



CITY of NOVI CITY COUNCIL

www.cityofnovi.org

Agenda Item G
January 22, 2007

SUBJECT: Acceptance of Summerlin of Novi condominium site water main and sanitary sewer as public utilities.

SUBMITTING DEPARTMENT: Engineering Division *RJA*

CITY MANAGER APPROVAL: *[Signature]*

EXPENDITURE REQUIRED	N/A
AMOUNT BUDGETED	N/A
APPROPRIATION REQUIRED	N/A
LINE ITEM NUMBER	N/A

BACKGROUND INFORMATION:

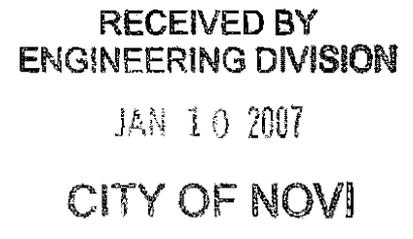
The developer of Summerlin of Novi site condominiums, FPC-Summerlin, LLC, has requested that the water main and sanitary sewer within this residential development be dedicated to the City of Novi and made public. The dedicated water and sanitary sewer utilities within Summerlin of Novi have been constructed in accordance with City Standards, and according to the City Attorney and engineers, the infrastructure and related acceptance documents are in a form so as to permit acceptance by Council (Secret-Wardle review letter dated January 9, 2007, attached).

RECOMMENDED ACTION: Acceptance of Summerlin of Novi condominium site water main and sanitary sewer as public utilities.

	1	2	Y	N
Mayor Landry				
Mayor Pro Tem Capello				
Council Member Gatt				
Council Member Margolis				

	1	2	Y	N
Council Member Mutch				
Council Member Nagy				
Council Member Paul				

January 9, 2007



30903 Northwestern Highway
P.O. Box 3040
Farmington Hills, MI 48333-
3040
Tel: 248-851-9500
Fax: 248-851-2158
www.secrestwardle.com

Elizabeth M. Kudla
Direct: 248-539-2846
bkudla@secrestwardle.com

Rob Hayes, City Engineer
CITY OF NOVI
45175 West Ten Mile Road
Novi, Michigan 48375-3024

**Re: Summerlin of Novi
Dedication and Acceptance of Utilities
Our File No. 72236 NOV**

Dear Mr. Hayes:

We have previously reviewed and approved the following documents with respect to the Summerlin of Novi Development in Section 3 of the City:

1. Sanitary Sewer Easement
2. Water Main Easement
3. Bill of Sale (Water Main, Sanitary Sewer, and Paving)
4. Commitment for Title Insurance
5. Maintenance and Guarantee Bond (Water Main and Sanitary Sewer)
6. Subordination Agreements for Mortgages (2)

Conveyance Documents

The Summerlin of Novi Condominium Road and Utility Acceptance may be placed on the next available City Council Agenda for acceptance subject to the following two conditions:

1. Removal of "paving" from the bill of sale, as it is our understanding that street acceptance is not being considered at this time. The Developer should cross out and initial "paving" in the bill of sale or, alternatively, execute a new one.

2. Confirmation that the Developer still owns at least one unit within the Condominium, thereby permitting the Developer to complete dedication of utilities without the Consent of the Association.

The Developer of Tax Parcel No. 22-03-1020-001, F.P.C. Summerlin, LLC, seeks to convey the water main and sanitary sewer facilities and corresponding easements to operate, maintain, repair and replace the water main and sanitary sewer facilities over, upon and through the subject property, to the City of Novi. The property owner has provided all required documents to complete the conveyance, with Items 1 through 6 above.

Items 1 through 6, above, have been reviewed by our office as to the format, language and content of the documents. The format, language and content of the documents are in order. It should be noted that the Water Main and Sanitary Sewer Easements contain a provision requiring the City to indemnify and hold harmless Bank One, the mortgagee from any claims against it in relation to the subject easements. The Bank would not otherwise subordinate its interest in the utilities to the City. The property owner has, in turn, provided its agreement to indemnify and hold harmless the City in that regard should the City ever become responsible as to any damages affecting the mortgage interest in the property. Since there is little to no likelihood that any claim would affect the mortgagee's interest in the property, we recommend acceptance of the easements subject to the property owner's agreement as to indemnity.

The City's previous Consulting Engineer has reviewed and approved the content of the Exhibits to the Easements and Bill of Sale for water main and sanitary sewer, and has confirmed that all necessary areas have been included for dedication, and that the legal descriptions of those areas are correct and accurate.

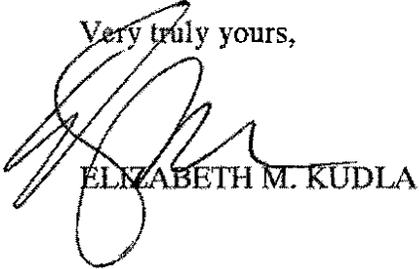
Subject to the Engineering Department's approval of the amounts of the enclosed Maintenance and Guarantee Bonds for the utilities, we recommend acceptance of the water main and sanitary sewer facilities within the Summerlin of Novi Condominium.

The original documents were forwarded to the City Clerk's Office with our letter to Nancy McClain dated October 8, 2003. Once City Council approval has been obtained, the above named documents, excluding the Bill of Sale, Maintenance and Guarantee Bond, and Title Commitment, should be recorded with the Oakland County Register of Deeds in the City's usual manner.

Rob Hayes, City Engineer
January 9, 2007
Page 3

Should you have any questions or concerns in regard to this matter, please feel free to contact me.

Very truly yours,



ELIZABETH M. KUDLA

EMK

C: Maryanne Cornelius, Clerk
Clay Pearson, City Manager
Marina Neumaier, Assistant Director of Finance
Aaron Staup, Construction Engineering Coordinator
Sarah Marchioni, Building Department
Karen L. Stutzman, FPC Summerlin, LLC
Thomas C. Rauch, Esquire
Thomas R. Schultz, Esquire

CA:\Portb\Nmanage\BKUDLA\896514_1.DOC

WARNER, CANTRELL & PADMOS, INC.

CIVIL ENGINEERS & LAND SURVEYORS

27300 Haggerty Road, Suite F2
Farmington Hills, MI 48331

EXHIBIT "A"

WATER MAIN EASEMENT

AN EASEMENT FOR THE PURPOSE OF WATER MAIN ON, OVER AND ACROSS PART OF THE NORTHWEST ¼ OF SECTION 3, T.1N., R.8E., CITY OF NOVI, OAKLAND COUNTY, MICHIGAN, THE CENTERLINE OF WHICH IS DESCRIBED AS FOLLOW:

COMMENCING AT THE NORTHWEST CORNER OF SECTION 3, T.1N., R.8E., CITY OF NOVI, OAKLAND COUNTY; THENCE N.87°13'11"E., 321.93' TO THE SOUTHWEST CORNER OF SECTION 34, T.2N., R.8E., CITY OF WALLED LAKE, OAKLAND COUNTY, MICHIGAN; THENCE CONTINUING ALONG THE NORTH LINE OF SAID SECTION 3, N.87°19'25"E., 1314.83' (THE LAST TWO COURSES RECORDED AS EAST 1636.80'; THENCE S.28°31'40"W., 295.48' TO A ½" IRON ROD IN A MONUMENT BOX; THENCE S.32°14'58"W., 811.36' (THE LAST TWO COURSES RECORDED AS S.35°09'W., 1121.21'); THENCE S.32°14'58"W., 428.25'; THENCE S.57°45'02"E., 83.00' TO THE POINT OF BEGINNING OF AN EASEMENT 12.00' IN WIDTH, LYING 6.00' ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE; THENCE PROCEEDING S.57°45'02"E., 124.50'; THENCE N.32°14'58"E., 196.02'; THENCE N.13°20'06"E., 29.78'; THENCE N.43°22'26"E., 44.18'; THENCE N.82°17'52"E., 37.86'; THENCE S.68°44'47"E., 27.21'; THENCE S.42°54'57"E., 45.12'; THENCE S.55°50'30"E., 253.16' TO A POINT KNOWN HEREAFTER AS POINT "A"; THENCE CONTINUE SOUTHEASTERLY ALONG SAID LINE, A DISTANCE OF 143.18'; THENCE S.85°14'56"E., 51.46'; THENCE S.20°32'47"E., 44.18'; THENCE S.20°30'26"W., 44.18'; THENCE S.49°26'41"W., 29.40'; THENCE S.30°39'24"W., 141.58' TO A POINT KNOWN HEREAFTER AS POINT "B"; THENCE CONTINUE SOUTHWESTERLY ALONG SAID LINE, A DISTANCE OF 79.45'; THENCE S.35°45'26"W., 82.35'; THENCE S.30°14'28"W., 44.07'; THENCE S.71°17'41"W., 44.18'; THENCE N.67°39'05"W., 44.18'; THENCE N.38°42'51"W., 29.40'; THENCE N.57°30'07"W., 388.89'; THENCE N.68°24'05"W., 52.55'; THENCE N.29°17'57"W., 44.18'; THENCE N.11°45'16"E., 44.18'; THENCE N.48°31'28"E., 37.47'; THENCE N.32°14'58"E., 108.19' TO THE POINT OF ENDING.

TOGETHER AND ALONG WITH A 12.00' WIDE EASEMENT, LYING 6.00' ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

BEGINNING AT THE POINT DESCRIBED HERETOFORE AS POINT "A", THENCE PROCEEDING N.34°09'30"E., 132.50' TO THE POINT OF ENDING.

TOGETHER AND ALONG WITH A 20.00' WIDE EASEMENT, LYING 10.00' ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

BEGINNING AT THE POINT DESCRIBED HERETOFORE AS POINT "B", THENCE PROCEEDING S.59°20'36"E., 160.09' TO A POINT WHERE THE EASEMENT SPLITS INTO TWO LEGS; ONE OF WHICH BEARS S.42°05'46"W., 11.10' TO THE POINT OF ENDING; THE OTHER LEG OF WHICH BEARS N.42°05'46"E., 26.30' TO THE POINT OF ENDING

APRIL 29, 2002
000303

WATER MAIN EASEMENT

KNOW ALL MEN BY THESE PRESENTS, that FPC - SUMMERLIN, L.L.C., a Michigan Limited Liability Company, whose address is 31000 Northwestern Highway, Suite 220, Farmington Hills, Michigan 48334, hereby conveys to the CITY OF NOVI, a Michigan Municipal Corporation, whose address is 45175 West Ten Mile Road, Novi, Michigan 48375, being exempt pursuant to MCLA 207.505(a), an easement for constructing, operating, maintaining and/or repairing a Water Main system in, over, upon and through the following described premises situated in Section 3, T1N, R9E, City of Novi, Oakland County, State of Michigan, to wit:

A permanent non-exclusive easement being more particularly described as follows:

SEE EXHIBIT "A"

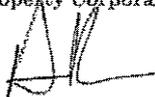
Exempt pursuant to MCLA 207.505(a)

Grantee, at its sole cost and expense, shall restore the premises so disturbed by reason of exercise of any of the foregoing powers in accordance with the project plans and specifications to a condition equal or better than the condition existing prior to the exercise of such powers. Grantee shall indemnify, defend and hold harmless Bank One, Michigan and its successors and assigns solely as mortgagee under that certain mortgage recorded in Liber 23915 at Page 89, Oakland County Records, from and against any cost, expense, claim or action of whatever nature which may arise out of or be related to any activities performed by or on behalf of Grantee under or as a result of this Easement.

This instrument shall be binding and inure to the benefit of the parties hereto, their heirs, representatives, successors and assigns.

In witness whereof, the undersigned has executed these presents this 20th day of August 2002.

FPC - SUMMERLIN, L.L.C.
By Franklin Property Corporation
Its Member



By: Andrew Milia
Its: President

State of Michigan)
) ss
County of Oakland)

Subscribed and sworn before me this 20th day of August, 2002, by Andrew Milia, President, Franklin Property Corporation, Member of FPC - Summerlin, L.L.C.

KAREN L. STUTZMAN
Notary Public, Oakland County, MI
My Commission Expires Aug. 21, 2006


Karen L. Stutzman, Notary Public
Oakland County, Michigan
My Commission Expires: 08/21/2006

Drafted by:
Robert C. Harr
Warner, Cantrell & Padmos, Inc.
27300 Haggerty Road, Suite F2
Farmington Hills, MI 48331

When recorded return to:
City of Novi
City Clerk
45175 W. 10 Mile Road
Novi, MI 48375

SANITARY SEWER EASEMENT

KNOW ALL MEN BY THESE PRESENTS, that FPC - SUMMERLIN, L.L.C., a Michigan Limited Liability Company, whose address is 31000 Northwestern Highway, Suite 220, Farmington Hills, Michigan 48334, hereby conveys to the CITY OF NOVI, a Michigan Municipal Corporation, whose address is 45175 West Ten Mile Road, Novi, Michigan 48375, being exempt pursuant to MCLA 207.505(a), an easement for constructing, operating, maintaining and/or repairing a Sanitary Sewer system in, over, upon and through the following described premises situated in Section 3, T1N, R3E, City of Novi, Oakland County, State of Michigan, to wit:

A permanent non-exclusive easement being more particularly described as follows:

SEE EXHIBIT "A"

Exempt pursuant to MCLA 207.505(a)

Grantee, at its sole cost and expense, shall restore the premises so disturbed by reason of exercise of any of the foregoing powers in accordance with the project plans and specifications to a condition equal or better than the condition existing prior to the exercise of such powers. Grantee shall indemnify, defend and hold harmless Bank One, Michigan and its successors and assigns solely as mortgagee under that certain mortgage recorded in Liber 23915 at Page 39, Oakland County Records, from and against any cost, expense, claim or action of whatever nature which may arise out of or be related to any activities performed by or on behalf of Grantee under or as a result of this Easement.

This instrument shall be binding and inure to the benefit of the parties hereto, their heirs, representatives, successors and assigns.

In witness whereof, the undersigned has executed these presents this 27th day of August, 2002.

**FPC - SUMMERLIN, L.L.C.
By Franklin Property Corporation
Its Member**

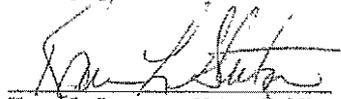


By: Andrew Milia
Its: President

State of Michigan)
) ss
County of Oakland)

Subscribed and sworn before me this 27th day of August, 2002, by Andrew Milia, President, Franklin Property Corporation, Member of FPC - Summerlin, L.L.C.

KAREN L. STUTZMAN
Notary Public Oakland County, MI
My Commission Expires Aug. 21, 2006


**Karen L. Stutzman, Notary Public
Oakland County, Michigan
My Commission Expires: 08/21/2006**

Drafted by:
Robert C. Harr
Warner, Cantrell & Padmos, Inc.
27300 Haggerty Road, Suite F2
Farmington Hills, MI 48331

When recorded return to:
City of Novi
City Clerk
45175 W. 10 Mile Road
Novi, MI 48375

WARNER, CANTRELL & PADMOS, INC.

CIVIL ENGINEERS & LAND SURVEYORS

27300 Heggarty Road, Suite F2
Farmington Hills, MI 48331

EXHIBIT "A"

SANITARY SEWER EASEMENT

AN EASEMENT FOR THE PURPOSE OF SANITARY SEWER ON, OVER AND ACROSS PART OF THE NORTHWEST ¼ OF SECTION 3, T.1N., R.8E., CITY OF NOVI, OAKLAND COUNTY, MICHIGAN, THE CENTERLINE OF WHICH IS DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SECTION 3, T.1N., R.8E., CITY OF NOVI, OAKLAND COUNTY; THENCE N.87°13'11"E., 321.93' TO THE SOUTHWEST CORNER OF SECTION 34, T.2N., R.8E., CITY OF WALLED LAKE, OAKLAND COUNTY, MICHIGAN; THENCE CONTINUING ALONG THE NORTH LINE OF SAID SECTION 3, N.87°19'25"E., 1314.83' (THE LAST TWO COURSES RECORDED AS EAST 1836.80'; THENCE S.28°31'40"W., 295.48' TO A ½" IRON ROD IN A MONUMENT BOX; THENCE S.32°14'58"W., 811.36' (THE LAST TWO COURSES RECORDED AS S.35°09'W., 1121.21'); THENCE S.32°14'58"W., 470.00'; THENCE S.57°45'02"E., 262.50' TO THE POINT OF BEGINNING OF AN EASEMENT 20.00' IN WIDTH, LYING 10.00' ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE; THENCE N.33°21'03"E., 269.44'; THENCE S.58°40'21"E., 343.80'; THENCE S.53°52'15"E., 116.71'; THENCE S.26°57'02"W., 73.91' TO A POINT WHERE THE EASEMENT SPLITS INTO TWO LEGS; ONE OF WHICH BEARS S.62°13'35"E., 174.48' TO THE POINT OF ENDING; THE OTHER LEG OF WHICH BEARS S.30°39'24"W., 104.84'; THENCE S.34°45'26"W., 168.80'; THENCE N.60°02'11"W., 205.18'; THENCE N.58°37'25"W., 286.16' TO THE POINT OF ENDING.

APRIL 29, 2002
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FILES\2000\000303\SURVEY-PLATTING-COND\LD\EXHIBIT A SANITARY SEWER 042902 AWS LD.DOC

BILL OF SALE

KNOW ALL MEN BY THESE PRESENTS, that FPC - SUMMERLIN, L.L.C., a Michigan Limited Liability Company, whose address is 31000 Northwestern Highway, Suite 220, Farmington Hills, Michigan 48334, for the sum of One Dollar (\$1.00) and other good valuable consideration, the receipt of sufficiency of which is hereby acknowledged, does hereby grant, bargain, sell and convey the CITY OF NOVI, 45175 West Ten Mile Road, Novi, Michigan 48375, all of the pipes, valves, joints and appurtenances attached to or installed in the ground as a part of the water supply system, sanitary sewer system, ~~storm sewer systems~~ and street paving according to the easements and/or public right-of-ways therefore as established by the Master Deed of subdivision of SUMMERLIN OF NOVI being more fully described as follows:

SEE EXHIBIT "A"

Land situated in the City of Novi, Oakland County, Michigan, being described as SUMMERLIN OF NOVI, as recorded in Liber _____, Page _____, Oakland County Records

In witness whereof, the undersigned has executed these presents this 20th day of August, 2002.

FPC - SUMMERLIN, L.L.C.
By Franklin Property Corporation
Its Member



By: Andrew Milia
Its: President

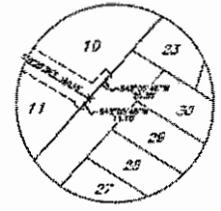
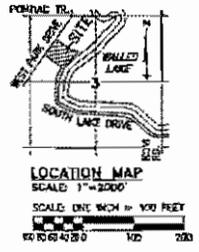
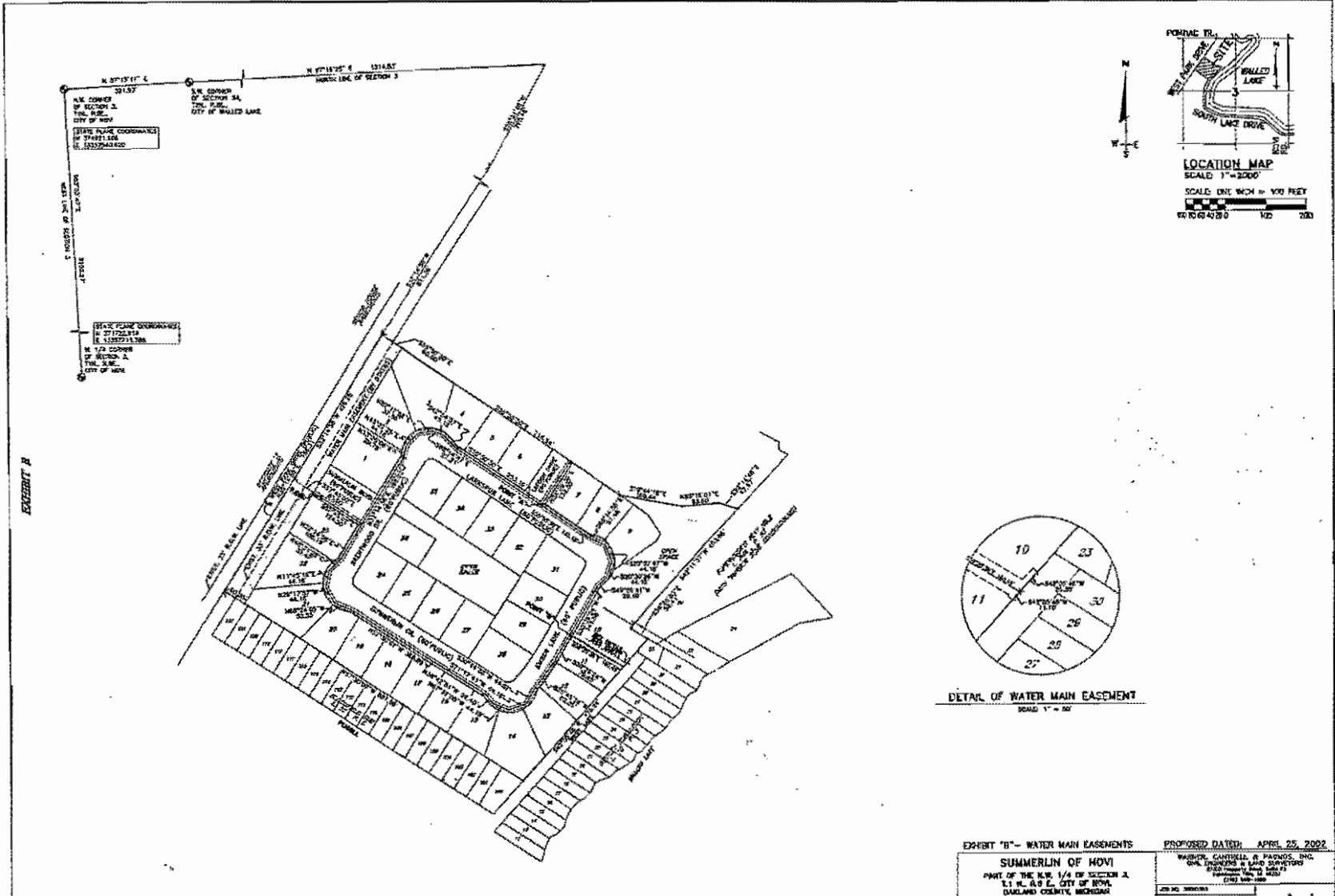
State of Michigan)
) ss
County of Oakland)

Subscribed and sworn before me this 20th day of August, 2002, by Andrew Milia, President, Franklin Property Corporation, Member of FPC - Summerlin, L.L.C.

KAREN L. STUTZMAN
Notary Public, Oakland County, MI
My Commission Expires Aug. 21, 2006


Karen L. Stutzman, Notary Public
Oakland County, Michigan
My Commission Expires: 08/21/2006

Drafted by and return to:
Gary E. Bowman
JCK & Associates, Inc.
P.O. Box 759
Novi, MI 48376



DETAIL OF WATER MAIN EASEMENT
SCALE: 1" = 50'

EXHIBIT B

SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS, that G. Jan Beekhuis, Trustee of the G. Jan Beekhuis Restated Trust under agreement dated February 15, 1985, the address of which is 175 Juniper Hill Road, Reno, Nevada 89509-2935 is the holder of a certain mortgage relative to the following described property:

See Exhibit "A"

consisting, more particularly of the following:

A second mortgage dated September 19, 2001, and recorded October 3, 2001, in Liber 23775, Page 214, Oakland County Records.

WHEREAS, the owner of the subject property, FPC - Summerlin, L.L.C., has granted to the City of Novi an easement over said property for Sanitary Sewer system, a copy of which is attached hereto as Exhibit "B".

NOW, THEREFORE, in consideration of the sum of One Dollar (\$1.00) and other valuable consideration, the receipt of which is hereby acknowledged, the undersigned does hereby waive the priority of the above-mentioned mortgage over said Easement, intending hereby that the rights of the undersigned and its successors and assigns under the aforesaid mortgage shall be as though the above Easement was established prior to the execution and recording of the aforesaid mortgage.

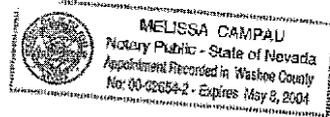
IN WITNESS WHEREOF, the undersigned has executed this Subordination Agreement this 21st day of Aug, 2002.

G. Jan Beekhuis, Trustee of the G. Jan Beekhuis Restated Trust under agreement dated February 15, 1985

State of ~~Michigan~~ NEVADA)
County of ~~Oakland~~ WASHOE) ss

On this 21 day of AUGUST, 2002, before me a Notary Public in and for said county appeared to me known to be the person described in and who executed the foregoing instrument and respective acknowledged that he/she executed the same for and on behalf of said corporation.

Notary Public
WASHOE County, ~~Michigan~~ NEVADA
My Commission Expires: MAY 8, 2004



Drafted by and return to:
Gary E. Bowman
JCK & Associates, Inc.
P.O. Box 759
Novi, MI 48376

WARNER, CANTRELL & PADMOS, INC.

CIVIL ENGINEERS & LAND SURVEYORS

27300 Haggerty Road, Suite F2
Farmington Hills, MI 48331

EXHIBIT "A"

SUMMERLIN OF NOVI

PART OF THE NORTHWEST FRACTIONAL ¼ OF SECTION 3, T.1N., R.8E., CITY OF NOVI, OAKLAND COUNTY, MICHIGAN DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SECTION 3, T.1N., R.8E., CITY OF NOVI, OAKLAND COUNTY; THENCE N.87°13'11"E., 321.93' TO THE SOUTHWEST CORNER OF SECTION 34, T.2N., R.8E., CITY OF WALLED LAKE, OAKLAND COUNTY, MICHIGAN; THENCE CONTINUING ALONG THE NORTH LINE OF SAID SECTION 3, N.87°19'25"E., 1314.83' (THE LAST TWO COURSES RECORDED AS EAST 1636.80'; THENCE S.28°31'40"W., 295.48' TO A ½" IRON ROD IN A MONUMENT BOX; THENCE S.32°14'58"W., 811.36' (THE LAST TWO COURSES RECORDED AS S.35°09'W, 1121.21') TO THE POINT OF BEGINNING OF THE PARCEL HEREIN DESCRIBED; THENCE S.55°50'30"E. (RECORDED AS S.54°51'E.), 716.54'; THENCE S.79°44'16"E., 160.44'; THENCE N.85°16'01"E., 93.60'; THENCE S.73°14'48"E., TO A POINT ON THE NORTHWEST LINE OF HARBOR COVE CONDOMINIUM (OAKLAND COUNTY CONDOMINIUM PLAN NO. 439), 47.97'; THENCE S.42°11'57"W. (RECORDED AS S.44°22'W.), TO THE SOUTHWEST CORNER OF SAID HARBOR COVE CONDOMINIUM, 403.86'; THENCE ALONG THE SOUTHERLY LINE OF SAID HARBOR COVE CONDOMINIUM, S.59°25'03"E., 52.41' (RECORDED AS S.57°15'E., 55.07'); THENCE ALONG THE WEST LINE OF LOT 23 IN SAID SUPERVISOR PLAT NO. 2 AND THE WESTERLY LINE OF BENTLEY SUB. AS RECORDED IN LIBER 10, PG. 3, S.42°05'46"W. (RECORDED AS S.45°38'W.), TO THE NORTHEASTERLY CORNER OF BLOMFIELD SUB. AS RECORDED IN LIBER 22, PG. 5, 476.24' (RECORDED AS 476.55'); THENCE ALONG THE NORTHERLY LINE OF SAID BLOMFIELD SUB. N.57°30'07"W. (RECORDED AS N.54°03'W.), TO THE NORTHWESTERLY CORNER OF SAID BLOMFIELD SUB. BEING MONUMENTED BY A ½" IRON ROD IN A MONUMENT BOX, 887.08' (RECORDED AS 885.20'); THENCE ALONG THE CENTERLINE OF WEST PARK DRIVE (66' WIDE), N.32°14'58"E., 756.31' (RECORDED AS N.35°00'E.) TO THE POINT OF BEGINNING. CONTAINING 16.26 ACRES. SUBJECT TO THE RIGHTS OF THE PUBLIC IN THE NORTHWESTERLY 33.00' (WEST PARK DRIVE).

NOTE: BEARINGS ARE BASED ON THE WEST LINE OF SECTION 3 HAVING A GRID BEARING OF S.3°03'47"E., 3203.27' BASED ON THE STATE PLANE COORDINATES OF THE NORTHWEST CORNER OF SECTION 3 (N. = 374921.606, E = 13357540.620) AND THE WEST ¼ CORNER (N = 371722.914, E = 13357711.786).

WARNER, CANTRELL & PADMOS, INC.

CIVIL ENGINEERS & LAND SURVEYORS

27300 Haggerty Road, Suite F2
Farmington Hills, MI 48331

EXHIBIT "A"

SUMMERLIN OF NOVI

PART OF THE NORTHWEST FRACTIONAL ¼ OF SECTION 3, T.1N., R.8E., CITY OF NOVI, OAKLAND COUNTY, MICHIGAN DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SECTION 3, T.1N., R.8E., CITY OF NOVI, OAKLAND COUNTY; THENCE N.87°13'11"E., 321.93' TO THE SOUTHWEST CORNER OF SECTION 34, T.2N., R.8E., CITY OF WALLED LAKE, OAKLAND COUNTY, MICHIGAN; THENCE CONTINUING ALONG THE NORTH LINE OF SAID SECTION 3, N.87°19'25"E., 1314.83' (THE LAST TWO COURSES RECORDED AS EAST 1636.80'; THENCE S.28°31'40"W., 295.48' TO A ½" IRON ROD IN A MONUMENT BOX; THENCE S.32°14'58"W., 811.36' (THE LAST TWO COURSES RECORDED AS S.35°09'W, 1121.21') TO THE POINT OF BEGINNING OF THE PARCEL HEREIN DESCRIBED; THENCE S.55°50'30"E. (RECORDED AS S.54°51'E.), 716.54'; THENCE S.79°44'16"E., 160.44'; THENCE N.85°16'01"E., 93.60'; THENCE S.73°14'48"E., TO A POINT ON THE NORTHWEST LINE OF HARBOR COVE CONDOMINIUM (OAKLAND COUNTY CONDOMINIUM PLAN NO. 439), 47.97'; THENCE S.42°11'57"W. (RECORDED AS S.44°22'W.), TO THE SOUTHWEST CORNER OF SAID HARBOR COVE CONDOMINIUM, 403.86'; THENCE ALONG THE SOUTHERLY LINE OF SAID HARBOR COVE CONDOMINIUM, S.59°25'03"E., 52.41' (RECORDED AS S.57°15'E., 55.07'); THENCE ALONG THE WEST LINE OF LOT 23 IN SAID SUPERVISOR PLAT NO. 2 AND THE WESTERLY LINE OF BENTLEY SUB. AS RECORDED IN LIBER 10, PG. 3, S.42°05'46"W. (RECORDED AS S.45°38'W.), TO THE NORTHEASTERLY CORNER OF BLOMFIELD SUB. AS RECORDED IN LIBER 22, PG. 5, 476.24' (RECORDED AS 476.55'); THENCE ALONG THE NORTHERLY LINE OF SAID BLOMFIELD SUB. N.57°30'07"W. (RECORDED AS N.54°03'W.), TO THE NORTHWESTERLY CORNER OF SAID BLOMFIELD SUB. BEING MONUMENTED BY A ½" IRON ROD IN A MONUMENT BOX, 887.08' (RECORDED AS 885.20'); THENCE ALONG THE CENTERLINE OF WEST PARK DRIVE (66' WIDE), N.32°14'58"E., 756.31' (RECORDED AS N.35°00'E.) TO THE POINT OF BEGINNING. CONTAINING 16.26 ACRES. SUBJECT TO THE RIGHTS OF THE PUBLIC IN THE NORTHWESTERLY 33.00' (WEST PARK DRIVE).

NOTE: BEARINGS ARE BASED ON THE WEST LINE OF SECTION 3 HAVING A GRID BEARING OF S.3°03'47"E., 3203.27' BASED ON THE STATE PLANE COORDINATES OF THE NORTHWEST CORNER OF SECTION 3 (N. = 374921.606, E = 13357540.620) AND THE WEST ¼ CORNER (N = 371722.914, E = 13357711.786).



METROPOLITAN TITLE COMPANY

America's Premier Independent Title Agency
 39400 Woodward Ave., Ste. 135A, Bloomfield Hills, MI 48304 Phone: (248) 540-4102 Fax: (248) 540-2428
 Commitment No.: CM-453785
 Branch # 01-2050 / CM1, LEG
 March 17, 2003, Revision B

OWNERS INVOICE

Liability	900,000.00
Owners Premium	1,575.00
Balance	<u>\$ 1,575.00</u>

MORTGAGE INVOICE

Liability	2,000,000.00
Mortgage Premium	2,437.50
Balance	<u>\$ 2,437.50</u>

Total Charges

\$4,012.50

Billing Information: Owners, Simul W/O Construction

DELIVER TO: (248) 539-8833
 Karen Stutzman
 Heather Hageman
 Franklin Property Corporation
 31000 Northwestern Hwy., Ste. 220
 Farmington Hills, MI 48334

Street Address:
 Summerlin of Novi
 City of Novi, Oakland County

Reference:
 Hometowne Building Company, L.L.C.
 FPC-Summerlin, L.L.C.

2257 Franklin Property Corporation - TI

COPIES TO:

BH Commercial
 Metropolitan Title - BH Commercial
 39400 Woodward Ave., Ste. 135A
 Bloomfield Hills, MI 48304

Metropolitan Title Company

Heather Hageman
 Franklin Property Corporation
 31000 Northwestern Hwy., Ste. 220
 Farmington Hills, MI 48334

COMMENTS:

update w/taxes

DELIVERY INSTRUCTIONS

Phone: (248) 539-3332
 Fax: (248) 539-8833

Policy or Policies issued pursuant to this commitment are underwritten by:
Ticor Title Insurance Company

SCHEDULE A

Commitment No.: CM-453785
01-2050 LEG

Effective Date of Commitment: January 21, 2003 @ 8:00 A.M.

1. Policy or Policies to be issued:		Amount
(a) ALTA Owner's Policy (10-17-92)	Without General Exceptions	\$900,000.00

Proposed Insured:

Hometowne Building Company, L.L.C., a Michigan Limited Liability Company

Policy or Policies to be issued:		Amount
(b) ALTA Loan Policy	Without General Exceptions	\$2,000,000.00

Proposed Insured:

To Be Furnished, its successors and/or assigns

2. The estate or interest in the land described or referred to in this Commitment and covered herein is a Fee Simple.

3. Title to said estate or interest in said land is at the effective date hereof vested in:

RPC-Summerlin, L.L.C., a Michigan Limited Liability Company

4. The land referred to in this Commitment is located in the County of Oakland, City of Novi, State of Michigan and described as follows:

(SEE ATTACHED DESCRIPTION EXHIBIT A)

Sumnerlin of Novi

REVISION B
March 17, 2003



Issuing Agent: Metropolitan Title Company
America's Premier Independent Title Agency
For questions regarding this commitment contact your local
Metropolitan Title Company (248) 540-4102 or fax to (248) 540-2428

[Signature]
initials-CM1

SCHEDULE B REQUIREMENTS

Commitment No.: CM-453785
REVISION B

1. The following are the requirements to be complied with:

1. Instruments necessary to create the estate or interest to be insured must be properly executed, delivered and duly filed for record.

Specific Requirements

1. PAY TAXES AND ASSESSMENTS UNLESS SHOWN AS PAID. FOR SPECIFIC TAX INFORMATION SEE SCHEDULE B EXCEPTIONS.
2. SUBMIT COMPLETED OWNER'S/ESTOPPEL AFFIDAVIT ON THE FORM PROVIDED BY THIS COMPANY AND SIGNED BY OR ON BEHALF OF ALL OWNERS.
3. SUBMIT A COPY OF THE OPERATING AGREEMENT OF FPC-SUMMERLIN, L.L.C., A MICHIGAN LIMITED LIABILITY COMPANY. FURTHER REQUIREMENTS MAY BE MADE UPON REVIEW OF THE OPERATING AGREEMENT.
4. SUBMIT A COPY OF THE OPERATING AGREEMENT OF HOMETOWNE BUILDING COMPANY, L.L.C., A MICHIGAN LIMITED LIABILITY COMPANY. FURTHER REQUIREMENTS MAY BE MADE UPON REVIEW OF THE OPERATING AGREEMENT.
5. RECORD WARRANTY DEED FROM FPC-SUMMERLIN, L.L.C., A MICHIGAN LIMITED LIABILITY COMPANY TO HOMETOWNE BUILDING COMPANY, L.L.C., A MICHIGAN LIMITED LIABILITY COMPANY.
6. RECORD MORTGAGE TO BE INSURED.
7. RECORD DISCHARGE OF MORTGAGE(S) RECORDED IN LIBER 23915, PAGE 889, AND LIBER 23775, PAGE 214, OR IT/THEY SHALL APPEAR ON THE FINAL POLICY.
8. RECORD DISCHARGE OF THE ASSIGNMENT OF RENTS RECORDED IN LIBER 23915, PAGE 808, OR IT SHALL APPEAR ON THE FINAL POLICY.
9. RECORD DISCHARGE OF THE COLLATERAL ASSIGNMENT OF AGREEMENTS OF SALE RECORDED IN LIBER 23915, PAGE 830, OR IT SHALL APPEAR ON THE FINAL POLICY.
10. RECORD RELEASE(S) OF LIEN(S) RECORDED IN LIBER 26763, PAGE 342, OR IT/THEY SHALL APPEAR ON THE FINAL POLICY.

SCHEDULE B EXCEPTIONS

Commitment No.: CM-453785
REVISION B

- II. Schedule B of the policy or policies to be issued will contain exceptions to the following matters unless the same are disposed of to the satisfaction of the Company:
1. Defects, liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the effective date hereof but prior to the date the proposed Insured acquires for value of record the estate or interest or mortgage thereon covered by this Commitment.
 2. *Standard Exceptions: For owner's policies only.*
 - a. Rights or claims of parties in possession not shown by the public records.
 - b. Easements, or claims of easements, not shown by the public records.
 - c. Encroachments, overlaps, boundary line disputes, or other matters which would be disclosed by an accurate survey or inspection of the premises.
 - d. Any lien, or right to a lien, for services, labor, or material heretofore or hereafter furnished, imposed by law and not shown by the public records.
 - e. Rights of dower, homestead or other marital rights of the spouse, if any, of any individual insured.
 3. *Specific Exceptions:*
 - a. Liens for taxes and assessments which are not yet due and payable.
 - ✓ b. Mortgage in the original amount of \$2,000,000.00 executed by FPC-Summerlin, L.L.C., a Michigan Limited Liability Company, to Bank One, Michigan, a Michigan banking corporation, dated September 19, 2001, recorded October 25, 2001, in Liber 23915, page 889.
 - ✓ c. Assignment of Rents executed by FPC-Summerlin, L.L.C., a Michigan Limited Liability Company, to Bank One, Michigan, a Michigan banking corporation, dated September 19, 2001, recorded October 25, 2001, in Liber 23915, page 808.
 - ✓ d. Collateral Assignment of Agreements of Sale in the original amount of \$2,000,000.00 executed by FPC-Summerlin, L.L.C., a Michigan Limited Liability Company, to Bank One, Michigan, a Michigan banking corporation, dated September 19, 2001, recorded October 25, 2001, in Liber 23915, page 830.
 - ✓ e. Mortgage in the original amount of \$400,000.00 executed by FPC-Summerlin, L.L.C., a Michigan Limited Liability Company, to G. Jan Beekhuis, Trustee of the G. Jan Beekhuis, restated Trust under agreement dated February 15, 1985, dated September 19, 2001, recorded October 3, 2001, in Liber 23775, page 214. Said Mortgage is Subordinate to the mortgage recorded in Liber 23915, Page 889 by Mortgage Subordination Agreement recorded in Liber 26357, Page 580.
 - f. Easement for sanitary sewer in favor of the County of Oakland and the Covenants, Conditions and Restrictions contained in instrument(s) recorded in Liber 5326, page 726.
 - ✓ g. Easement for storm sewer as disclosed by instruments recorded in Liber 6330, page 854, Liber 6930, page 859, Liber 6350, page 534 and Liber 6350, page 537, and Liber 26115, Page 742
 - h. Terms and Conditions contained in Sidewalk, as disclosed by instrument recorded in Liber 20956, page 892.

SCHEDULE B - EXCEPTIONS CONTINUED

Commitment No.: CM-453785
REVISION B

- i. Any rights, title interest or claim thereof to that portion of the land taken, used or granted for West Park Drive.
- j. Terms and Conditions contained in Grant of Easement for Storm Water Detention, as disclosed by instrument recorded in Liber 26591, page 342.
- k. Underground Residential Distribution Easement (Right of Way) in favor of Detroit Edison Company, Ameritech & Time Warner Cable and the Covenants, Conditions and Restrictions contained in instrument(s) recorded in Liber 26779, page 205.
- l. Terms and Conditions contained in Storm Water Management Agreement, as disclosed by instrument recorded in Liber 26591, page 358.
- m. Watermain Easement in favor of City of Novi and the Covenants, Conditions and Restrictions contained in instrument(s) recorded in Liber 26184, page 152.
- n. Temporary Construction Easement in favor of City of Novi and the Covenants, Conditions and Restrictions contained in instrument(s) recorded in Liber 26184, page 154.
- ~~o.~~ Terms and Conditions contained in Woodland and Open Space Conservation Easement, as disclosed by instrument recorded in Liber 26261, page 246.
- p. Terms and Conditions contained in Grant of Easement for Storm Sewer, as disclosed by instrument recorded in Liber 26115, page 735.
- q. Terms and Conditions contained in Grant of Temporary Construction Easement and Agreement, as disclosed by instrument recorded in Liber 25916, page 394.
- r. Terms and Conditions contained in Grant of Easement for Storm Sewer, as disclosed by instrument recorded in Liber 26591, page 348.
- s. Terms and Conditions contained in Grant of Easement for Detention Basin Access, as disclosed by instrument recorded in Liber 26591, page 353.
- t. Rights of tenants, if any, under any unrecorded leases.

NOTE: Notice of Commencement dated September 28, 2001, recorded in Liber 23915, page 795.

- n. All Taxes paid to and including 2001
2002 City Taxes DUER in the amount of \$17,859.90
2002 County Taxes DUE in the amount of \$11,373.01
Tax Item No. 22-03-102-001

NOTE: If subject property is connected to public/community water or sewer, furnish a copy of the current bill to Metropolitan Title Company showing that all charges have been paid to date or the Owner's Policy to be issued will include an exception on Schedule B for water and sewer charges which became a lien prior to the date of the Policy.

NOTE: On the above tax amount(s), there may also be due an amount for interest, penalty and collection fee.

**EXHIBIT A
LEGAL DESCRIPTION**

Commitment No.: OM-453785

Land in the City of Novi, Oakland County, Michigan, described as follows:

Unit(s) 1 through 36, of SUMMERLIN OF NOVI, a Condominium according to the Master Deed thereof recorded in Liber 26529, page 799 through 865, Oakland County Records, and designated as Oakland County Condominium Subdivision Plan No. 1460, and any amendments thereto, together with an undivided interest in the common elements of said condominium as set forth in said Master Deed and as described in Act 59 of the Public Acts of Michigan of 1978, as amended.

Tax Item No.: 22-03-102-001

ALTA Loan Policy
TO 2210.5 A (7-88)

Policy Issued By: Ticor Title Insurance Company

SCHEDULE A

File No.: CM-339460

Amount of Insurance:
\$2,000,000.00

Date of Policy:
September 28, 2001 @ 8:00 am
or the date of recording of insured
mortgage, whichever is later

Policy Number:
74107 20935

1. Name of Insured:

Bank One, Michigan, its successors and/or assigns

2. Title to the Fee Simple estate in the land which is encumbered by the insured mortgage is vested in:

FPC-Summerlin, L.L.C., a Michigan Limited Liability Company

3. The insured mortgage and assignments thereof, if any, are described as follows:

Mortgage executed by FPC-Summerlin, L.L.C., a Michigan Limited Liability Company, to Bank One, Michigan, a Michigan banking corporation, dated September 19, 2001.

4. The land referred to in this policy is located in the County of Oakland, City of Novi, State of Michigan, and is described as follows:

(SEE EXHIBIT A LEGAL DESCRIPTION)



Issued By: Metropolitan Title Company
For additional information call (248) 335-6565

This policy is valid only if Schedule B is attached.

Signed By:

[Handwritten signature]

**EXHIBIT A
LEGAL DESCRIPTION**

File No.: CM-339460

Policy No.: 74107 20935

Land in the City of Novi, Oakland County, Michigan, described as follows:

Part of the Northwest fractional 1/4 of Section 3, Town 1 North, Range 8 East, City of Novi, Oakland County, Michigan, described as follows: Beginning at a point distant East 1636.80 feet and South 35 degrees 09 minutes West, 1121.21 feet from the Northwest Section corner, thence South 54 degrees 51 minutes East, 971.20 feet; thence South 44 degrees 22 minutes West, 268.13 feet; thence South 57 degrees 15 minutes East, 55.07 feet; thence South 45 degrees 38 minutes West, 476.55 feet to the Northeast corner of BLOOMFIELD SUBDIVISION; thence North 54 degrees 03 minutes West, 885.20 feet; thence North 35 degrees 00 minutes East to the point of beginning, except the Northwesterly 33 feet taken for highway.

LAND ALSO DESCRIBED AS FOLLOWS:

Part of the Northwest fractional 1/4 of Section 3, Town 1 North, Range 8 East, City of Novi, Oakland County, Michigan, described as follows:

Commencing at the Northwest corner of Section 3, Town 1 North, Range 8 East, City of Novi, Oakland County; thence North 87 degrees 13 minutes 11 seconds East, 321.93 feet to the Southwest corner of Section 34, Town 2 North, Range 8 East, Commerce Township, Oakland County, Michigan; thence continuing along the North line of said Section 3, North 87 degrees 19 minutes 25 seconds East 1314.83 feet (the last two courses recorded as East 1636.80 feet); thence South 28 degrees 31 minutes 40 seconds West 295.48 feet to a 1/2 inch iron rod in a monument box; thence South 32 degrees 14 minutes 58 seconds West 811.36 feet (the last two courses recorded as South 35 degrees 09 minutes 00 seconds West 1121.21 feet) to the point of beginning of the parcel herein described; thence South 55 degrees 50 minutes 30 seconds East (recorded as South 54 degrees 51 minutes East), to a point on the Northwest line of Harbor Cove Condominiums also being the Northwest line of Lot 24, Supervisor Plat No. 2 as recorded in Liber 54A, page 57, 962.34 feet (recorded as 971.20 feet); thence South 42 degrees 11 minutes 57 seconds West (recorded as South 44 degrees 22 minutes West), to the Southwest corner of said Lot 24 and Harbor Cove Condominium, 264.38 feet (recorded as 268.13 feet); thence along the Southerly line of said Lot 24 and Harbor Cove Condominium, South 59 degrees 25 minutes 03 seconds East, 52.41 feet (recorded as South 57 degrees 15 minutes East 55.07 feet); thence along the West line of Lot 23 in said Supervisor Plat No. 2 and the Westerly line of Bently Sub. as recorded in Liber 10, page 3, South 42 degrees 05 minutes 46 seconds West (recorded as South 45 degrees 38 minutes West), to the Northeasterly corner of Bloomfield Sub. as recorded in Liber 22, page 5, 476.24 feet (recorded as 476.55 feet); thence along the Northerly line of said Bloomfield Sub. North 57 degrees 30 minutes 07 seconds West (recorded as North 54 degrees 03 minutes West), to the Northwesterly corner of said Bloomfield Sub. being monumented by a 1/2 inch iron rod in a monument box, 887.08 feet (recorded as 885.20 feet); thence along the centerline of West Road (66 feet wide), North 32 degrees 14 minutes 58 seconds East 756.31 feet (recorded as North 35 degrees 00 minutes East) to the point of beginning.

ALTA Loan Policy
TO 3215 B (6-87)

SCHEDULE B

File No.: CM-339460

Policy No.: 74107 20935

EXCEPTIONS FROM COVERAGE

This policy does not insure against loss or damage (and the Company will not pay costs, attorneys' fees or expenses) which arise by reason of:

Part I

1. Liens for taxes and assessments which are not yet due and payable.
2. Easement for sanitary sewer in favor of the County of Oakland and the Covenants, Conditions and Restrictions contained in instrument(s) recorded in Liber 5326, page 726.
3. Easement for storm sewer as disclosed by instruments recorded in Liber 6330, page 854, Liber 6330, page 859, Liber 6350, page 534 and Liber 6350, page 537.
4. Terms and Conditions contained in Sidewalk, as disclosed by instrument recorded in Liber 20956, page 892.
5. Any rights, title interest or claim thereof to that portion of the land taken, used or granted for West Park Drive.
6. Matters reflected on survey prepared by Warner, Cantrell & Padmos, Inc., dated September 18, 2001, Job #20000303:
 - a) garages and fence onto subject property
 - b) overhead lines and water line across subject property
 - c) storm sewer line outside of easement
7. Notice of Commencement dated September 28, 2001.

Part II

In addition to the matters set forth in Part I of this Schedule, the title to the estate or interest in the land described or referred to in Schedule A is subject to the following matters, if any be shown, but the Company insures that these matters are subordinate to the lien or charge of the insured mortgage upon the estate or interest: See Schedule B Part II attached.

ALTA Loan Policy
Form No. TO 32193 MI

SCHEDULE B PART II

File No.: CM-339460

Policy No.: 74107 20935

In addition to the matters set forth in Part I of this Schedule, the title to the estate or interest in the land described or referred to in Schedule A is subject to the following matters, if any be shown, but the Company insures that these matters are subordinate to the lien or charge of the insured mortgage upon said estate or interest:

1. Assignment of Rents executed by FPC-Summerlin, L.L.C., a Michigan Limited Liability Company, to Bank One, Michigan, a Michigan banking corporation, dated September 19, 2001.
2. Collateral Assignment of Agreements of Sale between FPC-Summerlin, L.L.C., a Michigan limited liability company and Bank One, Michigan, a Michigan banking corporation, dated September 19, 2001.

ENDORSEMENT

Issued By: Ticor Title Insurance Company

Attached to and forming a part of the Policy of Title Insurance No.: 74107 20933
File No.: CM-339460, FPC-Surrounding, L.L.C.

Form TO 2789 D (4-86)

Paragraph 7 of the insuring provisions set forth on the face of this Policy is hereby replaced by the following:

7. Any statutory lien for labor or material, except to the extent that such lien is attributable to retainage held by the Insured, which now has gained or hereafter may gain priority over the lien of the Insured mortgage and which lien arises from labor performed or material furnished prior to September 19, 2001.

Notwithstanding the amount of insurance in Schedule A, the amount of insurance at Date of Policy is limited to \$666,500.00 being the aggregate of the mortgage proceeds actually disbursed at the Date of Policy under the mortgage set forth in Schedule A.4 of this policy, and this amount of insurance may only be increased by a Disbursement Endorsement which:

1. Extends the Date of Policy.
2. Increases the amount of insurance to the aggregate of the mortgage proceeds actually disbursed at the date of the Endorsement.
3. Extends the date of coverage against loss or damage by reason of statutory lien for labor or materials.
4. Amends Schedule B to disclose exceptions first appearing of public record or, if not of public record first known to the Company after Date of Policy, as same may have been last extended. Such Disbursement Endorsement shall, however, insure the insured against loss or damage arising from any recorded statutory lien for labor or material to the extent that such lien arises from labor performed or material furnished prior to a date through which such insurance has been provided by this Policy as previously endorsed.

This Policy does not insure completion of improvements, their compliance with plans and specifications, or the sufficiency of the mortgage proceeds or funds from any other source as adequate to complete any improvements now or hereafter to be located on the land.

The total liability of the Company under the Policy and this Endorsement shall not exceed, in the aggregate, the face amount of the Policy and costs which the Company is obligated under the Conditions and Stipulations thereof to pay.

Nothing herein contained shall be construed as extending or changing the effective date of said policy, unless otherwise expressly stated.

This endorsement, when countersigned below by a Validating Signatory, is made a part of said policy and is subject to the Exclusions from Coverage, schedules, conditions and stipulations therein, except as modified by the provisions hereof.

Authorized Agent:

Metropolitan Title Company

(248) 335-6565

Signed By:


Authorized Signatory

ENDORSEMENT

Issued By: Ticor Title Insurance Company

Attached to and forming part of the Policy of Title Insurance No.: 74107 20935

File No.: CM-339460, FPC-Summerlin, L.L.C.

Restrictions, Encroachments, Minerals - ALTA Form 9 - Form 3500/TI

The Company insures the owner of the indebtedness secured by the insured mortgage against loss or damage sustained by reason of:

1. Any incorrectness in the assurances that, at Date of Policy:
 - (a) There are no covenants, conditions or restrictions under which the lien of the mortgage referred to in Schedule A can be divested, subordinated or extinguished, or its validity, priority or enforceability impaired.
 - (b) Unless expressly excepted in Schedule B:
 - (1) There are no present violations on the land of any enforceable covenants, conditions or restrictions, nor do any existing improvements on the land violate any building setback lines shown on a plat of subdivision recorded or filed in the public records.
 - (2) Any instrument referred to in Schedule B as containing covenants, conditions or restrictions on the land does not, in addition, (i) establish an easement on the land; (ii) provide a lien for liquidated damages; (iii) provide for private charge or assessment; (iv) provide for an option to purchase, a right of first refusal or the prior approval of a future purchaser or occupant.
 - (3) There is no encroachment of existing improvements located on the land onto adjoining land, nor any encroachment onto the land of existing improvements located on adjoining land.
 - (4) There is no encroachment of existing improvements located on the land onto that portion of the land subject to any easement excepted in Schedule B.
 - (5) There are no notices of violation of covenants, conditions and restrictions relating to environmental protection recorded or filed in the public records.
2. Any future violation on the land of any existing covenants, conditions or restrictions occurring prior to the acquisition of title to the estate or interest in the land by the insured, provided the violation results in:
 - (a) impairment or loss of the lien of the insured mortgage; or
 - (b) loss of title to the estate or interest in the land if the insured shall acquire title in satisfaction of the indebtedness secured by the insured mortgage.
3. Damage to existing improvements, including lawns, shrubbery or trees:
 - (a) which are located on or encroach upon that portion of the land subject to any easement excepted in Schedule B, which damage results from the exercise of the right to maintain the easement for the purpose for which it was granted or reserved.
 - (b) resulting from the future exercise of any right to use the surface of the land for the extraction or development of minerals excepted from the description of the land or excepted in Schedule B.
4. Any final court order or judgment requiring the removal from any land adjoining the land of any encroachment excepted in Schedule B.
5. Any final court order or judgment denying the right to maintain any existing improvements on the land because of any violation of covenants, conditions or restrictions or building setback lines shown on a plat or subdivision recorded or filed in the public records.

Wherever in this endorsement the words "covenants, conditions or restriction" appear, they shall not be deemed to refer to or include the terms, covenants, conditions or limitations contained in an instrument creating a lease.

As used in paragraphs 1(b)(1) and 5, the words "covenants, conditions or restrictions" shall not be deemed to refer to or include any covenants, conditions or restrictions relating to environmental protection.

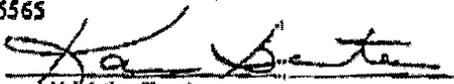
This endorsement is made a part of the policy and is subject to all of the terms and provisions thereof and of any prior endorsements thereto. Except to the extent expressly stated, it neither modifies any of the terms and provisions of the policy and any prior endorsements, nor does it extend the effective date of the policy and any prior endorsements, nor does it increase the face amount thereof.

Authorized Agent:

Metropolitan Title Company

(248) 335-6565

Signed By:



Validating Signatory

TICOR TITLE INSURANCE

Policy No. 74107- 020935

Policy of Title Insurance

**American Land
Title Association
Loan Policy
(10-17-92)**

**SUBJECT TO THE EXCLUSIONS FROM
COVERAGE, THE EXCEPTIONS FROM
COVERAGE CONTAINED IN SCHEDULE B
AND THE CONDITIONS AND STIPULATIONS,
TICOR TITLE INSURANCE COMPANY, a
California corporation, herein called the
Company, insures, as of Date of Policy shown in
Schedule A, against loss or damage, not
exceeding the amount of insurance stated in
Schedule A, sustained or incurred by the insured
by reason of:**

1. Title to the estate or interest described in Schedule A being vested other than as stated therein;
2. Any defect in or lien or encumbrance on the title;
3. Unmarketability of the title.
4. Lack of a right of access to and from the land;
5. The invalidity or unenforceability of the lien of the insured mortgage upon the title;
6. The priority of any lien or encumbrance over the lien of the insured mortgage;
7. Lack of priority of the lien of the insured mortgage over any statutory lien for services, labor or material;

- (a) arising from an improvement or work related to the land which is contracted for or commenced prior to Date of Policy; or
- (b) arising from an improvement or work related to the land which is contracted for or commenced subsequent to Date of Policy and which is financed in whole or in part by proceeds of the indebtedness secured by the insured mortgage which at Date of Policy the insured has advanced or is obligated to advance;

8. The invalidity or unenforceability of any assignment of the insured mortgage, provided the assignment is shown in Schedule A, or the failure of the assignment shown in Schedule A to vest title to the insured mortgage in the named insured assignee free and clear of all liens.

The Company will also pay the costs, attorneys' fees and expenses incurred in defense of the title or the lien of the insured mortgage, as insured, but only to the extent provided in the Conditions and Stipulations.

This policy shall not be valid or binding until countersigned below by an authorized signatory of the Company.



TICOR TITLE INSURANCE COMPANY

By *Richard A. Smith* President

Attest *Richard A. Smith* Secretary

[Signature]
Authorized Signatory

ENDORSEMENT

Issued By: Ticor Title Insurance Company

Attached to and forming a part of Policy of Title Insurance No.: 74107 20935
File No.: CM-339460, FPC-Summerlin, L.L.C., Summerlin of Novi

Pending Disbursement - Form TO 2790D (4/86) (Rev 6/93)

The Date of Policy is amended to January 4, 2002.

Previous Amount of Insurance \$666,500.00

Increase in Amount of Insurance \$41,830.15

The Amount of Insurance is amended to \$708,330.15

The date of coverage in Paragraph 7 of the insuring provisions of this Policy, as contained in the Pending Disbursement Endorsement to Policy, is amended to January 28, 2002, being the effective date of the last Sworn Statement(s) provided to the Company.

Schedule B is amended as follows:

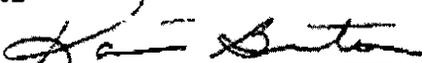
1. NO CHANGE
TAXES NOT EXAMINED

Nothing herein contained shall be construed as extending or changing the effective date of said policy, unless otherwise expressly stated.

This endorsement, when signed below by a Validating Signatory, is made a part of said policy and is subject to the Exclusions from Coverage, schedules, conditions and stipulations therein, except as modified by the provisions hereof.

February 6, 2002
Authorized Agent:

Metropolitan Title Company
(248) 540-4102

Signed By: 
Validating Signatory

ENDORSEMENT

Issued By: Ticor Title Insurance Company

Attached to and forming a part of Policy of Title Insurance No.: 74107 20935
File No.: CM-339460, FPC-Summerlin, L.L.C.,-Summerlin of Novi

Pending Disbursement - Form TO 2790D (4/86) (Rev 6/93)

The Date of Policy is amended to March 18, 2002.

Previous Amount of Insurance \$708,330.15

Increase in Amount of Insurance \$159,513.76

The Amount of Insurance is amended to \$867,843.15

The date of coverage in Paragraph 7 of the insuring provisions of this Policy, as contained in the Pending Disbursement Endorsement to Policy, is amended to April 23, 2002, being the effective date of the last Sworn Statement(s) provided to the Company.

Schedule B is amended as follows:

1. No Change
2. Any lien for taxes that have become due and payable subsequent to the original date of this policy.

Nothing herein contained shall be construed as extending or changing the effective date of said policy, unless otherwise expressly stated.

This endorsement, when signed below by a Validating Signatory, is made a part of said policy and is subject to the Exclusions from Coverage, schedules, conditions and stipulations therein, except as modified by the provisions hereof.

April 29, 2002
Authorized Agent:

Metropolitan Title Company
(248) 540-4102

Signed By: _____

Validating Signatory

ENDORSEMENT

Issued By: Ticor Title Insurance Company

Attached to and forming a part of Policy of Title Insurance No.: 74107 20935
File No.: CM-339460, FPC-Summerlin, L.L.C., Summerlin of Novi

Pending Disbursement - Form TO 2790D (4/86) (Rev 6/93)

The Date of Policy is amended to April 12, 2002.

Previous Amount of Insurance \$867,843.15

Increase in Amount of Insurance \$95,450.79

The Amount of Insurance is amended to \$963,293.94

The date of coverage in Paragraph 7 of the insuring provisions of this Policy, as contained in the Pending Disbursement Endorsement to Policy, is amended to May 17, 2002, being the effective date of the last Sworn Statement(s) provided to the Company.

Schedule B is amended as follows:

1. No Change
2. Any lien for taxes that have become due and payable subsequent to the original date of this policy.

Nothing herein contained shall be construed as extending or changing the effective date of said policy, unless otherwise expressly stated.

This endorsement, when signed below by a Validating Signatory, is made a part of said policy and is subject to the Exclusions from Coverage, schedules, conditions and stipulations therein, except as modified by the provisions hereof.

Authorized Agent:

Metropolitan Title Company

(248) 540-4102

Signed By:


Validating Signatory

ENDORSEMENT

Issued By: Ticor Title Insurance Company

Attached to and forming a part of Policy of Title Insurance No.: 74107 20935
File No.: CM-339460, FPC-Summerlin, L.L.C., Summerlin of Novi

Pending Disbursement - Form TO 2790D (4/86) (Rev 6/93)

The Date of Policy is amended to May 2, 2002.

Previous Amount of Insurance \$963,293.94

Increase in Amount of Insurance \$428,516.35

The Amount of Insurance is amended to \$1,391,810.29

The date of coverage in Paragraph 7 of the insuring provisions of this Policy, as contained in the Pending Disbursement Endorsement to Policy, is amended to June 11, 2002, being the effective date of the last Sworn Statement(s) provided to the Company.

Schedule B is amended as follows:

1. No Change
2. Any lien for taxes that have become due and payable subsequent to the original date of this policy.

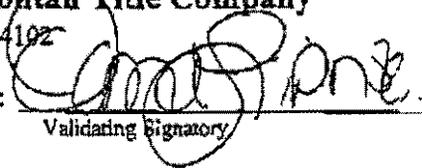
Nothing herein contained shall be construed as extending or changing the effective date of said policy, unless otherwise expressly stated.

This endorsement, when signed below by a Validating Signatory, is made a part of said policy and is subject to the Exclusions from Coverage, schedules, conditions and stipulations therein, except as modified by the provisions hereof.

Authorized Agent:

Metropolitan Title Company

(248) 540-4102

Signed By: 

Validating Signatory

ENDORSEMENT

Issued By: Ticor Title Insurance Company

Attached to and forming a part of Policy of Title Insurance No.: 74107 20935
File No.: CM-339460, FPC-Summerlin, L.L.C., Summerlin of Novi

Pending Disbursement - Form TO 2790D (4/86) (Rev 6/93)

The Date of Policy is amended to June 5, 2002.

Previous Amount of Insurance	<u>\$1,391,810.29</u>
Increase in Amount of Insurance	<u>\$234,661.27</u>
The Amount of Insurance is amended to	<u>\$1,626,471.56</u>

The date of coverage in Paragraph 7 of the insuring provisions of this Policy, as contained in the Pending Disbursement Endorsement to Policy, is amended to July 17, 2002, being the effective date of the last Sworn Statement(s) provided to the Company.

Schedule B is amended as follows:

1. Any lien for taxes that have become due and payable subsequent to the original date of this policy.
2. Schedule BII is amended as follows:
3. Second Mortgage in the original amount of \$400,000.00 executed by FPC-Summerlin, L.L.C. to G. Jan Beekhuis, Trustee of the G. Jan Beekhuis Restated Trust under agreement dated February 15, 1985, dated September 19, 2001, recorded October 3, 2001, in Liber 23775, page 214.

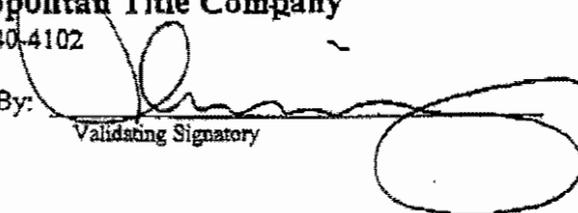
Nothing herein contained shall be construed as extending or changing the effective date of said policy, unless otherwise expressly stated.

This endorsement, when signed below by a Validating Signatory, is made a part of said policy and is subject to the Exclusions from Coverage, schedules, conditions and stipulations therein, except as modified by the provisions hereof.

Authorized Agent:

Metropolitan Title Company
(248) 540-4102

Signed By:


Validating Signatory

CERTIFIED COPY OF POWER OF ATTORNEY
THE OHIO CASUALTY INSURANCE COMPANY
WEST AMERICAN INSURANCE COMPANY

No. 34-347

Know All Men by These Presents: That THE OHIO CASUALTY INSURANCE COMPANY, an Ohio Corporation, and WEST AMERICAN INSURANCE COMPANY, an Indiana Corporation, in pursuance of authority granted by Article VI, Section 7 of the By-Laws of The Ohio Casualty Insurance Company and Article VI, Section 1 of West American Insurance Company, do hereby nominate, constitute and appoint: **Charles O. Howey, Jr., Reba S. Wilkins, Bonnie J. Trombley or Kimberly A. Gibas of Woodhaven, Michigan** its true and lawful agent (s) and attorney (s)-in-fact, to make, execute, seal and deliver for and on its behalf as surety, and as its act and deed any and all BONDS, UNDERTAKINGS, and RECOGNIZANCES, not exceeding in any single instance **FIVE MILLION (\$5,000,000.00) DOLLARS**, excluding, however, any bond(s) or undertaking(s) guaranteeing the payment of notes and interest thereon

And the execution of such bonds or undertakings in pursuance of these presents, shall be as binding upon said Companies, as fully and amply, to all intents and purposes, as if they had been duly executed and acknowledged by the regularly elected officers of the Companies at their administrative offices in Hamilton, Ohio, in their own proper persons. The authority granted hereunder supersedes any previous authority heretofore granted the above named attorney(s)-in-fact.

In WITNESS WHEREOF, the undersigned officer of the said The Ohio Casualty Insurance Company and West American Insurance Company has hereunto subscribed his name and affixed the Corporate Seal of each Company this **20th day of September, 1999.**



Sam Lawrence
Sam Lawrence, Assistant Vice President

STATE OF OHIO,
COUNTY OF BUTLER

On this **20th** day of **September, 1999** before the subscriber, a Notary Public of the State of Ohio, in and for the County of Butler, duly commissioned and qualified, came Sam Lawrence, Assistant Vice President of THE OHIO CASUALTY INSURANCE COMPANY and WEST AMERICAN INSURANCE COMPANY, to me personally known to be the individual and officer described in, and who executed the preceding instrument, and he acknowledged the execution of the same, and being by me duly sworn deposed and said, that he is the officer of the Companies aforesaid, and that the seals affixed to the preceding instrument are the Corporate Seals of said Companies, and the said Corporate Seals and his signature as officer were duly affixed and subscribed to the said instrument by the authority and direction of the said Corporations.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my Official Seal at the City of Hamilton, State of Ohio, the day and year first above written.



Barbara Hoffman
Notary Public in and for County of Butler, State of Ohio
My Commission expires **September 25, 2002.**

This power of attorney is granted under and by authority of Article VI, Section 7 of the By-Laws of The Ohio Casualty Insurance Company and Article VI, Section 1 of West American Insurance Company, extracts from which read:

Article VI, Section 7. APPOINTMENT OF ATTORNEYS-IN-FACT, ETC. "The chairman of the board, the president, any vice-president, the secretary or any assistant secretary of each of these Companies shall be and is hereby vested with full power and authority to appoint attorneys-in-fact for the purpose of signing the name of the Companies as surety to, and to execute, attach the corporate seal, acknowledge and deliver any and all bonds, recognizances, stipulations, undertakings or other instruments of suretyship and policies of insurance to be given in favor of any individual, firm, corporation, or the official representative thereof, or to any county or state, or any official board or boards of county or state, or the United States of America, or to any other political subdivision."

Article VI, Section 1. APPOINTMENT OF RESIDENT OFFICERS. "The Chairman of the Board, the President, any Vice President, a Secretary or any Assistant Secretary shall be and is hereby vested with full power and authority to appoint attorneys in fact for the purpose of signing the name of the corporation as surety or guarantor, and to execute, attach the corporate seal, acknowledge and deliver any and all bonds, recognizances, stipulations, undertakings or other instruments of surety-ship or guarantee, and policies of insurance to be given in favor of an individual, firm, corporation, or the official representative thereof, or to any county or state, or any official board or boards of any county or state, or the United States of America, or to any other political subdivision."

This instrument is signed and sealed by facsimile as authorized by the following Resolution adopted by the respective directors of the Companies (adopted May 27, 1970-The Ohio Casualty Insurance Company, adopted April 24, 1980-West American Insurance Company):

"RESOLVED that the signature of any officer of the Company authorized by the By-Laws to appoint attorneys in fact, the signature of the Secretary or any Assistant Secretary certifying to the correctness of any copy of a power of attorney and the seal of the Company may be affixed by facsimile to any power of attorney or copy thereof issued on behalf of the Company. Such signatures and seal are hereby adopted by the Company as original signatures and seal, to be valid and binding upon the Company with the same force and effect as though manually affixed."

CERTIFICATE

I, the undersigned Assistant Vice President of The Ohio Casualty Insurance Company and West American Insurance Company, do hereby certify that the foregoing power of attorney, the referenced By-Laws of the Companies and the above Resolution of their Boards of Directors are true and correct copies and are in full force and effect on this date.

IN WITNESS WHEREOF, I have hereunto set my hand and the seals of the Companies this 26th day of March 2003



Mark E. Schmidt
Assistant Vice President

MAINTENANCE BOND no. 3739478

KNOW ALL MEN BY THESE PRESENTS, that we Sole Construction, Inc. as Principal, and The Ohio Casualty, as Surety, are held and firmly bound unto City of Novi, jointly and severally, in the sum of One Hundred Ninety Seven Forty One in the aggregate, for the payment of which we firmly bind ourselves, our heirs, executors, administrators and assigns. (\$197,041.)

The terms and conditions of the above obligation are such that:

WHEREAS Sole Construction, Inc. has installed, completed and met all improvements, installations and requirements applicable to the sanitary sewer & water known as Summerlin of Novi main

NOW, THEREFORE, Sole Construction, Inc., warrants the workmanship and all materials used in the construction, installation and completion of Summerlin of Novi to be of good quality and constructed and completed in a workmanlike manner in accordance with the standards, specifications and requirements of the said job, and if Sole Construction, Inc. at his own expense for a period of 2 years (two) after said improvements and installations are accepted for public maintenance by the City of Novi, shall make all repairs thereto which may become necessary by reason of improper workmanship or materials, with such maintenance, however, not to include any damage to said improvements and installations resulting from forces or circumstances beyond the control of said Sole Construction, Inc. or occasioned by inadequacy of the standard, specifications and requirements of said ordinance or project, then this obligation to be null and void, otherwise to be and remain in full force and effect.

In witness whereof we have hereunto set our hands and seal this 26th day of March, ~~1998~~ 2003

The term of this bond shall begin on this 26th day of March, ~~1998~~ 2003, and terminate on the 26th day of March, ~~1998~~ 2005

By: Abraham J. V.P.
Sole Construction, Inc.

By: Reba S. Wilkins
Reba S. Wilkins
Attorney-in-fact

Approved and accepted on behalf of the _____

Attest: _____
Secretary

President



Consulting Engineers • Architects • Land Surveyors
• Environmental Services • Planners •

January 6, 2003

Main Office
45050 Grand River Ave.
P.O. Box 759
Novi, MI 48376-0759
(248) 348-2880
Fax (248) 348-2777

JAN - 9
Branch Office
3971 E. Paris SE, Ste. 200
Grand Rapids, MI 49512-2861
(616) 954-2770
Fax (616) 954-2777

CERTIFIED

Ms. Elizabeth Kudla
Secrest, Wardle, Lynch, Hampton, Truex and Morley, P.C.
30903 Northwestern Hwy.
P.O. Box 3040
Farmington Hills, Michigan 48333-3040

Re: Original Acceptance Documents for Summerlin of Novi
for dedication of Utilities and Roadways

JCK Job No.10-07408

Dear Ms. Kudla:

Enclosed are the following original documents for the referenced project:

- * Sanitary Sewer Easement w/Exhibits A & B
- * Water Main Easement w/Exhibits A & B
- * Bill of Sale for Sanitary Sewer, Storm Sewer, Water Main and Roadways
- * Title Policy for the public utilities and roadways
- * Subordination Agreement for the Sanitary Sewer
- * Subordination Agreement for the Sanitary Sewer; second mortgage
- * Subordination Agreement for the Water Main
- * Subordination Agreement for the Water Main, second mortgage
- * Storm Water Management Agreement w/North Haven Woods

We have reviewed these documents and find them acceptable. Mylar copies of the construction plans were forwarded to our office for preparation of as-built drawings. The as-built drawings were completed and approved in December, 2002.

Should you have any questions related to these documents please contact the developers representative as listed below:

Ms. Karen L. Stutzman
Franklin Property Corporation
31000 Northwestern Highway, Suite 220
Farmington Hills, Michigan 48334
(248) 539-3332
(248) 539-8833 fax

Ms. Elizabeth Kudla
Job No. 10-07408
Page 2
January 6, 2003

Please do not hesitate to contact me should you have any questions.

Sincerely,

JCK & ASSOCIATES, INC.
Consulting Engineers for the City of Novi



Aaron J. Staup

AJS/clv

enc.

cc: Maryanne Cornelius, City Clerk
Haim Schlick, Construction Engineer
Bruce Jerome, Director of Water & Sewer
FPC-Summerlin, LLC, Developer



June 26, 2003

City of Novi
45175 W. Ten Mile Road
Novi, Michigan 48375

Re: Summerlin of Novi (the "Condominium")

Ladies and Gentlemen:

Previously executed and delivered to you by us were a certain Sanitary Sewer Easement and a certain Water Main Easement (collectively, the "Easements") which were granted to you in connection with completion of the above-referenced Condominium. Those instruments contain certain provisions (the "Indemnity") requiring that the City of Novi (the "City") indemnify Bank One (the "Bank") against any cost, expense, claim or action which may arise out of the City's activities pursuant to the Easements. The City is unwilling to accept delivery of the Easements unless we, in turn, indemnify the City against any liability which it may incur as a result of its Indemnity to the Bank.

Accordingly, in consideration of acceptance of the Easements by the City, we hereby indemnify and hold harmless the City, together with all of its officers, officials, employees, representatives and agents from any claim, cause of action, damage, loss, injury, death or other liability which may result from the exercise by the Bank of its rights against the City under the Indemnity.

Very truly yours,

FPC-SUMMERLIN, L.L.C.
a Michigan limited liability company
By: **Franklin Property Corporation, a**
Michigan corporation, Managing Member

A handwritten signature in black ink, appearing to read "AM", is written over the typed name of Andrew Milia.

Andrew Milia
President

SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS, that G. Jan Beekhuis, Trustee of the G. Jan Beekhuis Restated Trust under agreement dated February 15, 1985, the address of which is 175 Juniper Hill Road, Reno, Nevada 89509-2935 is the holder of a certain mortgage relative to the following described property:

See Exhibit "A"

consisting, more particularly of the following:

A second mortgage dated September 19, 2001, and recorded October 3, 2001, in Liber 23775, Page 214, Oakland County Records.

WHEREAS, the owner of the subject property, FPC - Summerlin, L.L.C., has granted to the City of Novi an easement over said property for Sanitary Sewer system, a copy of which is attached hereto as Exhibit "B".

NOW, THEREFORE, in consideration of the sum of One Dollar (\$1.00) and other valuable consideration, the receipt of which is hereby acknowledged, the undersigned does hereby waive the priority of the above-mentioned mortgage over said Easement, intending hereby that the rights of the undersigned and its successors and assigns under the aforesaid mortgage shall be as though the above Easement was established prior to the execution and recording of the aforesaid mortgage.

IN WITNESS WHEREOF, the undersigned has executed this Subordination Agreement this 21st day of Aug, 2002.

[Handwritten signature]

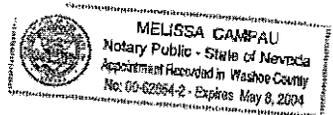
[Handwritten signature]

G. Jan Beekhuis, Trustee of the G. Jan Beekhuis Restated Trust under agreement dated February 15, 1985

State of NEVADA)
County of WASHOE) ss

On this 21 day of AUGUST, 2002, before me a Notary Public in and for said county appeared to me known to be the person described in and who executed the foregoing instrument and respective acknowledged that he/she executed the same for and on behalf of said corporation.

[Handwritten signature]
Notary Public
WASHOE County, Michigan NEVADA
My Commission Expires: May 8, 2004



Drafted by and return to:
Gary E. Bowman
JCK & Associates, Inc.
P.O. Box 759
Novi, MI 48376

SANITARY SEWER EASEMENT

KNOW ALL MEN BY THESE PRESENTS, that FPC - SUMMERLIN, L.L.C., a Michigan Limited Liability Company, whose address is 31000 Northwestern Highway, Suite 220, Farmington Hills, Michigan 48334, hereby conveys to the CITY OF NOVI, a Michigan Municipal Corporation, whose address is 45175 West Ten Mile Road, Novi, Michigan 48375, being exempt pursuant to MCLA 207.505(a), an easement for constructing, operating, maintaining and/or repairing a Sanitary Sewer system in, over, upon and through the following described premises situated in Section 3, T1N, R&E, City of Novi, Oakland County, State of Michigan, to wit:

A permanent non-exclusive easement being more particularly described as follows:

SEE EXHIBIT "A"

Exempt pursuant to MCLA 207.505(a)

Grantee, at its sole cost and expense, shall restore the premises so disturbed by reason of exercise of any of the foregoing powers in accordance with the project plans and specifications to a condition equal or better than the condition existing prior to the exercise of such powers. Grantee shall indemnify, defend and hold Grantor and its mortgagee and their respective successors and assigns, harmless from and against any cost, expense, claim or action of whatever nature which may arise out of or be related to any activities performed by or on behalf of Grantee under or as a result of this Easement.

This instrument shall be binding and inure to the benefit of the parties hereto, their heirs, representatives, successors and assigns.

In witness whereof, the undersigned has executed these presents this 20th day of August 2002.

FPC - SUMMERLIN, L.L.C.
By Franklin Property Corporation
Its Member

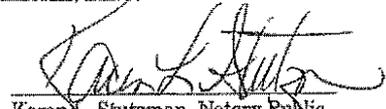


By: Andrew Milia
Its: President

State of Michigan)
) ss
County of Oakland)

Subscribed and sworn before me this 20th day of August, 2002, by Andrew Milia, President, Franklin Property Corporation, Member of FPC - Summerlin, L.L.C.

KAREN L. STUTZMAN
Notary Public, Oakland County, MI
My Commission Expires Aug. 21, 2008


Karen L. Stutzman, Notary Public
Oakland County, Michigan
My Commission Expires: 08/21/2008

Drafted by:
Robert C. Harr
Warner, Cantrell & Padmos, Inc.
27300 Haggerty Road, Suite F2
Farmington Hills, MI 48331

When recorded return to:
City of Novi
City Clerk
45175 W. 10 Mile Road
Novi, MI 48375

WARNER, CANTRELL & PADMOS, INC.

CIVIL ENGINEERS & LAND SURVEYORS

27300 Haggerty Road, Suite F2
Farmington Hills, MI 48331

EXHIBIT "A"

SANITARY SEWER EASEMENT

AN EASEMENT FOR THE PURPOSE OF SANITARY SEWER ON, OVER AND ACROSS PART OF THE NORTHWEST ¼ OF SECTION 3, T.1N., R.9E., CITY OF NOVI, OAKLAND COUNTY, MICHIGAN, THE CENTERLINE OF WHICH IS DESCRIBED AS FOLLOW:

COMMENCING AT THE NORTHWEST CORNER OF SECTION 3, T.1N., R.9E., CITY OF NOVI, OAKLAND COUNTY; THENCE N.87°13'11"E., 321.93' TO THE SOUTHWEST CORNER OF SECTION 34, T.2N., R.9E., CITY OF WALLED LAKE, OAKLAND COUNTY, MICHIGAN; THENCE CONTINUING ALONG THE NORTH LINE OF SAID SECTION 3, N.87°19'25"E., 1314.83' (THE LAST TWO COURSES RECORDED AS EAST 1836.80'; THENCE S.28°31'40"W., 295.48' TO A ½" IRON ROD IN A MONUMENT BOX; THENCE S.32°14'58"W., 811.38' (THE LAST TWO COURSES RECORDED AS S.36°09'W., 1121.21'); THENCE S.32°14'58"W., 470.90'; THENCE S.57°45'02"E., 262.50' TO THE POINT OF BEGINNING OF AN EASEMENT 20.00' IN WIDTH, LYING 10.00' ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE; THENCE N.33°21'03"E., 269.44'; THENCE S.56°40'21"E., 343.80'; THENCE S.53°52'15"E., 116.71'; THENCE S.26°57'02"W., 73.91' TO A POINT WHERE THE EASEMENT SPLITS INTO TWO LEGS; ONE OF WHICH BEARS S.62°13'35"E., 174.46' TO THE POINT OF ENDING; THE OTHER LEG OF WHICH BEARS S.30°39'24"W., 104.84'; THENCE S.34°45'26"W., 168.80'; THENCE N.60°02'11"W., 205.18'; THENCE N.56°37'25"W., 266.16' TO THE POINT OF ENDING.

APRIL 29, 2002
000303

FILES\2000\000303\SURVEY-PLATTING-CONDOL\EXHIBIT A SANITARY SEWER 042902 AWS LD.DOC

WARNER, CANTRELL & PADMOS, INC.

CIVIL ENGINEERS & LAND SURVEYORS

27300 Haggerty Road, Suite F2
Farmington Hills, MI 48331

EXHIBIT "A"

SUMMERLIN OF NOVI

PART OF THE NORTHWEST FRACTIONAL ¼ OF SECTION 3, T.1N., R.8E., CITY OF NOVI, OAKLAND COUNTY, MICHIGAN DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SECTION 3, T.1N., R.8E., CITY OF NOVI, OAKLAND COUNTY; THENCE N.87°13'11"E., 321.93' TO THE SOUTHWEST CORNER OF SECTION 34, T.2N., R.8E., CITY OF WALLED LAKE, OAKLAND COUNTY, MICHIGAN; THENCE CONTINUING ALONG THE NORTH LINE OF SAID SECTION 3, N.87°19'25"E., 1314.83' (THE LAST TWO COURSES RECORDED AS EAST 1636.80'; THENCE S.28°31'40"W., 295.48' TO A ½" IRON ROD IN A MONUMENT BOX; THENCE S.32°14'58"W., 811.36' (THE LAST TWO COURSES RECORDED AS S.35°09'W, 1121.21') TO THE POINT OF BEGINNING OF THE PARCEL HEREIN DESCRIBED; THENCE S.55°50'30"E. (RECORDED AS S.54°51'E.), 716.54'; THENCE S.79°44'16"E., 160.44'; THENCE N.85°16'01"E., 93.60'; THENCE S.73°14'48"E., TO A POINT ON THE NORTHWEST LINE OF HARBOR COVE CONDOMINIUM (OAKLAND COUNTY CONDOMINIUM PLAN NO. 439), 47.97'; THENCE S.42°11'57"W. (RECORDED AS S.44°22'W.), TO THE SOUTHWEST CORNER OF SAID HARBOR COVE CONDOMINIUM, 403.86'; THENCE ALONG THE SOUTHERLY LINE OF SAID HARBOR COVE CONDOMINIUM, S.59°25'03"E., 52.41' (RECORDED AS S.57°15'E., 55.07'); THENCE ALONG THE WEST LINE OF LOT 23 IN SAID SUPERVISOR PLAT NO. 2 AND THE WESTERLY LINE OF BENTLEY SUB. AS RECORDED IN LIBER 10, PG. 3, S.42°05'46"W. (RECORDED AS S.45°38'W.), TO THE NORTHEASTERLY CORNER OF BLOMFIELD SUB. AS RECORDED IN LIBER 22, PG. 5, 476.24' (RECORDED AS 476.55'); THENCE ALONG THE NORTHERLY LINE OF SAID BLOMFIELD SUB. N.57°30'07"W. (RECORDED AS N.54°03'W.), TO THE NORTHWESTERLY CORNER OF SAID BLOMFIELD SUB. BEING MONUMENTED BY A ½" IRON ROD IN A MONUMENT BOX, 887.08' (RECORDED AS 885.20'); THENCE ALONG THE CENTERLINE OF WEST PARK DRIVE (66' WIDE), N.32°14'58"E., 756.31' (RECORDED AS N.35°00'E.) TO THE POINT OF BEGINNING. CONTAINING 16.26 ACRES. SUBJECT TO THE RIGHTS OF THE PUBLIC IN THE NORTHWESTERLY 33.00' (WEST PARK DRIVE).

NOTE: BEARINGS ARE BASED ON THE WEST LINE OF SECTION 3 HAVING A GRID BEARING OF S.3°03'47"E., 3203.27' BASED ON THE STATE PLANE COORDINATES OF THE NORTHWEST CORNER OF SECTION 3 (N. = 374921.606, E = 13357540.620) AND THE WEST ¼ CORNER (N = 371722.914, E = 13357711.786).

SANITARY SEWER EASEMENT

KNOW ALL MEN BY THESE PRESENTS, that FPC - SUMMERLIN, L.L.C., a Michigan Limited Liability Company, whose address is 31000 Northwestern Highway, Suite 220, Farmington Hills, Michigan 48334, hereby conveys to the CITY OF NOVI, a Michigan Municipal Corporation, whose address is 45175 West Ten Mile Road, Novi, Michigan 48375, being exempt pursuant to MCLA 207.505(a), an easement for constructing, operating, maintaining and/or repairing a Sanitary Sewer system in, over, upon and through the following described premises situated in Section 3, T1N, R8E, City of Novi, Oakland County, State of Michigan, to wit:

A permanent non-exclusive easement being more particularly described as follows:

SEE EXHIBIT "A"

Exempt pursuant to MCLA 207.505(a)

Grantee, at its sole cost and expense, shall restore the premises so disturbed by reason of exercise of any of the foregoing powers in accordance with the project plans and specifications to a condition equal or better than the condition existing prior to the exercise of such powers. Grantee shall indemnify, defend and hold Grantor and its mortgagee and their respective successors and assigns, harmless from and against any cost, expense, claim or action of whatever nature which may arise out of or be related to any activities performed by or on behalf of Grantee under or as a result of this Easement.

This instrument shall be binding and inure to the benefit of the parties hereto, their heirs, representatives, successors and assigns.

In witness whereof, the undersigned has executed these presents this 20th day of August, 2002.

FPC - SUMMERLIN, L.L.C.
By Franklin Property Corporation
Its Member

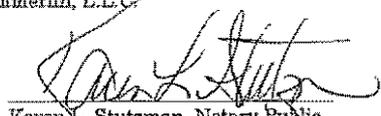


By: Andrew Milia
Its: President

State of Michigan)
) ss
County of Oakland)

Subscribed and sworn before me this 20th day of August, 2002, by Andrew Milia, President, Franklin Property Corporation, Member of FPC - Summerlin, L.L.C.

KAREN L. STUTZMAN
Notary Public, Oakland County, MI
My Commission Expires Aug. 21, 2006


Karen L. Stutzman, Notary Public
Oakland County, Michigan
My Commission Expires: 08/21/2006

Drafted by:
Robert C. Harr
Warner, Cantrell & Padmos, Inc.
27300 Haggerty Road, Suite F2
Farmington Hills, MI 48331

When recorded return to:
City of Novi
City Clerk
45175 W. 10 Mile Road
Novi, MI 48375

WARNER, CANTRELL & PADMOS, INC.

CIVIL ENGINEERS & LAND SURVEYORS

27300 Haggerty Road, Suite F2
Farmington Hills, MI 48331

EXHIBIT "A"

SANITARY SEWER EASEMENT

AN EASEMENT FOR THE PURPOSE OF SANITARY SEWER ON, OVER AND ACROSS PART OF THE NORTHWEST ¼ OF SECTION 3, T.1N., R.8E., CITY OF NOVI, OAKLAND COUNTY, MICHIGAN, THE CENTERLINE OF WHICH IS DESCRIBED AS FOLLOW:

COMMENCING AT THE NORTHWEST CORNER OF SECTION 3, T.1N., R.8E., CITY OF NOVI, OAKLAND COUNTY; THENCE N.87°13'11"E., 321.93' TO THE SOUTHWEST CORNER OF SECTION 34, T.2N., R.8E., CITY OF WALLED LAKE, OAKLAND COUNTY, MICHIGAN; THENCE CONTINUING ALONG THE NORTH LINE OF SAID SECTION 3, N.87°19'25"E., 1314.83' (THE LAST TWO COURSES RECORDED AS EAST 1836.80'; THENCE S.28°31'40"W., 295.48' TO A ½" IRON ROD IN A MONUMENT BOX; THENCE S.32°14'58"W., 811.36' (THE LAST TWO COURSES RECORDED AS S.35°09'W., 1121.21'); THENCE S.32°14'58"W., 470.90'; THENCE S.57°45'02"E., 262.50' TO THE POINT OF BEGINNING OF AN EASEMENT 20.00' IN WIDTH, LYING 10.00' ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE; THENCE N.33°21'03"E., 269.44'; THENCE S.56°40'21"E., 343.80'; THENCE S.53°52'15"E., 118.71'; THENCE S.28°57'02"W., 73.91' TO A POINT WHERE THE EASEMENT SPLITS INTO TWO LEGS; ONE OF WHICH BEARS S.62°13'35"E., 174.46' TO THE POINT OF ENDING; THE OTHER LEG OF WHICH BEARS S.30°39'24"W., 104.84'; THENCE S.34°45'28"W., 168.80'; THENCE N.60°02'11"W., 205.18'; THENCE N.56°37'25"W., 266.16' TO THE POINT OF ENDING.

APRIL 29, 2002
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FILE:5120001000303\SURVEY-PLATTING-CONDOLDEXHIBIT A SANITARY SEWER 042802 AWS LD.DOC

EXHIBIT B

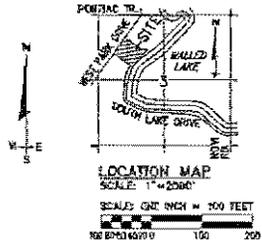
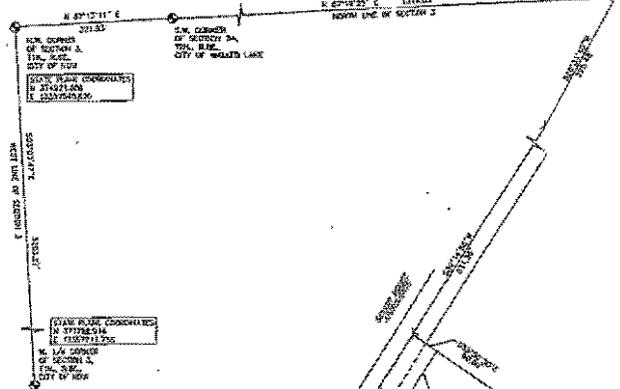
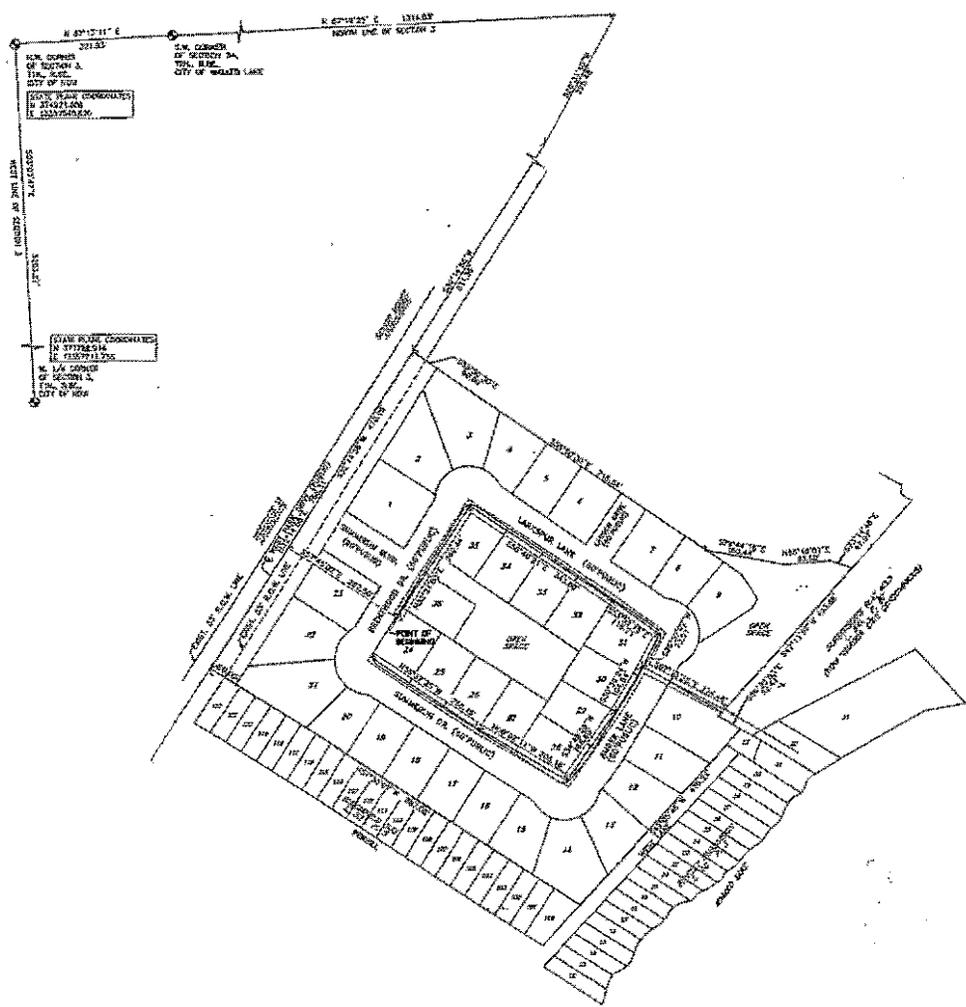


EXHIBIT "B" - SANITARY SEWER EASEMENT		PROPOSED DATED: APRIL 25, 2002
SUMMERLIN OF NOVI PART OF THE N.W. 1/4 OF SECTION 3, T.1 N., R.10 E., CITY OF NOVI, OAKLAND COUNTY, MICHIGAN		WARNER, GIBSON & PARNELL, INC. CIVIL ENGINEERS & LAND SURVEYORS 2200 Westland Blvd., Ste. 10 Farmington Hills, MI 48331 (248) 864-1144
JOB NO. 2002003 PLAN FILE 02-04-715	SHEET 1 of 1	SCALE: 1" = 100' DATE: 04/25/02

SUBORDINATION AGREEMENT

KNOW ALL MEN BY THESE PRESENTS, that Bank One, Michigan, a Michigan banking corporation, whose address is 611 Woodward Avenue, Detroit, Michigan 48226-3947 is the holder of a certain mortgage relative to the following described property:

See Exhibit "A"

consisting, more particularly of the following:

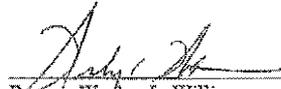
A mortgage dated September 19, 2001, and recorded October 25, 2001, in Liber 23915, Page 89, Oakland County Records.

WHEREAS, the owner of the subject property, FPC - Summerlin, L.L.C., has granted to the City of Novi an easement over said property for Water Main system, a copy of which is attached hereto as Exhibit "B".

NOW, THEREFORE, in consideration of the sum of One Dollar (\$1.00) and other valuable consideration, the receipt of which is hereby acknowledged, the undersigned does hereby waive the priority of the above-mentioned mortgage over said Easement, intending hereby that the rights of the undersigned and its successors and assigns under the aforesaid mortgage shall be as though the above Easement was established prior to the execution and recording of the aforesaid mortgage.

IN WITNESS WHEREOF, the undersigned has executed this Subordination Agreement this 27 day of Aug., 2002.

BANK ONE, MICHIGAN


By: Wesley L. Williams
Its: First Vice President

State of Michigan)
) as
County of Oakland)

On this 27th day of August, 2002, before me a Notary Public in and for said county appeared to me known to be the person described in and who executed the foregoing instrument and respective acknowledged that he/she executed the same for and on behalf of said corporation.


Notary Public
Oakland County, Michigan
My Commission Expires: 6/20/03
DIANA M. STEELE
Notary Public, Oakland County, MI
My Commission Expires June 20, 2003

Drafted by and return to:
Gary E. Bowman
JCK & Associates, Inc.
P.O. Box 759
Novi, MI 48376

WATER MAIN EASEMENT

KNOW ALL MEN BY THESE PRESENTS, that FPC - SUMMERLIN, L.L.C., a Michigan Limited Liability Company, whose address is 31000 Northwestern Highway, Suite 220, Farmington Hills, Michigan 48334, hereby conveys to the CITY OF NOVI, a Michigan Municipal Corporation, whose address is 45175 West Ten Mile Road, Novi, Michigan 48375, being exempt pursuant to MCLA 207.506(a), an easement for constructing, operating, maintaining and/or repairing a Water Main system in, over, upon and through the following described premises situated in Section 3, T1N, R8E, City of Novi, Oakland County, State of Michigan, to wit:

A permanent non-exclusive easement being more particularly described as follows:

SEE EXHIBIT "A"

Exempt pursuant to MCLA 207.505(a)

Grantee, at its sole cost and expense, shall restore the premises so disturbed by reason of exercise of any of the foregoing powers in accordance with the project plans and specifications to a condition equal or better than the condition existing prior to the exercise of such powers. Grantee shall indemnify, defend and hold Grantor and its mortgagees and their respective successors and assigns, harmless from and against any cost, expense, claim or action of whatever nature which may arise out of or be related to any activity performed by or on behalf of Grantee under or as a result of this Easement.

This instrument shall be binding and inure to the benefit of the parties hereto, their heirs, representatives, successors and assigns.

In witness whereof, the undersigned has executed these presents this 20th day of August, 2002.

FPC - SUMMERLIN, L.L.C.
By Franklin Property Corporation
Its Member



By: Andrew Milia
Its: President

State of Michigan)
) ss
County of Oakland)

Subscribed and sworn before me this 20th day of August, 2002, by Andrew Milia, President, Franklin Property Corporation, Member of FPC - Summerlin, L.L.C.

KAREN L. STUTZMAN
Notary Public, Oakland County, MI
My Commission Expires Aug. 21, 2006


Karen L. Stutzman, Notary-Public
Oakland County, Michigan
My Commission Expires: 08/21/2006

Drafted by:
Robert C. Harr
Warner, Cantrell & Padmos, Inc.
27300 Haggerty Road, Suite F2
Farmington Hills, MI 48331

When recorded return to:
City of Novi
City Clerk
45175 W. 10 Mile Road
Novi, MI 48375

WARNER, CANTRELL & PADMOS, INC.

CIVIL ENGINEERS & LAND SURVEYORS

27300 Haggerty Road, Suite F2
Farmington Hills, Mi 48331

EXHIBIT "A"

WATER MAIN EASEMENT

AN EASEMENT FOR THE PURPOSE OF WATER MAIN ON, OVER AND ACROSS PART OF THE NORTHWEST ¼ OF SECTION 3, T.1N., R.8E., CITY OF NOVI, OAKLAND COUNTY, MICHIGAN, THE CENTERLINE OF WHICH IS DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SECTION 3, T.1N., R.8E., CITY OF NOVI, OAKLAND COUNTY; THENCE N.87°13'11"E., 321.93' TO THE SOUTHWEST CORNER OF SECTION 34, T.2N., R.8E., CITY OF WALLED LAKE, OAKLAND COUNTY, MICHIGAN; THENCE CONTINUING ALONG THE NORTH LINE OF SAID SECTION 3, N.87°19'25"E., 1314.83' (THE LAST TWO COURSES RECORDED AS EAST 1636.80'; THENCE S.26°31'40"W., 295.48' TO A ½" IRON ROD IN A MONUMENT BOX; THENCE S.32°14'58"W., 811.36' (THE LAST TWO COURSES RECORDED AS S.35°09'W., 1121.21'); THENCE S.32°14'58"W., 428.25'; THENCE S.57°45'02"E., 83.00' TO THE POINT OF BEGINNING OF AN EASEMENT 12.00' IN WIDTH, LYING 8.00' ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE; THENCE PROCEEDING S.57°45'02"E., 124.50'; THENCE N.32°14'58"E., 196.02'; THENCE N.13°20'06"E., 29.78'; THENCE N.43°22'26"E., 44.18'; THENCE N.82°17'52"E., 37.86'; THENCE S.68°44'47"E., 27.21'; THENCE S.42°54'57"E., 45.12'; THENCE S.55°50'30"E., 253.16' TO A POINT KNOWN HEREAFTER AS POINT "A"; THENCE CONTINUE SOUTHEASTERLY ALONG SAID LINE, A DISTANCE OF 143.18'; THENCE S.65°14'58"E., 51.46'; THENCE S.20°32'47"E., 44.18'; THENCE S.20°30'26"W., 44.18'; THENCE S.49°26'41"W., 29.40'; THENCE S.30°39'24"W., 141.58' TO A POINT KNOWN HEREAFTER AS POINT "B"; THENCE CONTINUE SOUTHWESTERLY ALONG SAID LINE, A DISTANCE OF 79.45'; THENCE S.35°45'26"W., 82.35'; THENCE S.30°14'28"W., 44.07'; THENCE S.71°17'41"W., 44.18'; THENCE N.67°30'05"W., 44.18'; THENCE N.38°42'51"W., 29.40'; THENCE N.57°30'07"W., 388.89'; THENCE N.68°24'05"W., 52.55'; THENCE N.29°17'57"W., 44.18'; THENCE N.11°45'16"E., 44.18'; THENCE N.48°31'28"E., 37.47'; THENCE N.32°14'58"E., 108.19' TO THE POINT OF ENDING.

TOGETHER AND ALONG WITH A 12.00' WIDE EASEMENT, LYING 6.00' ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

BEGINNING AT THE POINT DESCRIBED HERETOFORE AS POINT "A", THENCE PROCEEDING N.34°09'30"E., 132.50' TO THE POINT OF ENDING.

TOGETHER AND ALONG WITH A 20.00' WIDE EASEMENT, LYING 10.00' ON EACH SIDE OF THE FOLLOWING DESCRIBED CENTERLINE:

BEGINNING AT THE POINT DESCRIBED HERETOFORE AS POINT "B", THENCE PROCEEDING S.59°20'36"E., 180.09' TO A POINT WHERE THE EASEMENT SPLITS INTO TWO LEGS; ONE OF WHICH BEARS S.42°05'46"W., 11.10' TO THE POINT OF ENDING; THE OTHER LEG OF WHICH BEARS N.42°05'46"E., 26.30' TO THE POINT OF ENDING

APRIL 29, 2002
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FILES\2000\000303\SURVEY-PLATTING-CONDOLD\EXHIBIT A WATER MAIN 042902.AWS LD.DOC

SUBORDINATION AGREEMENT

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See Exhibit "A"

consisting, more particularly of the following:

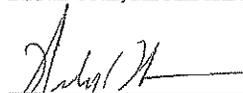
A mortgage dated September 19, 2001, and recorded October 25, 2001, in Liber 23915, Page 89, Oakland County Records.

WHEREAS, the owner of the subject property, FPC - Summerlin, L.L.C., has granted to the City of Novi an easement over said property for Sanitary Sewer system, a copy of which is attached hereto as Exhibit "B".

NOW, THEREFORE, in consideration of the sum of One Dollar (\$1.00) and other valuable consideration, the receipt of which is hereby acknowledged, the undersigned does hereby waive the priority of the above-mentioned mortgage over said Easement, intending hereby that the rights of the undersigned and its successors and assigns under the aforesaid mortgage shall be as though the above Easement was established prior to the execution and recording of the aforesaid mortgage.

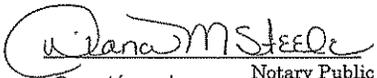
IN WITNESS WHEREOF, the undersigned has executed this Subordination Agreement this 27 day of Aug, 2002.

BANK ONE, MICHIGAN


By: Wesley L. Williams
Its: First Vice President

State of Michigan)
) ss
County of Oakland)

On this 27th day of August, 2002, before me a Notary Public in and for said county appeared to me known to be the person described in and who executed the foregoing instrument and respective acknowledged that he/she executed the same for and on behalf of said corporation.

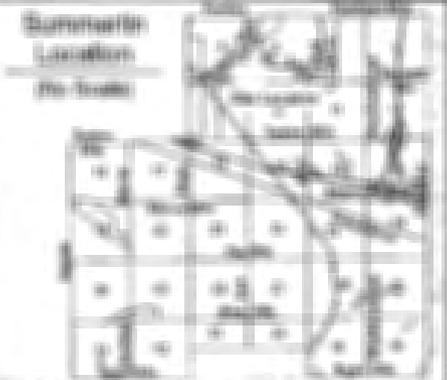

Notary Public
Oakland County, Michigan
My Commission Expires: 6/20/03
DIANA M. STEELE
Notary Public, Oakland County, MI
My Commission Expires June 20, 2003

Drafted by and return to:
Gary E. Bowman
JCK & Associates, Inc.
P.O. Box 759
Novi, MI 48376



City of North Miami
 Proposed Acquisition of Water & Sewer System Utilities

Site and Flow Diagram
 City of North Miami Engineering Division



Map Legend

- Water Main System Proposed for Acquisition
- Sewer System Proposed for Acquisition
- Street
- Canal

