



# BOULDER RIDGE

Dear Purchaser:

Welcome to Boulder Ridge. This booklet includes the documents required by Michigan law for the formation of a condominium. It will serve as a reference point for any questions you may have concerning the operation, maintenance and legal status of your condominium unit. It contains an Information Statement about section 84a of the Condominium Act, Disclosure Statement, Master Deed, Condominium Bylaws (which are also the Corporate Bylaws), Articles of Incorporation and Escrow Agreement.

Sincerely,

**BOULDER RIDGE LIMITED PARTNERSHIP**

**PURCHASER INFORMATION BOOKLET  
FOR  
BOULDER RIDGE**

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**FIRST AMENDMENT OF MASTER DEED**

**CONDOMINIUM SUBDIVISION PLAN**

**ARTICLES OF INCORPORATION OF  
BOULDER RIDGE HOMEOWNERS ASSOCIATION**

**ESCROW AGREEMENT**

**NOTICE TO PURCHASERS**



(3) At the time the purchaser receives the documents required in subsection (1) the developer shall provide a separate form that explains the provisions of this section. The signature of the purchaser upon this form is prima facie evidence that the documents required in subsection (1) were received and understood by the purchaser.

... [Subparagraph 4 intentionally omitted.]

(5) With regard to any documents required under this section, a developer shall not make an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading.

(6) The developer promptly shall amend a document required under this section to reflect any material change or to correct any omission in the document.

(7) In addition to other liabilities and penalties, a developer who violates this section is subject to section 115 (of the Act, which section imposes penalties upon a developer or any other person who fails to comply with the Condominium Act or any rule, agreement or master deed and may make a developer liable to a purchaser of a unit for damages).

Dated: \_\_\_\_\_

PURCHASERS:

Site No. \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

DET05/46836 1

## DISCLOSURE STATEMENT



# BOULDER RIDGE

Developed By

BOULDER RIDGE LIMITED PARTNERSHIP  
30840 Northwestern Highway, Suite 270  
Farmington Hills, Michigan 48334-2551

Effective Date: February 12, 1996

Boulder Ridge is a single family residential development comprised of one hundred forty-one condominium units.

THIS DISCLOSURE STATEMENT IS NOT A SUBSTITUTE FOR THE MASTER DEED OR OTHER APPLICABLE LEGAL DOCUMENTS. PURCHASERS SHOULD READ ALL SUCH DOCUMENTS TO FULLY ACQUAINT THEMSELVES WITH THE PROJECT AND THEIR RIGHTS AND RESPONSIBILITIES THERETO.

PRIOR TO PURCHASING A CONDOMINIUM UNIT, PURCHASERS SHOULD CONSULT THEIR OWN PROFESSIONAL ADVISORS.

**BOULDER RIDGE**  
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## DISCLOSURE STATEMENT

### BOULDER RIDGE

#### I. Introduction.

Condominium development in Michigan is governed largely by the Michigan Condominium Act, being Act 59 of the Michigan Public Acts of 1978, as amended.

This Disclosure Statement, together with copies of the legal documents required for the creation and operation of the condominium, are furnished to each purchaser pursuant to the requirement of the Michigan Condominium Act that the Developer of a condominium disclose to prospective purchasers the characteristics of the condominium units which are offered for sale. This Disclosure Statement, along with the documents contained in the Purchaser Information Booklet, are the only authorized description of Boulder Ridge. The Developer's officers, employees and agents (including but not limited to sales representatives) are not permitted to vary the terms contained therein.

#### II. The Condominium Concept.

A condominium is a method of subdividing and describing real property. A condominium unit has the same legal attributes as any other form of real property under Michigan law and may be sold, mortgaged or leased, subject only to such restrictions as are contained in the condominium documents or as otherwise may be applicable to the property. In this Disclosure Statement, and in the other documents contained in the Purchaser Information Booklet, the condominium units in Boulder Ridge are sometimes referred to as "sites". The terms "unit" and "site" have the same definition in Boulder Ridge Master Deed and are used interchangeably in the condominium documents.

Each owner receives a deed to the site purchased. Each owner owns, in addition to the site purchased, an undivided interest in the condominium's common facilities ("common elements"). Title to the common elements is included as part of, and is inseparable from, title to the individual sites. Each owner's proportionate share of the common elements is determined by the percentage of value assigned to the owner's site in the Master Deed. The Master Deed, which is described in Section IV of this Disclosure Statement, must be examined carefully to determine each owner's rights and obligations with respect to common elements.

Boulder Ridge is different from most condominiums in this area because the condominium units in Boulder Ridge consist of only the individual building sites, and the common elements do not include the buildings and other improvements to be constructed on the sites. Each site consists of the space contained within the site boundaries as shown in the Condominium Subdivision Plan and delineated with heavy outlines and excluding therefrom any land. In the more traditional form of condominium, the units consist of the air space enclosed within each of the buildings, and the common elements include the exterior structural components of the buildings. In Boulder Ridge, each owner holds an absolute and undivided title to his site and to the home and other improvements built thereon (to the extent such improvements are not designated in the Master Deed as common elements). Each site owner will be responsible for all decoration, maintenance, repair and replacement of the dwelling and other improvements located on his site and adjoining yard area, including mowing of the lawn area. Unlike more traditional condominiums, each owner in Boulder Ridge will be responsible for maintaining fire and extended coverage insurance on the owner's site, adjoining yard area and the home and other improvements located thereon, as well as personal property, liability and other personal insurance coverage. The Association will maintain only liability insurance coverage for occurrences on the general common elements.

All portions of Boulder Ridge not included within the sites constitute the common elements. Limited common elements are those common elements set aside for use by less than all unit owners. There are no limited common elements in Boulder Ridge). General common elements are all common elements other than limited common elements. The general common elements of Boulder Ridge, as shown on the Condominium Plan, include the roads (until dedicated), and Boulder Ridge Park, which is a storm-water detention area.

The proximity of the sites in Boulder Ridge and each site owner's right, in common with all other site owners, to use the general common elements, dictates that certain restrictions and obligations be imposed on each owner for the mutual benefit of all owners. The restrictions and obligations are set forth in the Master Deed and in the Bylaws which are attached as Exhibit A to the Master Deed. All owners and site occupants must be familiar with and abide by such restrictions and obligations.

The management and administration of Boulder Ridge is the responsibility of Boulder Ridge Homeowners Association, a Michigan nonprofit corporation of which all owners are members (the "Association"). The nature and duties of the Association are set forth in the Condominium Bylaws attached as Exhibit A to the Master Deed and are summarized in Section VI of this Disclosure Statement.

Except for the year in which a site is first established as part of Boulder Ridge, real property taxes and assessments are levied individually against each site in Boulder Ridge. The separate taxes and assessments cover the site and its proportionate share of the common elements. No taxes or assessments are levied independently against the common elements.

The foregoing is necessarily generalized to some degree. Accordingly, each purchaser is urged to carefully review all of the documents contained in the Purchaser Information Booklet for Boulder Ridge 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 condominium is advised to consult the purchaser's own lawyer or other professional advisor.

### **III. Description of Boulder Ridge.**

**A. Size, Scope and Physical Characteristics of Boulder Ridge.** Boulder Ridge is a one hundred forty-one site residential condominium located in the Oak Valley area of western Pittsfield Township, Michigan. The condominium will not be further expanded. Pittsfield Township, which is a rapidly growing municipality adjacent to Ann Arbor, has developed the Oak Valley area with a number of valuable amenities, including roads, public water and public sewer service. The cost of such amenities is partially amortized by each site owner's annual real estate tax and assessment payments.

**B. Improvements Labeled "Must be Built" or "Need Not be Built".** The Condominium Act requires that proposed structures and improvements be labeled in the Condominium Subdivision Plan as either "must be built" or "need not be built." The Condominium Plan identifies all roads and utilities as "must be built". Developer has financed the cost of the "must be built" improvements through a land improvement loan from Comerica Bank.

**C. Recreational Areas and Facilities.** There are no recreational facilities in Boulder Ridge. Boulder Ridge Park which is designated on the Plan as a general common element, is available for the use and enjoyment of the site owners.

D. **Private Roads.** Presently, the roads in Boulder Ridge are private, although Developer intends to dedicate the roads to the public. Boulder Ridge has access to a public road over the roads included in the condominium. Until such time as they are accepted for dedication, the roads in Boulder Ridge will be maintained (including, without limitation, snow removal) by the Association, not the board of county road commissioners. Replacement, repair and resurfacing will be necessary from time to time as circumstances dictate. It is impossible to estimate with any degree of accuracy future road repair or replacement costs until such time as they are accepted for dedication. It is the Association's responsibility to inspect and to perform preventive maintenance of Boulder Ridge roads on a regular basis in order to maximize the life of such roads and to minimize repair and replacement costs. The Developer has reserved the right but not the obligation to contract the condominium to exclude the roads after the roads are dedicated to the public.

E. **Utilities.** Boulder Ridge is served by public water and public sanitary sewers, as well as natural gas, electric and telephone service. All utilities will be separately metered for payment by the individual site owners. Boulder Ridge is subject to a Pittsfield Township assessment for street lighting improvements. Pursuant to which, site owners are obligated to pay a proportionate share of the cost of constructing, maintaining, repairing and replacing the street lighting system in the public streets in Boulder Ridge.

F. **Reserved Rights of Developer.**

(1) **Expansion of the Condominium.** The Developer reserved the right but not the obligation to expand Boulder Ridge one or more times to include additional units, land and other common elements. The condominium has been expanded to its full size through one amendment of the Master Deed.

(2) **Improvements and Landscaping.** Until all of the sites in Boulder Ridge have been sold, no exterior modifications of any type may be made without the Developer's approval.

(3) **Conduct of Commercial Activities.** Until all of the sites in Boulder Ridge have been sold, the Developer has reserved the right to maintain on Boulder Ridge premises a sales office, advertising display signs, a business office, model homes for sale to site purchasers, storage areas, reasonable parking incident to the use of such areas, and such access to, from and over Boulder Ridge premises as may be reasonable to enable development and sale of all sites in Boulder Ridge as well as the sale of homes to be built within sites.

(4) **Right to Amend.** The Developer has reserved the right to amend the Master Deed and the Exhibits thereto without approval from site owners or their mortgagees for certain purposes specified in the Master Deed. Those purposes include but are not limited to converting the convertible areas, expanding the size of the condominium, contracting the condominium (to exclude the roads), correcting errors and for any other purpose so long as the amendment would not materially alter or change the rights of an owner or mortgagee. Further, certain provisions of the Master Deed cannot be amended without Developer approval.

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

G. **Community Assessments and Real Estate Taxes.** All municipalities reserve the right to levy community assessments to the benefit of its residents for public improvement projects such as: (a) extension of water and sewer lines; (b) street lighting and road improvements; and (c) addition of parks, bike paths, libraries, community college, etc. Pittsfield Township has established an assessment for the Boulder Ridge/Oak Valley Community and all land owners adjacent to the Waters Road/Oak Valley Drive corridors for community street lighting and road improvements. These improvements will eventually be included with the annual property tax assessment and will be eligible for federal and state tax benefits. These assessments will amortize for several years and will eventually drop from the annual property tax statement. Based on an estimated average Boulder Ridge home value of \$165,000, annual property taxes, plus assessments, should range from \$290 - \$310 per month, which may be escrowed through Purchaser's lender and may be made part of the total monthly investment.

#### IV. **Legal Documentation.**

A. **General.** Boulder Ridge was established pursuant to the Master Deed recorded in the Washtenaw County Records and contained in the Purchaser Information Booklet for the condominium. The Master Deed includes the Bylaws as Exhibit A and the Condominium Subdivision Plan as Exhibit B.

B. **Master Deed.** The Master Deed contains the definitions of certain terms used in connection with Boulder Ridge, the percentage of value assigned to each site in Boulder Ridge, a general description of the sites and common elements included in Boulder Ridge and a statement regarding the relative responsibilities for maintaining the common elements. Article VII of the Master Deed covers easements, restrictions and other agreements, Article VIII reserves in favor of the Developer the right to amend the condominium documents for various purposes including but not limited to converting Boulder Ridge common elements and unsold sites, making changes therein, providing for the correction of errors and complying with the requirements of certain lending institutions. Article IX sets forth Developer's right to expand Boulder Ridge to include additional land and to create sites and common elements on that land. Article X sets forth Developer's right to contract Boulder Ridge to exclude the roads after dedication of the roads to public use.

C. **Bylaws.** The Bylaws contain provisions relating to the operation, management and fiscal affairs of Boulder Ridge and, in particular, set forth the provisions relating to the assessment of Association members for the purpose of paying the costs of operation of Boulder Ridge. Article VI of the Bylaws contains provisions permitting the adoption of rules and regulations governing the common elements. Article VI also contains certain restrictions upon the ownership, occupancy and use of Boulder Ridge.

D. **Condominium Subdivision Plan.** The Condominium Subdivision Plan is a three-dimensional survey depicting the physical location and boundaries of each of the sites and all of the common elements of Boulder Ridge. The architectural and building specifications and use restriction set forth in the Bylaws govern the development and use of each site in Boulder Ridge. All improvements made within any site, including the construction of a residence or any other improvement, and the use and occupancy thereof, must comply fully with the architectural and building specifications and use restrictions established by the Bylaws.

#### V. **Developer's Background and Experience.**

Developer, Boulder Ridge Limited Partnership, 30840 Northwestern Highway, Suite 270, Farmington Hills, Michigan 48334, is licensed as a residential developer. Developer was formed for the purpose of developing Boulder Ridge and has no background or experience in condominium development. There are no judicial or administrative proceedings involving Boulder Ridge or the Developer.

## VI. Operation of Boulder Ridge.

A. **The Association.** The responsibility for management and maintenance of Boulder Ridge is vested in the Association. As each individual purchaser acquires title to a site in Boulder Ridge, the purchaser will also become a member of the Association. The Articles of Incorporation of the Association are in the Purchaser Information Booklet and along with the Bylaws control procedural operations of the Association. The Association is governed by its Board of Directors whose initial members are designees of the Developer. Until a successor Board of Directors is elected by the members, the Association will be controlled by the Directors named by Developer. Developer's rights of representation on the Association's Board of Directors are set forth in Article XI of the Bylaws.

B. **Percentages of Value.** The percentage of value of each site in Boulder Ridge is equal. The percentage of value assigned to each site determines, among other things, the value of each owner's vote and the owner's proportionate share of regular and special Association assessments and of the proceeds of administration of Boulder Ridge.

### C. **Project Finances.**

(1) **Budget.** Article II of the Bylaws requires the Board of Directors to adopt an annual budget for the operation of Boulder Ridge. The Association's only source of revenue to fund its budget is by the assessment of its members. The initial budget for Boulder Ridge was formulated by the Developer and is intended to provide for the normal and reasonably predictable expenses of administration of Boulder Ridge, and includes a reserve for replacement of the major common element improvements of Boulder Ridge. To the extent that estimates prove inaccurate during actual operations and to the extent that the goods and services necessary to service Boulder Ridge change in cost in the future, the budget and the expenses of the Association also will require revision. The initial budget of the Association has been included as Appendix A to this Disclosure Statement. Developer does not represent or warrant that the budget attached as Appendix A accurately reflects the assessments which will be charged by the Association.

(2) **Assessments.** Except as set forth below with respect to the Developer, each owner of a site in Boulder Ridge must pay for the expenses of general administration of the Association in proportion to the percentage of value assigned to the site(s) the owner owns. The Board of Directors may also levy special assessments in accordance with the provisions of Article II, Section 3(b) of the Bylaws. As set forth in Article II, Section 9 of the Bylaws, the Developer does not pay Association assessments for the sites it owns until they are occupied but does reimburse the Association for certain expenses it may incur for such sites.

(3) **Foreclosure of Lien.** The Association has a lien on each site to secure payment of Association assessments. The Bylaws provide that the Association may foreclose its lien in the same fashion that mortgages may be foreclosed by action or by advertisement under Michigan law.

(4) **Possible Additional Liability.** It is possible for owners to become obligated to pay a percentage share of assessment delinquencies incurred by other owners. This can happen if a delinquent 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 owners, including the first mortgagee, in accordance with the percentages of value in the Master Deed. The Michigan Condominium Act (Section 58) provides:



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. The unpaid assessments are deemed to be common expenses collectible from all of the condominium unit owners including such persons, its successors and assigns.

D. **Insurance.** The condominium documents require that the Association carry fire and extended coverage, vandalism and malicious mischief and liability insurance and workers' compensation insurance, if applicable, pertinent to the ownership, use and maintenance of the common elements of Boulder Ridge. The insurance policies have deductible clauses and, to the extent thereof, losses will be borne by the Association. The Board of Directors is responsible for obtaining insurance coverage for the Association. Each owner's pro rata share of the annual Association insurance premiums is included in the monthly assessment. The Association insurance policies are available for inspection during normal working hours. A copy of the Certificate of Insurance with respect to Boulder Ridge common elements will be furnished to each owner upon request. The insurance coverage carried by the Association will not cover the homes built on individual sites, any other improvements to the sites or any personal property of any owner.

Each owner is responsible for obtaining coverage with respect to the owner's site, the home built thereon and any other improvements to the site and to the extent indicated in Article IV of the Bylaws. The Association should periodically review all insurance coverage to be assured of its continued adequacy and each owner should do the same with respect to the owner's personal insurance.

E. **Restrictions on Ownership, Occupancy and Use.** Article VI of the Bylaws contains comprehensive restrictions on the use of sites and the common elements. It is impossible to paraphrase these restrictions without risking the omission of some portion that may be of significance to a purchaser. Consequently, each purchaser should examine the restrictions with care to be sure that they do not infringe upon an important intended use. The following is a list of certain of the most significant restrictions:

- (1) Sites are to be used only for residential purposes and construction of residences and other permitted structures.
- (2) No savage or dangerous animals shall be kept.
- (3) There are substantial limitations upon physical changes which may be made to the common elements in Boulder Ridge, and upon the uses to which the common elements and sites may be put. All sites in Boulder Ridge are subject to the substantial restrictions on the type and quality of improvements that may be made to any site, including the construction of a home or any other structure, all as provided in Article VI of the Bylaws.
- (4) Motorcycles are allowed on the roads in Boulder Ridge, but motorcycles and all other motorized off-road vehicles are prohibited in all other general common element areas.
- (5) Reasonable regulations may be adopted by the Board of Directors of the Association concerning the use of common elements, without vote of the owners.

(6) Subject to the requirements set forth in Section 22 of Article VI, an owner (including Developer) may rent sites owned at any time for any term of occupancy not less than six (6) months. An owner must disclose the owner's intention to lease a site and provide a copy of the exact lease form to the Association at least ten (10) days before presenting a lease to a potential lessee. Developer reserves the right to lease sites and hereby notifies all owners that it may do so if market conditions so require.

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

**VII. Condominium Warranties.**

The Developer is warranting only that the roads that are labelled "must be built" on the Condominium Subdivision Plan and the general common element utility mains along those roads have been or will be installed to serve Boulder Ridge. Developer provides no other warranty of any sort.

**VIII. Purpose of Disclosure Statement and Builder's Supplement to Disclosure Statement.**

This Disclosure Statement and the Builder's Supplement to Disclosure Statement included in the Purchaser Information Booklet each paraphrase various provisions of the Purchase Agreement, Escrow Agreement, Master Deed, Limited Warranty and other documents required by law. They are not a complete statement of all the provisions of those documents which may be important to purchasers. In an attempt to be more readable, this Disclosure Statement and the Builder's Supplement omit most legal phrases, definitions and detailed provisions of the other documents. Certain of the terms used herein are defined in the Michigan Condominium Act, as amended. This Disclosure Statement and the Builder's Supplement are not substitutes for the legal documents which they draw information from, and the rights of purchasers and other parties will be controlled by the other legal documents and not by this Disclosure Statement or the Builder's Supplement to Disclosure Statement.

Developer has prepared this Disclosure Statement and the Builder has prepared the Builder's Supplement to Disclosure Statement in good faith, in reliance upon sources of information believed to be accurate and in an effort to disclose material facts about Boulder Ridge. Developer and Builder disclaim liability to any purchaser for misstatements herein or in the Builder's Supplement to Disclosure Statement (or for omissions which make statements herein appear misleading) if such misstatements were made by Developer or Builder 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.

Each purchaser is urged to engage a competent lawyer or other advisor in connection with the purchaser's decision to purchase a site. In accepting title to a site in Boulder Ridge, each purchaser shall be deemed to have waived any claim or right arising out of or relating to any immaterial defect, omission or misstatement in this Disclosure Statement or in the Builder's Supplement to Disclosure Statement. In preparing this Disclosure Statement, the Builder's Supplement to Disclosure Statement, and the other condominium documents, Developer's counsel has not undertaken professional responsibility to the association or to any owners or mortgagees for the completeness, accuracy, or validity of the condominium documents.

The Michigan Department of Commerce publishes The Condominium Buyers Handbook which the Developer has delivered to you. Neither the Developer nor the Builder assumes any obligation, liability, or responsibility as to the statements contained therein or omitted from The Condominium Buyers Handbook.

**APPENDIX A**  
**BOULDER RIDGE HOMEOWNERS ASSOCIATION**  
**1996 ESTIMATED BUDGET**  
**FEBRUARY, 1996**  
**COMMON AREAS ONLY**  
**141 UNITS**

<b><u>Item of Expense</u></b>	<b><u>Estimated Annual Cost</u></b>
Landscape and General Common Element Maintenance and Insurance	\$13,616
Irrigation	982
Electricity	1,175
Annual Flowers for Entry	1,313
Administrative	1,313
Replacement Reserve	<u>2,751</u>
<b>TOTAL ANNUAL ESTIMATED EXPENSES</b>	<b><u>\$21,150</u></b>
<b>ESTIMATED ANNUAL ASSESSMENT</b> (\$21,150 divided by 141 sites)	<b><u>\$150</u></b>

**BOULDER RIDGE**  
**BUILDER'S SUPPLEMENT**  
**TO**  
**DISCLOSURE STATEMENT**

**I. Builder's Background and Experiences.**

Builder, The Silverman Building Companies, Inc., 30840 Northwestern Highway, Suite 270, Farmington Hills, Michigan 48334, is a licensed residential builder. The Silverman Building Companies, Inc. has substantial home building experience, including home building in the Lake Waldon Village II site condominium, in Independence Township, Michigan The Glens of Elizabeth Lake site condominium in Waterford Township, Michigan, and The Preserve site condominium in Commerce Township, Michigan.

**II. Rights and Obligations Between Builder and Owners.**

A. **Before Closing.** The respective obligations of the Builder and the purchaser of a site in Boulder Ridge prior to closing are set forth in the Purchase Agreement and the accompanying Escrow Agreement. Those documents contain, among other provisions, the provisions relating to the disposition of earnest money deposits advanced by the purchaser prior to closing and the anticipated closing adjustments, and should be closely examined by all purchasers. The Escrow Agreement 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 condominium documents are changed in a way that materially reduces the purchaser's rights. The Escrow Agreement also provides that a deposit will be released to the Builder if the purchaser defaults in any obligation under the Purchase Agreement after the Purchase Agreement has become binding upon the purchaser. The Escrow Agreement provides, pursuant to Section 103b of the Michigan Condominium Act, that the escrow agent shall maintain sufficient funds or other security to complete improvements labeled as "must be built" on the Condominium Subdivision Plan until such improvements are substantially complete. The Escrow Agreement also provides that deposits will be released to the Builder when the closing of the sale takes place provided that improvements labeled "must be built" are substantially complete or other conditions of the Escrow Agreement are met. Each purchaser of a site will receive a copy of the Escrow Agreement.

B. **At Closing.** Each purchaser will receive by warranty deed fee simple title to the purchaser's site subject to the condominium documents and easements and restrictions of record, and further subject to installments of special assessments for the paving of Waters Road and Oak Valley Drive and for the installation of street lighting that become due and payable after the closing. The Purchase Agreement provides that the Builder will give each purchaser a commitment for an owner's title insurance policy at or prior to closing, and that the policy itself shall be ordered at closing. The cost of the owner's commitment and policy is to be borne by the Builder. The Purchase Agreement provides that at the closing purchaser will pay all mortgage costs and all transfer taxes applicable to the Builder's conveyance of the purchaser's site to purchaser in excess of \$1.10 per thousand dollars of the total purchase price.