

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS
OF REGENCY HILLS SUBDIVISION NO. 2

THIS DECLARATION, made this 13th day of March, 1990, by MICHAEL J. CHIRCO DEVELOPMENT COMPANY, a Michigan corporation, and TRIANGLE ENTERPRISES, INC., a Michigan corporation, d/b/a REGENCY HILLS DEVELOPMENT COMPANY, a Michigan joint venture, of 48645 Van Dyke Avenue, Utica, Michigan 48087, hereinafter referred to as "Declarant."

W I T N E S S E T H :

WHEREAS, Declarant is the owner of land described in Exhibit "A," attached hereto and made a part hereof, hereinafter referred to as "Property";

WHEREAS, Declarant has obtained preliminary approval from the Charter Township of Shelby, Macomb County, Michigan, for a Planned Neighborhood Development District in accordance with 1943 P.A. 184, as amended by 1978 P.A. 637, and Shelby Ordinance 8.60, et. seq., as amended;

WHEREAS, the Property is a part of the Planned Neighborhood Development District which provides for common areas and common facilities for the benefit of said Development;

WHEREAS, Declarant desires to provide for the preservation and enhancement of property values, benefits, amenities and opportunities in said Development and for the ownership, maintenance and use of the common areas and improvements thereon, and to this end desires to subject the Property to the covenants, restrictions, easements, charges and liens hereinafter set forth, each and all of which is and are for the benefit of said Property and each owner thereof.

NOW, THEREFORE, the Declarant declares that the Property is and shall be, sold, transferred, conveyed and occupied subject to the covenants, conditions, restrictions, easements, charges and liens (sometimes referred to as "Covenants and Restrictions") hereinafter set forth which shall run with the Property and be binding on all parties having any right, title or interest in the Property, or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

DEFINITIONS

Section 1. "Declaration" shall mean the covenants, conditions and restrictions and all other provisions herein set forth in this entire document, and as may from time to time be amended.

Section 2. "Declarant" shall mean and refer to MICHAEL J. CHIRCO DEVELOPMENT COMPANY, a Michigan corporation, and TRIANGLE ENTERPRISES, INC., a Michigan corporation, d/b/a REGENCY HILLS DEVELOPMENT COMPANY, their successors or assigns, or to any successor or assign to all or substantially all of their interest in the development of said Property is transferred.

Section 3. "Property" shall mean and refer to all property described in Exhibit "A" which becomes subject to this Declaration.

Section 4. "Dwelling House" shall mean and refer to any portion of a structure situated upon the Property designed and intended for use and occupancy as a residence by a single family.

Section 5. "Lot" shall mean and refer to any separately numbered plot of land shown upon any recorded subdivision of the Property.

Section 6. "Common Areas" shall mean and refer to any area of land on the Plat of Regency Hills Subdivision No. 1, as recorded in Liber 82, Pages 35 through 38, inclusive, Macomb County Records, designated as "Regency Hills Commons", and on the recorded Plat of the Property designated as "Regency Hills Commons No. 2, No. 3 or No. 4."

Section 7. "Entrance Easement" shall mean and refer to the thirty (30) foot private easement for berm on Lots 116 and 230 of the recorded Plat of Regency Hills Subdivision No. 2 and any improvements thereon.

Section 8. "Multiple Dwellings" shall mean and refer to a structure designed for occupancy by two or more single families living independently of each other in separate living units under a common roof.

Section 9. "Owner" shall mean and refer to the record

owner, whether one or more persons or entities, of the fee simple title to any lot, but excluding those persons having such interest merely as security for the performance of an obligation, and except Owners who have entered into a land contract for the sale of any lot when the land contract or a memorandum thereof has been recorded in the office of the Macomb County Register of Deeds. In such cases, the land contract purchaser shall be the Owner instead of the land contract seller.

Section 10. "Occupant" shall mean and refer to the occupant of a living unit who shall be the Owner.

Section 11. "Supplemental Declaration" shall mean and refer to any declaration of covenants, conditions and restrictions which may be recorded by the Declarant, which extends the provisions of this Declaration to a Parcel and contains such complementary provisions for such Parcel as are set forth by this Declaration.

ARTICLE II

PROPERTY SUBJECT TO THIS DECLARATION

Section 1. Existing Property. The real property which is and shall be held, sold, transferred, conveyed and occupied subject to this Declaration is located in the Township of Shelby, County of Macomb, State of Michigan, and more particularly described in Exhibit A.

ARTICLE III

COMMON AREA PRESERVATION

Section 1. Title to Common Areas. Title to the Common Areas is and shall be vested in the Association hereinafter described as Trustee for the nonexclusive benefit of the Owners and subject to the right and easement of enjoyment in and to such Common Areas by each Owner of a Lot in Regency Hills Subdivision No. 1 and Regency Hills Subdivision No. 2. Such easements shall not be personal, but shall be considered appurtenant to the lots, which easements shall pass with the title to the lots whether specifically set forth in deeds to the lots or not, subject to the following:

A. The right of Declarant to make and enforce reasonable rules and regulations to carry out the terms of this

Declaration and to fulfill its purposes.

B. The right of Declarant to fix and levy reasonable assessments with respect to the Common Areas, Entrance Easement and island areas located in the road right-of-ways and a Storm Water Retention Basin not located on the Property but which services the Property through a storm sewer system located within the Property in accordance with the Regency Hills Retention Basin Agreement dated October 9, 1989 and recorded in Liber 4742, Pages 349 through 356, inclusive, Macomb County Records, which assessments shall be utilized solely for the operation, use, maintenance, repair, replacement and administration of the Common Areas, Entrance Easement, island areas, and the Storm Water Retention Basin, and the Association.

C. The right of Declarant to construct, maintain, repair, replace and administer improvements on the Common Areas, Entrance Easement and island areas located in the road right-of-ways for the benefit of the Owners.

D. The right of the Declarant to grant a similar non-exclusive right and easement of enjoyment in and to the Common Area to others that are not Owners in Regency Hills Subdivision No. 2.

E. The right of the Declarant to grant additional membership in the Association to the persons who are or may become owners of land in the Planned Neighborhood Development District as approved by the Charter Township of Shelby, Macomb County, Michigan; provided, however, all such additional memberships shall be subject to the same or similar right, obligations, duties and assessments that are imposed on the Owners by this Declaration.

Section 2. Control and Jurisdiction of Common Areas. Control and jurisdiction over the Common Areas shall be vested in the Association known as the REGENCY HILLS ASSOCIATION and hereinafter referred to as the "Association."

Section 3. Organization of the Association. The Association is organized as a non-profit corporation, on a non-stock basis, for a perpetual term under the laws of the State of Michigan.

supervision for or in connection with the Common Areas, Entrance Easement and the islands located within the road right-of-ways and the Association.

Until January 1, 1990, the maximum annual assessment per lot shall be Seventy-Five and no/100 (\$75.00) Dollars.

A. From and after January 1, 1990, the maximum annual assessment may be increased each year not more than five (5%) percent above the maximum assessment for the previous year, without a vote of the membership.

B. From and after January 1, 1990, the maximum annual assessment may be increased above five (5%) percent by a vote of two-thirds (2/3) of the members, excluding the Declarant, who are voting in person or by proxy, at a meeting duly called for this vote and the affirmative vote of the Declarant.

C. The Board of Directors may fix the annual assessment at an amount not in excess of the maximum. Anything to the contrary notwithstanding, in the case a lot is sold on land contract by the Declarant to a residential builder, the obligation for the assessments shall be that of the builder prior to a sale to an Owner. Further, that until the lot is occupied by the Owner, the annual assessment charge applicable thereto may be fixed at a reduced amount as uniformly determined by the Board of Directors of the Association.

D. In addition to the annual assessments authorized above, the Association may levy, in any calendar year beginning January 1, 1990, a special assessment applicable to such year only for the purposes of defraying in whole or in part the cost of construction of any capital improvement upon the Common Areas and Entrance Easement, including fixtures and personal property relating thereto, or the cost of establishing or adding to a reserve therefor, provided that any such assessment shall have the assent, at a meeting duly called for such purpose, of more than fifty (50%) percent of all members.

E. In addition to the assessments authorized above, the Association may levy a special annual assessment against the Owners of Lots in Regency Hills Subdivision No. 2 which assessment shall be used exclusively for the operation,

Section 4. Membership in the Association. Membership in the Association shall be mandatory for each Owner and any subsequent Owner of lots in Regency Hills Subdivision No. 2. Every Owner of a lot which is subject to assessment shall be a member of the Association. Membership shall be appurtenant to and may not be separated from ownership of any lot which is subject to assessment. When more than one person holds an interest in any lot, all such persons shall be members but each lot shall be entitled to only one (1) vote and such persons shall exercise their vote as they among themselves determine. Notwithstanding the foregoing, the Declarant shall be entitled to three (3) votes for each lot in which it holds fee simple title in order to assure the orderly development of the subdivision and the Common Areas; provided, however, that upon the happening of either of the following events, whichever occurs first:

A. When the total votes of the members, excluding the Declarant, equal the total votes held by the Declarant; or

B. On December 1, 1991;

the Declarant shall be entitled to only one (1) vote for each lot in which it holds the fee simple title.

Section 5. Authority and Responsibility of the Association. The Association has the authority and responsibility to establish by-laws, rules, regulations, and policies for the Association, including the authority to make and enforce stringent rules and regulations pertaining to the ownership, maintenance and use of the Common Areas, which shall be binding upon the Owners.

Section 6. Assessments by the Association. Assessments shall be levied by the Association and shall be used exclusively for the purpose of promoting the recreation, health, safety and welfare of the owners, and in particular, for the operation, maintenance, management and improvement of the Common Areas, Entrance Easement and the island areas located in the road right-of-ways, including but not limited to, the payment of taxes, and insurance thereon, the maintenance, repair and replacement of improvements thereon, for additions thereto, and for the cost of labor, equipment, materials, management and

maintenance, management and improvement of the Storm Water Retention Basin not located on the Property but which services the Property through a storm sewer system located within the Property, including but not limited to, the payment of taxes, and insurance thereon, the maintenance and repair thereof and the replacement of improvements thereon, for additions thereto, and for the cost of labor, equipment, materials, management and supervision thereof or in connection therewith. A reserve fund for maintenance, repairs and replacement of the Storm Water Retention Basin that must be maintained, repaired or replaced on a periodic basis, shall be accumulated and maintained by the Association from any annual special assessment levied. To the extent that funds are withdrawn and utilized for the purposes set forth, the funds shall be replenished within a reasonable period notwithstanding any other provision for assessments set forth herein. Written notice of any such special annual assessment shall be sent to every Owner immediately after action assessing the same; provided, however, that where there is more than one Owner of a Lot, only one notice need be sent. Such special annual assessment shall be payable within thirty (30) days of such notice.

Section 7. Notice of Meetings. Written notice of any meeting called for the purpose of taking any action authorized under this Declaration shall be sent to all members not less than thirty (30) days nor more than sixty (60) days in advance of the meeting.

Section 8. Reserve Fund. An adequate reserve fund for maintenance, repairs and replacement of Common Areas, Entrance Easement and island area improvements that must be maintained, repaired or replaced on a periodic basis shall be included in the annual assessment. Written notice of annual assessments shall be sent to every Owner immediately after action assessing the same; provided, however, that where there is more than one Owner of a Lot, only one notice need be sent. Such annual assessments shall be payable within thirty (30) days of such notice.

Section 9. Assessment Delinquency. Any assessments levied hereunder against any lot which are not paid within ten

(10) days after the due date (together with expenses of collection set forth below) shall bear interest from the due date at the rate of seven (7%) percent per annum, and the Association may, pursuant to duly promulgated rules and regulations, establish fines for late payment of such assessments. The expenses incurred in collecting any such delinquent assessments, including interest, costs and reasonable attorney fees (not limited to statutory fees), shall be chargeable to the Owner in default and shall be secured by the lien on his lot. No Owner may waive or otherwise escape liability for assessments provided for herein by non-use of the Common Areas or by abandonment of his lot.

Section 10. Subordination of Assessment Lien. The lien for the assessments provided for herein shall be subordinate to the lien of any first mortgage on the Property. 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. No sale or transfer shall relieve such lot from liability for any assessments thereafter becoming due or from the lien thereon.

Section 11. Use, Enjoyment, Maintenance, Restrictions, or Alteration of Common Areas. The Common Areas heretofore referred to shall be equally available for the use and enjoyment of all Owners, their immediate families and guests thereof. Except as initially improved by the Declarant, the Commons Areas, Entrance Easement and island areas within the road right-of-ways shall not be altered in any way, except for the removal of dead growth and underbrush, without approval of the Charter Township of Shelby and the Macomb County Road Commission, and other appropriate governmental agencies.

The Association shall be responsible for the maintenance of the Common Areas, Entrance Easement and island areas located within the road right-of-ways and the cost thereof as is more fully set forth herein.

Upon the installation of the island areas located within the road right-of-ways, the Association shall carry and maintain in full force and effect, with such company or companies as it shall select, comprehensive general liability insurance for bodily injury and property damage in relation to the Common Areas, Entrance Easement and the island areas located within the road right-of-ways and providing a minimum coverage of Five Hundred Thousand and 00/100 (\$500,000.00) Dollars for each occurrence. Such policy of insurance shall name the Macomb County Road Commission as an additional insured by appropriate endorsement thereon. Further, the Association shall indemnify and hold the Macomb County Road Commission harmless from any loss, claim or damage to persons or property arising out of the design, placement, repair, maintenance, or replacement of the island areas within the road right-of-ways; provided, that such loss, claim or damage was not caused by the fault or negligence of the Macomb County Road Commission.

Section 12. Taxes and Assessments on Common Areas.

Any taxes or assessments assessed against or levied on the Common Areas shall be prorated among the Owners and billed as part of the taxes assessed to the lots.

Section 13. Access to Common Areas.

Lots 141, 142, 143 and 157 of Regency Hills Subdivision No. 2 abut on and are adjacent to access sites to a Common Area. The Declarant shall, prior to the purchase of the aforesaid lots by the initial Owner thereof, fully advise the Owner of the nature and extent of the use of the Common Areas by supplying to the Owner a recorded copy of this Declaration.

Section 14. Control and Jurisdiction by Charter

Township of Shelby. In the event that the Association shall at any time fail to maintain the Common Areas, Entrance Easement or the island areas located within the road right-of-ways, in reasonable condition and order, the Township may serve written notice upon the Association or upon the Owners setting forth the manner in which the Association has failed to maintain the Common Areas, Entrance Easement or island areas located within the road right-of-ways in reasonable condition and said notice

shall include a demand that deficiencies of maintenance be cured within thirty (30) days thereof, and further, shall state the date and place of a hearing thereon before the township Board of Trustees or such other boards, body of officials to whom the Township shall delegate such responsibility, which shall be held within fifteen (15) days of the notice. At such hearing, the Township may modify the terms of the original notice as to the deficiencies and may give an extension of the time within which they shall be cured. If the deficiencies set forth in the original notice or in the modification thereof shall not be cured within said thirty (30) days or any extension thereof, the Township, in order to prevent the Common Areas, Entrance Easement or island areas located within the road right-of-ways from becoming a public nuisance, may enter upon said Common Areas, Entrance Easement or island areas located within the road right-of-ways and maintain the same for a period of one (1) year. Said maintenance by the Township shall not constitute a taking of the Common Area, Entrance Easement or island areas located within the road right-of-ways nor vest in the public any additional right to use the same. Before the expiration of the said year, the Township shall upon its own initiative, or upon the request of the Association, call a public hearing upon notice to the Association and the members thereof, at which hearing the Association or the members shall show cause why such maintenance by the Township shall not, at the election of the Township, continue for a succeeding year. If the Township shall reasonably determine that the Association is ready, willing and able to maintain the Common Areas, Entrance Easement or island areas located within the road right-of-ways in reasonable condition, the Township shall cease to maintain the Common Areas, Entrance Easement or island areas located within the road right-of-ways at the end of said year. If the Township shall reasonably determine that the Association is not ready, willing and able to maintain the Common Areas, Entrance Easement or island areas located within the road right-of-ways during the next succeeding year, and subject to a similar hearing and determination, in each year thereafter, the Township may continue to enter upon said Common

Areas, Entrance Easement and island areas located within road right-of-ways and maintain the same. However, should an emergency threatening the public health, safety and general welfare of the public be determined by the Township to exist, the Township shall have the right to take immediate corrective action. The reasonable cost of such maintenance by the Township shall be charged to the Association, and, if not paid, shall be assessed equally against all Owners within Regency Hills Subdivision No. 2, and shall become a lien on said Owners' lots. In addition, the Township shall be subrogated, at its option, to the Association as to all of its rights of collection for any lien as may be herein provided.

ARTICLE IV

BUILDING AND USE RESTRICTIONS

Section 1. Residential Lots. No building or other structure shall be erected, altered, moved onto or permitted on any Lot in Regency Hills Subdivision No. 2 other than one (1) single family dwelling house with an attached or integral garage [not to exceed three (3) car capacity], provided, however, that a below-ground swimming pool, tennis court, walls and such other auxiliary construction, as in the written opinion of Declarant are in harmony and in conformance with the character and aesthetics of Regency Hills Subdivision No. 1 and Regency Hills Subdivision No. 2, and these restrictions, may be erected in such manner and location as Declarant in its sole and absolute discretion may permit in writing. All attached or integral garages shall be designed and constructed of the same materials as the dwelling and shall conform to the same architectural design. Such single family dwelling house shall be designed and erected for occupation by, and occupied by, one (1) single family. A family shall mean one person or a group of two or more, living together and inter-related by bonds of consanguinity, marriage or legal adoption. Dwellings must be constructed prior to construction of any other structure. Multiple Dwellings shall not be erected or permitted on any Lot.

Section 2. Zoning Ordinance. In addition to the general restrictions contained herein, no building or structure

shall be erected, altered or permitted on any part of Regency Hills Subdivision No. 2 unless it shall also conform to the provisions of the zoning ordinances enacted by Charter Township of Shelby, Macomb County, Michigan, and the Building Codes thereof, which may be applicable and in effect at the time of actual construction; provided, however, that any departure or deviation from the provision of the zoning ordinance permitted by and in accordance with said ordinance shall not be made without the prior written approval of Declarant, and provided further, that no approval of any such departure or deviation shall constitute approval of departure or deviation from any other provision of these restrictions other than the requirement of this paragraph.

Section 3. Temporary Structures. No Owner shall, either before or after the completion of the residential structure, live in any temporary or detached structure or vehicle of any kind or in any manner.

Section 4. Floor Area Requirements. Each single family residential structure shall have not less than 1,800 square feet in a ranch-style home, nor less than 2,200 square feet in a colonial-type home. Garage and basement area shall not be included in square foot calculations. All plans for residential structures shall be submitted to the Declarant for its written approval or disapproval at its sole discretion.

Section 5. Site and Building Plans. The site and building plans for all structures and finished grades shall be submitted to the Declarant for its inspection and written approval prior to beginning any construction. The Declarant, its successor, or assigns, shall not give its written approval of any such proposed structure, finished grades, or other construction unless in its sole opinion, upon being completed in accordance with the plan and specifications, such structure or construction shown on the plans will comply in all respects with the restrictions set forth herein and the external design, color and materials and location thereof will be in harmony with the character, aesthetics, topography and grade elevations, not only of the Lot upon which the proposed construction is to take place,

but also of neighboring lots and structures. It is understood that the purpose of this paragraph is to cause the Property to develop into a beautiful, harmonious high-quality private residential neighborhood, and if a disagreement on the points set forth in this paragraph should arise, the decision of Declarant, its successors or assigns, shall control. Construction shall not be commenced unless and until the Declarant, by its authorized representative, shall have approved the site and building plans and grade elevations by its written endorsement thereon. A copy of the approved plans shall be filed permanently with the Declarant, its successor or assigns.

Section 6. Easements and the Maintenance Thereof.

A. Easements and right-of-ways for drainage maintenance purposes are hereby reserved as shown on the recorded plat.

B. The size and area of Regency Hills Commons, as constructed, shall not be decreased, nor encroached upon in any way by any Owner.

C. The appropriate governmental agency shall have the right to assess all of the Lots in the subdivision on an equal basis for necessary maintenance and repair of easements and right-of-ways.

D. The easements and restrictions concerning drainage shall continue in full force and effect and shall in no way be deleted or diminished except upon approval of the appropriate governmental agencies.

Section 7. Utility Easements. Easements and right-of-ways as shown on the recorded plat are for the installation and maintenance of sanitary and storm sewers, drains, wires, pipes, poles, guy wires, conduits, fixtures and appurtenances for supplying drainage, electricity, light, gas, water, heat, cable T.V., or any public or quasi-public utility deemed necessary by Declarant or any governmental authority having jurisdiction. The use of said easements or right-of-ways may be licensed or allowed to any firm or corporation which shall furnish such service.

It is the intent and purpose of Declarant to have all utilities, electric distribution lines, telephone and cable T.V.

lines installed underground instead of overhead, and to provide for certain rights and benefits to the utilities furnishing said service underground.

Declarant hereby declares that said premises shall be held, transferred, sold and conveyed subject to the restrictions, covenants, reservations, easements, charges, obligations and powers as follows:

A. Private easements for public utilities have been granted as shown on the plat of Regency Hills Subdivision No. 2.

B. No excavations (except for public utility purposes), no changes of finished grade, and no building or structures of any kind (other than utilities equipment) shall be allowed within the private public utility easements of the subdivision without the approval of the utility company concerned. Except as provided herein, the Owner shall have the right to make any use of the land, subject to such easement, which is not inconsistent with the right of the utility. The public utilities shall have the right to trim or remove any trees, bushes, or other plants of any kind within said easements which in the opinion of the utilities, interferes with the facilities thereto or is necessary for the installation, reinstallation, repair, maintenance, or removal of their facilities in any private utility easement of the subdivision. The trimming or removal of such trees, shrubs, or plants of any kind by a public utility for the purpose set forth above shall be without liability to the utility.

C. No shrubs or foliage shall be permitted on any Lot within five (5) feet of the front door of transformer enclosures or switching cabinet enclosures.

D. The original or subsequent Owners of Lots in this subdivision shall own, install, maintain, and replace, at their own expense, the single phase electric service conductors connecting the transformers or secondary connection pedestals located in said easements with the residence erected on said Lots.

E. The installation of all underground electric service conductors shall comply and conform to the National Electric Code or other similar electrical code as may be imposed by law and to the specifications of the public utility concerned.

F. Each Lot in the Subdivision which will receive telephone service by connection with underground telephone facilities located in the easements of the subdivision shall also be subject to the following additional restrictions:

(1) Every Owner for whose property telephone service is requested shall be responsible for furnishing, at no cost to the utility, the trenching and back-filling necessary for the installation, reinstallation, maintenance, or repair of telephone facilities from the public utility easement to the residence, as required by the utility. The Owner and not the utility shall be responsible for injury or damage to persons or property caused by the trenching, existence or backfilling of the trench.

(2) No Owner shall make any change in grade in or near such utility easements when the changes in grade, in the opinion of the utility, interferes with the facilities already installed or which may be installed in the future.

G. The foregoing restrictions, (A) through (F), shall be covenants, running with the land and shall not be subject to termination without the consent of the utility concerned.

Section 8. Set Back, Side Yard and Final Grade Requirements. No part of any building or structure erected on any Lot shall be nearer to the front lot line than twenty-five (25) feet, with a combined side yard of not less than eighteen (18) feet. All buildings on corner lots shall have a street side yard set back of not less than twenty-five (25) feet.

Bay windows, vestibules, sun porches, enclosed porches and all other attached and enclosed structures and projections shall be considered as part of the building or structure. All Dwellings shall be erected so as to provide a minimum of eighteen (18) feet of side yard with at least eleven (11) feet on one

side and seven (7) feet on the other side. Garages shall not be allowed to encroach on the side yard requirements.

All Dwellings shall face the street abutting the Lot upon which it is constructed which shall be the front lot line for each Lot and the grade line for all Dwellings shall not be less than twelve (12) inches above established street grades.

Section 9. Trash Disposal. Every Owner shall promptly dispose of all his refuse and trash so that it will not be objectionable to neighboring Lot Owners. No outside storage for refuse or garbage or outside incinerator shall be built, maintained or used. No household trash, paper, boxes, garbage or other refuse shall be burned, collected, or permanently accumulated or stored on any Lot. Any temporary storage prior to pickup shall be placed in individual containers or receptacles specifically designed for that purpose and concealed from public view. Such containers shall not be placed by the roadside for collection for more than twelve (12) hours prior to pickup and shall be removed from public view within twelve (12) hours after pickup. All trash, garbage and other refuse shall be disposed of in accordance with the statutes of the State of Michigan, and the applicable ordinances, rules and regulations of the Charter Township of Shelby and the State and County Public Health Department, as now in effect or hereafter in force.

Section 10. Antennas. No television or radio antennas, other or larger than the normal and conventional type usually attached to dwellings for Metropolitan Detroit reception (with a mast not exceeding eight (8) feet in height and a boom not exceeding six (6) feet in width), shall be erected on or attached to any structure or installed in or upon the Property without the prior written consent of the Declarant, its successors or assigns. Satellite dish antennas exceeding two (2) feet in diameter or six (6) feet in area shall not be erected on or installed upon the Property.

Section 11. Parking and Vehicles. No motor vehicles shall be parked except upon the driveways and such parking shall only consist of personal vehicles. Any motor vehicle displaying or designating a business or any type of truck, van, motor home,

travel trailer, boat or trailer, shall be parked within the enclosed garage. No more than three (3) motor vehicles shall be parked consistently on any Lot. No truck, van, motor home, mobile home, pick-up, camper, travel trailer, boat, tractor, or other mechanical equipment of like kind, shall be repaired, reconditioned, manufactured or sold on any lot, nor shall they be parked thereon for more than twelve (12) consecutive hours.

Section 12. Signs. No signs, posters, billboards or other advertising devices or symbols shall be erected, or displayed on any Lot, structure or fences therein, except one (and no more than one) "For Sale" painted sign not to exceed six (6) square feet in area, advertising a single Lot or Dwelling for sale; provided, however, that signs of larger size may be erected and displayed by Declarant's models advertising the sale of lots. Such signs as may be permitted must be maintained in good condition at all times.

Section 13. Livestock and Poultry. No chickens, fowl, livestock, bees, or other animals shall be kept or maintained in Regency Hills Subdivision No. 2, except domestic pets kept by a Lot Owner and members of his immediate family in residence, as personal pets, but not for commercial or breeding purposes. No household shall maintain more than three (3) personal pets as limited herein. Any such pets shall have such care as not to be noxious or offensive on account of noise, odor or unsanitary conditions and if kept out of doors shall always be confined within the rear yard and never allowed loose to roam free. No savage or dangerous animals shall be kept or maintained within the subdivision at any time.

Section 14. Fences. No fences of any kind or description shall be constructed or allowed on any lot except such fencing for the enclosure of swimming pools as shall be required by the ordinances of the Charter Township of Shelby, Macomb County, Michigan.

Section 15. Landscaping. All portions of a lot not occupied by physical structures shall be finished, graded, seeded, sodded or covered with other landscaping by the Owner within eight (8) months after the residence is substantially

completed and has had a final inspection for occupancy by the Shelby Township Building Department. All unused building materials and temporary construction shall be removed within sixty (60) days after substantial completion of the residence.

Section 16. Roofing Materials and Exterior Finish.

All roofs shall be of asphalt shingle weighing not less than 235 pounds per roofing square or of such other roofing material as shall be approved by the Declarant, its successors and assigns. All exteriors must be finished with brick, natural stone, or other siding approved by the Declarant. All exteriors except brick or natural stone shall be finished with two (2) coats of paint, stain or varnish, unless otherwise approved in writing by Declarant.

Section 17. Use of Motor Vehicles.

Motorcycles and motor bikes shall be operated or allowed to be operated only upon public streets and private driveways and shall not be operated nor allowed to be operated in the Common Areas, Entrance Easement or island areas located in the road right-of-ways or in any annoying, obnoxious, unlawful or otherwise disturbing manner, and shall be operated only in accordance with the statutes of the State of Michigan and applicable ordinances of the Township of Shelby. Snowmobiles and all terrain vehicles shall not be operated on the Property, Common Areas, Entrance Easement or within the road right-of-ways or on any Lot.

Section 18. Nuisances and Residential Lots.

No noxious or offensive activity shall be carried on upon any of the Lots in said subdivision nor shall anything be done thereon which may be or may become an annoyance or nuisance to the neighborhood. All of the Lots shall be used for residential purposes only, and for no other purpose whatsoever.

Section 19. Occupancy.

The exterior, including all sewage disposal facilities and the interior of all residences shall be completed prior to occupancy.

Section 20. Model Homes and Sales Offices.

Nothing herein contained shall be construed to prohibit the Declarant, its successors and assigns, or their Sales Agents from

temporarily maintaining a real estate sales office in any model residence constructed on any Lot within the subdivision.

ARTICLE V

GENERAL PROVISIONS

Section 1. Enforcement. The Declarant, its successors and assigns, and any Owner shall have the right to enforce, by any proceeding at law or equity, all restrictions, conditions, covenants, reservations, liens and charges now or hereafter imposed by the provisions of this Declaration. Failure by the Declarant, its successors and assigns, or 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.

By his acceptance of title each lot owner shall be held to vest in Declarant, its successors and assigns, and it shall be deemed to have the right and power in its own name to take, prosecute, and enforce pursuant to Act 288 of P.A. of 1967, all suits legal, equitable or otherwise, which they may deem necessary or advisable. Upon violation of any restriction or breach of any covenants, Declarant, its successors and assigns, may enforce them by a suit for money judgment, or by an action in equity seeking a mandatory injunction, and the exercise of any one or more of them shall not be deemed to constitute an election of remedies. In addition to all other remedies, the Declarant, its successors and assigns, may enter upon the land as to which such violation or breach exist, and summarily abate and remove at the expenses of the Owner thereof any construction or other violation that may be or exist thereon contrary to the intent and provision hereof, and Declarant, its successors and assigns, shall not thereby become liable for trespass, abatement, removal or in any other manner. Any and all rights and remedies which Declarant, its successors and assigns, may have under this Declaration or by operation of law, either at law or in equity, upon any violation or breach, shall be distinct, separate and cumulative and shall not be deemed inconsistent with each other; and no one of them, whether exercised by Declarant and/or any Owner or their heir, successors or assigns, or not, shall be

deemed to be in exclusion of any other and any two or more or all of such rights and remedies may be exercised at the same time.

Section 2. Severability. In the event any provision of the restrictions contained in this Declaration should be held ineffective or invalid for any reason by waiver, judgment, decree or other court order or otherwise all other parts and provisions of these restrictions shall nevertheless remain in full force and effect.

Section 3. Amendments. The conditions, covenants and restrictions of this Declaration shall run with and bind the land for a term of thirty (30) years from the date of this Declaration is recorded, after which time they shall be automatically extended for successive periods of fifteen (15) years. This Declaration may be amended during the first thirty (30) year period and during each successive fifteen (15) year period thereafter by an instrument signed by not less than seventy-five (75%) percent of the Owners and the Township of Shelby. Any amendment changing or modifying this Declaration in whole or in part must be recorded in the Office of the Register of Deeds of Macomb County, Michigan.

Section 4. The masculine pronouns and relative words used in this agreement shall be read as though written in masculine, feminine, neuter or plural forms respectively as the context required or permits.

Section 5. Declarant may at any time assign and convey all or part of its reserved rights, power, privileges, and duties which are herein reserved to it to the Regency Hills Association, and, upon the execution and recording of the appropriate instrument, the Association shall thereupon have and exercise all the rights, powers, privileges and duties so assigned and Declarant shall be fully released and discharged from further obligations and responsibilities in connection therewith.

IN WITNESS WHEREOF, the respective parties have hereunto affixed their hands and seals the day and year first above written.

IN THE PRESENCE OF:

MICHAEL J. CHIRCO
DEVELOPMENT COMPANY

Mary V. Simpson
MARY V. SIMPSON

Michael J. Chirco
BY: MICHAEL J. CHIRCO, President

Michele Berak
MICHELE BERAK

Maria M. Chirco
BY: MARIA M. CHIRCO, Secretary

TRIANGLE ENTERPRISES, INC.

William R. Church
BY: WILLIAM R. CHURCH, President

STATE OF MICHIGAN)
) SS.
COUNTY OF MACOMB)

The foregoing instrument was acknowledged before me this 20th day of March, 1990, by MICHAEL J. CHIRCO and MARIA M. CHIRCO, President and Secretary, respectively, of MICHAEL J. CHIRCO DEVELOPMENT COMPANY, a Michigan corporation, on behalf of the corporation.

Sidney R. Borders
SIDNEY R. BORDERS, Notary Public
Macomb County, Michigan
My Commission Expires: 2/3/90

STATE OF MICHIGAN)
) SS.
COUNTY OF MACOMB)

The foregoing instrument was acknowledged before me this 20th day of March, 1990, by WILLIAM R. CHURCH, President of TRIANGLE ENTERPRISES, INC., a Michigan corporation, on behalf of the corporation.

Sidney R. Borders
SIDNEY R. BORDERS, Notary Public
Macomb County, Michigan
My Commission Expires: 2/3/90

Drafted By and When
Recorded Return to:

SIDNEY R. BORDERS of
SIDNEY R. BORDERS, P.C.
48635 Van Dyke Avenue
Utica, MI 48087
(313) 254-9200

RECORDED IN MACOMB COUNTY
RECORDS AT: 2:23 P. M.

MAR 29 1990

Edna Hill
CLERK - REGISTER OF DEEDS
MACOMB COUNTY, MICHIGAN

ACKNOWLEDGMENT

The undersigned, each having an interest in the Property described in the attached Declaration of Covenants, Conditions and Restrictions of Regency Hills Subdivision No. 2, hereinafter "Declaration," executed by MICHAEL J. CHIRCO DEVELOPMENT COMPANY, a Michigan corporation, and TRIANGLE ENTERPRISES, INC., a Michigan corporation d/b/a REGENCY HILLS DEVELOPMENT COMPANY, a joint venture, do hereby acknowledge and consent to said Declaration and agree to hold, transfer and convey said Property subject to said Declaration.

IN WITNESS WHEREOF, the undersigned have hereunto affixed their hands and seals this 15th day of March, 1990.

IN THE PRESENCE OF:

Mary W. Simpson
MARY W. SIMPSON

Michele Berak
MICHELE BERAK

CHIRCO HOMES, INC.,
a Michigan corporation

Michael J. Chirco
BY: MICHAEL J. CHIRCO, President

CLASSIC RESIDENTIAL CONSTRUCTION
CO., a Michigan corporation

Anthony S. Chirco
BY: ANTHONY S. CHIRCO, President

C.J.M. DEVELOPMENT, INC.,
a Michigan corporation

Carl J. Munaco
BY: CARL J. MUNACO, President

BROADLAND BUILDERS, INC.,
a Michigan corporation

Raymond J. Brederland
BY: RAYMOND J. BREDERLAND
Its: President

Hans Jonasson
HANS JONASSON

Janice L. Jonasson
JANICE L. JONASSON, his wife

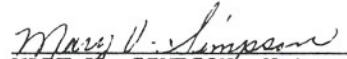
WARREN BANK,
a Michigan banking corporation



BY: EDWARD S. POLKOWSKI
Its: Executive Vice President

STATE OF MICHIGAN)
) SS.
COUNTY OF MACOMB)

The foregoing instrument was acknowledged before me this 14TH day of March, 1990, by MICHAEL J. CHIRCO, President of CHIRCO HOMES, INC., a Michigan corporation, on behalf of the corporation.



MARY V. SIMPSON, Notary Public
Macomb County, Michigan
My Commission Expires: 4/1/91

STATE OF MICHIGAN)
) SS.
COUNTY OF MACOMB)

The foregoing instrument was acknowledged before me this 22ND day of March, 1990, by ANTHONY S. CHIRCO, President of CLASSIC RESIDENTIAL CONSTRUCTION COMPANY, a Michigan corporation, on behalf of the corporation.



MARY V. SIMPSON, Notary Public
Macomb County, Michigan
My Commission Expires: 4/1/91

STATE OF MICHIGAN)
) SS.
COUNTY OF MACOMB)

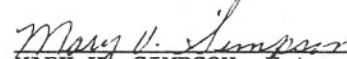
The foregoing instrument was acknowledged before me this 14TH day of March, 1990, by CARL J. MUNACO, President of C.J.M. DEVELOPMENT, INC., a Michigan corporation, on behalf of the corporation.



MARY V. SIMPSON, Notary Public
Macomb County, Michigan
My Commission Expires: 4/1/91

STATE OF MICHIGAN)
) SS.
COUNTY OF MACOMB)

The foregoing instrument was acknowledged before me this 21ST day of March, 1990, by RAYMOND J. BREEDERLAND, President of BROADLAND BUILDERS, INC., a Michigan corporation, on behalf of the corporation.



MARY V. SIMPSON, Notary Public
Macomb County, Michigan
My Commission Expires: 4/1/91

STATE OF MICHIGAN)
) SS.
 COUNTY OF MACOMB)

The foregoing instrument was acknowledged before me this 21ST day of March, 1990, by HANS JONASSON and JANICE L. JONASSON, his wife.

Mary V. Simpson
 MARY V. SIMPSON, Notary Public
 Macomb County, Michigan
 My Commission Expires: 4/1/91

STATE OF MICHIGAN)
) SS.
 COUNTY OF MACOMB)

The foregoing instrument was acknowledged before me this 14TH day of March, 1990, by EDWARD S. POLKOWSKI, Executive Vice-President of WARREN BANK, a Michigan banking corporation, on behalf of the corporation.

Mary V. Simpson
 MARY V. SIMPSON, Notary Public
 Macomb County, Michigan
 My Commission Expires: 4-1-91

EXHIBIT "A"

"Regency Hills Subdivision No. 2," being a part of the West 1/2 of Section 7, Town 3 North, Range 12 East, situated in the Township of Shelby, County of Macomb, and State of Michigan, according to the plat thereof as recorded in Liber 90, Pages 50 to 56, inclusive, of Plats, Macomb County Records, consisting of 115 lots, numbered 116 through 230, inclusive, containing 52.9298 areas of land, more or less, and more particularly described as:

Commencing at the North West corner of Section 7, thence along the North line of said section S. 89 degrees 39 minutes 11 seconds E. 2383.55 feet to the point of beginning: thence continuing along said North line of said section S. 89 degrees 39 minutes 11 seconds E. 346.00 feet, thence S. 00 degrees 04 minutes 04 seconds E. 2219.37 feet, thence along the boundary of "Regency Hills Subdivision No. 1" as recorded in Liber 82, Pages 35 thru 38 inclusive of the Macomb County Records the following courses and distances; N. 89 degrees 02 minutes 40 seconds W. 161.32 feet, and N. 21 degrees 16 minutes 23 seconds W. 93.80 feet, and N. 78 degrees 47 minutes 32 seconds W. 130.00 feet, and S. 25 degrees 31 minutes 54 seconds W. 69.27 feet, and S. 55 degrees 08 minutes 44 seconds W. 76.39 feet, and S. 65 degrees 44 minutes 41 seconds W. 290.99 feet, and S. 83 degrees 19 minutes 26 seconds W. 64.64 feet, and N. 69 degrees 09 minutes 39 seconds W. 69.27 feet, and S. 35 degrees 05 minutes 53 seconds W. 129.91 feet, and S. 21 degrees 04 minutes 33 seconds E. 91.75 feet, and S. 21 degrees 44 minutes 36 seconds W. 200.00 feet, thence N. 58 degrees 15 minutes 30 seconds W. 380 feet, thence N. 05 degrees 46 minutes 37 seconds W. 820.00 feet, thence N. 35 degrees 23 minutes 35 seconds W. 207.74 feet, thence N. 04 degrees 50 minutes 33 seconds E. 130.00 feet, thence N. 27 degrees 27 minutes 19 seconds E. 64.11 feet, thence N. 31 degrees 45 minutes 31 seconds W. 157.01 feet, thence 480.51 feet along the arc of a curve (Rad. = 460.00 feet; Delta = 59 degrees 50 minutes 59 seconds) to the right whose long chord bears N. 60 degrees 00 minutes 22 seconds E. 458.96 feet; thence S. 89 degrees 55 minutes 52 seconds E. 150.00 feet, thence 246.87 feet along the arc of a curve (Rad. = 330.00 feet; Delta = 42 degrees 51 minutes 45 seconds) to the left whose long chord bears N. 68 degrees 29 minutes 59 seconds E. 241.15 feet; thence N. 47 degrees 04 minutes 07 seconds E. 106.58 feet; thence 309.72 feet along the arc of a curve (Rad. = 460.00 feet; Delta = 38 degrees 34 minutes 37 seconds) to the right whose long chord bears N. 66 degrees 21 minutes 25 seconds E. 303.90 feet; thence N. 31 degrees 44 minutes 52 seconds E. 33.01 feet; thence N. 00 degrees 04 minutes 04 seconds W. 647.14 feet to the point of beginning. Containing 115 lots, numbered 116 thru 230 inclusive and Regency Hills Commons No. 2, No. 3 and No. 4 in 52.9298 acres of land.