

[illegible]

UTILITY LEGEND
STORM SEWER
GAS, ELECTRICAL,
CABLE TV, TELEPHONE
CATCH BASIN
STREET LIGHTS
PROJECT SIGN
CLIMBING SIGN
MAN HOLE COVER
FORWARD RAIL
BENCH MARK, N.Y.
ELEVATION

HOME TRENCH
DOWN TO THE POINT
DOWN TO THE POINT
1/4 COR. SEC. 14
V. 87509

SOURCE OF INFORMATION
 GEORGETOWN COLLEGE, MD
 HANCOCK, WASH, ME
 HANCOCK, WASH, ME
 PRIVATE VILL, BELLERS
 GEORGETOWN COLLEGE, MD
 HANCOCK, WASH, ME
 COMBUSTION ENERGY
 COMBUSTION ENERGY
 GENERAL TELEPHONE
 GENERAL TELEPHONE
 PRIVATE SUPPLIES
 WASH CABLE COMPANY

WOMEN.
THE STATE SYSTEM IS LEAD WED TO BE BUILT
IT IS BELIEVED WILL WED TO BE BUILT.
THEY WOULD BE BUILT.
THEY WOULD BE BUILT.
THEY WOULD BE BUILT.

LINDEN OAKS

UTILITY PLAN
SECTION 14 ARGENTINE TOWNSHIP, GENESEE COUNTY, MICHIGAN

AS NOTED
REGISTRATION NO. 22616
WANDMAN BROS.
REGISTERED PROFESSIONAL ENGINEER
WILLIAM J. WANDMAN
PROPOSED DATE: _____
DATE: _____

DATE:

CRD DEVELOPMENT L.C.
11661 PARKIN LANE
FENTON, MICHIGAN 48430
(810) 629-3121

LINDEN OAKS
SEC 14, ARGENTINE TOWNSHIP
GENESEE COUNTY, MICHIGAN

TRANS ENVIRONMENTAL ENGINEERS INC.
G-3304B CORUNNA ROAD
FLINT, MICHIGAN 48632
PH. (810) 235-1000

UTILITY PLAN

SHEET NO. 4 OF 4

SECOND AMENDMENT TO MASTER DEED
OF
LINDEN OAKS

This Second Amendment to the Master Deed of Linden Oaks is made this and executed on the 24th day of November, 1999, by DONALD DELABBIO, Managing Member of CRD DEVELOPMENT, L.C., whose address is 16429 Locke, Linden, MI 48451 ("Developer"), pursuant to the powers of amendment provided under Article VIII of the Master Deed and with authorization of the Association and approval of 2/3 of the owners of units in Linden Oaks and pursuant to the provisions of the Michigan Condominium Act (being Act 59 of the Public Acts of 1978, as amended) (hereinafter "Act").

WITNESSETH:

WHEREAS, the Developer incorporated Linden Oaks Association as the nonprofit corporation established pursuant to the Act to maintain and administer Linden Oaks, a residential site condominium project established pursuant to the Master Deed of same recorded June 3, 1999, in Liber 3825, Page 740-778, inclusive, Genesee County Records, and being known as Genesee County Condominium Subdivision Plan No. 210; and by the First Amendment to Master Deed recorded May 10, 1999, in Liber 4151, Pages 150-151, Genesee County Records.

WHEREAS, the Association and Developer desire to further amend the Master Deed pursuant to the amendatory powers provided in Article VIII of the Master Deed.

NOW, THEREFORE, this Second Amendment to Master Deed is made to provide as follows:

DISCLOSURE STATEMENT

LINDEN OAKS CONDOMINIUM

I - INTRODUCTION

Condominium development in Michigan is governed largely by Act 59 of the Michigan Public Acts of 1978, as amended, by Act 538 of the Michigan Public Acts of 1982, and Act 113 of the Michigan Public Acts of 1983 (together herein called the Condominium Act). The Condominium and Living Care Division of the Corporation and Securities Bureau of the Michigan Department of Commerce polices the law under which condominium projects are developed in this state.

This Disclosure Statement, together with copies of the legal documents required for the creation and operation of the project, are furnished 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

A 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 applicable to the property.

A "site condominium," such as LINDEN OAKS CONDOMINIUM, is identical in legal attributes to any other condominium. However, in a site condominium, the "unit" is the envelope of land and space within which the owner subsequently causes a house to be built. The improvement (i.e., the house) is not a part of the original unit - only the land and air space is being sold as a condominium unit.

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 service the project. Title to the common elements is included as a 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.

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, real property taxes and assessments are levied individually against each unit in the project. The separate taxes and assessments cover the unit, improvements on it 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 all of the documents contained in LINDEN OAKS CONDOMINIUM Purchaser Information Booklet, 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 - SCOPE OF DEVELOPMENT

LINDEN OAKS CONDOMINIUM, a site condominium, is being developed in Argentine Township, Genesee County, Michigan. There are ~~22~~ units being created in the Master Deed.

That portion of the land that is not designated as "units" on the Plan will be general or limited common elements. The general common elements will be used and maintained in common by all co-owners of units. The Association will be responsible for the maintenance of the general common elements. The Master Deed must be examined carefully to determine each co-owner's rights and obligations with respect to the common elements.

LINDEN OAKS CONDOMINIUM is served by gas, electric and telephone service. Public water and sewer connections exist. Gas service is furnished by Consumers Power Co., electricity is furnished by Detroit Edison, telephone service is provided by Ameritech, and cable by Fenton Cablevision; and all are individually billed to each unit by the utility companies for payment by the co-owner. The costs of maintaining the storm drain system serving the project, to the extent those systems are located within the project boundaries, will be borne by the Condominium Association.

IV - STRUCTURES AND IMPROVEMENTS WHICH "NEED NOT BE BUILT"

The Condominium Act of Michigan requires the Developer to label the structures and improvements on the Condominium Plan as either "MUST BE BUILT" or "NEED NOT BE BUILT"; however, as units are sold as undeveloped sites, there are few "MUST BE BUILT" improvements. All "MUST BE BUILT" improvements are so noted on the Condominium Plan to LINDEN OAKS CONDOMINIUM.

V - ESCROW AGREEMENT

Developer has entered into an Escrow Agreement with Loftis Title Company, as escrow agent, which provides that all deposits made under purchase agreements be placed in escrow. The Escrow Agreement provides for the release of an escrow deposit to any purchaser who withdraws from a Purchase Agreement in accordance with the Purchase Agreement. Such a withdrawal is permitted by each Purchase Agreement if it takes place within nine business days after the purchaser has received all of the condominium documents, or if the Purchase Agreement is conditional upon obtaining a mortgage and purchaser is unable to do so, or if the condominium documents are changed in a way that materially reduces a purchaser's rights. The respective obligations of the Developer and the purchaser of a 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 the disposition at closing of earnest money deposits advanced by the purchaser, anticipated closing adjustments, and other important matters. 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 those improvements shown as "MUST BE BUILT" on the Condominium Subdivision Plan until such improvements are substantially complete. This provision does not, however, pertain to any dwelling or

other appurtenances to be constructed on the building site, but relates only to the improvements (such as the project drive) which improvements are shown as "MUST BE BUILT" on the Condominium Subdivision Plan until such improvements are substantially complete. Improvements that "MUST BE BUILT" with relation to condominium building sites do not include the costs of installation of utility leads or construction of the dwelling itself, for which no such escrow is required. Funds retained in escrow are not to be released to the Developer until conveyance to a purchaser of title to a unit and confirmation by the escrow agent that all improvements labeled "MUST BE BUILT" are substantially complete.

VI - WARRANTY

As the units being sold in this condominium project consist of the undeveloped sites only, no warranties, expressed or implied, are given by the Developer as to any improvements to be built thereon. Any and all warranties relating to structures built on and improvements to the units will be given by the contracting builder, under a separate construction agreement. All improved general common elements (i.e., roadway) are warranted for one (1) year from date of completion of the general common element.

VII - MANAGEMENT OF THE CONDOMINIUM ASSOCIATION

The common affairs of the co-owners and all matters relating to the common elements of the condominium will be managed exclusively by the LINDEN OAKS CONDOMINIUM Association, a Michigan non-profit corporation. As each individual purchaser acquires title to a condominium unit, the purchaser will also become a member of the Association. The manner in which the Association will be run by its members, its officers and its Board of Directors is set forth in the Bylaws and Articles of Incorporation which are included with each purchaser's ownership documents. The Association was formed by certain persons acting at the request of the Developer. These persons make up the first Board of Directors of the Association to control the affairs of the Association until other directors are elected. The election of directors of co-owners (including Developer voting as a co-owner) cannot take place later than 54 months after the first closing of a unit. It is likely that the non-developer co-owners will have voting rights sooner than that time, depending upon the number of units conveyed. Voting rights are set forth in detail in Article VIII of the By-Laws, and these provisions should be carefully reviewed. Within one year after the first conveyance of a unit, or 120 days after conveyance of one-third of all the units which may be created, whichever occurs first, an advisory committee of co-owners will be established to facilitate communication and aid transition of control to the co-owners.

VIII - BUDGET AND ASSESSMENTS

The budget required to conduct the business of the Association has been estimated by the Developer. A copy of the estimated budget for the first year of operation is attached to this Disclosure Statement. The initial condominium assessments charged to members are based upon this budget; however, it must be kept in mind that this is an estimate only, and there can be no guarantee that the budget will be sufficient to meet the expenses of the Association. It is normal for Association expenses to increase on a regular basis. The Association's only source of revenue to fund its budget is by the assessment of its members. Each co-owner must pay to the Association an annual assessment which is determined in part by dividing the projected budget by the member's percentage of value which is stated in the Master Deed. The annual assessment must be paid to the Association by each co-owner in 12 equal monthly assessments. In the event that the Association incurs expenses which are not anticipated in the budget, the Association may also levy special assessments to cover such expenses. Any special assessments would be allocated to the co-owners in accordance with the percentages of value stated in the Master Deed. Before the first annual meeting of the co-owners, the Developer will not pay Association assessments but will pay for the maintenance and insurance of its own units. The Developer will only pay regular monthly assessments after the first annual meeting for completed units owned by Developer.

B. LEGAL PROCEEDINGS INVOLVING THE CONDOMINIUM PROJECT OR THE DEVELOPER

The Developer is not presently aware of any pending judicial or administrative proceedings involving the condominium project or the Developer.

XI - INSURANCE

Initially, the condominium development will be insured against fire and other casualties under a condominium project insurance policy. In the event of any casualty or liability involving the common elements, the insurance proceeds would be paid to and administered by the condominium association in accordance with the provisions of the Bylaws. The premium for this policy will be paid by the Association and included in the expenses of administration of the project. Each unit owner should acquire insurance on the owner's unit, the owner's residence and on the owner's personal property.

As of the effective date of this Disclosure Statement, the insurance coverage on the condominium units and improvements are in the name of the Developer under the Developer's builders risk policy. The policy which will insure the condominium association will not take effect until conveyances commence. Until that time, the Developer cannot determine what the exact limits of coverage of the policy will be. The Developer expects such a policy to be in the approximate face amount of the aggregate sales price of the units, less the value of the land and improvements which are not subject to destruction by fire or other hazards. The Developer cannot determine in advance what the exact amount of the deductible clause in the policy will be, but it is customary that such deductible clauses are in the amount of \$500.00. Purchasers acquiring units can obtain more complete information about insurance from the Developer at the address or phone number shown on the cover sheet of this statement.

An owner's title insurance policy will be supplied each individual purchaser as the sales of the units are closed. These title insurance policies will be ordered by the Developer at its own expense upon the closing of each sale. The policies will be in the face amount of the purchase price of each unit. The title policies will be issued by Loftis Title Company, as agent. The policies will insure each purchaser that the purchaser's title to the unit received from the Developer is in the condition required by each Purchase Agreement.

XII - POSSIBLE LIABILITY FOR ADDITIONAL ASSESSMENTS

It is possible for co-owners to become obligated to pay a percentage share of assessment delinquencies incurred by other co-owners. This can happen if a delinquent co-owner defaults on a first mortgage and if the mortgagee forecloses. The delinquent assessments then become a common expense which is reallocated to all the co-owners, including the first mortgage, in accordance with the percentages of value in the Master Deed. The Bylaws provide in part:

"If the mortgagee of a first mortgage of record or other purchaser of a condominium unit obtains title to the condominium unit as a result of foreclosure of the first mortgage, such person, its successors and assigns, is not liable for the assessments by the Association chargeable to the unit which became due prior to the acquisition of title to the unit by such person and the expiration of the period of redemption from such foreclosure. The unpaid assessments are deemed to be common expenses collectible from all of the condominium unit owners including such persons,

their successors and assigns."

XIII - EASEMENTS

The condominium premises will be subject to a number of easements. The Master Deed describes certain reciprocal easements granted to condominium co-owners and to the condominium association. In the Master Deed, Developer has retained various easements over the condominium premises for various purposes including utility, ingress and egress easements to service the land within the condominium. There are also easements and other interests relating to utilities which will be described in each title insurance commitment and policy, which should be reviewed by purchasers and their attorneys prior to closing. The Master Deed permits Developer to maintain offices, model units and sales facilities in the condominium.

XIV - PURPOSE OF DISCLOSURE STATEMENT

This Disclosure Statement was prepared by Developer in compliance with the Michigan Condominium Act. This statement paraphrases various provisions of the Purchase Agreement, Escrow Agreement, Master Deed, and other documents required by law. This statement only highlights certain provisions of such documents and by no means contains a complete statement of all of the provisions of those documents which may be important to purchasers. In an attempt to be more readable, this statement omits most legal phrases, definitions and detailed provisions of the other documents. This statement is not a substitute for the legal documents which it draws information from, and the rights of purchasers and other parties will be controlled by the other legal documents and not by this Disclosure Statement. All of the documents referred to in this statement should be carefully reviewed by the prospective purchasers, and it is advisable to have professional assistance in making this review.

Developer is required by law to prepare this statement. However, Developer disclaims liability to any purchaser for misstatements herein (or for omissions which make statements herein appear misleading) if such misstatements were made by the Developer in good faith, or were immaterial in nature, or were not relied upon by the purchaser, or did not result in any damages to the purchaser. Developer is required to give each purchaser a copy of The Condominium Buyers' Handbook. This handbook was prepared by the Michigan Department of Commerce, and Developer accepts no responsibility for its contents.

LINDEN OAKS CONDOMINIUM ASSOCIATION

First Annual Operating Budget

Administrative expense and supplies	\$ 100.00
Legal and accounting	200.00
Insurance	600.00
Snow removal and roadway maintenance (until projected public dedication)	700.00
Landscaping (Retention area and open space areas)	400.00
 TOTAL	 \$ 2,000.00
Repair and Replacement Reserve for Common Elements	<u>200.00</u> \$ 2,200.00

2200 divided by 22 = \$100.00 per unit per year

NOTE:

1. Act requires 10% of operating budget be placed in the Repair and Replacement Reserve.

ARTICLE I OF AMENDMENT

Article VI of the Bylaws, being Exhibit A to the Master Deed, Section 3 (i) and (l) shall be replaced with the following provisions:

(i) Inground and above ground pools shall be allowed with prior written approval of the Association. Generally, approval will be granted upon submission of plans reflecting that the proposed pool's location will not be an annoyance to other owners and that the owner has complied or will comply with all township ordinances relative to safety requirements.

(l) Structures such as garages, barns and other outbuildings shall only be constructed on a lot with written approval of the Association after review of plans for same. Generally, the Association will approve requests upon submission of appropriate plans reflecting that the outbuilding conforms with all ordinances and requirements of Argentine Township, that it provides for paved driveways when appropriate and that the proposed outbuildings of the same general style, type and material as the residential structure on the unit. Owners must have written approval by the Board of Directors prior to construction of any such outbuildings.

In all other respects, other than hereinabove indicated, the Master Deed of Linden Oaks, as recorded and Exhibits thereto, is hereby ratified and affirmed.

WITNESSES:

LINDEN OAKS ASSOCIATION,
a Michigan nonprofit corporation

BY:


Don DeLabbio

ITS: President and Sole Director


John A. Stevens


Nancy L. Mumma

RECEIPT FOR CONDOMINIUM DOCUMENTS

NOW COMES the undersigned Buyer of a condominium unit in LINDEN OAKS Condominium, and by his or her signature below acknowledges receipt of the Purchaser Information Package containing the following condominium documents:

1. Copy of Receipt for Condominium Documents;
2. Copy of Disclosure Statement dated _____;
3. Copy of recorded Master Deed with exhibits A and B;
4. Copy of Condominium Buyer's Handbook, including the Update to the Condominium Buyer's Handbook;
5. Copy of Purchase Agreement;
6. Copy of Escrow Agreement;

This Receipt is required pursuant to Section 84a of the Condominium Act, as amended, a copy of which is attached. According to that section, signature by the Buyer of this Receipt is strong evidence that the Buyer has received, read, and understood these documents.

IN WITNESS WHEREOF, this Receipt has been signed as of the date indicated next to the signature of the Buyer.

WITNESSETH:

BUYER:

Dated: _____

Dated: _____