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Peggy M. Haines - Washtenaw Co. DMA

MASTER DEED

AUGUSTA COMMONS

131-  
 (62)

(Act 59, Public Acts of 1978, As Amended)

THIS MASTER DEED is made and executed on this 27th day of November, 2002, by American Home Construction, LLC, a Michigan limited liability company, hereinafter referred to as the "Developer", whose office is situated at 16370 Haggerty Road, Plymouth, Michigan 48170, in pursuance of the provisions of the Michigan Condominium Act as amended (being Act 59 of the Public Acts of 1978, as amended), hereinafter referred to as the "Act".

WITNESSETH:

WHEREAS, the Developer is the owner of certain real property located in the Township of Augusta, County of Washtenaw, Michigan, and more particularly described as follows:

Part of the Northwest 1/4 of Section 12, T4S, R7E, Augusta Township, Washtenaw County, Michigan, more particularly described as: Commencing at the North 1/4 corner of said Section 12; thence West 434.23 feet along the North line of said Section 12 and the centerline of Willis Road to the Point of Beginning; thence S 00°28'30" W, 501.40 feet; thence N 89°31'30" W, 449.51 feet; thence S 00°28'30" W, 1142.53 feet; thence N 88°05'10" W, 1152.22 feet; thence N 00°32'36" W, 739.67 feet to a point on the South line of the Norfolk Southern Railroad, 100 feet wide; thence N 51°12'10" E, 1375.80 feet along said Norfolk Southern Railroad to a point on said North line of said Section 12; thence East, 549.46 feet along said North line to the Point of Beginning. Containing 37.847 acres, subject to the rights-of-way and easements of record.

WHEREAS, the Developer desires, by recording this Master Deed, together with the By-Laws attached hereto as Exhibit "A" and together with the Condominium Subdivision Plan attached hereto as Exhibit "B" (both of which are hereby incorporated by reference and made a part hereof), to establish the real property, together with the improvements located and to be located thereon and the appurtenances thereto, as a building site project under the provisions of the Act;



WASHTENAW COUNTY TREASURER  
 TAX CERTIFICATE NO. 7633 OA

Tax Code #: 20-12-200-023



NOW, THEREFORE, the Developer does, upon the recording hereof, establish Augusta Commons as a building site project under the Act and does declare that Augusta Commons (hereinafter referred to as the "Project") shall, after such establishment, be held, conveyed, mortgaged, encumbered, leased, rented, occupied, improved, or in any other manner utilized subject to the provisions of the Act and to the covenants, conditions, easements, restrictions, uses, limitations, and affirmative obligations set forth in this Master Deed and Exhibits "A" and "B" hereto, all of which shall be deemed to run with the land and shall be a burden and a benefit to the Developer, its successors and assigns, and any persons acquiring or owning an interest in the said real property, their grantees, successors, heirs, personal representatives, and assigns. In furtherance of the establishment of said Project, it is provided as follows:

## ARTICLE I

### DEFINITIONS

Certain terms are utilized not only in this Master Deed and Exhibits "A" and "B" hereto, but are or may be used in various other instruments such as, by way of example and not in limitation, the Articles of Incorporation and Rules and Regulations of the Augusta Commons Homeowners Association, a Michigan non-profit corporation, and deeds, mortgages, liens, land contracts, easements, and other instruments affecting the establishment of or transfer of interests in Augusta Commons. Wherever used in such documents or any other pertinent instruments, the terms set forth below shall be defined as follows:

- (1) The "Act" means the Michigan Condominium Act, being Act 59 of the Public Acts of 1978, as amended.
- (2) "Association" means Augusta Commons Homeowners Association, the non-profit corporation organized under Michigan law of which all owners shall be members, which corporation shall administer, operate, manage, and maintain the Project. Any action required of or permitted to the Association shall be exercisable by its Board of Directors unless specifically reserved to its members by the Project documents or the laws of the State of Michigan.
- (3) "Building envelope" means the portion of each unit within which the owner thereof may construct improvements such as a residence. No structures may be built outside of the building envelope within each unit as shown on Exhibit "B" attached hereto without the advance written approval of the Association and the Township of Augusta, if applicable.
- (4) "By-Laws" means Exhibit "A" hereto, being the By-Laws setting forth the substantive rights and obligations of the owners and required by Section 3(8) of the Act to be recorded as part of the Master Deed. The By-Laws shall also constitute the corporate By-Laws of the Association as provided for under the Michigan Non-Profit Corporation Act.



- (5) "Common elements", where used without modification, shall mean both the general and limited common elements described in Article IV hereof.
- (6) "Condominium Subdivision Plan" means Exhibit "B" hereto.
- (7) "Construction and sales period" means, for the purposes of the Project documents and the rights reserved to the Developer thereunder, the period commencing with the recording of the Master Deed and continuing as long as the Developer owns any unit which it offers for sale.
- (8) "Developer" means American Home Construction, LLC, a Michigan limited liability company, which has made and executed this Master Deed, and its successors and assigns.
- (9) "Drainage easement" means that portion, if any, of an individual unit or the general common elements that is subject to an easement for storm water drainage and detention purposes granted to the Washtenaw County Drain Commissioner, as shown on Exhibit "B" hereto.
- (10) "First annual meeting" means the initial meeting at which nondeveloper owners are permitted to vote for the election of all Directors and upon all other matters which properly may be brought before the meeting. Such meeting (i) may be held at any time, in the Developer's sole discretion, after fifty percent (50%) of the units which may be created are sold, and (ii) must be held within (a) 54 months from the date of the first unit conveyance, or (b) 120 days after seventy-five percent (75%) of all units which may be created are sold, whichever occurs first.
- (11) "Mortgagee" means the individual, financial institution, corporation, partnership, or other entity holding a first mortgage lien on an individual unit in Augusta Commons.
- (12) "Owner" means a person, firm, corporation, partnership, association, trust, or other legal entity or any combination thereof who or which owns one or more units in the Project, and shall have the same meaning as "co-owner" as defined in the Act. "Owner" shall also include both a land contract vendor and a land contract vendee and they shall have joint and several responsibility for assessments by the Association.
- (13) "Project" means Augusta Commons established in conformity with the provisions of the Act and includes the land, all improvements and structures thereon, and all easements, rights and appurtenances belonging to Augusta Commons as described above.
- (14) "Project documents" wherever used means and includes this Master Deed and Exhibits "A" and "B" hereto, the Articles of



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Incorporation and the Rules and Regulations, if any, of the Association.

- (15) "Transitional control date" means the date on which a Board of Directors of the Association takes office pursuant to an election in which the votes which may be cast by eligible owners unaffiliated with the Developer exceed the votes which may be cast by the Developer.
- (16) "Unit" means a single condominium building site in Augusta Commons, as described in Article V hereof and in Exhibit "B" hereto, and shall have the same meaning as "condominium unit" as defined in the Act. No unit shall be divided into more than one building site.

Whenever any reference herein is made to one gender, the same shall include a reference to any and all genders where the same would be appropriate; similarly, whenever a reference is made herein to the singular, a reference shall also be included to the plural where the same would be appropriate.

ARTICLE II

TITLE OF PROJECT

The Project shall be known as Augusta Commons, Washtenaw County Condominium Subdivision Plan No. 405. The engineering plans for the Project (including architectural plans for all dwellings and other improvements to be constructed therein) were or will be approved by, and are or will be on file with the Washtenaw County Building Department. The Project is established in accordance with the Act.

ARTICLE III

NATURE OF PROJECT

The units contained in the Project, including the number, boundaries, dimensions, and area of each unit therein, are set forth completely in the Condominium Subdivision Plan attached as Exhibit "B" hereto. Each unit has been created for residential purposes and each unit is capable of individual utilization on account of having its own access to a common element of the Project. Each owner in the Project shall have an exclusive right to his unit and shall have undivided and inseparable rights to share with other owners the common elements of the Project as are designated by this Master Deed.

ARTICLE IV

COMMON ELEMENTS

The common elements of the Project described in Exhibit "B" attached hereto and the respective responsibilities for the maintenance, repair or replacement thereof are as follows:



(1). The general common elements are:

(a) The land described in page one hereof (other than that portion thereof described in Article V below and in Exhibit "B" hereto as constituting the individual building sites), including sidewalks, the private roads (which shall be subject to access easements for purposes of ingress and egress for police, fire, emergency, delivery, refuse collection, U.S. Post Office, Augusta Township, and school vehicles), storm water drainage and detention areas, landscaped berms, and improvements not located within the boundaries of a unit. Those structures and improvements that now or hereafter are located within the boundaries of a unit shall be owned in their entirety by the owner of the unit in which they are located and shall not, unless otherwise expressly provided in the Project documents, constitute common elements;

(b) The electrical wiring network throughout the Project, including street lights, up to the point of lateral connection for unit service;

(c) The natural gas line network throughout the Project up to the point of lateral connection for unit service;

(d) The telephone, television and telecommunication wiring networks throughout the Project up to the point of lateral connection for unit service;

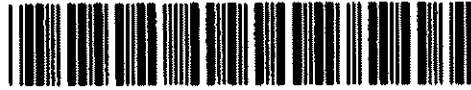
(e) The water distribution system, sanitary sewer system and storm water drainage and detention easement system throughout the Project up to the point of lateral connection for unit service;

(f) Easements for all of the aforementioned utility systems that are provided by or for the benefit of third parties are hereby dedicated to them for that purpose in the locations as set forth in Exhibit "B" hereto;

(g) Such other elements of the Project not herein designated as general common elements which are not located within the perimeter of a unit and which are intended for common use or necessary to the existence, upkeep and safety of the Project.

Some or all of the utility lines (including mains and service leads) and equipment described in Article IV, paragraphs (1)(b), (c), (d) and (e) may be owned by the local municipal authority or by the company that is providing the pertinent utility service. Accordingly, such utility lines and equipment shall be general common elements only to the extent of the owners' interest therein, and the Developer makes no warranty whatever with respect to the nature or extent of such interest, if any.

(2). Limited common elements shall be subject to the exclusive use and enjoyment of the owner of the unit or units to which such limited common elements are appurtenant. All utilities servicing a unit up to the point of lateral connection with a general common element shall be limited common elements. No additional limited common elements have been



designated as such in this Master Deed because there are no additional limited common elements in the Project. If any additional limited common elements are included in the Project at any time hereafter, they shall be shown on amendments to the Condominium Subdivision Plan.

(3). The respective responsibilities for the maintenance, repair and replacement of the common elements are as follows:

(a) Association Responsibilities. The costs of maintenance, repair and replacement of all general common elements in the Project shall be borne by the Association, including the private roads and storm water drainage easement courses and detention areas, as shown on Exhibit "B" attached hereto, subject to any provision of the Project documents expressly to the contrary. Routine maintenance of the stormwater facilities must be completed within 14 days of receipt of written notification that action is required, unless other acceptable arrangements are made with the Washtenaw County Drain Commissioner. Should the Association fail to act within this time frame, the Washtenaw County Drain Commissioner may perform the needed maintenance and assess the costs against the Association. No lawn fertilizing shall be permitted within the storm water drainage easements granted to the Washtenaw County Drain Commissioner in order to preserve the detention basins. The general common elements at the entrance to the Project from Willis Road are subject to a clear vision easement for the benefit of the Washtenaw County Road Commission, as is shown on the Condominium Subdivision Plan, which is attached to the Master Deed as Exhibit "B." The Association shall maintain the area of said easements free of any obstructions that would interfere with the ability of the Washtenaw County Road Commission to maintain adequate intersection sight distance along Willis Road.

(b) Owner Responsibilities. The owners individually shall be responsible for all maintenance, repair or replacement that (i) is expressly assigned to them by any provision of the Project documents, or (ii) is not expressly assigned to the Association by any provision of the Project documents; but none of the owners shall be responsible individually for maintenance, repair or replacement of any general common elements except as specifically provided in Article VI, Section 14 of the By-Laws. In the event an owner fails to so maintain, repair or replace any items for which he is responsible, the Association (and/or the Developer during the construction and sales period) shall have the right, but not the obligation, to take whatever action or actions it deems desirable to so maintain, repair or replace any of such improvements made within a unit, all at the expense of the owner of the unit. Failure of the Association (or the Developer) to take any such action shall not be deemed a waiver of the Association's (or the Developer's) right to take any such action at a future time. All costs incurred by the Association or the Developer in performing any responsibilities under this Article IV which are required, in the first instance to be borne by any owner, shall be assessed against such owner and shall be due and payable within thirty (30) days; further, the lien for nonpayment shall attach as in all cases of regular assessments and such assessments may be enforced by the use of all means available to the Association under the Project documents and



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by law for the collection of regular assessments including, without limitation, legal action, foreclosure of the lien securing payment and imposition of fines.

ARTICLE V

UNIT DESCRIPTION AND PERCENTAGE OF VALUE

(1). Each unit of the Project is described in this paragraph with reference to the Condominium Subdivision Plan of Augusta Commons, as a separate building site as surveyed by Arpee/Donnan, Inc., a Michigan corporation, and attached hereto as Exhibit "B". Each unit shall consist of the space contained within the unit building site boundaries as shown on Exhibit "B" hereto and delineated with heavy outlines, together with all appurtenances thereto.

(2). The percentage value assigned to all units shall be equal. The determination that percentages of value should be equal was made after reviewing the comparative characteristics of each unit in the Project and concluding that there are no material differences among the units insofar as the allocation of percentages of value is concerned. The percentage of value assigned to each unit shall be determinative of each owner's respective share of the common elements of the Project, the proportionate share of each respective owner in the proceeds and the expenses of administration and the value of such owner's vote at meetings of the Association. The total value of the Project is one hundred percent (100%).

(3). Owners of adjacent units may combine them into one unit in accordance with Section 48 of the Act, subject to the approval of the Developer and the Township of Augusta. The Association shall be responsible for the preparation and recording of any necessary amendment to the Master Deed and the owner or owners making any such change shall reimburse the Association for all expenses it incurs.

ARTICLE VI

RIGHTS OF MORTGAGEES

Notwithstanding any other provision in this Master Deed or the By-Laws or any other documents, the following provisions shall apply and may not be amended or deleted without the prior written consent of the holders of first mortgages on at least two-thirds (2/3) of the units of record:

(1) A first mortgagee, at its request, is entitled to written notification from the Association of any default by the owner of such unit in the performance of such owner's obligations under the Project documents which is not cured within sixty (60) days.

(2) Any first mortgagee who obtains title to a unit pursuant to the remedies provided in the mortgage or foreclosure of the mortgage or deed (or assignment) in lieu of foreclosure shall be exempt from any "right of first refusal" contained in the Project documents and shall be free to sell or lease such unit without regard to any such provision.



(3) Any first mortgagee who obtains title to a unit pursuant to the remedies provided in the mortgage or foreclosure of the mortgage or deed (or assignment) in lieu of foreclosure shall not be liable for such unit's unpaid dues or charges which accrue prior to the acquisition of title to such unit by the mortgagee.

(4) Unless at least two-thirds (2/3) of the owners and of the first mortgagees, pursuant to Section 90a of the Act, have given their prior written approval, the Association shall not be entitled to:

(a) by act or omission seek to abandon or terminate the Project (in which event 80% of the owners and the first mortgagees must give their approval);

(b) change the pro rata interest or obligations of any unit for the purpose of (i) levying assessments or charges or allocating distributions of hazard insurance proceeds or condemnation awards, or (ii) determining the pro rata share of ownership of each unit in the common elements;

(c) by act or omission seek to abandon, partition, subdivide, encumber, sell, or transfer the common elements. The granting of easements for public utilities or for other public purposes consistent with the intended use of the common elements by the Project shall not be deemed a transfer within the meaning of this clause;

(d) use hazard insurance proceeds for losses to any Project property (whether to units or to common elements) for other than the repair, replacement or reconstruction of such improvements, except as provided by statute in case of substantial loss to the units and/or common elements of the Project.

(5) Each first mortgagee has the right to examine the books and records of the Association and the Project.

(6) No owner, or any other party, shall have priority over any rights of first mortgagees of units pursuant to their mortgages in the case of a distribution to owners of insurance proceeds or condemnation awards for losses to or a taking of units and/or common elements.

(7) Any agreement for professional management of the Project regime or any other contract providing for services which exists between the Association and the Developer or affiliates of the Developer is voidable by the Board of Directors of the Association on the transitional control date or within ninety (90) days thereafter, and on thirty (30) days' written notice at any time thereafter without cause or payment of a termination fee.





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(8) Notwithstanding anything provided hereinabove to the contrary, in the event of a vote for an amendment to the project documents, any mortgagee ballots not returned within ninety (90) days of mailing shall be counted as approval for the change.

ARTICLE VII

DAMAGE TO PROJECT

In the event the Project is partially or totally damaged or destroyed or partially taken by eminent domain, the repair, reconstruction or disposition of the property shall be as provided by the By-Laws attached hereto as Exhibit "A".

ARTICLE VIII

EASEMENTS FOR UTILITIES

There shall be easements to, through and over the entire Project, including all of the land, for the continuing maintenance and repair of all utilities in the Project. In the event any improvements located on one unit encroach upon a common element, easements shall exist for the maintenance of such encroachment for so long as such encroachment exists and for maintenance, repair and replacement thereof following damage or destruction. The Board of Directors of the Association may grant easements over or through or dedicate any portion of any general common element of the Project for utility, roadway or safety purposes.

ARTICLE IX

FUTURE UTILITY EASEMENTS

The Developer further reserves the right at any time to grant easements for utilities over, under and across the general common elements of the Project premises to appropriate governmental agencies or public utility companies and to transfer title for utilities to governmental agencies or to utility companies. Any such easement or transfer of title may be made by the Developer without the consent of any owner, mortgagee or other person and shall be evidenced by a grant of easement or an appropriate amendment to this Master Deed and to Exhibit "B" hereto, recorded in the Washtenaw County Records. All of the owners and mortgagees of units and other persons interested or to become interested in the Project from time to time shall be deemed to have irrevocably and unanimously consented to such amendment or amendments of this Master Deed as may be required to effectuate the foregoing grant of easement or transfer of title.

ARTICLE X

FUTURE EASEMENTS, LICENSES AND RIGHTS-OF-WAY

The Association, acting through its lawfully constituted Board of Directors (including any Board of Directors acting prior to the



transitional control date) shall be empowered and obligated to grant such easements, licenses, rights-of-entry, and rights-of-way over, under and across the general common elements of the Project for utility purposes, access purposes or other lawful purposes as may be necessary for the benefit of the Project; subject, however, to the approval of the Developer during the construction and sales period. No easement created under the Project documents may be modified nor may any of the obligations with respect thereto be varied without the consent of each person benefited thereby.

#### ARTICLE XI

##### ACCESS EASEMENTS

The Developer, the Association and all public or private utilities shall have such easements over, under, across, and through the Project, including all units and common elements, as may be necessary to fulfill any responsibilities of maintenance, repair or replacement which they or any of them are required or permitted to perform under the Project documents or by law. These easements include, without limitation, the right of the Association to obtain access to the unit during reasonable hours.

#### ARTICLE XII

##### AUGUSTA COMMONS DRAINAGE DISTRICT

All owners in the Project take title to their individual units subject to a perpetual and permanent easement hereby granted in favor of the Washtenaw County Drain Commissioner, the Augusta Commons Drainage District (collectively referred to as "Grantee"), and Grantee's successors, assigns, and transferees, in, over, under and through the property described on Exhibit B hereto, with said easement set forth thereon, which easement may not be amended or revoked, except with the written approval of Grantee, and which easement contains the following terms and conditions, with the Developer granting the following rights:

(1) The easement shall be for the purpose of developing, establishing, constructing, repairing, maintaining, deepening, cleaning, widening, and performing any associated construction activities and grading in connection with any type of drainage facilities, or storm drains, in any size, form, shape, or capacity.

(2) The private road rights-of-way within Augusta Commons shall also be private easements to the Washtenaw County Drain Commissioner for drainage purposes.

(3) The Grantee shall have the right to sell, assign, transfer, or convey this easement to any other governmental unit for the purposes identified in subsection (1), above.

(4) No unit owner in the Project shall build or convey to others any permission to build any permanent structures on said easement.



(5) No unit owner in the Project shall build or place on the area covered by the easement any type of structure, fixture, or object, or engage in any activity or take any action, or convey any property interest or right, that would in any way either actually or threaten to impair, obstruct, or adversely affect the rights of Grantee under said easement.

(6) The Grantee and its agents, contractors and designated representatives shall have the right of entry on, and to gain access to, the easement property.

(7) All unit owners in the Project shall release Grantee and its successors, assigns or transferees from any and all claims to damages in any way arising from or incidental to the construction and maintenance of a storm drain or sewer, or otherwise arising from or incidental to the exercise by Grantee of its rights under said easement, and all unit owners covenant not to sue Grantee for any such damages.

ARTICLE XIII

MICHIGAN RIGHT TO FARM ACT

Owners in Augusta Commons are hereby notified that the Project is located in an agricultural area of the Township of Augusta, and that it is surrounded by farm operations that are protected by the Michigan Right to Farm Act, which is Act 93 of the Public Acts of 1981, as amended. In approving the site plan for Augusta Commons the Township of Augusta requested that the Developer notify all future owners of both the existence of said farm operations and the Act. It is the desire of the Township of Augusta to avoid having owners who move into the Project complain of the existence of said farm operations at a future date. The Michigan Right to Farm Act provides as follows:

(1). As used in the Michigan Right to Farm Act:

(a) "Farm" means the land, buildings, and machinery used in the commercial production of farm products.

(b) "Farm operation" means a condition or activity which occurs on a farm in connection with the commercial production of farm products, and includes, but is not limited to, marketed produce at roadside stands or farm markets; noise; odors; dust; fumes; operation of machinery and irrigation pumps; ground and aerial seeding and spraying; the application of chemical fertilizers, conditioners, insecticides, pesticides, and herbicides; and the employment and use of labor.

(c) "Farm product" means those plants and animals useful to human beings and includes, but is not limited to, forages and sod crops, grains and feed crops, dairy and dairy products, poultry and poultry products, livestock, including breeding and grazing, fruits, vegetables, flowers, seeds, grasses, trees, fish, apiaries, equine and



other similar products, or any other product which incorporates the use of food, feed, fiber, or fur.

(d) "Generally accepted agricultural and management practices" means those practices as defined by the commission of agriculture. The commission shall give due consideration to available Michigan department of agriculture information and written recommendations from the Michigan state university college of agriculture and natural resources cooperative extension service and the agricultural experiment station in cooperation with the United States department of agriculture soil and conservation service and the agricultural stabilization and conservation service, the department of natural resources and other professional and industry organizations.

(e) "Person" means an individual, corporation, partnership, association, or other legal entity.

(2).

(a) A farm or farm operation shall not be found to be a public or private nuisance if the farm or farm operation alleged to be a nuisance conforms to generally accepted agricultural and management practices according to policy as determined by the state agriculture commission. Generally accepted agricultural and management practices shall be reviewed annually by the state agriculture commission and revised as considered necessary.

(b) A farm or farm operation shall not be found to be a public or private nuisance if the farm or farm operation existed before a change in the land use or occupancy of land within one (1) mile of the boundaries of the farm land, and if before that change in land use or occupancy of land, the farm or farm operation would not have been a nuisance.

#### ARTICLE XIV

#### CONTRACTION OF PROJECT

(1). As of the date this Master Deed is recorded, the Developer intends to establish a Project consisting of fifty (50) units on the land described on page 1. The Developer reserves the right, however, to establish a Project consisting of fewer units than described above within the land described on page 1 and to withdraw from the Project all or some portion of the land described on page 1. Therefore, notwithstanding anything to the contrary contained in the other provisions of this Master Deed, the number of units in this Project may, at the option of the Developer, from time to time, within a period ending no later than six (6) years from the date of recording this Master Deed, be contracted to any number determined by the Developer in its sole judgment, but in no event shall the number of units be less than eighteen (18).

(2). In addition to the provisions of paragraph (1) above, the Developer unconditionally reserves the right to withdraw from the Project



any portion or portions of the land described on page 1, provided such land is not reasonably necessary to provide access to or otherwise serve the units included in the Project, as contracted. The Developer reserves the right to use the portion of the land withdrawn to establish, in its sole discretion, a single family residential development of any form. The Developer further reserves the right, subsequent to such withdrawal but prior to six (6) years from the date of recording this Master Deed, to expand the Project as so reduced to include all or any portion of the land previously withdrawn.

(3). In the event of any contraction under this Article XIV, the Developer reserves for the benefit of itself, its successors or assigns, and all owners of the land described on page 1 and all portions thereof, an easement for the unrestricted use of all roads and walkways in the Project for the purpose of ingress or egress to and from each and every portion of the Project as contracted, and for utilizing, tapping, tying into, extending and enlarging all utility improvements located within the premises, including, but not limited to, storm water detention ponds, telephone, electrical and telecommunication lines. In addition, to the extent that any general common elements within the land described on page 1 are withdrawn from the Project, the Developer shall cause nonexclusive easements for the benefit of the units remaining in the Project to be created over such withdrawn general common elements to the extent necessary for the continued operation of the Project.

(4). Any contraction in size of this Project shall be effective upon the recordation of one or more amendments to this Master Deed in a form satisfactory to the Developer, in its sole discretion. Each such amendment to the Master Deed shall proportionately readjust the percentages of values set forth in Article V, in order to reflect the total value of 100% for the entire Project, as contracted pursuant to the applicable amendment to this Master Deed. The precise determination of the readjustment in percentage of value shall be within the sole judgment of the Developer. However, such readjustment shall reflect a continuing reasonable relationship among percentages of value, based upon the original method of determining percentages of value for the Project.

(5). Any amendments to the Master Deed pursuant to paragraph (4) above shall also contain such further definitions and re-definitions of general common elements as may be necessary to adequately describe, serve and provide access to the units in the Project, as contracted. In connection with any such amendments, the Developer shall have the right to change the nature of any common elements previously included in the Project for any purpose reasonably necessary to achieve the purposes of this Article XIV, including, but not limited to, the connection of roadways and sidewalks that may be located on, or planned for the area which is withdrawn from the Project, and to provide access to any unit that is located on, or planned for the withdrawn area from the roadways and sidewalks located in the Project.

(6). All of the owners and mortgagees of units and other persons now or hereafter interested in the Project from time to time shall be deemed to have irrevocably and unanimously consented to any amendments to this Master



Deed as may be proposed by the Developer to effectuate the purposes of this Article XIV and to any proportionate reallocation of percentages of value of units which the Developer determines are necessary in conjunction with such amendments. All such interested persons irrevocably appoint the Developer as agent and attorney for the execution of such amendments to the Master Deed and all other documents necessary to effectuate the foregoing. Such amendments may be effected without the necessity of re-recording the entire Master Deed or the exhibits hereto and may incorporate by reference all or any pertinent portions of this Master Deed and the exhibits hereto.

#### ARTICLE XV

#### AMENDMENT OR TERMINATION

Except as provided in preceding paragraphs as set forth above, the Project shall not be terminated or any of the provisions of this Master Deed or Exhibits attached hereto amended unless done in compliance with the following provisions:

(1) The Project documents may be amended without the consent of owners or mortgagees for any purpose if the amendment does not materially alter or change the rights of an owner or mortgagee. The Developer, for itself and for the Association (acting through a majority of its Board of Directors), hereby expressly reserves the right to amend the Project documents for such a purpose. Amendments which do not materially alter or change the rights of an owner or materially impair the security of a mortgagee, as defined in Section 90a of the Act, include, but are not limited to, amendments modifying the types and sizes of unsold units and their appurtenant common elements, correcting survey or other errors made in the Project documents, changes required by the Township of Augusta or any other public authority having jurisdiction over the Project, changes deemed necessary to comply with or include provisions permitted by the Act, or for the purpose of facilitating mortgage loan financing for existing or prospective owners and to enable the purchase or insurance of such mortgage loans by any institutional participant in the secondary mortgage market which purchases or insures mortgages.

(2) If there is no owner other than the Developer, the Developer, with the consent of any interested mortgagee, may unilaterally terminate the Project or amend the Master Deed. A termination or amendment under this section shall become effective upon the recordation thereof if executed by the Developer.

(3) If there is an owner other than the Developer, then the Project shall be terminated only by the agreement of the Developer, eighty percent (80%) of the unaffiliated owners of units to which all of the votes in the Association appertain and the mortgagees of two-thirds (2/3) of the first mortgages covering the units. Any mortgagee ballots not returned within ninety (90) days of mailing shall be counted as approval for the termination.

(4) Agreement of the required majority of owners and mortgagees to the termination of the Project shall be evidenced by their



execution of the termination agreement or of ratifications thereof, and the termination shall become effective only when the agreement is so evidenced of record.

(5) Upon recordation of an instrument terminating a Project, the property constituting the Project shall be owned by the owners as tenants in common in proportion to their respective undivided interests in the common elements immediately before recordation. As long as the tenancy in common lasts, each owner or the heirs, successors or assigns thereof shall have an exclusive right of occupancy of that portion of the property which formerly constituted the unit.

(6) Upon recordation of an instrument terminating a Project, any rights the owners may have to the assets of the Association shall be in proportion to their respective undivided interests in the common elements immediately before recordation, except that common profits shall be distributed in accordance with the Project documents and the Act.

(7) The Project documents may be amended for a proper purpose, other than as set forth in this Article, even if the amendment will materially alter or change the rights of the owners, mortgagees or other interested parties, with the prior written consent of two-thirds (2/3) of the first mortgagees (based upon one (1) vote for each mortgage owned), but only as is required in accordance with Section 90a of the Act, and owners of the individual units. An owner's unit dimensions or the responsibility for maintenance, repair and replacement thereof may not be modified in any material way without his consent and that of his mortgagee. Any mortgagee ballots not returned within ninety (90) days of mailing shall be counted as approval for the change. The affirmative vote of two-thirds (2/3) of owners is considered two-thirds (2/3) of all owners entitled to vote as of the record date for such votes.

(8) The Project documents may not be amended, so as to affect the site plan for the Project approved by the Township of Augusta, without the advance written approval of the Township of Augusta, and no provision in the Project documents which specifically applies to or grants rights to the Township of Augusta may be released, changed, modified, or amended without the advance written approval of the Township of Augusta.

(9) The rights granted to the Washtenaw County Drain Commissioner, the Augusta Commons Drainage District and their successors and assigns, under Article XII shall not be amended without their express written consent. Any purported amendment or modification of the rights granted under Article XII shall be void and without legal effect unless agreed to in writing by the Washtenaw County Drain Commissioner, the Augusta Commons Drainage District, or their successors and assigns.

(10) A person causing or requesting an amendment to the Project documents shall be responsible for costs and expenses of the amendment



to the Project documents except for amendments based upon a vote of a prescribed majority of owners or based upon the Advisory Committee's decision, the costs of which are expenses of administration.

(11) A Master Deed amendment dealing with the addition, withdrawal or modification of units or other physical characteristics of the Project shall comply with the standards prescribed in the Act for preparation of an original Condominium Subdivision Plan for the Project.

(12) During the construction and sales period, this Master Deed, and all Exhibits attached hereto, shall not be amended without the written consent of the Developer.

ARTICLE XVI

ASSIGNMENT


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

AMERICAN HOME CONSTRUCTION, LLC,  
Developer

By:   
Dena Gibbs, Member

STATE OF MICHIGAN, COUNTY OF WASHTENAW

On November 27, 2002, Dena Gibbs appeared before me, and stated under oath that she is a Member of American Home Construction, LLC, a Michigan limited liability company, and that this document was signed on behalf of the limited liability company, by authority of its operating agreement, and she acknowledged this document to be the free act and deed of the limited liability company.

  
Karl R. Frankena, Notary Public  
Washtenaw County, Michigan  
My commission expires: 6/9/03

✓  
This document was prepared by  
and when recorded return to:  
Karl R. Frankena  
Conlin, McKenney & Philbrick, P.C.  
350 S. Main Street, Suite 400  
Ann Arbor, Michigan 48104-2131

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