

743-911

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ARTICLES OF INCORPORATION

PHEASANT RUN ROAD MAINTENANCE ASSOCIATION, INC.  
(A Nonprofit Corporation)

AUG 27 1996

Administrator  
MI DEPARTMENT OF CONSUMER & INDUSTRY SERVICES  
CORPORATION, SECURITIES & LAND DEVELOPMENT BUREAU

These Articles of Incorporation (the "Articles") are signed by the incorporators for the purpose of forming a nonprofit corporation (hereinafter, the "Corporation", or "Roadway Manager") pursuant to the provisions of Act 162, Public Acts of 1982, as amended (the "Michigan Nonprofit Corporation Act").

ARTICLE I

The name of the Corporation is Pheasant Run Road Maintenance Association, Inc.

ARTICLE II

The Corporation is organized in accordance with the terms and provisions of, and to exercise the powers and authority granted and/or delegated to the Roadway Manager under, that certain Declaration of Reciprocal Roadway Easement dated March 8, 1993, and recorded March 9, 1993, in liber 26390, page 818, Register No. 93/054743, Wayne County Records, as amended (the "Declaration"), including, without limitation, the power and authority (i) to exclusively administer the operation, maintenance, improvement, repair and replacement of the several elements comprising each Roadway subject to the Declaration; (ii) to prescribe reasonable rules and regulations (the "Rules and Regulations") for the use of the Roadways, and otherwise regarding the conduct of each Developer, Association, Owner, Occupant and Permittee within the Roadway Areas; (iii) to enforce the provisions of the Declaration, including, without limitation, the provisions of the Declaration relating to (a) annual budgeting by the Roadway Manager, and (b) the payment of mandatory annual assessments to the Roadway Manager by each Association, and the Township, to defray the costs of operating, maintaining, improving, repairing and replacing the Roadways, including, without limitation (1) the costs of the Roadway Manager, and (2) the costs of adequate public liability and property damage insurance coverage in regard to the Roadways; and (iv) to enforce the Utility Easements, and the Rules and Regulations. The Roadways are inter-connected and traverse certain real property owned by the Township, and certain adjacent residential subdivisions in the Township, more commonly known as Pheasant View Subdivision, Fairways at Pheasant Run Subdivision, Fairway Pines at Pheasant Run Subdivision No. 1, and Fairways Pines at Pheasant Run Subdivision No. 2. The Roadways are private, and are not maintained by Wayne County. The duties of the Roadway Manager are set forth, at length, in the Declaration.

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ARTICLE III

Certain terms as used herein with initial capital letters shall, in each instance, have the meaning ascribed to such term in the Declaration, unless the context hereof shall otherwise require. In the event of any conflict between the Declaration and these Articles, the provisions of the Declaration shall control.

ARTICLE IV

The Corporation is organized upon a non-stock, membership, basis.

ARTICLE V

Set forth following is a schedule of the real and/or personal property, if any, owned by the Corporation as at the date of these Articles, together with a statement of the value thereof, if any:

A. Real Property:

None

B. Personal Property:

None

ARTICLE VI

The Corporation is empowered to levy and collect annual assessments from each Association, and the Township, in advance (the "Annual Assessments"), pursuant to an annual budget (the "Budget") adopted by the Corporation for the calendar year next ensuing, for the purpose of (i) operating, maintaining, improving, repairing and replacing the Roadways then under the jurisdiction of the Roadway Manager (including, without limitation, the additional Roadways reasonably anticipated to come under the jurisdiction of the Roadway Manager during the calendar year covered by such Budget), and (ii) performing the other functions and duties assigned and/or delegated to the Roadway Manager under the Declaration. The allocable share of each Association, and the Township, in each Annual Assessment (the "Allocable Share"), shall be a percentage of the whole of such Annual Assessment based upon (and computed by a comparison of) the aggregate square footage of the Roadway Areas under the jurisdiction of the Roadway Manager owned by each Association, or the Township, as the case may be, and the aggregate square footage of all of the Roadway Areas from time to time under the

jurisdiction of the Roadway Manager. For purposes of establishing the Budget for the next ensuing calendar year, and the Allocable Share of each Association, and the Township, in the Annual Assessment based thereon, the Roadway Manager shall take into account the Roadway Areas to come under the jurisdiction of the Roadway Manager during such year, which shall be deemed to be under the jurisdiction of the Roadway Manager, for such purpose, from the anticipated date of completion of each such Roadway Area, to the end of such calendar year. The Roadway Manager is also empowered to receive from each Association, and the Township, the Initial Funding Deposit set forth and described in the Declaration.

#### ARTICLE VII

The business and affairs of the Roadway Manager shall be managed by a Board of Directors (the "Board"), consisting of five (5) members (the "Directors"), each a natural person, and being one (1) representative from each Association, and two (2) representatives from the Township. The Board may retain a management agent to coordinate its functions and duties under the Declaration. The two (2) representatives from the Township will be designees appointed by the Township, and need not be elected officials of the Township.

#### ARTICLE VIII

The resident agent of the Roadway Manager is the Clerk of Canton Township, from time to time, presently Terry G. Bennett. The address of the registered office of the Roadway Manager, and of the resident agent, is 1150 South Canton Center Road, Canton, Michigan 48188-1699.

#### ARTICLE IX

The names and addresses of the incorporators of the Roadway Manager are, as follows:

- (i) Sunflower Seven Associates, a  
Michigan general partnership  
21790 Coolidge Highway  
Oak Park, Michigan 48237;
- (ii) Island Lake Associates, a  
Michigan general partnership  
21790 Coolidge Highway  
Oak Park, Michigan 48237;

- (iii) Fairway Pines Limited Partnership,  
a Michigan limited partnership  
2025 West Long Lake Road, Suite 104  
Troy, Michigan 48098; and
- (iv) Charter Township of Canton, a  
Michigan municipal corporation  
1150 South Canton Center Road  
Canton, Michigan 48188-1699

#### ARTICLE X

A. A Director shall not receive anything of value from the Corporation for such service, other than reimbursement for actual, reasonable, and necessary expenses incurred by such Director in such capacity. Accordingly, each Director shall be considered to be a "volunteer director", as that term is defined in the Michigan Nonprofit Corporation Act.

B. A Director shall not be personally liable to the Corporation, or its members, for monetary damages for breach of such Director's fiduciary duty, except for liability attributable to any of the following:

- (1) a breach of such Director's duty of loyalty to the Corporation, or its members;
- (2) acts or omissions not in good faith, or which involve intentional misconduct or knowing violation of law;
- (3) a violation of Section 551(1) of the Michigan Nonprofit Corporation Act, as amended;
- (4) a transaction from which such Director derived an improper personal benefit; or
- (5) any act or omission which is grossly negligent.

C. The Corporation hereby assumes all liability to any person other than the Corporation, or its members, for all acts or omissions of a Director occurring on or after the date of filing of these Articles, incurred in the good faith performance of such Director's duties as a Director; provided, however, that the Corporation shall not be considered to have assumed any liability to the extent such assumption is inconsistent with the status of the Corporation as an organization described in Section 501(c)(3) of the Internal Revenue Code of 1986, or comparable provisions of subsequent legislation.

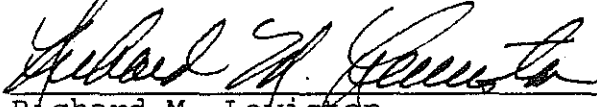
ARTICLE XI

The Roadway Manager shall indemnify, defend and hold harmless each Association, and the Township, from and against all actions, proceedings, claims, costs, expenses and liability ("Claims"), including, without limitation, reasonable attorneys' fees and costs, incurred in connection with all Claims arising from, or as a result of the death of, or any accident, injury, loss or damage whatsoever caused to, any Person or property which shall occur within any Roadway Area under the jurisdiction of the Roadway Manager, or as a result of any condition existing within any such Roadway Area, except, in the case of any Association, or the Township, to the extent caused by the negligent or willful act or omission of such Association, or the Township (including, for such purpose, the agents, employees and contractors of such Association, or the Township, as the case may be).

We, the incorporators, sign our names this 6th day of August, 1996.

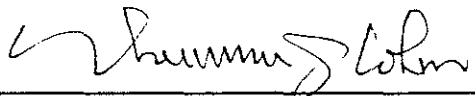
SUNFLOWER SEVEN ASSOCIATES, a  
Michigan general partnership

By: LEWISTON-SMITH DEVELOPMENT  
ASSOCIATES, a Michigan general  
partnership, Managing Partner

By:   
Richard M. Lewiston,  
Managing Partner

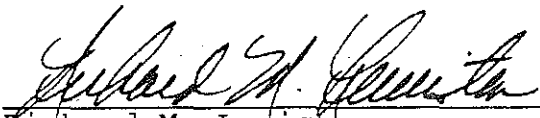
FAIRWAY PINES LIMITED PARTNERSHIP,  
a Michigan limited partnership

By: BILTMORE ASSOCIATES, INC., a  
Michigan corporation, Managing  
Partner

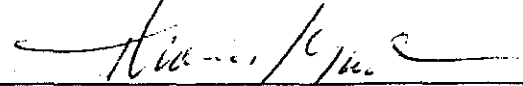
By:   
Norman J. Cohen, President


ISLAND LAKE ASSOCIATES, a Michigan  
general partnership

By: GLENGARRY DEVELOPMENT ASSOCIATES, a  
Michigan general partnership,  
Managing Partner

By:   
Richard M. Lewiston,  
Managing Partner

CHARTER TOWNSHIP OF CANTON, a  
Michigan municipal corporation

By:   
Thomas J. Yack, Supervisor

And:   
Terry G. Bennett, Clerk

DOCUMENT TO BE RETURNED  
TO:

Richard M. Lewiston  
21790 Coolidge Highway  
Oak Park, Michigan 48237

NAME OF ORGANIZATION REMITTING  
FEES:

Sunflower Seven Associates

PREPARER'S NAME AND TELEPHONE  
NUMBER:

Richard M. Lewiston  
(810) 548-4800