

Michigan Department of Consumer and Industry Services

Filing Endorsement

*This is to Certify that the ARTICLES OF INCORPORATION - NONPROFIT
for
PINERY AT PAINT CREEK ESTATES SUBDIVISION ASSOCIATION*

ID NUMBER: 787985

*received by facsimile transmission on June 4, 2004 is hereby endorsed filed on
June 9, 2004 by the Administrator. The document is effective on the date filed,
unless a subsequent effective date within 90 days after received date is stated in the
document.*



*In testimony whereof, I have hereunto set my
hand and affixed the Seal of the Department,
in the City of Lansing, this 9th day
of June, 2004.*

, Director

Bureau of Commercial Services

**NON-PROFIT
ARTICLES OF INCORPORATION**

PINERY AT PAINT CREEK ESTATES SUBDIVISION ASSOCIATION

These Articles of Incorporation are signed and acknowledged by the incorporator for the purpose of forming a non-profit corporation under the provisions of Act No. 162 of the Public Acts of 1982, as follows:

ARTICLE I

NAME

The name of the corporation is Pinery at Paint Creek Estates Subdivision Association.

ARTICLE II

PURPOSES

The purposes for which the corporation is formed are as follows:

- (a) To manage and administer the affairs of and to maintain Pinery at Paint Creek Estates Subdivision, a platted subdivision (hereinafter called "Subdivision") and any other Subdivisions hereinafter annexed;
- (b) To encourage and to promote the highest standards of management and maintenance for the Subdivision;
- (c) To levy and collect assessments against and from the members of the corporation and to use the proceeds thereof for the purposes of the corporation;
- (d) To carry insurance and to collect and allocate the proceeds thereof;
- (e) To contract for and employ persons, firms, or corporations to assist in management, operation, maintenance and administration of said Subdivision;
- (f) To make and enforce reasonable regulations concerning the use and enjoyment of said Subdivision;
- (g) To own, maintain and improve, and to buy, sell, convey, assign, mortgage, or lease (as landlord or tenant) any real and personal property, for the purpose of providing benefit

to the members of the corporation and in furtherance of any of the purposes of the corporation;

(h) To borrow money and issue evidences of indebtedness in furtherance of any or all of the objects of its business; to secure the same by mortgage, pledge or other lien;

(i) To enforce the provisions of the Declaration Covenants, Easements and Restrictions for Pinery at Paint Creek Estates Subdivision, and of these Articles of Incorporation and such Bylaws and Rules and Regulations of this corporation as may hereinafter be adopted;

(j) In general, to make and perform any contract and to exercise all powers necessary, incidental or convenient to the administration, management, maintenance, repair, replacement and operation of said Subdivision and to the accomplishment of any of the purposes thereof.

ARTICLE III

ADDRESSES

Location of the first registered office is 45000 River Ridge Drive, Clinton Township, Macomb County, Michigan 48038.

Post office address of the first registered office is 45000 River Ridge Drive, Clinton Township, Michigan 48038.

ARTICLE IV

RESIDENT AGENT

The name of the first resident agent is Richard A. Ives.

ARTICLE V

BASIS OF ORGANIZATION AND ASSETS

Said corporation is organized upon a non-stock, membership basis.

The amount of assets which said corporation possesses is:

Real Property: None

Personal Property: None

Said corporation is to be financed under the following general plan: Assessment of members.

ARTICLE VI

INCORPORATOR

The name and place of business of the incorporator is Mark J. Abdo, 42500 Garfield Road, Suite 104A, Clinton Township, Michigan 48038.

ARTICLE VII

EXISTENCE

The term of corporate existence is perpetual.

ARTICLE VIII

MEMBERSHIP AND VOTING

Section 1. The qualifications of members, the manner of their admission to the corporation, the termination of membership, and voting by such members shall be as follows:

(a) Each owner (including the Declarant) of a lot in the Subdivision shall be a member of the corporation, and no other person or entity shall be entitled to membership; except that the subscribers hereto shall be members of the corporation until such time as their membership shall terminate, as hereinafter provided.

(b) Membership in the corporation (except with respect to any non-owner incorporators, who shall cease to be members upon the qualification of membership of any owner) shall be established by acquisition of fee simple title to a lot in the Subdivision and by recording with the Register of Deeds in the county where the Subdivision is located, a deed or other instrument establishing a change of record title to such lot and the furnishing of evidence of same satisfactory to the corporation (except that the Declarant of the Subdivision shall become a member immediately upon establishment of the Subdivision) the new owner thereby becoming a member of the corporation, and the membership of the prior owner thereby being terminated.

(c) The share of a member in the funds and assets of the corporation cannot be assigned, pledged, encumbered or transferred in any manner except as an appurtenance to his lot in the Subdivision.

(d) Voting by members shall be in accordance with the provisions of the Bylaws of this corporation.

Section 2. The Association shall be 2 classes of membership, being Class A and Class B, as follows:

(a) Class A membership shall be voting, and the Declarant under the Declaration of Covenants and Restrictions for Pinery at Paint Creek Estates Subdivision shall be the only Class A Member.

(b) Each Owner of a Lot in Pinery at Paint Creek Estates Subdivision other than the Declarant shall be a Class B Member.

(c) Class B membership shall be non-voting until the Transfer Date specified in Subsection 2(d) below, at which time all Owners (including Declarant) shall be entitled to vote on a one vote per Lot basis (regardless of the number of Owners on any Lot).

(d) Declarant shall have the sole vote in the Association, and the consequent right to appoint the Board of Directors of the Association (the "Board") until such date (the "Transfer Date") as shall be the earlier to occur of (i) ninety-five percent (95%) of the Lots in the Subdivision shall have been sold (as evidenced by delivery of a deed for such Lots to the Lot purchaser) to Owners other than builders purchasing for resale in the ordinary course of their business, (ii) five (5) years after the date of recording the plat of Pinery at Paint Creek Estates Subdivision as the Office of the Register of Deeds for Macomb County, Michigan, or (iii) such earlier date as may be designated in writing by Declarant.

(e) From and after the Transfer Date described in Subsection 2(d) above, Class B Members of the Association shall have the voting rights described in Subsection 2(d) above, and thereafter, the Board shall be elected by the combined vote of Class A and Class B Members in each case, voting on a one vote per Lot basis.

ARTICLE IX

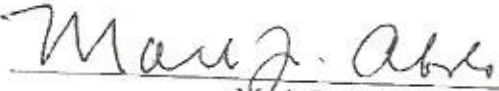
VOLUNTEER DIRECTORS

Section 1. Pursuant to Section 209(c) of the Michigan Nonprofit Corporation Act (being Act No 162 of the Public Acts of 1982, as amended) a volunteer director (as defined in Section 110(2) of the Michigan Nonprofit Act) of Pinery at Paint Creek Estates Subdivision Association, is not personally liable to the corporation or its members for monetary damages for a breach of the director's fiduciary duty. However, this section shall not eliminate or limit the liability of a director for any of the following:

- (i) A breach of the director's duty of loyalty to the corporation or its members.
- (ii) Acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law.
- (iii) A violation of Section 551(1) of the Michigan Nonprofit Corporation Act.
- (iv) A transaction from which the director derived an improper personal benefit.
- (v) An act or omission that is grossly negligent.

Section 2. Pinery at Paint Creek Estate Subdivision Association hereby assumes all liability to any person other than the corporation or its members for all acts or omissions of a volunteer director.

Signed this 4th day of March, 2004.


Mark J. Abdo, Incorporator