

DECLARATION OF COVENANTS, CONDITIONS AND
RESTRICTIONS OF HAWTHORN SUBDIVISION

PREAMBLE

BENECICKE AND KRUE NO. 2, INC., a Michigan Corporation, (hereinafter called "Proprietor") of 1600 North Woodward Avenue, Birmingham, Michigan, is the Proprietor of a plat known as HAWTHORN SUBDIVISION consisting of residential lots numbered 1 through 72, City of East Lansing, Ingham County, Michigan, according to the plat thereof as recorded in Liber 34 of Plats, Pages 2, 3, 4 and 5, Ingham County Records. The Proprietor is the owner of all of the lots in this Subdivision.

The Proprietor intends that there be constructed on the land embraced with this Subdivision a complex of single family houses owned by separate owners and to be used for single family residential purposes. Each house will be situated on a residential lot. All references in these restrictions to a lot shall mean and include the lot together with all improvements thereon. The Proprietor desires to impose protective restrictions upon this Subdivision in order to insure its most beneficial development as a residential area, to prevent any use of the land which might tend to diminish its valuable or pleasurable enjoyment and to provide for maintenance and upkeep of the common areas to assure harmony, uniformity, attractiveness and utility of the Subdivision.

Therefore, Proprietor imposes the protective restrictions hereinafter set forth upon HAWTHORN SUBDIVISION.

RECORDED

JUL 22 3 53 PM '77

REGISTER OF DEEDS

Paula Johnson

INGHAM COUNTY, MICH.

ARTICLE I

DEFINITIONS

Section 1. "Association" shall mean and refer to Hawthorn Subdivision Association, Inc., its successors and assigns.

Section 2. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of a fee simple title to any lot in the Subdivision, including contract Sellers, and contract Purchasers who have received a delegation of membership from the contract Seller, pursuant to Article II, Section 2, but excluding those having such interest merely as security for the performance of an obligation.

Section 3. "Properties" shall mean and refer to that certain real property hereinbefore described, and such additions thereto as may hereafter be brought within the jurisdiction of the Association.

Section 4. "Common Area" shall mean all real property owned by the Association for the common use and enjoyment of the owners. The Common Area to be owned by the Association at the time of the conveyance of the first lot is the area designated on the plat of Hawthorn Subdivision, more specifically defined as "Hawthorn Park", "Hawthorn Green" and "Hawthorn Commons" of Hawthorn Subdivision, a subdivision on part of Section 12, T4N, R2W, City of East Lansing, Ingham County, Michigan, as recorded in Liber 34, Pages 2, 3, 4 and 5, Ingham County Records.

Section 5. "Lot" shall mean and refer to any Lot shown upon the plat of Hawthorn Subdivision with the exception of the Common Area.

Section 6. "Proprietor" shall mean Beneicke and Krue No. 2, Inc.

ARTICLE II

PROPERTY RIGHTS

Section 1. Owner's Easements of Enjoyment. Every Owner shall have a right and easement of enjoyment in and to the Common Area which shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

(a) the right of the Association to adopt reasonable rules and regulations regarding the use of said Common Area;

(b) the right of the Association to charge reasonable fees if necessary for the use of any recreational facility situated upon the Common Area;

(c) the right of the Association to suspend the voting rights and right to use the recreational facilities by an owner for any period during which any assessment against his Lot remains unpaid; and for a period not to exceed Sixty (60) days for any infraction of its published rules and regulations;

(d) the right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority, or utility for such purposes and subject to such conditions as may be agreed to by the members. No such dedication or transfer shall be effective unless an instrument signed by two-thirds (2/3) of each class of members agreeing to such dedication or transfer has been recorded.

Section 2. Delegation of Use and Rights of Membership. Any owner may delegate, in accordance with the By-Laws, his rights of enjoyment to the Common Area and facilities to the members of his family who reside on the property. A contract Seller may

delegate in writing his rights of membership to his contract Purchaser which delegation shall be automatically revoked upon foreclosure of said contract. Said delegation shall be delivered to the Secretary of the Association.

ARTICLE III

MEMBERSHIP AND VOTING RIGHTS

Section 1. Association of Owners. Each lot shall be deemed to have only one owner regardless of the number of persons owning undivided interests therein. Each owner of a lot in this Subdivision shall be and become a member of the Association at such time as these restrictions become operative with respect to such owner's lot and no other person or entity shall be entitled to membership except for the incorporators and the first Board of Directors. A contract Purchaser shall be a member of the Association upon meeting the requirements of Article II, Section 2.

Section 2. The association shall have two classes of voting membership.

Class A. Class A members shall be all Owners with the exception of Class B members and shall be entitled to one vote for each lot owned.

Class B. The Class B member shall be the Proprietor and shall be entitled to five (5) votes for each lot owned. The Class B membership shall cease and be converted to Class A membership when the total votes outstanding in the Class A membership equal the total votes outstanding in the Class B membership.

ARTICLE IV

COVENANT FOR MAINTENANCE FEES

Section 1. Creation of the Lien and Personal Obligation of Assessments. The Proprietor for each Lot owned within the Subdivision hereby covenants, and each Owner of any Lot by acceptance of a deed therefor, whether or not it shall be so expressed in such deed, is deemed to covenant and agree to pay to the Association; (1) annual maintenance fee or charges, and (2) special assessments for capital improvements, such assessments to be established and collected as hereinafter provided. The annual fee and special assessments, together with interest, and costs shall be a charge on the land and shall be a continuing lien upon the property against which each such fee or assessment is made. Each such fee or assessment, together with interest and costs, shall also be the personal obligation of the person who was the Owner of such property at the time when the fee or assessment fell due.

Section 2. Purpose of Fees. The fees levied by the Association shall be used exclusively to promote the recreation, health, safety, and welfare of the residents in the Subdivision and for the improvement and maintenance of the Common Area.

Section 3. Annual Fee. The Board of Directors of the Association shall fix the annual fee each year, the initial annual fee shall be no greater than Twenty-five and 00/100 (\$25.00) Dollars, until changed by the members. Any change in the initial maximum fee shall only be made upon a majority vote of members who are voting in person or by proxy. Within the limit of the initial maximum annual fee of Twenty-five and 00/100 (\$25.00) Dollars, the Board of Directors shall determine each year the amount of said fee for any given year.

Section 4. Special Assessment for Capital Improvements. In addition to the annual fees authorized above, the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the costs of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the assent of a majority of the votes of members who are voting in person or by proxy at a meeting duly called for this purpose.

Section 5. Maintenance by Owners. Each owner shall in the first instance be individually responsible for maintenance and care of the dwelling and appurtenances on his property. Each house shall be maintained in a manner and to an extent which is reasonably harmonious and in keeping with the other houses in the Subdivision.

Section 6. Liability Insurance. The Association may carry public liability and property damage insurance, in such amounts as its Board of Directors may determine, insuring against loss caused by or connected with the ownership by the Association of the Common Area.

Section 7. Negligence of Owners. In the event that the need for maintenance or repair of Common Area is caused through the willful or negligent act of an Owner, his agents, guests or invitees, the cost of such maintenance or repair shall be added to and become a part of the assessment to which such Owner's property is subject under Article IV.

Section 8. Notice and Quorum for any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for

the purpose of taking any action authorized under Section 3 and 4 shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting. At the first such meeting called, the presence of members or of proxies entitled to cast sixty (60%) percent of all the votes of membership 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 (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than sixty (60) days following the preceding meeting.

Section 9. Method of Collection. Both annual and special assessment shall be collected in a manner as set by the Board of Directors.

Section 10. Date of Commencement of Annual Fees Due Dates. The annual fees provided for herein shall commence as to all Lots on January 1st of each year following the conveyance of the Common Area to the Association, provided, however, no annual maintenance assessment shall be levied until the Common Area adjacent to a completed dwelling is substantially improved as determined by the Board of Directors. The Board of Directors shall fix the amount of the annual fee against each Lot at least thirty (30) days in advance of each annual fee period. Written notice of the annual fee shall be sent to every Owner subject thereto. The due dates shall be established by the Board of Directors. The Association shall, upon demand, and for a reasonable charge, furnish a certificate signed by an officer of the association setting forth whether the fees on a specified Lot have been paid.

Section 11. Effect of Nonpayment of Fees: Remedies of the Association. Any assessment not paid within thirty (30) days after the due date shall bear interest from the due date at the rate of seven (7%) percent per annum. The Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien against the property. No Owner may waive or otherwise be relieved from liability for the fees provided for herein by non-use of the Common Area or abandonment of his Lot.

Section 12. Subordination of the Lien to Mortgages. The lien of fees and assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. However, the sale or transfer of any Lot pursuant to mortgage foreclosure or any proceeding in lieu thereof, shall extinguish the lien of such assessments as to payments which became due prior to such sale or transfer.

ARTICLE V

RESTRICTIONS

Section 1. No structure shall be erected, altered or permitted to remain on any lot in HAWTHORN SUBDIVISION other than one (1) detached single family resident for residential purposes only. Each dwelling shall have an attached garage to accommodate at least two (2) but not more than three (3) vehicles which attached garage shall be erected simultaneously with the construction of the house. Out-buildings are prohibited.

Section 2. All dwellings erected or placed in the subdivision shall have a ground floor area of the main structure, exclusive of one-story porches, open or enclosed breezeways and

garages, of not less than Thirteen Hundred (1300) square feet in the case of a one-story structure with a basement; not less than Nine Hundred (900) square feet in the case of a story-and-a-half structure; not less than Seven Hundred (700) square feet in the case of a two-story structure. Multi-level homes shall have not less than Sixteen Hundred (1600) square feet of finished livable floor space.

Section 3. All dwellings shall be located not less than twenty (20) feet from the front lot line. Dwellings on corner lots shall be located not less than twenty (20) feet from both the front and the side streets. No structure shall be erected within three (3) feet of any side lot line nor shall there be less than eight (8) feet between buildings. No building or structure shall project within fifteen (15) feet of any rear property line as it runs contiguous with any Common Area.

Section 4. All residences shall have finished exteriors of brick, stone, wood, aluminum siding or comparable materials as may be approved by the Proprietor or a combination thereof.

Section 5. No animals, livestock or poultry of any kind shall be bred or kept on any lot, except that a dog, cat or other household pet may be kept, provided that said pets shall not become an annoyance or nuisance to the neighborhood.

Section 6. An easement is reserved as shown on the recorded plat over each of the said lots for the installation and maintenance of public utilities, and no structure of any kind shall be erected or maintained upon the easements.

Section 7. Residence in any temporary building of any description is prohibited, and no temporary building shall be erected except a storage building for materials and supplies to be used in the construction of a dwelling which shall be

removed upon completion of the dwelling. Boats and trailers, of any type including mobile-housing units, and commercial and recreational vehicles of all kinds, must be stored in an enclosed garage. Vehicles or parts of vehicles presenting an objectionable appearance because of condition or state of disrepair shall be prohibited. Temporary sales offices and storage sheds are allowed for the period of construction and sales in the subdivision.

Section 8. No addition to or change or alternation to any house structure shall be made, except interior alterations, nor shall any swimming pool, fence, garden wall, patio screen, dog run, pool closure, or similar devices and/or structures be permitted until the plans and specifications thereof shall, prior to the start of construction, have first been submitted in writing to the Proprietor and approved by the Proprietor. Anything to the contrary notwithstanding, above-ground swimming pools are prohibited. In approving any of the plans and specifications of the hereinabove mentioned devices and/or structures, the Proprietor may require suitable screening with adequate shrubs, landscape materials or other modifications. Subdivision monuments and entrances are excepted from the requirements detailed herein.

The Proprietor shall have the right to refuse to approve any such plans or specifications which are not suitable or desirable in its opinion for aesthetic or other reasons; and in so passing upon such plans, and specifications, it shall have the right to take into consideration the suitability of the proposed structure to be built to the site upon which it is proposed to be erected. It is understood and agreed that the purpose of this paragraph is to cause the platted lands to develop into a beautiful, harmonious, private, residential area, and if

a disagreement on the points set forth in this paragraph should arise, the decision of the Proprietor shall control.

In the event Proprietor shall have failed to approve or disapprove such plans and location within thirty (30) days after the same shall have been delivered to the Proprietor then such approval will not be required provided the plans and location of the lots conform to these restrictions and applicable zoning laws and provided that the plans and location on lot are harmonious with existing structures.

Grantor, by appropriate instrument in writing may designate a person, firm, or corporation to perform such of its duties and obligations as it shall specify which designation shall be revocable at will of Proprietor. Proprietor may at any time assign all or part of its rights, privileges and duties of supervision and control in connection with these restrictions which are herein reserved to the Proprietor, to Hawthorn Subdivision Association, Inc., a Michigan Non-Profit Corporation, its successors or assigns and upon the execution and recording of appropriate instruments of assignment by the Proprietor, the said Association shall thereupon have and exercise all the rights relating to those parts of the restrictions which have been assigned by the Proprietor and the Proprietor shall be fully released and discharged from further obligations and responsibilities in connection therewith.

Section 9. Old buildings may not be moved on to any lot in the subdivision. Used materials that have been approved by the Proprietor may be used in construction.

Section 10. Dumping of rubbish, trash, garbage or other waste is strictly prohibited. All trash and waste shall be kept in sanitary containers and all such containers and all incinerators and similar equipment shall be kept in a clean and sanitary condition.

Section 11. The development and grading plan as approved by the Proprietor and the City of East Lansing is hereby made a part of these restrictions. Yard drainage and grading shall be maintained in accordance with the grades indicated on the said plan.

Section 12. Lot owners shall comply with all lawful orders and regulations of the City, the County, or the State, or any other governmental agency having jurisdiction over the premises with respect to the maintenance, construction upon and occupation of the premises, all at lot owner's sole expense.

Section 13. These restrictions shall be in full force and effect for a period of twenty-five (25) years and shall be automatically extended for successive periods of ten (10) years thereafter unless a majority of the lot owners shall agree to amend or abolish them prior to the commencement of any such period. These Restrictions may be amended to any time by a document signed by the owners of two-thirds (2/3) of the Lots in the subdivision and filed with the Ingham County Register of Deeds.

Section 14. Fencing of any kind is prohibited. The Proprietor may grant approval of decorative screens and privacy screens for patios.

ARTICLE VI

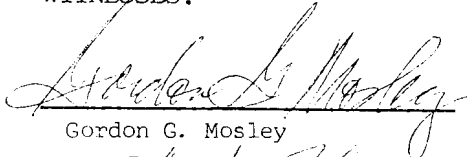
GENERAL PROVISIONS

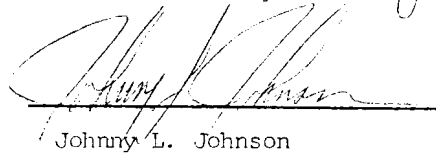
Section 1. Enforcement. The Association or any Owner, shall have the right to enforce, by any proceedings at law or in equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Association or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Severability. Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions which shall remain in full force and effect.

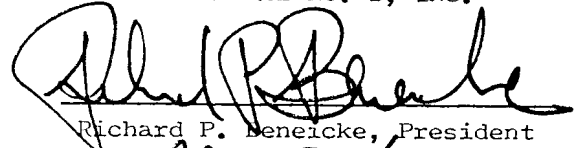
IN WITNESS WHEREOF, we have hereunto set our hands and affixed our seals on the 21st day of July, 1977.

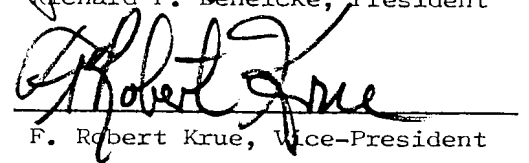
WITNESSES:


Gordon G. Mosley


Johnny L. Johnson

BENEICKE & KRUE NO. 2, INC.



Richard P. Beneicke, President


F. Robert Krue, Vice-President

STATE OF MICHIGAN }
COUNTY OF INGHAM } ss

On this 21st day of July, A. D., 1977, before me, a Notary Public in and for said County, personally appeared RICHARD P. BENEICKE and F. ROBERT KRUE, to me personally known, who, being by me duly sworn, did each for himself say that they are respectively the President and Vice-President of BENEICKE & KRUE NO. 2, INC., the corporation named in which executed the within instrument, and that said RICHARD P. BENEICKE and F. ROBERT KRUE acknowledged said instrument to be the free act and deed of said corporation.

Drafted by:
Beneicke and Krue No. 2, Inc.
1600 N. Woodward Ave.
Birmingham, Mich.


Connie G. Powell, Notary Public
Eaton acting in Ingham County, Michigan
My Commission expires: 10-29-80