

MLC:mtd
12/22/98

AGREEMENT TO ASSUME RESPONSIBILITY
FOR OPERATION OF PRIVATE SEWER SYSTEM

THIS AGREEMENT is entered into by and between PHEASANT RIDGE DEVELOPMENT COMPANY, INC., an Indiana corporation (the "Developer") and THE TOWNSHIP OF SHERMAN (the "Township").

R E C I T A L S

A. The Developer has proposed a 38 (for Phase I) unit (Lot, herein) subdivision, to be developed pursuant to the provisions of Act 59 of the Public Acts of 1978, as amended, portions of which will be within the Township, adjacent to Lake Templene, to be known as Pheasant Pointe (the "Development"), which project is to be developed on property described in Exhibit "A" attached hereto.

B. The Developer has proposed that certain Lots in the Development be served by a septic tank affluent pump and a treatment system, including dosing tank, dosing pumps, septic drain field, appurtenances and piping ("Sewer System").

C. The Developer has proposed that the Sewer System be owned and operated initially by the Developer and subsequently by the non-profit corporation to be known as Pheasant Pointe Condominium Association ("Association"), which is responsible for administration of the condominium and its common elements.

D. Pursuant to Michigan Administrative Code Rule 299.2933(4), promulgated by the Michigan Department of Environmental Quality ("MDEQ") pursuant to Public Act 98 of the Public Acts of Michigan of 1913, as amended, no construction permit will be issued by the MDEQ for the proposed privately owned Sewer System unless the Township agrees to "assume responsibility for the effective and continued operation of the proposed sewage system if the owner in any way fails to perform in this capacity".

E. The Township has determined that it is in the public interest to agree to assume such responsibilities, upon the terms and conditions set forth in this Agreement.

NOW, THEREFORE, for and in consideration of the mutual promises and covenants contained herein, the parties agree as follows:

1. Design/Construction of Sewer System. The Developer and the Association shall be primarily responsible for the design, permitting, construction, operation and maintenance of the Sewer System at no cost to the Township.

2. Township Responsibility. The Township shall assume responsibility for the effective and continued operation and maintenance of the Sewer System, if the Developer or the Association (or any other owner of the Sewer System) fail to perform in this capacity.

3. Contingent Responsibility. The Township's assumption of responsibility as set forth in paragraph 2 above is contingent upon the satisfaction of the following conditions to which the Developer consents by the execution of this Agreement. This Agreement shall be recorded in the St. Joseph County Records as a restrictive covenant against all Lots comprising the Development.

A. Capacity. The Sewer System shall provide sanitary sewer service to all Lots in the Development.

B. Governmental Approvals. The Sewer System shall receive all required approvals and permits from the MDEQ, the St. Joseph County Health Department, and all other agencies having jurisdiction thereof.

C. Location of Sewer System. The Sewer System shall be located exclusively in the general common elements of the Development and, except for underground piping, shall not be located within any individual Lot. Accordingly, all septic tanks, piping, affluent, electrical services and other appurtenances located entirely within a Lot shall be the responsibility of the individual owner thereof, and shall not under any circumstances be deemed part of the Sewer System for which the Township has agreed to assume responsibility.

D. Design. The Sewer System shall be designed in accordance with applicable laws, rules and regulations, and sealed by a licensed professional engineer ("Engineer"). The Engineer shall be insured for errors and omissions pursuant to an insurance policy with limits not less than One Million and No/100 Dollars (\$1,000,000.00).

E. Construction. The Sewer System shall be constructed and installed by a qualified contractor ("Contractor") pursuant to a written construction agreement between the Developer and the Contractor. The Contractor shall be insured for errors and omissions pursuant to an insurance policy with limits agreed upon by the Township and the Developer. The contract for construction of the Sewer System shall contain language stating that:

Contractor expressly acknowledges that (a) the Construction Contract is for the mutual benefit of both Developer and the Township of Sherman and (b) the Township has and will rely on Contractor's satisfactory performance of this Construction Contract. If the Township is required to assume responsibility or incur cost or liability, including regulatory fines or penalties or undertake any activities, including repair or replacement of the Sewer System, as a result of Contractor's failure to perform the Construction Contract, the Township shall be entitled to bring an action directly against Contractor for damages or other appropriate relief, and if successful, shall be entitled to recover from Contractor the Township's actual reasonable costs and reasonable attorney fees incurred in such action.

F. Record Drawings. The Township shall be provided, at the cost of the Developer, two (2) detailed record drawings of the Sewer System, including operation manuals, if any, within sixty (60) days after completion of substantial construction of the Sewer System.

G. Engineer's Certificate. The Engineer shall certify in writing to the Township that the Sewer System is designed in accordance with sound engineering practice, applicable statutes, rules and regulations, and that the Sewer System includes a "set aside" or "reserve" area for a complete replacement of the drain field.

H. Operator. The Developer and/or the Association shall execute a written operation contract (the "Operation Contract") with a qualified and licensed operator (the "Operator"), reasonably acceptable to the Township, to provide for the continued operation and preventative maintenance of the Sewer System. The Operator shall be insured for errors and omissions pursuant to an insurance policy with limits reasonably acceptable to the Township and Developer. The Operation Contract shall include the following express provisions:

The Operator is an independent contractor and shall not for any purpose be considered an employee of the Township.

Operator expressly acknowledges that (a) the Operation Contract is for the mutual benefit of both Developer, the Association and the Township of Sherman and (b) the Township will rely on Operator's satisfactory performance of this Operation Contract. If the Township is required to assume operation or maintenance responsibility for the Sewer System, or incur costs or liability of any sort, including regulatory fines and penalties, or to undertake any activities, including repair or replacement of the Sewer System as a result of Operator's failure to properly operate and maintain the Sewer System or Operator's failure to perform the Operation Contract, the Township shall be entitled to bring an action directly against Operator for damages or other appropriate relief, including actual attorney fees and expenses incurred by the Township in connection therewith, and if successful, shall be entitled to recover from Operator the Township's actual reasonable costs and reasonable attorney fees incurred in such action.

I. Insurance. The Developer shall maintain a policy of casualty insurance for the replacement value of the insurable components of the Sewer System and a policy of comprehensive general liability insurance of at least \$1,000,000.00, single-limit coverage, which insurance shall name the Township as an additional insured. Such insurance shall provide that any notice of cancellation be furnished to the Township at least thirty (30) days prior the cancellation date.

J. Easements. The Developer shall be deemed to have granted such easements and/or other means of access to the Township, as are reasonable and necessary to

provide the Township with proper ingress and egress to all components of the Sewer System and to provide adequate working areas necessary for operation and maintenance.

K. Cash Escrow or Letter of Credit. Before a building permit is issued for construction of any residence on a Lot in the Development, Developer or the Association shall furnish Township with either (1) a cash escrow in the amount of One Hundred Sixty Thousand and No/100 Dollars (\$160,000.00), or (2) an irrevocable letter of credit in favor of the Township, in the amount of One Hundred Sixty Thousand and No/100 Dollars (\$160,000.00). The cash escrow is to be established with the Township as a restricted fund (the "Sewer Escrow Fund") to be used solely to pay for the cost of operations, maintenance, repair, replacement, engineering and legal costs in the event the Township is ever called upon to assume responsibility for the operation and maintenance of the Sewer System. The Sewer Escrow Fund shall be held by the Township for so long as the Development is served by the Sewer System, and any funds deposited therein may be invested by the Township and all investment earnings shall inure to the Sewer Escrow Fund. In lieu of establishing the Sewer Escrow Fund, the Township may be furnished with an irrevocable letter of credit from a financial institution acceptable to the Township, which letter of credit may be drawn upon by the Township for the same purposes as set forth above, and which letter of credit shall remain valid and outstanding until such time as the Sewer Escrow Fund has been established.

L. Assessments. The master deed or other documents required by the Developer to cause the subdivision shall require that the Association, upon request by the Township, shall impose assessments against Lots within the Development as are necessary to reimburse the Township for any costs incurred in assuming responsibility for the Sewer System as contemplated herein, and that the Association shall cooperate fully with the Township in collecting such assessments and disbursing them to the Township. In the event the Township shall have to take over the operation and maintenance of the Sewer System pursuant to State Administrative Rule 299.2933(4), the Township is given the authority to charge all users of the Sewer System such rates, or to impose a special assessment or other taxes, as the Township determines necessary to reasonably provide for the operation, maintenance and replacement of the Sewer System and all associated costs and expenses directly or indirectly incurred therefrom. It is recognized by the parties that the Township may also establish a special assessment district in order to provide for such operation, maintenance and replacement of the Sewer System, which special assessment district may include any property that is benefitted by the Sewer System.

M. Indemnification. The Developer and the Association shall jointly and severally indemnify the Township for any and all liability arising out of or incurred as a result of the Township assuming responsibility for the Sewer System under the federal, state and local environmental laws and regulations (whether presently existing or enacted in the future) and the administrative and judicial interpretation thereof, including liability or restriction on land use arising from the design and permitting of the Sewer System, except for liability arising out of the negligence or intentional misconduct of the Township or its agents. At such time as the balance of the Sewer Escrow Fund exceeds the amount set forth in paragraph 3.K. above, Developer shall be released from further liability hereunder.

N. Inspection. The Township, through its designated agents and representatives, shall have the right to inspect the Sewer System and all records in the possession of Developer or the Association pertaining thereto at any time following reasonable advance notice.

4. Binding. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, successors, legal representatives and assigns.

5. Notices. All notices, demands and requests required or permitted to be given under the provisions of this Agreement shall be in writing and shall be deemed given (a) when personally delivered to the party to be given such notice or other communication, (b) on the business day that such notice or other communication is sent by facsimile or similar electronic device, fully prepaid, receipt of which facsimile or similar electronic communication shall promptly be confirmed by written notice, (c) on the third business day following the date of deposit in the United States mail if such notice or other communication is sent by certified or registered mail with return receipt requested and postage thereon fully prepaid, or (d) on the business day following the day such notice or other communication is sent by reputable overnight courier, to the following:

If to Developer: Pheasant Ridge Development Company, Inc.
P.O. Box 535
Bristol, IN 46507

If to Township: Township of Sherman
26549 Featherstone Rd.
Sturgis, MI 49091

or to such other address as the parties may designate in writing.

DEVELOPER:

PHEASANT RIDGE DEVELOPMENT
COMPANY, INC.

By: Robert J. Statches

Its: Vice President

TOWNSHIP:

TOWNSHIP OF SHERMAN

By: Michael J. Dunsen

Its: Superior 1-18-99

STATE OF MICHIGAN
ST. JOSEPH COUNTY
RECORDED

29 DEC 97 1:11 P.M.

CYNTHIA JARRETT
REGISTER OF DEEDS

MLC:mtd
12/19/97

DECLARATION OF BUILDING
RESTRICTIONS AND COVENANTS

THIS DECLARATION, made effective the 29 day of December, 1997,
by PHEASANT RIDGE DEVELOPMENT COMPANY, INC., an Indiana corporation of 58573
CR 115, Goshen, Indiana 46526, "Declarant". PHEASANT POINTE

WHEREAS, Declarant is the owner of certain property located in the Townships of
Nottawa and Sherman, County of St. Joseph, State of Michigan, which is more particularly
described in Exhibit "A" attached hereto and referred to herein as "Property" and;

WHEREAS, Declarant desires to provide for the orderly residential development and use
of the Property and the preservation of the value of the Property;

NOW, THEREFORE, Declarant hereby declares that the Property described herein shall
be held, sold and conveyed subject to the following restrictions, covenants and conditions, which
are for the purpose of protecting the value and desirability of, and which shall run with the
Property and be binding on all parties having any right, title or interest in the Property, any
part thereof, their heirs, successors, legal representatives and assigns, to the full extent of the
benefit of each owner thereof.

1. Lands Affected. The Property described in Exhibit "A" attached hereto and made
a part hereof (referred to herein as the "Property") shall be subject to and bound by the terms
of this Agreement.

2. General Intent. It is the general intent of this Declaration to permit and,
encourage the construction and maintenance of compatible residential dwellings on individual
lots, units or parcels ("Lots") within the Property.

3. Residential Purposes. No Lot in the Condominium shall be used for other than
single family residential purposes. Any dwelling constructed on a Lot shall have an attached
private garage for not less than two (2), nor more than three (3) automobiles unless approved
by the Committee.

Character and Use of Buildings.

A. No fence or other structure or outside improvement of any kind (including, but not limited to, childrens play equipment, tree houses, etc.) shall be commenced,
3291 00001 12-29-97 33.00

erected or maintained on a Lot, nor shall any exterior addition to or change or alteration of any structure be made, until the plans and specifications showing the design, height, materials, color scheme, location on parcel, and the grading and landscaping plan of the Lot to be built upon, shall have been submitted to and approved in writing by the Declarant's Review Committee ("Committee") and a copy of the plans and specifications shall have been permanently filed with the Committee.

B. The Committee shall have the right to refuse to approve any such plans or specifications or grading or landscaping plans which are not suitable or desirable, in its opinion, for aesthetic or other reasons; and in so passing upon such plans, specifications and grading, it shall have the right to take into consideration the suitability of the proposed residence to be built on the Lot, and the harmony of it with the natural features of the Property and with any residences that may have been constructed on other portions of the Property. The purpose of this Article is to cause the Property to be developed into a harmonious, private residential area. If a disagreement on the points set forth in this Article should arise, the decision of the Committee shall control.

C. In the event the Committee shall have failed to approve or disapprove such plans and specifications in writing within thirty (30) days after the same shall have been delivered, then the same shall be deemed to have been approved, provided that the plans and specifications and the location of the residence on the Lot conform to and are in harmony with existing residences in the Property, these restrictions and applicable zoning laws and building codes.

D. In no event shall any residence be permitted on any Lot which does not comply with the following minimum area requirements, exclusive of garage spaces, space within unwinterized porches and decks, and space within basements which do not contain exterior door openings and windows on at least two (2) walls substantially equivalent to those on other floors:

- | | |
|-----------------------------|--|
| (1) One story ranch home: | 1,400 square feet; |
| (2) All other design homes: | 1,800 square feet with at least 1,000 square feet on the ground level. |

E. All construction of any residence shall be completed within twelve (12) months after the issuance of a building permit unless an extension of time is granted in writing by the Committee. The construction of any new residence or the repair of any residence damaged by fire or otherwise shall be completed as rapidly as possible and should the owner leave such building in an uncompleted condition for a period of more than one (1) year, then the Declarant or the condominium or other association associated with the Property, or their agents or assigns, are authorized to either tear down and clear from the Lot the uncompleted portion of such structure or to complete the same, at their option, and in either event, the expense incurred shall be charged against the owner's interest therein and shall become a lien

on the Lot upon which the residence is located.

F. No custom-made or prefabricated out-buildings (i.e., trailer, tent, shanty, shack, barn, shed, etc.), whether wood, metal or other construction shall be permitted, either free-standing or attached to a pre-existing residence, on any Lot, unless approved in writing by the Committee.

G. Temporary buildings of any kind are expressly prohibited and temporary residence or occupancy shall not be permitted without a fully completed exterior of the residence being occupied.

H. No old or used buildings of any kind whatsoever shall be moved or reconstructed on any Lot. All residences to be constructed shall have finished exteriors of brick, stone, wood, or, aluminum or vinyl siding, a combination thereof, or other suitable finishes as approved by the Committee. All exterior finishes and colors shall be subject to the prior approval of the Committee.

I. All utilities, including, but not limited to, electricity, telephone, water, sewage and gas shall be installed underground, when reasonably possible, except as may otherwise be permitted by prior written approval of the Committee. Exterior fuel tanks shall expressly require the prior written approval of the Committee, including, if permitted, approval of size, placement and screening. No underground storage tanks containing petroleum or other products shall be stored or maintained anywhere on the Property except by prior written approval of the Committee.

J. No "through the wall" or "through the window" air conditioners may be installed or maintained in or on any residence constructed within the Property, without the prior written approval of the Committee. Outside compressors for central air conditioning units or other similar machinery shall be located within twenty (20) feet of the residence being served by such equipment, and shall also be located so as to cause the least possible disturbance to neighboring residences. All outside lighting on any residence within the Property shall be subject to prior written approval of the Committee, and shall be designed so as to not project directly onto an adjoining Lot and to eliminate glare visible from another Lot. Each residence constructed on a Lot within the Property shall have a post light of a type and at a location approved by the Committee, near the front door of the residence, with a mechanism to cause the light to be illuminated at all times after dark.

K. No outside antennas or satellite dishes shall be allowed on any Lot, except a satellite dish not greater than 24" in diameter, placed in a location approved by the Committee.

5. Fences. Fences, hedge rows, garden walls and outdoor screen fences shall be erected or planted only after plans and specifications with respect to the same shall have first been submitted in writing to and approved by the Committee. The Committee is specifically authorized to disapprove stockade type fences and fences in any part of a Lot lying within

twenty-five (25) feet of the shoreline of a lake. Any fence located on the lakeside of a residence shall not exceed four (4) feet in height. Any hedges or other landscape material located along or near property lines on the lakeside of a residence shall not exceed four (4) feet in height and shall not obstruct lake view of abutting Lot owners.

6. Swimming Pools. All swimming or wading pools shall be constructed in the ground and shall be enclosed by a permanent fence of at least four (4) feet high. Construction thereof shall be commenced only with the prior written approval of the Committee.

7. Signs. No advertising sign of any kind shall be displayed to the public view on any portion of the Property, except one (1) sign of not more than five (5) square feet advertising a Lot during construction and/or sale shall be permitted. No signs shall be placed on vacant, undeveloped Lots.

8. Activities on Property.

A. No portion of the Property shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept, except in sanitary containers properly concealed from public view.

B. No immoral, improper, unlawful or offensive activities shall be carried on on any Lot, nor shall anything be done which may be or become an annoyance or nuisance to the neighborhood or adjoining residences, nor shall any unreasonably noisy activity be carried on on any portion of the Property.

C. The stockpiling and storage of building and landscaping materials and/or equipment or firewood or similar materials shall not be permitted on any Lot, except during construction of a residence on such Lot, without the prior written approval of the Committee.

D. No clothing or household fabric shall be hung, dried, or aired in a manner that is visible from any roadway.

E. The owner of any undeveloped Lot shall be responsible for mowing and trimming any grass, weeds or other ground cover on a Lot to prevent an unsightly or unkept condition, and inhibit the spread of weeds to other Lots.

9. Vehicular Parking and Storage. All non-motorized vehicles (including, without limitation, house trailers, utility trailers, boat trailers, boats, camping trailers and snowmobile trailers), commercial vehicles, camping vehicles, snowmobiles, recreational vehicles or vehicles other than automobiles or vans not exceeding fourteen (14) feet in overall length, shall be stored within the private garage attached to the residence, or with the consent of the Committee, outside of the view of neighboring units, except for temporary outside parking on a paved driveway for a period not to exceed forty-eight (48) hours. No automobiles and vehicles of any kind (motorized or non-motorized) shall be parked on the streets or roads within the Property

at any time. No inoperable vehicles of any kind shall be brought or stored upon any portion of the Property, either temporarily or permanently. Except for emergency repairs, no maintenance work shall be performed on any vehicle on any portion of the Property. Commercial vehicles and trucks shall not be parked on any portion of the Property, except while making deliveries and pick-ups in the normal course of business, or during the construction of a residence on a Lot within the Property, or unless parked completely within a garage on a Lot.

10. Animals. No chickens, other fowl, horses, or livestock of any kind shall be kept on any portion of the Property. No animals of any kind shall be kept or maintained on any portion of the Property except normal household pets owned by the occupants of a residence located on a Lot within the Property and not maintained for any commercial purpose; with only one (1) dog or one (1) cat allowed per Lot. Household pets shall have such care so as not to be objectionable or offensive on account of noise, odor or unsanitary conditions. No animal shall be permitted to run loose on any portion of the Property, and any animal shall at all times be attended by a responsible person. No outside dog runs, fenced or otherwise shall be allowed. No vicious or attacked-trained dogs shall be allowed or kept on any Lot.

11. Dangerous Weapons. No owner of any portion of the Property shall use, or permit the use by any occupant, agent, employee, invitee, tenant, guest or member of his family of any firearms, air rifles, pellet guns, bows and arrows or other similar dangerous weapons, projectiles or devices anywhere upon any portion of the Property.

12. Conservation. As set forth above, it is the Declarant's intention to cause the Property to be developed into a harmonious, private residential area in harmony with the natural features of the property. Hence, in the development or use of the Property, the following standards shall be observed:

A. Erosion Control. No soil shall be disturbed, moved or removed from any portion of the Property without the prior consent of the Committee and the Declarant. All soil removed in any excavation or construction shall not be removed from the Property without the prior approval of the Declarant and without such soil having first been offered at no charge (except removal charges), for use elsewhere by Declarant or Declarant's assigns. Upon the completion of the residence on any Lot, the owner of such Lot shall cause it to be finish-graded and seeded, sodded or returned to a condition as close as possible to its natural state as soon after completion as weather permits. All landscaping shall be of an aesthetically pleasing nature, and all landscaping and lawns shall be maintained and mowed to appropriate levels at all times. Basic landscaping, including finished grading and installation of driveways must be completed within six (6) months of the date of occupancy of a residence. All driveways must be of concrete construction.

B. Preservation of Trees. No trees exceeding six (6) inches in diameter shall be removed or cut from any portion of the Property for purposes other than the construction of a residence and improvements reasonably related thereto, without the prior written approval of the Committee.

C. All Lots within the Property upon which a residence has been constructed shall have an underground irrigation system capable of adequately watering all cultivated areas. The systems must be installed within six (6) months of occupancy of a residence and must be maintained in good working order and operated sufficiently to ensure proper growing conditions. Notwithstanding the foregoing, no water for such irrigation systems may be pumped from Lake Templene without the prior consent of the Committee.

13. Building Set-Backs. No building on any unit within the Property shall be erected nearer to the lot lines of the Lot than the following schedule: Front (Street) Lot line - 30 feet; Rear Lot line - 25 feet or 25% of the depth of the Lot, whichever is greater; Side Lot line - ten percent (10%) of Lot width at the front setback line, or 10 feet, whichever is greater. Setbacks for corner Lots may be reduced by the Committee along one front (street) Lot line, at the Committee's discretion, depending upon topography, screening, and other factors. Setbacks involving concave, convex, meandering lines, or setbacks on multiple contiguous Lots shall be determined by the Committee. All setbacks shall not be less than those required by the local zoning ordinance.

14. Administration.

Declarant's Review Committee Composition.

(1) The Committee shall consist initially of three (3) members appointed by the Declarant. At such time as residences have been constructed on at least eighty percent (80%) of the Lots within the Property, the Committee shall consist of three (3) persons, one (1) of whom shall be appointed by the Association. Declarant shall be entitled to select two members of the Committee so long as it has an interest in any Lot within the Property. Action by any two members of a three-member committee shall constitute action of the entire committee. The Committee may reject any plan because of too great a similarity to nearby existing structures, because, in the opinion of the Committee the building is improperly placed on the Lot, or because the building is not aesthetically compatible with other nearby existing structures.

(2) In the event of death, resignation or inability to act of any member of the Committee, the Declarant shall have authority to designate a replacement member, subject to the provisions of this paragraph, and until such time as the Declarant has sold one hundred percent (100%) of the Lots within the Property.

(3) Neither the Committee nor any member thereof, shall be entitled to any compensation from any owner of a Lot in the Property or account of any service performed in the examination of plans of specifications.

B. Administration by the Committee. The Committee shall have the following

powers and duties in addition to the other such powers and duties set forth elsewhere in this Instrument:

(1) Approval of Plans. All plans and specifications for the construction of any residence, the undertaking of any landscaping or grading, and the location of any such residence, the exterior alteration of any residence and all exterior uses or improvements on a Lot shall be approved by the Committee prior to construction, in accordance with this Article. The Committee may reject all or any portion of the plans submitted or require the modification or re-submission of any such plans.

(2) Variances. The Committee may grant variances in its absolute discretion from this Article, so long as the general intent of this Article shall be substantially achieved; provided, however, that the granting of any variance by the Committee shall require the unanimous vote thereof.

(3) Enforcement. The Committee shall have the primary responsibility for the enforcement of this Article, although enforcement may also be undertaken by the Declarant or by a condominium or other association associated with the Property. For such purpose, it shall have the right to take or refuse to take such action as herein provided, institute legal or equitable proceedings, or to take such other action which is reasonably calculated to achieve the purposes herein set forth. Any costs, including reasonable attorney fees, incurred in enforcing this Article shall be assessable as a lien against the Lot and the owner thereof, from which a violation arose, and may be enforced in the same manner as provided for by law for mortgages. The owner or mortgagee of any Lot within the Property may also enforce the covenants set forth herein.

15. Lake Templene Property Owners Association, Inc. Declarant discloses the existence of Lake Templene Property Owners Association, Inc. ("Lake Templene Association"). Each Co-owner of a Lot in the Property shall qualify as a member of Lake Templene Association. The purpose of the Lake Templene Association is to oversee and maintain certain common areas contained in subdivisions located on Lake Templene. Any condominium or other association associated with the Property is authorized to include in its annual budget reasonable amounts for the payment of dues to the Lake Templene Association.

16. Responsibility for Actions. Each Co-owner shall maintain his Lot and any Limited Common Elements appurtenant thereto for which he has maintenance responsibility in a safe, clean and sanitary condition. Each Co-owner shall also use due care to avoid damaging any of the Common Elements including, but not limited to, the telephone, water, gas, plumbing, electrical or other utility lines and systems and any other elements in any Lot which are appurtenant to or which may affect any other Lot.

17. Reserved Rights of Declarant. None of the restrictions contained herein shall

apply to the development and construction activities, and signs, if any, of the Declarant during the period of construction and sale of any Lots in the Property. Notwithstanding anything to the contrary elsewhere contained herein, Declarant shall have the right to maintain a sales office, a business office, a construction office and models, storage areas and reasonable parking for the foregoing and such access to and from and into the Property as may be reasonably required to enable development of the entire Property by the Declarant. The Declarant shall restore any areas so utilized to a suitable status upon termination of its use.

18. Reservation of Easements.

A. Utility and Drainage Easements.

(1) Declarant reserves an easement for utility services and for drainage over the six (6) foot wide strip of land that lies contiguous to each sideline of every Lot in the Property.

(2) Declarant reserves an easement for utility services and for drainage over the ten (10) foot wide strip of land that lies contiguous to the lake shoreline of every Lot in the Property.

(3) Declarant reserves an easement for utility services and for drainage over the ten (10) foot wide strip of land that lies contiguous to the front line of every Lot in the Property.

B. Flowage Easement. Every numbered Lot in the Property that lies contiguous to the lake shall be subject to a flowage easement to an elevation on the Lot equal to the highwater elevation in such lake (828.50 feet above sea level).

19. Water Well and Septic Systems. A well water supply construction permit and an on-site sewage permit for each Lot shall be obtained from the District Health Department prior to beginning construction on any Lot.

All sanitary plumbing shall conform with the minimum requirements of the Health Department of St. Joseph County and the State of Michigan. Plumbing shall comply with all applicable codes or ordinances. In the absence of such codes or ordinances, plumbing shall meet the requirements of Act 266, Public Acts of 1929, as amended.

(1) All dwellings shall be served by an on-site sewage disposal system. Private septic tanks and drainfields shall be constructed in compliance with the regulations of the St. Joseph County or District Health Department and with applicable Michigan Department of Public Health regulations.

(2) All dwellings shall be served by an on-site potable water supply system. All wells on individual lots shall be installed by a well driller

licensed by the State of Michigan. All wells shall be grouted in compliance with the requirements and recommended procedures of the Michigan Department of Public Health. A complete well log form for each potable water well shall be submitted to the County or District Health Department within sixty (60) days following completion of such well.

(3) The main floor of all residential buildings on each Lot shall be at or above elevation 834 and constructed in a manner to allow gravity flow of sewage wastes from all required plumbing fixtures into the on-site sewage disposal system.

20. Flood Plain Restrictions.

A. The following restrictions apply to dwellings affected by the 100-year flood plain limits of Lake Templene. All such dwellings shall:

(1) Have lower floors, excluding basements, not lower than the elevation of the contour defining the flood plain limits.

(2) Have openings into the basement not lower than the elevation of the contour defining the flood plain limits.

(3) Have basement walls and floors, below the elevation of the contour defining the flood plain limits, watertight and designed to withstand hydrostatic pressures from a water level equal to the elevation of the contour defining the flood plain limit following methods and procedures outlined in Chapter 5, Type A construction and Chapter 6 for Class 1 loads found in "Flood Proofing Regulations" EP 1165 2 314 prepared by the Office of the Chief Engineers, U.S. Army, Washington, D.C., June 1972. Figure 5, Page 14.5 of the regulations show typical foundations drainage and waterproofing details.

(4) Be equipped with a positive means of preventing sewage backup from sept. lines and drains which serve the building.

(5) Be properly anchored to prevent flotation.

B. The 100-year flood plain limit for Lake Templene is elevation 831.0 (N.G.V. Datum). No filling or occupation of the flood plain shall take place without prior written approval from the Michigan Department of Natural Resources and the Committee.

21. Lake Templene.

A. Water Usage and Control. Lake Templene is designated as a private lake and as such, the right to usage and control remain with St. Joseph County Lake and Land

Development Corp., a Michigan corporation ("Developer") or its authorized agent.

(1) Usage and enjoyment of the water is to be controlled by the Committee, including but not in limitation thereof, pumping water from the lake to lawn sprinkler systems.

(2) There shall be no water skiing or power boat racing before nine a.m. or after official sunset, except for special events authorized by the Developer or the Lake Templene Association hereafter described.

(3) The frontage on Lake Templene associated with the Property may be used by Co-owners only for access to the lake for swimming, wading and boating. No boats may be moored on any common element of the Property. No permanent or seasonal rafts, piers, or boat mooring within Lake Templene shall be allowed without the prior approval of the Committee. Only one (1) dock may be erected on each Lot having frontage on the lake. Boats and docks shall not be placed or moored across Lot lines, as extended into the lake. All use of Lake Templene frontage associated with the Property, shall be subject to applicable state and local statutes and ordinances, and also the provisions of this Declaration.

B. Shoreline and Water Level Control. For the good of the waters of Lake Templene and for the control of weed growth and for control of fish population, the Developer and Lake Templene Association shall be entitled to lower the level of the lake for periods of time when deemed necessary. Developer shall also have the right to control the level of the water in the lake, in accordance with applicable laws and regulations.

The Declarant and its successors and assigns, shall have the right at any time to dredge or otherwise remove any accretion or deposits from any Lots adjacent to the lake below the 100-year flood plain limit in order to maintain the established shoreline of the lake.

22. Condominium Subdivision. Declarant contemplates developing the Property as a subdivision under Act 59 of the Public Acts of 1978, the Michigan Condominium Act (the "Act"). The subdivision will be effected by the recording of a master deed by Declarant in accordance with the provisions of the Act. The master deed will contain such definitions and provisions as may be necessary to adequately describe and establish the condominium, within the sole discretion of Declarant, or its successors or assigns. Any person or entity purchasing a Lot within the Property shall be deemed to have irrevocably consented to the execution and recording of the master deed establishing the condominium, and the inclusion of such purchased Lot as part of the condominium project. At Declarant's request, any such purchaser shall execute such consents or other documents as Declarant reasonably requests to effect the recording of the master deed and impose the condominium regime upon the Property and the purchased Lot. Any such purchaser shall be deemed to have irrevocably appointed Declarant, and/or Declarant's successors, assigns, and legal representatives, as agent and attorney for the

purpose of execution of the aforementioned documents in the name of and on behalf of such purchaser, upon the default of execution by a purchaser of the foregoing documents.

23. Term. The provisions contained herein shall be deemed to be covenants running with the land and shall be binding upon the owners of all or any portion of the Property, their heirs, successors, legal representatives and assigns, and all persons claiming under them until December 31, 2018, provided, that these standards shall be automatically extended for successive periods of ten (10) years unless modified or terminated by the affirmative of all of the owners of parcels within the Property. Notwithstanding the foregoing, this Declaration may be amended at any time by the Declarant without the consent of any owner or mortgagee of a Lot within the Property if such amendment does not materially, adversely, alter or change the rights of any such owner or mortgagee.

24. Severability. The voiding or limitation of any one (1) or more of the restrictive covenants contained herein by judgment or court order shall in no way affect any of the remaining provisions and all of the remaining covenants shall remain totally and severally enforceable.

IN WITNESS WHEREOF, the undersigned, being the Declarant herein, has executed this instrument, effective on the date set forth above.

DECLARANT:

PHEASANT RIDGE DEVELOPMENT
COMPANY, INC.

By: Robert L Thatcher

Its: Vice President

Robert L THATCHER

23

SEC. 135 ACT 206, 1893, as Amended - Sec. C.L. 1929) Date May 12, 2006
 I hereby certify that there are no tax liens of titles held by the state on the lands
 Described below, and that there are No tax liens or titles held by individuals
 on said lands for five years proceeding 15 day May 2006 and that the
 taxes for said period of five years are paid.
 This certificate does not apply to taxes if any now in process of collection by
 township, city or Village collecting officers.
 ST. Joseph County Treasurer Kathy Humphreys

Cynthia L. Jarratt Register Of Deeds
 St Joseph County, Michigan



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 May 12, 2006 02:04:54 PM
 Liber 1373 Page 379-401 580 00
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 Liber 1373 Page 379

**FIRST AMENDMENT TO MASTER DEED
 FOR PHEASANT POINTE CONDOMINIUM**

Now Comes Pheasant Ridge Development Company, Inc., an Indiana corporation, whose address is P.O. Box 535, Bristol, Indiana 46507, being the Developer of the Pheasant Pointe Condominium ("Condominium"), a Condominium Project established pursuant to the Master Deed thereof, recorded on August 18, 1999 in Liber 902, Page 532, of the St. Joseph County Register of Deeds, and pursuant to the authority granted in the Michigan Condominium Act and the authority reserved in the Master Deed, hereby amends the Master Deed with this First Amendment to Master Deed ("First Amendment"). In accordance with Article X of the Master Deed, this Amendment is made without the consent of any Co-Owner or mortgagee because, among other things, the Amendment does not materially alter or change any of the rights of any Co-Owner or mortgagee of any Unit in the Project. The Master Deed for the Pheasant Pointe Condominium is amended as follows:

1. Amendment to Article IV.A. Article IV.A shall be amended to delete Paragraph 6 thereof.
2. Amendment to Article IV.B. Article IV.B shall be replaced entirely with the following:

"B. The Limited Common Elements shall be subject to the exclusive use and enjoyment of the Co-Owner(s) of the Unit(s) to which the Limited Common Elements are appurtenant. The Limited Common Elements are, to the extent any of the following are located outside of the boundaries of a Unit, listed as follows:

1. The private sanitary sewer system (the "System") shall serve Units 3, 4, 5, 11, 13, 14, 15, 17, 19, 20, 22, 25, 26, 27, 33, 43, 48, 49, 51, 52, 53, 54, 63, 64, 65, 66, and 67 (the Co-Owners of all such Units using the system shall be referred to in this First Amendment as "Sewer Users") within the Condominium Project. Although it is believed that there will be 27 Co-Owner Sewer Users, if there are more or less than that number, then the maintenance costs and the share paid by each Sewer User shall change on an equitable basis as determined by Developer or the Association. The System shall include all parts and appurtenances and improvements related to the System including, without limitation, the mains throughout the Project, pumps, tanks, drain fields, appurtenances, piping, and all other improvements or parts throughout the Project (but specifically excluding any on-site separate septic systems used by Co-Owners who are not Sewer Users) up to the boundary of each Unit. The System mains and equipment located within

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 75-014-005-008-09
 75-014-004-011-40
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 75-014-004-012-11
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 75-014-005-008-06
 75-014-005-008-10
 75-014-004-012-05
 75-014-004-012-11
 75-014-004-012-15
 75-014-005-008-07
 75-014-005-008-50
 75-014-004-012-08
 75-014-004-012-12
 75-014-004-012-13
 75-014-005-008-08
 75-014-110-047-00
 75-014-004-012-09
 75-014-004-012-13
 75-014-004-012-17

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any sewer and utility easements located on and running across the front portions of the Units shall also be a Limited Common Element to be used by and maintained by all of the Sewer Users, even though located on individual Units.

Other than the portions of the System within the easement access, the other portions of the System located on a Unit shall be part of the Unit. In addition, the wastewater treatment system located on the Condominium Project, and any other present or future off-site (not located within the Condominium Project) System improvements shall be part of the System, and shall be a Limited Common Element for all Sewer Users.

2. Co-Owner Responsibilities for System. Except as otherwise expressly provided for in Paragraph IV.B.1, the responsibility for and the costs of maintenance, repair, and replacement of any Units (and all improvements thereon, including the System), shall be borne by the Co-Owner of the Unit."

3. Amendment to Article IV.C.2. Article IV.C.2 shall be entirely replaced by the following:

"a. The Association shall thereafter be physically responsible for the maintenance, repair, and ultimate replacement of the System, all of which shall be performed in strict conformance with all applicable statutes, ordinances, rules, and regulations of the State of Michigan, St. Joseph County, and other governmental units and agencies thereof having jurisdiction. All costs of such maintenance, repair, and/or replacement shall be costs of administration of the Association, and shall be assessed as a Limited Common Element to the Co-Owner Sewer Users in accordance with and as provided in subparagraph b. below.

b. The cost of maintenance, repair, and replacement of all Limited Common Elements, if any, shall be borne by the Co-Owner of the Unit(s) entitled to the exclusive use of the Limited Common Elements. Notwithstanding the foregoing, however, all costs and expenses related to the operation, maintenance, repair, and replacement of the System shall be paid for by the Sewer Users, who shall each pay an equal share (currently a 1/27 share) of all such costs and expenses for the operation, maintenance, repair, and replacement of the System. For purposes of this First Amendment, collectively, all such activities necessary to operate, maintain, repair, or replace the System and keep it operating efficiently and lawfully may be referred to as "Maintenance" or any derivation thereof.

c. Use of the System is for residential use only. The placement of waste into the System other than residential sanitary waste, and using the System for any use other than for residential use, is prohibited. Any costs for remediation due to the placement of harmful substances into the System shall be fully reimbursed by the person or persons that placed the harmful substances into the System."

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First Amendment to Master Deed for
Pheasant Pointe Condominium
Page 3 of 11

4. Amendment to Article V.C. Article V.C shall be amended so that there shall be a total of 71 Units in the Condominium.

Developer has expanded the Condominium into a portion of the "Future Development" area as set forth in this Article VI of the Master Deed. This Phase II of the Condominium is legally described on the Revised Condominium Subdivision Plan attached hereto as **Exhibit B**, and labeled on **Exhibit B** as "Current Development." A portion of the original Future Development area is not being developed as a part of Phase II.

Therefore, there shall be a total of seventy-one (71) units in the Condominium Project. There are 42 units in Phase I, and 29 in Phase II (although Unit 47, as shown on the revised Condominium Subdivision Plan attached hereto as **Exhibit B**, is counted as a Unit in the original phase of the Condominium, it has been enlarged by additional property located in the Expanded Condominium Area). **Exhibit B** is entitled "Replat No. 1 of Pheasant Pointe." The percentage of value for all of the Units in the Project shall continue to be equal, because the Unit sizes and proposed uses of all of the Units are substantially the same. The percentage of value for the Units is as follows:

Unit No. 1	1.4085%
Unit No. 2	1.4085%
Unit No. 3	1.4085%
Unit No. 4	1.4085%
Unit No. 5	1.4085%
Unit No. 6	1.4085%
Unit No. 7	1.4085%
Unit No. 8	1.4085%
Unit No. 9	1.4085%
Unit No. 10	1.4085%
Unit No. 11	1.4085%
Unit No. 12	1.4085%
Unit No. 13	1.4085%
Unit No. 14	1.4085%
Unit No. 15	1.4085%
Unit No. 16	1.4085%
Unit No. 17	1.4085%
Unit No. 18	1.4085%
Unit No. 19	1.4085%
Unit No. 20	1.4085%
Unit No. 21	1.4085%
Unit No. 22	1.4085%
Unit No. 23	1.4085%
Unit No. 24	1.4085%
Unit No. 25	1.4085%
Unit No. 26	1.4085%
Unit No. 27	1.4085%

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First Amendment to Master Deed for

Pheasant Pointe Condominium

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Unit No. 28	1.4085%
Unit No. 29	1.4085%
Unit No. 30	1.4085%
Unit No. 31	1.4085%
Unit No. 32	1.4085%
Unit No. 33	1.4085%
Unit No. 34	1.4085%
Unit No. 38	1.4085%
Unit No. 39	1.4085%
Unit No. 40	1.4085%
Unit No. 41	1.4085%
Unit No. 42	1.4085%
Unit No. 45	1.4085%
Unit No. 46	1.4085%
Unit No. 47	1.4085%
Unit No. 48	1.4085%
Unit No. 49	1.4085%
Unit No. 50	1.4085%
Unit No. 51	1.4085%
Unit No. 52	1.4085%
Unit No. 53	1.4085%
Unit No. 54	1.4085%
Unit No. 55	1.4085%
Unit No. 56	1.4085%
Unit No. 57	1.4085%
Unit No. 58	1.4085%
Unit No. 59	1.4085%
Unit No. 60	1.4085%
Unit No. 61	1.4085%
Unit No. 62	1.4085%
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Unit No. 65	1.4085%
Unit No. 66	1.4085%
Unit No. 67	1.4085%
Unit No. 68	1.4085%
Unit No. 69	1.4085%
Unit No. 70	1.4085%
Unit No. 71	1.4085%
Unit No. 72	1.4085%
Unit No. 73	1.4085%
Unit No. 74	1.4085%
Unit No. 75	1.4085%
Unit No. 76	1.4085%

47 - 5 = 42

35

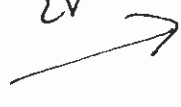
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In addition to adding twenty-nine (29) Units into the Expanded Condominium Area, the Developer also expanded the System, as the same is described in Section 6.5 of the Condominium Bylaws. The System was expanded to accommodate the additional Units within the Expanded Condominium Area which cannot be served, under the Sherman Township ordinances, with a separate on-site septic system. As set forth in Article IV, B.1, dwellings constructed on Units 48, 49, 51, 52, 53, 54, 63, 64, 65, 66, and 67 in Phase II shall be connected to the System. Combined with the Units which are or will be connected to the System located in Phase I, there shall be initially a total of twenty-seven (27) units using the System, which sum may be amended in the future.

5. Amendment to Article VI. Article VI of the Master Deed shall be amended to include the following:

“The Master Deed provides that the Condominium can be expanded into the Expanded Condominium Area. Article VI provides that the total number of Units in the Condominium shall not exceed two hundred (200). Developer has formally expanded the Condominium under MCLA §559.132 by adding a second phase (Phase II) to the Condominium Project, which includes adding twenty-nine (29) additional Units within a portion of the Future Development area as shown on original **Exhibit B**.

6. Amendment to Article VIII. Article VIII shall be amended to include the following language:

“Sewer System Easement. The System will include a wastewater treatment system which has been constructed by the Developer on the Condominium Premises. The wastewater treatment system shall treat all of the wastewater generated by the Sewer Users and the Sewer Users are hereby granted a permanent, exclusive easement over the Condominium Premises and Developer's neighboring property, if any, for the purpose of Maintaining the wastewater treatment system or other system which the Association or Sewer Users deem necessary to treat Sewer User wastewater. In addition to the foregoing, the Association, which is responsible for the Maintenance of the System, or its successor, shall have a beneficial easement over the entire Condominium Premises, including all of the Units, which the Association deems necessary for proper Maintenance of the System, including Maintenance of the wastewater treatment system as set forth above.

Notwithstanding anything in this Article VIII to the contrary, the Condominium Project will also be subject to additional easements shown on the revised Condominium Subdivision Plan, attached hereto as **Exhibit B**, including, but not limited to:

(a) Consumers Power Company Easement for electrical purposes, recorded at Liber 197, Page 247, in the St. Joseph County Register of Deeds;

(b) St. Joseph County Easement for lake level drain of Fish Lake as to Units 70, 73, 74, 75, and 76, recorded at Liber 737, Page 788, in the St. Joseph County Register of Deeds; and

(c) St. Joseph County Easement for lake level drain of Fish Lake, recorded at Liber 734, Page 258, in the St. Joseph County Register of Deeds;

(d) Cable TV Agreement, recorded at Liber 586, Page 496, in the St. Joseph County Register of Deeds.

(e) U.S. Government, State of Michigan, and other governmental entity, riparian owners, public or private persons existing in or with respect to the present and past bed, banks, bottomland, and water of Lake Templene.

(f) Five (5) foot easement for public utilities along roadway, as shown on the Master Deed recorded at Liber 902, Page 532, in the St. Joseph County Register of Deeds.

7. Addition of Article XI. The Master Deed shall be amended to include an Article XI as follows:

ARTICLE XI

PERPETUAL FUNDING FOR COMMUNITY SEWER SYSTEM

A. Background. At one time, the Water Bureau (or its predecessors) at the Michigan Department of Environmental Quality ("DEQ") implemented, under its rule-making authority, an administrative rule, specifically Rule 33(4), 1975 ACS R 299.2933(4), which required, under Part 41 of Michigan's Natural Resources and Environmental Protection Act ("Part 41"), that a sewerage system could not be designed for public use unless the local unit of government ("LUG") in which the system was located agreed to assume responsibility for the operation and maintenance of the system in the event that the private owner failed to perform these functions. However, in 2003, the Michigan Court of Appeals invalidated Rule 33(4) and, on June 10, 2004, the Water Bureau developed an internal policy ("Policy") which provided that the Water Bureau would not grant sewer system construction permits unless the ownership entity of the system agreed to assume operation and maintenance of the system if the LUG refused to accept responsibility for the operation and maintenance of the system after the private owner failed or refused to do so.

First, the Policy provides that the Developer must first approach the LUG and request that it assume responsibility for the System if, for any reason, the Developer or Condominium Association of the System became insolvent or was otherwise unable to continue Maintenance of the System. In the case of Pheasant Pointe, the Developer formally requested that the LUG, Sherman Township, agree to Maintain the System if the Association failed to do so, but on

November 8, 2005, Sherman Township decided to not accept responsibility for the System if the Association were unable to maintain the same in the future.

Secondly, where the LUG fails to accept responsibility for the System, the Policy provides that the Developer must comply with the Policy, including the requirement to ensure that the owners of the System (i.e., the Sewer Users) establish a perpetual funding mechanism in the form of an escrow, which escrow would be accessible to the DEQ. This Article XI is intended to comply with the Policy.

B. Establishment of Sewer Escrow Fund. In Article IV of the Master Deed, the System is erroneously identified as a General Common Element. Although the System shall be Maintained by the Association, the System is a Limited Common Element to the extent that the costs and expenses for Maintenance shall only be paid by the Users of the System (i.e., the Sewer Users). The Developer hereby establishes a restricted fund, the "Sewer Escrow Fund," to be used by the Developer and the Pheasant Pointe Condominium Association to insure the perpetual funding for Maintenance of the System into the future. The Sewer Escrow Fund shall be held by the Association in a segregated fund for so long as the Condominium is in existence, and all investment earnings, if any, related to the Sewer Escrow Fund shall inure to the Sewer Escrow Fund and the Sewer Users. If the Condominium is ever terminated, or otherwise no longer exists, then the Sewer Escrow Fund shall be divided equally among the applicable Sewer Users provided the Sewer Users have all paid a similar amount and all other factors are equal. Only parties that have paid into the Sewer Escrow Fund shall be entitled to any of the proceeds.

Initially, all Sewer Users of the System shall pay an initial payment of \$1,000 to the Developer, for placement in the Sewer Escrow Fund. As set forth above, there are twenty-seven (27) units in the entire Condominium which are currently or will be Sewer Users and, therefore, the Sewer Escrow Fund shall initially contain \$27,000. Although some Sewer Users have paid an initial connection fee to the Developer for connecting to the System, these connection fees and all previous payments by Sewer Users (which have also been used to Maintain the System) shall not be used as a credit toward the Sewer Escrow Fund payment set forth in this paragraph. The Developer agrees, notwithstanding the previous costs which Developer has incurred to Maintain the System from the date the System was installed to the present date, to release all Sewer Users from all costs and payments previously made by Developer to Maintain the System.

C. Regular Assessments Charged to System Users. The Developer and/or the Association shall continue to charge assessments against the Units to be served by the System, in an amount which the Developer and/or the Association believe is necessary to Maintain the System. All System Users fully consent to pay all fees requested to be paid by the Developer or Association and to fully replenish the Sewer Escrow Fund as described in this First Amendment. All Sewer Users irrevocably grant the Developer or Association the authority to assess and collect all fees related to the System. Initially, each of the Sewer Users will be charged a monthly assessment charge for Maintenance of the System (the "Sewer Fee") of \$40 per month as set forth on the financial worksheets drafted by Developer's engineers at Marbach, Brady & Weaver, Inc., which are attached as Exhibit A hereto. The Sewer Fees are expected to increase by five (5%) percent per year but, as set forth herein, the actual Sewer Fees to be charged to the

Sewer Users may be increased or decreased depending on the actual costs and expenses to maintain the System and the number of Sewer Users. It should be noted that the Sewer Escrow Fund and Sewer Fees charged to the Sewer Users will pay for all operating costs and expenses to Maintain the System, including materials, labor, and professional services, including a certified sewer operator and other third party contractors.

D. Developer's Right to Maintain the System. Notwithstanding the ownership of the System by the Sewer Users as a Limited Common Element, and the Association's obligation to Maintain the System, the Developer shall also have the right to Maintain the System until such time that the Developer no longer owns any Units in the Condominium. Thereafter, the Association (and its contractors) shall physically Maintain the System and hold Developer harmless from all costs and expenses related to the failure of the System to be Maintained properly and legally, including all attorneys fees, fine, penalties, and other charges.

E. Minimum Amount Held in Sewer Escrow Fund. The Sewer Escrow Fund shall be initially established for an amount equal to the amount needed for Maintenance of the System for two (2) years as certified by a licensed engineer. The two (2) year amount needed for Maintenance of the System has been determined by the Developer's engineers, and approved by the DEQ, in the amount of \$22,907.52. Thus, the \$27,000 to be paid into the Sewer Escrow Fund by the Developer and ultimately the Sewer Users as of the effective date of this First Amendment shall satisfy the two (2) year amount and should reduce the amount each Sewer User must contribute to the five (5) year amount.

Additionally, not later than two (2) years after the recording date of this First Amendment, the Sewer Escrow Fund shall be increased to the amount necessary to cover the costs for the Maintenance of the System for the five (5) year amount as determined by a certified Michigan engineer. The initial five (5) year amount as established by the Developer's licensed engineer, and approved by the DEQ, is \$61,745.68. This amount may be increased in the future as determined by a licensed engineer.

Thus, on or before two (2) years after the recording of this First Amendment, there shall be not less than \$61,745.68 deposited in the Sewer Escrow Fund, which sum shall be paid by the Sewer Users and/or Developer and reimbursed by the Sewer Users. The Developer or Association may alternatively obtain a letter of credit or surety bond to cover the amounts necessary to be paid into the Sewer Escrow Fund. All costs paid by the Developer (except for the costs which Developer owes as a Co-Owner Sewer User) shall be reimbursed to the Developer by the Sewer Users, and the Developer shall have the right to sue all Sewer Users for such funds, place a lien the Units owned by the Sewer Users who have not paid or reimbursed the Sewer Escrow Fund, or avail itself of any other remedies as set forth in the Condominium Documents.

The amount set forth in the Sewer Escrow Fund shall not be decreased for any reason, without the MDEQ's consent. The Association or the Sewer Users shall have a right to petition the MDEQ for a reduction in the Sewer Escrow Fund and the MDEQ shall decide on the petition in a prompt manner.

F. Notice to Access Sewer Escrow Fund. If the Association fails to Maintain the System, and the Developer or Township or other third party legally accesses the Sewer Escrow Fund to Maintain the System, then before the System is accessed, the third party shall send notice to each Sewer User and the DEQ within ten (10) days of the initial withdrawal. The notice to the Sewer User and DEQ shall include a description of any additional fees requested by the Developer or other third party which are then and will be necessary to replenish the Sewer Escrow Fund. Each Sewer User consents and agrees to pay all requested amounts into the Sewer Escrow Fund as is determined to be necessary (by the Developer, Association, or engineer) to replenish the Sewer Escrow Fund so that it meets the DEQ requirements. After the five (5) year amount has been paid into the Sewer Escrow Fund, then the Sewer Escrow Fund shall be replenished with the five (5) year amount (i.e., the amount estimated for Maintenance over the then next five (5) year period) within five (5) years after the initial and any ensuing withdrawal is made from the Sewer Escrow Fund.

B. Addition of Article XII. The Master Deed shall be amended to include an Article XII as follows:

ARTICLE XII

CONSENT TO SPECIAL ASSESSMENT DISTRICT

A. Permit. All future expansions of the System will be established, constructed, owned, and Maintained pursuant to, and subject to, the provisions of Part 41. Section 4105 of Act 451 requires that a permit be applied for by the Developer and issued by the DEQ prior to commencement of construction of the System.

B. Municipality Requirements. Sherman Township may Maintain the System at some time in the future, if it (1) enters into such agreement with the Developer or Association, or (2) chooses to do so if the Developer or Association becomes insolvent or dissolves and is no longer able to Maintain the System and/or the Developer/ Association fails or refuses to properly Maintain the System. In consideration of, and as an inducement to Maintain the System, if Sherman Township Maintains the System, then the Association agrees to pay Sherman Township for the Maintenance of the System.

C. Consent to Establishment of Special Assessment District. All Sewer Users, in perpetuity, hereby irrevocably consent to and grant the Developer, Association, or Sherman Township the authority to assess a Sewer Fee to each Sewer User to be paid in monthly payments as set forth above, and the Developer, Association, and Sherman Township shall have all rights and remedies to collect all Sewer Fees as contained in the Condominium Documents, including, but not limited to, the filing and foreclosing of liens against the Units owned by the Sewer Users who fail to pay Sewer Fees. In addition, the Developer and Association grant Sherman Township or any other appropriate governmental body the right to assess and create, if lawful, a special assessment district for the purpose of assessing the Units owned by the Sewer Users for the Maintenance costs and to replenish the Sewer Escrow Fund as required by the DEQ

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First Amendment to Master Deed for
Pheasant Pointe Condominium
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and Michigan law, as amended in the future. All Co-Owners and Sewer Users acknowledge that the number of Sewer Users may change, the amount of Sewer Fees may increase substantially, and Michigan law may change, increasing costs and fees, and that each Sewer User shall pay all Sewer Fees necessary to Maintain the System in accordance with the law and the Condominium Documents.

D. Indemnification; Assignment of Lien Rights. In connection with the foregoing, the Sewer Users authorize and empower the Developer and/or the Association's President and Vice President, or any of them, to enter into and execute such indemnification agreement or agreements as may be reasonably required by Sherman Township which provide for the indemnity of Sherman Township by the Association. Further, if Sherman Township undertakes Maintenance of the System, then the Association shall be deemed to have assigned to Sherman Township the Association's rights under the Condominium Documents (including the right to lien the Sewer User's Units) which Sherman Township deems necessary to collect all costs and expenses it incurs to Maintain the System.

9. Addition of Article XIII. The Master Deed shall be amended to include an Article XIII as follows:

ARTICLE XIII

MISCELLANEOUS PROVISIONS

A. Defined Terms. All the capitalized/defined terms set forth in this First Amendment shall, unless expressly set forth herein, have the same meaning as those in the original Condominium Documents for the Pheasant Pointe Condominium. If there is any conflict between the terms and provisions of this First Amendment and the Master Deed or other Condominium Documents for the Pheasant Pointe Condominium, then the terms and provisions of this First Amendment shall control the rights and obligations of all affected parties, including all Co-Owners and mortgagees of any Units within the Condominium. Otherwise, this First Amendment shall become part of the Master Deed and the Master Deed and this First Amendment shall be read together and form one integrated agreement and control the rights and obligations of the affected parties.

B. Further Amendments. Except as provided in the Condominium Documents, the Master Deed, Condominium Bylaws, and other Condominium Documents shall not be amended unless a writing which amends the Condominium Documents is recorded in the St. Joseph County Register of Deeds.


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First Amendment to Master Deed for
Pheasant Pointe Condominium
Page 11 of 11

IN WITNESS WHEREOF, this First Amendment to the Master Deed of Pheasant Pointe
Condominium has been executed on this ____ day of May, 2006.


Developer:

Pheasant Ridge Development Company, Inc.

By: 
Jeffrey Chupp
Its: President

STATE OF MICHIGAN)
) SS.
COUNTY OF KALAMAZOO)

Acknowledged before me in Kalamazoo County, Michigan, on May 11, 2006, by Jeffrey
Chupp, President of Pheasant Ridge Development Company, Inc., an Indiana corporation, by
authority of its Board of Directors.


Jeffrey D. Swenarton
Notary Public
Kalamazoo County, Michigan
Acting in Kalamazoo County, Michigan
My commission expires: 05/22/2008

Drafted by and when recorded return to:
Jeffrey D. Swenarton
Kreis, Enderle, Callander & Hudgins, P.C.
One Moorsbridge
P.O. Box 4010
Kalamazoo, MI 49003-4010
Phone: 269-329-4279

EXHIBIT A

TOTAL ESCROW AMOUNTS NEEDED

I, Debra Wright-Hughes, P.E. a Licensed Professional Engineer, in the State of Michigan, have personally examined the design specifications and operational plans for the sewerage system project proposal for Pheasant Pointe located in the Townships of Nottawa and Sherman, County of Saint Joseph. The type of sewerage system proposed for Pheasant Pointe is an on-site dosing field with a dosing tank, alternating valve, and flow meters. A discharge permit to a public water body is not required. I hereby certify that the amount of the escrow sufficient to operate, maintain and perform needed replacements of the wastewater system for a period of two years is \$22,907.52. The amount of escrow sufficient to operate, maintain and perform needed replacements of the wastewater system for a period of five years is \$61,745.68. These amounts were calculated considering reasonable inflationary costs as provided in the attached evaluation document. This certification determined on the 28th day of November, 2005, using the attached documents that summarize each cost of operation, maintenance and needed replacement.

Debra Wright-Hughes
(Signature of certified engineer)



11-30-05
(Date)

Michigan Professional Engineer #6201037615

Marbach, Brady & Weaver, Inc.

3220 Southview Drive, Elkhart, Indiana 46514

(574) 266-1010

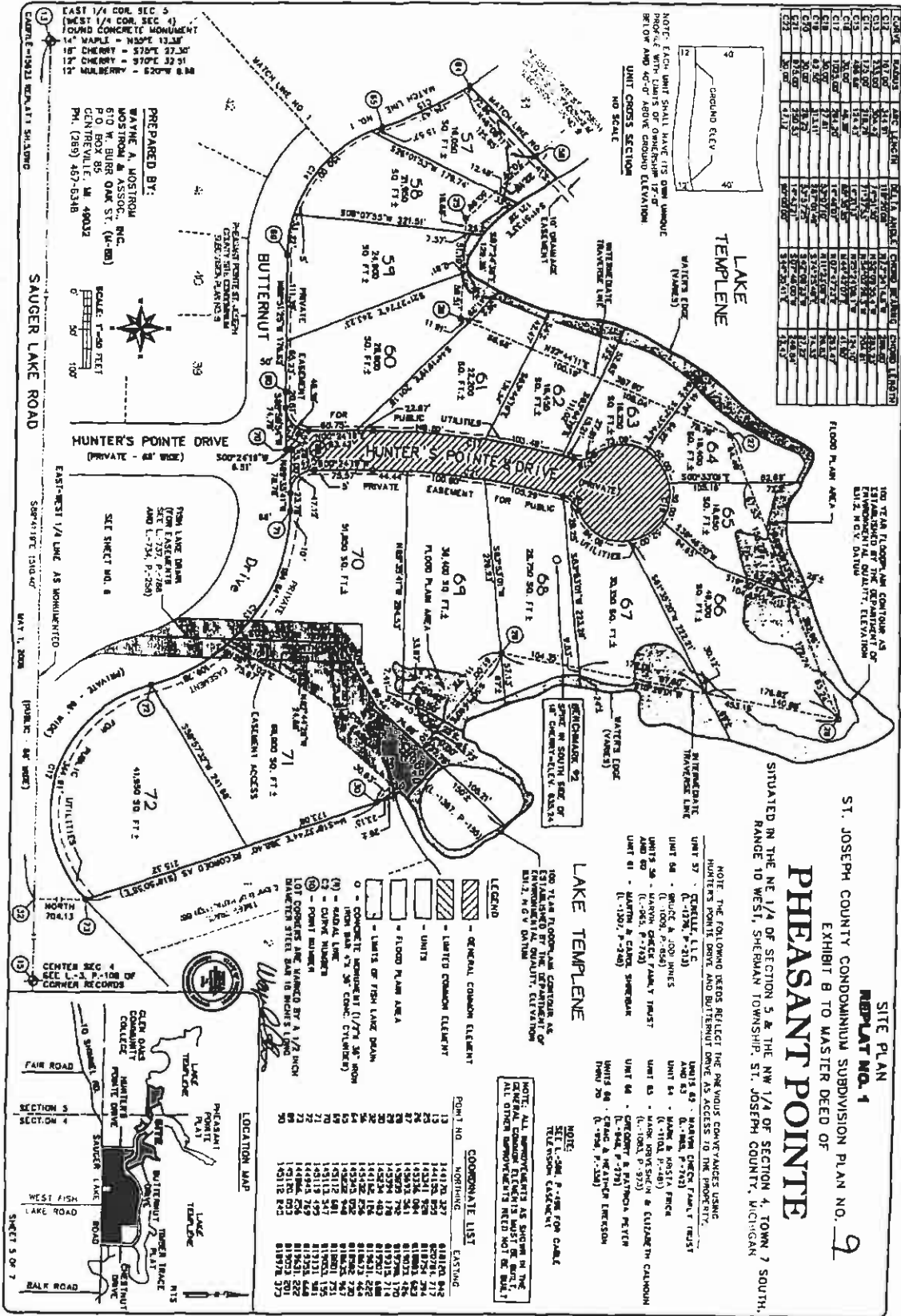
TABLE 2
OPERATING REVENUES CALCULATOR
For Table 1, Items m, n and q

a.	Wastewater Rates \$ _____	x Flow Amount _____	= Revenue \$ _____
b.	Wastewater Charge \$ <u>40</u>	x Number of Users <u>27</u>	= Revenue \$ <u>1,080/mo</u>
e.	Other _____ \$ _____	x _____	= Revenue \$ _____

**TABLE 3
REPLACEMENT NEEDS**

Use this table to itemize a list of equipment that is dedicated to the operation of the wastewater system and that will effectively operate less than 20 years. Items included, but not limited to this purpose should be items like vehicles, pumps, motors and computers. This itemized list is for the procurement and installation of the equipment, accessories and appurtenances necessary during the useful life of the water system to maintain its design capacity and performance. It is not intended to provide funding for reconstruction, expansion, or upgrading.

Item	Replacement Value	Est. Life	Annual Replacement Amount
Flowmeters 2	\$2665.00 ea x 2	20 years	\$266.50
Pumps	\$538.56 ea x 2	10 years	\$107.71
4" Perforated Pipe	\$14,000.00	20 years	\$700.00
Alternating Valves	\$500.00	20 years	\$25.00
4" Solid Pipe	\$3,750.00	20 years	\$187.50
2" Pump Discharge Pipe	\$2,000.00	20 years	\$100.00
Other	\$	years	\$
		Total Replacement Costs:	\$1,386.71
Note: If the estimated life of an item is less than 5 years, only account for the item once by treating it as if it had a 5 year life. See table 3(a) for an example of this table. The rest of the calculations are based on straight line depreciation of the items, prorated over its life span.			



UNIT NO.	AREA	ACRES	AREA	AREA	AREA	AREA	AREA	AREA	AREA
57	1.00	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23
58	1.00	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23
59	1.00	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23
60	1.00	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23
61	1.00	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23
62	1.00	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23
63	1.00	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23
64	1.00	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23
65	1.00	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23
66	1.00	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23
67	1.00	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23
68	1.00	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23
69	1.00	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23
70	1.00	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23
71	1.00	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23
72	1.00	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23
73	1.00	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23
74	1.00	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23
75	1.00	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23
76	1.00	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23
77	1.00	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23
78	1.00	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23
79	1.00	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23
80	1.00	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23
81	1.00	0.23	0.23	0.23	0.23	0.23	0.23	0.23	0.23

NOTE: THE FOLLOWING REFER TO THE PARCELS CONVEYANCES USING HUNTER'S POINT DRIVE AND BUTTERNUT DRIVE, AS ACCESS TO THE PROPERTY.

UNIT NO.	DEED REF.	DATE
UNIT 57	6-112M, P-213	11/11/81
UNIT 58	6-112M, P-213	11/11/81
UNIT 59	6-112M, P-213	11/11/81
UNIT 60	6-112M, P-213	11/11/81
UNIT 61	6-112M, P-213	11/11/81
UNIT 62	6-112M, P-213	11/11/81
UNIT 63	6-112M, P-213	11/11/81
UNIT 64	6-112M, P-213	11/11/81
UNIT 65	6-112M, P-213	11/11/81
UNIT 66	6-112M, P-213	11/11/81
UNIT 67	6-112M, P-213	11/11/81
UNIT 68	6-112M, P-213	11/11/81
UNIT 69	6-112M, P-213	11/11/81
UNIT 70	6-112M, P-213	11/11/81
UNIT 71	6-112M, P-213	11/11/81
UNIT 72	6-112M, P-213	11/11/81
UNIT 73	6-112M, P-213	11/11/81
UNIT 74	6-112M, P-213	11/11/81
UNIT 75	6-112M, P-213	11/11/81
UNIT 76	6-112M, P-213	11/11/81
UNIT 77	6-112M, P-213	11/11/81
UNIT 78	6-112M, P-213	11/11/81
UNIT 79	6-112M, P-213	11/11/81
UNIT 80	6-112M, P-213	11/11/81
UNIT 81	6-112M, P-213	11/11/81

SITE PLAN REPLAT NO. 1

ST. JOSEPH COUNTY CONDOMINIUM SUBDIVISION PLAN NO. 9

EXHIBIT B TO MASTER DEED OF PHEASANT POINTE

SITUATED IN THE NE 1/4 OF SECTION 5 & THE NW 1/4 OF SECTION 4, TOWN 7 SOUTH, RANGE 10 WEST, SHERMAN TOWNSHIP, ST. JOSEPH COUNTY, MICHIGAN

NOTE: THE FOLLOWING REFER TO THE PARCELS CONVEYANCES USING HUNTER'S POINT DRIVE AND BUTTERNUT DRIVE, AS ACCESS TO THE PROPERTY.

UNIT 57 - EDELL, I.L.C. (6-112M, P-213)

UNIT 58 - BRUCE & JOE HINES (6-100M, P-654)

UNIT 59 - VARNON GUYER FAMILY TRUST (6-100M, P-654)

UNIT 60 - VARNON GUYER FAMILY TRUST (6-100M, P-654)

UNIT 61 - (6-112M, P-213) SHERMAN

UNIT 62 - (6-112M, P-213) SHERMAN

UNIT 63 - (6-112M, P-213) SHERMAN

UNIT 64 - (6-112M, P-213) SHERMAN

UNIT 65 - (6-112M, P-213) SHERMAN

UNIT 66 - (6-112M, P-213) SHERMAN

UNIT 67 - (6-112M, P-213) SHERMAN

UNIT 68 - (6-112M, P-213) SHERMAN

UNIT 69 - (6-112M, P-213) SHERMAN

UNIT 70 - (6-112M, P-213) SHERMAN

UNIT 71 - (6-112M, P-213) SHERMAN

UNIT 72 - (6-112M, P-213) SHERMAN

UNIT 73 - (6-112M, P-213) SHERMAN

UNIT 74 - (6-112M, P-213) SHERMAN

UNIT 75 - (6-112M, P-213) SHERMAN

UNIT 76 - (6-112M, P-213) SHERMAN

UNIT 77 - (6-112M, P-213) SHERMAN

UNIT 78 - (6-112M, P-213) SHERMAN

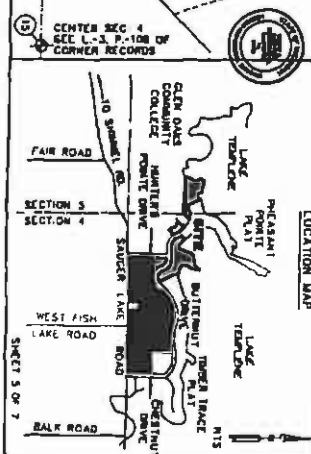
UNIT 79 - (6-112M, P-213) SHERMAN

UNIT 80 - (6-112M, P-213) SHERMAN

UNIT 81 - (6-112M, P-213) SHERMAN

NOTE: ALL IMPROVEMENTS AS SHOWN IN THE PLAN ARE TO BE CONSTRUCTED BY THE UNIT OWNER. ALL OTHER IMPROVEMENTS BELONG TO THE LANDLORD.

POINT NO.	NORTHING	EASTING
1	144120.277	818120.842
2	144120.277	818120.842
3	144120.277	818120.842
4	144120.277	818120.842
5	144120.277	818120.842
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77	144120.277	818120.842
78	144120.277	818120.842
79	144120.277	818120.842
80	144120.277	818120.842
81	144120.277	818120.842



EAST 1/4 COR. SEC. 5
 WEST 1/4 COR. SEC. 4
 FOUND CONCRETE MONUMENT
 MAPLE - 13.2M
 CHERRY - 27.3M
 15.2 M
 14.1 M
 14.1 M
 14.1 M

PREPARED BY:
 WAYNE A. JOSTROM
 JOSTROM & ASSOC., INC.
 610 W. BURR OAK ST. (W-88)
 CENTREVILLE, MI 48032
 PH. (289) 467-6348

SCALE: 1" = 50 FEET

SAUGER LAKE ROAD

HUNTER'S POINT DRIVE

BUTTERNUT DRIVE

FAIR ROAD

WEST FISH LAKE ROAD

BALK ROAD

SECTION 3
 SECTION 4

SHEET 5 OF 7

Cynthia L. Jarratt Register Of Deeds
St Joseph County, Michigan



Recorded
April 10, 2006 10:57:45 AM
Liber 1367 Page 155-167 \$50.00
Receipt # 19662 E01 #2006025698



Liber 1367 Page 155

AGREEMENT FOR CONSERVATION EASEMENT

(This instrument is exempt from County and State transfer taxes pursuant to MCL 207.505(a) and MCL 207.526(a), respectively)

This CONSERVATION EASEMENT is created February 21, 2006, by and between

Pheasant Ridge Development Co., Inc. (name) married/single (circle one), or corporation, partnership, municipality, or limited liability company (circle one), whose address

is P.O. Box 85, Bristol, IN 46507

(Grantor) and the Michigan Department of Environmental Quality (MDEQ), whose address is, Constitution Hall, 1st Floor South, P O Box 30458, Lansing, Michigan 48909-7958; or 525 West Allegan Street, Lansing, Michigan 48933 (Grantee);

The Grantor is the fee simple title holder of real property located in (circle one) the Township/City of

Sherman, St. Joseph County, and State of Michigan, legally described in Exhibit A.

MDEQ is the agency charged with administering Part 303, Wetlands Protection, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA), and

Permittee/Grantor has applied for a Permit (MDEQ File Number 99-75-23V) pursuant to Part 303 to authorize activities that will impact regulated wetland. The MDEQ evaluated the permit application and determined that a permit could be authorized for certain activities within regulated wetlands provided certain conditions are met, and

Permittee/Grantor has agreed to grant the MDEQ a Conservation Easement that protects the wetland mitigation site and/or the remaining wetlands on the property and restricts further development to the area legally described in Exhibit B. The Conservation Easement (the Easement Premises) consists of approximately 1.477 acres. The MDEQ shall record this Agreement with the county register of deeds.

ACCORDINGLY, Grantor conveys this Conservation Easement to Grantee pursuant to Subpart 11 of Part 21, Conservation and Historic Preservation Easement, of the NREPA, MCL 324.2140 et seq., on the terms and conditions stated below

1. The purpose of this Agreement is to protect the functions and values of existing or established wetlands and its natural resource values on the Easement Premises consistent with the Permit and the protection of the benefits to the public derived from wetlands and integral habitat, by requiring Grantor to maintain the Easement Premises in its natural and undeveloped condition.
2. Except as authorized under MDEQ Permit Number 99 - 75 - 23V issued on 12 / 22 / 2000 or as otherwise provided in this Agreement, Grantor shall refrain from, and prevent any other person from altering or developing the Easement Premises in any way. This includes, but is not limited to:

- a) Alteration of the topography;
 - b) Creation of paths, trails, or roads;
 - c) The placement of fill material as defined in Part 303 of the NREPA, MCL 324.30301 et seq, as amended;
 - d) Dredging, removal, or excavation of any soil or minerals;
 - e) Drainage of surface or groundwater;
 - f) Construction or placement of any structure;
 - g) Plowing, tilling, or cultivating the soils or vegetation;
 - h) Alteration or removal of vegetation, including the planting of non-native species;
 - i) Ranching
 - j) Construction of unauthorized utility or petroleum lines;
 - k) Storage or disposal of garbage, trash, debris, abandoned equipment or accumulation of machinery, or other waste materials, including accumulated vegetative debris such as grass clippings, leaves, yard waste, or other material collected and deposited from areas outside the Easement Premises;
 - l) Use or storage of off-road vehicles including, but not limited to, snowmobiles, dune buggies, all-terrain vehicles, and motorcycles;
 - m) Placement of billboards or signage, except as otherwise allowed in the Permit or this Agreement;
 - n) Use of the wetland for the dumping of untreated stormwater at a volume that adversely impacts the hydrology of the wetland.
3. Cutting down, destroying, or otherwise altering or removing trees, tree limbs, shrubs, or other vegetation, whether living or dead, is prohibited within the Easement Premises, except with the written permission of Grantee, expressly for the removal of trees or limbs to eliminate danger to health and safety; to reduce a threat of infestation posed by diseased vegetation; or to control invasive non-native plant species that endanger the health of native species.
 4. Grantor is not required to restore the Easement Premises due to alterations resulting from causes beyond the owner's control, including, but not limited to, unauthorized actions by third parties that were not reasonably foreseeable; or natural disasters such as unintentional fires, floods, storms, or natural earth movement.
 5. Grantor may perform activities within the Easement Premises consistent with the Permit or the mitigation requirements. Grantor shall provide 5 days notice of undertaking any mitigation activity even if the mitigation project has been conceptually approved. Any activities undertaken pursuant to the Permit, a mitigation project, or this Agreement, shall be performed in a manner to minimize the adverse impacts to existing wetland or mitigation areas.
 6. Grantor warrants that Grantor has good and sufficient title to the Easement Premises described in Exhibit B.
 7. Grantor warrants that any other existing interests or encumbrances in the Easement Premises have been disclosed to the MDEQ.
 8. Grantor warrants that to the best of Grantor's knowledge no hazardous substances or hazardous or toxic wastes have been generated, treated, stored, used, disposed of, or deposited in or on the property.
 9. This Agreement does not grant or convey to Grantee or members of the general public any right to possession or use of the Easement Premises.
 10. Grantor shall continue to have all rights and responsibilities as owner of the property subject to this Agreement. Grantor shall continue to be solely responsible for the upkeep and maintenance of the Easement Premises, to the extent it may be required by law.
 11. Grantee and its authorized employees and agents may enter the Easement Premises upon reasonable notice to Grantor to determine whether the Easement Premises are being maintained in compliance with the terms of this Agreement, mitigation, or other conditions of the Permit, and for the purpose of taking corrective actions for failure to comply. If Grantee is entering the easement premises for purposes of

taking corrective actions. Grantor shall be provided with 14 days notice to provide the opportunity to cure the failure to comply.

12. This Agreement shall be binding upon the successors and assigns of the parties and shall run with the land in perpetuity unless modified or terminated by written agreement of the parties.
13. This Agreement may be modified only in writing through amendment of the Agreement. Any modification shall be consistent with the purpose and intent of the Agreement.
14. This Agreement may be enforced by either an action at law or in equity and shall be enforceable against any person claiming an interest in the Easement Premises despite a lack of privity of estate or contract.
15. Grantor shall indicate the existence of this Agreement on all future deeds, mortgages, land contracts, plats, and any other legal instrument used to convey an interest in the Easement Premises.
16. A delay in enforcement shall not be construed as a waiver of the Grantee's rights to enforce the conditions of this Agreement.
17. This Agreement shall be liberally construed in favor of maintaining the purpose of the Conservation Easement.
18. If any portion of this Agreement is determined to be invalid by a court of law, the remaining provisions will remain in force.
19. This Agreement will be construed in accordance with Michigan law.
20. In addition to the terms of the Permit issued by Grantee, this document sets forth the entire agreement of the parties. It is intended to supercede all prior discussions or understandings.
21. Within 90 days after this Agreement is executed, Grantor shall place and maintain at Grantor's expense, signs, fences, or other suitable markings along the Easement Premises to clearly demarcate the boundary of the Easement Premises.

LIST OF ATTACHED EXHIBITS

- Exhibit A:** A legal description of the Grantor's property, inclusive of the Easement Premises.
- Exhibit B:** A legal description of the Easement Premises.
- Exhibit C:** A survey map depicting the Easement Premises that also includes identifiable landmarks such as nearby roads to clearly identify the easement site.
- Exhibit D:** A legal description that provides a path of legal access to the Easement Premises and a map that indicates this access site that MDEQ staff will use for ingress and egress to and from the Easement Premises; or if the Easement is directly connected to a publicly accessible point, such as a public road, a statement is required that authorizes MDEQ staff ingress and egress to and from the Easement Premises with a map that clearly indicates the connection of the public access site to the Easement Premises.

Legal Description:

COM AT SW COR LOT 1 TIMBER TRACE SEC 4 T7S R10W TH N 606.74FT TH W 518.51 FT TO NW COR
PROP LOT 68 TH N 83D 53M 01S E223.26 FT TH S 10D 29M 01S W ALG TRVRS LN 104.35 FT TH S
50D14M 40S E ALG TRVRS LN 158.83 FT TO POB TH S 42D 01M 24S W74.89 FT TH S 59D 09M 29S W
99.44 FT TH S 02D 03M 00S W137.17 FT TO PNT ON C/L FISH LAKE DRAIN AS IT NOW EXISTS THSELY,
ELY & NELY ALG N LN OF BUTTERNUT DR TO SW COR LOT 1TIMBER TRACE SUB TH NWLY ALG W LN OF
SD LOT 1 A DIST OF 390FT M/L TH NWLY ALG TRVRS LN TO POB. (BDRY CHGW/014-004-011-00 1999)

Legal Description:

S 1/2 OF NW 1/4 FRL SEC 4 T7S R10W S OF BUTTERNUT DR & E OFHUNTER'S POINTE DR EXC COM SE
COR NW 1/4 SD SEC TH N 89D 41M19S W 332.92 FT TO POB OF EXC TH N 00D 18M 11S E 410 FT TH
N89D 41M 19S W 320 FT TH S 00D 18M 11S W 410 FT TH E ALG 1/4LN TO POB OF EXC.

Poor Quality Original Document

DATE: June 30, 2005

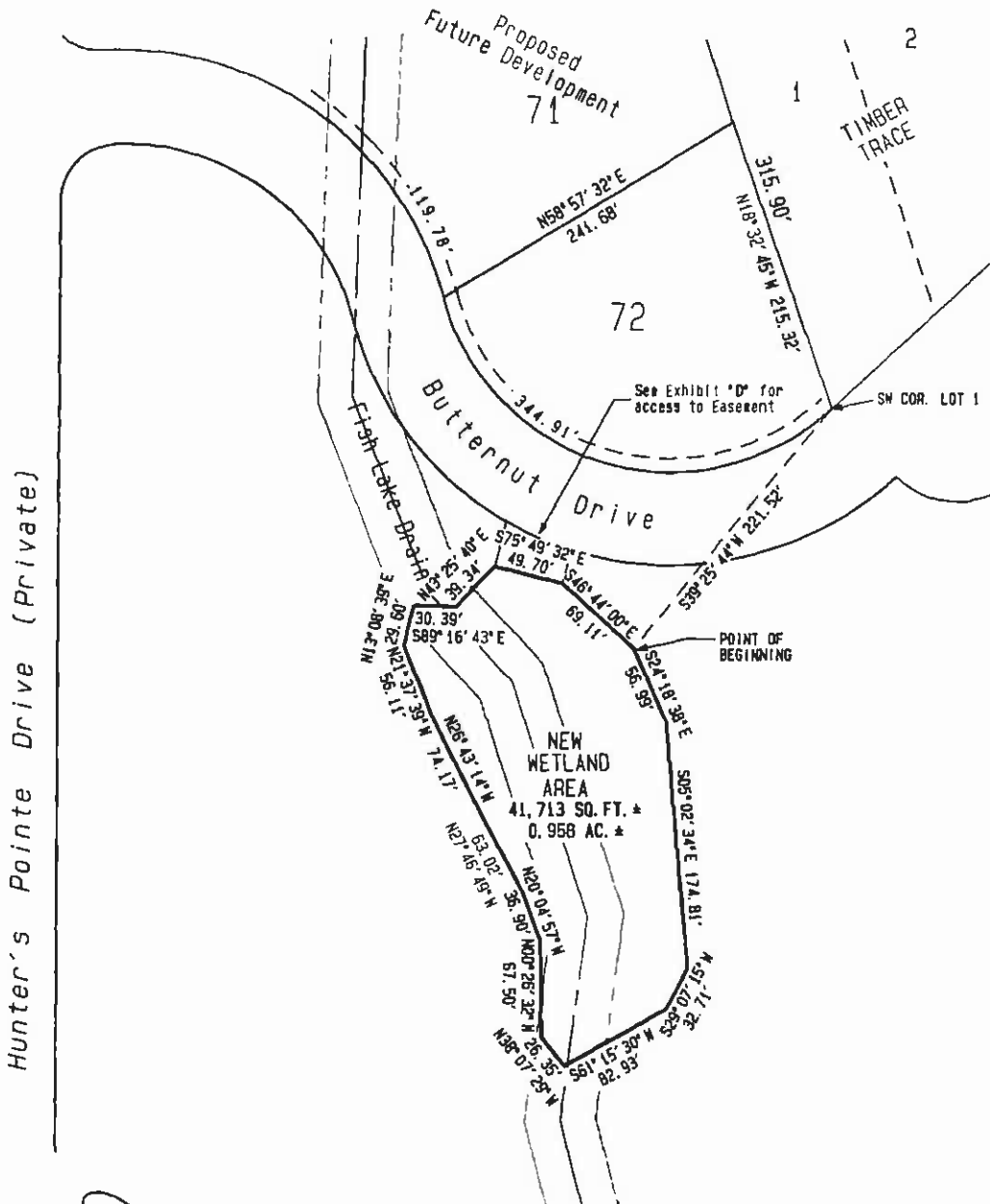
SURVEY NO.: 04710-15623

CAO FILE: WET1

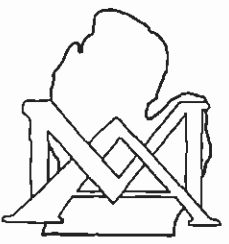
PLAT OF SURVEY

RE: PHEASANT RIDGE DEVELOPMENT CO., INC.
SECTION 4, SHERMAN TOWNSHIP
ST. JOSEPH COUNTY, MICHIGAN

EXHIBIT "B"
(Sheet 1 of 4)

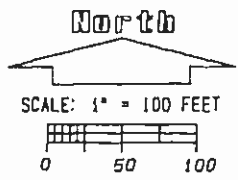


Hunter's Pointe Drive (Private)



MOSTROM & ASSOC., INC.

REVISED 1/11/2006
ADDED EXHIBIT "D" NOTE



DATE: June 30, 2005

SURVEY NO.: 04710-15623

CADFILE WETLAND

PLAT OF SURVEY

RE: PHEASANT RIDGE DEVELOPMENT CO., INC.
SECTION 4, SHERMAN TOWNSHIP
ST. JOSEPH COUNTY, MICHIGAN

EXHIBIT "B"
(Sheet 2 of 4)

DESCRIPTION - WETLAND SOUTH OF BUTTERNUT DRIVE

ALL THAT PART OF THE NORTHWEST 1/4 OF SECTION 4, TOWN 7 SOUTH, RANGE 10 WEST, SHERMAN TOWNSHIP, ST. JOSEPH COUNTY, MICHIGAN, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF LOT 1 OF "TIMBER TRACE" (RECORDED IN LIBER 6 OF PLATS, PAGE 68) AND RUNNING THENCE S39°25'44"W 221.52 FEET TO THE POINT OF BEGINNING OF THIS DESCRIPTION; THE BOUNDARY RUNS THENCE S24°18'38"E 56.99 FEET; THENCE S05°02'34"E 174.81 FEET; THENCE S29°07'15"W 32.71 FEET; THENCE S61°15'30"W 82.93 FEET; THENCE N38°07'29"W 26.35 FEET; THENCE N00°26'32"W 67.50 FEET; THENCE N20°04'57"W 36.90 FEET; THENCE N27°46'49"W 63.02 FEET; THENCE N26°43'14"W 74.17 FEET; THENCE N21°37'39"W 56.11 FEET; THENCE N13°08'39"E 29.60 FEET; THENCE S89°16'43"E 30.39 FEET; THENCE N43°25'40"E 39.34 FEET; THENCE S75°49'32"E 49.70 FEET; THENCE S46°44'00"E 69.11 FEET TO THE POINT OF BEGINNING.

CONTAINS 0.958 ACRES, MORE OR LESS. (41,713 SQ. FT.)

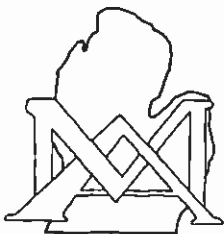
REVISED 1/11/2006
ADDED EXHIBIT "D" NOTE

SURVEYOR'S CERTIFICATE

I hereby certify exclusively to PHEASANT RIDGE DEVELOPMENT that I have surveyed the above described property; that the plat hereon delineated is a correct representation of the same; that all surface encroachments were noted; that said survey was performed with an error closure of one in 2000; that I fully complied with the provisions of section 3, Act 132, P.A. 1970.



WAYNE A. MOSTROM, PROFESSIONAL SURVEYOR NO. 14100
P.O. BOX 45, CENTREVILLE, MICHIGAN 49032



MOSTROM & ASSOC., INC.



DATE: June 30, 2005

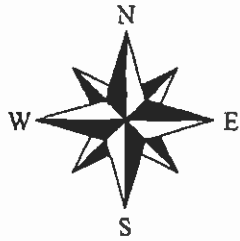
SURVEY NO.: 04710-15623

CADFILE: PP WETLAND.dwg

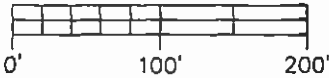
PLAT OF SURVEY

RE: PHEASANT RIDGE DEVELOPMENT CO., INC.
 SECTION 4, SHERMAN TOWNSHIP
 ST. JOSEPH COUNTY, MICHIGAN

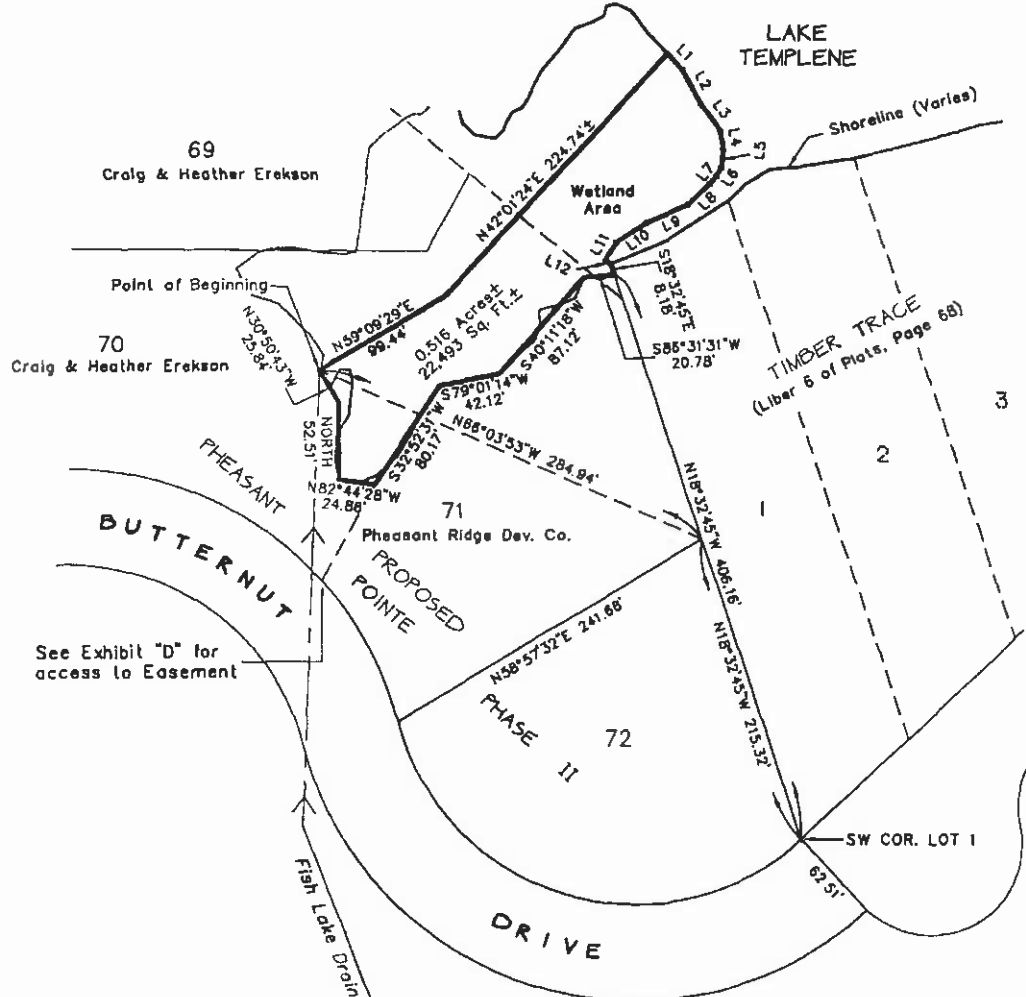
EXHIBIT "B"
 (Sheet 3 of 4)



SCALE: 1" = 100 FEET



LINE	BEARING	DISTANCE
L1	S43°36'12"E	15.66'
L2	S28°57'24"E	26.86'
L3	S35°59'18"E	22.13'
L4	S09°59'06"E	13.63'
L5	S05°29'07"W	12.37'
L6	S32°22'00"W	6.62'
L7	S40°12'01"W	7.33'
L8	S44°57'07"W	20.67'
L9	S67°10'53"W	31.53'
L10	S56°45'35"W	25.09'
L11	S33°26'00"W	14.65'
L12	S61°32'59"E	4.91'



REVISED 1/11/2006
 ADDED BEARINGS AND DISTANCES AROUND
 SHORELINE AND REVISED DESCRIPTION

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DATE: June 30, 2005

SURVEY NO.: 04710-15623

CADFILE: PP WETLAND.dwg

PLAT OF SURVEY

RE: PHEASANT RIDGE DEVELOPMENT CO., INC.
SECTION 4, SHERMAN TOWNSHIP
ST. JOSEPH COUNTY, MICHIGAN

EXHIBIT "B"
(Sheet 4 of 4)

DESCRIPTION - WETLAND NORTH OF BUTTERNUT DRIVE

ALL THAT PART OF THE NORTHWEST 1/4 OF SECTION 4, TOWN 7 SOUTH, RANGE 10 WEST, SHERMAN TOWNSHIP, ST. JOSEPH COUNTY, MICHIGAN, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF LOT 1, TIMBER TRACE (RECORDED IN LIBER 6 OF PLATS, PAGE 68) AND RUNNING THENCE N18°32'45"W, ALONG THE WEST LINE OF SAID LOT 1, A DISTANCE OF 215.32 FEET TO THE SOUTHEAST CORNER OF UNIT 71 OF PROPOSED PHEASANT POINTE PHASE 2; THENCE N66°03'53"W 284.94 FEET TO THE NORTHWEST CORNER OF SAID PROPOSED UNIT 71, WHICH IS THE POINT OF BEGINNING OF THIS DESCRIPTION; THE BOUNDARY RUNS THENCE ALONG THE BOUNDARY OF PROPOSED UNIT 71, ALONG THE FOLLOWING TWO COURSES: N59°09'29"E 99.44 FEET, N42°01'24"E 224.74 FEET, MORE OR LESS, TO THE SHORELINE OF LAKE TEMPLENE; THENCE SOUTHERLY, ALONG SAID SHORELINE, ALONG THE FOLLOWING TWELVE COURSES: S43°36'12"E 15.66 FEET, S28°57'24"E 26.86 FEET, S35°59'18"E 22.13 FEET, S09°59'06"E 13.63 FEET, S05°29'07"W 12.37 FEET, S32°22'00"W 6.62 FEET, S40°12'01"W 7.33 FEET, S44°57'07"W 20.67 FEET, S67°10'53"W 31.53 FEET, S56°45'35"W 25.09 FEET, S33°26'00"W 14.65 FEET, S61°32'59"E 4.91 FEET TO THE NORTHWEST CORNER OF LOT 1, TIMBER TRACE; THENCE S18°32'45"E, ALONG THE WEST LINE OF SAID LOT 1, A DISTANCE OF 8.18 FEET TO A POINT WHICH BEARS N18°32'45"W 406.16 FEET FROM THE SOUTHWEST CORNER OF SAID LOT 1; THENCE S86°31'31"W 20.78 FEET; THENCE S40°11'18"W 87.12 FEET; THENCE S79°01'14"W 42.12 FEET; THENCE S32°52'31"W 80.17 FEET; THENCE N82°44'28"W 24.86 FEET; THENCE NORTH 52.51 FEET; THENCE N30°50'43"W 25.84 FEET TO THE POINT OF BEGINNING.

THIS PARCEL CONTAINS 22,493 SQUARE FEET, MORE OR LESS.

REVISED 1/11/2006
ADDED BEARINGS AND DISTANCES AROUND
SHORELINE AND REVISED DESCRIPTION

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SURVEYOR'S CERTIFICATE

I hereby certify exclusively to PHEASANT RIDGE DEVELOPMENT that I have surveyed the above described parcel; that the plat hereon delineated is a correct representation of the same; that all surface encroachments were noted; that said survey was performed with an error of closure of one in 5000+; That I have fully complied with the provisions of section 3, Act 152, P.A. 1970.

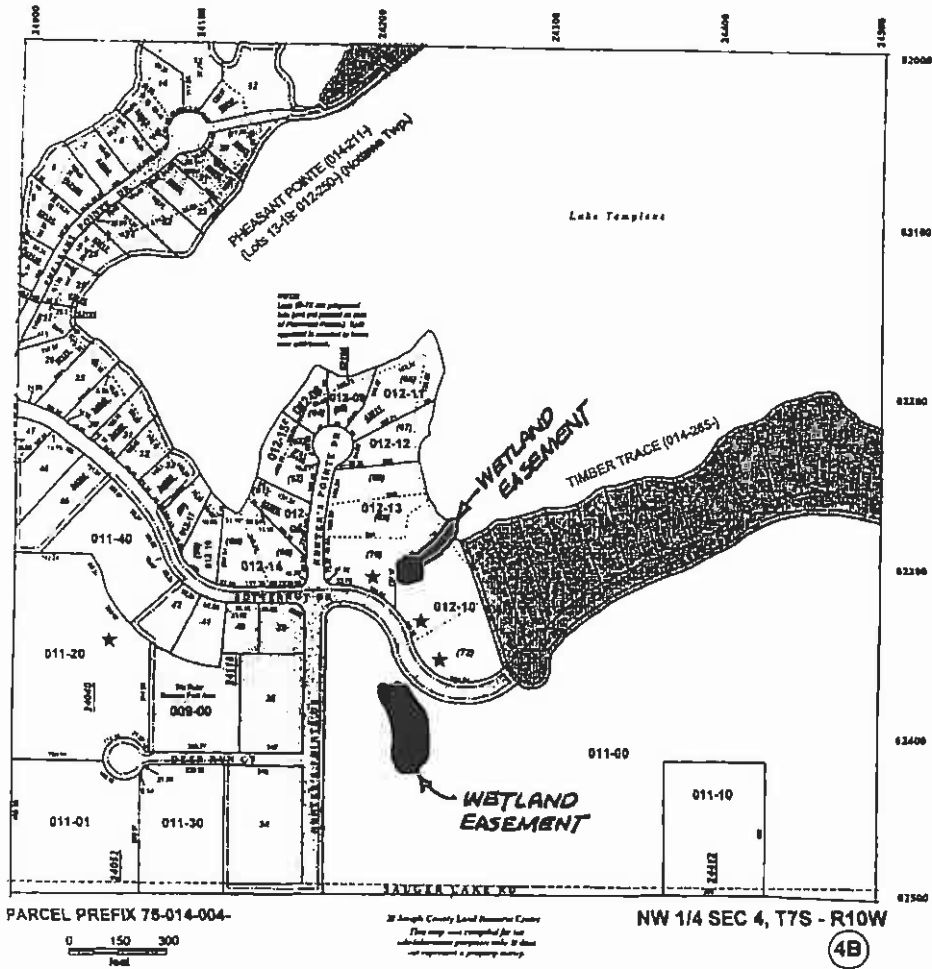
WAYNE A. MOSTROM, PROFESSIONAL SURVEYOR NO. 14100
P.O. BOX 85, CENTREVILLE, MICHIGAN 49032 (269)467-6348



MOSTROM & ASSOC., INC.



EXHIBIT C



DATE: January 10, 2006

SURVEY NO.: 24710-15623

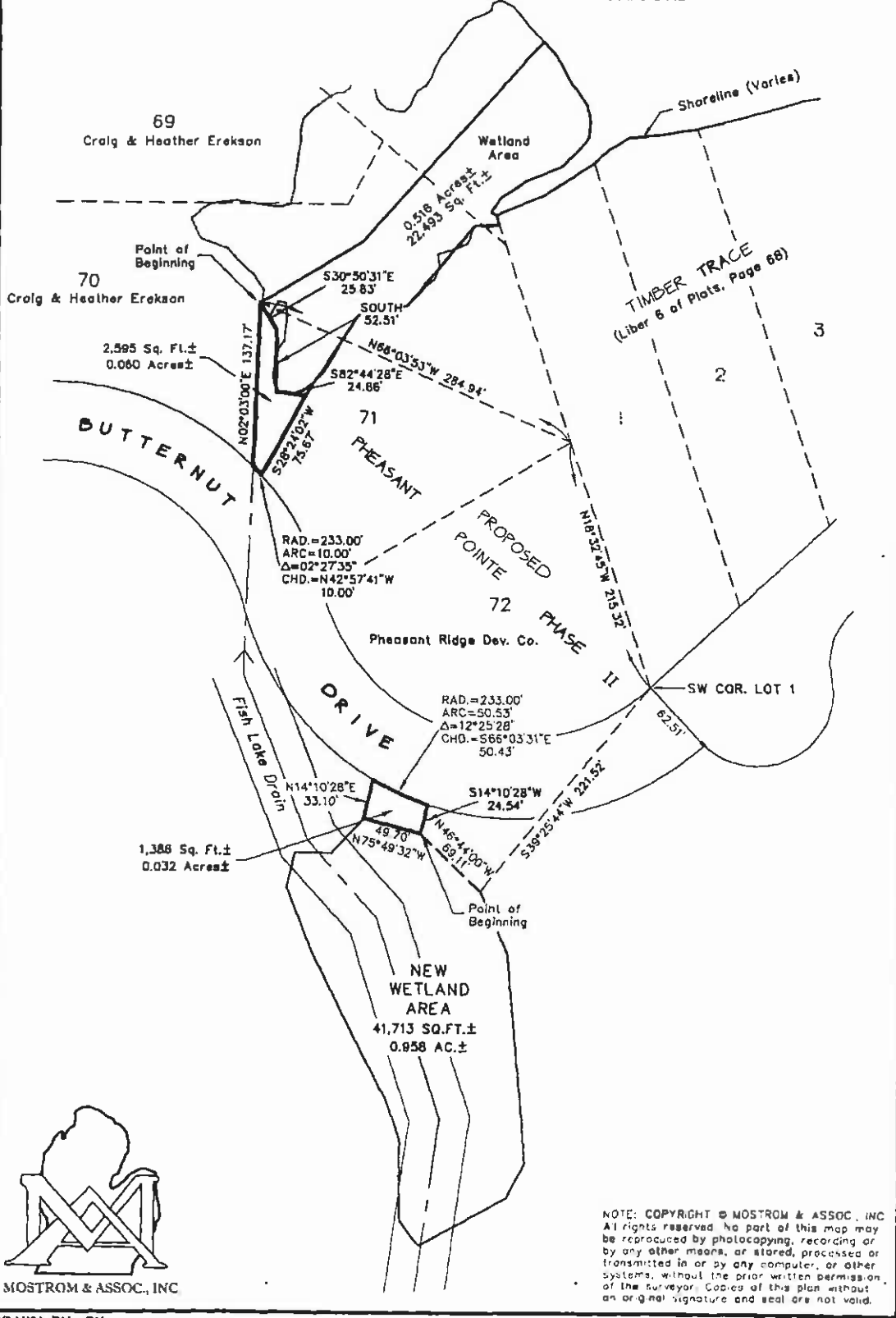
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PLAT OF SURVEY

RE: PHEASANT RIDGE DEVELOPMENT CO., INC.
SECTION 4, SHERMAN TOWNSHIP
ST. JOSEPH COUNTY, MICHIGAN

EXHIBIT "D"
(Sheet 1 of 2)

LAKE
TEMPLENE



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DATE: January 10, 2006

SURVEY NO.: 24710-15623

CADFILE: PP WETLAND.dwg

PLAT OF SURVEY

RE: PHEASANT RIDGE DEVELOPMENT CO., INC.
SECTION 4, SHERMAN TOWNSHIP
ST. JOSEPH COUNTY, MICHIGAN

EXHIBIT "D"
(Sheet 2 of 2)

DESCRIPTION - ACCESS TO WETLAND NORTH OF BUTTERNUT DRIVE:

ALL THAT PART OF THE NORTHWEST 1/4 OF SECTION 4, TOWN 7 SOUTH, RANGE 10 WEST, SHERMAN TOWNSHIP, ST. JOSEPH COUNTY, MICHIGAN, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF LOT 1, TIMBER TRACE (RECORDED IN LIBER 6 OF PLATS, PAGE 68) AND RUNNING THENCE N18°32'45"W, ALONG THE WEST LINE OF SAID LOT 1, A DISTANCE OF 215.32 FEET TO THE SOUTHEAST CORNER OF UNIT 71 OF PROPOSED PHEASANT POINTE PHASE 2; THENCE N66°03'53"W 284.94 FEET TO THE POINT OF BEGINNING OF THIS DESCRIPTION; THE BOUNDARY RUNS THENCE S30°50'31"E 25.83 FEET; THENCE SOUTH 52.51 FEET; THENCE S82°44'28"E 24.86 FEET; THENCE S28°24'02"W 75.67 FEET; THENCE NORTHWESTERLY, ALONG THE NORTH RIGHT OF WAY OF BUTTERNUT DRIVE, ALONG A 233.00 FOOT RADIUS CURVE TO THE LEFT, AN ARC DISTANCE OF 10.00 FEET (CHORD = N42°57'41"W 10.00 FEET) TO THE SOUTHWEST CORNER OF PROPOSED UNIT 71; THENCE N02°03'00"E 137.17 FEET, ALONG THE WESTERLY LINE OF UNIT 71 OF PROPOSED PHEASANT POINTE PHASE 2 TO THE POINT OF BEGINNING.

THIS PARCEL CONTAINS 2,595 SQ. FT. MORE OR LESS.

DESCRIPTION - ACCESS TO WETLAND SOUTH OF BUTTERNUT DRIVE:

ALL THAT PART OF THE NORTHWEST 1/4 OF SECTION 4, TOWN 7 SOUTH, RANGE 10 WEST, SHERMAN TOWNSHIP, ST. JOSEPH COUNTY, MICHIGAN, DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF LOT 1, TIMBER TRACE (RECORDED IN LIBER 6 OF PLATS, PAGE 68) AND RUNNING THENCE S39°25'44"W 221.52 FEET; THENCE N46°44'00"W 69.11 FEET TO THE POINT OF BEGINNING OF THIS DESCRIPTION; THE BOUNDARY RUNS THENCE N75°49'32"W 49.70 FEET; THENCE N14°10'28"E 33.10 FEET; THENCE SOUTHEASTERLY, ALONG THE SOUTH RIGHT OF WAY LINE OF BUTTERNUT DRIVE, ALONG A 233.00 FOOT RADIUS CURVE TO THE LEFT, AN ARC DISTANCE OF 50.53 FEET (CHORD = S66°03'31"E 50.43 FEET); THENCE S14°10'28"W 24.54 FEET TO THE POINT OF BEGINNING.

THIS PARCEL CONTAINS 1,386 SQ. FT., MORE OR LESS.

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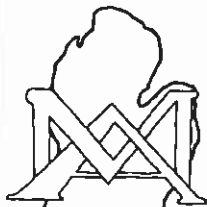
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SURVEYOR'S CERTIFICATE

I hereby certify exclusively to PHEASANT RIDGE DEVELOPMENT that I have surveyed the above described parcel; that the plat hereon delineated is a correct representation of the same; that all surface encroachments were noted; that said survey was performed with an error of closure of one in 5000+; That I have fully complied with the provisions of section 3, Act 132, P.A. 1970.



WAYNE A. MOSTROM, PROFESSIONAL SURVEYOR NO 14100
P.O. BOX 85, CENTREVILLE, MICHIGAN 49073 (269) 67-5149



MOSTROM & ASSOC., INC.





JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
LANSING



STEVEN E. CHESTER
DIRECTOR

February 28, 2006

CERTIFIED MAIL 7002 0860 0007 7046 2108

Mr. Jeffrey Chupp, Owner
Pheasant Ridge Development Company, Inc.
54560 CR 17
Elkhart, Indiana 46514

RECEIVED

MAR - 2 2006

Dear Mr. Chupp:

SUBJECT: Administrative Consent Order (ACO-FTO-SW05-004)

Enclosed please find a fully executed Administrative Consent Order, ACO-FTO-SW05-004, entered between Pheasant Ridge Development Company Inc., and the Michigan Department of Environmental Quality (MDEQ) on February 24, 2006.

If you have any questions, you may contact me at 517-241-0953.

Sincerely,

Heather Krieger, Enforcement Specialist
Enforcement Unit
Field Operations Division
Water Bureau
Fax: 517-373-2040

Enclosure

cc: Mr. Greg Danneffel, DEQ
Mr. Barry H. Selden, DEQ
Mr. Dale Ehinger, DEQ
cc/enc: Mr. Jeffrey D. Swenarton, Kreis Enderle Callander & Hudgins, PC

**STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
WATER BUREAU**

In the matter of administrative
proceedings against:

ACO-FTO-SW05-004

Date Entered: 2-24-06

Pheasant Ridge Development Company, Inc.
54560 CR 17
Elkhart, Indiana 46514

ADMINISTRATIVE CONSENT ORDER

This Administrative Consent Order (ACO) results from allegations by the Water Bureau (WB) of the Department of Environmental Quality (DEQ) identified in a Notice letter NL-03-04-01-009K dated March 1, 2004. The DEQ alleges that Pheasant Ridge Development Company, Inc. (Pheasant Ridge), which owns and operates a community sewerage system, located at Pheasant Pointe Phase 2 (Pheasant Pointe), Sherman Township, County of St. Joseph, State of Michigan, is in violation of Part 41, Sewerage Systems, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (NREPA), MCL 324.4101 et seq. Pheasant Ridge and the DEQ agree to resolve the violations set forth herein by entry of this ACO.

I. STIPULATIONS

Pheasant Ridge and the DEQ stipulate as follows:

- 1.1 Part 41 of the NREPA, MCL 324,4101 et seq., and rules promulgated pursuant thereto, provides for the proper planning, construction and operation of the sewerage facilities to prevent unlawful pollution of the waters of the State.
- 1.2 Section 4105(1) of Part 41 of the NREPA states in part: that "before constructing a sewerage system, filtration or other purification plant, or treatment works or any alteration, addition, or improvement to the system or plant, the mayor of each city, the president of each village, and the responsible official of all other governmental agencies, associations, private corporations, and partnerships or individuals shall submit the plans

and specifications to the department and secure from the department a permit for construction. A contractor, builder, governmental agency, corporation, association, partnership, or individual shall not engage in or commence the construction of a sewerage system, filtration, or other purification plant, or treatment works or an alteration, addition, or improvement until a valid permit for the construction is secured from the department."

- 1.3 Section 4105(2) of Part 41 of the NREPA states that a municipal office or an officer or agent of a governmental agency, corporation, association, partnership, or individual who permits or allows construction to proceed on a sewerage works without a valid permit, or in a manner not in accordance with the plans and specifications approved by the department, is guilty of a misdemeanor.
- 1.4 The DEQ is authorized by Section 4111 of Part 41 of the NREPA to bring an appropriate action as may be necessary to carry out this part and to enforce any and all laws, rules and regulations related to this part. The director of the DEQ or his designee has authority to enter this ACO with Pheasant Ridge in accordance with Section 301(b) of the NREPA, MCL 324.301(b).
- 1.5 The DEQ and Pheasant Ridge stipulate that compliance with Rule 299.2941 of Part 41 of the NREPA is a necessary step to receive a permit from the DEQ for the construction of a sewerage system or portions thereof.
- 1.6 Pheasant Ridge stipulates to the issuance and entry of this ACO to comply by consent and stipulates that the termination of this matter by a final order to be entered as an ACO is proper and acceptable. Pheasant Ridge further agrees not to contest the issuance of this ACO. This ACO, thus, shall be considered a final order of the DEQ and shall become effective on the date it is signed by the chief of the WB, as delegee of the director, pursuant to Section 301(b) of the NREPA.
- 1.7 Pheasant Ridge and the DEQ agree that the signing of this ACO is for settlement

purposes only and does not constitute an admission by Pheasant Ridge that the law has been violated.

- 1.8 Pheasant Ridge shall achieve compliance with the aforementioned regulations in accordance with the requirements contained in Section III, Compliance Program, of this ACO.

II. FINDINGS

- 2.1 On February 2, 2004, the DEQ received sufficient information to believe that Pheasant Ridge had constructed a sanitary sewerage system without obtaining a valid Part 41 permit at Pheasant Pointe.
- 2.2 On March 1, 2004, the DEQ issued a (NL Letter) NL-03-04-01-009K notifying Pheasant Ridge that the DEQ conducted a site visit and found that portions of the sanitary sewerage system within the development were constructed without the issuance of a Part 41 construction permit. Additionally, the DEQ requested from Pheasant Ridge the as-built specifications and plans for the sewerage system that had been constructed.
- 2.3 On April 7, 2004, Pheasant Ridge responded to NL-03-04-01-009K, providing some information; however, specific dates were not identified when the sanitary sewerage system was constructed.
- 2.4 On June 16, 2004, the DEQ issued a letter requesting additional information to NL-03-04-01-009K explaining the methods and materials used for the construction of the sewerage system at Pheasant Pointe.
- 2.5 On October 6, 2004, Pheasant Ridge responded to the DEQ letter, dated June 16, 2004. Pheasant Ridge provided some additional information; however, no specific information was described about the construction methods and materials used for the Pheasant Pointe project.

- 2.6 On May 20, 2005, Pheasant Ridge sent a letter to the DEQ stating that it had completed the tasks identified in the NL-03-04-01-009K. By letter dated July 13, 2005, the DEQ notified Pheasant Ridge that the sewerage system was technically approvable.

III. COMPLIANCE PROGRAM

IT IS THEREFORE AGREED AND ORDERED THAT Pheasant Ridge will take the following actions to prevent further violations of Part 41:

- 3.1 Pheasant Ridge shall develop and submit a checklist for any future developments governed under Part 41 to include, but not limited to:
- The design specifications and plans approved by the DEQ engineer,
 - The Part 41 construction permit,
 - All permits required by state, county and local laws,
 - All permits that it will develop and maintain for each construction project.

Pheasant Ridge shall submit the checklist no later than 21 days after the effective date of this ACO for the DEQ's review and approval to:

Department of Environmental Quality
Enforcement Unit - Water Bureau
P.O. Box 30273
Lansing, Michigan 48909-7773
Attn: Heather Krieger

- 3.2 For any future developments, Pheasant Ridge shall have the DEQ approved checklist at each site and require its contractors to review and sign the approved checklist prior to initiating construction for all sewer projects. The checklist shall explicitly state that

sanitary sewer construction may not commence until the required Part 41 permit is issued by the DEQ. The checklist for any project shall be provided to the DEQ upon request.

- 3.3 Pheasant Ridge shall submit all reports, work plans, specifications, schedules, or any other writing required by this section to the district supervisor, WB, DEQ, 7953 Adobe Street, Kalamazoo, Michigan 49009. The cover letter with each submittal shall identify the specific paragraph and requirement of this ACO that the submittal is intended to satisfy.

IV. REPORTING

- 4.1 Pheasant Ridge shall verbally report any violation(s) of the terms and conditions of this ACO to the Kalamazoo District Supervisor by no later than the close of the next business day following detection of such violation(s) and shall follow such notification with a written report within five business days following detection of such violation(s). The written report shall include a detailed description of the violation(s), as well as a description of any actions proposed or taken to correct the violation(s). Pheasant Ridge shall report any anticipated violation(s) of this ACO to the above-referenced individual in advance of the relevant deadlines whenever possible.

V. RETENTION OF RECORDS

- 5.1 Upon request by an authorized representative of the DEQ, Pheasant Ridge shall make available to the DEQ all records, plans, logs, and other documents required to be maintained under this ACO or pursuant to Part 41 or its rules. All such documents shall be retained by Pheasant Ridge for at least a period of three years from the date of generation of the record unless a longer period of record retention is required by Part 41 or its rules.

VI. RIGHT OF ENTRY

- 6.1 Pheasant Ridge shall allow any authorized representative or contractor of the DEQ, upon presentation of proper credentials, to enter upon the premises of the facility at all reasonable times for the purpose of monitoring compliance with the provisions of this ACO. This paragraph in no way limits the authority of the DEQ to conduct tests and inspections pursuant to the NREPA and the rules promulgated thereunder, or any other applicable statutory provision.

VII. PENALTIES

- 7.1 Pheasant Ridge agrees to pay an administrative fine of **\$6,643 DOLLARS** to the State of Michigan for the violations specified in the letter dated March 1, 2004. Payment shall be made within 30 days of the effective date of this ACO in accordance with paragraph 7.3.
- 7.2 For each failure to comply with any requirement of this ACO, including payment of the administrative fine pursuant to paragraph 7.1, Pheasant Ridge shall pay stipulated penalties of **\$500 DOLLARS** per violation per day for each day of violation. Payment of penalties accrued under this paragraph shall be made within 30 days after receiving written demand by the DEQ and in accordance with paragraph 7.3. Failure to make payment by this deadline constitutes a separate violation of this ACO, and is subject to additional stipulated fines.
- 7.3 Pheasant Ridge agrees to pay all funds due pursuant to this agreement by check made payable to the State of Michigan and delivered to the DEQ, Revenue Control Unit, P.O. Box 30657, 525 West Allegan Street, 5th Floor, South Tower, Lansing, Michigan 48909-8157. To ensure proper credit, all payments made pursuant to this ACO must include the Payment Identification Number WTR3039.
- 7.4 Pheasant Ridge agrees not to contest the legality of the administrative fine paid pursuant to paragraph 7.1 above. Pheasant Ridge further agrees not to contest the legality of any

stipulated penalties assessed pursuant to paragraph 7.2 above, but reserves the right to dispute the factual basis upon which a demand by the DEQ for stipulated penalties is made.

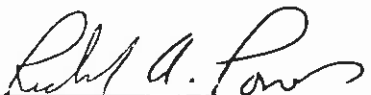
VIII. GENERAL PROVISIONS

- 8.1 With respect to any violations not specifically addressed and resolved by this ACO, the DEQ reserves the right to pursue any other remedies to which it is entitled for any failure on the part of Pheasant Ridge to comply with the requirements of the NREPA and its rules.
- 8.2 The DEQ and Pheasant Ridge consent to enforcement of this ACO in the same manner and by the same procedures for all final orders entered pursuant to Part 41, MCL 324.4101 et seq.; and enforcement pursuant to Part 17, Michigan Environmental Protection Act, of the NREPA, MCL 324.1701 et seq.
- 8.3 This ACO in no way affects Pheasant Ridge's responsibility to comply with any other applicable state, federal, or local laws or regulations.
- 8.4 Nothing in this ACO is or shall be considered to affect any liability Pheasant Ridge may have for natural resource damages caused by Pheasant Ridge's ownership and/or operation of the facility. The State of Michigan does not waive any rights to bring an appropriate action to recover such damages to the natural resources.
- 8.5 The provisions of this ACO shall apply to and be binding upon the parties to this action, and their successors and assigns.
- 8.6 This ACO constitutes a civil settlement and satisfaction as to the resolution of the violations specifically addressed herein; however, it does not resolve any criminal action that may result from these same violations.

Signatories

The undersigned CERTIFY they are fully authorized by the party they represent to enter into this ACO to comply by consent and to EXECUTE and LEGALLY BIND that party to it.

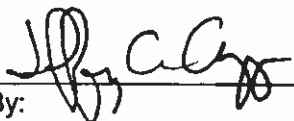
DEPARTMENT OF ENVIRONMENTAL QUALITY



Richard A. Powers, Chief
Water Bureau

2/24/06
Date

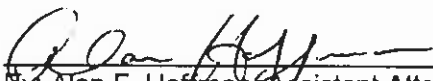
PHEASANT RIDGE DEVELOPMENT COMPANY, INC.


By: _____

President
Title:

6-29-06
Date

APPROVED AS TO FORM:



By: Alan F. Hoffman, Assistant Attorney General
For: S. Peter Manning
Assistant In Charge
Environment, Natural Resources, and Agriculture Division
Michigan Department of Attorney General

2/11/06
Date



"Your Local
Health Department"

Branch - Hillsdale - St. Joseph Community Health Agency

570 N. Marshall Road
Coldwater, MI 49036
(517) 279-9561
Fax (517) 278-2923

20 Care Drive
Hillsdale, MI 49242
(517) 437-7395
1-888-544-7395
Fax (517) 437-0166

209 W. Hatch Street
Sturgis, MI 49091
(269) 659-4013
1-800-258-1093
Fax (269) 651-6090

1110 Hill Street
Three Rivers, MI 49093
(269) 273-2161
1-800-258-1092
Fax (269) 273-2452

www.bhsj.org

April 11, 2006

Jeffrey Chupp
Pleasant Ridge Development Company, Inc.
54560 C.R. 17
Elkhart, Indiana 46515

Re: Proposed Pheasant Pointe Revision 1 site condominium, section 4 & 5 of Sherman twp., St. Joseph County. Submitted on 3/28/06. Lots included in the submittal were: 43, 44, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76

Dear Sirs:

In accordance with Section 71a of Act 59, Public Acts of 1978, as amended, the subject proposed site condominium subdivision has been reviewed and is granted preliminary health department approval. The approval is conditioned on the restrictions and conditions contained in this correspondence.

As proposed, this condominium subdivision consists of 32 single family residential units on 27 acres. The approximate distance to the nearest public water system is 3 miles and the nearest public sewage system is 3 miles. Individual units will be entirely dependent on individual on-site water supplies. Soil data submitted by the project engineer/surveyor has been reviewed and confirmed as to be accurate by this department. Sites 44, 47, 50, 55, 56, 57, 58, 59, 60, 61, 62, 68, 69, 70, 71, 72, 73, 74, 75, 76 dependent on individual on-site septic systems while sites 43, 48, 49, 51, 52, 53, 54, 63, 64, 65, 66, 67 served by a community sewer system to be maintained by the condominium association.

An assessment of the suitability for proposed on-site water supplies has been provided by the project engineer/surveyor. This assessment included a review of the well logs for wells installed on lots 45, 54, 56 & 61 of the proposed site condominium "Pheasant Pointe Revision 1". A review of these well log records has shown that an adequate supply of potable water can be obtained at a depth of 108 feet or greater. Water samples collected from these well have confirmed the suitability of water withdrawn from the aquifer. Our review of this assessment confirms that an adequate quantity and quality of water is available to serve this development subject to restrictions required below.

The water quality tests show the presence of a high level of iron in the water obtained from this depth. Concentrations of iron in existing wells are within the range of .7 – 1.2 parts per million. These results exceed the secondary maximum contaminate level for iron of (>0.3 mg/L) as shown in Table 1, Section R 560.415 of Rules in “Part 4. Department of Environmental Quality On-Site Water Supply and Sewage Disposal for Land Divisions and Subdivisions”. An advisory must be recorded with the deed to inform potential homeowners of the possible need for water treatment because of the high iron level.

In accordance with administrative rules applicable to this proposal under the authority of Section 71, Act 59, Public Acts of 1978, as amended, the preliminary site condominium subdivision of “Pheasant Pointe Revision 1” is approved by this department subject to the following restriction and conditions which are to be made part of the master deed:

1. All wells must be installed by a Michigan Licensed Well driller to a depth to provide a minimum of 50 feet of submergence and/or penetration of protective clay.
2. All developed sites must connect to a community water system if available in the future.
3. All developed sites must connect to a community sewer system if available in the future.
4. All individual wells must be isolated a minimum distance of 50 feet from all individual sewer absorption areas (initial & replacement), individual septic tanks and pump chambers and pressure sewer lines.
5. Prior to beginning construction on any condominium site a well and sewage system construction permit must be obtained from this office.
6. For condominium sites that will be served by an on-site septic system, a site plan drawn to scale, showing the proposed location of the dwelling, well, septic tank, effluent absorption area including the replacement area, any outbuildings, proposed pools, driveway, other paved areas or other permanent structures must be submitted to this office prior to applying for a sewage or well permit. An area has been shown by the engineer/surveyor on the preliminary site plan for the location of the septic system (initial & replacement). The issuance of a sewage construction permit for these sites will only be made where sufficient area can be shown on a scaled site drawing for the well, septic tank, initial and replacement absorption areas that meets the size and isolation requirements of the “Environmental Health Codes for Branch, Hillsdale, and St. Joseph Counties, Michigan” and any other applicable local or State laws, for the size home proposed to be constructed on the lot.

Pleasant Ridge Development Company, Inc
Pheasant Pointe Revision 1
April 11, 2006
Page 3 of 3

7. All sewage disposal system components shall be located a minimum of 100 feet from surface water.
8. An advisory must be provided to all potential buyers regarding the iron level found in the test well data.

“Test well results have revealed that individual wells may contain iron in excess of recommended limits (>0.3 mg/L). High levels of iron may impart reddish-brown staining of laundry and plumbing fixtures and can affect the taste of the water for drinking. A Water softener, Reverse osmosis, or distillation water treatment devices are among the most effective processes for removing iron from water supplies.”

9. The owner of each site condominium that is served by an individual on-site septic system is responsible for the installation, operation and maintenance of its own on-site sewage disposal system.

Please send two copies of the amended master deed to our office along with the final plat map showing the numeration of the lots. If there are further questions regarding this matter me at our Three Rivers office.

Sincerely,



Stephen R. Todd, RS, MPA
Director of Environmental Health
Branch-Hillsdale-St. Joseph Community Health Agency

Cc: Mostrum and Associates, Inc. Land Surveying
MDEQ

ESCROW AGREEMENT (Sewer System)

THIS ESCROW AGREEMENT ("Agreement") between Pheasant Ridge Development Company, Inc., a Michigan corporation, whose address is 70186 Hartshorn Terrace, Union, Michigan 49130, ("Developer"), Pheasant Pointe Condominium Association, a Michigan nonprofit corporation, whose address is 70186 Hartshorn Terrace, Union, Michigan 49130 (the "Association"), and Jeffrey A. Chupp, whose address is 70186 Hartshorn Terrace, Union, Michigan 49130 ("Escrow Agent")

Background

Developer has established a condominium project (the "Condominium" or "Project") known as Pheasant Pointe Condominium pursuant to a Master Deed recorded at Liber 902, Page 532, in the St. Joseph County, Michigan Register of Deeds (the "Condominium Project"). The Association is the owners association established in connection with the Condominium. Developer has developed a privately owned sewer system ("Sewer System") to be used by, initially, twenty-seven (27) of the seventy-one (71) units in the Condominium (hereinafter "Sewer Users"). The operation, maintenance, repair, and replacement of the Sewer System will be funded from user fees or other assessments levied against and paid by the Units that use the Sewer System.

As a condition to approving the Sewer System, the Michigan Department of Environmental Quality ("MDEQ") has required that this Agreement be signed and that an escrow fund be established and maintained to ensure that sufficient funding is available for the sole purpose of continuing uninterrupted system operation and maintenance in the event user fees or other assessments are inadequate or insufficient.

NOW THEREFORE, in consideration of the foregoing and the terms and conditions set forth below, the parties agree as follows:

Terms and Conditions

1. **Appointment of Escrow Agent.** Developer and the Association hereby appoint Escrow Agent as the escrow agent, and Escrow Agent agrees to assume and perform such duties as set forth in this Agreement. The Escrow Agent shall initially set up an escrow account ("Escrow Account") at Sturgis Bancorp, Inc. and it shall maintain the Account.

2. **Funding.** The Escrow Account shall be funded in the amount set forth in the attached Financial Workbook for Private Sewer Systems Operation and Maintenance, **Exhibit A**. **Exhibit A** may be amended from time to time by the Association and the Sewer System engineer as permitted by any applicable laws, regulations and permits.

A. **Initial Period.** The Escrow Account shall be initially funded by Developer in the amount of \$27,000, which sum has been estimated to be sufficient to properly operate the Sewer System and to conduct necessary maintenance, repairs, and replacements of the Sewer System in accordance with all applicable laws, regulations and permits for a period not less than two (2) years. Developer shall place this initial amount in escrow with Escrow Agent, and shall be reimbursed by the Escrow Agent or the Association with Sewer User fees, in the amounts paid by Developer, subject to Paragraph 3.A below (All fees and payments made by the Sewer Users related to the System may be referred to as "Fees"). The

Association shall assess the Sewer Users of the Sewer System in the Condominium Project in accordance with the terms of the Condominium Documents. All Fees paid by Sewer Users shall be paid to the Developer or the Association which shall deposit these funds into the Escrow Account or a separate banking account to be used by the Association to maintain and operate the Sewer System on an ongoing basis.

B. Subsequent Funding Periods. Not later than two years after this Agreement is fully executed, the Escrow Account shall be fully funded in the "five (5) year amount" as set forth in **Exhibit A** (\$61,745.68), which five (5) year amount may be amended from time to time, but shall not be decreased without written approval from the MDEQ. Prior to the end of the initial two (2) year period, the Association shall assess all Sewer Users an additional equal amount to cover the five-year amount. The assessment of Fees to fund the Escrow Account shall be in addition to, and not effect nor be affected by, other Fees owed by the Sewer Users. Developer shall pay the five (5) year amount on or before the two (2) year deadline and whether or not it is immediately reimbursed by the Sewer Users.

C. Replenishment. After the five (5) year amount has been deposited into the Escrow Account, the Association shall, in addition to any monthly fees, assess all Sewer Users equally in an amount necessary to keep the Escrow Account fully funded with the five (5) year amount (i.e., the amount, certified by an engineer, it will take to operate, maintain, repair, and replace the Sewer System for the next ensuing five (5) year period). As set forth in the First Amendment to the Master Deed for the Condominium, the Escrow Account shall be replenished, with the then relevant five (5) year amount, after the first and all ensuing withdrawals from the Escrow Account. As used herein, "Condominium Documents" shall mean the Master Deed, Bylaws of the Association, and related documents necessary or used to establish the Condominium Project.

3. Disbursement. Escrow Agent shall keep and preserve the Escrow Account and shall make disbursements from it as follows:

A. To the Developer at any time the Fees in the Escrow Account exceed the amount required, where Developer has paid into the Escrow Account and should be reimbursed, but which amount shall not exceed the contributions actually paid in by Developer. Developer shall not be reimbursed for Fees it pays as a Co-Owner of a Unit and a Sewer User.

B. To the Developer, the Association, or their successors and assigns, provided said parties provide a certified cost estimate from a Michigan licensed engineer showing the necessary costs to operate, maintain, and repair of the Sewer System and to remain in compliance with applicable laws and rules. The certified letter shall state the following:

(1) The legal name of the beneficiary drawing on the Escrow Account;
and

(2) The statement: "The (legal name of beneficiary) is making this drawing because the Condominium Association has become insolvent or is otherwise unable to continue uninterrupted Sewer System operation and maintenance in accordance with applicable law and rule; and therefore needs to draw (\$dollars) from this Escrow Account (description of escrow account) to pay for the Sewer System

activities as identified on the certified cost estimate from (name of engineer), a Michigan licensed engineer, attached to this draw request.”

4. Resolution of Disputes. In the event of any disagreement or the presentation of conflicting claims or demands to the Escrow Account, or if Escrow Agent is in doubt as to what action to take, Escrow Agent shall select one or more of the following courses of action.

A. Hold or deliver the Escrow Account in accordance with the terms of this Agreement as determined by Escrow Agent in good faith.

B. Submit any such disagreement to binding arbitration before a single arbitrator in St. Joseph County, Michigan, under the commercial rules then prevailing of the American Arbitration Association and thereafter deliver the Escrow Account in accordance with the arbitrator's decision. Judgment upon any such award may be entered and enforced in any court of competent jurisdiction and such judgment shall be binding upon Escrow Agent, Developer, the Association, all Sewer Users, and all others connected with the Condominium. The Association shall pay Escrow Agent its reasonable attorneys fees and any other disbursements, expenses, losses, costs and damages of Escrow Agent in connection with or resulting from such arbitration.

C. File an interpleader action in a court of competent jurisdiction to determine the rights of the parties (in which case the Escrow Agent shall withhold delivery of the Escrow Account until paid into the court in accordance with applicable law). If an interpleader action is instituted, or if Escrow Agent is threatened with litigation or becomes involved in litigation in any manner whatsoever on account of this Agreement or the Escrow Account, the Association shall pay Escrow Agent its reasonable attorneys fees and any other disbursements, expenses, losses, costs and damages of Escrow Agent arising therefrom.

5. Resignation. Escrow Agent may resign at any time by giving written notice thereof to the other parties hereto, but such resignation shall not become effective until a successor escrow agent (which shall be a commercial bank or trust company in Michigan) shall have been appointed and shall have accepted such appointment in writing. Upon receipt of such notice, Developer and the Association shall promptly appoint a successor Escrow Agent by a written instrument delivered to and executed by such successor Escrow Agent, whereupon such successor escrow agent shall succeed to all of the rights and obligations of the resigning escrow agent as if originally named herein. Escrow Agent's sole responsibility after that time shall be to safe keep the Escrow Account delivered to it until receipt of a designation of a successor escrow agent and thereupon deliver the Escrow Account to such successor.

6. Liability of Escrow Agent. Escrow Agent shall not be liable for any error of judgment or for any act done or committed by it in good faith and in the exercise of reasonable commercial judgment, which is done in connection with this Agreement. Upon delivery of the Escrow Account in accordance with this Agreement, and upon performance of any other obligations or services stated herein, Escrow Agent shall be released from any further liability except that which is set forth in the terms and provisions of this Agreement.

7. Indemnity. The Association shall indemnify Escrow Agent and hold Escrow Agent harmless from any losses, costs, damages, expense, claims, and reasonable attorneys fees suffered or incurred by Escrow Agent as a result of, in connection with, arising from, or out of the acts or

omissions of Escrow Agent in performance of or pursuant to this Agreement, except such acts or omissions as may result from Escrow Agent's willful misconduct or gross negligence.

8. Validity of Documents. Escrow Agent shall not be required in any way to determine the validity or sufficiency, whether in form or substance, of any instrument, document, certificate, statement or notice referred to in this Agreement or contemplated by this Agreement, or the identity or authority of the persons executing it, and it shall be sufficient if any writing purporting to be such instrument document, certificate, statement or notice is delivered to Escrow Agent and purports to be correct in form and signed or otherwise executed by the party or parties required to sign or execute it under this Agreement.

9. Escrow Agent's Fee. Escrow Agent's fee for services provided under the terms of this Agreement shall be as set forth in the attached fee schedule and shall be paid from the Escrow Account.

10. Miscellaneous Provisions.

A. Notices. All notices, demands and requests required or permitted to be given under the provisions of this Agreement shall be in writing and shall be deemed delivered/given: (1) when personally delivered to the party to be given such notice or other communication; (2) on the business day that such notice or other communication is sent by facsimile or similar electronic device, fully prepaid, which facsimile or similar electronic communication shall promptly be confirmed by written notice; (3) on the third business day following the date of deposit in the United States mail if such notice or other communications sent by certified or registered mail with return receipt requested and postage thereon fully prepaid; or (4) on the business day following the day such notice or other communication is sent by reputable overnight courier, to the following:

If to Developer: Jeffrey Chupp, President
Pheasant Ridge Development Company, Inc.
70186 Hartshorn Terrace
Union, Michigan 49130

If to the Association: Jeffrey Chupp, President
Pheasant Pointe Condominium Association
70186 Hartshorn Terrace
Union, Michigan 49130

If to the Escrow Agent: See address in opening paragraph

or to such other address as the parties may designate in writing.

B. Benefit and Assignment. This Agreement shall be binding upon and inure to the benefit of the parties hereto, and their respective successors and assigns.

C. Choice of Law and Choice of Forum. This Agreement shall be governed construed and enforced in accordance with the laws of the State of Michigan. Any and all actions concerning any dispute arising hereunder shall be filed and maintained only in a state

or federal court sitting in the State of Michigan, and the parties hereto consent and submit to the jurisdiction of such state or federal court.

D. Counterparts. This Agreement may be signed in any number of counterparts with the same effect as if the signature on each such counterpart were upon the same instrument. Each executed copy shall be deemed an executed original for all purposes.

E. Entire Agreement. This Agreement represents the entire understanding and agreement between the parties with respect to the subject matter hereof, supersedes all prior agreements or negotiations between such parties, and may be amended, supplemented or changed only by an agreement in writing which makes specific reference to this Agreement and which is signed by the party against whom enforcement of any such amendment, supplement or modifications sought.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers on the day and year recorded below.

Developer:

Dated: May 11, 2006

Pheasant Ridge Development Company, Inc.

By: Jeffrey A. Chupp
Jeffrey Chupp
Its: President

Association:

Dated: May 11, 2006

Pheasant Pointe Condominium Association

By: Jeffrey A. Chupp
Jeffrey Chupp
Its: President

Escrow Agent:

Dated: May 11, 2006

Jeffrey A. Chupp
Jeffrey A. Chupp

Commitment To Insure



OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY, a Minnesota corporation, hereby agrees to issue a policy of title insurance as hereinbefore set forth upon satisfactory compliance with the requirements herein set forth and upon payment of the prescribed premium. If any requirement is not satisfied, the title policy will be issued subject to the exception which would otherwise be eliminated by compliance with such requirement. The policy will also contain exceptions as to matters affecting the title to subject property which may arise after the date hereof and which have not been eliminated to our satisfaction. All policies are subject to the printed conditions contained in the policy form. Owner's and Mortgage Policies With Exceptions will be issued with standard exceptions as shown herein.

REQUIREMENTS FOR ISSUANCE OF MORTGAGE POLICIES:

For all Mortgage Policies:

Requirement: Estoppel certificate on form provided by this company signed by or on behalf of all mortgagors and making representations as to the ages of individual mortgagors and such other matters as are therein set forth.

For ALTA Mortgage Policies Without Exceptions:

Requirement: Proper sworn statements and waivers showing payment or release of lien rights covering improvements made on subject land in the last 90 days or satisfactory proof that no improvements have been made within the last 90 days.

Requirement: Satisfactory survey by an approved surveyor showing no variation in location or dimensions, encroachments, or adverse rights, and such evidence of possession as may be required. Upon satisfactory evidence furnished to insurer, the policy to be issued will insure against loss or damage as a result of any existing violations of restrictions.

PROVISIONS APPLICABLE TO ALL COMMITMENTS:

This Commitment is delivered and accepted upon the understanding that the party to be insured has no personal knowledge or intimation of any defect, objection, lien or encumbrance affecting subject property other than those set forth herein and in the title insurance application. Failure to disclose such information shall render this commitment and any policy issued pursuant thereto, null and void as to such defect, objection, lien or encumbrance.

Liability of the Company under this Commitment shall be only to the named proposed Insured and such parties included under the definition of Insured in the form of policy or policies committed for and only for actual loss incurred in reliance hereon in undertaking in good faith (a) to comply with the requirements hereof or (b) to eliminate exceptions shown in Schedule B, or (c) to acquire or create the estate or interest or mortgage thereon covered by this Commitment. In no event shall such liability exceed the amount stated in Schedule A for the policy or policies committed for and such liability is subject to the Insuring provisions and the Conditions and Stipulations and the Exclusions from Coverage of the form of policy or policies committed for in favor of the proposed Insured which are hereby incorporated by reference and made a part of this Commitment except as expressly modified herein.

Any action or actions or rights of action that the proposed Insured may have or may bring against the Company arising out of the status of the title to the estate or interest or the status of the mortgage thereon covered by this Commitment must be based on and are subject to the provisions of this Commitment.

STANDARD EXCEPTIONS WHICH APPEAR UNDER SCHEDULE B ON:

Owner's Policies:

- A. Rights of persons in possession.
- B. Mechanics' liens not of record.
- C. Such state of facts as would be disclosed by an accurate survey and personal inspection of the premises.
- D. Existing water, mineral, oil and exploitation rights, and easements which are not of record.
- E. Restrictions upon the use of the premises not appearing in the chain of title.

Mortgage Policies with Exceptions:



- A. Rights of persons in possession.
- B. Mechanics' liens not of record.
- C. Such state of facts as would be disclosed by an accurate survey and personal inspection of the premises.

IN WITNESS WHEREOF, the said Old Republic National Title Insurance Company has caused its corporate name and seal to be hereunto affixed by its duly authorized officers as of the effective date hereof, the policy to be valid when countersigned by an authorized officer or agent of the Company.

**PATRICK
Abstract and Title Office, Inc.**
138 W. MAIN ST. P.O. BOX 157
CENTREVILLE, MI 49032
PHONES: (269) 467-9885 - (269) 467-9895

Authorized Signatory

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY
A Stock Company
400 Second Avenue South, Minneapolis, Minnesota 55401
(612) 371-1111

By  President
 Secretary

PATRICK ABSTRACT AND TITLE OFFICE, INC.
128 WEST MAIN STREET - P.O. BOX 157
CENTREVILLE, MI 49032
PHONES: (269) 467-9885 - 467-9895
FAX LINE: (269) 467-9795

1. EFFECTIVE DATE: 4/12/06 AT 9 A.M. CASE NO. 7525208
 2. POLICY OR POLICIES TO BE ISSUED AND UNDERWRITTEN BY:

OLD REPUBLIC NATIONAL TITLE INSURANCE COMPANY

ALTA OWNER'S POLICY AMOUNT
 PROPOSED INSURED:

ALTA LOAN POLICY AMOUNT
 EXCEPTIONS: WITHOUT

PROPOSED INSURED:

3. TITLE TO THE FEE SIMPLE ESTATE OR INTEREST IN THE LAND DESCRIBED OR REFERRED TO IN THIS COMMITMENT IS AS OF THE EFFECTIVE DATE HEREOF VESTED IN:

UNITS 43-44: PHEASANT RIDGE DEVELOPMENT COMPANY, INC., AN INDIANA CORPORATION

UNIT 47: EDWARD GOMOLUCH, A/K/A EDWARD P. GOMOLUCH AND DEBORAH GOMOLUCH, A/K/A DEBORAH A. GOMOLUCH, HUSBAND AND WIFE, SUBJECT TO MORTGAGE WITH FIRST NATIONAL BANK OF THREE RIVERS, RECORDED IN LIBER 1252, PAGE 687.

UNITS 49-50 & PART 48: RICHARD P. RHODES AND LUELLE G. RHODES, HUSBAND AND WIFE, SUBJECT TO A MORTGAGE WITH NATIONAL CITY BANK, RECORDED IN LIBER 1167, PAGE 838.

UNIT 51: GENE W. GROVE AND MARY A. GROVE, HUSBAND AND WIFE, SUBJECT TO A MORTGAGE WITH 1ST SOURCE BANK, RECORDED IN LIBER 1363, PAGE 285.

UNIT 52: CHARLES P. HOMOLA AND SANDRA L. HOMOLA, HUSBAND AND WIFE

UNIT 53: DAVID W. KURNICK AND DEBORAH L. KURNICK, HUSBAND AND WIFE

- UNIT 54: JERRY FULLBRIGHT AND JILL FULLBRIGHT, HUSBAND AND WIFE**
- UNIT 55: LARRY N. LIVINGSTON AND JUDITH A. ABBOTT, JOINT TENANTS WITH FULL RIGHTS OF SURVIVORSHIP**
- UNIT 56: STEVEN BELAK, A/K/A STEPHEN BELAK AND RENEE BELAK, A/K/A RENEE N. BELAK, HUSBAND AND WIFE, SUBJECT TO A MORTGAGE WITH BOULEVARD MORTGAGE CORPORATION, RECORDED IN LIBER 1290, PAGE 833**
- UNIT 57: CENELLE LLC, A LIMITED LIABILITY COMPANY, SUBJECT TO A MORTGAGE WITH FIRST STATE BANK OF MIDDLEBURY, RECORDED IN LIBER 1320, PAGE 606**
- UNIT 58: BRUCE D. INNES AND JODI L. INNES, HUSBAND AND WIFE**
- UNITS 59-60: MARVIN R. CHECK FAMILY TRUST, SUBJECT TO A MORTGAGE WITH STURGIS BANK & TRUST CO., RECORDED IN LIBER 1155, PAGE 833**
- UNIT 61: MARTIN F. SHREIBAK AND CAROL A. SHREIBAK, HUSBAND AND WIFE, SUBJECT TO A MORTGAGE WITH HORIZON BANK, RECORDED IN LIBER 1307, PAGE 251**
- UNITS 62-63: MARVIN R. CHECK FAMILY TRUST, SUBJECT TO A MORTGAGE WITH STURGIS BANK & TRUST CO., RECORDED IN LIBER 1155, PAGE 833**
- UNIT 64: MARK X. FRICK AND KRISTA R. FRICK, HUSBAND AND WIFE, SUBJECT TO A MORTGAGE WITH FIFTH THIRD MORTGAGE COMPANY, RECORDED IN LIBER 1103, PAGE 489**
- UNIT 65: MARK KRIVESHEIN, A/K/A MARK G. KRIVESHEIN AND ELIZABETH CALHOUN, HUSBAND AND WIFE, SUBJECT TO A MORTGAGE WITH PRICELINE MORTGAGE COMPANY, LLC, RECORDED IN LIBER 1213, PAGE 917. ALSO A MORTGAGE WITH CITIBANK, FEDERAL SAVINGS BANK, RECORDED IN LIBER 1349, PAGE 338**
- UNIT 67: PHEASANT RIDGE DEVELOPMENT CO, SUBJECT TO A MORTGAGE WITH MERCANTILE NATIONAL BANK OF IN, RECORDED IN LIBER 1282, PAGE 452. ALSO A MORTGAGE WITH CENELLE, LLC, AN INDIANA LIMITED LIABILITY COMPANY, RECORDED IN LIBER 1317, PAGE 561**
- UNIT 66: GREGORY A. PEYER AND PATRICIA K. PEYER, HUSBAND AND WIFE, SUBJECT TO A MORTGAGE WITH 1ST SOURCE BANK, RECORDED IN LIBER 1302, PAGE 215**
- UNITS 68-70: CRAIG W. EREKSON AND HEATHER L. EREKSON, HUSBAND AND WIFE, SUBJECT TO A MORTGAGE WITH 1ST SOURCE BANK, RECORDED IN LIBER 1295, PAGE 595**
- UNITS 71-72: PHEASANT RIDGE DEVELOPMENT COMPANY, INC., AN INDIANA CORPORATION**

UNITS 73-76: PHEASANT RIDGE DEVELOPMENT COMPANY, INC., AN INDIANA CORPORATION, SUBJECT TO A MORTGAGE WITH STURGIS BANK & TRUST CO., RECORDED IN LIBER 1110, PAGE 763 AND RE-RECORDED IN LIBER 1240, PAGE 315

4. THE LAND REFERRED TO IN THIS COMMITMENT IS DESCRIBED ON PAGE 2 OF SCHEDULE A.

COUNTERSIGNED AT CENTREVILLE, MICHIGAN

BY Bridgette Howles
AUTHORIZED OFFICER OR AGENT

THIS COMMITMENT IS INVALID UNLESS THE INSURING PROVISIONS AND SCHEDULES A& B ARE ATTACHED.
ORT FORM 3539

SCHEDULE A, PG1

SCHEDULE A, PAGE 2, (CON'T.) LEGAL DESCRIPTION
CASE NO. 7525208

TOWNSHIP OF SHERMAN, ST. JOSEPH COUNTY, MICHIGAN:

ALL THAT PART OF THE NORTHWEST ¼ OF SECTION 4 AND THE NORTH ½ OF THE NORTHEAST ¼ OF SECTION 5, TOWNSHIP 7 SOUTH, RANGE 10 WEST, DESCRIBED AS FOLLOWS:

COMMENCING AT THE EAST ¼ CORNER OF SAID SECTION 5 AND RUNNING THENCE NORTH 00°15'55" EAST, ALONG THE SECTION LINE, 1323.61 FEET TO A CONCRETE MONUMENTED FOUND AT THE SOUTHEAST CORNER OF THE NORTH ½ OF THE NORTHEAST ¼ OF SAID SECTION 5, WHICH IS THE POINT OF BEGINNING OF THIS DESCRIPTION; THE BOUNDARY RUNS THENCE NORTH 89°31'47" WEST, ALONG THE SOUTH LINE OF THE NORTH ½ OF THE NORTHEAST ¼ OF SAID SECTION 5, A DISTANCE OF 959.60 FEET; THENCE ALONG AN INTERMEDIATE TRAVERSE LINE ALONG THE FOLLOWING 7 COURSES: NORTH 01°52'55" WEST 39.07 FEET, NORTH 52°39'05" EAST 181.95 FEET, NORTH 00°23'45" EAST 232.82 FEET, SOUTH 79°15'00" EAST 226.75 FEET, SOUTH 64°50'05" EAST 175.35 FEET, NORTH 66°17'40" EAST 145.11 FEET, NORTH 41°52'25" EAST 12.00 FEET TO A CONCRETE MONUMENT FOUND AT THE NORTHWEST CORNER OF UNIT 1 OF PHEASANT POINTE (ST. JOSEPH COUNTY SITE CONDOMINIUM SUBDIVISION PLAT NO. 9); THENCE SOUTH 29°07'10" EAST, ALONG THE WEST LINE OF SAID PHEASANT POINTE, 267.00 FEET TO A CONCRETE MONUMENT FOUND ON THE SOUTHERLY RIGHT OF WAY LINE OF BUTTERNUT DRIVE; THENCE NORTHEASTERLY, ALONG SAID RIGHT OF WAY, ALONG A 275.00 FOOT RADIUS CURVE TO THE RIGHT, HAVING A DELTA ANGLE OF 62°08'40" AND AN ARC LENGTH OF 298.27 FEET (CHORD = SOUTH 88°16'56" EAST 283.86 FEET) TO A CONCRETE MONUMENT FOUND AT THE NORTHERLY MOST CORNER OF UNIT 46 OF SAID PHEASANT POINTE; THENCE SOUTH 43°56'19" WEST, ALONG THE BOUNDARY OF SAID UNIT 46, A DISTANCE OF 137.48 FEET TO A CONCRETE MONUMENT FOUND; THENCE NORTH 89°31'47" WEST, ALONG THE BOUNDARY OF SAID UNIT 46, A DISTANCE OF 26.03 FEET TO THE POINT OF BEGINNING.

ALSO ALL THAT LAND LYING BETWEEN THE INTERMEDIATE TRAVERSE LINES AND THE SHORELINE OF LAKE TEMPLENE, AS BOUNDED BY THE SIDE LOT LINES EXTENDED.

TOWNSHIP OF SHERMAN, ST. JOSEPH COUNTY, MICHIGAN:

ALL THAT PART OF THE NORTHWEST ¼ OF SECTION 4, TOWNSHIP 7 SOUTH, RANGE 10 WEST, DESCRIBED AS FOLLOWS:

COMMENCING AT THE WEST ¼ CORNER OF SECTION 4 AND RUNNING THENCE SOUTH 89°41'19" EAST, ALONG THE EAST-WEST ¼ LINE AS MONUMENTED, 958.62 FEET TO THE POINT OF BEGINNING OF THIS DESCRIPTION; THE BOUNDARY RUNS THENCE NORTH 00°24'19" EAST, ALONG THE EAST RIGHT OF WAY LINE OF HUNTER'S POINTE DRIVE, AND ITS SOUTHERLY EXTENSION, AS SHOWN IN PHEASANT POINTE (ST. JOSEPH COUNTY SITE CONDOMINIUM SUBDIVISION PLAT NO. 9), 848.59 FEET TO A CONCRETE MONUMENT FOUND; THENCE, ALONG THE SOUTHERLY RIGHT OF WAY LINE OF BUTTERNUT DRIVE AS SHOWN IN PHEASANT POINTE (ST. JOSEPH COUNTY SITE CONDOMINIUM SUBDIVISION PLAT NO. 9), ALONG THE

FOLLOWING THREE COURSES: NORTHEASTERLY, ALONG A 40.00 FOOT RADIUS CURVE TO THE RIGHT, HAVING A DELTA ANGLE OF 87°23'26" AND AN ARC LENGTH OF 61.01 FEET (CHORD = NORTH 44°06'03" EAST 55.27 FEET) TO A CONCRETE MONUMENT FOUND, SOUTHEASTERLY, ALONG A 167.00 FOOT RADIUS CURVE TO THE RIGHT, HAVING A DELTA ANGLE OF 77°28'04" AND AN ARC LENGTH OF 225.80 FEET (CHORD = SOUTH 53°28'12" EAST 208.99 FEET) TO A CONCRETE MONUMENT FOUND, SOUTHEASTERLY, ALONG A 233.00 FOOT RADIUS CURVE TO THE LEFT, HAVING A DELTA ANGLE OF 01°02'41" AND AN ARC LENGTH OF 4.25 FEET (CHORD = SOUTH 15°15'31" EAST 4.25 FEET) TO A CONCRETE MONUMENT; THENCE ALONG THE CENTERLINE OF THE FISH LAKE DRAIN AS RECORDED IN LIBER 737, PAGE 788, ALONG THE FOLLOWING 8 COURSES: SOUTH 02°03'00" WEST 49.60 FEET, SOUTH 21°31'14" EAST 78.70 FEET, SOUTH 21°01'40" EAST 71.03 FEET, SOUTH 42°32'34" EAST 86.55 FEET, SOUTH 17°50'11" EAST 174.77 FEET, SOUTH 07°52'58" WEST 144.65 FEET, SOUTH 14°22'23" EAST 155.40 FEET TO A CONCRETE MONUMENT, SOUTH 03°49'29" EAST 49.03 FEET TO THE EAST-WEST ¼ LINE; THENCE NORTH 89°41'19" WEST, ALONG THE EAST-WEST ¼ LINE AS MONUMENTED, 400.16 FEET TO THE POINT OF BEGINNING.

TOWNSHIP OF SHERMAN, ST. JOSEPH COUNTY, MICHIGAN:

ALL THAT PART OF THE NORTHWEST ¼ OF SECTION 4, TOWNSHIP 7 SOUTH, RANGE 10 WEST, DESCRIBED AS FOLLOWS:

COMMENCING AT THE WEST ¼ CORNER OF SECTION 4 AND RUNNING THENCE NORTH 00°15'55" EAST, ALONG THE SECTION LINE, 1048.56 FEET TO A CONCRETE MONUMENT FOUND AT THE SOUTHWEST CORNER OF UNIT 45 OF PHEASANT POINTE (ST. JOSEPH COUNTY SITE CONDOMINIUM SUBDIVISION PLAT NO. 9); THENCE SOUTH 89°29'00" EAST, ALONG THE BOUNDARY OF SAID PHEASANT POINTE, 81.17 FEET TO A CONCRETE MONUMENT FOUND AT THE SOUTHEAST CORNER OF SAID UNIT 45 WHICH IS THE POINT OF BEGINNING OF THIS DESCRIPTION; THE BOUNDARY RUNS THENCE NORTH 43°56'19" EAST, ALONG THE BOUNDARY OF SAID UNIT 45, A DISTANCE OF 320.74 FEET TO A CONCRETE MONUMENT FOUND AT THE NORTHEAST CORNER OF SAID UNIT 45; THENCE, ALONG THE SOUTHWESTERLY RIGHT OF WAY LINE OF BUTTERNUT DRIVE, ALONG THE FOLLOWING THREE COURSES: SOUTHEASTERLY, ALONG A 908.44 FOOT RADIUS CURVE TO THE RIGHT, HAVING A DELTA ANGLE OF 08°19'02" AND AN ARC LENGTH OF 131.87 FEET (CHORD = SOUTH 41°54'9.6" EAST 131.76 FEET) TO A CONCRETE MONUMENT, SOUTHEASTERLY, ALONG A 446.68 FOOT RADIUS CURVE TO THE RIGHT, HAVING A DELTA ANGLE OF 19°31'07" AND AN ARC LENGTH OF 152.17 FEET (CHORD = SOUTH 27°59'05" EAST 151.43 FEET) TO A CONCRETE MONUMENT, SOUTHEASTERLY, ALONG A 225.00 FOOT RADIUS CURVE TO THE LEFT, HAVING A DELTA ANGLE OF 24°10'30" AND AN ARC LENGTH OF 94.93 FEET (CHORD = SOUTH 30°18'46.4" EAST 94.23 FEET) TO A CONCRETE MONUMENT FOUND AT THE NORTHERLY MOST CORNER OF UNIT 42 OF SAID PHEASANT POINTE; THENCE SOUTH 47°35'59" WEST 200.00 FEET TO A CONCRETE MONUMENT FOUND AT THE WESTERLY MOST CORNER OF SAID UNIT 42; THENCE NORTHWESTERLY, ALONG A 425.00 FOOT RADIUS CURVE TO THE RIGHT, HAVING A DELTA ANGLE OF 24°10'32" AND AN ARC LENGTH OF 179.33 FEET (CHORD = NORTH 30°18'47" WEST 178.00 FEET) TO A CONCRETE MONUMENT; THENCE NORTHWESTERLY, ALONG A 246.68 FOOT RADIUS CURVE TO THE LEFT, HAVING A DELTA ANGLE OF 16°05'42" AND AN ARC LENGTH OF 69.29 FEET (CHORD = NORTH 26°16'22" WEST 69.07 FEET) TO A CONCRETE MONUMENT; THENCE NORTH 89°29'00" WEST 161.08 FEET TO THE POINT OF BEGINNING.

TOWNSHIP OF SHERMAN, ST. JOSEPH COUNTY, MICHIGAN:

ALL THAT PART OF THE NORTHWEST ¼ OF SECTION 4, TOWNSHIP 7 SOUTH, RANGE 10 WEST, DESCRIBED AS FOLLOWS:

COMMENCING AT THE WEST ¼ CORNER OF SECTION 4 AND RUNNING THENCE SOUTH 89°41'19" EAST, ALONG THE EAST-WEST ¼ LINE AS MONUMENTED, 1510.40 FEET; THENCE NORTH 00°00'00" EAST 704.13 FEET TO A CONCRETE MONUMENT FOUND AT THE SOUTHWEST CORNER OF LOT 1 OF TIMBER TRACE (LIBER 6 OF PLATS, PAGE 68), WHICH IS THE POINT OF BEGINNING OF THIS DESCRIPTION; THE BOUNDARY RUNS THENCE, ALONG THE NORTHERLY RIGHT OF WAY LINE OF BUTTERNUT DRIVE, AS SHOWN IN PHEASANT POINTE (ST. JOSEPH COUNTY SITE CONDOMINIUM SUBDIVISION PLAN NO. 9), ALONG THE FOLLOWING 8 COURSES: WESTERLY, ALONG A 167.00 FOOT RADIUS CURVE TO THE RIGHT, HAVING A DELTA ANGLE OF 118°20'09" AND AN ARC LENGTH OF 344.91 FEET (CHORD = NORTH 73°54'14.6" WEST 286.80 FEET) TO A CONCRETE MONUMENT FOUND, NORTHWESTERLY, ALONG A 233.00 FOOT RADIUS CURVE TO THE LEFT, HAVING A DELTA ANGLE OF 74°51'30" AND AN ARC LENGTH OF 304.42 FEET (CHORD = NORTH 52°09'55.4" WEST 283.23 FEET) TO A CONCRETE MONUMENT FOUND, THENCE NORTH 89°35'41" WEST 78.78 FEET TO A CONCRETE MONUMENT FOUND, SOUTH 00°24'19" WEST 6.51 FEET TO A CONCRETE MONUMENT FOUND, SOUTH 88°59'54" WEST 74.79 FEET TO A CONCRETE MONUMENT FOUND, NORTH 89°51'25" WEST 176.62 FEET TO A CONCRETE MONUMENT FOUND, NORTHWESTERLY, ALONG A 175.00 FOOT RADIUS CURVE TO THE RIGHT, HAVING A DELTA ANGLE OF 71°37'53" AND AN ARC LENGTH OF 218.79 FEET (CHORD = NORTH 54°02'28.3" WEST 204.81 FEET) TO A CONCRETE MONUMENT FOUND, NORTHWESTERLY, ALONG A 496.68 FOOT RADIUS CURVE TO THE LEFT, HAVING A DELTA ANGLE OF 14°21'13" AND AN ARC LENGTH OF 124.43 FEET (CHORD = NORTH 25°24'08.1" WEST 124.10 FEET) TO A CONCRETE MONUMENT FOUND AT THE SOUTHERLY MOST CORNER OF UNIT 33 OF SAID PHEASANT POINTE; THENCE NORTH 46°08'11" EAST, ALONG THE BOUNDARY OF SAID UNIT 33, A DISTANCE OF 125.85 FEET TO A CONCRETE MONUMENT FOUND; THENCE, ALONG AN INTERMEDIATE TRAVERSE LINE, ALONG THE FOLLOWING 6 COURSES: SOUTH 41°51'33" EAST 121.28 FEET, SOUTH 87°24'38" EAST 129.36 FEET, NORTH 22°44'11" EAST 387.60 FEET, NORTH 68°09'13" EAST 392.96 FEET, SOUTH 10°29'01" WEST 453.18 FEET, SOUTH 50°14'40" EAST 249.71 FEET; THENCE SOUTH 18°32'44" EAST (RECORDED AS SOUTH 18°50'58" EAST), ALONG THE WEST LINE OF SAID TIMBER TRACE, 388.40 FEET TO THE POINT OF BEGINNING.

ALSO ALL THAT LAND LYING BETWEEN THE INTERMEDIATE TRAVERSE LINES AND THE SHORELINE OF LAKE TEMPLENE, AS BOUNDED BY THE SIDE LOTS LINES EXTENDED.

SCHEDULE B-I REQUIREMENTS

THE FOLLOWING ARE THE REQUIREMENTS TO BE COMPLIED WITH:

1. PAYMENT TO OR FOR THE ACCOUNT OF THE GRANTORS OR MORTGAGORS OF THE FULL CONSIDERATION FOR THE ESTATE OF INTEREST TO BE INSURED.
2. PROPER INSTRUMENT(S) CREATING THE ESTATE OR INTEREST TO BE INSURED MUST BE EXECUTED AND DULY FILED FOR RECORDS, TO-WIT:
3. NOTE: THE COMPANY MAY MAKE OTHER REQUIREMENTS OR EXCEPTIONS UPON ITS REVIEW OF THE PROPOSED DOCUMENTS CREATING THE ESTATE OR INTEREST TO BE INSURED OR OTHERWISE ASCERTAINING DETAILS OF THE TRANSACTION.

SCHEDULE B-II EXCEPTIONS

THE POLICY OR POLICIES TO BE ISSUED WILL CONTAIN EXCEPTIONS TO THE FOLLOWING 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.

NOTWITHSTANDING ANY PROVISIONS OF THE POLICY OR COMMITMENT TO THE CONTRARY, THE COMPANY MAKES NO REPRESENTATION OR ASSURANCE REGARDING COMPLIANCE OR NON-COMPLIANCE WITH THE PROVISIONS OF THE LAND DIVISION ACT (PA 951 OF 1996) AS APPLICABLE TO UN-PLATTED LANDS.

2. TERMS AND CONDITIONS OF A LIEN AGAINST CRAIG EREKSON AND HEATHER EREKSON, RECORDED ON MARCH 18, 2003 IN LIBER 1130, PAGE 947, ST. JOSEPH COUNTY RECORDS.
3. SUBJECT TO ANY AND ALL RIGHTS RECEIVED BY ISLAND HILLS GOLF COURSE, INC., A MICHIGAN CORPORATION, IN A GRANT OF EASEMENT OVER ALL OF THE ST. JOSEPH COUNTY LAKE AND LAND DEVELOPMENT CORPORATION LAND, AS RECITED IN INSTRUMENT RECORDED IN LIBER 708, PAGE 21, ST. JOSEPH COUNTY RECORDS.
4. TERMS AND CONDITION OF AN AGREEMENT FOR LAND TRANSFER BETWEEN ST. JOSEPH COUNTY LAKE AND LAND DEVELOPMENT CORPORATION, A MICHIGAN CORPORATION AND PHEASANT RIDGE DEVELOPMENT COMPANY INC., AN INDIANA CORPORATION, DATED OCTOBER 29, 1997 AND RECORDED OCTOBER 31, 1997 IN LIBER 811, PAGE 595, ST. JOSEPH COUNTY RECORDS.
5. TERMS AND CONDITIONS OF AN EASEMENT GRANTED TO CONSUMERS POWER COMPANY FOR ELECTRICAL PURPOSES, AS RECORDED IN INSTRUMENT RECORDED IN LIBER 197, PAGE 247, ST. JOSEPH COUNTY RECORDS. SAID ROUTE TO BE 200 FEET NORTH OF THE CENTERLINE OF THE HIGHWAY ALONG THE SOUTHERLY LINE.
6. TERMS AND CONDITIONS OF AN EASEMENT GRANTED TO ST. JOSEPH COUNTY FOR LAKE LEVEL DRAIN OF FISH LAKE, AS RECORDED IN INSTRUMENT RECORDED IN LIBER 737, PAGE 788, ST. JOSEPH COUNTY RECORDS. (AS TO UNITS 70, 73, 74, 75 AND 76)
7. TERMS AND CONDITIONS OF AN EASEMENT GRANTED TO ST. JOSEPH COUNTY FOR LAKE LEVEL DRAIN OF FISH LAKE, AS RECORDED IN INSTRUMENT RECORDED IN LIBER 734, PAGE 258, ST. JOSEPH COUNTY RECORDS. (AS TO UNITS 70, 73, 74, 75, AND 76)
8. CABLE TV AGREEMENT AS RECORDED IN LIBER 586, PAGE 496.

NOTE: THIS COMMITMENT AND ANY POLICY ISSUED PURSUANT HERETO OMITS ANY COVENANT, CONDITION OR RESTRICTION BASED ON RACE, COLOR, RELIGION, SEX, HANDICAP, FAMILIAL STATUS, OR NATIONAL ORIGIN, UNLESS AND ONLY TO THE EXTENT THAT THE RESTRICTION IS NOT IN VIOLATION OF STATE OR FEDERAL LAW, OR RELATES TO A HANDICAP, BUT DOES NOT DISCRIMINATE AGAINST HANDICAPPED PEOPLE.

NOTE: IF POLICY IS TO BE ISSUED IN SUPPORT OF A MORTGAGE LOAN, ATTENTION IS DIRECTED TO THE FACT THAT THE COMPANY CAN ASSUME NO LIABILITY UNDER ITS POLICY, THE CLOSING INSTRUCTIONS, OR INSURED CLOSING SERVICE FOR COMPLIANCE WITH THE REQUIREMENTS OF ANY CONSUMER CREDIT PROTECTION OR TRUTH IN LENDING LAW IN CONNECTION WITH SAID MORTGAGE LOAN.

THIS COMMITMENT IS INVALID UNLESS THE INSURING PROVISIONS AND SCHEDULES A AND B ARE ATTACHED TO FORM 3541

RIGHTS OF THE UNITED STATES GOVERNMENT, THE STATE OF MICHIGAN, ANY OTHER GOVERNMENTAL ENTITY, RIPARIAN OWNERS, THE PUBLIC OR PRIVATE PERSONS EXISTING IN OR WITH RESPECT TO THE PRESENT AND PAST BED, BANKS, BOTTOMLAND AND WATER OF LAKE TEMPLENE.

10 5 FOOT EASEMENT FOR PUBLIC UTILITIES ALONG ROADWAY, AS SHOWN ON THE MASTER DEED RECORDED IN LIBER 902, PAGE 532.

- 11. 75-014-004-011-40 PAID THRU 2005
- 75-014-004-012-16 PAID THRU 2005
- 75-014-004-012-17 PAID THRU 2005
- 75-014-004-012-14 PAID THRU 2005
- 75-014-004-012-05 PAID THRU 2005
- 75-014-004-012-15 PAID THRU 2005
- 75-014-004-012-08 PAID THRU 2005
- 75-014-004-012-09 PAID THRU 2005
- 75-014-004-012-13 PAID THRU 2005
- 75-014-004-012-10 PAID THRU 2005
- 75-014-004-012-13 PAID THRU 2005
- 75-014-005-008-10 PAID THRU 2005
- 75-014-005-008-09 PAID THRU 2005
- 75-014-005-008-08 PAID THRU 2005
- 75-014-005-008-07 PAID THRU 2005
- 75-014-005-008-06 PAID THRU 2005
- 75-014-005-008-05 PAID THRU 2005
- 75-014-005-008-50 PAID THRU 2005
- 75-014-211-047-00 PAID THRU 2005
- 75-014-004-011-00 PAID THRU 2005 (ALSO COVERS OTHER LAND)
- 75-014-004-012-12 PAID THRU 2005

- 75-014-004-012-11 PAID THRU 2004

NOTE: THIS COMMITMENT AND ANY POLICY ISSUED PURSUANT HERETO OMTS ANY COVENANT, CONDITION OR RESTRICTION BASED ON RACE, COLOR, RELIGION, SEX, HANDICAP, FAMILIAL STATUS, OR NATIONAL ORIGIN. UNLESS AND ONLY TO THE EXTENT THAT THE RESTRICTION IS NOT IN VIOLATION OF STATE OR FEDERAL LAW, OR RELATES TO A HANDICAP, BUT DOES NOT CRIMINATE AGAINST HANDICAPPED PEOPLE.

IF POLICY IS TO BE ISSUED IN SUPPORT OF A MORTGAGE LOAN, ATTENTION IS DIRECTED TO THE FACT THAT THE COMPANY CAN ASSUME NO LIABILITY UNDER ITS POLICY, THE CLOSING INSTRUCTIONS, OR INSURED CLOSING SERVICE FOR COMPLIANCE WITH THE REQUIREMENTS OF ANY CONSUMER CREDIT PROTECTION OR TRUTH IN LENDING LAW IN CONNECTION WITH SAID MORTGAGE LOAN.

THIS COMMITMENT IS INVALID UNLESS THE INSURING PROVISIONS AND SCHEDULES A AND B ARE ATTACHED.

FORM 3541

SCHEDULE B-II, PAGE 1 CASE NO. 7525208