

MASTER DEED FOR LAKE PINES CONDOMINIUMS

as required by the Michigan Condominium Act,
MCLA 559.101 et seq. MSA 26.50(101) et seq.

This Master Deed is made and signed on September 4, 1997. The Developer is JAMES A. HIPPLER, 4623 Lake Chapin Road, Berrien Springs MI 49103.

The Developer is constructing a residential condominium project to be known as LAKE PINES, pursuant to the architectural plans approved by the Township of Berrien, on a parcel of land described in Article II of this document. The developer desires, by recording this Master Deed together with the condominium bylaws and the condominium subdivision plan, both of which are incorporated by reference and made a part of this document, to establish this real property and the improvements and appurtenances now and in the future located on it as a condominium project under the provisions of the Michigan Condominium Act.

By recording this document, the developer establishes LAKE PINES as a condominium project under the act and declares that the project shall be held, conveyed, hypothecated, encumbered, leased, rented, occupied, improved and used subject to the act and to the conditions stated in this Master Deed, all of which shall run with the land and burden and benefit the Developer; its successors and assigns; any persons acquiring or owning an interest in the real property; and their grantees, successors, heirs, executors, administrators and assigns.

ARTICLE I THE PROJECT

The project is a residential expandable condominium project that is being constructed in a single phase to comprise a total of twenty (20) residential living units. The Developer and his successors specifically reserve the right to elect, within six (6) years after the initial recording of the Master Deed for the project, to contract the project by withdrawing all or part of the land described in Article II by an amendment or a series of amendments to the Master Deed, without the consent of any co-owner, mortgagee, or other party. However, no unit that has been constructed and sold may be withdrawn without the consent of the owner and the mortgagee of the unit. Except as stated in this document, no restrictions or limitations on such an election exist regarding what land may be withdrawn, when or in what order land may be withdrawn, or how many units or common elements may be withdrawn.

The twenty (20) condominium units that compose the project, including the numbers, boundaries, dimensions, and areas of them, are completely described in the condominium subdivision plan. Each unit is suitable for individual use, having its own entrance from and exit to a common element of the project. Each co-owner in the project shall have a particular and exclusive property right to the co-owner's unit and to the limited common elements appurtenant to it and shall have an undivided and inseparable right to share the general common elements of the project with the co-owners, as designated by this Master Deed, except as hereinafter provided.

ARTICLE II LEGAL DESCRIPTION

The land on which the project is situated and which is submitted for condominium ownership pursuant to the Michigan Condominium Act, is located in Berrien Township and is described as follows:

(said parcel of land to be known as LAKE PINES when the Master Deed becomes a matter of record).

ARTICLE III DEFINITIONS

Certain terms are used not only in this Master Deed but also in other documents for the condominium, such as the articles of incorporation; the association bylaws; the rules and regulations of LAKE PINES and deeds, mortgages, liens, land contracts, easements and other documents affecting interests in the project. As used in such documents, the following definitions apply unless the context otherwise requires:

1. ***THE ARBITRATION ASSOCIATION*** means the American Arbitration Association or its successor.
2. ***THE ASSOCIATION OF CO-OWNERS or THE ASSOCIATION*** means the nonprofit corporation organized under Michigan law of which all co-owners must be members. This corporation shall administer and maintain the project. Any action required of or permitted to the association may be carried out by its Board of Directors unless it is specifically reserved to its members by the condominium documents or Michigan law.
3. ***THE ASSOCIATION BY-LAWS*** means the corporate bylaws of the association organized to maintain and administer the project.
4. ***COMMON ELEMENTS***, if used without modification, means the part of the project other than the condominium units, including all general common elements described in Article IV.
5. ***CONDOMINIUM BY-LAWS*** means Exhibit A, which is the bylaws stating the substantive rights and obligations of the co-owners.
6. ***CONDOMINIUM DOCUMENTS*** include this Master Deed and all its exhibits recorded pursuant to the Michigan Condominium Act and any other documents referred to in this document that affect the rights and obligations of a co-owner in the condominium.

7. **THE CONDOMINIUM SUBDIVISION PLAN** means Exhibit B, which is the site drawing, the survey, and other drawings depicting the existing and proposed structures and improvements, including their locations on the land.

8. **CONDOMINIUM UNIT or UNIT** means that part of the project designed and intended for separate ownership and use, as described in this Master Deed.

9. **CO-OWNER** means a person, a firm, a corporation, a partnership, and association, a trust, or another legal entity or any combination who owns a condominium unit in the project, including a vendee of a land contract of which the purchase is not in default. **OWNER** is synonymous with **CO-OWNER**.

10. **THE DEVELOPER** means JAMES HIPPLER who has made and signed this Master Deed, as well as his successors and assigns.

11. **GENERAL COMMON ELEMENTS** means those common elements of the project described in Article IV(1), which are for the use and enjoyment of all co-owners, subject to such charges as may be assessed to defray the operation costs and subject to limitation of usage to certain units only of the condominium project.

12. **THE MASTER DEED** means this instrument as well as its exhibits and amendments, by which the project is submitted for condominium ownership.

13. **PERCENTAGE OF VALUE** means the percentage assigned to each unit by this Master Deed, which determines the value of a co-owner's vote at association meetings when voting by value or by number and value and the proportionate share of each co-owner in the common elements of the project.

14. **THE PROJECT or THE CONDOMINIUM** means LAKE PINES CONDOMINIUM, a condominium development established in conformity with the Michigan Condominium Act.

15. **THE TRANSITIONAL CONTROL DATE** means the date when a Board of Directors for the association takes office pursuant to an election in which the votes that may be cast by eligible co-owners unaffiliated with the developer exceed the votes that may be cast by the developer.

Whenever a reference is made in this document to the singular, a reference shall also be included to the plural if appropriate.

ARTICLE IV COMMON ELEMENTS

The common elements of the project as depicted in Exhibit B and the responsibilities for their maintenance, repair and replacement are as follows:

1. The general common elements are:

(a) the land described in Article II, including easement interests of the condominium in the land provided to it for ingress and egress, if any;

(b) streets, walkways, trees, shrubs and other plantings on common areas.

(c) the street lighting system and other electrical, telephone and cable television wiring networks throughout the common areas of the project, including those within common walls, floors, and ceilings;

(d) the plumbing and gas-line networks throughout the common areas of the project.

(e) the water distribution system, underground sprinkling system, sanitary sewer system, and storm drainage system serving the project; if any.

(f) all other common elements of the project that are not enclosed within the boundaries of a condominium unit and that are intended for common use or are necessary for the existence, upkeep or safety of the project.

2. Responsibilities for cleaning, decorating, maintaining, repairing and replacing the common elements are as follows:

(a) The costs of cleaning, decorating, maintaining, repairing and replacing all general common elements other than those described above shall be borne by the owners of Units 1 through 12 inclusive, except for repairs or replacements necessitated by the acts or neglect of co-owners or their agents, invitees, family members or pets.

(b) If any unit owner elects to construct or install any improvements, with written consent from the association, to the common elements appurtenant to the unit that increase the costs of maintenance, repairs or replacements for which the association is responsible, the association may assess the increased costs or expenses against the unit.

3. Except as stated in this Master Deed, condominium units shall not be separable from the common elements appurtenant to them and shall not be used in any manner inconsistent with the purposes of the project or in any other way that would interfere with or impair the rights of any co-owner to use and enjoy the co-owner's unit or the common elements appurtenant to it.

ARTICLE V

PERCENTAGES OF VALUE OF CONDOMINIUM UNITS

1. The total value of the project is 100, and the percentage assigned to each condominium unit shall be as stated in provision 3 of this article. Except as otherwise provided in this Master Deed, a percentage of value shall be changed only in the manner provided by Article VII, in a signed and recorded amendment to the Master Deed.

2. The number of each condominium unit in the project as it appears on the condominium subdivision plan and the percentage of value assigned to each unit are as follows:

<u>UNIT NO.</u>	<u>PERCENTAGE OF VALUE ASSIGNED</u>
1	16.67%
2	16.67%
3	16.67%
4	16.67%
5	16.67%
6	16.67%

At such times as Units 7 through 12 inclusive are sold, the value assigned to each Unit shall be adjusted prorata so that upon the sale of Units 1 through 12 inclusive, all Units shall bear a percentage of value assigned of 8.33%.

3. The developer may modify the number, size, style and location of a unit as described in Exhibit B by an amendment effected solely by the developer or his successors without the consent of any co-owner, mortgagee, or other party, as long as the modification does not unreasonably impair or diminish the appearance of the project or the view, privacy, or other significant attributes or amenities of other units that adjoin or are proximate to the modified unit. No unit that has been sold or is subject to a binding purchase agreement shall be modified without the consent of the co-owner or of the purchaser and the mortgagee. The developer may also, in connection with any such amendment, readjust percentages of value for all units to give reasonable recognition to such a modification. However, no unit modified in accordance with this provision shall be conveyed until an amendment to the Master Deed has been recorded. All co-owners, mortgagees of units, and other parties interested in the project shall be deemed to have unanimously consented to any amendments necessary to effect such modifications and, subject to the limitations stated in this Master Deed, to the proportionate reallocation of percentages of value of existing units that the developer or its successors determines is necessary in conjunction with such modifications. All such interested parties irrevocably appoint the developer or its successors as agent and attorney to sign such amendments to the Master Deed and all other condominium documents as may be necessary to effect such modifications.

ARTICLE VI EASEMENTS

There shall also be permanent easements in favor of the association for the maintenance and repair of common elements for which the association is responsible. There shall be easements to, through, and over those parts of the land, structures, buildings, improvements and walls as is reasonable for the installation, maintenance and repair of all utility services furnished to the project. Public utilities shall have access to the common elements and to the units at reasonable times for the installation, repair or maintenance of such services. Any costs incurred to install, repair or maintain such services shall be an administration expense assessed against all co-owners in accordance with the condominium bylaws.

Until final completion of the project as described in Article I of this Master Deed, the developer reserves nonexclusive easements for the benefit of himself and his successors and assigns to use, at any time without charges other than the reasonable cost of work performed, utilities consumed, or maintenance required as a direct result of such use, (1) for the unrestricted use of all roads, driveways and walkways in the condominium for the purpose of ingress and egress to and from any part of the land described in Article II and (2) to use, tap into, tie into, extend or enlarge all utility lines and mains, public and private, located on the land described in Article II.

As long as the developer owns at least one unit in the project, it shall be subject to the provisions of this Master Deed.

ARTICLE VII AMENDMENTS AND TERMINATION

1. If there is no co-owner other than the developer, the developer may unilaterally amend the condominium documents or, with the consent of any interested mortgagee, unilaterally terminate the project. All documents reflecting such amendment or termination shall be recorded in the public records of Berrien County, Michigan.

2. If there is a co-owner other than the developer, the condominium documents may be amended for a proper purpose only as follows:

(a) An amendment may be made without the consent of any co-owners or mortgagees if the amendment does not materially alter the rights of any co-owners or mortgagees of units in the project, including amendments to modify the types and sizes of unsold condominium units; amendments to facilitate conventional mortgage loan financing for existing or prospective co-owners; and amendments enabling the purchase of such mortgage loans by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Governmental National Mortgage Association, or any other agency of the federal government or the State of Michigan.

(b) Even if an amendment would materially alter the rights of any co-owners or mortgagees, it can be made if at least two-thirds of the co-owners and mortgagees consent. Rights reserved by the developer in this Master Deed, including rights to amend the Master Deed for purposes of expansion, contraction, or modification of units shall not be amended without written consent from the developer as long as the developer or its successors continue to own or to offer for sale any unit in the project. For the purpose of this provision, the mortgagee shall have one vote for each mortgage held.

(c) The developer may also make a material amendment unilaterally without the consent of any co-owner or mortgagee for the specific purposes reserved by the developer in this Master Deed. Until the completion and sale of all units as described in Article I, such rights reserved by the developer may not be further amended except with written consent from the developer or his successors or assigns.

(d) A person causing or requesting an amendment to the condominium documents shall be responsible for the costs and expenses of the amendment, except for amendments based on a vote of the prescribed majority of co-owners and mortgagees or based on the advisory committee's decision, the costs of which are administration expenses. The co-owners and mortgagees of record shall be notified of proposed amendments under this provision at least ten (10) days before the amendment is recorded.

(e) If there is a co-owner other than the developer, the project may only be terminated with the consent of the developer and at least eight percent (80%) of the co-owners and mortgagees, as follows:

(1) The agreement of the required number of co-owners and mortgagees to terminate the project shall be evidenced by their signing of the termination agreement or ratification of it. The termination shall become effective only when this evidence of the agreement is recorded.

(2) On recording an instrument terminating the project, the property constituting the condominium shall be owned by the co-owners as tenants in common in proportion to their undivided interests in the common elements immediately before recordation. As long as the tenancy in common lasts, each co-owner or the heirs, successors, or assigns shall have an exclusive right of occupancy of that portion of the property that formerly constituted the condominium unit.

(3) On recording an instrument terminating the project, any rights the co-owners may have to the assets of the association shall be in proportion to their undivided interests in the common elements immediately before recordation, except that common profits shall be distributed in accordance with the condominium documents and the Michigan Condominium Act.

(4) Notification of termination by first-class mail shall be made to all parties interested in the project, including escrow agents, land contract vendors, creditors, lienholders and prospective

purchasers who have deposited funds. Proof of dissolution must be submitted to the administrator.

WITNESSED BY:

Wanda Perry
Norma Carpenter

LAKE PINES CONDOMINIUMS

By: James Hippler
Developer

**STATE OF MICHIGAN
COUNTY OF BERRIEN SS**

Subscribed and sworn to before this 4th day of September, 1997, by JAMES HIPPLER, Developer of LAKE PINES CONDOMINIUM.

My Commission Expires: 4/26/2000
Notary Public, Berrien County, Michigan

Wanda Perry