<u>Covenants</u>

All lots in the Development shall be conveyed under and subject to the following protective covenants, conditions and restrictions which shall run with the land:

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1. The premises to be conveyed shall be used for single family residential purposes only, and no part thereof shall be used or occupied for any trade, manufacturing, business, or professional purposes. No building or structure shall be permitted to be erected on, or remain on, said premises, other than a single family dwelling and a private garage (incidental to residential use), and the premises hereby conveyed shall not be further subdivided.

2. The construction of the dwellings and the private garages shall be subject to building setback regulations as shall be adopted and set forth in the zoning ordinance of the township in which each particular lot is located.

3. All lots are subject to a 10 foot drainage and utility easement adjacent to all lot lines.

4. No on site individual water supply or sewage disposal system shall be permitted on the premises, unless such system is located, constructed, and equipped in accordance with the requirements, standards and recommendations of the local or state environmental and health authorities. Individual owners of lots must apply to the appropriate township for a sewerage permit prior to undertaking the construction of an on lot sewerage disposal system. The effluent from any on site sewage disposal system shall not be permitted to discharge into any storm sewer, open ditch, drainage ditch, drain, stream or lake, but shall be disposed of in such a manner as may be approved by state and local environmental and health authorities and by Grantor.

5. No lot in the development shall be used or maintained as a dumping ground for rubbish, trash or garbage. Trash, garbage or other waste shall be kept in sanitary and clean containers, and such refuse material shall be removed from the premises on a reasonably frequent basis.

6. No animals, livestock or poultry of any kind shall be kept on the premises, except that a common household pet, such as a dog or cat may be kept, provided it is not kept, bred or maintained for commercial purpose.

7. No outbuildings or temporary buildings of any kind shall be erected or placed on the premises with the exception of an aluminum or wooden utility shed, providing it is permanently anchored to a concrete slab.

8. No building or structure, including a swimming pool or fence, shall be erected on any lot without first obtaining the approval, in writing, of Grantor, as to the location, elevation, construction, plans, and design. Grantors, their heirs,

successors and assigns, shall approve or disapprove, in writing, the said location, elevation, construction, materials, colors, plan and design within fifteen (15) days after the plans and specifications for same have been completely submitted. Plans drawn to scale must be submitted for approval. They should show dimensions of lot; lot number; location of buildings with respect to lot lines; location of well on lot and their locations with respect to wells on adjoining lots, if any, and such other information as the Grantor may from time to time require. Exterior construction of any building, structure or any improvement and backfilling or grading must be completed within one (1) year from date that the construction operations are commenced. The storage of building materials on the premises shall be prohibited except during the building period. The dwelling must have a total minimum of 1,250 square feet of finished living space in the case of a single story dwelling and 1,600 square feet of finished living space in the case of a two story dwelling. Said disapproval may be based on purely aesthetic grounds. Grantors reserve the right to charge a fee for review of such plans.

9. All contractors and sub-contractors shall obtain work permits from Grantors prior to performing any work in the Development.

10. No unlicensed vehicle and no vehicle which is inoperative for a period in excess of thirty (30) days shall be kept on the premises unless it is placed completely in an enclosed garage. The Grantees, their heirs and assigns, agree to permit Grantors or municipal authorities to remove and dispose of any such vehicle which are kept in violation of /this section as they see fit. Any monies beyond expenses incurred for removal and disposition are to be returned to the legal owner of the vehicle.

11. No single or doublewide mobile homes, no unapproved modular homes, and no trailers or house trailers shall be permitted to be placed upon the premises or used for residential purposes. Any building constructed with cement blocks shall be finished in such a manner that the exterior of the building does not reveal the facing of such cement block or concrete block. 12. No signs of any type shall be erected or maintained on the premises. The Grantee agrees to remove any signs within five (5) days after notice from the Grantors, and in the event signs are not removed within five (5) days, the Grantors reserve the right to enter onto the premises hereby conveyed, for the purpose of removing such signs, and the Grantee agrees to pay the reasonable cost of said removal.

13. In the event that one or more of these protective covenants and restrictions are violated, Grantors, besides their remedies at law or in equity, upon notice to Grantee, may remove such violations from the premises and to be reimbursed by Grantee for the cost and expenses of removing same from the Development.

14. All of the Lots in the Development are under and subject to additional restrictions, covenants and easements, if any, as may appear on the recorded plot plans. The duties and obligations herein imposed upon Grantee are not merely personal but extend to every successor of Grantee in title or in ownership, as well as any respective heirs, executors, administrators and assigns, and shall run with each lot conveyed. The title and ownership of the lands of Grantors in the Development and the rights and powers of the

enforcement of all duties and obligations of the lot owners in the Development shall be in the Grantors, their heirs, successors and assigns.

15. The above protective covenants and restrictions shall bind all lots in the Development. However, Grantors reserve the right to amend, waive, or modify any of them or the enforcement thereof in their sole discretion. In any legal action that Grantors may institute to enforce these protective covenants and restrictions, Grantee shall be liable for the reasonable attorney fees and court costs of Grantors in reference to such action.

16. Grantors shall construct all streets, roadways and rights of way to township specifications current as of the time of construction. So long as the streets, roadways and rights of way existing within the Development remain private, and unless and until the same are specifically dedicated to the public by deed(s) recorded in the appropriate public office, which right to do so dedicate the Grantors hereby expressly reserve, the Grantors reserve the right to vest ownership, Maintenance and/or control of the said streets, roadways and rights of way, or some of them, in any association, group, company or corporation as the Grantors may, in their sole discretion, designate. Unless and until such time as the roads are offered for dedication, Grantee shall pay a pro rata share of the expenses of maintenance, snow, removal, and repair of said roads, which pro rata share shall be the percentage of the total number of lots owned by Grantee bears to the total number of lots in the Development.

17. The Grantors reserve the right to form a community association to be comprised of owners of lots within the Development and to convey any recreational or other common areas, in addition to streets, roadways and rights of way, to such community association. In the event that Grantors form such a community association, Grantee agrees to join the same, the only qualification for membership being ownership of a lot or lots within the Development, and to maintain such membership and to pay (I) such annual fees or dues as the community association may by its By laws prescribe and (II) such assessments as the community association may charge for the maintenance, snow removal and repair of the streets and roadways, and for the improvement and/or maintenance of any recreational or common areas, it being understood that the Grantors, being a member of the community association by virtue of lands owned by the Grantors, will not be liable for such annual fees, dues and assessments. Grantee hereby agrees to require as a condition precedent to the sale of Grantee's lot or lots that any purchaser shall join the community association when and if formed. The Grantors may assign to such community association any and all the rights and authority vested in the Grantor by these restrictions.

18. Any fees, dues, assessments or charges provided for herein shall constitute a lien or liens against the premises or lot of Grantee and shall be collectable at law.