

Phase must be a Member of the Association and shall be subject to the covenants, restrictions, easements, charges, liens, and other terms of this Declaration. Such amendment(s) shall also provide that the Common Areas contained within the Subdivision and all common areas contained within the applicable Subsequent Phase shall be for the use and benefit of all Owners of Lots in the Subdivision and the applicable Subsequent Phase. At any time after the Class A Members acquire the right to vote, the Association may amend this Declaration to add any one or more Subsequent Phase by a written instrument recorded in the real estate records of the Register of Deeds of Macomb County, which instrument is signed by the then Owners of two-thirds (2/3s) of the Lots in the Subdivision (which term, for purposes of this sentence, shall mean Deerfield Park South Subdivision No. 1 plus any Subsequent Phase previously made subject to this Declaration in accordance with the terms hereof) and by Developer if Developer remains a Class B Member.

Section 7.02 Term. This Declaration and the Covenants, Conditions, Restrictions, and Agreements of this Declaration shall continue in full force and effect and run with and bind the land and shall inure to the benefit of the Owner of any land subject to this Declaration, said Owner's representatives, heirs, successors, and assigns for a term of twenty (20) years from the date this Declaration is recorded and shall thereafter be extended for successive periods of ten (10) years unless an instrument signed by the then Owners of two-thirds (2/3) of the Lots has been recorded changing said Declaration in whole or in part.

Section 7.03 Enforcement. Developer, the Association and any Owner shall have the right to enforce, by proceedings at law or in equity, all covenants, conditions, restrictions, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by Developer, the Association or any Owner to enforce any covenants or restrictions herein contained shall in no event be deemed a waiver thereof or a waiver of any right to enforce the same at any time thereafter.

Section 7.04 Insurance Proceeds. All proceeds of any insurance maintained with respect to the Nicol Drain and/or any assets of the Association and the Common Areas, Sidewalks, Greenbelt, and Entranceway Features (but only if said Common Areas, Sidewalks, Greenbelt, and Entranceway Features have been conveyed to the Association), and all proceeds of any condemnation proceedings or sales in lieu of condemnation relating to the assets of the Association or to the Common Areas, Sidewalks, Greenbelt, and Entranceway Features (but only if said Common Areas, Sidewalks, Greenbelt, and Entranceway Features have been conveyed to the Association) shall be paid to the Association and shall be the property of the Association and not of its Members or any other persons or entities.

Section 7.05 Severability. The invalidation of any one or more of the covenants, conditions, restrictions and agreements of this Declaration by judgment or court order, shall in no way affect the validity of any of the other provisions of this Declaration, and the same shall remain in full force and effect.

Section 7.06 Notices. Each Owner shall file the correct mailing address of such Owner with Developer and shall promptly notify Developer in writing of any subsequent change of address. Developer shall maintain a file of such addresses and make the same available to the Association. A written or printed notice, deposited in the United States Mail, postage prepaid and addressed to any Owner at his last known address shall be sufficient and proper notice to such Owner, whenever notices are required in this Declaration.

Section 7.07 Number and Gender. As used in this Declaration, any gender shall include any other gender, the plural shall include the singular and the singular shall include the plural, whenever appropriate.

Section 7.08 Execution of Additional Documents. Each of the Owners, at no expense to itself, hereby agrees, at the request of Developer or the Association, to perform such further acts and execute all such further documents as may be required or desirable in the sole discretion of Developer or the Association, to carry out the purposes of this Declaration.

C0479155 LIBER:07356 PAGE:672 01:19P 02/18/1997
CARMELLA SABAUGH-MACOMB COUNTY, MI REG/DEEDS

Section 5.22 Reciprocal Negative Easements. Unless otherwise expressly provided for in this Declaration, no mutual or reciprocal negative easements shall be deemed to arise or be created hereunder with respect to any land situated outside the boundaries of the Plat of the Subdivision.

Section 5.23 Restrictions on Leasing. The lessees of any Lot shall be subject to the terms and conditions of this Declaration, the Articles of Incorporation and By-Laws of the Association, and all rules and regulations promulgated pursuant thereto, all of which shall be incorporated by reference into the lease of any Lot, and any violation of the same by a lessee shall be deemed to be a violation by the lessor-Owner and subject that Owner to the same penalties and sanctions as if the Owner had violated the Declaration, Articles of Incorporation, By-Laws, or rules and regulations, as applicable.

Section 5.24 Sidewalks. If required by the Township, each Owner shall install a sidewalk in the right of way of the Road adjacent to said Owner's Lot and shall maintain, repair and replace said sidewalk in accordance with the requirements of the Township and the Association. Each Owner shall keep the sidewalk so installed reasonably free of ice, snow, and debris.

ARTICLE VI ARCHITECTURAL CONTROLS

Section 6.01 Architectural Controls. It is understood and agreed that the purpose of architectural controls is to promote an attractive, harmonious residential development having continuing appeal. Accordingly, unless and until pertinent construction plans and specification are submitted to, and approved by, Developer in accordance with the provisions of Section 6.02 below, (i) no building, fence, wall or other Structure or other item for which approval by the Developer is required under Article V above shall be commenced, erected or maintained on a Lot, and (ii) no addition, change or alteration thereto shall be made, except for interior alterations.

Section 6.02 Submission of Plans and Plan Approval. All plans, specifications and other related materials pertaining to the proposed project shall be filed in the office of Developer, or with any agent specified by Developer, for approval or disapproval. Said construction plans and specifications shall show the nature, kind, shape, height, materials (including samples of exterior building materials upon request), approximate cost of such building or other Structure, proposed drainage of surface water, location and grade of all Structures and other improvements, as well as utilities and parking areas for the subject Lot. Developer shall have the sole and absolute authority and discretion to review and approve or disapprove the plans or specifications and/or any part thereof and/or to request further documentation and/or information. Developer shall have the right to refuse to approve any plans or specifications or grading plans, or portions thereof, which are not suitable or desirable in the sole and absolute discretion of Developer, for aesthetic or other reasons. In considering such plans and specifications, Developer shall have the right to take into consideration compatibility of the proposed Structure(s) with the surroundings and the affect of the Structure(s) on the view from adjacent or neighboring properties. It is desired that the natural landscape and trees be left in their natural state as much as possible or practical.

A report in writing setting forth the decision of Developer, and the reasons therefor, shall be furnished to the applicant by Developer within thirty (30) days from the date of filing of complete plans, specifications and other materials by the applicant. Prospective Builders and Owners are encouraged to submit preliminary sketches for informal comment prior to the submission of architectural drawings and specifications. Developer will endeavor to aid and cooperate with prospective Builders and Owners and make suggestions based upon its review of preliminary sketches. Notwithstanding the foregoing, failure of Developer to give written notice of its disapproval of any final architectural plans and/or specifications submitted pursuant to the requirements of this Article VI within thirty (30) days from the date submitted shall constitute approval thereof (provided, however, that if Developer, during that thirty (30) day period, requests further information or documentation, then the thirty day period for response by Developer shall not commence to run until the date that all requested information and/or documentation has been supplied). Developer shall be entitled to charge each applicant a review fee, in an amount

not to exceed Two Hundred Fifty and 00/100 (\$250.00) Dollars, to reimburse Developer for any actual costs incurred in connection with the review of said applicant's plans, specifications and related materials. The Developer may require that the Owner furnish to the Developer adequate security, in the Developer's discretion, to protect the Developer against costs and expenses that it might incur in the event that the contemplated construction is not completed timely and in accordance with the plans and specifications as approved in accordance with this Section 6.02. No approval pursuant to this Section 6.02 will be valid if the Structure or other improvement violates any of the restrictions or requirements in this Declaration, except in those cases in which waivers have been granted in accordance with this Declaration. Before commencing any construction, all permits and approvals required by the Township or other governmental agencies must be obtained; no approval pursuant to this Section 6.02 shall be construed as a representation, warranty, or opinion by the Developer that the proposed Structure is properly designed or that it will comply with applicable law, municipal ordinances, and/or other governmental requirements.

Neither Developer nor any person(s) or entity(ies) to which it delegates any of its rights, duties or obligations hereunder, including, without limitation, the Association and/or Architectural Control Committee referenced in Section 6.03 below, shall incur any liability whatsoever for approving or failing or refusing to approve all or any part of any submitted plans and/or specifications. Developer hereby reserves the right to enter into agreements with the grantee (or vendee) of any Lot(s) (without the consent of grantees or vendees of other Lots or adjoining or adjacent property) to deviate from any or all of the restrictions set forth in this Declaration, provided that said grantee or vendee demonstrates that the application of the particular restriction(s) in question would create practical difficulties or hardships for said grantee or vendee. Any such deviation shall be evidenced by a written agreement and no such deviation or agreement shall constitute a waiver of any such restriction as to any other Lot or Owner.

Section 6.03 Architectural Control Committee. At such time as the Class A Members obtain voting rights in the Association, or, at such earlier time as Developer may elect, Developer shall delegate and assign all of its rights, duties and obligations as set forth in Articles V and VI, to an Architectural Control Committee representing the Owners of Lots or to the Association, provided that such assignment shall be accomplished by a written instrument wherein the assignee expressly accepts such powers and rights. Such instrument, when executed by the assignee, shall, without further act, release Developer from the obligations and duties in connection therewith. If such assignment or delegation is made, the acts and decisions of the assignee or delegatee as to any matters herein set forth shall be binding upon all interested parties. If Developer assigns its rights and obligations under Articles V and VI to an Architectural Control Committee, said Committee shall consist of no less than three (3) Members and no more than five (5) Members, to be appointed by Developer. Developer may transfer its right to appoint members of the Architectural Control Committee to the Association. Until such time, however, Developer reserves the right to appoint and remove members of the Committee in its sole discretion. Notwithstanding the foregoing, at such time as the Class A Members have elected the Board of Directors of the Association, the right to appoint members of the Architectural Control Committee shall be deemed to be vested in the Association.

ARTICLE VII GENERAL PROVISIONS

Section 7.01 Amendment and Expansion. The covenants, conditions, restrictions and agreements of this Declaration (excluding the provisions of Section 5.15) may be amended by Developer, without the consent of any other Owner or any other person or entity whatsoever (whether or not any such person or entity shall now or hereafter have any interest in any Lot or portion of the Property, including mortgagees and others), at any time prior to the date that Class A Members acquire the right to vote, subject to the approval of the Township if such approval is required. In addition, provided that Developer has an ownership interest in all, or any part, of the Property, Developer, without the consent of any other Owner or any other person or entity whatsoever (whether or not any such person or entity shall now or hereafter have an interest in any Lot or portion of the Property, including mortgagees and others), may amend this Declaration as may be necessary or required to comply with the requirements of any federal, state, county or local statute, ordinance, rule, regulation or formal requirement relating to all or any part of the Property. The right of amendment herein described includes the right of the Developer, on any one or more occasion in the future, to amend this Declaration to add to it any Subsequent Phase. Any such amendment(s) to this Declaration shall provide that each Owner of a residential lot in the applicable Subsequent

on said Lot or mowing, removing, clearing, cutting, or pruning any grass, underbrush, weeds or other unsightly or inappropriate growth or condition that Developer concludes detracts in any material way from the appearance of the Lot or the Subdivision or constitutes a threat to the health, safety, or welfare of the Owner or any occupant of the applicable Lot. The Owner of the Lot must reimburse the Developer for the cost of any such actions. In no event shall such entry or action pursuant to this section be deemed a trespass. Nothing herein contained shall be construed as imposing any obligation on the Developer to take the actions herein permitted.

Section 5.19 Sales Office. Notwithstanding anything to the contrary contained in this Declaration, Developer and/or any Builder having Developer's prior approval may construct and maintain on any Lot a model home and/or real estate sales office with such promotional signs as Developer approves; Developer and any Builder receiving from Developer the approval herein required may continue the operation of such model home and/or real estate sales office until all of the Lots in which Developer or such Builder, as applicable, holds an ownership interest have been sold.

Section 5.20 Wetlands. No wetlands within the Subdivision shall be modified in any manner by any person or entity other than Developer or its authorized representative unless a permit for such modification has been issued by each governmental unit or agency having jurisdiction over such wetlands within the Subdivision.

Section 5.21 Reservation of Easements. Easements for the construction, installation, maintenance, repair, operation, improvement, and replacement of the Nicol Drain, Greenbelt, public and private utilities and for drainage facilities and other purposes are as shown on the recorded Plat. Additionally, but subject to applicable municipal ordinances and the Subdivision Act, easements for the construction, installation, maintenance, operation, repair, improvement, and replacement of telephone facilities, cable television facilities, natural gas facilities, electric facilities, drainage facilities, sanitary sewer facilities, storm sewer facilities, water supply facilities, and other public and private utility and telecommunication facilities, are hereby reserved to Developer, its successors and assigns, over, under and across the Nicol Drain and the easements shown on the Plat and/or as may otherwise appear of record or as such easements may hereafter be required in the sole discretion of Developer. Developer shall have the right and authority at any time to enter into such maintenance or other agreements with the Township or other governmental authority as Developer may determine to be necessary or appropriate for the purpose of providing for the construction, installation, maintenance, operation, repair, improvement, or replacement of any such easements or facilities located upon, over, under or through such easements and for the further purpose of providing for assessments for such purposes against any or all of the Lots within the Subdivision. To the extent provided for in any such agreement(s), such assessments shall be levied as provided for therein and shall constitute a lien upon the Lot(s) upon which they are levied. No Structure, landscaping or other materials shall be placed or permitted to remain within any of the foregoing easements which may damage or interfere with the installation or maintenance of the aforesaid utilities or which may change, obstruct or retard the flow or direction of water in, on or through any drainage channels, if any, in such easements, nor shall any change be made by any Owner in the finished grade of any Lot once established by the builder of any residential dwelling thereon, without the prior written consent of Developer. Developer shall have access over each Lot for the maintenance of all improvements in, on, over and/or under any easement which burdens such Lot, without charge or liability for damages. Except as may otherwise be provided in this Declaration, or in any maintenance agreement made between Developer and any municipal or governmental authority, the Owner of each Lot shall maintain the service area of all easements within his Lot plus those portions of the Nicol Drain that are located within his Lot, keep grass and weeds therein cut, keep the area free of trash and debris and take such actions as may be necessary to eliminate or minimize surface erosion. The Owner of each Lot shall be liable for any damage to any improvements which are located in, on, over and/or under the subject easement, including, but not limited to, damage to water, sewer, electric, gas, telephone, cable television and other utility facilities, which damage arises as a consequence of any act or omission of the Owner, his agents, contractors, employees, invitees and/or licensees.

C0479155 LIBER:07356 PAGE:669 01:19P 02/18/1997
CARMELLA SABAUGH-MACOMB COUNTY, MI REG/DEEDS

lines, and all connections to same, shall be installed underground; provided, however, that above ground transformers, pedestals and other above ground electric, cable television, and telephone utility equipment associated with or necessary for underground utility installations and distribution systems and surface and off-site drainage channels and facilities, as well as streetlight stanchions shall be permitted.

Section 5.11 Dwelling Elevation. No residential dwelling elevation shall be substantially similar to the elevation of any of the residential dwellings on any three (3) adjacent Lots on the same side of the street or of Lots directly across the street from said adjacent Lots.

Section 5.12 Fences. No perimeter or other fences, exterior walls or similar structures shall be erected on any Lot without the prior approval of Developer.

Section 5.13 Landscaping and Grass Cutting. Upon completion of construction of a residential dwelling on any Lot, the Owner thereof shall cause such Lot to be finish graded, seeded or sodded and suitably landscaped as soon thereafter as weather permits, and, in any event, within six (6) months from the date of completion. When weeds or grass on any Lot exceed three (3) inches in height, the Owner of said Lot shall mow or cut said weeds and grass over the entire Lot except those areas that are wooded or that constitute wetlands. If said Owner fails to mow or cut the weeds or grass on said Owner's Lot within ten (10) days of notification from the Developer of the necessity for taking such action, the Developer may perform such work and the cost thereof shall be assessed against and shall become a lien upon the applicable Lot as provided in Article IV of this Declaration until paid. The Lots owned by Developer or a Builder shall be exempt from the restrictions contained in this Section 5.13 until conveyance of the Lot to an Owner other than Developer or a Builder. The obligations of the Owner set forth in this Section 5.13 apply not only to the Owner's Lot but also to (i) the public right of way located between that Lot and the edge of the adjacent street pavement, and (ii) those portions of the Nicol Drain that are located within the Owner's Lot.

Section 5.14 Natural Drainage Ways. Where there exists on any Lot a condition of accumulation of storm water remaining over an extended period of time, the Owner may, with the approval of Developer and the Township, take such steps as shall be necessary to remedy such condition, subject to the provisions of Section 5.20 below and provided that no obstructions or diversions of existing storm drain swales and channels, over and through which storm water naturally flows upon or across any Lot, shall be made by an Owner in such manner as will cause damage to any other portion of the Subdivision.

Section 5.15 Nicol Drain. No Structure may be placed or maintained on any portion of the Nicol Drain.

Section 5.16 Signs. No signs of any kind shall be placed upon any Lot or on any Structure thereon, or any portion thereof, unless the plans and specifications therefor have been approved by Developer, with the exception of: (i) one sign of not more than five (5) square feet in area pertaining only to the sale or rent of the Lot upon which it is maintained; and (ii) signs not more than four (4) square feet in area pertaining only to a garage or yard sale conducted on the Lot which sale and sign placement shall not exceed three (3) days. Notwithstanding the foregoing, the signs permitted under subparagraphs (i) and (ii) of the foregoing sentence may not be installed within any portion of the Lot constituting a Common Area.

Section 5.17 Objectionable Sights. No radio, television, or other communications antenna of any type or satellite or cable television dish (or other reception or transmission device) shall be constructed or maintained outside of any residential dwelling without the prior approval of Developer.

Section 5.18 Maintenance. Each Owner of a Lot shall keep the residential dwelling and all other Structures and improvements thereon structurally sound, in a sanitary condition, and otherwise in good condition and repair, at all times. In no event shall the condition of the Lot or the residential dwelling or other Structures or improvements thereon be permitted to threaten the health, safety, or welfare of the Owner or any occupant of the Lot or to detract in any material way from the appearance of the Subdivision. The Developer reserves the right to enter upon any Lot for the purpose of removing any trash or debris as collected or accumulated

Section 5.02 Dwelling Quality and Size. The minimum square footage of floor area of a residential dwelling, exclusive of attached garages, steps, open and/or closed porches, breezeways and similar facilities not normally classified as living areas, shall be: (i) for one (1) story dwellings, not less than 1,400 square feet; and (ii) for one and one-half (1/2) and two (2) story dwellings (including bi-levels and tri-levels) not less than 800 square feet on the first floor.

Section 5.03 Building Location. All residential dwellings (which term shall include the garages and all other appurtenances to the residential dwellings) shall be located on each Lot at least twenty-five (25) feet from the front Lot line [except that with respect to Lots fronting on a Major Road, as such term is defined in the Master Thoroughfare Plan of Macomb Township, all buildings and structures shall be located at least thirty (30) feet from the front Lot line]. Residential dwellings shall be located at least thirty-five (35) feet from the rear Lot line and at least five (5) feet from any side Lot line, and the combined width of both side yards shall be not less than fifteen (15) feet. In addition, residential dwellings on adjoining Lots shall be located at least fifteen (15) feet apart. Notwithstanding the foregoing, all residential dwellings on corner Lots shall be located at least twenty-five (25) feet from any side street Lot line. For purposes of these setback and side yard provisions, eaves, steps and open porches shall not be considered as part of any residential dwelling.

Section 5.04 Nuisances. No obnoxious or offensive activity shall be carried on, in or upon any Lot nor shall anything be done thereon that may be or may become an annoyance to the neighborhood other than normal construction activity.

Section 5.05 Animals. No farm animals, livestock or wild animals shall be kept, bred, raised, or maintained on any Lot, nor shall any animals be kept, bred, raised, or maintained on any Lot for commercial purposes. Dogs, cats and other domestic animals commonly viewed as household pets may be kept, bred, raised, and maintained on a Lot so long as such pets shall have such care so as not to be offensive to others due to noise, odor or unsanitary conditions.

Section 5.06 Building Materials. All exterior building materials must be approved by Developer in accordance with Article VI below. The exterior walls and trim of residential dwellings (including attached garages) may not, however, be constructed of stucco or asphalt siding.

Section 5.07 Home Occupation. No home occupation, profession, trade, or commercial activity of any kind shall be conducted in any residential dwelling in the Subdivision with the exception of model homes owned by or the sales activities of Developer or Builders.

Section 5.08 Garbage and Refuse. No Lot shall be used or maintained as a dumping ground for rubbish, trash, garbage or other waste, and the same shall not be kept on any Lot except in closed sanitary containers properly concealed from public view, subject, however, to the provisions of Section 5.09 below. All incinerators and other equipment for the storage or disposal of rubbish, trash, garbage or other waste shall be kept in a clean, sanitary condition and in accordance with applicable governmental ordinances, rules and regulations. The use of any incinerator causing offensive odors when burning rubbish is forbidden.

Section 5.09 Temporary Structures. No mobile home, house trailer, shack, storage shed, barn or other Structure of a similar or temporary character may be placed or maintained upon any Lot at any time. Notwithstanding the foregoing, the Developer, Builders, and their subcontractors and independent contractors may maintain construction and sales trailers and equipment on any Lot during the period when new homes are under construction in the Subdivision and may also, during such period, install dumpsters for construction debris and erect temporary storage buildings for materials and supplies, provided, however, that at no time shall such equipment or temporary Structures be used for a residence or be permitted to remain on a Lot after substantial completion of construction.

Section 5.10 Underground Utilities. All public and private utilities, such as water mains, sanitary sewer mains, storm sewers, gas mains, cable television, electric and telephone local subdivision distribution

Section 7.09 Assignment of Developer's Rights. Developer shall have the right to assign all of its rights and obligations under this Declaration, including the power to approve or disapprove any act, use or proposed action, to any other person or entity or to the Association. Any such assignment shall be made by appropriate instrument in writing duly recorded in the office of the Macomb County Register of Deeds.

Executed this 5th day of February, 1997.

WITNESSES:

Polaris Enterprises, a Michigan Co-Partnership
By: Polson Land Development Company, a Michigan Corporation, Co-Partner

Mary Zimmerman
Mary Zimmerman

[Signature]
By: ROBERT A. POLLACK
Its: President

Daune R. Wasilewski
Darlene R. Wasilewski
Pamela A. Richter
Pamela A. Richter
STATE OF MICHIGAN)

NBD BANK, a national banking association
By: [Signature]
Jon P. Dady
Its: FIRST VICE PRESIDENT

) SS
COUNTY OF OAKLAND)

The foregoing document was acknowledged before me this 5th day of February, 1997 by Robert A. Pollack, the President of Polson Land Development Company, a Michigan Corporation, a Co-Partner of Polaris Enterprises, a Michigan Co-Partnership, on behalf of said Corporation as Co-Partner of said Co-Partnership.

[Signature]
Notary Public CARLA MARIE DICICCO
NOTARY PUBLIC - MACOMB COUNTY, MI
MY COMMISSION EXPIRES 05-01-98
acting in Oakland County

STATE OF MICHIGAN)
) SS
COUNTY OF OAKLAND)

The foregoing document was acknowledged before me this 5th day of February, 1997 by Jon P. Dady First Vice President of NBD Bank, a national banking association, on behalf of said national banking association.

[Signature]
Notary Public CARLA MARIE DICICCO
NOTARY PUBLIC - MACOMB COUNTY, MI
MY COMMISSION EXPIRES 05-01-98
acting in Oakland County

DRAFTED BY:
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