



STATE OF MICHIGAN - MIDLAND COUNTY
SCOTT I. HAINES, REGISTER OF DEEDS
RECORDED
04/28/2005 9:19:14 AM

DECLARATION OF RESTRICTIONS COUNTRYSIDE ESTATES

THIS DECLARATION OF RESTRICTIONS is made as of this 15th day of April, 2005 by SBI Limited Partnership, a Michigan limited partnership, whose address is 4665 Dobie Road, Suite 130, Okemos, Michigan 48864 and Donald H. Gaffke and Kathleen P. Gaffke, husband and wife, whose address is 3603 Dublin Avenue, Midland, Michigan 48640 (collectively, "Declarant"), pertaining to the plat of Countryside Estates.

WITNESSETH:

WHEREAS, Declarant is the owner of the Countryside Estates Subdivision legally described as follows:

Countryside Estates, part of the Southeast $\frac{1}{4}$ of section 12, T.14N.- R.1E., City of Midland, Midland County, Michigan, described as:

Beginning S.00°-36'-44"W., along the East section line, 997.65 feet from the East $\frac{1}{4}$ corner of said section 12; thence continuing S.00°-36'-44"W., along said East section line, 337.26 feet to the South one-eighth line; thence N.89°-12'-24"W., along said South one-eighth line, 1325.99 feet to the East one-eighth line; thence N.00°-29'-12"E., along said East one-eighth line, 330.87 feet; thence S.89°-28'-58"E., 1326.71 feet back to the point of beginning.

WHEREAS, Declarant desires all lands within Countryside Estates to be subject to certain land and building use restrictions as hereinafter set forth.

NOW THEREFORE, Declarant hereby declares and establishes the following restrictions upon all lots within Countryside Estates and upon all present and future owners and occupants of such lots.

DEFINITIONS

1. "Plat" means the plat of Countryside Estates, according to the plat thereof recorded on April 28, 2005 at Liber Q of Plats, Pages 647 to 648, Midland County Records.



2. "Floodplain Area" means the area of the Plat at or below 616.5 N.G.V. Datum as shown on the Plat, and labeled "FLOODPLAIN AREA." The elevation of the contour defining the floodplain limits is shown on the Plat and labeled "Floodplain Contour as established by the Department of Environmental Quality, 616.5 N.G.V. Datum."

FLOODPLAIN RESTRICTIONS

3. No filling or occupation of the Floodplain Area will be allowed without prior written approval from the Michigan Department of Environmental Quality. Any building used or capable of being used for residential purposes or occupancy on Lots 10, 11, 12, 13, 14, 15, 16, 17, 18, 19, 20, 21, and 22 shall comply with all of the following requirements:

a. Have lower floors, excluding basements, not lower than the elevation defining the floodplain limits.

b. Have openings into the basement not lower than the elevation defining the floodplain limits.

c. Have basement walls and floors, if below the elevation defining the floodplain limits, which are watertight and designed to withstand hydrostatic pressures from a water level equal to the elevation of the contour defining the floodplain limits following methods and procedures outlined in chapter 5 for type A construction and chapter 6 for class 1 loads found in the publication entitled, "Flood Proofing Regulations," EP 1165 2 314, prepared by the office of the chief of engineers, United States Army, Washington, D.C., March 1992. Figure 6 on page 14-5 of the regulations shows typical foundation drainage and waterproofing details. This document is adopted by reference and is available, at no cost, from the Department of Environmental Quality, Land and Water Management Division, P.O. Box 30458, Lansing, Michigan 48909-7958, or Department of the Army, Corps of Engineers, Publications Depot, 890 S. Pickett, Alexandria, Virginia 22304.

d. Be equipped with a positive means of preventing sewer backup from sewer lines and drains which serve the building.

e. Be properly anchored to prevent floatation.

4. These Restrictions shall run with the land, in perpetuity, and may not be amended without approval of the Michigan Department of Environmental Quality.

IN WITNESS WHEREOF, the undersigned have executed this Declaration of Restrictions as of the day and year first written above.

[signatures on next page]

SBI LIMITED PARTNERSHIP

By: SCHROEDER BUILDERS, INC.
General Partner



LIBER 1287

PAGE 174

By: Keith L. Schroeder
Keith L. Schroeder
Its: President

STATE OF MICHIGAN)

COUNTY OF Ingham)

The foregoing instrument was acknowledged before me this 15th day of April, 2005 by Keith L. Schroeder, as President of Schroeder Builders, Inc., a Michigan corporation as General Partner of SBI Limited Partnership, a Michigan Limited Partnership, for the Limited Partnership.

Terri L. Holmgren
Terri L. Holmgren Notary Public
Clinton County, Michigan
My Commission expires: 11-13-06
Acting in Ingham County, MI

Donald H. Gaffke
Donald H. Gaffke

Kathleen P. Gaffke
Kathleen P. Gaffke

STATE OF MICHIGAN)

COUNTY OF Midland)

The foregoing instrument was acknowledged before me this 12th day of April, 2005, by Donald H. Gaffke and Kathleen P. Gaffke, husband and wife.



LIBER 1287

PAGE 175

Kathy A. Mueller
Kathy A. Mueller Notary Public
Midland County, Michigan
My Commission expires: 9-6-08
Acting in Midland County, MI

Drafted by and After
Recording Return to:

David E. Pierson
McClelland & Anderson, L.L.P.
1305 S. Washington Ave., Ste. 102
Lansing, MI 48910
(517) 482-4890

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LIBER 1290

PAGE 1



STATE OF MICHIGAN - MIDLAND COUNTY
SCOTT I. HAINES, REGISTER OF DEEDS
RECORDED
05/17/2005 8:02:28 AM

**COUNTRYSIDE ESTATES
FIRST AMENDMENT TO THE
DECLARATION OF RESTRICTIONS
RECORDED APRIL 28, 2005**

LIBER 1287, PAGES 172 TO 175, MIDLAND COUNTY RECORDS

THIS DECLARATION OF RESTRICTIONS is made as of this 10th day of May, 2005 by SBI Limited Partnership, a Michigan Limited Partnership, whose address is 4665 Dobie Road, Suite 130, Okemos, Michigan 48864 and Donald H. Gaffke and Kathleen P. Gaffke, whose address is 3603 Dublin Avenue, Midland, Michigan 48640 (Collectively, "Declarant"), pertaining to the plat of Countryside Estates, recorded on April 28, 2005 at Liber Q of Plats, Pages 64 to 66, Midland County Records.

WITNESSETH:

WHEREAS, Declarant is the owner of the Countryside Estates Subdivision legally described as follows:

Countryside Estates, part of the Southeast $\frac{1}{4}$ of section 12, T.14N.- R.1E., City of Midland, Midland County, Michigan, described as:

Beginning S.00°-36'-44"W., along the East section line, 997.65 feet from the East $\frac{1}{4}$ corner of said section 12; thence continuing S.00°-36'-44"W., along said East section line, 337.26 feet to the South one-eighth line; thence N.89°-12'-24"W., along said South one-eighth line, 1325.99 feet to the East one-eighth line; thence N.00°-29'-12"E., along said East one-eighth line, 330.87 feet; thence S.89°-28'-58"E., 1326.71 feet back to the point of beginning. Containing 10.17 acres, 22 lots, two conservation easements, one outlot, and one storm water detention area.

WHEREAS, Declarant desires all lands within Countryside Estates to be subject to certain land and building use restrictions as hereinafter set forth for the common benefit of all owners of lots within Countryside Estates.

NOW THEREFORE, Declarant hereby declares and establishes the following covenants, conditions, restrictions, easements, and reservations upon all lots within Countryside Estates and upon all present and future owners and occupants of such lots, as well as lots in any Contiguous Plats (as defined below) that SBI Limited Partnership as Declarant chooses to develop within twenty (20) years from the date the Restrictions are recorded.



TABLE OF CONTENTS

ARTICLE I	
DEFINITIONS.....	4
ARTICLE II	
SAFETY PRECAUTIONS.....	5
ARTICLE III	
ADMINISTRATION OF RESTRICTIONS.....	6
ARTICLE IV	
VARIANCE DETERMINATIONS AND APPROVALS.....	6
ARTICLE V	
ARCHITECTURAL PLANS.....	7
ARTICLE VI	
BUILDING RESTRICTIONS.....	8
ARTICLE VII	
SUBDIVISION OF PLATTED LOT.....	10
ARTICLE VIII	
DAMAGED OR DESTROYED BUILDINGS.....	10
ARTICLE IX	
APPEARANCE OF LOTS AND BUILDING.....	10
ARTICLE X	
HOMEOWNERS' ASSOCIATION.....	11
ARTICLE XI	
OWNERSHIP AND MAINTENANCE OF COMMON PROPERTY....	11
ARTICLE XII	
ASSESSMENT PROCEDURES.....	11
ARTICLE XIII	
HOMEOWNERS' ASSOCIATION FUND.....	13



ARTICLE XIV	
DURATION, TERMINATION AND AMENDMENT.....	13
ARTICLE XV	
PARTIAL INVALIDITY.....	14
ARTICLE XVI	
ENFORCEMENT.....	14



ARTICLE I DEFINITIONS

As used in these Declaration of Restrictions, the following terms shall have the meanings designated:

1. "Declarant" means SBI Limited Partnership, a Michigan Limited Partnership and Donald H. Gaffke and Kathleen P. Gaffke, their successors and assigns, provided, however, that the Gaffkes' rights and obligations hereunder shall automatically terminate at such time as they no longer own a lot within the Plat. Until such time, any consent of "Declarant" required hereunder shall require the consent of both SBI Limited Partnership and the Gaffkes.
2. "Homeowners' Association" means the Michigan non-profit corporation known as "Countryside Estates Homeowners' Association," which is a membership corporation established by Declarant.
3. "Architectural Control Committee" means the committee of the Homeowners' Association established by the Bylaws of the Homeowners' Association to implement and approve the architectural control provisions under Article V of these Restrictions.
4. "Architectural Plans" mean:
 - (a) Complete building plans including detailed architectural exterior design of a residential dwelling, garages, decks, and porches and any buildings to be detached from the residence;
 - (b) A plot plan showing the location of all building(s), driveways, sidewalks, patios, decks, porches, bays, and chimneys, the elevations of top of foundations and existing and proposed grade elevations for the entire lot; and
 - (c) Complete specifications covering the type and quality of interior and exterior (including foundation) materials and color of exterior walls, trim, porches, patios, decks and roofs.
5. "Common Property" means the common areas, common facilities and equipment within the Plat, including the following common areas:



(a) Any apparatus or equipment, such as but not limited to, security lighting, fences or signs installed by Declarant within the common areas shown on the Plat; and

(b) Any other property, facility, apparatus or equipment hereafter designated by Declarant to be Common property.

6. "Homeowners' Association Fund" means the monies deposited in a bank account established by the Homeowners' Association to pay for the costs of maintenance of the Common Property and other costs as detailed in these restrictions.

7. "Contiguous Land" means: the lands bounded by Dublin Road, Countryside Drive, Green Road and Tittabawassee River.

8. "Contiguous Plat" means any plat or plats developed by the Declarant within the Contiguous Lands and made subject to these Restrictions.

9. "Cost of maintenance" means all costs associated with maintaining the Common Property, including but not limited to, costs of insurance, taxes, utilities, upkeep and repair.

10. "Plat" means the plat of Countryside Estates, according to the plat thereof recorded on April 28, 2005 at Liber Q of Plats, Pages 64 to 66, Midland County Records.

ARTICLE II SAFETY PRECAUTIONS

Forty eight (48) hours before any grading or digging in the ground, all lot owners must call Miss Dig at (800) 482-7171, and the underground wires, cables and pipes will be located and marked. There are natural gas pipes, high voltage electrical wires, phone wires and cables buried on lots, street right of ways and the Common Property.



ARTICLE III ADMINISTRATION OF RESTRICTIONS

1. During the development stage of the Plat and the Contiguous Lands, Declarant intends to retain control of the administration of these Restrictions. Once development of the Plat and the Contiguous Lands is completed, or substantially completed, Declarant intends to transfer administration of these Restrictions to the Homeowners' Association. However, Declarant reserves the right to transfer administration to the Homeowners' Association at any time and Declarant further reserves the right to retain administration of any portion of these Restriction indefinitely. Prior to any transfer to the Homeowners' Association, Declarant reserves the right to transfer or assign its rights hereunder, in whole or part, to any other person. Successors of Declarant shall automatically accede to all rights of Declarant under these Restrictions.

2. Should an owner of any lot within the Plat violate any of these Restrictions, Declarant shall have the right to undertake correction of the violation and the costs incurred by Declarant in doing so shall be immediately due and payable by the lot owner to the Declarant. In addition, a lien may be imposed on the owner's lot until payment is made, and the lien may be foreclosed in the manner of the foreclosure of a mortgage under Michigan statutes.

ARTICLE IV VARIANCE DETERMINATIONS AND APPROVALS

1. Declarant shall have the right, in its sole discretion, to grant a variance from any of these Restrictions to the owner of any lot.

2. Once the transfer of the administration of any Restriction has been made by Declarant to the Homeowners' Association, all determinations and approvals required of Declarant under such Restrictions, and all variances therefrom obtainable from Declarant, shall be obtained from the Architectural Control Committee.



3. All determinations, approvals and variances, whether from Declarant or the Architectural Control Committee, shall be in writing and shall be obtained prior to any act being undertaken which requires such determination, approval or variance.

4. The granting of any variance or approval, or making of any determination, shall not be construed as a precedent binding Declarant or the Architectural Control Committee to any other similar or identical variance, approval or determination, and no action or inaction of Declarant or the Architectural Control Committee shall be deemed a waiver of any of their rights hereunder.

5. In addition to the determinations and approvals required under this Declaration, improvements to, and the use and enjoyment of, lots within the Plat must be in conformance with applicable City of Midland ordinances.

ARTICLE V ARCHITECTURAL PLANS

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backing
end of week*

1. No building, fence, wall, basketball backboard or other structure shall be erected, located or altered upon any lot within the Plat unless and until the architectural features of such improvement as revealed by the Architectural Plans have been approved by Declarant; provided, however, that this Article shall not be construed to create any liability whatsoever on part of the Declarant to any lot owner.

2. Architectural Plans shall be submitted to Declarant, who shall have thirty (30) days following submission to either approve or reject them. If Declarant does not approve or reject any plans within the thirty (30) day period, they shall be deemed approved. If Declarant rejects all or any portion of any plans, the owner shall resubmit them or portions of them, and Declarant shall have thirty (30) days after resubmission within which to accept or reject them.

3. The extent of discretion reserved to Declarant in approving and rejecting any plans is broad and will cover not only matters treated elsewhere in these Restrictions, but other matters deemed by Declarant to be appropriate from time-to-time, including considerations that are aesthetic and subjective, to assure a proper mix, coordination and blending of building design, exterior material and color treatments, and placements of houses on lots within the Plat.



ARTICLE VI BUILDING RESTRICTIONS

1. Only detached single family residences constructed on site shall be built in the Plat, except that Declarant reserves the right to maintain, or permit other builders to maintain, model homes within the Plat. Not more than one dwelling per lot may be constructed.
2. Houses constructed on lots within the Plat shall have a minimum square footage of finished floor space above street grade, excluding porches and garages, as follows:
 - 1 story 1500 square feet.
 - 2 story 1900 square feet.
 - 1 ½ story 1700 square feet.
3. The minimum setbacks for houses (including garages, porches, decks, patios, greenhouses, eaves, bays and chimneys) from the front, side and rear lot lines shall be determined by City of Midland ordinance.
4. Roof pitches shall not be less than 6/12.
5. Garages shall be attached, be a minimum of four hundred (400) square feet and be designed for at least (2) cars. Driveways shall be concrete.
6. No structure of a temporary character shall be place on any lot.
7. No sign of any kind shall be displayed to the public view on any lot except one professional sign of not more than one (1) square foot for home businesses and/or one sign of not more than six (6) square feet advertising the property for sale or rent. However, Declarant may erect larger signs to promote the sales of lots.
8. No fence, wall, hedge or shrub planting which obstructs sight line at elevations between two (2) and six (6) feet above the roadways shall be placed or permitted to remain on any corner lot within the triangular area formed by the street property lines and a line connecting them at points twenty five (25) feet from the intersection of the street lines, or in the case of a rounded property corner, from the intersection of street property lines extended. The same sight line limitations shall apply on any lot within ten (10) feet from the



intersection of a street property line with the edge of a driveway or alley pavement. No tree shall be permitted to remain within such distances of such intersections unless foliage line is maintained at sufficient height to prevent sight obstruction. Lot owners are hereby put on notice that current City of Midland ordinances may contain more restrictive provisions governing the placement of obstructions near roadways and intersections.

9. Each lot, including the area between front lot line and the curb, shall be landscaped within four (4) months from occupancy of the dwelling. For purposes of the preceding sentence, the months of November through March shall be excluded from calculation of the four (4) month period.
10. The final grade of a lot may not be changed from the grading plan without the approval of the Declarant. No structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the drainage plan of the subdivision or which may obstruct or retard the natural flow of water over any lot or prevent the proper grading and blending of adjoining lots to further the drainage plan.
11. There shall be no outdoor storage of mobile homes, motor homes, house trailers, campers, boats or other recreational vehicles on a lot or street within the Plat. Also, commercial vehicles larger than $\frac{3}{4}$ ton pickups or trailers are not allowed to be stored on a lot or street. "Storage" is considered anything over forty eight (48) hours in any one week.
12. Detached storage buildings are prohibited.
13. Solar collectors and satellite dishes or any other devices or equipment erected either on the exterior of a dwelling or detached therefrom and designed for the production of energy for heating or cooling or for any other purpose shall be permitted only upon approval of the Declarant.
14. Fences are limited to rear yards and may not extend nearer the street than the rear corner of the building nearest the side lot line or the side street in case of a corner lot. Any wood fence must be sealed, stained or painted. All fences must be properly maintained including the finish and structural integrity. Both sides of a fence must be equal in appearance. Chain link or wire fences are prohibited. Lot owners are hereby put on notice that current City of Midland ordinances may contain more restrictive provisions regarding fences.
15. Any trees being planted in street right-of-way must be in compliance with the City of Midland standards.



ARTICLE VII SUBDIVISION OF PLATTED LOT

No lot shall be subdivided without the prior written approval of Declarant and City of Midland.

ARTICLE VIII DAMAGED OR DESTROYED BUILDINGS

Any dwelling on any lot within the Plat which may be damaged or destroyed by fire, windstorm or from any other cause, shall be repaired, rebuilt, or torn down and all debris removed and the lot restored to a sightly condition with reasonable promptness. Declarant may enter on any lot where an excavation, foundation, or uncompleted house has been left without substantial and continuing building progress for more than three (3) months and cause such excavation or foundation to be filled or removed, or such uncompleted house to be demolished, the expense thereof shall be immediately due and payable to Declarant by the lot owner and shall become a lien on the property, which liens may be foreclosed in the manner of the foreclosure of a mortgage under Michigan statutes.

ARTICLE IX APPEARANACE OF LOTS AND BUILDINGS

The owners of all occupied lots within the Plat shall keep their lot Landscaped and maintain their structures in good repair, consistent with the high standards of the development in the Plat. Prior to construction of a dwelling on any lot, the owner shall keep and maintain the lot in a sightly condition consistent with the high standards of the development in the Plat, causing weeds and other growth to be cut. Notwithstanding the foregoing, it shall be the obligation of every lot owner to prevent the accumulation of rubbish and debris on his or her lot at all times, including periods of construction.



ARTICLE X HOMEOWNERS' ASSOCIATION

Declarant has established the Homeowners' Association. Copies of the Articles of Incorporation and Bylaws of the corporation, which specify the powers and obligations of the corporation, voting rights of its members and administrative structure of the corporation, shall be given to each lot owner by Declarant prior to or at closing on the sale of each lot by Declarant.

ARTICLE XI OWNERSHIP AND MAINTENANCE OF COMMON PROPERTY

1. Ownership of the Common Property as of the date hereof is vested in Declarant. Declarant shall maintain and shall retain ownership and control of the Common Property until such time as Declarant determines it advisable to transfer ownership to the Homeowners' Association. The costs of maintenance shall be spread equally among lot owners in this Plat and any Contiguous Plat. Costs of maintenance under this article shall be paid and assessed under assessment procedures and formulas established under Article XII.
2. The costs of maintenance of any Common Property in any Contiguous Plat designated by the Declarant shall be assessed against owners of lots within this Plat, as well as the owners of lots within the Contiguous Plat under the assessment procedures and formulas established under Article XII.

ARTICLE XII ASSESSMENT PROCEDURES

1. Assessments for the cost of maintenance of Common Property and all other Association expenses, including, but not limited to, insurance, maintenance of islands within dedicated streets, and maintenance of the entrance signs shall be assessed equally to all lot owners. This assessment shall be based on the



total estimated cost of items covered by this paragraph. If during any year the total accumulations from the assessments are not sufficient to pay the costs to be assessed under this paragraph, supplemental special assessments may be made.

2. Assessments and supplemental assessments within this Article shall be determined by the Declarant until such time as it shall assign such responsibility to the Homeowners' Association, in which case, said amount shall be determined by the Homeowners' Association's Board of Directors. Notice of the annual assessment shall be sent to owners of the lots by mailing said notice to their last known address. It is anticipated that annual assessments shall be determined in November of each year and billed by December 15th in each year; however, failure to timely assess shall not invalidate and otherwise valid assessment.
3. All assessments under this Article shall be due in full within thirty (30) days of mailing. Any assessment not paid when due shall accrue interest from the due date at such lawful rate as established from time to time by Declarant, and shall become a lien on the lot in question until paid. Such lien may be foreclosed by Declarant in the manner prescribed for the foreclosure of mortgages under Michigan statutes.
4. Assessments shall commence with the calendar year 2006.
5. Assessments shall be made without regard to whether a lot is improved or unimproved.
6. Declarant reserves the right to transfer any part or all of the responsibility for maintenance of the Common Property to the Homeowners' Association and upon such transfer, the Homeowners' Association shall be bound to assume the responsibility for maintenance of such items. Upon transfer, assessments for these items shall be made by the Homeowners' Association, on the basis described in this article, and the Homeowners' Association shall make determinations reserved to Declarant in this article as to the same.



ARTICLE XIII
HOMEOWNERS' ASSOCIATION FUND

1. The Homeowners' Association shall establish and maintain the Homeowners' Association fund.
2. Contributions to the Homeowners' Association Fund shall be made by each lot owner within the Plat based on the assessment procedures established under Article XII.
3. The Homeowners' Association shall account annually to all lot owners within the Plat for receipts and expenditures from the Homeowners' Association Fund, and shall make the books and records of these funds available for inspection at reasonable times upon request.
4. Nothing herein shall be construed to prohibit the Homeowners' Association from investing fund monies in certificates of deposit, treasury bills or like instruments, and all interest from such investments, and any interest from any bank account into which assessments are deposited, shall inure to the benefit of the Homeowners' Association Fund.

ARTICLE XIV
DURATION, TERMINATION AND AMENDMENT

These Restrictions shall remain in effect for a term of twenty five (25) years from the date these Restrictions are recorded and thereafter, these restrictions shall be automatically extended for successive terms of ten (10) years each unless at least one (1) year prior to the expiration of the original term or of any renewal term they are terminated. Termination shall be accomplished by recording with the Midland County Register of Deeds an Agreement of Termination executed by the owners of two-thirds (2/3) of the lots in the Plat.

These Restrictions may be amended by Declarant at any time until it transfers all of its rights hereunder to the Homeowners' Association. When such event occurs, or if prior to that time by recorded instrument, Declarant grants amendment powers to the Homeowners' Association,



these Restrictions may then be amended by the Homeowners' Association as then constituted, by at least eighty percent (80%) of the voting members of the Homeowners' Association. The term "amend" means the modification or deletion of any restriction, or the imposition of any additional restriction. PROVIDED, HOWEVER, the restrictions shall not be amended by the Homeowners' Association in any manner to impair any rights or obligations of Declarant.

ARTICLE XV PARTIAL INVALIDITY

Should any provision of these Restrictions, or portion thereof be deemed invalid, the validity of the remainder shall not be impaired.

ARTICLE XVI ENFORCEMENT

These Restrictions may be enforced and any violation thereof enjoined by Declarant as long as Declarant retains any rights hereunder, and by the Homeowners' Association after such time as Declarant transfers all of its rights hereunder to the Homeowner's Association.



LIBER 1290

PAGE 15

IN WITNESS WHEREOF, the undersigned has executed this Declaration of Restrictions as of the day and year first written above.

SBI LIMITED PARTNERSHIP

By: SCHROEDER BUILDERS, INC.
General Partner

By: Keith L. Schroeder
Keith L. Schroeder
Its: President

STATE OF MICHIGAN)
)
COUNTY OF Ingham)

The foregoing instrument was acknowledged before me this 10th day of May, 2005 by Keith L. Schroeder, as President of Schroeder Builders, Inc., a Michigan corporation as General Partner of SBI Limited Partnership, a Michigan Limited Partnership, for the Limited Partnership.

Penny L. Wisinski
Penny L. Wisinski, Notary Public
Ingham County, Michigan
My Commission expires: 6-27-06
Acting in Ingham County, MI.



LIBER 1290

PAGE 16

Donald H. Gaffke
Donald H. Gaffke
Kathleen P. Gaffke
Kathleen P. Gaffke

STATE OF MICHIGAN)

COUNTY OF Midland)

The foregoing instrument was acknowledged before me this 13th day of May, 2005 by Donald H. Gaffke and Kathleen P. Gaffke. H/w

Kathy A. Mueller
Kathy A. Mueller Notary Public
Midland County, Michigan
My Commission expires: 9-6-08
Acting in Midland County, MI

Drafted by and after
Recording return to:

Mary Jo Floyd
Schroeder Homes
4665 Dobie Road
Suite 130
Okemos, MI 48864
(517) 349-0560

07/16/2004declaration-of-restrictions



STATE OF MICHIGAN - MIDLAND COUNTY
SCOTT I. HAINES, REGISTER OF DEEDS
RECORDED
08/02/2006 3:17:13 PM

**SECOND AMENDMENT TO
DECLARATION OF RESTRICTIONS**

ADDING COUNTRYSIDE ESTATES NO. 2

THIS SECOND AMENDMENT TO DECLARATION OF RESTRICTIONS is made as of this 31st day of July, 2006 by SBI Limited Partnership, a Michigan Limited Partnership, whose address is 4665 Dobie Road, Suite 130, Okemos, Michigan 48864, pertaining to the plat of Countryside Estates No. 2.

WITNESSETH:

WHEREAS, Declarant previously recorded a Declaration of Restrictions for Countryside Estates (the "Declaration"), which Declaration was recorded with the Midland County Register of Deeds on April 28, 2005 at Liber 1287, Page 172;

WHEREAS, the Declaration of Restrictions was previously amended by a First Amendment to the Declaration of Restrictions which was recorded with the Midland County Register of Deeds on May 17, 2005 at Liber 1290, Page 1;

WHEREAS, Declarant has recorded a plat for the second phase of the subdivision which is known as Countryside Estates No. 2 and is legally described as follows:

Countryside Estates No. 2, Part of the Northwest $\frac{1}{4}$ of the Southeast $\frac{1}{4}$ of Section 12, T.14N-R.1E., City of Midland, Midland County, Michigan, Described as: Beginning N.89°-29'-37"W., along the East-West One-Quarter Line, 1460.90 Feet from the East $\frac{1}{4}$ Corner of said Section 12; thence continuing N.89°-29'-37"W., along said East-West One-Quarter Line, 364.00 Feet; thence S.00°-29'-12"W., Parallel to the East One-Eighth Line, 660.00 Feet; thence N.89°-29'-37"W., Parallel to said East-West One-Quarter Line, 104.02 Feet; thence S.00°-21'-30"W., 665.27 Feet to the South One-Eighth Line; thence S.89°-12'-24"E., along said South One-Eighth Line, 598.54 Feet to the East One-Eighth Line; thence N.00°-29'-12"E., along said East One-Eighth Line and the West line, extended, of Countryside Estates as recorded in Liber Q of Plats on Pages 64-66, Midland County, Michigan Public Records, 668.27 Feet; thence N.89°-29'-37"W., Parallel to said East-West One-Quarter Line, 132.00 Feet; thence N.00°-29'-



12"E., Parallel to said East One-Eighth Line, 660.00 Feet Back to the Point of Beginning; and

WHEREAS, Declarant desires all lands within Countryside Estates No. 2 to be subject to the land and building use restrictions set forth in the Declaration, as amended.

NOW THEREFORE, Declarant hereby declares and establishes that all lots within Countryside Estates No. 2 shall be subject to the Declaration, and the Declaration shall be amended as follows:

1. Article I, Paragraph 1 of the Declaration is hereby amended to read as follows:

"Declarant" means SBI Limited Partnership, a Michigan limited partnership

2. Article I, Section 10 of the Declaration is hereby amended to read as follows:

"Plat" includes both the plat of Countryside Estates according to the plat thereof recorded on April 28, 2005 at Liber Q of Plats, Pages 64 to 66, Midland County Records, and the plat of Countryside Estates No. 2, according to the plat thereof recorded on July 14, 2006 at Liber Q of Plats, Pages 69 to 70, Midland County Records.

3. All other terms of the Declaration not expressly amended hereby shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned has executed this Second Amendment to Declaration of Restrictions as of the day and year first written above.

SBI LIMITED PARTNERSHIP, a
Michigan limited partnership

By: **SCHROEDER BUILDERS, INC.**,
a Michigan corporation

Its: General Partner

By: Keith L. Schroeder
Keith L. Schroeder

Its: President

STATE OF MICHIGAN

COUNTY OF INGHAM)

) ss.



LIBER 1354

PAGE 104

Acknowledged before me in Ingham County, Michigan, on July 31, 2006, by Keith L. Schroeder, as president of Schroeder Builders, Inc., a Michigan corporation, as general partner of SBI Limited Partnership, a Michigan limited partnership, for the limited partnership.

Terri L. Holmgren

Notary Public

Clinton County, Michigan

My Commission Expires: 11-13-06

Acting in Ingham County, Michigan

Drafted by and after
recording return to:

Gail A. Anderson, Esq.
McClelland & Anderson, L.L.P.
1305 South Washington Avenue
Suite 102
Lansing, Michigan 48910
(517) 482-4890

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LIBER 1529

PAGE 775



STATE OF MICHIGAN - MIDLAND COUNTY
JULIE K. ATKINSON REGISTER OF DEEDS
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**THIRD AMENDMENT TO
DECLARATION OF RESTRICTIONS**

ADDING COUNTRYSIDE ESTATES NO. 3

THIS THIRD AMENDMENT TO DECLARATION OF RESTRICTIONS is made as of this 27th day of October, 2010 by SBI Limited Partnership, a Michigan Limited Partnership (the "Declarant"), whose address is 4665 Dobie Road, Suite 130, Okemos, Michigan 48864, pertaining to the plat of Countryside Estates No. 3 Subdivision.

WITNESSETH:

WHEREAS, Declarant previously recorded a Declaration of Restrictions for Countryside Estates Phase I (the "Declaration"), which Declaration was recorded with the Midland County Register of Deeds on April 28, 2005 at Liber 1287, Page 172;

WHEREAS, the Declaration of Restrictions was previously amended by a First Amendment to the Declaration of Restrictions which was recorded with the Midland County Register of Deeds on May 17, 2005 at Liber 1290, Page 1;

WHEREAS, the Declaration of Restrictions was previously amended by a Second Amendment to the Declaration of Restrictions Adding Countryside Estates No. 2, which was recorded with the Midland County Register of Deeds on August 2, 2006 at Liber 1354, Page 102;

WHEREAS, Declarant has recorded a plat for the third phase of the subdivision which is known as Countryside Estates No. 3 Subdivision and is legally described as follows:

COUNTRYSIDE ESTATES NO. 3: A SUBDIVISION IN THE SOUTHWEST ¼ AND THE SOUTHEAST ¼ OF SECTION 12, T14N, R1E, CITY OF MIDLAND, MIDLAND COUNTY, MICHIGAN, THE BOUNDARY OF SAID PARCEL DESCRIBED AS: COMMENCING AT THE EAST ¼ CORNER OF SAID SECTION 12; THENCE N89°29'37"W ALONG THE EAST-WEST ¼ LINE OF SAID SECTION 12 A DISTANCE OF 2412.55 FEET; THENCE S00°21'48"W PARALLEL WITH THE NORTH-SOUTH ¼ LINE OF SAID SECTION 12 A DISTANCE OF 421.15 FEET TO THE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE CONTINUING S00°21'48"W PARALLEL WITH SAID NORTH-SOUTH ¼ LINE



156.75 FEET; THENCE S89°29'37"E PARALLEL WITH SAID EAST-WEST ¼ LINE 150.00 FEET; THENCE S00°21'48"W PARALLEL WITH SAID NORTH-SOUTH ¼ LINE 295.57 FEET; THENCE S89°12'17"E PARALLEL WITH THE SOUTH LINE OF THE NORTHWEST ¼ OF THE SOUTHEAST ¼ OF SAID SECTION 12 A DISTANCE OF 331.93 FEET TO THE WEST LINE OF COUNTRYSIDE ESTATES NO. 2 AS RECORDED IN LIBER Q OF PLATS, PAGES 69-71, MIDLAND COUNTY RECORDS; THENCE ALONG SAID WEST LINE THE FOLLOWING THREE COURSES: S00°23'42"W 185.05 FEET, S00°10'46"W 60.36 FEET, AND S00°17'34"W 204.60 FEET TO SAID SOUTH LINE; THENCE N89°12'17"W ALONG SAID SOUTH LINE 727.51 FEET TO SAID NORTH-SOUTH ¼ LINE; THENCE N89°02'15"W ALONG THE SOUTH LINE OF THE NORTHEAST ¼ OF THE SOUTHWEST ¼ OF SAID SECTION 12 A DISTANCE OF 332.56 FEET TO THE WEST LINE OF THE EAST ½ OF THE EAST 1/2 OF THE NORTHEAST ¼ OF THE SOUTHWEST ¼ OF SAID SECTION 12; THENCE N00°25'13"E ALONG SAID WEST LINE 557.84 FEET; THENCE N75°45'11"E 152.38 FEET; THENCE N76°32'54"E 190.03 FEET TO SAID NORTH-SOUTH ¼ LINE; THENCE CONTINUING N76°32'54"E 45.32 FEET; THENCE N39°53'57"E 316.09 FEET TO THE POINT OF BEGINNING; SAID PLAT CONTAINING 14.84 ACRES, CONTAINING 18 LOTS NUMBERED 51 THROUGH 68, INCLUSIVE, AND TWO PARKS.

WHEREAS, Declarant desires all lands within Countryside Estates No. 3 to be subject to the land and building use restrictions set forth in the Declaration, as subsequently amended.

NOW THEREFORE, Declarant hereby declares and establishes that all lots within Countryside Estates No. 3 shall be subject to the Declaration, and the Declaration shall be amended as follows:

1. Article I, Section 10 of the Declaration is hereby amended to read as follows:

"Plat" includes (i) the plat of Countryside Estates Subdivision – Phase I according to the plat thereof recorded on April 28, 2005 at Liber Q of Plats, Pages 64 to 66, Midland County Records; (ii) the plat of Countryside Estates No. 2, according to the plat thereof recorded on July 14, 2006 at Liber Q of Plats, Pages 69 to 70, Midland County Records; and (iii) the plat of Countryside Estates No. 3, according to the plat thereof recorded on October 18, 2010 at Liber Q of Plats, Pages 81 to 84, Midland County Records.

2. All other terms of the Declaration not expressly amended hereby shall remain in full force and effect.



IN WITNESS WHEREOF, the undersigned has executed this Third Amendment to Declaration of Restrictions as of the day and year first written above.

SBI LIMITED PARTNERSHIP, a
Michigan limited partnership

By: **SCHROEDER BUILDERS, INC.**,
a Michigan corporation
Its: General Partner

By: Keith L. Schroeder
Keith L. Schroeder
Its: President

STATE OF MICHIGAN)
) ss.
COUNTY OF Ingham)

Acknowledged before me in Ingham County, Michigan,
on October 21, 2010, by Keith L. Schroeder, as president of Schroeder Builders,
Inc., a Michigan corporation, as general partner of SBI Limited Partnership, a Michigan limited
partnership, for the limited partnership.

Terri L. Holmgren
Terri L. Holmgren
Notary Public Clinton acting in
Ingham County, Michigan
My Commission Expires: 11-13-2012
Acting in Ingham County, Michigan

Drafted by and after recording return to:

Gail A. Anderson, Esq.
McClelland & Anderson, L.L.P.
1305 S. Washington Ave, Suite 102
Lansing, Michigan 48910
(517) 482-4890

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DECLARATION OF RESTRICTIONS
ADDING COUNTRYSIDE ESTATES NO. 4

THIS DECLARATION OF RESTRICTIONS is made as of this 16th day of MARCH 2012 by SBI Limited Partnership, a Michigan Limited Partnership (the "Declarant"), whose address is 4665 Dobie Road, Suite 130, Okemos, Michigan 48864, pertaining to the plat of Countryside Estates No. 4 Subdivision.

WITNESSETH:

WHEREAS, Declarant previously recorded a Declaration of Restrictions for Countryside Estates Phase I (the "Declaration"), which Declaration was recorded with the Midland County Register of Deeds on April 28, 2005 at Liber 1287, Page 172;

WHEREAS, the Declaration of Restrictions was previously amended by a First Amendment to the Declaration of Restrictions which was recorded with the Midland County Register of Deeds on May 17, 2005 at Liber 1290, Page 1;

WHEREAS, the Declaration of Restrictions was previously amended by a Second Amendment to the Declaration of Restrictions Adding Countryside Estates No. 2, which was recorded with the Midland County Register of Deeds on August 2, 2006 at Liber 1354, Page 102;

WHEREAS, the Declaration of Restrictions was previously amended in a Third Amendment to Declaration of Restrictions Adding Countryside Estates No. 3 which was recorded with the Eaton County Register of Deeds on November 1, 2010 at Liber 1529, Page 775;

WHEREAS, Declarant has recorded a plat for the fourth phase of the subdivision which is known as Countryside Estates No. 4 Subdivision and is legally described as follows:

Countryside Estates No. 4: A subdivision in the Southwest $\frac{1}{4}$ and the Southeast $\frac{1}{4}$ of Section 12, T14N, R1E, City of Midland, Midland County, Michigan, the boundary of said parcel described as: Commencing at the East $\frac{1}{4}$ Corner of said Section 12; thence N89°29'37"W along the East-West $\frac{1}{4}$ Line of said Section 12 a distance of 2412.55 feet to the Point of Beginning of this description; thence S00°21'48"W parallel with the North-South $\frac{1}{4}$ Line of said Section 12 a distance of 421.15 feet to the Northeast

Corner of Countryside Estates No. 3 as recorded in Liber Q of Plats, Pages 81-84, Midland County Records; thence along the Northerly Line of said Countryside Estates No. 3 the following four courses: S39°53'57"W 316.09 feet, S76°32'54"W 45.32 feet to the North-South ¼ Line of said Section 12, S76°32'54"W 190.03 feet and S75°45'11"W 152.38 feet to the Northwest Corner of said Countryside Estates No. 3 and the West Line of the East ½ of the East ½ of the Northeast ¼ of said Southwest ¼; thence N00°25'13"E along said West Line 553.85 feet; thence S88°59'51"E 331.46 feet to said North-South ¼ Line; thence N00°21'48"E along said North-South ¼ Line 210.01 feet to the center of said Section 12; thence S89°29'37"E along said East-West ¼ Line 245.22 feet to the Point of Beginning; said Plat containing 7.06 acres, containing 13 lots numbered 69 through 81, inclusive, and one park.

WHEREAS, Declarant desires all lands within Countryside Estates No. 4 to be subject to the land and building use restrictions set forth in the Declaration, as subsequently amended.

NOW THEREFORE, Declarant hereby declares and establishes that all lots within Countryside Estates No. 4 shall be subject to the Declaration, and the Declaration shall be amended as follows:

1. Article I, Section 10 of the Declaration is hereby amended to read as follows:

"Plat" includes (i) the plat of Countryside Estates Subdivision – Phase I according to the plat thereof recorded on April 28, 2005 at Liber Q of Plats, Pages 64 to 66, Midland County Records; (ii) the plat of Countryside Estates No. 2, according to the plat thereof recorded on July 14, 2006 at Liber Q of Plats, Pages 69 to 70, Midland County Records; (iii) the plat of Countryside Estates No. 3, according to the plat thereof recorded on October 18, 2010 at Liber Q of Plats, Pages 81 to 84, Midland County Records; and (iv) the plat of Countryside Estates No. 4 according to the plat thereof recorded on February 16, 2012 at Liber Q of Plats, Pages 91 to 92, Midland County Records.

2. All other terms of the Declaration not expressly amended hereby shall remain in full force and effect.

IN WITNESS WHEREOF, the undersigned has executed this Declaration of Restrictions as of the day and year first written above.

SBI LIMITED PARTNERSHIP, a
Michigan limited partnership

By: SCHROEDER BUILDERS, INC.,
a Michigan corporation

Its: General Partner

By: Brian L. Schroeder

Its: Secretary

STATE OF MICHIGAN)
COUNTY OF Ingham) ss.

Acknowledged before me in Ingham County, Michigan, on March 16, 2012, by Brian L. Schroeder, as Secretary of Schroeder Builders, Inc., a Michigan corporation, as General Partner of SBI Limited Partnership, a Michigan limited partnership, for the limited partnership.

Terri L. Holmgren
Terri L. Holmgren, Notary Public
Clinton County, Michigan
My Commission Expires: 11-13-2012
Acting in Ingham County, Michigan

Drafted by and after recording return to:

Gail A. Anderson, Esq.
McClelland & Anderson, L.L.P.
1305 S. Washington Ave, Suite 102
Lansing, Michigan 48910
(517) 482-4890

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COUNTRYSIDE ESTATES HOMEOWNERS' ASSOCIATION

BYLAWS

ARTICLE I

VOTING

Section 1. Vote. The Co-owner(s) of a Lot shall have one vote, and each vote shall be equal. Where a Lot is owned by an entity or more than one individual, the Co-owner(s) of that Lot shall file a Designation of Voting Representative pursuant to Section 3 below.

Section 2. Eligibility to Vote. The vote of each Co-owner may be cast only by the individual representative designated by such Co-owner in the notice required in Section 3 of this Article, or by a proxy given by such individual representative.

Section 3. Designation of Voting Representative. Each Co-owner shall file a written notice with the Association designating the individual representative who shall vote at meetings of the Association and receive all notices and other communications from the Association on behalf of such Co-owner. Such notice shall state the name and address of the individual representative designated, the number or numbers of the Lot or Lots owned by the Co-owner, and the name and address of each person, firm, corporation, partnership, association, trust or other entity who is the Co-owner. Such notice shall be signed and dated by the Co-owner. The individual representative designated may be changed by the Co-owner at any time by filing a new notice.

Section 4. Quorum. The presence in person or by proxy of 10% of the Co-owners in number qualified to vote shall constitute a quorum for holding a meeting of the members of the Association, except for voting on questions specifically required by the Bylaws to require a greater quorum. The written vote of any person furnished at or prior to any duly called meeting at which meeting such person is not otherwise present in person or by proxy shall be counted in determining the presence of a quorum with respect to the question upon which the vote is cast.

Section 5. Voting. Votes may be cast only in person or in a writing signed by the designated voting representative not present at a meeting in person or by proxy. Proxies and any written votes must be filed with the Secretary of the Association at or before the appointed time of each meeting of the members of the Association. Cumulative voting shall not be permitted.

Section 6. Majority. A majority, except where otherwise provided, shall consist of more than 50% of those qualified to vote and present in person or by proxy (or written vote, if applicable) at a meeting of the members of the Association.

ARTICLE II

MEETINGS

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

Section 2. Annual Meetings. Annual meetings of members of the Association shall be held on the third Tuesday in March. At such meetings there shall be elected by ballot of the Co-owners, a Board of Directors, in accordance with the requirements of this Article. The Co-owners may also transact at annual meetings such other business of the Association as may properly come before them.

Section 3. Special Meetings. It shall be the duty of the President to call a special meeting of the Co-owners as directed by resolution of the Board of Directors or upon a petition signed by 1/3 of the Co-owners presented to the Secretary of the Association. Notice of any special meeting shall state the time and place of such meeting and the purposes thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 4. Notice of Meetings. It shall be the duty of the Secretary (or other Association officer in the Secretary's absence) to serve a notice of each annual or special meeting, stating the purpose of the meeting as well as the time and place where it is to be held, upon each Co-owner of record, at least 10 days but not more than 60 days prior to any such meeting. Mailing notice to a representative or Co-owner at the address shown in the notice required by Article I, Section 3 shall be deemed served upon mailing. Any member may, by written waiver of notice signed by such member, waive such notice, and such waiver, when filed in the records of the Association, shall be deemed due notice.

Section 5. Adjournment. If any meeting of Co-owners cannot be held because a quorum is not in attendance, the Co-owners who are present may adjourn the meeting to a time not less than 48 hours from the time the original meeting was called.

Section 6. Order of Business. The order of business at all meetings of the members shall be as follows: (a) roll call to determine the voting power represented at the meeting; (b) proof of notice of meeting or waiver of notice; (c) reading of minutes of preceding meeting; (d) reports of officers; (e) reports of committees; (f) election of Directors (at annual meeting or special meetings held for such purpose); (g) unfinished business; and (h) new business. Meetings of members shall be chaired by the most senior officer of the Association present at such meeting. For purposes of this Section, the order of seniority of officers shall be President, Vice President, Treasurer and Secretary.

Section 7. Action Without Meeting. Any action which may be taken at a meeting of the members (except for election or removal of Directors) may be taken without a meeting by written ballot of the members. Ballots shall be solicited in the same manner as provided in Section 5 for giving of notice of meetings of members. Such solicitations shall specify (a) the number of responses needed to meet the quorum requirements; (b) the percentage of approvals necessary to approve the action; and (c) the time by which ballots must be received in order to be counted. The form of written ballot shall afford an opportunity to specify a choice between approval and disapproval of each matter. Approval by written ballot shall be constituted by receipt, within the time period specified in the solicitation, of (i) a number of ballots which equals or exceeds the quorum which would be required if the action were taken at a meeting, and (ii) a number of approvals which equals or exceeds the number of votes which would be required for approval if the action were taken at a meeting at which the total number of votes cast was the same as the total number of ballots cast.

Section 8. Consent of Absentees. The transactions at any meeting of members, either annual or special, however called and noticed, shall be as valid as though made at a meeting duly held after regular call and notice, if a quorum is present either in person or by proxy; and if, either before or after the meeting, each of the members not present in person or by proxy signs a written waiver of notice, or a consent to the holding of such meeting, or an approval of the minutes of the meeting. All such waivers, consents or approvals shall be filed with the corporate records and made a part of the minutes of the meeting.

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

ARTICLE III

BOARD OF DIRECTORS

Section 1. Number and Qualification of Directors. The Board of Directors shall be comprised of five (5) members, all of whom must be members of the Association. Directors shall serve without compensation.

Section 2. Election of Directors. Election of the Directors shall be held at the annual meeting of the members of the Association.

Section 3. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association.

Section 4. Other Duties. In addition to duties imposed by these Bylaws or any further duties which may be imposed by resolution of the members of the Association, the Board of Directors shall be responsible specifically for the following:

- (a) To manage and administer the affairs of the Association.
- (b) To own and maintain the Common Property.
- (c) To levy and collect assessments from the members of the Association and to use the proceeds for the purposes of the Association.
- (d) To contract for and employ persons, firms, corporations or other agents to assist in the management, operation, maintenance and administration of the Association.
- (e) To establish such committees as it deems necessary, convenient or desirable, and to appoint persons thereto for the purpose of administration of the Association.
- (f) To enforce the Rules and Regulations of the Association, if any.

Section 5. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a director by a vote of the members of the Association shall be filled by vote of the majority of the remaining directors. Each person so elected shall be a director until a successor is elected at the next annual meeting of the members of the Association.

Section 6. Removal. At any regular or special meeting of the Association duly called with due notice of the removal action proposed to be taken, any one or more of the directors may be removed with or without cause by the affirmative vote of more than 50% in

number of all of the Co-owners and a successor may then and there be elected to fill any vacancy thus created. The quorum requirement for the purpose of filling such vacancy shall be the normal 35% requirement set forth in Article I, Section 4. Any director whose removal has been proposed by the Co-owners shall be given an opportunity to be heard at the meeting. The Declarant may remove and replace any or all of the directors selected by it at any time or from time to time in its sole discretion.

Section 7. Regular Meetings. Regular meetings of the Board of Directors may be held at such times and places as shall be determined from time to time by a majority of the directors, but at least two such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each director personally, by mail or telephone, at least 10 days prior to the date named for such meeting.

Section 8. Special Meetings. Special meetings of the Board of Directors may be called by the President on three days notice to each director given personally, by mail or telephone, which notice shall state the time, place, and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of two directors.

Section 9. Waiver of Notice. Before or at any meeting of the Board of Directors, any directors may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meetings of the Board of Directors shall be deemed a waiver of notice by him of the time and place thereof. If all the directors are present at any meeting of the Board of Directors, no notice shall be required and any business may be transacted at such meeting.

Section 10. Quorum. At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the acts of the majority of the directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there is less than a quorum present, the majority of those present may adjourn the meeting to a subsequent time upon 24 hours' prior written notice delivered to all directors not present. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice. The joining of a director in the action of a meeting by signing and concurring in the minutes of the meeting, shall constitute the presence of such director for purposes of determining a quorum.

Section 11. Fidelity Bonds. The Board of Directors may require that all officers and employees of the Association handling or responsible for Association funds furnish adequate fidelity bonds. The premiums on the bonds shall be expenses of administration.

ARTICLE IV

OFFICERS

Section 1. Officers. The principal officers of the Association shall be a President, who shall be a member of the Board of Directors, a Vice President, a Secretary and a Treasurer. Any two offices except that of President and Vice President may be held by one person.

(a) President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of the President of an association, including, but not limited to, the power to appoint committees from among the members of the Association from time to time as he may in his discretion deem appropriate to assist in the conduct of the affairs of the Association.

(b) Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors.

(c) Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the members of the Association; he shall have charge of the corporate seal, if any, and of such books and papers as the Board of Directors may direct; and he shall, in general, perform all duties incident to the office of the Secretary.

(d) Treasurer. The Treasurer shall have responsibility for the Association's funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall be responsible for the deposit of all monies and other valuable effects in the name and to the credit of the Association, and in such depositories as may, from time to time, be designated by the Board of Directors.

Section 2. Election. The officers of the Association shall be elected annually by the Board of Directors at the organizational meeting of each new Board of Directors and shall hold office at the pleasure of the Board of Directors.

Section 3. Removal. Upon affirmative vote of a majority of the members of the Board of Directors, any officer may be removed either with or without cause, and his successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board of Directors called for such purpose. No such removal action may be taken, however, unless

the matter shall have been included in the notice of such meeting. The officer who is proposed to be removed shall be given an opportunity to be heard at the meeting.

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

ARTICLE V

FINANCE

Section 1. Records. The Association shall keep detailed books of account showing all expenditures and receipts of administration.

Section 2. Fiscal Year. The fiscal year of the Association shall be a calendar year, unless changed by action of the Board of Directors for accounting reasons or other good cause.

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

ARTICLE VI

INDEMNIFICATION

The Association shall indemnify any person who was or is a party to or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative by reason of the fact that he or she is or was a director or officer of the Association against expenses (including attorney's fees), judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding if the person acted in good faith and in a manner that the person reasonably believed to be in or not opposed to the best interest of the Association or its members, and with respect to any criminal action or proceeding, if the person had no reasonable cause to believe that the conduct was unlawful.

ARTICLE VII

AMENDMENTS

Section 1. Proposal. Amendments to these Bylaws may be proposed by the Board of Directors of Directors of the Association acting upon the vote of the majority of the Directors or may be proposed by 1/3 or more in number of the Co-owners, in writing and signed by them.

Section 2. Meeting. Upon the proposal of any amendments, a meeting for consideration of the same shall be duly called in accordance with the provisions of these Bylaws.

Section 3. Voting. These Bylaws may be amended by the Co-owners at any regular meeting, annual meeting or special meeting called for such purpose by an affirmative vote of 66-2/3% of all Co-owners in number.

Section 4. Binding. A copy of each amendment to the Bylaws shall be furnished to every member of the Association after adoption; provided, however, that any amendment to these Bylaws that is adopted in accordance with this Article shall be binding upon all persons who have an interest in the Subdivision irrespective of whether such persons actually receive a copy of the amendment.