

DECLARATION OF COVENANTS AND RESTRICTIONS

NORTH HAVEN WOODS SUBDIVISION

THIS DECLARATION OF COVENANTS AND RESTRICTIONS ("this Declaration") made this 2nd day of May, 2002, by MIRAGE DEVELOPMENT L.L.C., a Michigan limited liability company, (the "Declarant"), having its principal office at 45380 West Ten Mile Road, Suite 135, Novi, Michigan 48375.

WITNESSETH:

The following is a recital of the facts and objectives underlying this Declaration:

(A) Declarant is the owner of certain real property (the "Subdivision") situated in the City of Novi (the "City"), Oakland County, Michigan. The Subdivision is more particularly described on Exhibit "A" attached hereto.

(B) The Subdivision consists of 44 lots (the "Lots"), each of which is to be used for the construction and occupancy of one (1) detached single-family residence and permitted related improvements, in each case, subject to the provisions of this Declaration, and other matters of record, and private parks (the "Common Areas"), for the benefit of the Subdivision, and intended for the use, in common, of (i) the Owners of each Lot; (ii) the Occupants; and (iii) the Permittees.

(C) Declarant desires to subject the Subdivision to the covenants, restrictions, conditions, easements, charges and liens hereinafter set forth (i) to insure the development of the Subdivision as a desirable residential community; (ii) to prevent the construction, installation, placement or maintenance of any undesirable use, improvement or thing within the Subdivision; (iii) to promote internal harmony within the Subdivision; and (iv) to provide for the perpetual preservation and maintenance of the Common Areas, including, without limitation, the Storm Drainage Facilities servicing the Subdivision, in a manner consistent with high environmental, aesthetic and residential standards, and the provisions of any applicable agreement with the City regarding the Common Areas, the Storm Drainage Facilities, and/or the Wetland Conservation Easement.

(D) Declarant deems it desirable to create an entity (the "Association") to own the Common Areas, and to which shall be delegated and assigned certain powers and duties hereunder, including, without limitation (i) administration, operation and maintenance of the Common Areas; (ii) enforcement of the covenants, restrictions, conditions, easements, charges and liens set forth in this Declaration; (iii) collection and disbursement of the assessments and charges described in this Declaration; and (iv) promotion of the health, safety and welfare of the residents of the Subdivision.

(E) Declarant has caused the Association to be organized as a nonprofit corporation (with mandatory assessment powers), for a perpetual term, under the laws of the State of Michigan, for the purpose of exercising the powers, duties and functions of the Association set forth in this Declaration (either directly, or through a management agent and/or maintenance contractors engaged by the Association).

NOW, THEREFORE, Declarant hereby declares that the Subdivision, including each Lot and Common Area in the Subdivision, shall be held, transferred, sold, conveyed, leased, used and occupied subject to the following covenants, restrictions, conditions, easements, charges and liens, each of which is for the benefit of, and shall run with and bind, each Lot and Common Area, and each Person having any right, title or interest in any Lot or Common Area, including, without limitation, each Owner and Occupant, and/or the heirs, personal representatives, successors and/or assigns of any such Person.

ARTICLE I

Definition of Terms

As used in this Declaration with initial capital letters, the following words and phrases are defined as follows:

"Association" shall mean and refer to the NORTH HAVEN WOODS HOMEOWNERS' ASSOCIATION, a Michigan non-profit corporation, its successors and assigns.

"Builder" shall mean and refer to any person or entity who acquires a Lot for the purpose of engaging in and does engage in the business of constructing residential buildings for the purpose of resale and not for his own use.

"Bylaws" shall mean and refer to the Bylaws of the Association which have been duly adopted on behalf of the Association.

"City" shall mean the City of Novi, a Michigan Municipal Corporation, and its successors, assigns and transferees.

"Committee" shall mean and refer to the Architectural Review Committee established under the provisions of this Declaration, or the Association, as the context may require.

"Common Areas" and/or "Park Areas", except for Lagoon Park, shall mean and refer to those areas of land denoted as "Parks" on the recorded Plat of the Subdivision, and intended to be (i) owned by the Association, and (ii) devoted to the common use and enjoyment of the residents in the Subdivision, together with any and all improvements now or hereafter located thereon, including, without limitation, the 20' landscape easement along the western border of the subdivision along West Park Drive, and including the Storm Drainage Facilities.

"Conservation Easement" shall mean the Conservation Easement granted by the Declarant, MIRAGE DEVELOPMENT L.L.C., to the CITY OF NOVI on the 2nd day of May, 2002, recorded at Oakland County Records, Register of Deeds, and the Conservation Easement granted to the State of Michigan, Department of Environmental Quality on the 12th day of October, 2001, recorded at Liber 25211, Pages 204 through 208, inclusive, Oakland County Records, Register of Deeds, for the purpose of preserving the subject wetlands and woodlands in their existing condition pursuant to MCL 399.252, et. Seq., MSA 15.1816, et. Seq., and the Natural Resources and Environmental Protection Act, MCL 324.2140, et. Seq., respectively, and as may be indicated on the Final Plat.

"Declarant" shall mean and refer to MIRAGE DEVELOPMENT L.L.C., a Michigan limited liability company, or any successor thereto, or any Person to whom or which it may expressly assign any one or more of its rights, or delegate any of its authority hereunder, in each case by means of an appropriate document recorded with the Register of Deeds of Oakland County, Michigan, and, in each case, as the context may require.

"Improvement" shall mean and refer to every building of any kind, garage, shed, gazebo, fence, wall or gate, pool, tennis court, or other structure or recreational facility which may be erected or placed on any Lot, including, without limitation, any driveway, parking area, landscaping, planted material, sign, drainage system and/or utility connection thereon or therein.

"Lot" shall mean and refer to any numbered parcel of land shown as such upon the recorded Plat of the Subdivision, and used or to be used for the construction and occupancy thereon of a detached single-family residential dwelling, and related improvements, in accordance herewith, and such reference may include such dwelling and related improvements, as the context may require.

"Members" shall mean and refer to all those Persons entitled to membership in the Association, as provided in this Declaration.

"Occupant" shall mean and refer to any Person, holding under an Owner, and entitled by lease, deed, contract or other agreement to use and occupy a residence upon any Lot.

"Owner" shall mean and refer to the record owner, whether one or more Persons, of the fee simple title to any Lot, including, for such purpose, the land contract vendee in regard to any Lot (rather than the land contract vendor), but not including any mortgagee unless and until such mortgagee shall have acquired such fee simple title pursuant to foreclosure, or any proceeding or conveyance in lieu of foreclosure. Where more than one Person has an interest in the fee simple title to any Lot, the interests of all such Persons collectively shall be that of a single Owner for purposes of voting on all matters involving the Association and Subdivision.

"Permittee" shall mean and refer to the visitors, invitees and guests of each Owner and Occupant, together with police and fire department, and other local governmental employees, and United States Postal Service personnel.

"Person" shall mean and refer to any corporation, partnership, trust, association or natural person, or combination thereof, as the context may require.

"Storm Drainage Facilities" shall mean and refer to the storm sewer line and storm water sedimentation basin, and related equipment, located south of Ludlow Road and east of West Park Drive. The Storm Drainage Facilities are covered by an easement in favor of the City and Oakland County Department of Public Services, but, anything in the foregoing instruments to the contrary notwithstanding, the Association shall be solely responsible for the permanent maintenance and operation of the Storm Drainage Facilities, and for the payment of all costs and expenses in connection therewith.

"Subdivision Entrance Landscaping" shall mean and refer to the trees, shrubs, flowers, bushes, sod, seeding, entrance sign, lighting systems and all of the piping, conduit and wiring necessary to provide lumination and water for irrigation installed in and on the entranceways.

ARTICLE II

Establishment and Membership of the Association

SECTION 1. ESTABLISHMENT OF NON-PROFIT CORPORATION.

There is hereby established an association of Owners of Lots 1 through 44 inclusive, NORTH HAVEN WOODS SUBDIVISION, to be known as the NORTH HAVEN WOODS HOMEOWNERS' ASSOCIATION. The Association shall be incorporated and organized at any time not later than when thirty-five (35) of the Lots are owned by persons other than the Declarant or any Builder. The Association shall be organized as a non-profit corporation for a perpetual term under the laws of the State of Michigan and shall have such powers as are enumerated in this Declaration. The Association shall be operated pursuant to the duly adopted Bylaws.

SECTION 2. MEMBERSHIP.

Every Person who or which is the 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 be deemed to relieve such Person from any debt or obligation attributable to such Lot which accrued or arose during the period in which such Person was an Owner of a Lot.

SECTION 3. VOTING RIGHTS.

The Association shall have two classes of membership, being Class A and Class B, as follows:

A) Class A - Class A Members shall be Declarant. Class A Members 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 time that 35 Lots shall have occupied residences on them, or at such earlier time as may be designated in writing by the Declarant.

B) Class B - Class B Members shall be each Owner of a Lot other than the Declarant and/or Builder(s). Class B Members shall be non-voting until such a time that 35 Lots shall have occupied residences on them, or at such earlier time as may be designated in writing by the Declarant, at which time all Owners (including the Declarant) shall be entitled to vote on a one vote per Lot basis (regardless of the number of Owners of any such Lot). The Board shall be elected by the combined vote of the Class A and Class B Members.

ARTICLE III

Property Rights in the Common Areas

SECTION 1. MEMBERS' RIGHTS OF ENJOYMENT.

Subject to the provisions of Section 3 of this Article III, following, every Member shall have a right of enjoyment in and to the Common Areas, and such rights shall be appurtenant to and shall pass with the title to any Lot whether or not specifically set forth in the deed or other conveyance to such Lot.

SECTION 2. EXTENT OF MEMBERS' RIGHTS.

The rights of enjoyment of the Members in and to the Common Areas are, and shall be, subject to the following:

- A) The right of the Association to charge reasonable admission and other fees for the use of any recreational facility situated upon the Common Areas.
- B) The right of the Association to suspend the voting and enjoyment rights of any Member for any period during which any assessment against such Member's Lot remains delinquent and unpaid, and for a period, not to exceed sixty (60) days, for any infraction by such Member of the published rules and regulations of the Association.
- C) The right of the Association to levy assessments upon the Lots, as set forth in Article IV hereof.

SECTION 3. DELEGATION OF USE.

Any Owner may delegate his right of enjoyment in and to the Common Areas to the members of his family and/or his Occupants and Permittees.

ARTICLE IV

Covenant for Maintenance Assessments

SECTION 1. CREATION OF THE LIEN AND PERSONAL OBLIGATION OF ASSESSMENTS.

The Declarant, for each Lot within the Subdivision owned by Declarant, hereby covenants and agrees, and each Owner of any Lot, by acceptance of a deed, land contract or other conveyance thereto, whether or not it shall be so expressed in any such deed, land contract or other conveyance, shall be deemed to have covenanted and agreed to pay to the Association, annual and special assessments and/or charges, established and to be collected as hereinafter provided. Such assessments, together with interest thereon, and the costs of collection thereof, including reasonable attorneys' fees, shall be a charge and continuing lien upon the Lot against which each such assessment is made. Each such assessment, together with interest thereon, and the costs of collection thereof, including reasonable attorneys' fees, shall also be the personal obligation of each Person who was an Owner of such Lot at the time the assessment becomes due and payable. The personal obligation of any Owner for any delinquent assessment shall not pass to any successor in title of such Owner unless expressly assumed by such successor.

SECTION 2. PURPOSE OF ASSESSMENTS.

The assessments levied by the Association shall be used exclusively to promote the health, safety and welfare of the residents in the Subdivision, and, in particular, for (i) the operation, maintenance and improvement of the Common Areas, including, for such purpose, the Park Areas, and right-of-way areas of, the public streets within the Subdivision; (ii) the installation of additional facilities and landscaping within the Common Areas; (iii) the payment of real estate taxes in regard to the Common Areas; (iv) the payment of insurance expenses in regard to the Common Areas and the Association; (v) enforcing the provisions of this Declaration; (vi) providing community services; and (vii) the protection of the Owners.

SECTION 3. ANNUAL ASSESSMENTS.

The basis of the annual assessments, and the maximum amounts thereof, shall be as follows:

- A) Until January 1st of the year immediately following the conveyance of the first Lot to an Owner other than the Declarant and/or Builder(s), the maximum annual assessment shall be Two Hundred Fifty (\$250.00) Dollars per Lot.
- B) From and after January 1st of the year immediately following the conveyance of the first Lot to an Owner other than the Declarant and/or Builder(s), the maximum annual assessment may be increased by the Board to Three Hundred Fifty (\$350.00) Dollars per Lot, without a vote of the Owners.

C.) Thereafter, the maximum annual assessment may be increased each year by the Board not more than ten percent (10%) above the maximum assessment for the prior year without a vote of the Owners (it being understood that the maximum annual assessment for any year may be increased by more than ten percent (10%) above the maximum assessment for the prior year upon the affirmative vote of two-thirds of the Owners voting in person, or by proxy, at a meeting duly called for that purpose.

D) The Board may, after consideration of the current fiscal needs of the Association, fix the actual annual assessment for any year at an amount less than the maximum herein otherwise permitted.

SECTION 4. SPECIAL ASSESSMENTS.

In addition to the aforesaid annual assessments, the Association may levy against each Owner other than the Declarant and/or Builder(s), in any assessment year, a special assessment, applicable to that year only, for the purpose of defraying, in whole, or in part, the cost of any construction, reconstruction, repair or replacement of any improvement upon the Common Areas, provided that any such special assessment shall have the assent of two-thirds of the Owners voting in person, or by proxy, at a meeting duly called for that purpose.

SECTION 5. UNIFORM RATE OF ASSESSMENTS.

The annual assessments, and each special assessment, shall be set by the Board at a uniform rate for each Lot, and may be collected on a monthly or an annual basis, as may be determined by the Board.

SECTION 6. NOTICE OF QUORUM FOR ACTION AUTHORIZED UNDER SECTIONS 3 AND 4.

Written notice of any meeting called for the purpose of taking any action authorized under either Section 3 or 4 of this Article IV shall be sent to all Owners not less than fifteen (15) days in advance of such meeting. At the first meeting so called, the presence at the meeting of Owners, or of proxies, entitles to cast sixty percent (60%) of all votes of the Class A and Class B membership shall constitute a quorum. If the required quorum is not present at such meeting, another meeting may be called, subject to the notice requirement set forth above, and the required quorum at such subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting provided that such subsequent meeting shall be held not less than sixty (60) days following the preceding meeting at which a quorum was not present.

SECTION 7. DATE OF COMMENCEMENT OF ANNUAL ASSESSMENTS: DUE DATE.

The annual assessments provided for herein shall commence as to all Lots on the day of conveyance of the title to a Lot Owner other than Declarant and/or Builder(s). The annual assessment for any year, after the first year, shall become due and payable on the anniversary of conveyance of the title to the Lot Owner other than Declarant and/or Builder(s). The Association shall issue an invoice at least thirty (30) days prior to due date.

SECTION 8. DUTIES OF BOARD OF DIRECTORS.

Subject to the limitations set forth in Sections 3, 4 and 5 of this Article IV, the Board shall fix the amount of the annual assessment against each Lot for each assessment period at least thirty (30) days in advance of such date or period, and shall, at that time, prepare a roster of the Lots and the assessments applicable thereto, which shall be kept in the office of the Association and shall be open to inspection by any Owner. Written notice of the assessment shall thereupon be sent to every Owner subject thereto. The Association shall, upon demand, and payment of a reasonable charge, furnish to any Owner liable for such assessment a certificate in writing signed by an officer of the Association setting forth whether such assessment has been paid. Such certificate shall be conclusive evidence of payment of any assessment therein stated to have been paid. Each budget adopted by the Board shall include an adequate allowance for the maintenance of the Common Areas.

SECTION 9. EFFECT OF NON-PAYMENT OF ASSESSMENT: THE PERSONAL OBLIGATION OF THE OWNER: THE LIEN: REMEDIES OF THE ASSOCIATION.

Any assessment not paid within thirty days after the due date shall be deemed delinquent, and shall bear interest from the due date at a rate to be determined by the Board of Directors, the interest rate shall not exceed the highest rate permitted by law. The Association may bring an action at law against the Owner personally

obligated to pay such assessment, or foreclose the lien against the Lot, and there shall be added to the amount of such assessment the cost of preparing and filing the complaint in such action, or in connection with such foreclosure, and in the event a judgment is obtained, such judgment shall include interest on the assessment, as above provided, and a reasonable attorney's fee to be fixed by the court, together with the costs of the action. No Owner may waive or otherwise escape liability for any assessment by non-use of the Common Areas or the abandonment of such Owner's Lot. Subject to the provisions of Section 10 of this Article IV, sale or transfer of any Lot shall not affect the lien for any assessment regarding such Lot.

SECTION 10. SUBORDINATION OF THE LIEN TO MORTGAGES.

The lien of the assessment(s) provided for herein is and shall be subordinate to the lien(s) of any mortgage or mortgages now or hereafter placed upon any Lot subject to assessment hereunder; provided, however, that such subordination shall apply only to assessments which have become due and payable prior to sale or transfer of such Lot pursuant to foreclosure of such mortgage(s), or prior to any other proceeding or conveyance in lieu of foreclosure. Such sale, transfer or conveyance shall not, however, relieve such Lot from liability for any assessment thereafter coming due, or from the lien of any such subsequent assessment.

SECTION 11. FUNCTIONS OF THE ASSOCIATION.

The principal functions of the Association are (i) the enforcement of the provisions of this Declaration; (ii) the collection and disbursement of assessments; (iii) the establishment of reasonable rules and regulations for the use of the Common Areas; (iv) the maintenance of the Common Areas; and (v) the promotion of the interest of the Owners. As used in this Declaration, the term "maintenance of the Common Areas" shall be deemed to include, without limitation, the following:

A) The operation, maintenance and improvement of the Common Areas, including, without limitation, the maintenance, repair and replacement of the entrance monuments, landscaping, irrigation systems, lighting systems and established grades within the Common Areas.

B) The maintenance and improvement of the road right-of-ways, and the public walkway within the Subdivision.

C) Improvement of the landscaping within the Common Areas, Park Areas and road right-of-ways, including, without limitation, the installation of sod and the planting of trees, flowers, shrubs and other plant materials.

D.) Maintenance of the landscaping within the Common Areas, Park Areas, and road right-of-ways, including, without limitation, the cutting of grass, weeds and other growing material.

E) The installation of additional facilities, improvements and landscaping within the Common Areas, Park Areas, and road right-of-ways.

F) The Association shall maintain liability insurance in sufficient amounts for the purpose of protecting itself, as well as the owners, the Developer, and/or Builder(s) and the City from the burden of any liability resulting from accidents which may cause death or injury to anyone or damage to property in the common areas of the subdivision, including the subdivision entrance landscaping. Any liability insurance shall name the owners, the Developer, and/or Builder(s) and the City of Novi as additional insureds. The City shall be insured in an amount which is acceptable to it and proof of such insurance shall be provided to the City on an annual basis.

G) Control of undesirable insects and animals within the Common Areas, Park Areas.

H) Removal of trash, paper and debris from the Common Areas, Park Areas, and road right-of-ways.

I) Payment of all real estate taxes, special assessments and other charges upon the Common Areas and Park Areas imposed or levied by any appropriate governmental authority.

J) The operation and maintenance of the storm water sedimentation basin, including, without limitation, the maintenance, repair and replacement of any pipe, drain, valve, grate or opening in the storm water sedimentation basin, and all pipes or lines leading into or out of the storm water sedimentation basin.

K) The maintenance of the landscaping and slopes in and around the storm water sedimentation basin.

L) The payment of insurance expenses in regard to the Common Areas and the Association and each and every other act necessary to protect and preserve the Common Areas for their intended purposes, including, but not limited to:

a) The proper functioning of the Storm Drainage Facilities at all times.

b) Snow removal on all Subdivision streets.

c) The payment of legal expenses necessary to defend the City and its employees and Oakland County and its employees against all claims, suits or judgments arising out of the operation, maintenance, repair and replacement of the subdivision entrance landscaping.

d) The Association shall indemnify and save harmless the City and its employees and Oakland County and its employees against any and all claims, suits and judgments arising out of the operation, maintenance, repair and replacement of the subdivision entrance landscaping.

e) If the Developer or the Association fails to maintain, repair or replace the subdivision landscaping as required by the Declaration or in accordance with the City's minimum standards, then the City shall have the right, but not the duty, after ten (10) days written notice to the Developer and/or Association, to perform the maintenance, repair and replacement. The cost of any such maintenance, repair and replacement shall be billed to the Association, and, if not paid within thirty (30) days of the billing, may be assessed against the owners in equal amounts in the same manner as property taxes are assessed and collected.

ARTICLE V

Architectural Review

SECTION 1. ARCHITECTURAL REVIEW COMMITTEE.

No Improvement shall be erected, placed, installed, constructed, reconstructed or maintained on any Lot, nor shall any exterior addition to, or change in, or alteration of the exterior appearance of any Improvement, or any change in landscaping, be made until plans and specifications showing the kind, size, shape, height, colors, materials, topography and location of each Improvement on the Lot shall have been submitted to and approved in writing by the Committee. The Committee shall, initially, be composed of the Person(s) appointed by Declarant, who need not be Owners, and who may be employees, officers, directors, agents or affiliates of Declarant. Each member of the Committee shall serve until he or she resigns and is replaced by a subsequent appointee. At such time as all of the Lots shall have been sold to Owners other than Declarant, each sitting member of the Committee shall resign, and Declarant shall delegate and assign to the Association its power of appointment with regard to members of the Committee; provided that, Declarant may, at its sole discretion, make such delegation to the Association at an earlier time. Neither Declarant nor any member of the Committee shall have any liability whatsoever to any Person in connection with the approval or disapproval of any plans or specifications in regard to any Improvement.

SECTION 2. PRELIMINARY APPROVAL.

Preliminary plans and specifications may be first submitted to the Committee for preliminary approval.

SECTION 3. FINAL APPROVAL.

Plans and specifications for final approval by the Committee shall include the following:

A) A topographic survey and dimensioned plot plan of the Lot, showing existing and proposed grades, the location of all trees in excess of three (3) inches in diameter, and the location of all proposed Improvements on the Lot.

B) Construction and architectural plans, sufficient in detail to secure a building permit in the City, including, without limitation, dimensioned floor plans, typical sections, and all elevations (front, both sides and rear) of the main dwelling structure and garage and any proposed outbuildings.

C) Detailed elevations of all walls and gates.

D) Specifications setting forth the type, quality, color and texture of all materials to be employed in all Improvements, including a detailed finish schedule for all exterior materials, products and finishes, with actual brick, stain and shingle samples.

E) A complete landscaping plan (including a plan for any proposed exterior lighting), together with a planting list.

F) A construction schedule.

G) Any other data, drawings or specifications, which the Committee deems necessary to fulfill its function.

SECTION 4. VARIANCE REQUIRED.

No approval of the Committee shall be valid if any Improvement violates any restriction set forth in this Declaration, or any provision of the City's zoning ordinance, except in cases where an appropriate waiver or variance in regard to such Improvement has been granted by the City and/or Committee, as provided in this Declaration.

SECTION 5. APPROVAL AND DISAPPROVAL.

The Committee may disapprove plans for any Improvement or alteration for non-compliance with any restriction contained in this Declaration, or because of dissatisfaction with the grading and drainage plans, the location of any Improvement on the Lot, the proposed materials, the proposed color scheme, the proposed finish, design, proportion, shape, height, style or appropriateness of the proposed Improvement or alteration, or because of any matter or thing, which, in the judgment and discretion of the Committee, would cause the proposed Improvement or alteration to be inconsistent with the objectives of the Committee, or with improvements erected or to be erected on other Lots, including purely aesthetic considerations. No material change may be made in any approved plan or specification, including, without limitation, any approved exterior material, stain, color, or roof material, or in the approved landscaping plan, without the prior written consent of the Committee. One complete set of the approved plans and specifications in regard to each Lot, including any and all approved amendments thereto, shall be kept and retained by the Committee for its permanent file in connection with each Lot.

SECTION 6. FAILURE TO ACT.

In the event the Committee shall have failed to approve or disapprove plans and specifications within thirty (30) days after the full, proper and complete submission thereof, the need for such approval by the Committee shall be deemed to have been waived, but all other restrictions, limitations and conditions set forth in this Declaration shall apply and remain in full force and effect as to such plans and specifications.

SECTION 7. FORM OF APPROVAL.

Committee approval shall be deemed given if the plans and specifications submitted for approval are marked or stamped as having been finally approved by the Committee, and are signed and dated by the Person(s) appointed by the Committee validly serving on the date of such approval.

SECTION 8. REVIEW FEE.

The Committee may charge a review fee, not to exceed Two Hundred Fifty (\$250.00) Dollars, in connection with the review of plans and specifications for any Improvement or combination of Improvements on any Lot, or in regard to the substantial alteration of any Improvement. The fee may not be utilized for the purpose of paying any salary to any member of the Committee, but exclusively for the purpose of reimbursing the actual expenses of the Committee, including, without limitation, the professional fees of independent consultants to the Committee.

ARTICLE VI Restrictions Upon Use

SECTION 1. PERMITTED USE.

No Lot shall be used except for single family residential purposes. Except as specifically permitted herein, no structure shall be erected, altered, re-erected, placed or permitted to remain on any Lot other than one single family residential dwelling (the "Dwelling"), not to exceed two and one-half (2 1/2) stories or 35 feet

in height (not applicable to a dwelling with a walk-out basement), and a private garage for not more than three (3) vehicles for the sole use of the Owner/Occupant of the Lot upon which such Dwelling shall have been erected, together with such other Improvements as the Committee shall have approved. Each garage shall be attached or architecturally related to the Dwelling to which such garage pertains, and shall be constructed at the time of, and in conjunction with, construction of such Dwelling. No garage shall provide space for less than two (2) vehicles. Carports are specifically prohibited. No part of any Dwelling or appurtenant structure shall be used for any activity normally conducted as a business. Except as specifically permitted herein, a pre-existing structure may not be moved onto any Lot.

SECTION 2. MINIMUM FLOOR AREA RESTRICTIONS.

The minimum floor area of a dwelling shall not be less than 1600 square feet, in the case of a one story dwelling, nor less than 1800 square feet, in the case of a one and one-half or two-story dwelling. The term "floor area" shall mean livable floor area measured from the exterior faces of the exterior walls and shall not include open or screened porches, patios, breezeways, exterior decks, basements, or garages. The area of a walk-out basement shall not be considered in determining the allowable square foot area. In the event of a dispute or difference of opinion in the interpretation of "floor area", the final decision shall be vested in the Developer and such decision shall be absolute. All residences shall have basements.

SECTION 3. ALTERATION OF LOT.

No Lot may be divided or reduced in size except by the taking of part thereof by a public agency for a public purpose. Whole Lots may be combined for use as one (1) building site.

SECTION 4. BUILDING SET-BACK RESTRICTIONS. Front, rear and side yard set-back restrictions have been established by the Developer and the City of Novi. The setbacks within the development are as set forth in the final approved plat in accordance with the Zoning Ordinance of the City of NOVI. Such set-back restrictions must be strictly adhered to unless a variance has been approved in writing by the Developer and also by the city of Novi. In no event shall the front yard set-back for any residence be less than thirty (30) feet from the front lot line at its nearest point to the residence; nor shall a side yard set-back on one side thereof be less than ten (10) feet from the side lot line; and the combined total of the two side yards shall not be less than twenty five (25) feet, nor shall any residence be closer than thirty five (35) feet from the rear lot line.

In keeping with the restrictions in this paragraph appearing, no construction shall begin on any residence until a site plan thereof has been submitted to the Developer (showing the position of the proposed residence on the lot in question and drawn to the proper scale). Written approval by the Developer is required before the site plan is submitted to the City of Novi.

SECTION 5. EXTERIOR MATERIALS.

The visible exterior walls of each Dwelling and appurtenant structure shall be constructed of brick, brick veneer, wood and/or stone in any combination. Stucco, wood siding and/or ledge rock may also be used, so long as any of these materials alone, or in combination, do not exceed fifty percent (50%) of the total of all visible exterior walls. The Committee may grant such exceptions to this restriction as the Committee shall deem desirable, subject to any applicable City ordinance regarding the use of certain exterior materials. Windows and doors shall not be considered visible exterior walls for purposes of this section. No unpainted (or non-factory painted) metal doors may be used in the exterior of any Dwelling or appurtenant structure. No used material, except reclaimed brick, may be used in the construction of any visible exterior wall. The use of exposed cement block, slag, cinder block, imitation brick, asphalt, or any type of commercial siding on any visible exterior wall is expressly prohibited.

SECTION 6. SIMILAR ELEVATIONS.

No substantially similar front elevation of any dwelling shall be duplicated on the same side of the street on any lot nearer than every third (3rd) lot, nor on a lot directly across the street from a dwelling with a substantially similar front elevation.

SECTION 7. FENCES AND WALLS.

No fence or wall of any kind whatsoever may be erected on any lot or any lot line except such as may be required by City of Novi ordinance. Any fence or wall erected pursuant to ordinance shall be erected strictly in conformity with the minimum requirements thereof and only with written approval of the Developer and the City of Novi. Anything to the contrary in this paragraph appearing, Developer reserves the right to approve the construction of a fence or wall other than required by the City when the Developer believes such construction will be in the best interest of the subdivision and its residents. The Developer reserves the exclusive,

unrestricted and absolute right to refuse permission for the construction of any fence or wall (not required by ordinance) without assigning any cause therefore.

SECTION 8. SWIMMING POOLS.

No swimming pool may be installed on any Lot any portion of which is higher than one (1) foot above the finished grade of the Lot. No above ground swimming pool may be erected, placed or permitted to remain on any Lot, either temporarily or permanently.

SECTION 9. ANIMALS.

Except as hereinafter set forth, no animals or fowl shall be kept, bred or harbored on any Lot. Not more than three (3) domesticated animals, of a type commonly deemed to be household pets, may be kept on any Lot (but not kept or bred for commercial purposes), as long as each such pet shall have such care and restraint as not to be objectionable or offensive to others due to noise, odor or unsanitary conditions. Any such pet shall be kept either on a leash, or in a run, pen or kennel (in any event, a "pen"), and shall not be allowed to run loose or unattended. No pen shall be erected, placed or permitted to remain on any lot unless located within the rear yard of such Lot adjacent to a wall of the Dwelling or garage, and facing the rear or interior of the Lot, and such pen shall not be permitted to extend into either side yard. All pens shall be made of wood, decorative block or approved fencing materials, or any combination thereof, and may not exceed three hundred (300) square feet in area or four (4) feet in height. The exterior sides of a pen shall be landscaped with plantings to screen the view thereof from adjacent Lots, and such pen shall be kept and maintained in a clean and sanitary condition. The construction and landscaping plans for a pen are subject to approval by the Committee.

SECTION 10. TEMPORARY STRUCTURES.

No structure of a temporary character, trailer, commercial vehicle, recreation vehicle, shack, garage, barn, storage shed, tent, tree house, jungle gym, or other similar outbuilding, may be used or occupied at any time, on any Lot, either temporarily or permanently, except that (i) tents for entertainment purposes may be erected on any Lot for periods not to exceed forty-eight (48) hours; (ii) an appurtenant swimming pool bathhouse may be maintained on any Lot, provided that the plans for such swimming pool and bathhouse shall have been approved by the Committee and City; (iii) a temporary storage building for the storage of materials and supplies to be used in connection with the construction of a Dwelling on any Lot may be kept and maintained on such Lot during the period of such construction; and (iv) upon written approval of the Committee, a jungle gym or swingset may be installed on a lot.

SECTION 11. STORAGE OF VEHICLES.

No house trailer, commercial vehicle, truck, boat, boat trailer, camper, recreational vehicle or camping, horse or other utility trailer or vehicle (except passenger cars and passenger vans) may be parked or stored on any Lot unless stored fully enclosed within an attached garage otherwise constructed in accordance with this Declaration, except that (i) commercial trucks and vehicles may be parked upon any Lot while making deliveries or pickups in the normal course of business, and (ii) two construction trailers may be kept and maintained within the Subdivision by each builder engaged in the construction of Dwellings within the Subdivision, provided that such construction trailer shall be located upon a Lot owned by such builder, or by the Person for whom such builder is constructing such Dwelling, and shall be removed from the Subdivision at such time as such builder shall have completed the construction of Dwellings within the Subdivision.

SECTION 12. ANTENNAS.

No exterior radio, television or other communications antenna of any type, or any saucer, dish or similar device, except a dish or saucer which does not exceed 24" in diameter and has been approved by the Association prior to installation, may be erected, placed, maintained or permitted to remain on any Lot, except that the Committee may, upon appropriate application with regard to any Lot, determine that the absence of an outside antenna will cause a substantial hardship, and, upon such finding, may permit an outside antenna to be used in connection with such Lot under such conditions as the Committee shall deem reasonable. If dish or saucer, not exceeding 24" in diameter, is approved by the Association, placement of said dish or saucer shall be on the roof at the rear of the house.

* SECTION 13. UNSIGHTLY CONDITIONS.

No Lot or Common Area shall be used as a dumping ground for rubbish, trash, garbage or other waste, and such material shall not be kept or stored on any Lot except in appropriately sealed sanitary containers properly concealed from public view. Garbage containers shall not be left at the roadside of any occupied Lot for more than twenty-four (24) hours during any one week. Any debris resulting from the destruction in whole

or in part of any Dwelling, structure or improvement on any Lot shall be removed from such Lot by the Owner thereof with all reasonable dispatch. Each Owner shall prevent such Owner's Lot, and any Dwelling, appurtenant structure or other Improvement thereon from becoming unsightly or unkempt, or from falling into a state of disrepair. No laundry shall be hung for drying on any Lot outside of the Dwelling on such Lot.

SECTION 14. EASEMENTS AND OTHER CONDITIONS.

Easements for the construction, installation and maintenance of public utilities, for surface and road drainage facilities, and for sanitary sewer, storm sewer and water main facilities, are reserved as shown on the recorded Plat of the Subdivision, and/or as may otherwise appear of record, and as set forth herein. In addition, easements are hereby specifically reserved to the Declarant as shown on the plat. Within each of the foregoing easements, no structure, improvement, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and/or maintenance of such service facilities and utilities, or which may change, obstruct or retard the flow or direction of water in and through drainage channels in the easements, nor, without the written consent of the Committee, shall any change be made in the finished grade of any Lot once established upon completion of construction of the Dwelling on such Lot. The easement area of such Lot shall be maintained in a presentable condition continuously by the Owner, and the Owner of each Lot shall be liable for all damage to service facilities and utilities thereon, including, without limitation, damage to electric, telephone, natural gas and cable television distribution lines and facilities located therein. No shrubs or foliage shall be permitted or maintained on any Lot within five feet (5') of any utility company transformer enclosure or secondary connection pedestal.

SECTION 15. UNDERGROUND UTILITIES.

All public utilities such as water mains, sanitary sewers, storm sewers, and electric, natural gas, cable television and telephone local subdivision distribution lines, and all connections to such facilities, either private or otherwise, shall be installed underground; provided, however, that (i) above ground transformers, pedestals, and other above ground electric, cable television, natural gas or telephone equipment deemed necessary by the supplier of any such utility service in connection with underground distribution systems; (ii) open drainage channels; and (iii) street lighting stanchions, shall be permitted. Each Owner shall be responsible for the installation, maintenance, repair and replacement of electrical, natural gas, telephone and cable television service conductors and facilities on such Owner's Lot, extending from the adjacent street right-of-way, or utility easement on such Lot, to the Dwelling. The Lots may be subject to charge, from time to time, for street lighting facilities installed and/or to be installed by The Detroit Edison Company pursuant to the request of the City.

SECTION 16. WEAPONS.

No Owner shall use or discharge, or permit or suffer any member of his family, or guest or invites, to use or discharge within the Subdivision, any B-B gun, firearm, pellet gun, sling shot, archery equipment or other weapon.

SECTION 17. AIR CONDITIONERS.

No external air conditioning unit shall be placed in or attached to a window or wall of any Dwelling or appurtenant structure. No compressor or other component of a central air conditioning system (or similar system, such as a heat pump) shall be visible from any adjacent street, and, to the extent reasonably possible, all such external equipment shall be so located on any Lot so as to minimize the negative impact thereof on any adjoining Lot, in terms of noise and appearance. In general, such equipment shall be located only in the rear yard, near the rear wall of the Dwelling in accordance with the City of Novi Ordinance, and shall not project beyond the sidewall of the Dwelling so as to extend into a side yard.

SECTION 18. DRIVEWAYS.

All driveways and driveway approaches shall be paved with concrete, or an approved surface, and shall be completed prior to occupancy of the Dwelling to be served by such driveway, except to the extent delayed or prohibited by strikes or adverse weather conditions, in which event, such paving shall be completed within sixty (60) days after the termination of such strike or adverse weather conditions.

SECTION 19. SALES OFFICES.

Anything in this Declaration to the contrary notwithstanding, Declarant, and the successors and/or assigns of Declarant, and its or their agents, employees and sales representatives, and/or Builder(s) with written approval of the Declarant, may use and occupy any Lot or Dwelling in the Subdivision for model or display

purposes and/or as a sales office in regard to the sale of Lots or Dwellings therein or other lands in the City owned by the Declarant, until all of the Lots and Dwellings to be built on the Lots shall have been sold.

SECTION 20. SIGNS.

No sign of any kind shall be displayed to the public view on any Lot, except (i) one sign of not more than six (6) square feet (the top of which shall be not more than five (5) feet above the ground) advertising the Lot for sale; (ii) uniform street address signs, of the type and in a uniform location specified by the Declarant; and (iii) signs of any size used by Declarant, or any builder in the Subdivision, to advertise the Lots (and/or new Dwellings thereon) for sale, during the construction and sale period.

SECTION 21. LANDSCAPING.

A) In accordance with City of Novi Ordinance Section 12-48, LAWN INSTALLATION FOLLOWING CERTIFICATE OF OCCUPANCY reads as follows.

Where a temporary or final certificate of occupancy is granted prior to installation of lawn areas, such installation shall be completed within six (6) months of the issuance of the certificate of occupancy. The property owner shall be responsible for maintaining soil erosion protection prior to such installation and shall be responsible for maintaining the approved grade before and after installation.

B) Except for the areas protected by the Wetlands/Woodlands Conservation Easement, the property owner must at all times maintain the property free of any weeds in excess of twelve (12) inches in height.

C) Landscape plans which require any change to the approved grading plan must be submitted to the Building Department of the City of Novi for approval and a Minor Land Improvement permit prior to any installation or change of grade.

D) Final landscaping, including plant materials, etc., must be completed within nine (9) months of the issuance of the certificate of occupancy.

SECTION 22. GRADING AND DRAINAGE PLAN.

The grading and drainage plan established by the Developer, and approved by the City of Novi, for each lot in this subdivision shall not be altered, changed or modified without the express written approval of the Developer and the City of Novi. This provision is established to prevent the improper discharge of surface drainage water from one lot or lot area to another lot or lot area and any modification made on this plan which does not conform to the approved plan shall constitute a violation of these restrictions and a violation of law.

SECTION 23. PROHIBITED VEHICLES.

No snowmobiles or other vehicles designed primarily for off-road use, shall be operated within the Subdivision.

SECTION 24. DISPOSALS.

All Dwellings within the Subdivision shall be equipped with an electric garbage disposal unit in the kitchen.

SECTION 25. BACKBOARDS.

Basketball backboard or hoop must be free standing, the location of which must be approved by the committee.

SECTION 26. WELLS.

No Owner shall dig, or attempt to dig, any well on any Lot, unless approved by the Committee.

SECTION 27. LEASES.

No Owner or Occupant shall lease and/or sublet less than the whole of any Dwelling on any Lot.

SECTION 28. LOTS 1 THROUGH 8, INCLUSIVE, AND LOT 44 ACCESS.

Notice is hereby given in addition to what can be inferred from the depiction on the Final Approved Plat that LOTS 1, 2, 3, 4, 5, 6, 7, 8, and 44, DO NOT HAVE DIRECT ACCESS TO WEST PARK DRIVE.

ARTICLE VII

Authority of the City

SECTION I. AGREEMENTS.

The Declarant has entered into maintenance agreements (the "Agreements") which bind and run with the land in perpetuity. They are as follows:

A) STORM WATER DRAINAGE FACILITIES AGREEMENT.

The Storm Water Drainage Facility Agreement was executed between the Declarant and the Developer and owner of the property, which composes the adjacent Summerlin of Novi Site Condominium, and provides that the City of Novi is a third-party beneficiary. The Agreement has been recorded at Liber _____, Pages _____ through _____, inclusive, Oakland County Records, Register of Deeds. The purpose of the agreement is to provide for the maintenance of the storm water retention basin, as established by the Plat of the Subdivision ("Agreement for Maintenance of Storm Drainage Facilities") This Agreement is binding on the Declarant and the Association and each Owner of any Lot in North Haven Woods Subdivision and Summerlin of Novi Subdivision. Notwithstanding any limitation on assessments to the contrary, the City shall have the right, but not the duty, pursuant to the Agreements, to assess the Owners of any Lot, including the Declarant or any Builder, for the costs of maintenance pursuant the Agreements, upon the failure of the Declarant or the Association to maintain the same. Any charge imposed by the City on the Declarant for failure of the Association to maintain the Storm Water Drainage Facilities and/or the Landscaping may be charged by the Declarant to the Association and shall be payable as an additional assessment by the Owners, including Builders. Any and all costs for the maintenance and/or repairs to the Storm Water Drainage Facilities shall be divided equally between the total number of Lots within North Haven Woods Subdivision and Summerlin of Novi Subdivision, and

B) AGREEMENT FOR MAINTENANCE OF SUBDIVISION LANDSCAPING.

An agreement between the Declarant and the City of Novi to provide for the maintenance of open space, park space and general common areas of the subdivision (not including any individual lots or planted materials thereon), dated May 2, 2002 is hereby incorporated herein into this Declaration. This Agreement is binding on the Declarant and the Association and each Owner of any Lot in North Haven Woods Subdivision. Notwithstanding any limitation on assessments to the contrary, the City shall have the right, but not the duty, pursuant to the Agreements, to assess the Owners of any Lot, including the Declarant or any Builder, for the costs of maintenance pursuant the Agreements, upon the failure of the Declarant or the Association to maintain the same. Any charge imposed by the City on the Declarant for failure of the Association to maintain the Landscaping may be charged by the Declarant to the Association and shall be payable as an additional assessment by the Owners, including Builders. Any and all costs for the maintenance and/or repairs to the Subdivision Landscaping shall be divided equally between the total number of Lots within North Haven Woods Subdivision.

C) WETLANDS/WOODLANDS CONSERVATION EASEMENT

The Declarant has executed a WETLANDS/WOODLANDS CONSERVATION EASEMENT to the CITY OF NOVI on the 2nd day of May, 2002, recorded at Oakland County Records, Register of Deeds, for the purpose of preserving the subject wetlands, wetland mitigation areas, and woodlands in their existing condition pursuant to MCL 399.252, et. Seq., MSA 15.1816, et. Seq., and the Natural Resources and Environmental Protection Act, MCL 324.2140, et. Seq., respectively, and as may be indicated on the Final Plat. The Easement does not include the area to be used for storm water drainage facilities as shown on the plat.

i) SPECIAL NOTICE REGARDING LOTS 21 and 44.

As indicated on the Final Approved Plat, LOTS 21 and 44 contain, either wetland, woodland or setback areas affected by the Easement. In addition, on LOT 21, no pesticides or herbicides may be used in the protected area. Further, prior to the placement of improvements including but not limited to lawns and decks on LOTS 21 the respective owner/agent must obtain the approval of the Novi City Wetlands and Woodlands Consultant, or the City's designee.

ii) SPECIAL NOTICE REGARDING LOTS 18 -- 27

As indicated on the Final Approved Plat, LOTS 18 - 27 have a 25-foot wetland setback area located on them and any use of that area is limited in accordance with the terms and conditions of all applicable City Ordinances.

D) WETLANDS CONSERVATION EASEMENT

The Declarant has executed a WETLANDS/WOODLANDS CONSERVATION EASEMENT to the State of Michigan, Department of Environmental Quality on the 12th day of October, 2001, recorded at Liber 25211, Pages 204 through 208, inclusive, Oakland County Records, Register of Deeds, for the purpose of preserving the subject wetlands and woodlands in their existing condition pursuant to MCL 399.252, et. Seq., MSA 15.1816, et. Seq., and the Natural Resources and Environmental Protection Act, MCL 324.2140, et. Seq., respectively, and as may be indicated on the Final Plat. The Easement does not include the area to be used for storm water drainage facilities as shown on the plat.

E) EASEMENTS.

The purchaser of each lot in this subdivision is hereby put on notice that title to each lot will be taken subject to any easements of record or any agreement of record with any public or governmental agency or department affecting said lot.

SECTION 2. NOTICE OF DEFICIENCY.

In the event the City shall determine that the maintenance of the Landscaping has not been maintained or that any element of the Storm Drainage Facilities is inadequate to insure that such element will perform according to its design specifications, the City will advise the Association, by written notice to the Associations' registered office, of the condition to which the City objects, and shall establish a reasonable time limit for the correction of the deficiency.

SECTION 3. FAILURE TO COMPLY WITH NOTICE.

The Association shall comply with the notice from the City within the time specified, and shall establish and collect such additional assessments on the Lots as shall be necessary to fund the cost of the required maintenance. In the event the Association shall fail to complete the required maintenance within the time specified, the City may perform the required maintenance, either by its employees, or through independent contractors. The Association shall be responsible for the cost of such maintenance by the City, including reasonable inspection and supervision fees, as set forth in the City's written statement of cost, addressed to the Association, and each Owner shall be responsible for an equal share of such costs. It is understood that the liability of the Association and each Owner for such cost shall be deemed fixed and absolute upon the Association's receipt of such statement.

SECTION 4. COLLECTION.

The cost and expense of making and financing such maintenance and/or preservation, including the cost of notices by the City and reasonable legal fees incurred by the City, plus an administrative fee in the amount of 25% of the total of all costs and expenses incurred, shall be paid by the developer and/or association, and such amount shall constitute a lien on an equal pro rata basis as to all of the residential lots on the property. The City may require the payment of such monies prior to the commencement of work. If such costs and expenses have not been paid within 30 days of a billing to the developer or association, all unpaid amounts may be placed on the delinquent tax roll of the City, pro rata, as to each lot, and shall accrue interest and penalties, and shall be collected as, and shall be deemed delinquent real property taxes, according to the laws made and provided for the collection of delinquent real property taxes. In the discretion of the City, such costs and expenses may be collected by suit initiated against the developer or association, and, in such event, the developer and/or association shall pay all court costs and reasonable attorney fees incurred by the City in connection with such suit.

SECTION 5. RIGHT OF ENTRY.

The entry of the City onto the Easement for the Storm Water Sedimentation Basin and Storm Drainage Facilities, granted by Declarant to the City (the "Easement"), at any time, for any purpose, including, without limitation, the inspection, repair or replacement of the Storm Drainage Facilities shall not be deemed a dedication, nor shall the performance by the City of any maintenance of the Storm Drainage Facilities or the Landscaping be deemed an acceptance of title.

SECTION 6. INSURANCE.

The Association shall maintain liability insurance in sufficient amounts for the purpose of protecting itself as well as the Owners, the Declarant, Builders and the City from the burden of any liability resulting from accidents which may cause death or injury to anyone or damage or casualty to personal property while in the Common Areas or on any property under the jurisdiction or control of the Association. Any liability insurance shall name the Owners, the Declarant, Builders, and the City as additional insureds. The City shall be insured in an amount which is acceptable to it. Proof of insurance shall be provided to the City on an annual basis.

SECTION 7. PARKS AND COMMON AREAS. All park areas, including the proposed landscaped berm and entrance wall monuments along the east side of West Park Drive, and any other common improvements shall be installed and maintained by the Developer until such time as at least seven lots in this subdivision have been titled in the name of the owner (or owners) within the subdivision. Thereafter, all maintenance costs and obligations shall rest exclusively with the Homeowners Association.

At such time as is required by ordinance of the City of Novi, but no later than the time in this paragraph provided, the Developer shall by Quit Claim Deed to the Homeowners Association, deed all common and park areas and at such time or earlier if so decided by residents of the subdivision, the association shall proceed to adopt suitable by-laws and take such other action as may be reasonable, necessary or appropriate under the circumstances.

All park areas and all common areas within this subdivision shall be and remain subject to any City of Novi and State of Michigan Department of Natural Resources ordinance or regulation pertaining, effecting or controlling the use or maintenance of such areas.

SECTION 8. WETLANDS.

The wetland park areas subject to the Conservation Easements identified in Section 1 of this article, and as located on the plat for this subdivision shall not be filled or otherwise altered from their present condition without prior approval from the Michigan Department of Environmental Quality and the City of Novi pursuant to the terms of the respective conservation easement. No buildings, structures or improvements may be erected on or in the subject areas in accordance with the terms of the recorded conservation easement. Violations of this section and/or the Conservation Easement could subject the violator to substantial criminal prosecution, fines and penalties. The Wetlands/Woodlands Conservation Easement granted to the City may not be amended without the prior written approval of the City of Novi. Anything to the contrary in these restrictions notwithstanding, the provisions of this paragraph are to be observed in perpetuity and are excluded from any time limitations otherwise set forth and may not be altered, amended or changed except as in this paragraph expressly provided.

SECTION 9. NOTICE REGARDING WETLANDS

Please refer to, and review the Plat for the Subdivision and note the existence, location and boundaries of the wetlands, which are regulated by local ordinance, state and/or federal laws. The wetlands are regulated and controlled by a Conservation Easement, which is indicated on the Plat. Local laws state that there shall be no disturbance of the woodlands, wetlands and/or vegetation within the Conservation Easement Area, including altering the topography of, placing fill material in; dredging, removing or excavating and soil, minerals, trees, or from constructing or placing any structures on; draining surface water from; or plowing, tilling, cultivating, or otherwise altering or developing, and/or constructing, operating, maintaining any use or development in the Conservation Easement Area. The wetlands are open and obvious, and by their very nature involve inherent risks, which can be avoided with reasonable care.

SECTION 10. REGULATED WOODLANDS

All areas designated by the City of Novi as Regulated Woodlands cannot have any removal or disruption of any trees or vegetation from the ground up, in accordance with the terms and conditions of the Wetlands/Woodlands Conservation Easement cited in Subsection 1(C) above. Anything to the contrary in these restrictions notwithstanding, the provisions of this paragraph are to be observed in perpetuity and are excluded from any time limitations otherwise set forth and may not be altered, amended or changed except as in this paragraph expressly provided.

SECTION 11. EFFECT OF AGREEMENTS

By its exercise of any rights or by its undertaking any act in regard to the Easement or under the Agreements, between the City and Declarant, the City does not constitute either the Association or the Owners as the agents or beneficiaries of the City. The City shall retain its full governmental immunity in the premises.

Any act, right or obligation of the City, either specifically, or by implication, arising from, or occurring as a result of, any provision of this Declaration, the Easement or the Agreements, shall be done or omitted by the City in its sole and exclusive discretion. In no event shall the City be liable in damages, for specific performance, or otherwise, to the Association, or any Owner, by reason of or from any matter in connection with this Declaration, the Easement or the Agreements.

SECTION 12. AMENDMENTS.

No amendment may be adopted without the consent of the Declarant at any time in which it owns one (i) or more Lots in the Subdivision. No provision of the Declaration which specifically applies to or grants rights to the City may be released, changed, modified or amended without the express written consent of the City. Any amendment must be recorded with the Oakland County Register of Deeds before the amendment becomes effective.

ARTICLE VIII

General Provisions

SECTION 1. ENFORCEMENT.

The Association or any Owner shall have the right to enforce these covenants and restrictions by any proceeding at law or in equity against any Person violating or attempting to violate any covenant or restriction, either to restrain violation or to recover damages, and against any Lot to enforce the lien created by these covenants upon such Lot; and failure by the Association or any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

SECTION 2. SEVERABILITY.

Invalidation of any one or more of these covenants or restrictions by judgment or court order shall in no way effect any other provision of this Declaration, and this Declaration shall otherwise continue and remain in full force and effect.

SECTION 3. NOTICES.

Any notice required to be sent to any Member or Owner under the provisions of this Declaration shall be deemed to have been properly sent when mailed, postage prepaid, to the last known address of the Person who or which appears as Owner on the records of the Association at the time of such mailing.

SECTION 4. TRANSFER OF RIGHTS AND POWERS.

Declarant hereby reserves the unequivocal right to assign to the Association, in whole or in part, from time to time, any or all of the rights, powers, titles, easements and estates reserved by, or given to, the Declarant hereunder, including, without limitation, any right or power to approve or disapprove any use, act, proposed action or other matter or thing. Any such transfer or assignment shall be made by appropriate written instrument, recorded among the records of the Oakland County Register of Deeds, and such assignee shall thereupon have the same rights and powers, and be subject to the same obligations and duties as herein given and reserved to and assumed by Declarant in connection with the rights, powers and easements so assigned, and such instrument, when executed by such assignee, shall, without further act, release the Declarant from all obligation, duty and liability in connection therewith.

SECTION 5. AMENDMENT AND DURATION.

This Declaration, and the covenants and restrictions herein contained, shall run with and bind the Lots and Common Areas, and shall inure to the benefit of, and be enforceable by the Association, or any Owner, their respective legal representatives, heirs, successors and/or assigns, for a term of thirty (30) years from the date this Declaration is recorded (the "Primary Term"), after which time this Declaration shall be automatically extended for successive periods of ten (10) years, unless an instrument signed by the then Owners of two-thirds of the Lots shall have been recorded, agreeing to change this Declaration, in whole or in part; provided, however, that no such agreement and instrument of change shall be effective unless made and recorded at least three (3) years in advance of the effective date of such change, and unless written notice of the proposed agreement and instrument of change is sent to every Owner at least ninety (90) days in advance of any action taken; and, provided, further, that no such agreement and instrument of change affecting the Common Areas, in any way, shall be effective unless the prior consent of the City shall have first been obtained. This Declaration may be

amended during the Primary Term by a recorded agreement and instrument of change signed by not less than eighty percent (80%) of the Owners; provided, that until June 1, 2003, Declarant shall have the right, by written instrument, signed, acknowledged and recorded with the Oakland County Register of Deeds, to modify, amend, restate, waive or repeal any or all of the provisions herein contained with respect to all or any particular Lot within the Subdivision. Any such modification, amendment, restatement, waiver or repeal, may be retroactive to the date of recordation of this Declaration. In the event of any conflict between this Declaration and the Bylaws, the Declaration shall control and be determinative.

SECTION 6. PRESENTATION OF COVENANTS AND RESTRICTIONS UPON SALE.

Any Member, Member's agent or assign, who sells, conveys or otherwise transfers any interest in any lot shall be required to present and deliver a copy of the Declarations of Restrictions and By-laws to the prospective purchaser as part of the closing package, and prior to the execution of the conveyancing documents.

IN WITNESS WHEREOF, the Grantor has executed this Declaration of Restrictions on the date stated above.

Signed in the presence of:

Signed by:

Julie E. James

MIRAGE DEVELOPMENT L.L.C.,
a Michigan limited liability company

Debra Jo Mansfield

By: Claudio Rossi, Member

STATE OF MICHIGAN)
) ss.
COUNTY OF OAKLAND)

The foregoing instrument was acknowledged before me this 2nd day of May, 2002, by Claudio Rossi, a Member, on behalf of MIRAGE DEVELOPMENT L.L.C., a Michigan limited liability company.

Debra Jo Mansfield Notary Public
 Wayne County, Michigan
Acting in Oakland County, Michigan
My commission expires: 1/8/05

Signed in the presence of:

FIFTH THIRD BANK,
a Michigan banking corporation

Julie E. James

By: Alfred A. DeFlaviis, Sr. Vice-President

Debra Jo Mansfield

STATE OF MICHIGAN)
) ss.
COUNTY OF OAKLAND)

The foregoing instrument was acknowledged before me this _____ day of _____, 2002, by Alfred A. DeFlaviis, a Sr. Vice-President, on behalf of FIFTH THIRD BANK, a Michigan banking corporation.

Debra Jo Mansfield Notary Public
 Wayne County, Michigan
Acting in Oakland County, Michigan
My commission expires: 01/08/05

WHEN RECORDED RETURN TO:

MIRAGE DEVELOPMENT L.L.C.
45380 West Ten Mile, Suite 135
Novi, Michigan 48375

DRAFTED BY:
Claudio Rossi,
MIRAGE DEVELOPMENT L.L.C.
45380 W. Ten Mile, Suite 135
Novi, Michigan 48375