DECLARATION OF COVENANTS, EASEMENTS AND RESTRICTIONS

FOR

PINECREST SUBDIVISION

This Declaration of Covenants, Easements and Restrictions ("Declaration"), made as of the 29TH day of JULY , whose address is 46600 Romeo Plank Road, Suite 5, Macomb, Michigan 48044 ("Declarant"), is based upon the following:

A. Declarant is the owner of and has developed a certain parcel of land located in Macomb Township, Macomb County, Michigan, as a single-family residential development, being more particularly described as:

Lots 1 through 98, both inclusive, Pinecrest Subdivision, according to the Plat thereof recorded in Liber 136, Pages 27 through 35, of Plats, Macomb County Records (the "Subdivision").

- B. Declarant desires to impose and subject the Subdivision to certain covenants, restrictions, easements, obligations, charges, and liens, all as more particularly hereinafter set forth, each and all of which are for the benefit of the Subdivision and each Owner, as herein defined, of a Lot, as herein defined, in order to, (i) preserve and enhance property values and amenities in the Subdivision, (ii) insure the most beneficial development of the Subdivision as a single-family residential area, (iii) prevent any use within the Subdivision which might tend to diminish the valuable or pleasurable enjoyment thereof, (iv) assure the harmony, attractiveness, and utility of the Subdivision, (v) regulate the use of the Subdivision, and (vi) establish and define certain rights relative to the Subdivision.
- C. Declarant has deemed it desirable, for the efficient preservation of the values and amenities in the Subdivision, to create the Association, as herein defined, as a legal entity to (i) own, maintain, preserve, and administer the Common Area and any other areas now or hereafter owned or administered by the Association (as hereinafter defined), and such landscaping, facilities, and amenities that may be constructed thereon or used

therein, (ii) collect and disburse the assessments and charges hereinafter created, and (iii) promote the recreation, health, safety, and welfare of the residents in the Subdivision.

- D. Declarant may, at some future time, plat certain additional land adjacent to the Subdivision as an additional subdivision(s), and subject the lots and common areas therein to the covenants, restrictions, obligations, easements, charges, and liens set forth herein by amendments made to this Declaration.
- E. It is the purpose and intention of this Declaration that all of the Lots shall be conveyed by Declarant subject to the covenants, restrictions, obligations, easements, charges, and liens set forth in this Declaration in order to (a) establish a general plan of uniform restrictions with respect to the Subdivision, (b) insure the purchasers of Lots the use of their Lots for attractive residential purposes, (c) secure to each lot owner the full benefit and enjoyment of his residence, and (d) preserve the general character of the neighborhood within the Subdivision.

Now, therefore, Declarant hereby publishes, declares, and makes known to all intending purchasers and future owners of the Lots within the Subdivision, that the Subdivision, and all of the Lots therein, will and shall be used, held occupied, sold, and conveyed expressly subject to the following conditions, restrictions, easements, covenants, and agreements, which shall be incorporated by reference in all deeds of conveyance and contracts for the sale of any of the Lots, and which shall run with the land (the Subdivision and all of the Lots therein) and shall be binding upon and inure to the benefit of all parties having any right, title, or interest in the Subdivision, or any part thereof, and their heirs, personal representatives, successors, and assigns, and on all grantees of all individual Lots in the Subdivision and on their respective heirs, personal representatives, successors, and assigns for the time and in the manner specified herein.

ARTICLE I

DEFINITIONS

The following terms have the following respective meanings when used in this Declaration, and the singular shall include the plural and vice versa, unless the context requires otherwise:

Section 1. Association. "Association" means Pinecrest Subdivision Association, a Michigan nonprofit corporation, its successors and assigns.

Section 2. Common Area. "Common Area" shall mean those areas of land within the Subdivision (including the improvements thereto) now or hereafter owned or administered by the Association for the common use, benefit, and enjoyment of the Owners.

Section 3. Declarant. "Declarant" means M & C Limited of Utica, a Michigan corporation, its successors and assigns.

Section 4. Declaration. "Declaration" shall mean this Declaration of Covenants and Restrictions for Pinecrest Subdivision, as recorded in the Office of the Macomb County Register of Deeds, State of Michigan.

Section 5. Lot. "Lot" means (a) any numbered lot shown on the recorded plat of the Subdivision or and any future subdivisions subjected to this Declaration, (b) any building site resulting from the combination of Lots, and (c) any building site resulting from a proper and approved lot split of any Lot.

Section 6. Member. "Member" means those persons entitled to membership in the Association, as provided in this Declaration; provided, however, that for the purposes of voting in Association matters there shall be deemed to be only one (1) Member for each Lot.

Section 7. Owner. "Owner" means the record owner, whether one or more persons or entities, of the fee simple title to any Lot, or the land contract purchaser thereof, but excluding those having any interest merely as security for the performance of an obligation.

ARTICLE II

ESTABLISHMENT AND DEDICATION

Section 1. Establishment of Non-Profit Corporation. There is hereby established an association of Owners of inecrest Subdivision, to be known as the Pinecrest Subdivision Association. The Association shall be organized within ninety (90) days after the date the plat of Pinecrest Subdivision has been recorded at the Office of the Register of Deeds for Macomb County, Michigan, The Association shall be organized as a nonprofit corporation for a perpetual term under the laws of the State of Michigan and shall have such powers as are enumerated in this Declaration, as well as those set forth in the articles of incorporation and corporate by-laws for the Association.

Section 2. Dedication of Common Area. No Common Areas are presently included in Pinecrest Subdivision. If and when any future subdivisions which are subject to this Declaration include Common Areas, the Declarant hereby agrees to dedicate and convey to each Owner of a Lot a right and easement of enjoyment in and to such Common Areas, if any, and hereby covenants that it will convey such Common Areas, to the Association. Title to the Common Area shall vest in the Association subject to the rights and easement of enjoyment in and to such Common Area by the Owners. Said easement of enjoyment shall not be personal, but

shall be considered to be appurtenant to the Lots and shall pass with the title to the Lots whether or not specifically set forth in the deeds of conveyance of the Lots.

ARTICLE III

PROPERTY RIGHTS

Section 1. Owner's Easements of Enjoyment. No Common Areas are presently included in Pinecrest Subdivision. If and when any future subdivisions which are subject to this Declaration include Common Areas, the right and easement of enjoyment of each Owner in and to the Common Area, if any, shall be subject to the following prior rights of the Association:

- (a) The right of the Association to suspend the voting rights and right to use the Common Area by an Owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed sixty (60) days per infraction for any infraction of its published rules and regulations; and
- (b) The right of the Association to levy assessments, as set forth in Article V hereof.

Section 2. Delegation of Use. Any Owner may delegate, in accordance with the by-laws, his right of enjoyment to the Common Area and facilities, if any, to the members of his family, his tenants, or purchasers who reside on his Lot.

Section 3. Easement for Subdivision Entrance Sign and Landscaping. The Association and Declarant shall be permitted to enter upon those portions of Lots 3 and 4, as described on the plat of the Subdivision as may be necessary to install, repair, replace, and maintain such signs, walls, lighting, sprinkling systems, and planting, if any, hereinafter collectively referred to as the "Landscape Easement", in accordance with the landscaping plan approved by Macomb Township.

In the event the Association shall, at any time, fail to maintain the Landscape Easement, in accordance with the approved landscape plan, then, Macomb Township ("Township") is authorized to enter the Landscape Easement to maintain the same. The Township shall serve notice by first-class mail to the owner(s), appearing on the Township tax rolls, of each lot in the subdivision. The notice shall include a demand that deficiencies in the maintenance be cured within thirty (30) days thereof and notify the owners of the date, time, and place of a public hearing before the Township Board of Trustees or such other boards or body of officials to whom the Township may delegate such responsibility. The hearing shall be held within fifteen (15) days of the notice. At the hearing the Township may modify the terms of the original notice of deficiencies in maintenance and may grant

four hundred (1,400) square feet in the case of a one (1) story dwelling, and not less than one thousand five hundred (1,500) square feet in the case of any other dwelling. All computations of square footage shall include the actual area within the outer surfaces of the exterior walls of the dwelling and shall be determined exclusive of basements (whether or not of the "walk-out" variety), garages, porches, terraces, breezeways, and other unenclosed or unheated areas.

- (b) All dwellings constructed on the Lots shall include a private garage which shall be directly attached and architecturally related to the dwelling. Every garage shall provide space for at least two (2) and not more than three (3) automobiles. Carports are specifically prohibited in the Subdivision.
- (c) No old or existing buildings may be moved onto any Lot, and no used materials (except reclaimed brick) may be used in the construction of any Improvements in the Subdivi-
- (d) All dwellings shall have finished exteriors of brick or stone on each side of the first floor level and brick, stone, wood, aluminum or vinyl siding, or any combination thereof above the first floor level. The use of cement block, clay, cinder block, aluminum siding, asbestos siding, concrete, or imitation brick (other than face brick) are expressly prohibited.
- (e) The design, material, color, and construction of all mailboxes, newspaper holders, and their stands must be approved by Declarant (and the United States Postal Service with respect to mailboxes) prior to their erection. They must also be properly maintained and kept of sightly appearance.
- (f) Grantor, by appropriate instrument in writing may designate a person, firm, or corporation to perform such of its duties and obligations hereunder as it shall specify, which designation shall be revocable at the will, whim, or caprice of Declarant.
- Section 4. Minimum Setback and Yard Requirements. No building or structure shall be erected on any Lot nearer to any front, side, or rear Lot line than is allowed by applicable zoning ordinances, as modified by any variance already obtained by Grantor prior to the date hereof with respect to the Subdivision, or otherwise provided herein.

Section 5. Animals.

(a) No farm animals, livestock, poultry, or wild animals shall be kept, bred, or harbored on any Lot, nor shall any animals be kept or bred for commercial purposes. Only domesticated animals commonly deemed to be household pets may be kept on any Lot by the Owner and members of his household so long as such pets shall have such care so as not to be objectionable or offensive to others due to noise, odor, or unsanitary conditions.

(c) No Owner shall cause, nor shall he permit or suffer any occupant of any Lot which he owns, or his or their invitees or guests, to cause the molestation, harm or destruction of wild fowl or other wildlife on, in, or over any portion of his Lot. No Owner of a Lot shall use, nor shall he permit or suffer any occupant of any Lot which he owns, or his or their invitees or guests, to use any B-B guns, firearms, air rifles, pellet guns, bows and arrows, sling shots, or any other weapons on his Lot.

Section 6. Easements.

- (a) Easements are reserved as shown on the plat of the Subdivision. The use of all or a part of such easements may at any time or times hereafter be granted or assigned by Declarant, its successors or assigns, to any person, firm, corporation, governmental unit, or agency which furnishes services or utilities for use in the Subdivision.
- (b) Private easements for public utilities, greenbelts, and entrance signs have been granted and reserved on the plat of the Subdivision.
- (c) No structure(s) of any kind or nature whatsoever shall be constructed, erected, maintained, or placed within any drainage, sedimentation, or storm water detention area, if any.
- (d) No structure(s) of any kind or nature whatsoever shall be constructed, erected, maintained, or placed over or on any utility easement(s); provided, however, that after the utilities have been installed, the areas over such utility easement(s) may be seeded or sodded. All other planting or Lot line Improvements of any type over or on any easements shall be allowed only so long as they do not interfere with, obstruct, hinder, or impair the drainage plan of, or utilities in, the Subdivision, and so long as access be granted, without charge or liability for damages, for the maintenance of the utilities, underground drainage lines, underground facilities, and surface drainage swales, and/or for the installation of additional facilities.

Section 7. Prohibited Vehicles and Structures.

(a) No housetrailers, motor homes, commercial vehicles, trailers, cars under repair or restoration, boats, boat trailers, camping vehicles, pickup campers, camping trailers, trucks weighing in excess of two and one-half (2-1/2) tons empty, or any portion thereof, may be parked on or stored on any street in the Subdivision or any Lot, unless stored fully enclosed at all times within an attached garage. Commercial vehicles and trucks shall not be parked or stored in the Subdivision, or on any Lot therein, except while making normal deliveries or pickups in the normal course of business.

- (b) Trailers, tents, shacks, barns, sheds, and other out buildings of any kind or nature whatsoever, whether permanent or temporary, are expressly prohibited within the Subdivision, and no temporary occupancy or residence shall be permitted in unfinished residential dwellings; provided, however, that (i) temporary tents for parties shall be permitted to be erected for periods of not more than forty-eight (48) hours, and (ii) permanent gazebo-type structures and appurtenant swimming pool bathhouses may be constructed and maintained if approved in advance by Declarant in accordance with Section 3(d) of this Article VI.
- (c) Antennae of any kind and satellite reception equipment (including, without limitation, so-called "ham radio towers" and "satellite dishes") which are visible from the exterior of any dwelling or located on any Lot are expressly prohibited in the Subdivision; provided, however, satellite dishes which are 18 inched in diameter or less and attached to the side or rear of the dwelling shall be allowed.
- (d) The provisions of this Section 10 shall not apply to Declarant or any builder which it may designate, during the construction period or during such periods as any dwelling may be used for model or display purposes.

Section 8. General Conditions.

- (a) No Lot shall be used or maintained nor permitted to be used or maintained as a dumping ground for rubbish, trash, garbage, or other water, and the same shall not be kept on any Lot except in sanitary containers properly concealed from public view. Garbage containers shall not be left at the road for more than twenty-four (24) hours in any one week.
- (b) No laundry other than blankets or comforters shall be hung for drying on any Lot so as to be visible from outside of the dwelling constructed on the Lot. Blankets or comforters may be hung outside for drying or "airing out" if kept within fifteen feet (15') of the house.
- (c) All homes in the Subdivision shall be equipped with electric garbage disposal units in the kitchen.

- (d) The grade, slope, and/or contour of any Lot shall not be changed without the prior written consent of Declarant, the Township, and all other governmental authorities having jurisdiction. This restriction is intended to prevent interference with the master drainage plan for the Subdivision.
- (e) No "through the wall" or "through window" air conditioners may be installed on any wall of any building in the Subdivision.
- (f) No outside compressors for central air conditioning units may be installed or maintained in such a manner so as to create a nuisance to the residents of adjacent dwellings.
- (g) No permitted swimming pool shall be higher than one foot (1') above the existing lot grade. No temporary or permanent above-ground pools shall be permitted.
- (h) No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done on or around any Lot which may become an annoyance or nuisance to the neighborhood or the owners of any of the Lots in the Subdivision.
- (i) Any debris resulting from the construction and/or the destruction by fire or otherwise, in whole or in part, of any dwelling or Improvements on any Lot shall be promptly removed (within forty-eight (48) hours of issuance of temporary or final certificate of occupancy, or final acceptance of any permit therefor by the appropriate governmental authority(ies), or the occurrence of such destruction, whichever occurs first) from such Lot in order to preserve the sightly condition of the Subdivision. Each Owner shall prevent their Lot(s), and any dwelling(s), structure(s), or other improvement(s) thereon from becoming unsightly or unkempt, or from falling into a state of disrepair.

Section 9. Sales Agency and/or Business Office. Notwith-standing anything to the contrary set forth elsewhere herein, Declarant and/or any builders which it may designate may construct and maintain on any Lot or Lots which they may select, a sales agency and a business office for the sale of any Lots and/or dwellings in the Subdivision, or in other lands owned by the Declarant, or may use said Lot or Lots for the construction of a model house or houses for such purposes, and Declarant and such designated builders may continue to do so until such time as all of the Lots in which Declarant or such designated builders have an interest are sold by them.

Section 10. Lease Restrictions. No Owner of any Lot shall lease and/or sublet less than the whole of any dwelling on any Lot. Any lease of an entire dwelling shall be subject to all of the terms, covenants, provisions, and requirements hereof, in-

Section 11. Fences.

- (a) No fence, wall, or solid hedge may be erected, grown, or maintained in front of or along the front building line of any Lot; provided, however, that low ornamental fencing may be erected along the front lot line in architectural harmony with the design of the house. The side lot line of each corner lot line which faces a street shall be deemed to be a second front building lot line and shall be subject to the same restrictions as to the erection, growth, or maintenance of fences, walls, or hedges as is hereinbefore provided for front building lines.
- (b) No fence, wall or solid hedge may be erected or maintained along the side lines of any Lot, between the front Lot line and the front building line. No such fence, wall or solid hedge shall be more than four (4) feet in height unless the same is required to be higher by Declarant or any governmental authority(ies) having jurisdiction with respect thereto in connection with the construction of a swimming pool. All permitted fences shall be constructed of black or brown wrought iron or aluminium equivelent.
- (c) Any such fence, wall, or solid hedge required by Declarant or any governmental authority(ies) shall be subject to the prior written approval of Declarant as to the location, materials, design, and style thereof in accordance with the provisions of Section 3(d) of Article VI hereof.
- (d) No such required fence, wall, or solid hedge shall be greater in height than the minimum required by any governmental authority(ies) having jurisdiction, nor, without the prior written permission of Declarant, extended beyond the front building line.

Section 12. Signs. No signs or billboards shall be placed, erected, or maintained on any Lot, except for one (1) professional quality sign of not more than six (6) square feet in size and not more than three feet (3') in height for the sole purpose of advertising the Lot and the Dwelling on the Lot for sale or rent.

All permitted signs must also be in compliance with the ordinances and regulations of Macomb Township and all other governmental authorities having jurisdiction with respect thereto. Such sign shall have been constructed and installed in a professional manner and shall comply with all ordinances of the Township. All permitted signs shall be kept clean and in good repair during the period of its placement and maintenance on any Lot. The provisions of this Section 12 shall not apply to (a) such signs as may be installed or erected on any Lot by Declarant, or any builder which it may designate, during the construction

1025389 LIBER:09059 PAGE:271 02:54P 08/18/1999 CARMELLA SABAUGH-MACOMB COUNTY, MI REG/DEEDS period or during periods as any dwelling on any Lot may be used as a model or for display purposes, or (b) any Subdivision entrance sign(s).

Section 13. Landscaping.

- (a) Upon the completion of a residence on each of the Lots, the owner thereof (and the word "owner", as used in this connection, is intended to mean the party who purchases a residence from the builder thereof, and each subsequent purchaser thereof) shall cause all portions of the Lot to be finish-graded, seeded or sodded, and suitably landscaped on or before sixty (60) days after the completion of the dwelling, or by the next July 1 if the residence is completed between September 1 and May 1 of any year. All lawns and landscaping in the Subdivision (including any berm and landscaping areas) shall be of an aesthetically pleasing nature and shall be continuously and properly well maintained at all times. No statues may be placed in the front yard of any dwelling. It is the purpose of this Section 13 to cause the Subdivision to develop into a beautiful, harmonious, private residential area.
- (b) Should any Owner fail to maintain the lawns, trees, berms, shrubbery, or other landscaping on his Lot in good order and repair in accordance with "good property management", then Declarant or the Association may serve written notice upon the Owner setting forth the manner in which the Owner has so failed. In the event that the deficiency of maintenance, repair, or replacement stated in such notice is not cured within fifteen (15) days following the date of such notice, Declarant or the Association, as the case may be, shall be authorized and permitted to enter the Lot for the purpose of curing the deficiency. If, following the cure of the deficiency, the deficiency reoccurs and persists, Declarant or the Association, as the case may be, shall be authorized and permitted to enter the Lot as often as is reasonably required for the purpose of continually maintaining in good order and repair the lawns, trees, berms, shrubbery, and other landscaping on the Lot, which right of Declarant or Association reasonably shall determine that the Owner of the deficient Lot is willing and able to reassume the maintenance responsibility.

The cost incurred by Declarant or the Association for such maintenance, repair, and replacement, plus an administrative fee equal to twenty percent (20%) of such cost, shall be due and payable by the Owner of such Lot to Declarant or the Association, as the case may be, within ten (10) days following such date as declarant or the Association sends the Owner a bill therefor. If the amount billed is not paid within such ten (10) day period, the unpaid amount shall be a charge on the Lot, shall be a continuing lien upon the Lot, and shall be treated as an additional

assessment against the Lot subject to treatment in accordance with the provisions of this Declaration controlling and affecting such assessments, including, without limitation, those stated in Article V of this Declaration.

Section 14. Architectural Control Committee.

- Declarant may, in its sole discretion, at any time prior to the date on which all of the Lots in the Subdivision have been sold and conveyed by Declarant to third parties, assign, transfer, and delegate to an architectural control committee (the "Architectural Control Committee") all of Declarant's rights to approve or refuse to approve any plans, specifications, drawings, elevations, or other matters with respect to the construction or location of any dwelling or Improvement on any Lot in the Subdivision. Thereafter, the Architectural Control Committee shall exercise all of the authority and discretion granted to Declarant in Section'2 of Article VI hereof relative to approving or disapproving such matters, and Declarant shall have no further responsibilities with respect to such matters. Architectural Control Committee shall be comprised of up to three (3) members to be appointed by Declarant. Upon the Transfer Date, Declarant shall transfer its right to appoint the members of the Architectural Control Committee to the Association. Until such transfer, Declarant reserves the right to appoint and remove members of the Architectural Control Committee in its sole discretion.
- (b) Any submission(s) to Declarant or the Architectural Control Committee for any approval provided for under this Declaration shall be in writing, and shall conform to the requirements of Section 2 of Article VI hereof. The primary purpose for providing architectural control is to ensure the proper and harmonious development of the Subdivision in order to maximize the aesthetic beauty of the Subdivision and its blending with the surrounding area. end, Declarant or the Architectural Control Committee, as the case may be, shall be deemed to have broad discretion in determining what dwellings or Improvements will enhance the aesthetic beauty and desirability of the Subdivision, or otherwise further or be consistent with the purposes of this Approvals and/or waivers may be granted, Declaration. denied, or conditioned for any reason or for no reason. In no event shall either Declarant or the Architectural Control Committee have any liability whatsoever to anyone for their approval or disapproval of any plans, drawings, specifications, or elevations, or the dwellings or Improvements built or to be built pursuant thereto, whether such alleged liability is based on negligence, tort, express or implied contract, fiduciary duty, or otherwise. By way of example, neither Declarant nor the Architectural Control Committee shall have liability to anyone for the approval of any plans, specifications, elevations, or the like which are not

an extension of time within which the deficiencies shall be cured. If the deficiencies, set forth in the original notice or in the modification thereof, are not cured within thirty (30) days or any extensions of time granted at the hearing, the Township, in order to eliminate and cure the deficiencies in the operation and maintenance of the Landscape Easement, may enter upon the property and maintain the Landscape Easement for a period of up to one (1) year. Maintenance of the Landscape Easement by the Township shall not constitute a taking of the Landscape Easement nor vest in the public any additional right to use the same.

Within sixty (60) days prior to the expiration of the aforesaid one (1) year period, that the Landscape Easement is under the control and jurisdiction of the Township, a majority of the lot owners or the Association may request another public hearing be held or the Township may call another public hearing upon notice in the same manner as set forth above. At the hearing the Association or lot owners shall show cause why maintenance by the Township shall not continue for a succeeding one (1) year period. If the Township shall, reasonably, determine that the Association and/or lot owners are ready, willing, and able to maintain the Landscape Easement, the Township shall cease to operate and maintain the Landscape Easement at the end of said year. If the Township shall reasonably determine that the Association or lot owners are not ready, willing, and able to maintain the Landscape Easement during the next succeeding year, then subject to a similar public hearing and determination in each successive year thereafter, the Township may continue to enter upon and maintain said Landscape Easement.

Should deficiencies in the maintenance of the Landscape Easement be determined by the Township to constitute an impending danger to health, safety, and welfare of the public, or a public, or private nuisance, the Township shall have the right to take immediate correction action and summarily abate such danger or nuisance.

The Association and/or lot owners shall hold harmless, defend, and indemnify the Township from any and all claims, demands, costs, expenses, including attorney fees, and judgments, whatsoever, which may arise from the Township's maintenance of the Landscape Easement.

The actual costs and expenditures, including administration expenses and attorney fees, incurred by the Township as a result of its maintenance of the Landscape Easement or the immediate abatement of an impending danger or nuisance in relation thereto, shall be at the expense of the Association or the lot owners and such costs and expenditures shall be assessed against the lots in the subdivision and become due, collected and returned for nopayment in the same manner and at the same time as ad valorem property tax levies of the Township.

The Township, at its option, shall be subrogated to any rights the Association may have in this Declaration for the imposition of assessments and the collection thereof in relation to the Landscape Easement.

The maintenance provisions contained in this Article, or section, shall not be amended in any way without the prior written consent of the Macomb Township Board of Trustees.

ARTICLE IV

MEMBERSHIP AND VOTING RIGHTS

Section 1. Membership. Every Owner of a Lot shall be a Member of the Association. Membership in the Association is, and shall be, appurtenant to, and may not be separated from, ownership of any Lot. Notwithstanding the foregoing, the termination of any person's ownership interest in any Lot, and the consequent termination of such person's membership in the Association, shall not relieve such person from any debt or obligation attributable to such Lot which accrued or arose during the period such person was an Owner of such Lot.

Section 2. Voting Rights. The Association shall be two (2) classes of membership, being Class A and Class B, as follows:

- (a) Class A membership shall be voting, and Declarant shall be the only Class A Member.
- (b) Each Owner of a Lot other than the Declarant shall be a Class B Member.
- (c) Class B membership shall be non-voting until the Transfer Date specified in Subsection 2(d) below, at which time all Owners (including Declarant) shall be entitled to vote on a one vote per lot basis (regardless of the number of Owners of any Lot).
- (d) Declarant shall have the sole vote in the Association, and the consequent right to appoint the Board of Directors of the Association (the "Board"), until such date (the "Transfer Date") as shall be the earlier to occur of (i) ninty-five percent (95%) of the lots in (A) the Subdivision, and (B) every subdivision of land which in the future is subjected by Declarant to this Declaration in accordance with Article VIII, Section 4 of this Declaration, shall have been sold (as evidenced by delivery of a deed for such lots to the Lot purchaser) to Owners other than builders purchasing for resale in the ordinary course of their business, (ii) five (5) years after the date of recording of the plat of the Subdivision at the Office of the Register of Deeds for Macomb County, Michigan, or (iii) such earlier date as may hereafter be designated in writing by Declarant.