DECLARATION OF EASEMENTS, COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE PLAT OF

SANDSTONE POINT

This Declaration of Easements, Covenants, Conditions and Restrictions (the "Declaration") is made on the date hereinafter set forth by the McKeough Land Company, Inc., an Illinois corporation, of 208 Franklin Street, Grand Haven, MI 49417, hereinafter referred to as the "Developer."

WITNESSETH

WHEREAS, the Developer, being the owner of all real property in the Plat of Sandstone Point, which property is located in Wayne County, Kentucky (subject to and together with any and all appurtenances and easements, licenses, restrictions and conditions of record), as recorded in the Wayne County Court Clerk's Office of Wayne County, Kentucky (the "Development"), hereby makes the following Declaration as to easements, covenants, conditions and restrictions affecting and governing the Development;

WHEREAS, the Developer has divided Phase 1 of the Development into Lots identified by the numbers "1 – 83", each of which is individually referred to as a "Lot" and which are collectively referred to herein as the "Lots";

WHEREAS, in addition to Lots, the Developer wishes to make provisions for commonly owned lands, and improvements located thereupon, as a component of the Development for the use and enjoyment of the owners of Lots;

WHEREAS, the Developer is contemplating the platting of additional Lots and commonly owned lands in the future, which will be part of the Development;

WHEREAS, the Developer wishes to permit the development of the Development into a community suitable for family and recreational living and, at the same time, wishes to maintain insofar as possible, the natural character of this beautiful property;

WHEREAS, it is essential to the value of the Lots that the Development be perpetually maintained in a manner consistent with high environmental, aesthetic and residential standards;

WHEREAS, to accomplish the foregoing, the Developer desires to impose certain building and use restrictions, easements, covenants and conditions, as herein contained, upon and for the benefit of said Lots and the Development as a whole; and

WHEREAS, the Developer is willing to sell the Lots, but all buyers and subsequent owners hereby accept such Lots subject to the declarations, easements, covenants, conditions and restrictions set forth herein;

NOW, THEREFORE, the Developer hereby declares and provides that the Development is hereby subject to the following easements, covenants, conditions and restrictions:

ARTICLE 1
DEFINITIONS

1.1 "Association" shall mean the Sandstone Point Property Owners Association, Inc. as established hereinafter in Article 8.

1.2 "Architectural Review Committee" or "Committee" shall mean the Architectural Review Committee as established hereinafter in Article 9.

1.3 "Common Lands" shall mean lands and improvements, if any, in the Plat of Sandstone Point, that are owned in common by the Lot Owners, including, but not limited to, water access facilities, pavilions, picnic areas, boat storage area, nature trails, and open spaces as depicted now or in the future on the Plat of Sandstone Point and such common elements as the Developer, at its sole option, may choose to add in future Phases of the Development.

1.4 "Developer" shall mean the McKeough Land Company, Inc., the current owner of the land within the Development, or its successors or any person or entity to whom or to which it may, in a document recorded with the Wayne County Court Clerk's Office, expressly assign one or more of its rights hereunder or delegate its authority hereunder.

1.5 "Development" shall mean the property known as the Plat of Sandstone Point, subject to and together with any and all appurtenances and easements, licenses, restrictions and conditions of record.

1.6 "Lot" shall mean any one of the numbered Lots within the Development and any Lots added by Developer in future Phases of the Development. "Lots" shall mean all such Lots.

1.7 "Lot Owner" shall mean any person or other entity owning or purchasing a Lot and any person having the right of occupancy of any dwelling constructed on such Lot.

1.8 "Mobile Home" shall mean any dwelling, transportable in one or more sections, which is built on a permanent chassis.

1.9 "Modular Home" shall mean any dwelling constructed off-site in 3-dimensional modules, which modules are then transported to the site for assembly and integration to form the dwelling unit.

ARTICLE 2
SUBDIVISION

No Lot may be further subdivided unless all the resultant parcels created by the subdivision are deeded to an adjacent Lot Owner(s) to increase the size of another Lot.

ARTICLE 3
CARE AND APPEARANCE OF PREMISES

Lot Owners shall maintain the exterior of all improvements on any Lot and the Lot itself in a neat and attractive manner and in good condition and repair.

ARTICLE 4
PERMITTED AND PROHIBITED USES

4.1 No Lot or Common Lands shall be used, nor shall any structure be erected thereon or moved thereupon, unless the use thereof and location thereon satisfies the requirements of applicable zoning ordinances or other governmental regulations, if any, which are in effect at the time of the contemplated use or the construction of any structure, or unless approval thereof is obtained from the appropriate zoning or regulatory authority.

4.2 Except as otherwise specifically provided herein, Lots shall be used for the construction of one single-family residence and recreational uses incidental thereto.

4.3 Home businesses are permitted if operated entirely within the dwelling, employ not more than one non-family member, and excessive traffic and parking requirements are not generated. No exterior signage relating to home businesses shall be permitted.

4.4 Mobile Homes and Modular Homes are not permitted.

4.5 At such time as construction of a dwelling has commenced upon a Lot, a Lot Owner may park one (1) properly registered recreational vehicle, including, but not limited to boats, trailers, campers, ATVs, personal watercraft (PWC) and other such vehicles on a Lot outside of an enclosed building. As to PWC, ATVs and other such vehicles, a trailer accommodating up to four (4) such recreational vehicles is herein to be construed as one (1) such recreational vehicle. No such storage of any kind is permitted upon the

Common Lands, except as permitted hereinafter. A storage area shall be designated by the Developer in the Development's Common Lands at some future date. Said designated storage area shall be limited in use to the storage of the aforementioned and properly registered, licensed and operational recreational vehicles and trailers. Unless otherwise expressly permitted by the Association, no Lot Owner may store more than two (2) recreational vehicles, as hereinabove defined, upon said storage area. Said storage area is for the exclusive use of Lot Owners and will be utilized on a first come, first served basis. Said storage area shall be kept in reasonably neat order and repair.

4.6 No noxious or offensive trade or activity and no activity which is in violation of any law, ordinance, statute, or governmental regulation shall be conducted in the Development, nor shall anything be done which may be or become an annoyance or nuisance to the other Lot Owners in the Development.

4.7 The exterior of any structure or improvement being constructed upon a Lot shall not remain incomplete for a period of longer than nine (9) months from the date upon which construction of the improvement was commenced. All construction shall be diligently pursued to completion and such completion shall occur prior to occupancy.

4.8 Not more than 50% of existing trees which are 12 inches or more in diameter, measured at a height of 4 feet, shall be removed from any Lot, except for dead, hazardous and diseased trees.

4.9 Unless otherwise restricted by applicable zoning laws or other governmental regulations, if any, camping, including the use of recreational camping vehicles, is permitted on a Lot for not more than 14 consecutive days nor more than 50 cumulative days in any calendar year. This restriction will be in effect until 25 homes are built in Phase 1 of the Development, after which date no camping on a Lot in Phase 1 is permitted. Camping on lands designated by the Developer as future Phases of the Development is prohibited until such time as the Developer has promulgated restrictions governing such, which shall be substantially similar to the restrictions promulgated herein for Phase 1 of the Development. When not in use upon a Lot for camping purposes, all camping vehicles and tents shall be removed from the Lot upon departure and, furthermore, all rubbish and debris associated with camping activities shall be removed from the Lot upon departure. At such time as a dwelling has been constructed upon a Lot, the forgoing restrictions regulating camping on a Lot shall not be construed to regulate the typical "backyard camping" activity of children. Camping is prohibited on the Common Lands.

4.10 All garbage and refuse shall be promptly disposed of so that it will not be objectionable to other Lot Owners. No outside storage containers for refuse or garbage shall be maintained or used unless the same shall be properly concealed with vegetative screening. No dumping of refuse or storage of materials is permitted upon the Common Lands.

4.11 Propane gas tanks shall be located underground. If such proves to be impractical on any Lot by reason of soil conditions and/or slope or if the Committee has determined that an

undue hardship is created by enforcing such underground requirement, then such tanks shall be located in such area of the Lot so as to be as inconspicuous as possible and screened from direct view from beyond the Lot with shrubbery or other vegetative materials.

4.12 Hunting and any recreational use of firearms of any kind are prohibited on the Development.

4.13 Until such time as Developer has sold all Lots in the Development, or unless Developer has consented in writing otherwise, no signs or other advertising devices shall be displayed upon vacant Lots and which are visible from the exterior of a Lot, including "For Sale" signs, except those signs placed by the Developer for so long as the Developer owns any Lot and except for "For Sale" signs of a "Build to Suit" nature as may be permitted in writing by Developer upon request by builders. Garage and yard sale signs, for the actual days of any such sale, are permitted. All such sales must not be conducted for more than three (3) consecutive days, a maximum of three (3) times per year.

4.14 No animals shall be kept except common indoor household pets. No animals may be kept or bred for any commercial purpose and shall have such care and restraint so as not to be obnoxious or offensive on account of noise, odor or unsanitary conditions. No savage or dangerous animal shall be kept. No pets may be permitted to run unsupervised upon the Common Lands or upon another Lot, except as permitted hereinafter. In future Phases of the Development, the Developer may designate certain Lots upon which horses may be kept and may also designate areas to keep horses within the Development's Common Lands. Said designated horse Lots and horse areas shall be limited in use to horses. At such time as horses may be permitted by the Developer and unless otherwise expressly permitted by the Association, no Lot Owner may keep more than two (2) horses upon any horse Lot or horse areas designated within the Common Lands. Said Common Lands designated as horse areas are for the exclusive use of Lot Owners and will be utilized on a first come, first served basis. Said horse Lots and horse areas shall be kept in reasonably neat order and repair.

4.15 Decorative, split-rail fencing of the standard two-rail variety, and wooden four-board fencing (or an equivalent type of fencing that by virtue of material, aesthetics, color, height and opacity provides the same natural appearance) shall be permitted, but in no instance shall any fencing cause the blocking of another Lot Owner's view. Metal and chain link fencing is specifically prohibited. Safety fencing surrounding in-ground swimming pools must be of wood, stone, wrought iron (and its synthetic imitations) and other natural material construction, but in no case may such fence be taller than the minimum required by code, if any. All other types of fencing shall be prohibited anywhere on the Development other than "invisible" fencing for pet control.

4.16 Only satellite dishes of thirty-six (36) inches or less in diameter are permitted, and must be attached to the principal dwelling in a location that is as inconspicuous as reasonably possible. In the event that a satellite dish is unable to function properly when attached to the principal dwelling, then the alternative location of the satellite dish must be

specifically approved by the Committee, along with possible additional screening measures therefor.

4.17 No Lot Owner may be permitted to construct and/or use and operate their own external radio and/or television antenna for broadcasting or reception purposes without the approval of the Committee.

4.18 Above-ground swimming pools shall not be permitted, unless said pool is engineered and constructed in such a fashion so as to blend into the plan for the development of the Lot and in such a manner so as to be aesthetically and architecturally pleasing and using a masonry or stone retaining wall on the exposed vertical portion of the pool. Any such construction of an above-ground pool contemplated shall first have the approval of the Committee before construction commences.

ARTICLE 5
COMMON LANDS - USES PERMITTED AND PROHIBITED

PAVILION AREA

5.1 In a future Phase of the Development, the Developer will provide a pavilion for the exclusive use of Lot Owners and their guests. No activity which is in violation of any law, ordinance, statute, or governmental regulation shall be conducted in the Pavilion Area, nor shall anything be done which may be or become an annoyance or nuisance to the other Lot Owners in the Development.

5.2 Camping is prohibited within the Pavilion Area.

LAKE ACCESS AREA - The Developer is, as of the date of this writing, involved in negotiations to obtain authorization to develop facilities associated with lake access for the benefit of Lot Owners. In the event that Developer is successful in obtaining such authorization, Developer hereby retains the right to design, construct, regulate, allocate amongst Lot Owners and market/sell such facilities in any manner that Developer determines is in the best interests of the Development.

TRAILS - Those Common Lands located within the Development between Lots and providing access to other Common Lands, and trails now existing or hereafter established upon Common Lands within the Development.

5.3 No motorized vehicles are permitted upon the Common Lands, except for normal maintenance and repair activities and except for uses upon Common Lands where motorized vehicles are obviously intended, such as parking areas, road to storage area, etc. All trails located within the Development are specifically not intended for motorized vehicle use other than uses in conjunction with maintenance and repair activities.

5.4 Camping is prohibited upon any trails located within the Development.

ARTICLE 6
LAKE ACCESS-RELATED FACILITIES

6.1 All water related facilities in the Development, if any, are strictly for the use and enjoyment of Lot Owners and their guests.

6.2 At such time as the Developer may obtain authorization from the appropriate entity to develop any lake access-related facilities for the benefit of the Development, the Developer reserves the right to establish such facilities, utilizing roadways, easements, Common Lands and Development infrastructure improvements as it, in its sole judgment, deems appropriate.

ARTICLE 7
CHARACTER OF BUILDINGS AND CONSTRUCTION

7.1 The Developer recognizes that there can be an infinite number of concepts and ideas for the development of the Lots. The Developer wishes to encourage the formulation of new and/or innovative concepts and ideas. Nevertheless, for the protection of all Lot Owners, and for the preservation of the Developer's concept for the development of the Development, the Developer wishes to make certain that any development of a Lot will maintain the natural beauty of the Development and blend man-made structures into the natural environment to the extent reasonably possible.

7.2 Each dwelling constructed shall have a minimum of 1,400 square feet of finished living area, excluding any garage, basement and porch on the first floor above grade.

7.3 All exteriors shall be composed of natural wood (e.g. redwood, cedar or logs), brick, stone, stucco, vinyl shake siding (with a natural wood appearance) and other high-quality exterior materials that may be approved by the Architectural Review Committee. Vinyl clapboard siding is not permitted. Lot Owners are encouraged to complete the exterior of any dwelling in natural hues with flat finishes. No gaudy or garish colors are permitted. No aluminum siding will be allowed except for such uses as gutters, trim, soffits and fascia.

7.4 All garages and outbuildings must be architecturally related to and must match the overall color scheme of the dwelling and must be constructed only of materials permitted for the construction of residences. No metal outbuildings are permitted.

7.5 Outbuildings (including, without limitation, barns, stables and unattached garages for private, and not public or commercial use), which are incidental to the primary use of the Lot, shall be no larger than 750 square feet, shall not have a height exceeding twenty-five (25) feet, shall have sidewalls with a minimum height of ten (10) feet, shall be situated on the Lot in a manner that is logical and aesthetically pleasing (in the sole judgment of the Committee) and in no instance shall cause the blocking of another Lot Owner's view.

7.6 All structures shall direct stormwater runoff away from USACE lands in such a manner to prevent direct discharge of said runoff onto USACE lands.

7.7 The principal roof components on all structures shall have a pitch of at least 7:12. All roofing materials used on structures shall be of dark or earth-tone colors and be of, at a minimum, 25-year rated architectural-grade laminated shingles that have a raised-relief surface, cedar shake, slate or other high-quality material approved in advance by the Committee.

7.8 Earthberm, underground and dome homes are prohibited.

7.9 All utilities constructed by Lot Owners within the Development, shall be located underground.

7.10 No part of any building shall be located closer than 20 feet from the right-of-way line of any private or County roadway in the Development. No part of any building shall be located closer than 15 feet from any side lot line. No part of any building shall be located closer than 30 feet from any rear lot line. In the case of a Lot that directly abuts the USACE's boundary, no part of any building shall be located closer than 10 feet from said boundary line, except for patios, decks and other such structures whose height above grade does not exceed 30 inches.

ARTICLE 8
SANDSTONE POINT PROPERTY OWNERS ASSOCIATION, INC.

8.1 Lot Owners shall automatically, by virtue thereof, become a member of the Sandstone Point Property Owners Association, Inc., a non-profit corporation chartered in the State of Kentucky. The Association is entitled to carry on such business as is customary of such an Association and in such manner as prescribed by its Bylaws.

8.2 As a member of the Association, each Lot Owner agrees for himself or herself, and his or her heirs, successors and assigns, to pay to the Association any dues, assessments for maintenance charges and costs or fines (collectively, the "Dues") as may from time to time be levied by the Association for maintenance, repairs, improvements, insurance, license fees or for any other lawful purpose. The Dues shall run with the land. Any such Dues shall not apply to the Lots owned by the Developer.

8.3 Dues may be assessed annually and from time to time to meet the needs and commitments of the Association. Initially, the Dues shall be $200.00 per Lot per year for each Lot Owner. Dues shall be billed to Lot Owners on January 1 of each year, beginning in 2006, and shall be payable in full to the Association by January 31 of each year.

8.4 In the first-time purchases of Lots from the Developer, purchasers shall pay to the Association, at the closing of their purchase, a working capital deposit. This contribution to the Association's account will be $100.00 per Lot.

8.5 Notice of the amount of any Dues, other than those specified in Section 8.4 above as being due at closing, shall be given to the Lot Owner by first-class mail addressed to his or her last known address as it appears on the rolls of the Association.

8.6 Any Dues not paid on or before the due date established by the Association shall be considered as being in default and shall bear interest at the highest rate then permitted by law or such lesser rate as the Association may establish. Such interest and all costs incurred by the Association in connection with the collection of any such charges, including, without limitation, reasonable attorney fees, shall be collectible by the Association and shall constitute a continuing lien upon any Lot within the Development owned by the Lot Owner responsible therefor. The Association shall have the right to proceed at law or in equity to foreclose such lien. All such charges shall also be the personal obligation of the Lot Owner against whom they were assessed.

8.7 Each Lot Owner (and in this specific context a Lot Owner does not mean a lessee) shall have one vote in the voting affairs of the Association for each Lot owned. That is to mean "one Lot, one vote".

8.8 Upon the sale of his Lot to another party, the "seller" Lot Owner shall provide the Association with the name and mailing address of the "buyer" Lot Owner.

8.9 Each Lot Owner will have an undivided interest in the Common Lands equivalent to 1/Nth, where N equals the total number of Lots in the Development.

ARTICLE 9
ARCHITECTURAL REVIEW COMMITTEE

DEVELOPMENT/CONSTRUCTION

9.1 Site Development/Architectural Review Committee.

(a) An Architectural Review Committee (the "Committee") shall be established by the Association's Board of Directors and shall at all times consist of the Developer and no less than two nor more than four persons appointed by the Board, until such time as Developer elects not to serve, at which time the Board shall appoint that member of the Committee as well. All members appointed by the Board shall be Lot Owners. The Architectural Review Committee shall assist Lot Owners in complying with the development restrictions set forth in this document.

(b) Except as otherwise provided herein, a majority of the members of the Committee shall have the power to act on behalf of the Committee without the necessity of a meeting

and without the necessity of consulting the remaining members of the Committee. The Committee may act only by written instrument setting forth the action taken and signed by the members of the Committee consenting to such action, provided further, however, that the Developer's consent shall be required for all Committee action until such time as the Developer elects not to serve on the Committee.

(c) If the Committee shall cease to exist or for any reason shall fail to function, the Board of Directors of the Association shall serve as the Committee, and in the absence of such a Board, the Committee shall be selected by a majority of Lot Owners.

(d) The Committee shall have no affirmative obligation to be certain that all of the restrictions contained in this Declaration are fully complied with and no member of the Committee shall have any liability, responsibility, or obligation, whatsoever, for any decision or lack thereof, in the carrying out of duties as a member of such Committee. Such Committee and its members shall have only an advisory function, and the sole responsibility for compliance with all of the terms of this Declaration shall rest with the Lot Owner. Each Lot Owner agrees to save, defend, and hold harmless the Committee and each of its members on account of any activities of the Committee relating to such Lot Owner's Lot or improvements to be constructed on such Lot.

(e) The Committee, if it observes deviations from or lack of compliance with the provisions of this Declaration, shall report such deviations or lack of compliance to the Board of Directors of the Association for appropriate action.

9.2 Architectural Review Committee Approval.

(a) No Lot Owner shall construct, alter, or maintain any improvements on a Lot until all of the following have been completed:

1. The Lot Owner has submitted to the Committee four (4) complete sets of preliminary sketches showing floor plans, exterior elevations and an outline of specifications for materials and finishes;
2. The Committee has approved the preliminary sketches; and
3. Upon approval of preliminary sketches, the Lot Owner has submitted to the Committee four (4) copies of complete site plans and specifications therefore, in a form satisfactory to the Committee, showing insofar as is appropriate:
    i. The size, dimensions and style of the improvements, including, by way of illustration and not limitation, the dwelling, garage and outbuildings, if any;
    ii. The exterior design and building materials;
    iii. The exterior color scheme;
    iv. The approximate location of the improvements on the Lot, including, by way of illustration and not limitation, the dwelling, garage and outbuildings, if any;
    v. The approximate location of the driveways, parking areas and landscaping (including location and construction of all fences or

walls, recreational facilities, and utilities) and the types of materials to be used therefor; and

vi. The vegetation proposed to be removed or altered in order to accommodate construction, complete landscaping and enhance views.

4. Such plans and specifications have been approved in writing by the Committee.
5. An acknowledgment form is signed by both the Lot Owner and their contractor wherein each acknowledges that they have read and understand the provisions of the restrictions set forth in this Declaration.

(b) Approval for any plans that comply with the restrictions embodied in this Declaration will not be unreasonably withheld, however, approval of the preliminary sketches and detailed site plans and specifications described above may be withheld, not only because of the noncompliance with any of the restrictions and conditions contained herein (including the submission of an incomplete site plan), but also because of the reasonable dissatisfaction of the Committee as to the location of the structure on the Lot, color scheme, finish, design, proportions, shape, height, type or appropriateness of the proposed improvement or alteration, the materials used therein, the kind, shape or type of roof proposed to be placed thereon, or because of its reasonable dissatisfaction with any matters or things which, in the reasonable judgment of the Committee, would render the proposed improvement inharmonious or out of keeping with the objectives of the Developer or the improvements erected in the immediate vicinity of the Lot. The Committee may exercise reasonable discretion to grant a variance to the restrictions and conditions contained herein, when in the reasonable judgment of the Committee, the granting of a variance would not render the proposed improvement inharmonious or out of keeping with the objectives of the Developer or the improvements erected in the immediate vicinity of the Lot.

(c) Any building, structure or improvement, including subsequent alterations or modifications, shall be erected or constructed in substantial conformity with the site plans and specifications approved by the Committee.

(d) If at any time a Lot Owner shall have submitted to the Committee site plans and specifications in accordance with this section for a structure or alteration, and the Committee has neither approved such plans and specifications within fourteen (14) days from the date of submission nor notified the Lot Owner of its objection within such 14-day period, then such site plans and specifications shall be deemed to have been approved by the Committee, provided that the plans conform to, or are in harmony with, these restrictions, the applicable zoning ordinance or other governmental regulation, if any, and the existing structures in Sandstone Point, and further provided that no suit to enjoin the construction has been commenced prior to the completion of any improvements to the Lot.

In the event that a Lot Owner shall file revised site plans and specifications for a structure or alteration with the Committee after receiving objections from the Committee with

respect to original site plans and specifications, and the Committee has neither approved them nor notified the Lot Owner of further objections within fourteen (14) days from the date of submission, then such revised site plans and specifications shall be deemed to have been approved by the Committee. The date of submission is herein defined as the date upon which any member of the Committee has received said site plans and specifications.

ARTICLE 10
LANDSCAPING AND GRADE

10.1 Natural groundcover, wood chips or other natural plantings indigenous to wooded areas are encouraged.

10.2 Existing tress and natural cover (wildflowers, groundcover, shrubs, etc.) shall be preserved wherever possible and practical.

10.3 The grade of the Lots shall be maintained in harmony with the topography of the Development and with respect to adjoining Lots.

10.4 In the interest of preserving the existing condition of natural slopes, the Lot Owners shall maintain groundcover to prevent water and wind erosion on their Lot.

10.5 The location of all improvements shall be designed and located so as to be compatible with the natural surroundings and with the other Lots.

10.6 Silt fencing shall be installed in appropriate areas prior to site excavation, driveway construction, landscaping activity and where exposed soil may be subject to runoff and erosion. Said silt fences shall be maintained until the landscaping necessary to prevent erosion of soil is completed.

10.7 Lot Owners owning Lots along the land owned by the USACE shall not permit any runoff from their Lots to discharge directly onto USACE lands. All finish grading of the Lots shall as much as reasonably possible slope the grade away from USACE lands.

ARTICLE 11
EASEMENTS, RESERVATIONS AND DEDICATIONS

11.1 No Lot Owner shall be permitted to grant any right-of-way or easement across their Lot, except to another Lot Owner or to benefit a Lot governed hereby. Neither may a Lot Owner use all or any portion of his Lot to establish a road access to property not included in the Development.

11.2 Any type of permanent construction or improvement within designated easement areas, other than those provided for herein (and including the construction of driveways and placement of mailboxes), is prohibited.

11.3 Easements for installation and maintenance of utilities and drainage facilities are reserved 15 feet in width adjacent to all side lot lines and adjacent to the road right-of-way lines along any road in the Development.

11.4 The Developer hereby reserves all oil, gas and minerals in the Development and, except as otherwise provided herein, mineral exploration of any kind is expressly prohibited upon the surface of the Development. Exploration and removal of minerals is permitted by the Developer or its assigns or successors in title, but only if no surface activity or reduction of vertical support of the surface will occur.

11.5 The Developer hereby reserves the right to expand the Development to other contiguous lands it may own now or may acquire in the future and reserves unto itself the right to use roads, utilities, drainage structures, Common Lands and any other supporting improvement and infrastructure component of the Development in order to so expand the Development. Any expansion of the Development by Developer will be accomplished in conformance with this Declaration.

ARTICLE 12
RULES AND REGULATIONS

The Association may promulgate rules and regulations specifically authorized hereunder and such other rules and regulations as may be reasonably necessary or helpful to achieve the quality of living in the Development desired by the Association. All Lot Owners and their guests and invitees shall abide by such rules and regulations, and the Association may establish and levy fines for any failure to comply with the same.

ARTICLE 13
ASSIGNMENT OF RIGHTS

Except as specifically provided for elsewhere in this Declaration, all rights hereunder granted to Lot Owners shall not be further assignable except as an appurtenance to and in conjunction with the sale of their Lot.

ARTICLE 14
VIOLATION OF PROVISIONS

14.1 In the event that any Lot Owner violates the terms of this Declaration, the Developer or the Association, not earlier than thirty (30) days after it has delivered written notice to a Lot Owner of a violation of one or more of the provisions hereof, may enter upon the

violating Lot Owner's Lot and correct the violation and alter, repair or change any building, structure or thing which may be upon the Lot in violation thereof, so as to make such improvement or thing conform to such provisions.

14.2 The Developer or the Association may charge the Lot Owner in violation for the entire cost of the work done pursuant to the provisions of this Section, which shall become a lien against the Lot Owner's Lot.

ARTICLE 15
ENFORCEMENT

15.1 In addition to any rights set forth in Article 12 for a violation or breach of any of the provisions hereof, the Developer, the Association, any Lot Owner(s) or any municipal governing authority shall have the right to proceed at law or in equity to prevent the violation or breach of the provisions of this Declaration or to recover damages for such violation and to foreclose any lien granted hereunder.

15.2 In any action or suit to enforce the provisions hereof, the prevailing party shall be entitled to recover its reasonable attorney fees and other legal costs.

ARTICLE 16
DURATION AND EFFECT

The provisions hereof shall run with the Development and shall be binding upon all Lot Owners and all persons claiming under them for a period of forty (40) years from the date this Declaration is recorded, after which time said Declaration shall be automatically extended for successive periods of ten (10) years each, unless an instrument, signed by the requisite number of Lot Owners set forth in Article 17 hereof, has been recorded agreeing to cancel, amend or change, in whole or in part, this Declaration.

ARTICLE 17
AMENDMENT

17.1 The Developer, so long as it owns any Lot in the Development, hereby reserves the right to amend these covenants and restrictions without the consent of the Lot Owners for any purpose, if the amendment does not materially alter or change the rights of a Lot Owner.

17.2 These restrictions may be rescinded or amended, in whole or in part, by an appropriate recorded written instrument executed and acknowledged by not less than three-fourths (3/4) of the Lot Owners; provided, however, that any such recission or amendment must be acknowledged by all of the Lot Owners if:

(a) it changes the single-family nature of the Development; or

(b) it expands the rights of a Lot Owner to subdivide a Lot or to place more than one house on a Lot.

17.3 Any amendments shall become effective ten (10) days after a notice of adoption of the amendment, together with a copy of the recorded amendment, are mailed to all Lot Owners. Notwithstanding the foregoing provisions of this Section, certain rights reserved by the Developer herein shall not be terminated by any amendment without the consent of the Developer.

ARTICLE 18
SEVERABILITY

18.1 The invalidation of any one or more of the reservations and restrictions provided herein, by judgment or court order, or the amendment of any one or more of the restrictions as herein above provided, shall in no way affect any of the other provisions herein, which shall remain in full force and effect.

18.2 In the event that there exist now or in the future regulations, federal, State, local or otherwise, that are more restrictive than those contained herein, the more restrictive regulation shall apply.

18.3 In the event this Declaration conflicts with the terms of the Articles of Incorporation or Bylaws of the Association, the terms of this Declaration shall control.

IN WITNESS WHEREOF, the Developer has caused this instrument to be executed this 2nd day of June, 2005.

McKEOUGH LAND COMPANY, INC.

By: _____
Patrick C. Regan
Vice President

STATE OF MICHIGAN)
) ss.
COUNTY OF OTTAWA)

Personally came before me this 2nd day of June, 2005, the above named Patrick C. Regan, to me known to be the person who executed the foregoing instrument and acknowledged the same in the capacity indicated.

ANNE C. BUTLER
Notary Public - Michigan
Ottawa County
My Commission Expires: 09-07-05

_____
Notary Public, State of Michigan
My commission expires: 9-7-05

RETURN TO:
Patrick C. Regan
McKeough Land Company, Inc.
208 Franklin Street
Grand Haven, MI 49417