 203.50 FEET, A CENTRAL ANGLE OF 15°23'34", AND A LONG CHORD WHICH BEARS S 38°38'01" E, 54.51 FEET; THENCE S 46°19'47" E, 127.05 FEET; THENCE SOUTHEASTERLY ON AN ARC RIGHT, HAVING A LENGTH OF 143.50 FEET, A RADIUS OF 270.00 FEET, A CENTRAL ANGLE OF 30°27'08", AND A LONG CHORD WHICH BEARS S 31°06'13" E, 141.82 FEET; THENCE N 85°46'03" E, 44.01 FEET; THENCE EASTERLY ON AN ARC RIGHT, HAVING A LENGTH OF 56.08 FEET, A RADIUS OF 254.50 FEET, A CENTRAL ANGLE OF 12°37'34", AND A LONG CHORD WHICH BEARS S 87°55'10" E, 55.97 FEET; THENCE EASTERLY ON AN ARC LEFT, HAVING A LENGTH OF 69.42 FEET, A RADIUS OF 205.50 FEET, A CENTRAL ANGLE OF 19°21'17", AND A LONG CHORD WHICH BEARS N 88°42'58" E, 69.09 FEET; THENCE N 79°02'20" E, 326.55 FEET; THENCE N 12°04'00" W, 15.00 FEET; THENCE N 79°02'20" E, 96.68 FEET; THENCE EASTERLY ON AN ARC RIGHT, HAVING A LENGTH OF 251.19 FEET, A RADIUS OF 655.00 FEET, A CENTRAL ANGLE OF 21°58'22", AND A LONG CHORD WHICH BEARS S 89°58'29" E, 249.65 FEET; THENCE S 78°59'18" E, 260.08 FEET; THENCE EASTERLY ON AN ARC LEFT, HAVING A LENGTH OF 108.59 FEET, A RADIUS OF 495.00 FEET, A CENTRAL ANGLE OF 12°34'09", AND A LONG CHORD WHICH BEARS S 85°16'23" E, 108.37 FEET; THENCE N 88°26'32" E, 233.06 FEET; THENCE ALONG THE CENTERLINE OF MILFORD ROAD (66 FOOT WIDE RIGHT OF WAY) AND THE EAST LINE OF SAID SECTION 9, S 02°34'47" E, 110.02 FEET, TO THE POINT OF BEGINNING, CONTAINING 51.50 ACRES, MORE OR LESS, AND SUBJECT TO THE RIGHTS OF THE PUBLIC OVER THE EXISTING MILFORD ROAD. ALSO SUBJECT TO ANY OTHER EASEMENTS OR RESTRICTIONS OF RECORD.

Trailside at Mill River:

PART OF THE SOUTHWEST 1/4 AND PART OF THE SOUTHEAST 1/4 OF SECTION 9, T1N-R7E, LYON TOWNSHIP, OAKLAND COUNTY, MICHIGAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 9; THENCE ALONG THE SOUTH LINE OF SAID SECTION 9, S 86°32'35" W, 43.00 FEET, TO THE POINT OF BEGINNING OF THE PARCEL TO BE DESCRIBED; THENCE CONTINUING ALONG SAID SOUTH LINE OF SECTION 9, S 86°32'35" W, 1259.34 FEET; THENCE S 02°01'04" E, 1303.32 FEET; THENCE ALONG THE CENTERLINE OF 12 MILE ROAD (VARIABLE WIDTH RIGHT OF WAY), S 86°25'17" W, 66.03 FEET; THENCE N 02°01'04" W, 1001.03 FEET; THENCE N 46°19'11" W, 412.47 FEET; THENCE ALONG THE SOUTH LINE OF SAID SECTION 9, S 86°32'35" W, 528.57 FEET; THENCE N 59°42'44" W, 231.46 FEET; THENCE N 88°30'11" W, 224.86 FEET; THENCE S 02°20'07" E, 148.02 FEET, TO THE SOUTH 1/4 CORNER OF SECTION 9; THENCE ALONG THE SOUTH LINE OF SAID SECTION 9, S 88°13'42" W, 1530.00 FEET; THENCE ALONG THE EAST RIGHT-OF-WAY LINE OF HURON VALLEY TRAIL (FORMERLY GRAND TRUNK WESTERN RAILROAD) (66 FOOT WIDE RIGHT OF WAY), N 36°44'00" E, 1240.48 FEET; THENCE N 51°13'26" E, 97.24 FEET; THENCE N 64°20'16" E, 96.81 FEET; THENCE N 77°00'13" E, 86.24 FEET; THENCE N 86°37'04" E, 96.49 FEET; THENCE S 79°08'59" E, 96.77 FEET; THENCE S 64°53'46" E, 96.78 FEET; THENCE S 50°45'05" E, 95.30 FEET; THENCE S 36°35'22" E, 97.00 FEET; THENCE S 24°33'40" E, 78.11 FEET; THENCE S 37°41'30" E, 61.04 FEET; THENCE S 56°02'26" E, 64.18 FEET; THENCE S 47°34'09" E, 91.94 FEET; THENCE S 37°07'14" E, 84.42 FEET; THENCE S 38°31'40" E, 72.16 FEET; THENCE S 44°21'50" E, 73.00 FEET; THENCE S 55°17'28" W, 130.98 FEET; THENCE SOUTHEASTERLY ON AN ARC RIGHT, HAVING A LENGTH OF 36.05 FEET, A RADIUS OF 246.50 FEET, A CENTRAL ANGLE OF 08°22'47", AND A LONG CHORD WHICH BEARS S 38°35'14" E, 36.02 FEET; THENCE SOUTHEASTERLY ON AN ARC LEFT, HAVING A LENGTH OF 167.09 FEET, A RADIUS OF 181.50 FEET, A CENTRAL ANGLE OF 52°44'50", AND A LONG CHORD WHICH BEARS S 60°46'15" E, 161.25 FEET; THENCE S 87°08'40" E, 170.53 FEET; THENCE EASTERLY ON AN ARC LEFT, HAVING A LENGTH OF 396.28 FEET, A RADIUS OF 5951.50 FEET, A CENTRAL ANGLE OF 03°48'54", AND A LONG CHORD WHICH BEARS S 89°03'07" E, 396.21 FEET; THENCE N 88°41'44" E, 80.03 FEET; THENCE EASTERLY ON AN ARC RIGHT, HAVING A LENGTH OF 64.06 FEET, A RADIUS OF 516.50 FEET, A CENTRAL ANGLE OF 07°06'24", AND A LONG CHORD WHICH BEARS S 86°03'01" E, 64.02 FEET; THENCE S 82°29'49" E, 4.61 FEET; THENCE N 07°30'11" E, 130.00 FEET; THENCE S 85°27'39" E, 66.35 FEET; THENCE N 86°18'04" E, 69.72 FEET; THENCE N 86°45'14" E, 70.31 FEET; THENCE N 75°22'53" E, 56.32 FEET; THENCE N 53°05'27" E, 61.80 FEET; THENCE N 48°28'52" E, 216.00 FEET; THENCE N 48°53'21" E, 76.88 FEET; THENCE N 57°00'47" E, 91.96 FEET; THENCE N 68°29'47" E, 92.12 FEET; THENCE

N 82°58'23" E, 139.63 FEET; THENCE N 17°53'54" E, 125.70 FEET; THENCE N 28°00'25" E, 76.74 FEET; THENCE N 51°05'57" E, 72.18 FEET; THENCE N 71°16'33" E, 65.50 FEET; THENCE N 89°55'09" E, 217.24 FEET; THENCE S 01°25'05" E, 233.70 FEET; THENCE S 15°46'43" W, 71.58 FEET; THENCE S 27°18'29" E, 140.18 FEET; THENCE EASTERLY ON AN ARC RIGHT, HAVING A LENGTH OF 40.39 FEET, A RADIUS OF 430.00 FEET, A CENTRAL ANGLE OF 05°22'53", AND A LONG CHORD WHICH BEARS N 76°47'22" E, 40.37 FEET; THENCE EASTERLY ON AN ARC LEFT, HAVING A LENGTH OF 9.47 FEET, A RADIUS OF 213.50 FEET, A CENTRAL ANGLE OF 02°32'28", AND A LONG CHORD WHICH BEARS N 78°12'35" E, 9.47 FEET; THENCE N 76°56'21" E, 93.42 FEET; THENCE EASTERLY ON AN ARC RIGHT, HAVING A LENGTH OF 45.09 FEET, A RADIUS OF 246.50 FEET, A CENTRAL ANGLE OF 10°28'52", AND A LONG CHORD WHICH BEARS N 82°10'47" E, 45.03 FEET; THENCE N 87°25'13" E, 107.03 FEET; THENCE ALONG THE CENTERLINE OF MILFORD ROAD (66 FOOT WIDE RIGHT OF WAY) AND THE EAST LINE OF SAID SECTION 9, S 02°34'47" E, 433.09 FEET; THENCE S 41°59'14" W, 61.27 FEET, TO THE POINT OF BEGINNING, CONTAINING 56.68 ACRES, MORE OR LESS, AND SUBJECT TO THE RIGHTS OF THE PUBLIC OVER SAID MILFORD ROAD. ALSO SUBJECT TO ANY OTHER EASEMENTS OR RESTRICTIONS OF RECORD.

Oakmonte at Mill River:

PART OF THE SOUTHWEST 1/4 AND PART OF THE SOUTHEAST 1/4 OF SECTION 9, T1N-R7E, LYON TOWNSHIP, OAKLAND COUNTY, MICHIGAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 9; THENCE ALONG THE EAST LINE OF SAID SECTION 9 AND THE CENTERLINE OF MILFORD ROAD (66 FOOT WIDE RIGHT OF WAY), N 02°34'47" W, 2645.02 FEET, TO THE EAST 1/4 CORNER OF SECTION 9, THENCE ALONG THE EAST-WEST 1/4 LINE OF SAID SECTION 9, S 86°50'20" W, 1564.33 FEET, TO THE POINT OF BEGINNING OF THE PARCEL TO BE DESCRIBED; THENCE S 00°59'38" W, 136.12 FEET; THENCE S 20°27'05" W, 128.89 FEET; THENCE SOUTHEASTERLY ON AN ARC RIGHT, HAVING A LENGTH OF 7.53 FEET, A RADIUS OF 270.00 FEET, A CENTRAL ANGLE OF 01°35'50", AND A LONG CHORD WHICH BEARS S 50°29'28" E, 7.53 FEET; THENCE SOUTHEASTERLY ON AN ARC RIGHT, HAVING A LENGTH OF 201.59 FEET, A RADIUS OF 440.00 FEET, A CENTRAL ANGLE OF 26°15'03", AND A LONG CHORD WHICH BEARS S 36°34'01" E, 199.83 FEET; THENCE N 85°54'20" E, 40.95 FEET; THENCE N 55°41'50" E, 44.06 FEET; THENCE N 59°06'02" E, 39.20 FEET; THENCE S 83°32'15" E, 34.73 FEET; THENCE S 48°55'10" E, 33.28 FEET; THENCE S 32°19'06" E, 153.00 FEET; THENCE S 30°53'55" E, 47.61 FEET; THENCE S 24°09'19" E, 47.24 FEET; THENCE S 13°15'54" E, 51.32 FEET; THENCE S 03°45'01" E, 46.97 FEET; THENCE S 12°51'19" W, 48.92 FEET; THENCE S 52°49'58" W, 74.96 FEET; THENCE S 41°18'22" W, 65.93 FEET; THENCE S 24°55'49" W, 70.89 FEET; THENCE S 08°27'41" W, 70.34 FEET; THENCE S 02°00'39" E, 71.21 FEET; THENCE S 21°51'08" E, 69.68 FEET; THENCE S 51°51'40" E, 79.36 FEET; THENCE S 54°54'59" E, 127.85 FEET; THENCE S 10°57'40" E, 110.23 FEET; THENCE S 79°02'20" W, 84.67 FEET; THENCE WESTERLY ON AN ARC RIGHT, HAVING A LENGTH OF 69.42 FEET, A RADIUS OF 205.50 FEET, A CENTRAL ANGLE OF 19°21'17", AND A LONG CHORD WHICH BEARS S 88°42'58" W, 69.09 FEET; THENCE WESTERLY ON AN ARC LEFT, HAVING A LENGTH OF 56.08 FEET, A RADIUS OF 254.50 FEET, A CENTRAL ANGLE OF 12°37'34", AND A LONG CHORD WHICH BEARS N 87°55'10" W, 55.97 FEET; THENCE S 85°46'03" W, 44.01 FEET; THENCE NORTHWESTERLY ON AN ARC LEFT, HAVING A LENGTH OF 143.50 FEET, A RADIUS OF 270.00 FEET, A CENTRAL ANGLE OF 30°27'08", AND A LONG CHORD WHICH BEARS N 31°06'13" W, 141.82 FEET; THENCE N 46°19'47" W, 127.05 FEET; THENCE NORTHWESTERLY ON AN ARC RIGHT, HAVING A LENGTH OF 54.67 FEET, A RADIUS OF 203.50 FEET, A CENTRAL ANGLE OF 15°23'34", AND A LONG CHORD WHICH BEARS N 38°38'01" W, 54.51 FEET; THENCE NORTHWESTERLY ON AN ARC LEFT, HAVING A LENGTH OF 68.91 FEET, A RADIUS OF 256.50 FEET, A CENTRAL ANGLE OF 15°23'33", AND A LONG CHORD WHICH BEARS N 38°38'01" W, 68.70 FEET; THENCE N 46°18'35" W, 7.84 FEET; THENCE S 43°40'13" W, 226.11 FEET; THENCE S 46°20'44" E, 121.70 FEET; THENCE S 43°39'16" W, 266.00 FEET; THENCE N 46°04'16" W, 123.17 FEET; THENCE SOUTHWESTERLY ON AN ARC RIGHT, HAVING A LENGTH OF 90.31 FEET, A RADIUS OF 270.00 FEET, A CENTRAL ANGLE OF 19°09'50", AND A LONG CHORD WHICH BEARS S 59°05'16" W, 89.89 FEET; THENCE S 07°23'40" W, 152.55 FEET; THENCE N 82°56'36" W, 265.90 FEET; THENCE N 07°04'30" E, 158.25 FEET; THENCE NORTHWESTERLY ON AN ARC RIGHT, HAVING A LENGTH OF 14.55 FEET, A RADIUS OF 270.00

FEET, A CENTRAL ANGLE OF 03°05'16", AND A LONG CHORD WHICH BEARS N 50°33'55" W, 14.55 FEET; THENCE N 49°01'17" W, 100.14 FEET; THENCE NORTHWESTERLY ON AN ARC RIGHT, HAVING A LENGTH OF 73.73 FEET, A RADIUS OF 340.00 FEET, A CENTRAL ANGLE OF 12°25'27", AND A LONG CHORD WHICH BEARS N 42°48'34" W, 73.58 FEET; THENCE S 83°47'22" W, 156.69 FEET; THENCE N 06°12'38" W, 265.96 FEET; THENCE N 83°46'00" E, 123.24 FEET; THENCE NORTHEASTERLY ON AN ARC RIGHT, HAVING A LENGTH OF 159.56 FEET, A RADIUS OF 340.00 FEET, A CENTRAL ANGLE OF 26°53'21", AND A LONG CHORD WHICH BEARS N 23°17'16" E, 158.10 FEET; THENCE N 36°43'57" E, 136.87 FEET; THENCE N 53°11'12" W, 147.28 FEET; THENCE ALONG THE EAST LINE OF HURON VALLEY TRAIL (FORMERLY GRAND TRUNK WESTERN RAILROAD) (66 FOOT WIDE RIGHT OF WAY), N 36°44'00" E, 833.75 FEET; THENCE ALONG SAID EAST-WEST 1/4 LINE OF SECTION 9, N 86°50'20" E, 405.27 FEET, TO THE POINT OF BEGINNING, CONTAINING 32.19 ACRES, MORE OR LESS, AND SUBJECT TO ANY EASEMENTS OR RESTRICTIONS OF RECORD.

Cottages at Mill River:

PART OF THE SOUTHEAST 1/4 OF SECTION 9, T1N-R7E, LYON TOWNSHIP, OAKLAND COUNTY, MICHIGAN, MORE PARTICULARLY DESCRIBED AS FOLLOWS: COMMENCING AT THE SOUTHEAST CORNER OF SAID SECTION 9; THENCE ALONG THE EAST LINE OF SAID SECTION 9 AND THE CENTERLINE OF MILFORD ROAD (66 FOOT WIDE RIGHT OF WAY), N 02°34'47" W, 2645.02 FEET, TO THE EAST 1/4 CORNER OF SECTION 9, THENCE ALONG THE EAST-WEST 1/4 LINE OF SAID SECTION 9, S 86°50'20" W, 1138.38 FEET, TO THE POINT OF BEGINNING OF THE PARCEL TO BE DESCRIBED; THENCE S 02°41'43" E, 200.35 FEET; THENCE S 44°35'37" E, 168.59 FEET; THENCE S 32°25'08" E, 286.09 FEET; THENCE S 18°13'10" W, 354.71 FEET; THENCE S 12°04'00" E, 441.70 FEET; THENCE S 79°02'20" W, 241.88 FEET; THENCE N 10°57'40" W, 110.23 FEET; THENCE N 54°54'59" W, 127.85 FEET; THENCE N 51°51'40" W, 79.36 FEET; THENCE N 21°51'08" W, 69.68 FEET; THENCE N 02°00'39" W, 71.21 FEET; THENCE N 08°27'41" E, 70.34 FEET; THENCE N 24°55'49" E, 70.89 FEET; THENCE N 41°18'22" E, 65.93 FEET; THENCE N 52°49'58" E, 74.96 FEET; THENCE N 12°51'19" E, 48.92 FEET; THENCE N 03°45'01" W, 46.97 FEET; THENCE N 13°15'54" W, 51.32 FEET; THENCE N 24°09'19" W, 47.24 FEET; THENCE N 30°53'55" W, 47.61 FEET; THENCE N 32°19'06" W, 153.00 FEET; THENCE N 48°55'10" W, 33.28 FEET; THENCE N 83°32'15" W, 34.73 FEET; THENCE S 59°06'02" W, 39.20 FEET; THENCE S 55°41'50" W, 44.06 FEET; THENCE S 85°54'20" W, 40.95 FEET; THENCE NORTHWESTERLY ON AN ARC LEFT, HAVING A LENGTH OF 201.59 FEET, A RADIUS OF 440.00 FEET, A CENTRAL ANGLE OF 26°15'03", AND A LONG CHORD WHICH BEARS N 36°34'01" W, 199.83 FEET; THENCE NORTHWESTERLY ON AN ARC LEFT, HAVING A LENGTH OF 7.53 FEET, A RADIUS OF 270.00 FEET, A CENTRAL ANGLE OF 01°35'50", AND A LONG CHORD WHICH BEARS N 50°29'28" W, 7.53 FEET; THENCE N 20°27'05" E, 128.89 FEET; THENCE N 00°59'38" E, 136.12 FEET; THENCE ALONG SAID EAST-WEST 1/4 LINE OF SECTION 9, N 86°50'20" E, 425.95 FEET, TO THE POINT OF BEGINNING, CONTAINING 11.63 ACRES, MORE OR LESS, AND SUBJECT TO ANY OTHER EASEMENTS OR RESTRICTIONS OF RECORD.

EXHIBIT B

Master Association Responsibility Plan

**BYLAWS
OF
MILL RIVER MASTER ASSOCIATION**

**ARTICLE I
NAME AND LOCATION**

The name of the corporation is Mill River Master Association (hereinafter the "Master Association"). The principal office of the Master Association shall be located 3005 University Drive, Suite 100, Auburn Hills, Michigan 48326. The location of the principal office of the Master Association may be changed by Declarant or the Board of Directors. Meetings of Members and directors may be held in such places within Oakland County, Michigan, as may be designated by the Board of Directors.

**ARTICLE II
DEFINITIONS**

All terms defined in the Declaration of Covenants, Conditions and Restrictions of Mill River recorded in the office of the Register of Deeds of Oakland County, Michigan (the "Declaration"), shall have the same meanings when used herein.

**ARTICLE III
MEMBERSHIP AND VOTING RIGHTS**

Membership and voting rights shall be as provided for in Article III of the Declaration.

**ARTICLE IV
MEETINGS OF MEMBERS**

Section 1. Annual Meetings. The first annual meeting of the Members shall be held at the time and place specified by the Board of Directors in the notice to Members of the meeting pursuant to the Declaration; provided that so long as Declarant (or its Members) has not relinquished its exclusive voting rights or conveyed title to all of the Units, Declarant shall determine the time and place of the first annual meeting. Each subsequent regular annual meeting of the Members shall be held in the same month of each year thereafter on the day, at the hour, and at the place specified in the notice to the Members of the meeting.

Section 2. Special Meetings. After such time as Declarant (or its Members) has either relinquished its exclusive voting rights or conveyed title to all of the Units, Special meetings of the Members may be called at any time by the President or a majority of the members of the Board of Directors or upon the written request of the Members entitled to one fourth (1/4) of the votes of the entire membership.

Section 3. Place of Meetings. Meetings of the Members shall be held at such place within Oakland County, Michigan, as may be determined by Declarant or the Board of Directors.

Section 4. Notice of Meetings. Except as otherwise provided in the Articles of Incorporation, the Declaration or these Bylaws, written notice of each meeting of the Members shall be given by, or at the direction of, the Secretary or person authorized to call the meeting, to each Member entitled to vote at such meeting, by hand delivery or by mailing a copy of such notice, postage prepaid, addressed to the Member's address last appearing on the books of the Master Association or supplied by such Member to the Master Association for the purpose of notice. Notice shall be mailed or delivered not less than fifteen (15) days nor more than thirty (30) days before the date of the meeting. Such notice shall specify the place, day and hour of the meeting, and, in case of special meeting, the exact purpose of the meeting, including the text of any proposals to be voted on at such special meeting. Waiver by a Member in writing of the notice required herein, signed by him before or after such meeting, shall be equivalent to the giving of such notice.

Section 5. Quorum. Except as otherwise provided in the Articles of Incorporation, the Declaration or these Bylaws, the presence at a meeting of Members or their proxies entitled to cast one-third (1/3) of the votes of the entire membership shall constitute a quorum for any action. If, however, a quorum is not present or represented at any meeting, the Members or their proxies present and entitled to vote thereat shall have power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or be represented.

Section 6. Proxies. At all meetings of Members, each Member may vote in person or by proxy. All proxies shall be in writing and filed with the Secretary. Every proxy shall be revocable and shall automatically cease upon conveyance by the Member of his Unit.

Section 7. Informal Action by Members. Any action which may be taken at a meeting of the Members may be taken without a meeting if a consent in writing, setting forth the action so taken, is signed by all of the persons who would be entitled to vote upon such action at a meeting and filed with the Secretary of the Master Association to be kept in the minute book of the Master Association.

ARTICLE V BOARD OF DIRECTORS

Section 1. General Powers. The business and affairs of the Master Association shall be managed by a Board of Directors.

Section 2. Number, Term and Qualification. The number of directors of the Master Association shall be three (3) until the first annual meeting of the Master Association, at which time the number of Directors shall be increased to five (5). At the first annual meeting, the Members shall elect one director to serve for a term of one year, two directors to serve for a term of two years, and two directors to serve for a term of three years.

At each annual meeting thereafter, the Members shall elect the number of directors needed to fill the vacancy or vacancies created by the director or directors whose term(s) is (are) expiring, to serve for a term of three years (except in the case of the initial election of a director, in which case the term of that director may be shortened to provide for the staggering set forth in this Section, or in the case of the filling of a vacancy, in which case the director

elected to fill the vacancy shall be elected for the unexpired term of the director whose vacancy is being filled).

The term of the office of the directors shall be staggered so that, except for an election to fill a vacancy or to fill a newly-created directorship, the terms of not less than one (1) nor more than three (3) directors shall expire at each annual meeting. Each director shall hold office until his death, resignation, retirement, removal, disqualification, or his successor is elected and qualified. Directors need not be members of the Master Association.

At the sole option of Declarant, the Master Association may function without a Board of Directors (i.e., through Declarant) until such time as the Members of the Master Association elect a non-Declarant Board of Directors.

Section 3. Nomination. Nomination for election to the Board of Directors may be made by a Nominating Committee. Nominations may also be made from the floor at the annual meeting of the Members. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more Members of the Master Association. The Nominating Committee shall be appointed by the Board of Directors prior to each annual meeting of the Members, to serve from the close of such annual meeting until the close of the next annual meeting, and such appointment shall be announced at each annual meeting. The Nominating Committee shall make as many nominations for election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among Members or non-members.

Section 4. Election. Except as provided in Section 6 of this Article, the directors shall be elected at the annual meeting of the Members by secret written ballot. In such election, the Members or their proxies may cast, with respect to each vacancy, as many votes as they are entitled under the provisions of Article III of these Bylaws. The person(s) receiving the highest number of votes shall be elected. Neither cumulative voting nor fractional voting is permitted.

Section 5. Removal. Any director may be removed from the Board of Directors, with or without cause, by a majority vote of the Members of the Master Association.

Section 6. Vacancies. A vacancy occurring in the Board of Directors may be filled by the selection by the remaining directors of a successor, who shall serve for the unexpired term of his predecessor. The Members may elect a director at any time to fill any vacancy not filled by the directors.

Section 7. Compensation. No director shall receive compensation for any serve he may render to the Master Association in the capacity of director. However, any director may be reimbursed for his actual expenses incurred in the performance of his duties.

ARTICLE VI MEETINGS OF DIRECTORS

Section 1. Regular Meetings. Regular meetings of the Board of Directors shall be held at least annually, without notice, and at such place and hour as may be fixed from time to time by resolution of the Board of Directors. Should the date of such meeting fall on a legal

holiday, then that meeting shall be held at the same time on the next day which is not a legal holiday.

Section 2. Special Meetings. Special meetings of the Board of Directors shall be held when called by the President of the Master Association or by any two directors, after not less than three (3) days' notice to each director.

Section 3. Quorum. A majority of the number of directors shall constitute a quorum for the transaction of the business. Every act or decision done or made by a majority of the directors present at a duly-held meeting at which a quorum is present shall be regarded as the act of the Board of Directors.

Section 4. Informal Action by Directors. Any action which may be taken at a meeting of the Board of Directors may be taken without a meeting if written consent to the action so taken is signed by all the directors and filed with the minutes of the proceedings of the Board of Directors, whether done before or after the action so taken.

Section 5. Chairman. A Chairman of the Board of Directors shall be elected by the directors and shall preside over all Board of Directors meetings until the President of the Master Association is elected. Thereafter, the President shall serve as Chairman. In the event there is a vacancy in the office of the President, a Chairman shall be elected by the Board of Directors to serve until a new President is elected.

ARTICLE VII POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have power to:

(a) adopt and publish rules and regulations governing the use of the Common Area and the personal conduct of the Members and their guests thereon and establishing penalties for infractions thereof, and adopt and publish rules and regulations interpreting and/or supplementing the restrictions and covenants applicable to the Properties, and take any and all actions deemed by the Board of Directors to be necessary or appropriate to enforce such rules and regulations;

(b) suspend a Member's voting rights during any period in which he shall be in default in the payment of any assessment levied by the Master Association. Such rights may also be suspended after such notice and hearing as the Board of Directors, in its sole discretion, shall establish, for a period not to exceed 60 days, for infraction of the published rules regulations of the Master Association;

(c) exercise for the Master Association all powers, duties and authority vested in or delegated to the Master Association and not reserved to the Members by other provisions of these Bylaws, the Articles of Incorporation or the Declaration;

(d) declare the office of a member of the Board of Directors to be vacant in the event such member shall be absent from three (3) consecutive regular meetings of the Board of Directors without good cause;

(e) employ a manager (including Declarant; as provided in the Declaration) and such other employees or independent contractors as it deems necessary and prescribe their duties, and contract with a management company to manage the operation of the Master Association. In the event that a contract is entered into with a management company, such contract must be terminable by the Board of Directors without cause or penalty on not more than ninety (90) days' notice and any management contract made with Declarant shall be for a period not to exceed three years;

(f) employ attorneys, accountants and other persons or firms to represent the Master Association when deemed necessary;

(g) grant easements for the installation and maintenance of sewage, utility or drainage facilities upon, over, and under and across the property owned by the Master Association without the assent of the Members when such easements are necessary for the convenient use and enjoyment of the Properties; and

(h) appoint and remove at pleasure all officers, agents and employees of the Master Association, prescribe their duties, fix their compensation, and require of them such security or fidelity bond as it may deem expedient.

Section 2. Duties. It shall be the duty of the Board of Directors to:

(a) cause to be kept a complete record of all its acts and corporate affairs and to present a statement thereof to the Members at the annual meeting of the Members, or after such time as Declarant (or its Members) has either relinquished its exclusive voting rights or conveyed title to all of the Units, at any special meeting when such statement is requested in writing at least five (5) working days before such meeting by Members entitled to at least one-fourth (1/4) of the votes;

(b) supervise all officers, agents and employees of the Master Association and see that their duties are properly performed;

(c) except as may be limited by the Declaration, to:

(1) fix the amount of the annual assessment against each Unit at least thirty (30) days before January 1 of each year;

(2) send written notice of such assessment to every Owner subject thereto at least fifteen (15) days before January 1 of each year; and

(3) as to any Unit for which an assessment remains unpaid, bring an action at law against the Owner personally obligated to pay the assessment and/or foreclose the lien against such Unit.

(d) issue, or cause an appropriate officer of the Master Association to issue, upon demand by any person, a certificate setting forth whether or not any assessment has been paid. A reasonable charge may be established by the Board of Directors for the issuance of such certificate. If a certificate states that an assessment has been paid, such certificate shall be conclusive evidence of payment;

(e) procure and maintain: (i) adequate liability insurance covering the Master Association; (ii) officers' and directors' errors and omissions insurance; and (iii) full replacement value hazard insurance on the real and personal property owned by the Master Association;

(f) cause the Common Area and all facilities erected thereon and any portions of any Unit for which the Master Association has maintenance responsibility to be maintained;

(g) establish and maintain an adequate reserve fund for the periodic maintenance, repair and replacement of the improvements constructed on the Common Area;

(h) provide such notices to and obtain such consents from the owners and holders of first deeds of trust on Units within the Properties as is required by the Declaration or these Bylaws;

(i) pay all ad valorem taxes and public assessments levied against the real and personal property owned in fee by the Master Association;

(j) hold annual and special meetings and elections for the Board of Directors; and

(k) prepare annual budgets and financial statements for the Master Association and make same available for inspection by the Members and their agents at all reasonable times.

Section 3. Enforcement. Notwithstanding anything to the contrary in this Article, the Board of Directors is authorized to enforce any provision of the Rules by self-help methods (specifically including, but not limited to, the towing of Owner and tenant vehicles parked in violation of parking rules) or by action at law or in equity to enjoin any violation or to recover monetary damages or both. In any such action, to the maximum extent permissible, the Master Association shall be entitled to recover all costs of such action, including reasonably attorney's fees incurred. Any entry onto any Unit for purposes of exercising this power of self-help shall not be deemed as trespass.

ARTICLE VIII OFFICERS AND THEIR DUTIES

Section 1. Enumeration of Offices. The officers of the Master Association shall be President, who shall at all times be a member of the Board of Directors, a Secretary, a Treasurer, and such Vice President(s) and other officers as the Board of Directors may from time to time by resolution appoint.

Section 2. Election of Officers. The election of officers shall take place at the first meeting of the Board of Directors following each annual meeting of the Members.

Section 3. Term. The officers of the Master Association shall be elected annually by the Board of Directors and each shall hold office for one (1) year unless they shall sooner resign, be removed, or be otherwise disqualified to serve.

Section 4. Special Appointments. The Board of Directors may elect such other officers as the affairs of the Master Association may require, each of whom shall hold office for such period, have such authority, and perform such duties as the Board of Directors may from time to time determine.

Section 5. Resignation and Removal. Any officer may be removed from office, with or without cause, by the Board of Directors. Any officer may resign at any time by giving written notice to the Board of Directors, the President or the Secretary. Such resignation shall take effect on the date of receipt of such notice or at any later time specified therein, and, unless otherwise specified therein, the acceptance of such resignation shall not be necessary to make it effective.

Section 6. Vacancies. A vacancy in any office may be filled by the Board of Directors. The person appointed to such vacancy shall serve for the remainder of the term of the officer he replaces.

Section 7. Multiple Offices. No person shall simultaneously hold more than one of any of the other offices, except in the case of special offices created pursuant to Section 4 of this Article. Notwithstanding the foregoing, the offices of Secretary and Treasurer may be held by the same person.

Section 8. Duties. The duties of the officers are as follows:

(a) President. The President shall: preside at all meetings of the Board of Directors and of the Members; see that orders and resolutions of the Board of Directors are carried out; sign all leases, promissory notes, mortgages, deeds and other written instruments; and, in the absence of the Treasurer, sign all checks.

(b) Vice President. The Vice President shall act in the place and stead of the President in the event of his absence, inability or refusal to act, and shall exercise and discharge such other duties as may be required of him by the Board of Directors.

(c) Secretary. The Secretary shall: record the votes and keep the minutes of all meetings and proceedings of the Board of Directors and of the Members; keep the corporate seal of the Master Association and affix it on all papers requiring a seal; serve notice of meetings of the Board of Directors and of the Members; keep appropriate current records showing the Members of the Master Association and their addresses; and perform such other duties as required by the Board of Directors.

(d) Treasurer. The Treasurer shall: receive and deposit in appropriate bank accounts all fund of the Master Association and disburse such funds as directed by resolution of the Board of Directors; keep proper books of account; issue, or cause to be issued, all requested certificates setting forth whether the assessments applicable to a specific Unit have been paid; cause an annual audit of the Master Association books to be made by an independent public accountant at the completion of each fiscal year; prepare an annual budget and a statement of income and expenditures to be represented to the membership at its regular annual meeting, and deliver a copy of each to the Members; and, if directed by resolution of the Board of Directors, sign all checks of the Master Association.

ARTICLE IX JUDICIAL ACTIONS AND CLAIMS

Actions on behalf of and against the Unit Owners shall be brought in the name of the Master Association. Subject to the express limitations on actions in these Bylaws and in the Master Association's Articles of Incorporation, the Master Association may assert, defend or

settle claims on behalf of all Unit Owners in connection with the Common Elements of the Condominium. As provided in the Articles of Incorporation of the Master Association, the commencement of any civil action (other than one to enforce these Bylaws or collect delinquent assessments) shall require the approval of a majority in number and in value of the Unit Owners, and shall be governed by the requirements of this Article IX. The requirements of this Article IX will ensure that the Unit Owners are fully informed regarding the prospects and likely costs of any civil action the Master Association proposes to engage in, as well as the ongoing status of any civil actions actually filed by the Master Association. These requirements are imposed in order to reduce both the cost of litigation and the risk of improvident litigation, and in order to avoid the waste of the Master Association's assets in litigation where reasonable and prudent alternatives to the litigation exist. Each Co-owner shall have standing to sue to enforce the requirements of this Article IX. The following procedures and requirements apply to the Master Association's commencement of any civil action other than an action to enforce these Bylaws or to collect delinquent assessments:

Section 1. Board of Directors' Recommendation to Unit Owners. The Master Association's Board of Directors shall be responsible in the first instance for recommending to the Unit Owners that a civil action be filed, and supervising and directing any civil actions that are filed.

Section 2. Litigation Evaluation Meeting. Before an attorney is engaged for purposes of filing a civil action on behalf of the Master Association, the Board of Directors shall call a special meeting of the Unit Owners ("litigation evaluation meeting") for the express purpose of evaluating the merits of the proposed civil action. The written notice to the Unit Owners of the date, time and place of the litigation evaluation meeting shall be sent to all Unit Owners not less than twenty (20) days before the date of the meeting and shall include the following information copied onto 8-1/2" x 11" paper:

(a) A certified resolution of the Board of Directors setting forth in detail the concerns of the Board of Directors giving rise to the need to file a civil action and further certifying that:

- (1) it is in the best interests of the Master Association to file a lawsuit;
 - (2) that at least one member of the Board of Directors has personally made a good faith effort to negotiate a settlement with the putative defendant(s) on behalf of the Master Association, without success;
 - (3) litigation is the only prudent, feasible and reasonable alternative;
- and
- (4) the Board of Directors' proposed attorney for the civil action is of the written opinion that litigation is the Master Association's most reasonable and prudent alternative.

(b) A written summary of the relevant experience of the attorney ("litigation attorney") the Board of Directors recommends be retained to represent the Master Association in the proposed civil action, including the following information:

- (1) the number of years the litigation attorney has practiced law; and

(2) the name and address of every condominium and homeowner association for which the attorney has filed a civil action in any court, together with the case number, county and court in which each civil action was filed.

(c) The litigation attorney's written estimate of the amount of the Master Association's likely recovery in the proposed lawsuit, net of legal fees, court costs, expert witness fees and all other expenses expected to be incurred in the litigation.

(d) The litigation attorney's written estimate of the cost of the civil action through a trial on the merits of the case ("total estimated cost"). The total estimated cost of the civil action shall include the litigation attorney's expected fees, court costs, expert witness fees, and all other expenses expected to be incurred in the civil action.

(e) The litigation attorney's proposed written fee agreement.

(f) The amount to be specially assessed against each Unit in the Condominium to fund the estimated cost of the civil action both in total and on a monthly per Unit basis, as required by Section 6 of this Article IX.

Section 3. Independent Expert Opinion. If the lawsuit relates to the condition of any of the Common Elements of the Condominium, the Board of Directors shall obtain a written independent expert opinion as to reasonable and practical alternative approaches to repairing the problems with the Common Elements, which shall set forth the estimated costs and expected viability of each alternative. In obtaining the independent expert opinion required by the preceding sentence, the Board of Directors shall conduct its own investigation as to the qualifications of any expert and shall not retain any expert recommended by the litigation attorney or any other attorney with whom the Board of Directors consults. The purpose of the independent expert opinion is to avoid any potential confusion regarding the condition of the Common Elements that might be created by a report prepared as an instrument of advocacy for use in a civil action. The independent expert opinion will ensure that the Unit Owners have a realistic appraisal of the condition of the Common Elements, the likely cost of repairs to or replacement of the same, and the reasonable and prudent repair and replacement alternatives. The independent expert opinion shall be sent to all Unit Owners with the written notice of the litigation evaluation meeting.

Section 4. Fee Agreement with Litigation Attorney. The Master Association shall have a written fee agreement with the litigation attorney, and any other attorney retained to handle the proposed civil action. The Master Association shall not enter into any fee agreement that is a combination of the retained attorney's hourly rate and a contingent fee arrangement unless the existence of the agreement is disclosed to the Unit Owners in the text of the Master Association's written notice to the Unit Owners of the litigation evaluation meeting.

Section 5. Unit Owner Vote Required. At the litigation evaluation meeting the Unit Owners shall vote on whether to authorize the Board of Directors to proceed with the proposed civil action and whether the matter should be handled by the litigation attorney. The commencement of any civil action by the Master Association (other than a suit to enforce these Bylaws or collect delinquent assessments) shall require the approval of a majority in number and in value of the Unit Owners. Any proxies to be voted at the litigation evaluation meeting must be signed at least seven (7) days prior to the litigation evaluation meeting.

Section 6. Litigation Special Assessment. All legal fees incurred in pursuit of any civil action that is subject to Section 1 through 10 of this Article IX shall be paid by special assessment of the Unit Owners ("litigation special assessment"). The litigation special assessment shall be approved at the litigation evaluation meeting (or at any subsequent duly called and noticed meeting) by a majority in number and in value of all Unit Owners in the amount of the estimated total cost of the civil action. If the litigation attorney proposed by the Board of Directors is not retained, the litigation special assessment shall be in an amount equal to the estimated total cost of the civil action, as estimated by the attorney actually retained by the Master Association. The litigation special assessment shall be apportioned to the Unit Owners in accordance with their respective percentage of value interests in the Condominium and shall be collected from the Unit Owners on a monthly basis. The total amount of the litigation special assessment shall be collected monthly over a period not to exceed twenty-four (24) months.

Section 7. Attorney's Written Report. During the course of any civil action authorized by the Unit Owners pursuant to this Article IX, the retained attorney shall submit a written report ("attorney's written report") to the Board of Directors every thirty (30) days setting forth:

(a) The attorney's fees, the fees of any experts retained by the attorney, and all other costs of the litigation during the thirty (30) day period immediately preceding the date of the attorney's written report ("reporting period").

(b) All actions taken in the civil action during the reporting period, together with copies of all pleadings, court papers and correspondence filed with the court or sent to opposing counsel during the reporting period.

(c) A detailed description of all discussions with opposing counsel during the reporting period, written and oral, including, but not limited to, settlement discussions.

(d) The costs incurred in the civil action through the date of the written report, as compared to the attorney's estimated total cost of the civil action.

(e) Whether the originally estimated total cost of the civil action remains accurate.

Section 8. Monthly Board of Directors Meetings. The Board of Directors shall meet monthly during the course of any civil action to discuss and review:

- (a) the status of the litigation;
- (b) the status of settlement efforts, if any; and
- (c) the attorney's written report.

Section 9. Changes in the Litigation Special Assessment. If, at any time during the course of a civil action, the Board of Directors determines that the originally estimated total cost of the civil action or any revision thereof is inaccurate, the Board of Directors shall immediately prepare a revised estimate of the total cost of the civil action. If the revised estimate exceeds the litigation special assessment previously approved by the Unit Owners, the Board of Directors shall call a special meeting of the Unit Owners to review the status of the litigation, and to allow the Unit Owners to vote on whether to continue the civil action and increase the

litigation special assessment. The meeting shall have the same quorum and voting requirements as a litigation evaluation meeting.

Section 10. Disclosure of Litigation Expenses. The attorneys' fees, court costs, expert witness fees and all other expenses of any civil action filed by the Master Association ("litigation expenses") shall be fully disclosed to Unit Owners in the Master Association's annual budget. The litigation expenses for each civil action filed by the Master Association shall be listed as a separate line item captioned "litigation expenses" in the Master Association's annual budget.

ARTICLE X COMMITTEES

The Board of Directors of the Master Association shall appoint a Nominating Committee as provided in Section 3 of Article V of these Bylaws. The Board of Directors may appoint an architectural committee and such other committees as it deems necessary to carry out the affairs of the Master Association.

ARTICLE XI BOOKS AND RECORDS

The books, records and papers of the Master Association shall, at all times during reasonable business hours, be subject to inspection by any Member or his agent. The Declaration, the Articles of Incorporation and the Bylaws of the Master Association shall be available for inspection by any Member at the principal office of the Master Association, where copies may be purchased at reasonable cost.

ARTICLE XII MISCELLANEOUS

Section 1. Corporate Seal. The Master Association shall have a seal in a circular form having within its circumference the words: Mill River Master Association, and such seal, as impressed in the margin hereof, is hereby adopted as the corporate seal of the Master Association.

Section 2. Amendments. Except as otherwise provided herein, these Bylaws may be amended or repealed and new by-laws adopted at any regular or special meeting of the Board of Directors by the affirmative vote of a majority of the directors then holding office.

These Bylaws may also be amended or repealed and new by-laws adopted at any regular or special meeting of the Members, by the affirmative vote of two-thirds of the votes cast at such meeting, subject to normal quorum requirements, provided however, that so long as Declarant (or its Members) has not relinquished its exclusive voting rights or conveyed title to all of the Units, Declarant shall be vested with the sole voting rights of the Master Association with regard to amendment of the Bylaws.

No by-law adopted or amended by the Members shall be amended or repealed by the Board of Directors, except to such extent that such by-law expressly authorizes its amendment or repeal by the Board of Directors.

Section 3. Conflicts. In the case of any conflict between the Articles of Incorporation and these Bylaws, the Articles shall control. In the case of any conflict between the Declaration and these Bylaws, the Declaration shall control.

Section 4. Fiscal Year. The fiscal year of the Master Association shall begin on the first day of January and end on the 31st day of December of every year, except that the first fiscal year shall begin on the date of incorporation.

Section 5. Gender. Any use of the masculine gender in these Bylaws shall be construed to include the feminine gender. Any use of the singular shall be construed, as appropriate, to include the plural.

MASTER ASSOCIATION RESPONSIBILITY PLAN

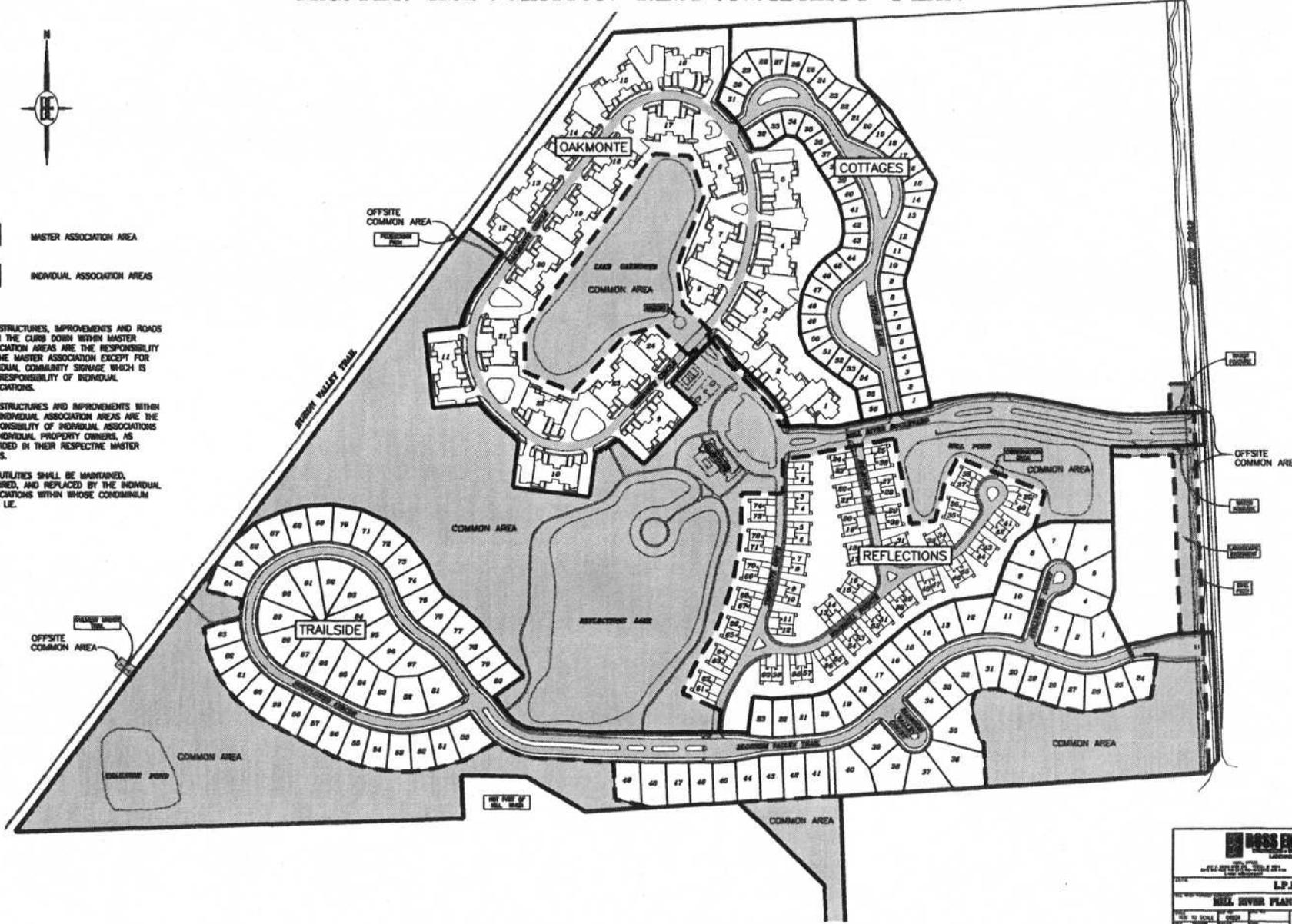


LEGEND

-  MASTER ASSOCIATION AREA
-  INDIVIDUAL ASSOCIATION AREAS

NOTE:

1. ALL STRUCTURES, IMPROVEMENTS AND ROADS FROM THE CURB DOWN WITHIN MASTER ASSOCIATION AREAS ARE THE RESPONSIBILITY OF THE MASTER ASSOCIATION EXCEPT FOR INDIVIDUAL COMMUNITY SIGNAGE WHICH IS THE RESPONSIBILITY OF INDIVIDUAL ASSOCIATIONS.
2. ALL STRUCTURES AND IMPROVEMENTS WITHIN THE INDIVIDUAL ASSOCIATION AREAS ARE THE RESPONSIBILITY OF INDIVIDUAL ASSOCIATIONS OR INDIVIDUAL PROPERTY OWNERS, AS PROVIDED IN THEIR RESPECTIVE MASTER DEEDS.
3. ALL UTILITIES SHALL BE MAINTAINED, REPAIRED, AND REPLACED BY THE INDIVIDUAL ASSOCIATIONS WITH WHOSE CONDOMINIUM THEY LIE.



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 HILL RIVER PLANNED COMMUNITY

DATE: 11-28-03