

6-20-05
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Prepared by and after recording return to: Shrestar Cameron, 317 Sixth Avenue, Suite 300, Des Moines, Iowa 50309 (515) 243-8157

**DECLARATION OF COVENANTS, CONDITIONS,
EASEMENTS AND RESTRICTIONS FOR
CHATEAU AT BONDURANT**

THIS DECLARATION OF COVENANTS AND CONDITIONS ("Declaration") is for the development known as Chateau at Bondurant and is made as of the 9th of June, 2005, by Chateau at Bondurant, L.L.C., a Michigan limited liability company, whose address is 3347 Eagle Run Drive, N.E., Suite B, Grand Rapids, Michigan 49525-7054, herein referred to as "Declarant".

RECITALS

Declarant owns that real property located in Bondurant, Polk County, Iowa, described upon Exhibit "A" (the "Property" or "Development"). The Property will be platted and/or developed as Wolf Creek Plat 1, an official plat, now included in and forming a part of the City of Bondurant, Polk County, Iowa. Declarant desires to (a) create a non-profit Iowa corporation ("Association") to take title to, own, maintain, protect and otherwise care for the clubhouse, swimming pool, park areas and other common areas within the Development and to (b) impose certain conditions, easements and restrictions upon the Property.

DECLARATION

NOW, THEREFORE, Declarant hereby declares that the Property shall be held, sold, mortgaged, utilized, and interests therein transferred, subject to the following easements, restrictions, covenants and conditions, which shall run with the Property and shall be binding upon all parties now or hereafter having any right, title or interest in the Property, or any part thereof, and shall inure to the benefit of the Association and such parties, and their heirs, successors, legal representatives and assigns.

**ARTICLE
DEFINITIONS**

The following words, when used in this Declaration shall have the following meanings:

1.1 "Association" shall mean and refer to Chateau at Bondurant Homeowners Association, Inc., an Iowa nonprofit corporation, its successors and assigns.

1.2 "Articles of Incorporation" shall mean the Articles of Incorporation for Chateau at Bondurant Homeowners Association, Inc., as amended from time to time.

1.3 "Plat" shall mean Wolf Creek Plat 1, an official plat, now included in and forming a part of the City of Bondurant, Polk County, Iowa.

1.4 "Bylaws" shall mean the Bylaws of the Association, as amended from time to time.

1.5 "Declarant" shall mean and refer to Chateau at Bondurant, L.L.C., a Michigan limited liability company, its successors and assigns.

1.6 "Owner" shall mean and refer to the holder of fee simple title of any portion of the Property, except, if persons have entered into a land contract for the sale of a Parcel, and the land contract or memorandum thereof has been recorded in the Office of the Polk County Recorder, then, in such cases, the land contract purchaser shall be deemed the Owner instead of the land contract seller.

1.7 "Community Property" shall mean all the real and personal property, including buildings, other structures and improvements lying within the Property now or hereafter designated by the Declarant for the common use and enjoyment of the owners or owned by the Association including the clubhouse, swimming pool, the parks and other open spaces designated upon a Plat or other type of development plan and those drainage easements granted to a drainage district or otherwise set forth in a Plat or development plan.

1.8 "Lot" or "Parcel" means a particular parcel or plat of land within the Property being in a recorded subdivision, a unit in a recorded condominium, or any other portion of the Property which has been conveyed from Declarant, or its successors or assigns, to any other party. A Lot or Parcel does not include any Community Property titled in the name of the Association.

- 1.9 "Property" means the property described on Exhibit 1 attached hereto.
- 1.10 "Member" shall mean the Owner or Owners of a Parcel within the Property.
- 1.11 "Phase" shall mean each development phase of the Property.

ARTICLE ASSOCIATION

2.1 Any person acquiring legal or equitable title to a Parcel shall automatically, by virtue thereof, become a Member of the Association and shall be deemed to have agreed to subscribe in writing to becoming a Member of the Association by accepting a conveyance of a Parcel and/or by executing documents in connection with the acquisition of a Parcel. The Association consists of all Parcel Owners in the Development. The Association is entitled to carry on such business as is authorized by its Articles of Incorporation, its Bylaws and this Declaration. Each Owner of a Parcel, and thus a Member of the Association by acquiring legal or equitable title to such Parcel, agrees, for himself, his heirs, successors and assigns, to pay to the Association any dues, assessments, charges, costs, or fines which may be levied by the Association.

2.2 The Association shall be managed by its board of directors in accordance with its Bylaws. The Bylaws may further define the rights and obligations of the Association and its Members, but this Declaration shall govern in the event of an inconsistency between it and such Bylaws.

2.3 NOTWITHSTANDING ANYTHING TO THE CONTRARY PROVIDED HEREIN, THE DECLARANT, SHALL BE THE SOLE VOTING MEMBER OF THE ASSOCIATION FOR SO LONG AS THE DECLARANT OWNS ANY OF THE LAND DESCRIBED ON EXHIBITS "A" OR "B" RELATING TO THE LAND THAT IS INITIALLY MADE SUBJECT TO THIS DECLARATION AND THE LAND THAT MAY HEREAFTER BE ADDED TO THE TERMS OF THIS DECLARATION. THE DECLARANT MAY RELEASE THIS VOTING CONTROL RIGHT AT ANY TIME SO LONG AS IT IS DONE PURSUANT TO A WRITTEN DOCUMENT FILED WITH THE POLK COUNTY RECORDER. THIS RIGHT MAY BE ASSIGNED BY THE DECLARANT IN A DOCUMENT THAT SPECIFICALLY REFERS TO THIS VOTING CONTROL SO LONG AS IT IS DONE PURSUANT TO A WRITTEN DOCUMENT FILED WITH THE POLK COUNTY RECORDER. THE DECLARANT SHALL BE A CLASS "A" MEMBER AS LONG AS IT HAS SOLE VOTING CONTROL AND ALL OTHER MEMBERS OF THE ASSOCIATION SHALL BE NONVOTING CLASS "B" MEMBERS. AT SUCH TIME AS THE DECLARANT NO LONGER HAS SOLE VOTING CONTROL, all other members of the Association shall convert to Class "A" members and shall thereafter have voting control of the Association.

ARTICLE GENERAL INTENT

It is the general intent of this Declaration to create the structure to provide for (i) the administration of the Community Property; (ii) the determination, collection and disbursement of assessments and charges related thereto; (iii) to impose certain restrictions and easements upon the Property and Parcels; and (iv) to enable the Association to implement and enforce this Declaration.

ARTICLE PROPERTY RIGHTS

4.1 Owners' Easements of Enjoyment. Every Owner shall have the right and easement of enjoyment in and to the Community Property and the Parcels, which rights and easements shall be appurtenant to each Owner's Parcel, subject to the following:

- a. The right of the Association to carry out the terms of this Declaration and to fulfill its purposes.
- b. The right of the Association to fix and levy reasonable assessments against Parcels for fees and charges incurred by the Association.
- c. The terms, provisions and conditions of this Declaration.
- d. The right of the Association to suspend voting rights of Owners and the rights of Owners and others to use any of the Community Property for any period not to exceed sixty (60) days for the failure to pay any fees or assessments, or for any infraction of published rules and regulations, except that such suspension for any continuing infraction may continue for the duration of such infraction plus sixty (60) days.
- e. The right of the Association to take such steps as are reasonably necessary to protect the Community Property against foreclosure, liens, attachments, execution, vandalism, theft, or other such risks.

ARTICLE COVENANT FOR ASSESSMENT

5.1 Creation of the Lien and Personal Obligation. The Declarant for each Parcel within the Property hereby covenants, and each Owner of a Parcel by acceptance of title therefor, is deemed to covenant and agree to pay to the Association (a) annual assessments, (b) special assessments from time to time as herein provided and in the Bylaws and (c) individual assessments imposed against Parcels for fees and costs incurred by the Association to enforce this Declaration against a Parcel Owner. Such assessments, together with interest, costs and reasonable attorneys fees, shall from date of assessment be a lien on the Owner's Parcel. Each such assessment, together with interest, costs and reasonable attorneys fees, shall also be the personal obligation of the person who was the owner of such property as of the date of the assessment.

5.2 Initial Annual Assessment. Until the date that is one year after the recording of this document, the initial annual assessment shall be \$360.00.

a. From and after the anniversary of the filing of this document, the annual assessment may be increased each year not more than 25% above the maximum assessment for the previous year without a vote of the membership.

b. From and after the anniversary of the filing of this document, the annual assessment may be increased above 25% by a vote of two-thirds (2/3) of each class of Members who are voting in person or by proxy, at a meeting duly called for this purpose.

c. The Board of Directors of the Association may fix the annual assessment at an amount not in excess of the amount described herein.

5.3 Purpose of Assessments. The assessments levied by the Association shall be used to implement and enforce this Declaration.

5.4 Amount of Assessments. The annual assessments shall be spread equally among all of the Parcels within the Property.

5.5 Special Assessments. In addition to the annual assessments authorized above, the Association may levy special assessments equally among all of the Parcels for the purpose of defraying in whole or in part the cost of implementing and enforcing this Declaration, provided, that any such special assessment shall have the assent, at a meeting duly called for this purpose, of at least 66 2/3% of all Owners present and voting at such meeting.

5.6 Notice and Quorum. Written notice of any meeting called for the purpose of taking any action authorized under this Declaration shall be sent to all Owners at their last address known to the Association not less than fourteen (14) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of Owners in person or by a duly executed writing (proxy) entitled to cast more than fifty percent (50%) of all the votes shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirement, and the required quorum at the subsequent meeting shall be one-half of the required quorum at the proceeding meeting. No such subsequent meeting shall be held more than sixty (60) days following the proceeding meeting.

5.7 Voting Rights. Every Member of the Association shall be entitled to one (1) vote for each Parcel owned by such Member. If more than one Member holds an interest in any Parcel, the vote allowed by this section shall be exercised as the Members among themselves determine, but in no event shall more than one (1) vote be cast with respect to any Parcel, as provided herein. For example, if a Parcel is owned by two persons, such persons combined are only entitled to one vote.

5.8 Date of Commencement and Due Date. The Association shall fix the rate of annual assessments at least thirty (30) days in advance of each annual assessment, which shall be based on the calendar year, or such other fiscal year as determined by the Association. Written

notice of annual assessment shall be sent to every Owner after action of the Association establishing the same; provided, however, where there is more than one Owner of a parcel, only one notice need be sent. The due date for payment shall be established by the Association and shall be stated in the notice. The Association shall, upon demand, furnish a certificate signed by an authorized person with knowledge setting forth whether all assessments have been paid and the unpaid amounts, if any, within interest, late charges, costs and due dates.

5.9 Remedies of the Association. Any assessments levied hereunder against any assessable Parcel which are not paid within thirty (30) days after the due date (together with expenses of collection) shall bear interest from the due date at the rate of seven percent (7%) per annum, and the Association also may, pursuant to duly promulgated rules and regulations, establish fines for late payment of such assessments. The Association may bring an action against a delinquent Owner or other person personally obligated to pay the same and may foreclose the lien established by the terms of this Declaration as provided by Iowa law. The expenses incurred in collecting any such delinquent assessments, including interest, costs and reasonable attorneys' fees (not limited to statutory fees), and advances for taxes and other liens to protect the lien for assessments, shall be chargeable to the Owner in default and shall be secured by a lien on the Parcel. No owner may waive or otherwise escape liability for the assessments provided for herein by non-use of the Community Property or by abandonment of his Parcel. In addition, a charge of \$25 shall be made for any monthly assessment received after the 15th of the month for which the payment is due. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property in the manner provided for foreclosure of a Mortgage pursuant to the Iowa Code.

BY ACCEPTANCE OF A DEED FOR ANY LIVING UNIT DESCRIBED HEREIN, EACH LOT OWNER SHALL BE DEEMED TO HAVE AGREED TO THE FOLLOWING LANGUAGE:

I UNDERSTAND THAT HOMESTEAD PROPERTY IS IN MANY CASES PROTECTED FROM THE CLAIMS OF CREDITORS AND EXEMPT FROM JUDICIAL SALE; AND THAT BY ACCEPTING A DEED FOR A LIVING UNIT IN THIS DEVELOPMENT, I VOLUNTARILY GIVE UP MY RIGHT TO THIS PROTECTION FOR THIS LIVING UNIT WITH RESPECT TO CLAIMS BASED UPON THIS DECLARATION.

5.10 Subordination of Lien. The lien of the assessments provided for herein shall be subordinate to the lien of any bona fide first mortgage. Sale or transfer of any Parcel shall not affect the assessment lien; however, the sale or transfer of any Parcel pursuant to a mortgage foreclosure or any proceeding in lieu thereof shall extinguish the lien of such assessments as to payments which become due prior to such sale or transfer. No sale or transfer shall relieve such Parcel from liability for assessments thereafter becoming due or from the lien thereof.

ARTICLE RESTRICTIONS

6.1 General. All Parcels are subject to the following restrictions, covenants and conditions and easements.

6.2 Building and Use Restrictions.

a. No manufactured residences, modular homes or mobile homes, may be placed on the Property in any way or moved from a location outside of the Property and placed upon a Parcel, except for such structures that already exist on Lot 1 (formerly Lot 2 on Leasehold Map for Wolf Creek filed August 25, 2003, in Book 10094, Page 953, (hereinafter "Leasehold Map"), Lot 5 (formerly Lot 6 on Leasehold Map), Lot 6 (formerly Lot 7 on Leasehold Map), Lot 7 (formerly Lot 8 on Leasehold Map), Lot 8 (formerly Lot 9 on Leasehold Map), Lot 9 (formerly Lot 10 on Leasehold Map), Lot 10 (formerly Lot 11 on Leasehold Map), Lot 11 (formerly Lot 12 on Leasehold Map), Lot 12 (formerly Lot 13 on Leasehold Map), Lot 15 (formerly Lot 16 on Leasehold Map), Lot 17 (formerly Lot 18 on Leasehold Map), Lot 19 (formerly Lot 20 on Leasehold Map), Lot 20 (formerly Lot 21 on Leasehold Map), Lot 26 (formerly Lot 27 on Leasehold Map), Lot 43 (formerly Lot 48 on Leasehold Map), Lot 57 (formerly Lot 63 on Leasehold Map), Lot 60 (formerly Lot 67 on Leasehold Map), Lot 61 (formerly Lot 68 on Leasehold Map), Lot 65 (formerly Lot 70 on Leasehold Map), Lot 64 (formerly Lot 72 on Leasehold Map), Lot 67 (formerly Lot 75 on Leasehold Map), Lot 70 (formerly Lot 78 on Leasehold Map), Lot 72 (formerly Lot 80 on Leasehold Map), Wolf Creek Plat 1, an Official Plat, now included in and forming a part of the City of Bondurant, Polk County, Iowa, on the date of this Declaration.

b. Each residence shall have a minimum of a 2 car attached garage, car ports are not allowed. Storage sheds shall be of the same siding and roof material and color as the residence on the same parcel and cannot exceed 10' x 10'. No accessory buildings are to be constructed on any lot unless they are an accessory to the primary use of a single-family house.

c. No fence of a galvanized or aluminum color shall be erected upon a Parcel and only decorative type fences, including colored chain link fences, shall be allowed on the rear half of a Parcel.

d. No commercial vehicles (in excess of a one and a half (1 1/2) ton rating), shall be parked or stored upon a Parcel (outside of a garage) or within the Property, including upon roads, unless while making deliveries or pick ups in the normal course of business.

e. No trailer (e.g., boat trailer, snowmobile trailer) boat or nonmotorized campers shall be stored or parked upon a Lot unless within a garage or shed.

f. No motorized recreational vehicle may be parked upon a Parcel or upon a road within the Property for a period exceeding five (5) consecutive days or for more than thirty (30) days during a calendar year.

g. Except as set forth herein, no vehicles shall be parked upon a Parcel other than in a garage or upon a paved driveway.

h. Except as limited by this Declaration, the Community Property shall only be utilized for those purposes allowed by the Association.

i. All trash containers must be stored in a garage and not outside the building.

j. All Owners shall also be subject to the rules and regulations for use of the pool and clubhouse as adopted from time to time by the Board of Directors of the Association.

k. For as long as the Declarant or, its assignee of this right, owns any land that is part of the Property at the outset or may be added to the Property pursuant to Article VII, the Declarant shall have the sole authority to approve all building plans and the location of all structures upon any Lot. All plans shall be submitted to the Declarant for approval prior to construction. This includes any plans to erect fences. Such plans shall be deemed denied by the Declarant if an approval of the plans has not been sent by the Declarant within 15 days of receiving the plans.

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**ARTICLE
OPTION TO ADD TO PROPERTY**

Declarant shall have the option without the consent or joinder of the Owners, the Association, any holder of an interest as security for an obligation or any other person or entity, to add to the Property described herein, any one or more of the parcels of land (hereinafter referred to as the "Additional Real Estate Parcels"), described in Exhibit "B" attached hereto. Such Option shall be subject to the terms and conditions hereafter set forth:

7.1 Duration of Option. The Option will expire on that date which is 21 years after the date upon which this Declaration is recorded. There are no circumstances that will terminate the Option before the expiration of said 21 year period. However, Declarant or anyone to whom Declarant has assigned said Option as hereinafter set forth, may terminate said Option as to any one or more of the Additional Real Estate Parcels above-described by executing a writing to such effect and recording the same in the same manner as a deed.

7.2 Timing. Each of the Additional Real Estate Parcels above described may be added at different times in whole or in part. The various Additional Real Estate Parcels may be added in any order.

7.3 Applicability of Restrictions. All restrictions in this Declaration will apply to any Additional Real Estate Parcel which is added here.

7.4 No Assurances. Nothing herein contained shall bind Declarant to add any of the Additional Real Estate Parcels or to adhere to any particular plan of development or improvement for any portion of the Additional Real Estate Parcels not added to the Regime.

7.5 Exercise of Option. Declarant may exercise its option to add one or more of the Additional Real Estate Parcels by executing and recording an amendment to this Declaration in a

form for recording, which amendment shall specifically describe the Additional Real Estate Parcels being added to the pursuant to that amendment. Such amendment shall require the allocation of 1 vote and an equal assessment for each planned lot, regardless of size, eventually created thereon, in the Association.

7.6 Assignment of Option. The Option described herein may be assigned by Declarant. Any such assignment shall be in writing, shall be recorded among the real estate records in the same manner as a conveyance of the Additional Real Estate Parcel.

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ARTICLE GENERAL

8.1 Enforcement. For a violation or breach of any of the covenants, conditions, obligations and restrictions contained herein, the Association, the Declarant, or any Owner individually or severally, shall have the right to proceed at law or in equity to compel compliance with the terms hereof or to prevent or obtain damages, including reasonable attorneys' fees and costs, for the violation or breach of any provision hereof. The failure of the Association, Declarant or of any Owner to enforce, or the failure to enforce promptly, any of the covenants, conditions or restrictions contained herein shall not bar other or subsequent enforcement. Further, should the Association perform any obligation imposed upon an Owner of a Parcel and as set forth herein, or take steps to enforce this Declaration against the Owner of a Parcel, then all costs incurred by the Association to enforce this Declaration or to perform any obligation imposed upon an Owner as set forth herein shall be assessed against the Owner of a Parcel and shall be a lien against the Parcel of the Owner. The invalidation of any one or more provisions hereof by any court of competent jurisdiction shall not affect any other provision, and the balance of this Declaration shall remain in full force and effect.

8.2 Supplement and Accounting to Funds. To the extent that assessments, in the early stages of development of the Property, are insufficient to support an adequate maintenance level of the Community Property, Declarant shall supplement such assessments to the extent reasonably necessary to provide such maintenance; provided, however, that except to the extent that Declarant owns assessable property, Declarant shall be relieved of any obligation to provide financial support for the Community Property once development of the Property has matured to the extent that total assessments levied against assessable property are sufficient to enable adequate maintenance of the Community Property. All assessments and the expenditures thereof shall be accounted for by the Association pursuant to generally accepted accounting procedures and the books of account may be audited by qualified auditors from time to time. The cost of any audit and accounting expenses shall be paid from the assessments levied pursuant hereto.

8.3 Amendment.

a. Except as set forth herein, this Declaration may be amended only by the written agreement of seventy-five percent (75%) of all of the Owners of Parcels in the Property.

b. Except as set forth herein, Declarant may amend this Declaration at any time without the prior approval of any person for the purposes of correcting errors herein or

making such other amendments as shall not materially increase or decrease the benefits or obligations of a Parcel.

c. So long as Declarant or its successors or assigns owns any portion of the Property noted on Exhibits "A" or "B", no provision of this Declaration shall be amended without Declarant's prior written consent.

d. No provisions or restrictions referred to herein and imposed at the request of a governmental entity, including the City of Bondurant, Iowa, shall be amended without such governmental entity's written consent.

e. Any amendment to this Declaration shall only take effect upon its recording with the Polk County Register.

f. This Declaration shall be binding upon and shall inure to the benefit of the Owners, the Association, and their successors and assigns, shall be deemed covenants running with the land and shall remain in full force and effect for a period of twenty-one (21) years after their original signing, prior to which time said Covenants may be extended for additional periods of twenty-one (21) years by filing a claim in accordance with Sections 614.24 and 614.25 of the Code of Iowa (2003) as amended, or any successor statute.

DECLARANT:

CHATEAU AT BONDURANT, L.L.C.

By [Signature]

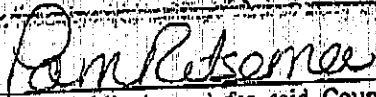
Name: Mark W. Hamersma

Managing Member

Title:

STATE OF MICHIGAN :
: SS
COUNTY OF Kent :

On this 9th day of June, 2005, before me, a Notary Public, in and for said county and state, personally appeared Mark W. Hamersma, to me personally known, who being by me duly sworn did say that that person is the Managing Member of said limited liability company and that said instrument was signed on behalf of the said limited liability company by authority of its managers, and the said Managing Member acknowledged the execution of said instrument to be the voluntary act and deed of said limited liability company by it voluntarily executed.


Notary Public in and for said County and

State

Pam Ritsma
Notary Public, Kent County, MI
My Commission Expires 2-4-2008