

Lansing, Michigan

*This is to Certify That Articles of Incorporation of*

MILL CREEK OF SHELBY ASSOCIATION

*were duly filed in this office on the 28TH day of OCTOBER, 19 91,*  
*in conformity with Act 162, Public Acts of 1932.*

*In testimony whereof, I have hereunto set my*  
*hand and affixed the Seal of the Department,*  
*in the City of Lansing, this 28TH day*  
*of OCTOBER, 19 91.*

*Carl L. ...*

*Director*

OCT 24 1991

NON-PROFIT  
ARTICLES OF INCORPORATION

These Articles of Incorporation are signed and acknowledged by the incorporator for the purpose of forming a non-profit corporation under the provisions of Act No. 162 of the Public Acts of 1982, as follows:

ARTICLE I

NAME

The name of the corporation is Mill Creek of Shelby Association. /

ARTICLE II

PURPOSES

The purposes for which the corporation is formed are as follows:

(a) To manage and administer the affairs of and to maintain Mill Creek of Shelby, a condominium (hereinafter called "Condominium");

(b) To levy and collect assessments against and from the members of the corporation and to use the proceeds thereof for the purposes of the corporation;

(c) To carry insurance and to collect and allocate the proceeds thereof;

(d) To rebuild improvements after casualty;

(e) To contract for and employ persons, firms, or corporations to assist in management, operation, maintenance and administration of said Condominium;

(f) To make and enforce reasonable regulations concerning the use and enjoyment of said Condominium;

(g) To own, maintain and improve, and to buy, sell, convey, assign, mortgage, or lease (as landlord or tenant) any real and personal property, including, but not limited to, any Unit in the Condominium or any other real property, whether or not contiguous to the Condominium, for the purpose of providing benefit to the members of the corporation and in furtherance of any of the purposes of the corporation;

(h) To borrow money and issue evidences of indebtedness in furtherance of any or all of the objects of its business; to secure the same by mortgage, pledge or other lien;

(i) To enforce the provisions of the Master Deed and Bylaws of the Condominium and of these Articles of Incorporation and such Bylaws and Rules and Regulations of this corporation as may hereinafter be adopted;

(j) To do anything required of or permitted to it as administrator of said Condominium by the Condominium Master Deed or Bylaws or by Act No. 59 of Public Acts of 1978, as amended;

(k) In general, to enter into any kind of activity; to make and perform any contract and to exercise all powers necessary, incidental or convenient to the administration, management, maintenance, repair, replacement and operation of said Condominium and to the accomplishment of any of the purposes thereof.

### ARTICLE III

#### ADDRESSES

Location of the first registered office is 47200 Van Dyke, City of Utica, Macomb County, Michigan.

Post office address of the first registered office is 47200 Van Dyke, Utica, Michigan 48317.

### ARTICLE IV

#### RESIDENT AGENT

The name of the first resident agent is Anthony F. Lombardo.

### ARTICLE V

#### BASIS OF ORGANIZATION AND ASSETS

Said corporation is organized upon a non-stock, membership basis.

The amount of assets which said corporation possesses is:

Real Property: None  
Personal Property: None

Said corporation is to be financed under the following general plan: Assessment of members.

## ARTICLE VI

### INCORPORATOR

The name and place of business of the incorporator is Mark J. Abdo, 28014 Harper Avenue, St. Clair Shores, Michigan 48081.

## ARTICLE VII

### EXISTENCE

The term of corporate existence is perpetual.

## ARTICLE VIII

### MEMBERSHIP AND VOTING

The qualifications of members, the manner of their admission to the corporation, the termination of membership, and voting by such members shall be as follows:

(a) Each Co-owner (including the Developer) of a Unit in the Condominium shall be a member of the corporation, and no other person or entity shall be entitled to membership; except that the subscribers hereto shall be members of the corporation until such time as their membership shall terminate, as hereinafter provided.

(b) Membership in the corporation (except with respect to any nonco-owner incorporators, who shall cease to be members upon the qualification of membership of any Co-owner) shall be established by acquisition of fee simple title to a Unit in the Condominium and by recording with the Register of Deeds in the county where the Condominium is located, a deed or other instrument establishing a change of record title to such Unit and the furnishing of evidence of same satisfactory to the corporation (except that the Developer of the Condominium shall become a member immediately upon establishment of the Condominium) the new Co-owner thereby becoming a member of the corporation, and the membership of the prior Co-owner thereby being terminated.

(c) The share of a member in the funds and assets of the corporation cannot be assigned, pledged, encumbered or transferred in any manner except as an appurtenance to his Unit in the Condominium.

(d) Voting by members shall be in accordance with the provisions of the Bylaws of this corporation.

## ARTICLE IX

Section 1. Pursuant to Section 209(c) of the Michigan Nonprofit Corporation Act (being Act No 162 of the Public Acts of 1982, as amended) a volunteer director (as defined in in Section 110(2) of the the Michigan Nonprofit Act) of Mill Creek of Shelby Association, is not personally liable to the corporation or its members for monetary damages for a breach of the director's fiduciary duty. However, this section shall not eliminate or limit the liability of a director for any of the following:

(i) A breach of the director's duty of loyalty to the corporation or its members.

(ii) Acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law.

(iii) A violation of Section 551(1) of the Michigan Nonprofit Corporation Act.

(iv) A transaction from which the director derived an improper personal benefit.

(v) An act or omission that is grossly negligent.

Section 2. Mill Creek of Shelby Association hereby assumes all liability to any person other than the corporation or its members for all acts or omissions of a volunteer director.

Signed this 10th day of September, 1991.

  
Mark J. Abdo, Incorporator

**DISCLOSURE STATEMENT**

**MILL CREEK OF SHELBY**

Shelby Township  
Macomb County, Michigan

**DEVELOPER**

Michibay, Inc.  
47200 Van Dyke  
Utica, Michigan 48317

Telephone (313) 739-4142

Mill Creek of Shelby is a 64-unit residential condominium which may be further expanded in size to include a total of approximately 276 units within a period ending no later than 6 years from the date of recording of the Master Deed.

THIS DISCLOSURE STATEMENT IS NOT A SUBSTITUTE FOR THE MASTER DEED, THE CONDOMINIUM BUYER'S HANDBOOK OR OTHER APPLICABLE LEGAL DOCUMENTS AND BUYERS SHOULD READ ALL SUCH DOCUMENTS TO FULLY ACQUAINT THEMSELVES WITH THE PROJECT AND THEIR RIGHTS AND RESPONSIBILITIES RELATING THERETO.

IT IS RECOMMENDED THAT PROFESSIONAL ASSISTANCE BE SOUGHT PRIOR TO PURCHASING A CONDOMINIUM UNIT.

Effective date:

**MILL CREEK OF SHELBY  
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**DISCLOSURE STATEMENT  
MILL CREEK OF SHELBY**

**I. Introduction**

Condominium development in Michigan is governed by Act 59 of the Michigan Public Acts of 1978, as amended (the "Condominium Act").

This Disclosure Statement, together with copies of the legal documents required for the creation and operation of the project, are furnished to each purchaser pursuant to the requirement of Michigan law that the Developer of a condominium project disclose to prospective purchasers the characteristics of the condominium units which are offered for sale.

**II. The Condominium Concept**

Condominium is a form of real property. A condominium unit has the same legal attributes as any other form of real property under Michigan law and may be sold, mortgaged or leased, subject only to such restrictions as are contained in the condominium documents or as otherwise may be applicable to property.

Each owner receives a deed to his individual condominium unit. Each owner owns, in addition to his unit, an undivided interest in the common facilities ("common elements") which comprise the project. Title to the common elements is included as part of, and is inseparable from, title to the individual condominium units. Each owner's proportionate share of the common elements is determined by the percentage of value assigned to his unit in the Master Deed described in Section IV of this Disclosure Statement.

All portions of the project not included within the units constitute the common elements. Limited common elements are those common elements which are set aside for use by less than all unit owners. General common elements are all common elements other than limited common elements.

The project is administered generally by a non-profit corporation of which all owners are members (the "Association"). The nature and duties of the Association are described more fully in Section VI of this Disclosure Statement.

Except for the year in which the project is established, (or, in the case of units added to an expanding project by subsequent amendment to the Master Deed, the year in which such amendment is recorded), real property taxes and assessments are levied individually against each unit in the project. The separate taxes and assessments cover the unit and its proportionate share of the common elements. No taxes or assessments are levied independently against the common elements. In the year in which



the project is established or in which an expansion amendment is recorded, the taxes and assessments for the units covered by the Master Deed or expansion amendment are billed to the Association and are paid by the owners of such units in proportion to the percentages of value assigned to the units owned by them.

Although the foregoing is generally accurate as applied to most residential condominium developments, the details of each development may vary substantially. Accordingly, each purchaser is urged to carefully review the Master Deed, Condominium Bylaws and Condominium Subdivision Plans as well as any other documents that have been delivered to the purchaser in connection with this development. Any purchaser having questions pertaining to the legal aspects of the project is advised to consult his own lawyer or other professional advisor.

### III. Description of the Condominium Project

A. Mill Creek of Shelby is a 64-Unit residential Condominium Project that may be expanded to include a total of approximately 276 Units within a period ending no later than 6 years from the date of recording of the Master Deed.

B. Utilities. Mill Creek of Shelby is served by public water, sanitary sewer, gas, electric and telephone service. Gas service is furnished by Consumers Power Company, electricity is furnished by Detroit Edison Company and telephone service is provided by Michigan Bell Telephone Company.

C. Roads. Mill Creek of Shelby is served by Milonas Road leading to the condominium. The interior roads in Mill Creek of Shelby are private and also will be maintained by the Association. Replacement, repair and resurfacing of all roads, drives and parking areas within the project will be necessary from time to time as circumstances dictate. It is impossible to estimate with any degree of accuracy future roadway repair or replacement costs. It shall be the responsibility of the Association to inspect and perform preventive maintenance of condominium roadways on a regular basis in order to maximize the life of project roadways and to minimize repair and replacement costs.

#### D. Reserved Rights of Developer.

(1) Expansion of Project. The Developer has reserved the right to expand the project to no more than 276 units within a period ending no later than 6 years from the date of recording of the Master Deed. In connection with such expansion, the Developer has reserved the right to define and redefine general or limited common elements as may be necessary to adequately describe and service the expansion land and to change the nature of any common element previously included in the condominium project to achieve the purposes of such expansion, including, but not limited to, the connection of existing roadways and sidewalks to any roadways and sidewalks planned for the expansion land, and to

provide access to any condominium units over such roadways and sidewalks.

(2) Modification of Units. The Developer has reserved the right to modify the size, location, design or elevation of units and/or general or limited common elements by amendment to the Master Deed. Such modifications shall be in the sole discretion of the Developer without the consent of any other person.

(3) Conduct of Commercial Activities. The Developer has reserved the right to maintain on the condominium premises an office for conduct of commercial activities as it may elect together with a sales office, a business office, model units, storage areas, reasonable parking incident to the use of such areas, and such access to, from and over the condominium premises, as may be reasonable to enable development, sale and operation of this project or any other condominium development which is located within a 1 mile radius of this project and which the Developer or any of its principals has an interest.

(4) Right to Amend. The Developer has reserved the right to amend the Master Deed without approval from owners and mortgagees for the purpose of correcting errors and for any other purpose so long as the amendment would not materially alter or change the rights of an owner or mortgagee. Further, certain provisions of the Master Deed cannot be amended without Developer approval.

(5) Easements. The Developer has reserved such easements over the condominium project (including all units and common elements) as may be required to perform any of the Developer's or the Association's maintenance, repair, decoration or replacement obligations.

(6) Easements for Use of Utilities. The Developer has reserved easements to utilize, tap, tie into, extend and enlarge all utility mains in the project in connection with the expansion of the project or the development of separate projects on the expansion land.

(7) Easements for Use of Roads. The Developer has reserved easements and rights of use over any roads and walkways in the project for the purpose of ingress and egress to and from any portion of the land that hereafter may be added to the project, regardless of how such land ultimately may be used.

(8) Convertible Areas. The Developer has reserved in Article VII of the Master Deed the right to expand and/or reduce the size of individual units, to construct Limited Common Element courtyards, to construct and/or relocate limited common elements and to construct decks within the Convertible Areas designated therein. The Developer must exercise this right within 6 years from the date of recording of the Master Deed.

(9) General. In the condominium documents and in the Condominium Act, certain rights and powers are granted or reserved to the Developer to facilitate the development and sale of the project as a condominium, including the power to approve or disapprove a variety of proposed acts and uses and the power to secure representation on the Association Board of Directors.

#### IV. Legal Documentation

A. General. Mill Creek of Shelby was established as a condominium project pursuant to a Master Deed recorded in the Macomb County Records. The Master Deed includes the Condominium Bylaws as Exhibit A and the Condominium Subdivision Plan as Exhibit B.

B. Master Deed. The Master Deed contains the definitions of certain terms used in connection with the project, the percentage of value assigned to each unit in the project, a general description of the units and common elements included in the project and a statement regarding the relative responsibilities for maintaining the common elements. Article VI covers expansion of the project, Article VII covers convertible areas, Article VIII covers easements, Article IX covers provisions for amending the Master Deed and Article X provides that the Developer may assign to the Association or to any other entity any or all of its rights and powers granted or reserved in the condominium documents or by law.

C. Condominium Bylaws. The Condominium Bylaws contain provisions relating to the operation, management and fiscal affairs of the condominium and, in particular, set forth the provisions relating to assessments of Association members for the purpose of paying the costs of operation of the condominium project. Article VI contains certain restrictions upon the ownership, occupancy and use of the condominium project. Article VI also contains provisions permitting the adoption of rules and regulations governing the common elements. At the present time, no rules and regulations have been adopted by the Board of Directors of the Association.

D. Condominium Subdivision Plan. The Condominium Subdivision Plan is a three-dimensional survey depicting the physical location and boundaries of each of the units and all of the common elements in the project.

#### V. The Developer and Its Affiliates

A. Developer's Background and Experience. The Developer of Mill Creek of Shelby is Michibay, Inc., a Michigan corporation. Mr. Anthony F. Lombardo is the President of Michibay, Inc. The Developer will be the builder for the project. Certain principals of the Developer were involved with the development of Sterling Commons I, Sterling Commons II, Heritage Place Condominium, Heritage Place West Condominium, Heritage Place West II

Condominium, Heritage Place North Condominium, and Copper Creek Condominium.

B. Legal Proceedings Involving the Condominium Project or the Developer. The Developer, Michibay, Inc., is not presently involved in any pending judicial or administrative proceedings, however, certain principals of Michibay, Inc., are involved as defendants in a lawsuit instituted by the Association for Heritage Place West Condominium.

## VI. Operation and Management of the Condominium Project

A. The Condominium Association. The responsibility for management and maintenance of the project is vested in the Mill Creek of Shelby Association, which has been incorporated as a non-profit corporation under Michigan law. The Bylaws include provisions that govern the procedural operations of the Association. The Association is governed by its Board of Directors whose initial members are designees of the Developer.

Within 120 days after conveyance of legal or equitable title to non-developer co-owners of 25% in number of the units that may be created, 1 of the 5 directors will be selected by non-developer co-owners of units; within 120 days after conveyance of legal or equitable title to non-developer co-owners of 50% in number of the units that may be created, not less than 2 of the 5 directors will be selected by non-developer co-owners of units; and 120 days after conveyance of legal or equitable title to non-developer co-owners of 75% in number of the units that may be created, the non-developer co-owners shall elect all directors, except that the Developer shall have the right to designate at least 1 director as long as it owns at least 1 unit in the project. Regardless of the number of units conveyed, 54 months after the first conveyance, non-developer co-owners may elect directors in proportion to the number of units which they own.

Within 120 days after 1/3 of the total number of units that may be created have been conveyed or 1 year from the date of the first conveyance, whichever first occurs, the Developer shall establish an advisory committee to serve as liaison between the non-developer co-owners and the Developer.

The First Annual Meeting must be held on or before the expiration of 120 days after the conveyance of legal or equitable title to non-developer co-owners of 75% in number of all units that may be created or within 54 months after conveyance of the first unit, whichever first occurs. At the First Annual Meeting, the co-owner members of the Association will elect directors, and the directors in turn shall elect officers for the Association. The Developer's voting rights are set forth in Article VIII, Section 2 of the Bylaws.

B. Percentages of Value. The percentages of value for Mill Creek of Shelby were computed on the basis of the relative sizes

of various units (excluding basements). Total value for the entire project is precisely 100. In Mill Creek of Shelby, the percentage of value assigned to each unit determines, among other things, the value of each co-owner's vote and his proportionate share of regular and special Association assessments and of the proceeds of administration of the project.

### C. Project Finances.

(1) Budget. Article II of the Condominium Bylaws requires the Board of Directors to adopt an annual budget for the operation of the project. The initial budget for the project was formulated by the Developer and is intended to provide for the normal and reasonably predictable expenses of administration of the project, and includes a reserve for replacement of major structural and other components of the project in the future. Inasmuch as the budget necessarily must be prepared in advance, it reflects the estimates of expenses made by the Developer. To the extent that estimates prove inaccurate during actual operations and to the extent that the goods and services necessary to service the condominium project change in cost in the future, the budget and the expenses of the Association also will require revision. The current budget of the Association has been attached to this Disclosure Statement.

(2) Assessments. Each co-owner of a unit included within the project must contribute to the Association in proportion to the percentage of value assigned to the unit(s) owned by him to defray expenses of administration. The Board of Directors may also levy special assessments in accordance with the provisions of Article II, Section 3 of the Condominium Bylaws.

The Developer shall only be responsible for payment of the full monthly Association assessment with respect to completed units and occupied units that it owns. The Developer shall not be responsible whatsoever to the Association for any payments in connection with incomplete units. The Developer shall independently pay all direct costs of maintaining incomplete units for which it is not responsible to pay the regular maintenance assessments.

(3) Possible Additional Liability. Each purchaser is advised of the following possible liability of each co-owner under Section 58 of the Condominium Act:

If the holder of the first mortgage or other purchaser of a condominium unit obtains title to that unit by foreclosing that mortgage, the holder of the first mortgage or other purchaser is not liable for unpaid assessments which are chargeable against that unit and which had become due prior to foreclosure. These unpaid assessments are common expenses which are collectible from all unit owners including the holder of the first mortgage who has obtained title to the unit through foreclosure.

D. Condominium Association Management Contract. Professional management is not required by the condominium documents. The Association has entered into a management contract with Association Management, Inc., whose address is 16673 East Fifteen Mile Road, Fraser, Michigan 48026. The President of Association Management, Inc., is William W. Brose. Mr. Brose has extensive experience as management agent for condominium developments.

E. Insurance.

(1) Title Insurance. The Purchase Agreement provides that the Developer shall furnish each purchaser with a commitment for an owner's title insurance policy issued by Chicago Title Insurance Company at or prior to closing, and that the policy itself shall be provided within a reasonable time after closing. The cost of the commitment and policy is to be borne by the Developer. Each purchaser should review the title insurance commitment with a qualified advisor of his choice prior to closing to make certain that it conforms to the requirements of the Purchase Agreement.

(2) Other Insurance. The condominium documents require that the Association carry fire and extended coverage, vandalism and malicious mischief and liability insurance and workmen's compensation insurance, if applicable, with respect to all of the common elements of the project. The insurance policies have deductible clauses and, to the extent thereof, losses will be borne by the Association. The Board of Directors is responsible for obtaining insurance coverage for the Association. Each co-owner's pro rata share of the annual Association insurance premiums is included in the monthly assessment. The Association insurance policies are available for inspection during normal working hours. A copy of the Certificate of Insurance with respect to the condominium project will be furnished to each co-owner upon closing the sale of his unit. Each co-owner is responsible for obtaining insurance coverage with respect to the interior and contents of his unit to the extent indicated in Article IV of the Condominium Bylaws, as well as for liability for injury within his unit and upon limited common elements assigned to his unit, and for alternative living expense in the event of fire. The Association should periodically review all insurance coverage to be assured of its continued adequacy and co-owners should each do the same with respect to their personal insurance.

F. Restrictions on Ownership, Occupancy and Use. Article VI of the Condominium Bylaws contains comprehensive restrictions on the use of the condominium units and the common elements. It is impossible to paraphrase these restrictions without risking the omission of some portion that may be of significance to a purchaser. Consequently, each purchaser should examine the restrictions with care to be sure that they do not infringe upon an important intended use.

The following is a list of certain of the most significant restrictions:

(1) Units are to be used for single-family residential purposes only.

(2) With certain exceptions, no co-owner may lease less than his entire unit, nor lease his unit for less than an initial term of 6 months without the approval of the Association. Although it is the Developer's intention to sell all of the units that it owns in the project, it will necessarily require some time for the Developer to achieve this goal. Further, market conditions and other factors beyond the Developer's control may impede the Developer's efforts to complete its sales program and may necessitate the suspension of the sales program from time to time. Accordingly, the Developer may lease all unsold units in the project for such terms as may be most compatible with achievement of the Developer's sales program in an effort to keep the project fully occupied throughout the duration of such program.

(3) No animal, including household pets, except 1 dog or 1 cat which shall not exceed 40 pounds in weight, shall be kept without the prior written consent of the Board of Directors, which consent, if given, shall be revocable at any time by the Board for failure by pets or their owners to observe provisions of the Bylaws or rules and regulations of the Association pertaining to pets.

(4) There are substantial limitations upon physical changes which may be made to the units and common elements in the project, and upon the uses to which the common elements and units may be put.

(5) Reasonable regulations may be adopted by the Board of Directors of the Association concerning the use of common elements, without vote of the co-owners.

None of the restrictions apply to the commercial activities or signs of the Developer.

#### VII. Rights and Obligations as Between Developer and Co-owners

A. Before Closing. The respective obligations of the Developer and the purchaser of a condominium unit in the project prior to closing are set forth in the purchase agreement and the accompanying escrow agreement. Those documents should be closely examined by all purchasers in order to ascertain disposition of earnest money deposits advanced by the purchaser at the time of closing, anticipated closing adjustments, and the obligation of both parties with respect to modifications to the standard unit and extra installations. The Escrow Agreement provides, pursuant to Section 103b of the Condominium Act, that the escrow agent

shall maintain sufficient funds or other security to complete improvements shown as "must be built" on the Condominium Subdivision Plan until such improvements are substantially complete. Funds retained in escrow are not to be released to Developer until issuance of a certificate of occupancy, if applicable, conveyance of title to a purchaser and confirmation by the escrow agent that all improvements labeled "must be built" are substantially complete.

B. At Closing. Each purchaser (except a purchaser under land contract) will receive by warranty deed fee simple title to his unit subject to no liens or encumbrances other than the condominium documents and those other easements and restrictions as are specifically set forth in the condominium documents and title insurance commitment.

C. After Closing.

(1) General. Subsequent to the purchase of the unit, relations between the Developer and the co-owner are governed by the Master Deed, except to the extent that any contractual provisions of the Purchase Agreement are intended to survive the closing.

(2) Condominium Project Warranties. The Developer is warranting each of the units against defects in workmanship and materials for a period of 1 year from the date of closing the sale of the pertinent unit, as more particularly set forth in the Limited Warranty which accompanied the Purchase Agreement. Except for emergencies or in other extraordinary circumstances, all warranty claims must be submitted in writing to the Developer at its address appearing on the cover sheet of this Disclosure Statement within the applicable 1-year warranty period. In the case of emergencies or in other extraordinary circumstances where written communications would be inappropriate, purchasers should contact the Developer by telephone at the number shown on the cover of this Disclosure Statement. This warranty is extended only to the first purchaser of each unit and is not transferable. The terms of the Developer's warranty are completely set forth in the Limited Warranty which accompanied the Purchase Agreement, and it is recommended that you examine the Limited Warranty and review it with advisors of your choice prior to the execution of the Purchase Agreement and the closing on the purchase of your condominium unit. LIMITED WARRANTIES ARE PROVIDED AS STATED. EXPRESS WARRANTIES ARE NOT PROVIDED UNLESS SPECIFICALLY STATED.

VIII. Purpose of Disclosure Statement

The Developer has prepared this Disclosure Statement in good faith, in reliance upon sources of information believed to be accurate and in an effort to disclose material facts about the project. Each purchaser is urged to engage a competent lawyer or other advisor in connection with his or her decision to purchase a unit. In accepting title to the unit in the condominium



project, each purchaser shall be deemed to have waived any claim or right arising out of or relating to any immaterial defect, omission or misstatement in this Disclosure Statement.

The Michigan Department of Commerce publishes The Condominium Buyer's Handbook which the Developer has delivered to you. The Developer assumes no obligation, liability, or responsibility as to the statements contained therein or omitted from The Condominium Buyer's Handbook.

## ASSOCIATION MANAGEMENT INC

## ESTIMATED OPERATING EXPENSES

COMPLEX NAME: MILL CREEK CONDOMINIUMS

PREP: SEPTEMBER 18, 1992

NUMBER OF UNITS IN COMPLEX: 276\*

\*WHEN TOTAL PROJECT COMPLETED

EXPENSES	ACCT. NO.	BUDGET THIS PHASE (64 UNITS)	AVERAGE \$ P/U/P/M
MANAGEMENT FEE	6320	6912.00	9.00
LEGAL FEES	6340	400.00	0.52
AUDITING	6350	450.00	0.59
MISC ADMINST	6390	75.00	0.10
PRINTING & MAIL	6395	360.00	0.47
SUB TOTAL		8197.00	10.67
PUMP REBATE	6444	928.00	1.21
CLOCK/APT REBATE	6445	150.00	0.20
ELECTRICITY	6450	400.00	0.52
SPRINKLER WATER	6451	1550.00	2.02
EXTERMINATOR	6462	0.00	0.00
RUBBISH REMOVAL	6470	1650.00	2.15
SUB TOTAL		4678.00	6.09
PLUMBING MNCE	6511	300.00	0.39
ELECTRICAL MNCE	6512	125.00	0.16
LAWN SPRAY FERT	6516	1400.00	1.82
GROUNDS MNCE	6520	800.00	1.04
LAWN SERVICE	6521	6200.00	8.07
SNOW REMOVAL	6522	3600.00	4.69
BUILDING RPRS	6540	0.00	0.00
PAINTING	6560	0.00	0.00
MAINTENANCE PAY	6586	4000.00	5.21
SPRINKLER RPRS	6592	480.00	0.63
GLASS REPLCMNT	6593	0.00	0.00
WATER PROOFING	6598	0.00	0.00
SUB TOTAL		16905.00	22.01
CORPORATE TAXES	6719	0.00	0.00
CONDO INSURANCE	6720	8800.00	11.46
WORKERS COMP INS	6721	0.00	0.00
INS DEDUCT EXP	6740	0.00	0.00
SUB TOTAL		8800.00	11.46
REPLACEMENT RESV	1320	7500.00	9.77
SUB TOTAL		7500.00	9.77
TOTAL OF ALL EXPENSES		46080.00	60.00

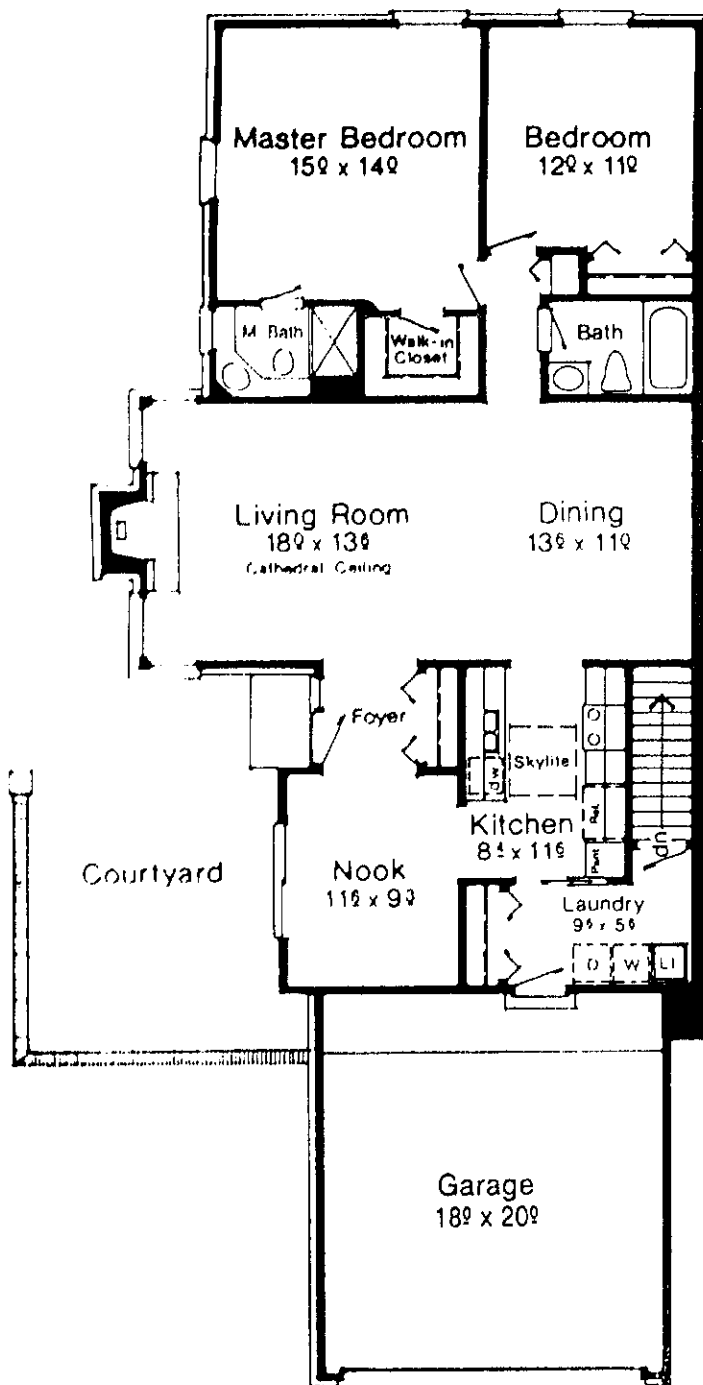
## INCOME AND BUDGET

INCOME	ACCT. NO.	BUDGET THIS PHASE	AVERAGE \$ P/U/P/M
ASSESSMENTS	5110	46080.00	60.00
CLOSING INS INCOME	5313	0.00	0.00
CLOSING RES DEPOSIT	5314	0.00	0.00
INTEREST	5410	0.00	0.00
LEGAL FEE RECOVERY	5930	0.00	0.00
TRANS OF FUNDS	XXXX	0.00	0.00
91 CASH CARRY-FWD	XXXX	0.00	0.00
TOTAL INCOME:		46080.00	60.00
TOTAL EXPENSE:		46080.00	60.00
SURPLUS/-DEFICIT		0.00 (est)	0.00



ASSOCIATION MANAGEMENT, INC.

# OAKWOOD 1380



## UNIQUE ONE STORY PLAN

This two bedroom, two bath unit on one floor is an ideal home for a young couple, family, or retired couple. This unit gives you a spacious feeling without a lot of square footage to take care of. All in a superior quality home.

## UNIQUE DESIGN

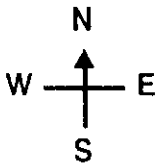
We've used state of the art design techniques to come up with a design which offers the utmost in privacy.

MODEL NO. 1380

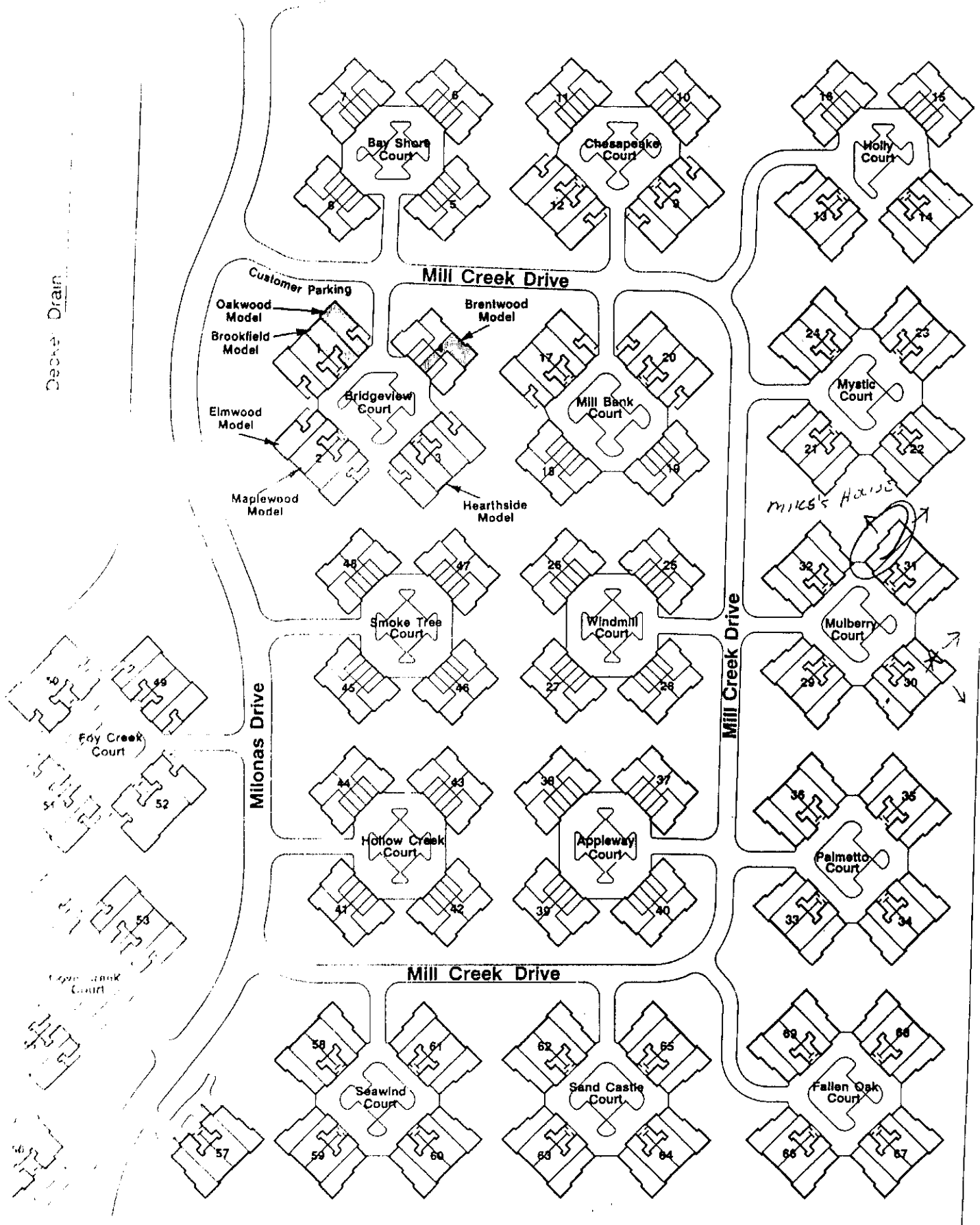
\$ \_\_\_\_\_

Prices and standard features subject to change without notice.  
Room sizes are approximate and may vary depending on combination of units in each building, exterior roof lines and angle of sky lights may vary.  
© 1992 Michibay, Inc.

MODEL NO. 1380



22 Mile Road



This is to certify that according to the County Treasurer's records there are no tax liens on this property and that the taxes are paid for five years previous to date of this instrument except 19 No. 43283  
TED B. WAHBY Macomb County Treasurer By Joe  
This certification does not include current taxes now being collected.

Date May 10, 1995

FIFTH AMENDMENT TO MASTER DEED OF  
MILL CREEK OF SHELBY

Michibay, Inc., a Michigan corporation, whose address is 47200 Van Dyke, Utica, Michigan 48317, being the Developer of Mill Creek of Shelby, a Condominium Project established pursuant to the Master Deed thereof, recorded on February 19, 1992, in Liber 5334, Pages 218 through 275, First Amendment to the Master Deed recorded in Liber 5569, Pages 170 through 194, Second Amendment to the Master Deed recorded in Liber 5964, Pages 24 through 49, Third Amendment to the Master Deed recorded in Liber 6231, Pages 107 through 127, Fourth Amendment to the Master Deed recorded in Liber 6406, Pages 740 through 761, Macomb County Records, and known as Macomb County Condominium Subdivision Plan No. 397, hereby amends the Master Deed of Mill Creek of Shelby pursuant to the authority reserved in Article VI thereof for the purposes of enlarging the Condominium Project from 212 Units to 276 Units by the addition of the land described in paragraph 1 below, and reallocating percentages of value set forth in Article V, Section 2(b) of said Master Deed. Upon recordation in the Office of the Macomb County Register of Deeds of this Amendment, said Master Deed and Exhibit B thereto shall be amended in the following manner:

1. The following land shall be added to Article II of the Master Deed of Mill Creek of Shelby by this Amendment:

Part of the Northeast 1/4 of Section 25, T. 3 N., R. 12 E., Shelby Township, Macomb County, Michigan, being more particularly described as follows:

Beginning at a point which is N. 89° 56' 50" E., 1325.81 feet along the North line of Section 25 and S. 01° 32' 26" W., 1300.61 feet along the boundary of "Heritage Place Condominiums" (Liber 3625, Page 372, M.C.R.) and S. 89° 56' 50" W., 363.33 feet and N. 00° 03' 10" W., 305.00 feet and S. 89° 56' 50" W., 249.00 feet from the North 1/4 corner of Section 25, T. 3 N., R. 12 E.; thence S. 00° 03' 10" E., 265.00 feet; thence S. 89° 56' 50" W., 304.76 feet; thence along the Easterly right-of-way line of Milonas Drive (86 feet wide), Northerly 108.14 feet along the arc of a curve to the left (Radius of 393.00 feet, central angle of 15° 46' 00", long chord bears N. 07° 49' 50" E., 107.80 feet) and N. 00° 03' 10" W., 217.62 feet and Northerly 189.45 feet along the arc of a curve to the left (Radius of 468.00 feet, central angle of 23° 11' 39", long chord bears N. 11° 38' 59" W., 188.16 feet) and N. 23° 14' 49" W., 55.78 feet; thence N. 89° 56' 50" E., 349.76 feet; thence S. 00° 03' 10" E., 295.00 feet to the point of beginning.

And that part of the Northeast 1/4 of Section 25, T. 3 N., R. 12 E., Shelby Township, Macomb County, Michigan, being more particularly described as follows:

Beginning at a point which is S. 01° 32' 52" W., 700.38 feet along the North and South 1/4 line of Section 25 from the North 1/4 corner of Section 25, T. 3 N., R. 12 E.; thence N. 89° 56' 50" E., 253.90 feet; thence along the Westerly right-of-way line of Milonas Drive (86 feet wide), Southerly 17.49 feet along the arc of a curve to the left (Radius of 468.00 feet central angle of 02° 08' 31" long chord bears S. 22° 10' 34" E., 17.49 feet) and S. 23° 14' 49" E., 75.00 feet and Southerly 154.64 feet along the arc of a curve to the right (Radius of 382.00 feet, central angle of 23° 11' 39", long chord bears S. 11° 38' 59" E., 153.58 feet) and S. 00° 03' 10" E., 217.62 feet and Southerly 205.89 feet along the arc of a curve to the right (Radius of 307.00 feet, central angle of 38° 25' 31", long chord bears S. 19° 09' 36" W., 202.05 feet) and S. 38° 22' 21" W., 100.00 feet and Southerly 228.69 feet along the arc of a curve to the left (Radius of 393.00 feet, central angle of 33° 20' 27", long chord bears S. 21° 42' 07" W., 225.48 feet; thence S. 89° 56' 22" W., 134.73 feet along the boundary of "Victoria

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CARMELLA SABAUGH-MACOMB COUNTY, MI REG/DEEDS

Subdivision No. 2" (Liber 94, Pages 4, 5 and 6 M.C.R.); thence N. 01° 32' 52" E., 932.16 feet along the North and South 1/4 line of Section 25 to the point of beginning.

And that part of the Northwest 1/4 of Section 25 T. 3 N., R. 12 E., Shelby Township, Macomb County, Michigan, being more particularly described as follows:

Beginning at a point which is S. 01° 32' 52" W., 805.13 feet along the North and South 1/4 line of Section 25 from the North 1/4 corner of Section 25, T. 3 N., R. 12 E.; thence S. 01° 32' 52" W., 827.41 feet along said North and South 1/4 line; thence S. 89° 56' 22" W., 100.04 feet; thence N. 01° 32' 52" E., 730.21 feet; thence N. 46° 32' 52" E., 141.42 feet to the point of beginning.

2. Fifth Amended Article V, Section 2 (b) of the Master Deed of Mill Creek of Shelby, as set forth below, shall replace and supersede Article V, Section 2 (b) of the Master Deed as originally recorded and subsequently amended, and Article V, Section 2 (b) as originally recorded and subsequently amended shall be of no further force or effect.

FIFTH AMENDED ARTICLE V, SECTION 2 (B) OF THE  
MASTER DEED OF MILL CREEK OF SHELBY

Article V, Section 2(b)

(b) The percentage of value assigned to each Unit.

Unit Number	Percentage of Value Assigned
1	.3828%
2	.3915%
3	.3915%
4	.3828%
5	.3284%
6	.3314%
7	.3314%
8	.3284%
9	.3828%
10	.5240%
11	.5240%
12	.3828%
13	.3174%
14	.3069%
15	.3069%
16	.3174%
17	.3174%
18	.3069%
19	.3069%
20	.3174%
21	.3828%
22	.3314%
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24	.3828%
25	.3174%
26	.3069%
27	.3069%
28	.3174%
29	.3256%
30	.3915%
31	.3915%
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3. Amended Sheets 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 16, 17, 18, 23 and 24, of the Condominium Subdivision Plan of Mill Creek of Shelby as attached hereto, shall replace and supersede Sheets 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 16, 17, 18, 23 and 24, of the Condominium Subdivision Plan of Mill Creek of Shelby as originally recorded and subsequently amended, and originally recorded and subsequently amended sheets 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 16, 17, 18, 23 and 24, shall be of no further force or effect. The legal description of the Condominium Premises contained on said Amended Sheet 1 shall replace and supersede the description of said Premises contained in Article II of the originally recorded Master Deed.

In all respects, other than as hereinabove indicated, the original Master Deed of Mill Creek of Shelby, including the Bylaws and Condominium Subdivision Plan respectively attached hereto as Exhibits A and B, recorded as aforesaid, is hereby ratified, confirmed and redeclared.

Dated this 5th day of May, 1995.

WITNESSES:

Mark J. Abdo

MICHIBAY, INC., a Michigan corporation

Susanne M. Thomas  
Susanne M. Thomas

By:

~~Anthony F. Lombardo,~~  
~~President~~

STATE OF MICHIGAN) )  
COUNTY OF Macomb ) SS.

On this 5th day of May, 1995, the foregoing Fifth Amendment to the Master Deed was acknowledged before me by Anthony F. Lombardo, the President of Michibay, Inc., a Michigan corporation, on behalf of the corporation.

Susanne M. Thomas  
Susanne M. Thomas  
Notary Public, Macomb County,  
Michigan  
My Commission Expires: 8-9-99

**Fifth Amendment to the Master Deed drafted by:**

Mark J. Abdo, Attorney at Law  
42550 Garfield Road, Suite 104A  
Clinton Township, Michigan 48038

When recorded, return to drafter