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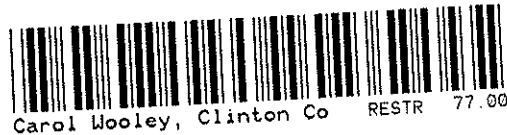
**DECLARATION OF RESTRICTIONS
CROWNER FARMS SUBDIVISION – PHASE I**

June **THIS DECLARATION OF RESTRICTIONS** is made as of this 28th day of June, 2006 by Motz Development, Inc., a Michigan corporation, whose address is 13183 Schavey Road, DeWitt, Michigan 48820 ("Declarant"), pertaining to the plat of the Crowner Farms Subdivision – Phase I.

WITNESSETH:

WHEREAS, Declarant is the owner of the Crowner Farms Subdivision – Phase I, legally described as follows:

PART OF THE FRACTIONAL SOUTHWEST 1/4 OF FRACTIONAL SECTION 6, T.5 N.-R.2 W., DEWITT TOWNSHIP, CLINTON COUNTY, MICHIGAN, DESCRIBED AS FOLLOWS: BEGINNING AT A POINT ON THE SOUTH LINE OF SAID FRACTIONAL SECTION 6 WHICH IS 132.00 FEET, N.89°-25'-33"W., OF THE SOUTH 1/4 CORNER OF SAID FRACTIONAL SECTION; THENCE CONTINUING N.89°-25'-33"W., ON SAID SOUTH SECTION LINE, 851.24 FEET; THENCE N.00°-34'-27"E., 139.24 FEET TO THE POINT OF CURVATURE OF A 267.50 FOOT RADIUS CURVE TO THE RIGHT, SAID CURVE HAVING A CHORD BEARING, N.21°-26'-30"E., AND DISTANCE OF 190.57 FEET, AND A CENTRAL ANGLE OF 41°-44'-07"; THENCE NORTHEASTERLY ON THE ARC OF SAID CURVE, 194.85 FEET, TO THE POINT OF CURVATURE OF A 267.00 FOOT RADIUS REVERSE CURVE TO THE LEFT, SAID REVERSE CURVE HAVING A CHORD BEARING, N.23°-21'-58"E., AND DISTANCE OF 173.35 FEET, AND A CENTRAL ANGLE OF 37°-53'-12"; THENCE NORTHEASTERLY ON THE ARC OF SAID REVERSE CURVE, 176.55 FEET, TO THE POINT OF CURVATURE OF A 1033.00 FOOT REVERSE CURVE TO THE RIGHT, SAID REVERSE CURVE HAVING A CHORD BEARING, N.07°-12'-18"E., AND DISTANCE OF 100.29 FEET, AND A CENTRAL ANGLE OF 05°-33'-53"; THENCE NORTHEASTERLY ON THE ARC OF SAID REVERSE CURVE, 100.33 FEET; THENCE N.76°-35'-55"W., 159.26 FEET; THENCE N.13°-36'-01"E., 66.00 FEET; THENCE N.20°-40'-05"E., 624.60 FEET; THENCE N.00°-33'-25"E., 241.10 FEET; THENCE N.06°-42'-11"W., 170.00 FEET TO A POINT ON A 2748.00 FOOT RADIUS CURVE TO THE LEFT; THENCE EASTERLY ON THE ARC OF SAID CURVE, 154.02 FEET, SAID CURVE HAVING A CHORD BEARING OF N.81°-41'-29"E., AND DISTANCE OF 154.00 FEET, AND A CENTRAL ANGLE OF 03°-12'-41"; THENCE NORTHWESTERLY ON THE ARC OF A 608.00 FOOT RADIUS CURVE TO THE RIGHT, 66.10 FEET, SAID CURVE HAVING A CHORD BEARING OF, N.07°-22'-10"W., AND DISTANCE OF, 66.07 FEET, AND A CENTRAL ANGLE OF 06°-13'-44"; THENCE NORTHEASTERLY ON THE ARC OF A 2682.00 FOOT RADIUS CURVE TO THE LEFT, 66.47 FEET, SAID CURVE HAVING A CHORD BEARING OF N.79°-18'-47"E., AND DISTANCE OF, 66.47 FEET, AND A CENTRAL ANGLE OF 01°-25'-12"; THENCE NORTHEASTERLY ON THE ARC OF A 542.00 FOOT RADIUS CURVE TO THE RIGHT=156.54 FEET, SAID CURVE



HAVING A CHORD BEARING OF, N.04°-48'-23"E., AND DISTANCE OF, 156.00 FEET, AND A CENTRAL ANGLE OF 16°-32'-55"; THENCE N.65°-21'-08"E., 264.17 FEET; THENCE N.53°-48'-20"E., 108.46 FEET; THENCE S.69°-45'-03"E., 252.60 FEET TO A POINT ON THE NORTH AND SOUTH 1/4 LINE OF SAID FRACTIONAL SECTION 6, SAID POINT ALSO BEING A POINT ON THE WEST LINE OF "SPRINGBROOK HILLS NO. 3", AS RECORDED IN LIBER 7 OF PLATS, ON PAGES 93-94, CLINTON COUNTY, MICHIGAN RECORDS; THENCE S.00°-33'-25"W., ON SAID NORTH AND SOUTH 1/4 LINE AND ON SAID WEST LINE OF SPRINGBROOK HILLS NO. 3, 285.27 FEET; THENCE S.52°-35'-05"W., 196.95 FEET; THENCE S.82°-57'-25"W., 386.58 FEET TO A POINT ON A 1133.00 FOOT RADIUS CURVE TO THE RIGHT; THENCE SOUTHWESTERLY ON THE ARC OF SAID CURVE, 718.37 FEET SAID CURVE HAVING A CHORD BEARING, S.10°-59'-39"W., AND DISTANCE OF, 706.39 FEET, AND A CENTRAL ANGLE OF 36°-19'-40" THENCE SOUTHWESTERLY ON THE ARC OF A 967.00 FOOT RADIUS REVERSE CURVE TO THE LEFT, 101.50 FEET; SAID CURVE HAVING A CHORD BEARING OF, S.26°-09'-04"W., AND DISTANCE OF 101.46 FEET, AND A CENTRAL ANGLE OF 06°-00'-51"; THENCE S.70°-03'-06"E., 279.76 FEET; THENCE S.66°-48'-28"E., 66.05 FEET; THENCE S.68°-56'-53"E., 160.48 FEET; THENCE N.16°-26'-59"E., 53.84 FEET; THENCE S.57°-14'-38"E., 260.37 FEET TO SAID NORTH AND SOUTH 1/4 LINE; THENCE S.00°-33'-25"W., ON SAID NORTH AND SOUTH 1/4 LINE, 317.70 FEET; THENCE N.89°-25'-33"W., PARALLEL WITH SAID SOUTH SECTION LINE, 132.00 FEET; THENCE S.00°-33'-25"W., PARALLEL WITH SAID NORTH AND SOUTH 1/4 LINE, 200.00 FEET TO THE POINT OF BEGINNING, CONTAINING 24.59 ACRES OF LAND. THIS PLAT CONTAINS 38 LOTS, NUMBERED CONSECUTIVELY FROM 1 TO 38 AND 1 PRIVATE PARK.

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

NOW THEREFORE, Declarant hereby declares and establishes the following covenants, conditions, restrictions, easements, and reservations upon all lots within Crowner Farms Subdivision – Phase I, and upon all present and future owners and occupants of such lots, as well as lots in any Contiguous Plat(s) (as described below) that Declarant chooses to develop within twenty (20) years from the date these Restrictions are recorded.

ARTICLE I

DEFINITIONS

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

1. "Declarant" means Motz Development, Inc., a Michigan corporation, its successors and assigns.
2. "Homeowners' Association" means the Michigan non-profit corporation known as the "Crowner Farms Homeowners' Association," which is a membership corporation established by Declarant.
3. "Common Property" means the common areas, common facilities and equipment within the Plat, including the following common areas:

(a) All open space and natural areas designated on the Plat, including the storm water easement areas and any improvements contained within these open space areas;

(b) The community building;

(c) Any lighting, fences or signs installed by Declarant within the common areas shown on the Plat; and

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

4. "Contiguous Lands" means:

A parcel of land in the Southwest $\frac{1}{4}$ of Fractional Section 6, T.5 N.-R.2 W., Dewitt Charter Township, Clinton County, Michigan, described as follows: Beginning at a point on the South line of said Fractional Section 6 which is 983.24 feet, N.89°-25'-33"W., of the South $\frac{1}{4}$ corner of said Fractional Section; thence continuing N.89°-25'-33"W., on said South Section line, 487.01 feet; thence N.00°-22'-53"E., 2640.90 feet; thence S.89°-33'-18"E., 1478.35 feet; thence S.00°-33'-25"W., 621.29 feet; thence N.69°-45'-03"W., 252.60 feet; thence S.53°-48'-20"W., 108.46 feet; thence S.65°-21'-08"W., 264.17 feet to a point on a 542.00 foot radius curve to the left; thence Southwesterly on the arc of said curve, 156.54 feet to a point on a 2682.00 foot radius curve to the right, said curve having a chord bearing of S.04°-48'-23"W., and distance of 156.00 feet; thence Southwesterly on the arc of said curve, 66.47 feet, to a point on a 608.00 foot radius curve to the left, said curve having a chord bearing of, S.79°-18'-47"W., and distance of, 66.47 feet; thence Southeasterly on the arc of said curve, 66.10 feet to a point on a 2748.00 foot radius curve to the right, said curve having a chord bearing of S.07°-22'-10"E., and distance of, 66.07 feet; thence Southwesterly on the arc of said curve, 154.02 feet, said curve having a chord bearing of, S.81°-41'-29"W., and distance of, 154.00 feet; thence S.06°-42'-11"E., 170.00 feet; thence S.00°-33'-25"W., 241.10 feet; thence S.20°-40'-05"W., 624.60 feet; thence S.13°-36'-01"W., 66.00 feet; thence S.76°-35'-55"E., 159.26 feet to a point on a 1033.00 foot radius curve to the left; thence Southwesterly on the arc of said curve, 100.33 feet, to the point of curvature of a 267.00 foot reverse curve to the right, said curve having a chord bearing, S.07°-12'-18"W., and distance of 100.29 feet; thence Southwesterly on the arc of said reverse curve, 176.55 feet to the point of curvature of a 267.50 foot reverse curve to the left, said reverse curve having a chord bearing, S.23°-21'-58"W., and distance of 173.35 feet; thence Southwesterly on the arc of said reverse curve, 194.85 feet, said reverse curve having a chord bearing, S.21°-26'-30"W., and distance of 190.57 feet; thence S.00°-34'-27"W., 139.24 feet to the point of beginning, containing 51.22 acres, more or less.

And also:

A parcel of land in the Southwest ¼ of Fractional Section 6, T.5 N.-R.2 W., Dewitt Charter Township, Clinton County, Michigan, described as follows: Beginning at a point on the North and South ¼ line of said Fractional Section 6 which is 517.70 feet, N.00°-33'-25"E., of the South ¼ corner of said Fractional Section; thence N.57°-14'-38"W., 260.37 feet; thence S.16°-26'-59"W., 53.84 feet; thence N.68°-56'-53"W., 160.48 feet; thence N.66°-48'-28"W., 66.05 feet; thence N.70°-03'-06"W., 279.76 feet to a point on a 967.00 foot radius curve to the right; thence Northeasterly on the arc of said curve, 101.50 feet to the point of curvature of a 1133.00 foot reverse curve to the left, said curve having a chord bearing, N.26°-09'-04"E., and distance of, 101.46 feet; thence Northeasterly on the arc of said reverse curve, 718.37 feet, said reverse curve having a chord bearing of, N.10°-59'-39"E., and distance of 706.39 feet; thence N.82°-57'-25"E., 386.58 feet; thence N.52°-35'-05"E., 196.95 feet to a point on said North and South ¼ line; thence S.00°-33'-25"W., on said North and South ¼ line, 1219.96 feet to the point of beginning, containing 13.02 acres, more or less.

5. "Contiguous Plat" means any plat or plats developed by Declarant within the Contiguous Lands or on any adjacent land subsequently acquired by the Declarant that the Declarant chooses to make subject to these Restrictions.

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. "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.

8. "Plat" means the plat of Crouner Farm Subdivision – Phase I, according to the plat thereof recorded on August 15, 2006 at Liber 10 of Plats, Pages 95 to 97, Clinton County Records.

ARTICLE II

ADMINISTRATION OF RESTRICTIONS

1. During the development stage of the Plat and 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 Homeowner's Association at any time and Declarant further reserves the right to retain administration of any portion of these Restrictions indefinitely. Prior to any transfer to the Homeowners' Association, Declarant reserves the right to transfer or assign its rights

hereunder, in whole or in 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 (or the Homeowners' Association, if administrator) shall have the right to undertake correction of the violation and the costs incurred by Declarant (or the Homeowners' Association) in doing so shall be immediately due and payable by the lot owner. 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.

3. If an owner of any lot within the Plat violates or attempts to violate any of the restrictions herein contained, it shall be lawful for any person or persons owning any lot or lots in Crouner Farms Subdivision to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such restriction to prevent, enjoin or restrain such person or persons from so doing.

4. Should any of the restrictions herein contained, or any part thereof, be held invalid by judgment or court order, the remainder of such provisions shall not in any way be affected, but shall continue to remain in full force and effect.

ARTICLE III

VARIANCE DETERMINATIONS AND APPROVALS

1. Until the Declarant shall have transferred the responsibility for administration of the Restrictions to the Homeowners' Association, 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 the Restrictions 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 Homeowners' Association, through its duly appointed architectural control committee.

3. All determinations, approvals and variances, whether from Declarant or the Homeowners' Association's 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 the making of any determination, shall not be construed as a precedent binding Declarant or the Homeowners'

Association's architectural control committee to any other similar or identical variance, approval or determination, and no action or inaction of Declarant or the Homeowners' Association's 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 DeWitt Township ordinances.

ARTICLE IV

BUILDING RESTRICTIONS

1. All lots shall be used and occupied for residential purposes exclusively. No building shall be erected, substantially altered, placed or permitted to remain on any lot, other than one single family dwelling and attached garage. A "single family dwelling" is defined to mean a building that is designed for the exclusive purpose of being permanently affixed to the land and to be used exclusively by one family for residential purposes only.

2. In addition to the restrictions contained herein, Lots 1 through 18 are subject to additional restrictions as set forth in the Crowner Meadows Restrictions of even date herewith and recorded with the Clinton County Register of Deeds contemporaneously herewith (the "Crowner Meadows Restrictions"). For Lots 1 through 18, in the event of a conflict between this Article IV and the Crowner Meadows Restrictions, the latter shall control. A separate homeowners' association, the Crowner Meadows Homeowners' Association, has been formed to administer the Crowner Meadows Restrictions.

3. No dwelling or garage shall be erected, substantially altered or placed on any lot in Crowner Farms Subdivision unless and until the building plans, exterior design, exterior materials, including color, kind and type thereof, specifications and lot plan showing the location, topography, height and foundation and retaining walls and elevation of the dwelling on the lot have first been approved in writing by Declarant or the Homeowners' Association's architectural control committee, as appropriate. Provided further, however, in the event Declarant or the Homeowners' Association's architectural control committee, as appropriate, fails to give its written approval or disapproval within (30) thirty days of the proposed dwelling plan, exterior design, specifications and lot plan, etc., which have been submitted to it, such approval will not be required and this restriction will be deemed to have been fully complied with. Declarant or the Homeowners' Association's architectural control committee, as appropriate, shall be the sole judge or judges of what is compliance with the restrictions and its decision shall be final.

4. All dwellings and garages erected in Crowner Farms Subdivision shall be of new construction. No dwelling or appurtenances heretofore constructed or built shall be moved from any other location to or placed on any lot in the subdivision. All structures

shall be completed on the exterior within six (6) months from commencement of construction. All structures must be completed and sites graded, sodded or seeded, and reasonably landscaped within one (1) year from date of commencement of construction.

5. (a) Any one-story dwelling shall have no less than 1400 square feet of Liveable Floor Area.

(b) Any one and one-half, two-story, or split-level dwelling shall have no less than 800 square feet of Liveable Floor Area on the first floor and a minimum total of 1600 square feet of Liveable Floor Area on the first and second floor.

(c) "Livable Floor Area" shall mean living area with finished walls and ceilings and approved floor finish. The term "Livable Floor Area" shall include all the area enclosed by and including, the exterior walls of the dwelling, but shall not include any space or area within basements, garages, breezeways, carports, porches or terraces.

6. All dwellings shall have an attached two-car (or more) garage of at least 400 square feet. No detached garage may be erected on any lot. Garage interiors shall be finish drywalled with a finish paint applied and windows and doors shall be finish trimmed. No carport shall be erected or maintained on any lot.

7. All driveway approaches and driveways leading from the hard surface street to a garage shall be made of paving brick or concrete materials.

8. Five (5) foot concrete sidewalks shall be constructed and installed in front of each lot, along the full width of the lot, on the right-of-way according to the location and specifications established by DeWitt Township.

9. All basements in dwellings shall have at least 7-1/2 feet height from finish basement floor to bottom of floor joists of first floor.

10. The design and material of all mailboxes shall be selected by Declarant so as to maintain uniformity. Each Co-owner shall install and maintain the approved mailbox at its sole cost.

11. One hardwood tree for every 50' of street frontage, having a trunk diameter of three (3) inches or larger shall be placed in the front yard of each lot.

12. Swimming and wading pools are permitted only with the prior approval of the Declarant. No above-ground pools shall be permitted.



13. No satellite dishes may be in excess of 20" in diameter. All satellite dishes are to be installed so as not to distract the view from the street or adjoining properties.

14. No refuse pile or other unsightly or objectionable material or thing shall be allowed or maintained on any lot in Crowner Farms Subdivision. There shall be no outside incinerators for the burning of trash, papers, etc.

15. No fence, privacy wall or hedge shall be constructed or grown on any lot in the Crowner Farms Subdivision, except in conformance with the following:

(a) Fences, privacy walls or hedges of a decorative nature shall be located a minimum of 8' from any lot line shared in common with another Crowner Farms Subdivision lot.

(b) Fences, privacy walls and hedges shall be of open construction not more than (5) feet in height and shall not extend in front of the front dwelling line.

(c) Fences required by law or ordinances may be constructed around a swimming pool and shall be constructed of materials and in a manner that is not unsightly from neighboring lots.

(d) Fences must be of wood construction or approved metal wrought iron or vinyl and must be approved in writing by Declarant or its designated representatives.

16. No temporary building, trailer, tent, shack, or other structures of similar nature shall be erected, moved to, or maintained upon any lot, except that a sales office may be maintained in Crowner Farms Subdivision by Declarant for the promotion and sales of property within the subdivision.

17. No outbuildings shall be erected or maintained upon any lot.

18. Soil removed from any lot in excavation, grading or other alteration, shall, at the option of Declarant, become the property of Declarant and shall be removed by the owner of the lot to such place as Declarant may designate. Gravel, sand and other materials shall not be removed for sale from the lot by any owner or contractor, but the same may be used for the purpose of constructing buildings or structures upon such lot.

19. No crops except kitchen gardens, orchard and small fruit trees and shrubs of reasonable size and number shall be grown on any lot.



20. Any dwelling or garage in Crowner Farms Subdivision which may in whole or in part be destroyed by fire, windstorm or for any reason, must be rebuilt and all the debris removed and the lot restored to a sightly condition with reasonable promptness which, under no circumstances, shall exceed six (6) months from the date of such catastrophe.

21. No poultry, livestock, commercial kennel of any kind, type or description shall be maintained or permitted within Crowner Farms Subdivision. No domestic pets shall be allowed to become a nuisance.

22. No billboards or advertising boards shall be constructed or maintained on any lot in Crowner Farms Subdivision, except that signs of reasonable size may be placed on a lot for the purpose of advertising it for sale.

23. No business, trade or commercial enterprise of any kind or nature whatsoever shall be constructed or carried on upon any lot or lots in Crowner Farms Subdivision, except for in home offices which have no visible signage and which generate no traffic incompatible with the single family residential purpose of the subdivision. In addition, a sales office may be maintained by the Declarant for the promotion and sale of property within the subdivision.

24. There shall be no outdoor storage of a mobile home, motor home, house trailer or other recreational vehicle or trailer, and the outdoor storage of boats, snowmobiles, utility trailers, camping trailers, or any other kind of trailer is prohibited. "Storage" shall mean anything over 48 hours in any one week. No commercial vehicle or trailer shall be parked or stored on any lot in Crowner Farms Subdivision unless it is placed wholly within an enclosed garage.

ARTICLE V

SUBDIVISION OF PLATTED LOT

No lot shall be subdivided without the prior written approval of Declarant and DeWitt Township.

ARTICLE VI

APPEARANCE 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 VII

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 VIII

OWNERSHIP AND MAINTENANCE OF COMMON PROPERTY

1. Ownership and control of the Common Property as of the date hereof is vested in Declarant. Declarant shall retain ownership and control of the Common Property until such time as Declarant determines it advisable to transfer ownership to the Homeowners' Association.

2. Regardless of ownership of the Common Property, all lot owners shall share in the costs of maintenance of the Common Property. A lot owner's percentage share shall be equal to the number of lots owned by such lot owner divided by the total number of lots in the subdivision (including Contiguous Plats, if any). Costs of maintenance of the Common Property shall include, but not be limited to, the cost of maintenance of signs, lighting and fences installed by Declarant, the cost of maintenance of islands within dedicated streets, the cost of maintenance, operation, and upkeep of the Community Building and its amenities, and the cost of all insurance carried by the Association and all related administrative expenses.

ARTICLE IX

ASSESSMENT PROCEDURES

1. Regular assessments shall be based on the total estimated cost of items covered by Article VIII, together with all Association expenses. If during any year the total accumulations from the regular assessments are not sufficient to pay the costs to be assessed under this paragraph, supplemental special assessments may be made.

2. Regular annual assessments and supplemental assessments within this Article shall be determined by 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 for the subsequent year and billed at least quarterly each year; however, failure to timely assess shall not invalidate an 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. 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, in accordance with this Article, and the Homeowners' Association shall make determinations reserved to Declarant in this Article as to the same.

ARTICLE X

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 IX.

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.

ARTICLE XI

AMENDMENT

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 XII

PARTIAL INVALIDITY

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

ARTICLE XIII

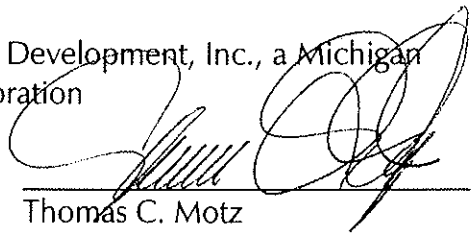
ENFORCEMENT

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.

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

Motz Development, Inc., a Michigan corporation

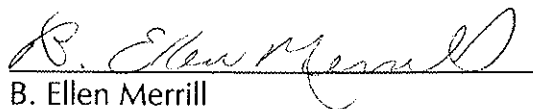
By:


Thomas C. Motz

Its: President

STATE OF MICHIGAN)
) ss.
COUNTY OF Clinton)

Acknowledged before me in Clinton County, Michigan, on June 28, 2006, by Thomas C. Motz the President of Motz Development, Inc., a Michigan corporation, for the corporation.


B. Ellen Merrill

Notary Public

Clinton County, MI

My Commission Expires: March 7, 2008

Acting in Clinton County, MI



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

Wolverine Bank F.S.B.
a United States Corporation

By: David H. Dunn
Its: President and
Chief Executive Officer

STATE OF MICHIGAN)
COUNTY OF Midland) ss.

Acknowledged before me in Midland County,
Michigan, on June 27, 2006, by CEO David Dunn the
CEO + President of Wolverine Bank, F.S.B., a United States corporation, for the
corporation.

Susan M. Sweebe

Notary Public
Midland County, MI
My Commission Expires: May 23, 2007
Acting in Midland County, MI

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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**DECLARATION OF RESTRICTIONS
CROWNER FARMS SUBDIVISION – PHASE I
LOTS 1-18 ONLY**

THIS DECLARATION OF RESTRICTIONS is made as of this 28 day of June, 2006 by Motz Development, Inc., a Michigan corporation, whose address is 13183 Schavey Road, DeWitt, Michigan 48820 ("Declarant"), pertaining to the plat of the Crowner Farms Subdivision – Phase I.

WITNESSETH:

WHEREAS, Declarant is the owner of the Crowner Farms Subdivision – Phase I, according to the plat thereof recorded on August 15, 2006, at Liber 10 of Plats, Pages 95 through 97, Clinton County Records (the "Subdivision");

WHEREAS, all lands within Crowner Farms Subdivision are subject to certain land and building use restrictions pursuant to a certain Declaration of Restrictions dated JUNE 28, 2006 and recorded on August 15, 2006, Document No. 5104597 (the "Crowner Farms Restrictions"); and

WHEREAS, to facilitate common maintenance and uniformity of appearance of certain lots within the Subdivision, Declarant desires that Lots 1-18 within the Subdivision shall be subject to additional land and use restrictions for the common benefit of the owners of those Lots as well as certain lots developed in future phases of the Crowner Farms Subdivision on the Contiguous Lands described below (referred to collectively hereafter as the "Crowner Meadows Lots").

NOW THEREFORE, Declarant hereby declares and establishes the following covenants, conditions, restrictions, easements, and reservations upon the Crowner Meadows Lots.



ARTICLE I

DEFINITIONS

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

1. "Declarant" means Motz Development, Inc., a Michigan corporation, its successors and assigns.

2. "Homeowners' Association" means the Michigan non-profit corporation known as the "Crown Meadows Homeowners' Association," which is a membership corporation established by Declarant.

3. "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.

4. "Contiguous Lands" means:

A parcel of land in the Southwest ¼ of Fractional Section 6, T.5 N.-R.2 W., Dewitt Charter Township, Clinton County, Michigan, described as follows: Beginning at a point which is N.00°-33'-25"E., 517.70 feet and N.57°-14'-38"W., 260.37 feet of the South ¼ corner of said Fractional Section; thence S.16°-26'-59"W., 53.84 feet; thence N.68°-56'-53"W., 160.48 feet; thence N.66°-48'-28"W., 66.05 feet; thence N.70°-03'-06"W., 145.11 feet; thence N.17°-37'-31"E., 149.81 feet; thence N.02°-21'-49"E., 344.02 feet; thence N.11°-29'-01"E., 334.49 feet; thence N.82°-57'-25"E., 286.06 feet; thence S.28°-13'-36"E., 25.89 feet; thence S.39°-04'-39"W., 150.64 feet to the point of curvature of a 75.00 foot radius curve to the right; thence Southeasterly on the arc of said curve, 30.20 feet, said curve having a chord bearing, S.50°-55'-21"E., and distance of 30.00 feet; thence N.39°-04'-39"E., 138.09 feet; thence S.28°-13'-36"E., 197.11 feet; thence S.28°-01'-47"W., 160.42 feet; thence N.63°-35'-51"W., 172.69 feet to a point on a 60.00 foot radius curve to the left; thence Southwesterly on the arc of said curve, 25.56 feet to a point on a 1227.00 foot radius curve to the left, said curve having a chord bearing of S.30°-40'-09"W., and distance of 25.37 feet; thence Southwesterly on the arc of said curve, 77.20 feet, to a point on a 217.00 foot radius curve to the left, said curve having a chord bearing of, S.16°-39'-

47"W., and distance of, 77.19 feet; thence Southwesterly on the arc of said curve, 90.29 feet to a point on a 758.00 foot radius curve to the left, said curve having a chord bearing of S.02°-56'-27"W., and distance of, 89.64 feet; thence Southeasterly on the arc of said curve, 50.74 feet, said curve having a chord bearing of, S.07°-03'-41"E., and distance of, 50.73 feet; thence N.84°-51'-23"E., 155.18 feet; thence S.08°-07'-11"W., 423.48 feet to the point of beginning, containing 6.87 acres, more or less.

5. "Cost of maintenance" means all costs associated with maintaining the Crowner Meadows Lots, as provided in Article IV hereof.

ARTICLE II

ADMINISTRATION OF RESTRICTIONS

1. During the development stage of the Crowner Meadows Lots, Declarant intends to retain control of the administration of these Restrictions. Once development of the Crowner Meadows Lots 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 Homeowner's Association at any time and Declarant further reserves the right to retain administration of any portion of these Restrictions indefinitely. Prior to any transfer to the Homeowners' Association, Declarant reserves the right to transfer or assign its rights hereunder, in whole or in 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 Crowner Meadows Lot violate any of these Restrictions, Declarant (or the Homeowners' Association, if administrator) shall have the right to undertake correction of the violation and the costs incurred by Declarant (or the Homeowners' Association) in doing so shall be immediately due and payable by the lot owner. 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.

3. If an owner of any Crowner Meadows Lot violates or attempts to violate any of the restrictions herein contained, it shall be lawful for any person or persons owning any Crowner Meadows Lot to prosecute any proceedings at law or in equity against the person or persons violating or attempting to violate any such restriction to prevent, enjoin or restrain such person or persons from so doing.



4. Should any of the restrictions herein contained, or any part thereof, be held invalid by judgment or court order, the remainder of such provisions shall not in any way be affected, but shall continue to remain in full force and effect.

ARTICLE III

VARIANCE DETERMINATIONS AND APPROVALS

1. Until the Declarant shall have transferred the responsibility for administration of these Restrictions to the Homeowners' Association, 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 the Restrictions 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 Homeowners' Association, through its duly appointed architectural control committee.

3. All determinations, approvals and variances, whether from Declarant or the Homeowners' Association's 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 the making of any determination, shall not be construed as a precedent binding Declarant or the Homeowners' Association's architectural control committee to any other similar or identical variance, approval or determination, and no action or inaction of Declarant or the Homeowners' Association's architectural control committee shall be deemed a waiver of any of their rights hereunder.

ARTICLE IV

MAINTENANCE AND RESTRICTIONS

1. The Homeowners' Association shall provide the following maintenance services for all Crowner Meadows Lots:

(a) Lawn maintenance, including the mowing and fertilizing of all lawns. Each lot owner shall be responsible for the initial seeding and landscaping of his/her lot which must be performed according to an approved landscape plan. Maintenance of all landscaping, other than lawn maintenance as provided herein, shall be the responsibility of the lot owner.



(b) Snow removal of driveways, public sidewalks, and private sidewalks leading to the front door of each home. Snow removal shall be deemed necessary when 2" of snowfall is recorded at Lansing Capital City Airport.

(c) Each lot owner shall be responsible for installing a lawn irrigation system on his/her lot. The maintenance of such system shall be the responsibility of the lot owner including spring turn on and winterization.

2. No fences, swimming pools, playhouses or swing sets shall be installed on any Crowner Meadows Lot.

3. In order to preserve uniformity of appearance, no changes to the exterior materials on any residence on any Crowner Meadows Lot may be made without the prior written approval of the Declarant (or the Homeowners' Association, if administrator).

ARTICLE V

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 VI

ASSESSMENT PROCEDURES

1. Regular monthly assessments shall be based on the Cost of maintenance, together with all additional Association expenses. If during any year the total accumulations from the regular monthly assessments are not sufficient to pay the costs to be assessed under this paragraph, supplemental special assessments may be made.

2. Regular monthly assessments and supplemental assessments within this Article shall be determined by 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 following year's monthly assessment amount shall be sent to owners of the lots by mailing said notice to their last known address. It is anticipated that assessments shall be determined in November of each year for the subsequent year, and billed on at least a quarterly basis each year; however, failure to timely assess shall not invalidate an otherwise valid assessment.

3. The assessments provided for herein are in addition to the annual assessments charged all lot owners within the Subdivision pursuant to the Crowner Farms Restrictions.

ARTICLE VII

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 owner of a Crowner Meadows Lot based on the assessment procedures established under Article VI.

3. The Homeowners' Association shall account annually to all Crowner Meadows Lot owners 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.

ARTICLE VIII

AMENDMENT

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 IX

PARTIAL INVALIDITY

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



Carol Wooley, Clinton Co

RESTR 77.00

ARTICLE X

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.

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

Motz Development, Inc., a Michigan corporation

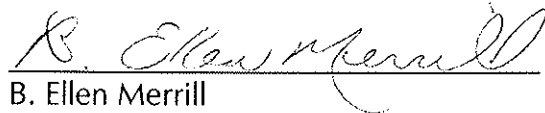
By:

Thomas C. Motz

Its: President

STATE OF MICHIGAN)
) ss.
COUNTY OF Clinton)

Acknowledged before me in Clinton County, Michigan, on June 28, 2006, by Thomas C. Motz the President of Motz Development, Inc., a Michigan corporation, for the corporation.



B. Ellen Merrill

Notary Public

Clinton County, MI

My Commission Expires: March 7, 2008

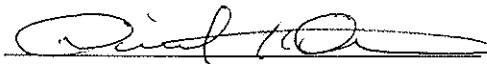
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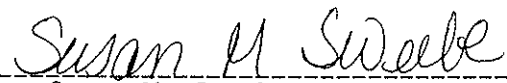
IN WITNESS WHEREOF, the undersigned has executed this Declaration of Restrictions as of the day and year first written above.

Wolverine Bank F.S.B.
a United States Corporation


By: David H. Dunn
Its: President and
Chief Executive Officer

STATE OF MICHIGAN)
COUNTY OF Midland) ss.

Acknowledged before me in Midland County,
Michigan, on June 27, 2006, 2006, by David H. Dunn the
CEO + President of Wolverine Bank, F.S.B., a United States corporation, for the
corporation.


Susan M. Sweebe

Notary Public
Midland County, MI
My Commission Expires: May 23, 2007
Acting in Midland County, MI

Drafted by and after
recording return to:

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

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CROWNER FARMS HOMEOWNERS' ASSOCIATION

BYLAWS

ARTICLE I

VOTING

Section 1. Vote. The Co-owner(s) of any Lot in the Crowner Farms Subdivision (hereafter, the "Lots") 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 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 May. 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 seven (7) 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. Any vacancy caused by the removal of a director shall be filled in accordance with Section 5 hereof. 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.

CROWNER MEADOWS HOMEOWNERS' ASSOCIATION

BYLAWS

ARTICLE I

VOTING

Section 1. Vote. The Co-owner(s) of Lots 1-18 and Lots 39-60 of the Crowner Farms Subdivision (hereafter, the "Lots") 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 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 May. 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 the shared maintenance of Lots 1-18 and Lots 39-60 of the Crowner Farms Subdivision.
- (b) To levy and collect assessments from the members of the Association and to use the proceeds for the purposes of the Association.
- (c) To contract for and employ persons, firms, corporations or other agents to assist in the management, operation, maintenance and administration of the Association.
- (d) To establish such committees as it deems necessary, convenient or desirable, and to appoint persons thereto for the purpose of administration of the Association.
- (e) 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. Any vacancy caused by the removal of a director shall be filled

in accordance with Section 5 hereof. 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 or 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.