

L E A S E

THIS INDENTURE OF LEASE is made this 1st day of July, 1984, between COLONIAL - HUNT CLUB LAND COMPANY, a Michigan co-partnership, the address of which is 61725 Eleven Mile Road, South Lyon, Michigan 48178, hereinafter referred to as the LANDLORD; and COLONIAL ACRES COOPERATIVE PHASE V, INC., a Michigan non-profit corporation, of 61725 Eleven Mile Road, South Lyon, Michigan 48178, hereinafter referred to as the TENANT.

W I T N E S S E T H:

That the LANDLORD for and in consideration of the rents, covenants and agreements hereinafter reserved, mentioned and contained on the part of the TENANT, its successors, and assigns, to be paid, kept and performed, by these presents does demise and lease unto the TENANT, and TENANT does hereby take and hire upon and, subject to the conditions hereinafter expressed, undertake as TENANT to lease the real property located in the City of South Lyon, County of Oakland and State of Michigan which is described on Schedule "A" attached hereto, (the "Leased Premises"), excepting therefrom any and all buildings and appurtenances thereto, and any articles necessary to the complete and comfortable use and occupancy of such buildings, whether above or below the ground, all of which shall remain personal property.

The Leased Premises shall be held by TENANT subject to all lawful building and zoning restrictions, regulations, resolutions and ordinances and to easements created or to be created in favor of governmental authorities, public utility companies and any easements of record of any type.

ARTICLE I

TERM - RENTAL

Section 1. The lease term shall commence on the 1st day of July, 1984 and end on the 30th day of June, 2083 unless this Lease shall be sooner terminated as hereinafter provided, the TENANT yielding and paying therefor during such term a net basic rental and the additional rental to be paid by the TENANT or any Member of the TENANT as hereinafter provided.

Whenever the term "Member" is used in this Lease, such term means those persons described as such in the Articles of Incorporation of TENANT. In all cases, the term shall refer also to the heirs, personal representatives or assigns of any such persons.

Whenever Certificate of Membership or any similar term is used it shall include, (a) Certificate of Membership and Occupancy and (b) Installment Purchase Contract of Certificate of Membership and Occupancy as those terms are used in the Articles of Incorporation of the TENANT.

Section 2(A). TENANT covenants and agrees to pay to the LANDLORD as net basic rental for the Leased Premises the sum of Sixty dollars (\$60.00) per month for each dwelling unit constructed by TENANT on the Leased Premises as adjusted below and at the time and for the period hereinafter provided. Said rental shall be first payable in advance upon the issuance of a Certificate of Membership to a Member by the TENANT and shall thereafter be payable in advance on the first day of each and every month until the termination of this Lease.

(B). Should the above-stated ground rent per dwelling unit be declared invalid or void by any court of competent jurisdiction or any board or other governmental body having jurisdiction of the matter, then upon such judgment or decision becoming final, rent measured by the sums described in Section 2(A), above, and as adjusted under Section 2(C), below shall be payable by TENANT to LANDLORD. Such rent, if effective, shall be payable from the date of the issuance of the first Certificate of Membership in each stage or the date of the invalidity of the ground rent stated in A., whichever occurs later and shall be compensation to LANDLORD for the continuation of this Lease with respect to all recreational facilities, undedicated streets, walkways, pathways, parkways, utilities, underground facilities of every type and any and all other common areas of the Leased Premises, or of premises, the use of which TENANT is entitled to under this Lease.

(C). Commencing with the fourth year of the term of this Lease, and at the beginning of each third year thereafter (seventh, tenth, etc.) the basic rental to be paid by TENANT to LANDLORD shall be adjusted as herein stated and be effective for a three (3) year period. The rent for such periods shall be determined by multiplying the rental set forth in (A) above, (or (B) if applicable) by a fraction, the numerator of which is the Index Number at the beginning of the third month preceding the first day of the lease year of adjustment and the denominator of which is the Index Number at April 1, 1984; provided, however,

that in no event shall the basic rental be adjusted below the basic rental set forth in (A) above, (or (B) if applicable). The "Index Number" to be used herein is the index of retail consumer prices designated "CONSUMERS PRICE INDEX - ALL ITEMS (1967=100)" (Detroit area) prepared by the Bureau of Labor Statistics of the U.S. Department of Labor, or its successor index or if neither that index nor its successors are then in existence, an index similar thereto. Any publication by any agency of the U.S. Government in which such Index Number is published shall be admissible in evidence in any proceeding involving this Lease without further proof of authenticity.

D. Nothing herein contained shall be construed to declare this as a month-to-month or year-to-year lease; it is agreed between the parties hereto that this Lease shall be construed as a long-term lease for the period of NINETY-NINE (99) YEARS.

(E). The foregoing installments of rental shall be payable by the TENANT to the LANDLORD at such place as the LANDLORD may from time to time designate.

(F). The TENANT covenants to pay or cause to be paid the basic rental herein and all other sums which under any provisions of this Lease may become additional rent hereunder at the time and in the manner in this Lease provided, without notice or demand and without deduction or set-off of any amount for any reason whatsoever except as may be otherwise herein specifically provided.

## ARTICLE II

### USE OF PREMISES

Section 1. The TENANT shall have the right to use and occupy the Leased Premises for all lawful residential purposes, and TENANT agrees to comply with all lawful governmental requirements in connection with such use and occupancy.

Section 2. The Leased Premises are adjacent to lands comprising in all approximately fifty-two (52) acres which are under a long-term lease to four corporations designated as Colonial Acres Cooperative Phase I, II, etc. TENANT is not required to provide access to its recreational facilities and the like for the members of such corporations, but shall make a good faith effort to negotiate agreements with such corporations for the mutual use of all other common areas of the properties leased by the TENANT and such other corporations for the mutual benefit of TENANT'S Members and those of the other corporations.

Section 3. This Lease is or shall become subject to a first mortgage upon the lands herein described obtained by the LANDLORD alone or with others for the construction of improvements to be conveyed to the TENANT subject to such mortgage; and it is expressly understood and agreed that the use and enjoyment of the Leased Premises is subject to the faithful performance of all of the terms and conditions of said mortgage including the payment thereof as such payments mature.

Section 4. TENANT covenants that it will not demolish improvements to the demised premises, in whole or in part, unless such demolition is done for the purpose of, or as an incident to the erection of any improvements or the repair or replacement of the existing improvements and then only subject to the following conditions:

- (a) If there is a mortgage or other similar security interest on the Leased Premises, such demolition, major alterations or additions may be made only with the written consent of the mortgagee or other security holder;
- (b) If there is outstanding any installment purchase contract of a Certificate of Membership between any Member and the developer, then such action shall be taken with the written consent of the developer;
- (c) In any event, the annual rental shall not be abated, changed or reduced by any such action on the part of the TENANT.

TENANT, as such, may make such improvements or repairs to the buildings upon the Leased Premises as are approved by its Board of Directors. Members of TENANT, however, may make no exterior changes to their dwelling units. Interior changes to dwelling units may only be made under procedures established by TENANT in its Articles of Incorporation.

Section 5. TENANT covenants that it will permit, commit, or suffer no waste, impairment or deterioration of the Leased Premises, or the improvements thereon, or any part thereof.

Section 6. The LANDLORD and the TENANT agree that if any governmental or any other public authority shall require the execution and delivery of any instrument of right of way or easements for public utilities, or applications for permits, licenses or other authorization, both LANDLORD and TENANT will

execute, acknowledge and deliver any such instruments or documents, or execute any such applications as may be required without payment being demanded of either party to this Agreement by the other party to this Agreement. Provided, however, that if either LANDLORD or TENANT desires to contest such taking by eminent domain or such other requested or required action, then the other party shall lend such cooperation as may reasonably be requested; the cost of such actions shall be borne by the contesting party unless an award or other compensation is received by the non-contesting party, in which case the costs shall be divided in proportion to the award received by each.

Section 7. It is understood that TENANT is to be the owner, by Bill of Sale, as chattels and not as realty, of all improvements to be made to the Leased Premises by the developer. TENANT agrees at all times to properly maintain, replace and repair said chattels during and throughout the term of this Lease.

It is further understood that TENANT'S rights in the Leased Premises extend to whatever rights may be necessary to further the lawful residential use of the premises as stated in Article II, Section 1 of this Lease. All other rights, such as mineral rights, and other subsurface rights not related to such residential use are retained by LANDLORD.

Section 8. When used in this Article or otherwise throughout this Lease, the term "developer" means the person or entity with which TENANT contracts to construct the dwelling units to be occupied by the TENANT'S Members.

### ARTICLE III

#### PAYMENT OF TAXES, ASSESSMENTS, ETC.

Section 1. The TENANT covenants and agrees to pay, or cause to be paid, as additional rent, before any fine, penalty, interest or cost may be added thereto, all franchise taxes of the TENANT, all real estate taxes, assessments and other governmental charges, general and special, ordinary and extraordinary, unforeseen as well as foreseen, of any kind or nature whatsoever, including, but not limited to, assessments for public improvements or benefits which are assessed, levied, imposed or become a lien upon the Leased Premises or improvements thereon or become payable during the term of this Lease; provided, however, that if, by law, any such taxes, assessments, or other charges above provided are payable, or may at the option of the taxpayer be paid in installments, whether or not interest shall accrue on the unpaid balance of such taxes, assessments or other charges, the

TENANT may pay the same in installments as the same become due, and before any fine, penalty, or cost may be added thereto for the non-payment of any such installment and interest.

Section 2. Nothing in this Lease shall require the TENANT to pay any franchise, estate, inheritance, succession, capital levy or transfer tax of the LANDLORD, or any income or any revenue tax, or any other tax, assessment, charge or levy upon the basic rent payable by the TENANT under this Lease. If the TENANT for any reason is required by law to pay any of the same, the LANDLORD shall reimburse the TENANT. The Single Business Tax imposed by the State of Michigan shall be deemed to be an income tax upon LANDLORD. Any tax in lieu of property taxes in whole or in part, which is measured by gross rents, however, shall be paid by TENANT.

Section 3. The TENANT covenants to furnish, or cause to be furnished to the LANDLORD, within THIRTY (30) DAYS after the date whenever any tax, assessment or other charge as above referred to in this Article shall become due and payable, official receipts of the appropriate taxing authority, or other proof satisfactory to the LANDLORD, evidencing the payment thereof.

Section 4. It is understood and agreed that there is or may be an underlying first mortgage in which the LANDLORD is named as a mortgagor, and the TENANT shall not be liable directly under this Lease for the payment of any installment mortgage payment, charge, penalty or interest, (although as security for the mortgagee the improvements to be conveyed to TENANT by the developer may be conveyed subject to such mortgage); and TENANT shall, upon demand, be entitled at any time to proof of the current payment by the LANDLORD to the mortgagee and the current status of such mortgage account. This Lease, however, is expressly subordinate to such mortgage. In the event TENANT determines that LANDLORD is in default under said mortgage, and so long as said default shall last, TENANT shall have the right to pay to the mortgagee any amount then due and to reduce the basic rental payable to LANDLORD by such amount; and if the payment made to the mortgagee exceeds the basic rental then due to LANDLORD, such excess shall be used to reduce succeeding monthly rentals in order of time.

Section 5. The TENANT shall have the right to contest the amount and/or the validity of any tax assessment or charge referred to in this Article by appropriate legal proceedings, on condition, however, that such legal proceedings shall not operate

to prevent the collection of the tax, assessment or charges and shall not cause the sale of the Leased Premises or any part thereof to satisfy the same.

Section 6. The LANDLORD agrees to join in any such proceeding, if such joinder is required, to legally prosecute the contesting of the validity of such tax assessment or other governmental charges referred to in this Article; provided, however, that the LANDLORD shall not thereby be subjected to any liability for the payment of any cost or expenses in connection with any proceeding brought by the TENANT; and TENANT covenants to indemnify and save harmless the LANDLORD from any such costs or expenses, including solely by way of illustration, reasonable attorney fees.

#### ARTICLE IV

##### INSURANCE

Section 1. The TENANT shall, at the TENANT'S sole cost and expense at all times during the terms of this Lease, keep all buildings and improvements and improvements now existing or hereafter erected upon the Leased Premises and all equipment, fixtures, motors and machinery thereon, and all additions thereto and replacements thereof, insured against loss, damage and destruction by fire and such other hazards as are covered by and protected against under policies of insurance, commonly referred to and known as "fire and extended coverage insurance", said insurance to be in an amount not less than ONE HUNDRED (100%) PERCENT of the replacement cost of the insurable buildings, improvements and equipment. Such insurance policies shall be written for the benefit of the LANDLORD and the TENANT, and the proceeds thereof, in the event of a loss, shall be applied to the repair and restoration of such damage to the extent such proceeds are available; but if there is any excess of such proceeds over the cost of the full repair and restoration of the damage, such excess shall be retained by the TENANT. Public liability and property damage insurance (including any amounts provided by so-call "umbrella" coverage), insuring both LANDLORD and TENANT in amounts not less than ONE MILLION THREE HUNDRED THOUSAND and 00/100 (\$1,300,000.00) DOLLARS per person or ONE MILLION FIVE HUNDRED THOUSAND and 00/100 (\$1,500,000.00) DOLLARS per loss and ONE MILLION ONE HUNDRED THOUSAND and 00/100 (\$1,100,000.00) DOLLARS property damage shall likewise be maintained at TENANT'S expense during the entire term of this Lease.

It shall not be required of the TENANT to supply policies of insurance on interiors, furnishings and amenities (e.g., patios) of individual dwelling units, this being the specific obligation of each Member of TENANT except that the loss of such contents shall be insured by TENANT in the event of loss arising from the negligence of TENANT, its employees or agents.

Section 2. The TENANT further covenants and agrees, that no loss or damage by fire or casualty, of or to any building or buildings at any time of the Leased Premises, shall operate to terminate this Lease or to relieve or discharge the TENANT from the payment of taxes and basic rent and any monies to be treated as rent hereunder, as the same become due and payable as hereinafter provided, or from the performance and the fulfillment of any of the TENANT'S obligations and undertakings herein. Rentals shall be payable on each and every dwelling unit during disuse, demolition, refurbishing or reconstruction.

#### ARTICLE V

##### LANDLORD'S RIGHT TO PERFORM TENANT'S COVENANTS

If at any time TENANT fails, neglects, or refuses to pay or cause to be paid any of its obligations hereunder, LANDLORD may pay the amount due and charge the TENANT therefor, together with interest at the then prime rate of interest at Comerica Bank - Detroit, or its successor, plus four percent per annum, computed from the date of such payment by LANDLORD. If neither that bank nor its successor is then in existence, then the interest rate shall be four percent per annum over the prime rate then charged by the bank headquartered in Detroit with the largest amount of assets. Such amounts (actual charge plus interest) shall be deemed additional rent for all purposes hereunder and shall be payable upon the next day rent is due hereunder; and TENANT agrees to pay such amounts; and failure to do so shall give to LANDLORD the same rights it would have for non-payment of the basic rental hereunder.

#### ARTICLE VI

##### COMPLIANCE WITH LAWS, ETC.

TENANT shall, at its own expense, promptly comply with all lawful statutes, ordinances, regulations, rules and other requirements of all governmental authorities.

## ARTICLE VII

### MECHANICS' LIENS

The TENANT shall not suffer or permit any mechanics' liens to be filed against the fee of the Leased Premises, nor against the TENANT'S leasehold interest in the said premises, by reason of work, labor, services or materials supplied, or claimed to have been supplied, to the TENANT, or anyone holding the Leased Premises or any part thereof through or under the TENANT; and nothing in this Lease contained shall be deemed or construed in any way as constituting the consent or request of the LANDLORD expressed or implied, by inference or otherwise, to any contractor, sub-contractor, laborer or materialman for the performance of any labor or the furnishing of any materials for any specific improvements, alteration or repair of, or to, the Leased Premises, or any part thereof, nor as giving the TENANT any right, power or authority to contract for, or permit the rendering of, any services or the furnishing of any materials that would give rise to the filing of any mechanics' lien against the fee of the Leased Premises. The LANDLORD shall have the right at all reasonable times to post and keep posted on the Leased Premises any notices that may be provided by law which LANDLORD may deem to be necessary for the protection of the LANDLORD and the Leased Premises from mechanics' liens. If any such mechanics' lien is at any time filed against the Leased Premises, the TENANT covenants that it will promptly take and diligently prosecute appropriate action to have the same discharged; and, upon its failure to so do, the LANDLORD, in addition to any other right or remedy that it might have, may take such action as may be reasonably necessary to protect its interest; and, any amount paid by the LANDLORD in connection with such action, and all reasonable legal and other expenses of the LANDLORD in connection therewith, including reasonable counsel fees, court costs and other necessary disbursements, shall be repaid by the TENANT to the LANDLORD on demand, together with interest thereon at the then prime rate of interest at Comerica Bank - Detroit (or such other bank as is described in Article V), as the case may be, plus four percent per annum, computed from the date of payment by the LANDLORD.

## ARTICLE VIII

### ASSIGNMENT AND SUBLETTING

Section 1. This Lease is not assignable by the TENANT without the prior written consent of the LANDLORD. Among other instances in which such consent will generally be given are those

in which the TENANT delivers to LANDLORD a recordable instrument under the terms of which the assignee assumes all of the burdens, terms, covenants, conditions and obligations of the TENANT hereunder and the assignee is able to demonstrate to the satisfaction of the LANDLORD its financial ability to perform all such burdens, terms, covenants, conditions and obligations.

Section 2. This Lease shall be assignable at all times by the LANDLORD. Notwithstanding such assignment by LANDLORD, TENANT shall not be required to make any payments other than those required under this Lease.

Section 3. Nothing in this Article contained shall prevent the TENANT (a) from leasing, upon such terms and conditions as the TENANT in its uncontrolled discretion shall deem appropriate and advisable, any dwelling units or other improvements and appurtenances of the premises; (b) from mortgaging its leasehold interest in the Leased Premises to secure some actual indebtedness; but nothing herein contained shall be construed to grant to the TENANT the right to mortgage or otherwise encumber the fee of the premises herein described; and no assignment of this Lease may be made to secure any such mortgage unless the LANDLORD first approves in writing such mortgage and assignment.

#### ARTICLE IX

##### EMINENT DOMAIN

If, during the term of this Lease, the whole or any part of the Leased Premises is taken through the exercise of the power of eminent domain, the interests of the LANDLORD and any TENANT shall be dealt with according to law, but in no event shall such partial taking be deemed to negate, impair or invalidate the terms and conditions of this Lease. Should the whole or any part of any building be taken under power of eminent domain by any governmental authority, LANDLORD, TENANT, and the occupants of the individual dwelling units taken shall be entitled to an allocation of the award given in accordance with the respective showing of damages by them. In such event, however, TENANT shall remain responsible under this Lease for the balance of the term thereof, but the rent shall be reduced pro rata according to the units taken.

ARTICLE X

VEHICLES AND PETS

(a) No recreational or commercial vehicles shall be parked on the Leased Premises, except that:

(1) such vehicles may be on the Leased Premises for the purpose of loading and unloading such vehicles if such use does not exceed twenty-four hours within any seven day period;

(2) vans (up to 3/4 ton), pickup trucks (up to 3/4 ton) and jeep-type vehicles may be parked on the Leased Premises if:

a) the vehicle is titled in the name of a Member of TENANT or one of his or her family members as defined in TENANT'S Articles of Incorporation; and

b) the vehicle is not a commercial vehicle (as defined herein) or does not have the appearance of a commercial vehicle (e.g., snow plowing attachments, pipe racks, tool boxes and the like).

For this purpose, recreational vehicles are such types of vehicles, as trailers, motor homes, boats, snowmobiles, motor-cycles or motor bikes, vans, jeep-type vehicles and similar vehicles. "Commercial" vehicles are vehicles regularly used in a trade or business other than a standard passenger vehicle. The use of signs or lettering describing trade or business activity shall be conclusive evidence that such vehicle is a "commercial" vehicle for purposes of this provision.

(b) The Board of Directors shall prescribe rules and regulations regarding the ownership of household pets by Members. A Member may permit no more than one dog, cat or bird to live in his dwelling unit. The member owning a pet shall not permit such animal to be outside of the dwelling unit except on a leash, and a pet shall not be permitted to live outside of a dwelling unit. The Member in whose dwelling unit resides a pet shall be responsible for maintaining the premises of TENANT (including his/her dwelling unit) in a safe and sanitary manner, whether such Member is the owner of the pet or not.

(c) Failure of TENANT to observe the above requirements shall be a breach of this Lease and shall be grounds for a declaration of termination by LANDLORD and a re-entry and taking of possession by LANDLORD.

#### ARTICLE XI

##### DEFAULT PROVISIONS - LIMITATION OF TENANT'S LIABILITY - CONDITIONAL LIMITATIONS

Section 1. If, during the term of this Lease, the TENANT defaults in the payment of the basic rental or any taxes, special assessments or other charges of any type or description imposed by or under the terms of this Lease, LANDLORD shall follow this procedure in protecting its interests:

- (a) The LANDLORD shall forthwith notify the TENANT of such default which shall be remedied in full within a period of thirty (30) days;
- (b) During such period LANDLORD shall notify each Member of TENANT of its intention to terminate the Lease giving the reasons for default;
- (c) At the end of said thirty (30) day period and following notification to each Member, LANDLORD may declare this Lease terminated and proceed by any and all legal remedies including but not limited to Summary Proceedings to terminate this Lease entirely; and to re-enter the premises and retake possession thereof.
- (d) Any such termination of this Lease shall forthwith terminate the right of each Member of TENANT to occupy the dwelling unit incident to his Certificate of Membership.
- (e) Any such termination shall not have the effect of relieving TENANT herein of any past due rentals nor of any rentals provided herein unless and until a successor tenant shall have been obtained at rentals not less than those provided for herein.

Section 2. It is contemplated that TENANT may, during the operation of this Lease, obtain funds by mortgage upon its Leasehold interest only, but without, in any manner, charging or encumbering the fee to said land or the interests of any mortgagor of the land under a mortgage given by the LANDLORD herein, its successors or assigns.

In view of the possibility of such secured financing by the TENANT herein, the LANDLORD agrees as follows:

- (a) That notice of any default by the TENANT will be forthwith provided to such mortgagee of the TENANT, provided that notice of any such mortgage has been furnished the LANDLORD by written communication directed to LANDLORD'S then principal business address;
- (b) Such mortgagee, upon the payment of all sums then in default, may exercise any and all rights of the TENANT; provided, however, that such mortgagee shall promptly meet all financial obligations of whatever nature to LANDLORD during the exercise of its right to act as substitute TENANT;
- (c) Such mortgagee, during the period of its preemption of the rights and obligations of TENANT herein, shall be given credit for any basic rental, taxes or other charges collected during such period by the LANDLORD from Members and which would otherwise be collected by TENANT for transmittal to LANDLORD;
- (d) Should any such mortgagee foreclose its mortgage upon the leasehold by the judgment of any court of competent jurisdiction, or otherwise, it shall have the right, while not in default to the LANDLORD, to succeed to the interest of the TENANT in this Lease directly or through any nominee of such mortgagee upon a reasonable showing to the LANDLORD of the financial capabilities either of the mortgagee or its nominee to perform the obligations of the TENANT herein without limitation.

Section 3. TENANT agrees to remedy any default to the LANDLORD by the invasion of and payment from the accumulated total of maintenance deposits of Members of the TENANT to the point of complete exhaustion of such fund or funds.

Section 4. When it appears that the maintenance deposits are to be exhausted, it shall be the obligation of the TENANT, by special assessment against its Members without limitations as to amount, to raise sums sufficient to discharge entirely any financial obligations of whatever kind or nature that TENANT may have to the LANDLORD.

Section 5. Any default of any kind or nature by the TENANT to LANDLORD shall bear interest at the rate described in Article V and in addition thereto the TENANT, or in appropriate cases, the mortgagee of the TENANT shall be obliged to pay any and all reasonable legal expenses incurred by the LANDLORD in an effort to cure such default or defaults under the terms of this Lease.

Section 6. If it becomes necessary for the LANDLORD or for any mortgagee of the TENANT to resort to any remedies provided by law against TENANT, or any Member of such TENANT, every reasonable effort will be made to preserve the right of Members not in default by the obtaining of a successor TENANT or a successor member as the case may be.

## ARTICLE XII

### INVALIDITY OF PARTICULAR PROVISIONS

If any term or provision of this Lease or the application thereof to any person or circumstances shall to any extent be invalid or unenforceable, the remainder of this Lease, or the application of such term or provision to persons or circumstances other than those as to which it is invalid or unenforceable shall not be affected thereby, and each such valid term and provision of this Lease may be enforced to the fullest extent permitted by law.

## ARTICLE XIII

### NOTICES

All notices, demands and requests which may be or are required to be given by either party to the other party shall be in writing. All notices, demands and requests by either party to the other party may be sent by United States Certified Mail, return receipt requested, postage prepaid, addressed to the other party at such place as such other party from time to time designates, or by receipted delivery in person.

## ARTICLE XIV

### SURRENDER OF PREMISES

The TENANT shall upon termination of this Lease for any reason whatsoever surrender to the LANDLORD all improvements, buildings, fixtures and building equipment, motors and machinery upon the Leased Premises, including all appliances conveyed by

the developer to the TENANT or to each Member, together with all alterations and replacements thereof, in good order, condition and repair except for reasonable wear and tear.

#### ARTICLE XV

##### QUIET ENJOYMENT

The LANDLORD covenants and agrees that during the term of this Lease, the TENANT, upon paying the basic rental and all other charges herein provided for and observing and keeping the covenants, agreements and conditions of this Lease on its part to be kept, shall lawfully and quietly hold, occupy and enjoy said Leased Premises without hindrance or molestation of the LANDLORD, or any person or persons claiming under the LANDLORD except as otherwise in this Lease specifically provided.

#### ARTICLE XVI

##### ESTOPPEL CERTIFICATE BY TENANT AND LANDLORD

The TENANT agrees at any time and from time to time upon not less than twenty (20) days prior written request by the LANDLORD to execute, acknowledge and deliver to the LANDLORD, and the LANDLORD agrees at any time and from time to time upon not less than twenty (20) days prior written request by the TENANT, or any mortgagee of either of them, to execute, acknowledge and deliver to the LANDLORD or TENANT, or such mortgagee, as the case may be, a statement in writing certifying that this Lease is unmodified and in full force and effect (or if there have been modifications that the same is in full force and effect as modified and stating the modifications), and the dates to which the basic rental and other charges have been paid, if any, and whether or not there is any existing default by the TENANT or notice of default served by the LANDLORD, it being intended that any such statement delivered pursuant to this Article may be relied upon by any prospective purchaser of the fee or leasehold or by any mortgagee or assigns of any mortgagee.

#### ARTICLE XVII

##### CUMULATIVE REMEDIES - NO WAIVER - NO ORAL CHANGE

Section 1. The specified remedies to which the LANDLORD may be entitled under the terms of this Lease are cumulative and are not intended to be exclusive of any other remedies or means of redress to which the LANDLORD may be lawfully entitled in case of any breach or threatened breach by the TENANT of any provisions

of this Lease. The failure of the LANDLORD to insist in any one or more cases upon the strict performance of any of the terms, covenants or conditions of this Lease or to exercise any option herein contained shall not be construed as a waiver or a relinquishment for the future of such terms, covenants, conditions or options. A receipt by the LANDLORD of rent with knowledge of the breach of any term, covenant or conditions hereof shall not be deemed a waiver of such breach, and no waiver by the LANDLORD of any provision of this Lease shall be deemed to have been made unless expressed in writing and signed by the LANDLORD. In addition to the other remedies in this Lease provided, the LANDLORD shall be entitled to the restraint by injunction of the violation, or attempted or threatened violation, of any of the terms, covenants, conditions or provisions of this Lease.

Section 2. This Lease cannot be amended or rescinded orally.

### ARTICLE XVIII

#### MISCELLANEOUS PROVISIONS

Section 1. It is the intention of the parties that the LANDLORD shall receive the rents, additional rents, and all sums payable by the TENANT under this Lease free of all taxes, expenses, charges, damages, and deductions of any nature whatsoever, except as specifically provided, and the TENANT covenants and agrees to pay all sums which except for this Lease would have been chargeable against the Leased Premises and payable by the LANDLORD. The TENANT shall, however, be under no obligation to pay interest on any indebtedness incurred to purchase the fee of the Leased Premises except as such amount is reflected in the rentals charged hereunder. The intent expressed hereunder shall govern throughout the life of this Lease, notwithstanding the declaration herein of specific obligations of the TENANT.

Section 2. The TENANT agrees that except as provided in Article XI, Section 2, if the estate created hereby shall be taken in execution, or by other process of law, or if the TENANT shall be declared bankrupt or insolvent, according to law, or any receiver be appointed for the business and property of the TENANT, or if any assignment shall be made of the TENANT'S property for the benefit of creditors, then and in such event this Lease may be cancelled at the option of the LANDLORD.

Section 3. The LANDLORD reserves the right to subject and subordinate this Lease at all times to the lien of any mortgage or mortgages whether real property or chattel, or any other type

of security interests without respect to the designation thereof and the manner of perfecting such encumbrance. This right shall extend to include a mortgage or security interest in or with respect to all or any part of such Leased Premises, and the TENANT covenants and agrees to execute and deliver upon demand such further instrument or instruments subordinating this Lease to the lien of such mortgage or mortgages or security interest or security interests as shall be desired by the LANDLORD and any secured parties and hereby irrevocably appoints the LANDLORD the attorney-in-fact of the TENANT to execute and deliver any such instrument or instruments for and in the name of the TENANT.

Section 4. It is hereby agreed that in the event of the TENANT herein holding over after the termination of this Lease, thereafter the tenancy shall be from year to year in the absence of a written agreement to the contrary, but, except as to the term of this Lease, all provisions of this Lease shall govern during such holdover periods.

Section 5. In case any basic rental or additional rent shall be due and unpaid or if default be made in any of the covenants herein contained, or if the Leased Premises are deserted, abandoned or vacated, then it shall be lawful for the LANDLORD, its certain attorney, successor, representatives and assigns to reenter into and repossess the said Leased Premises and the TENANT and/or each Member to remove and put out.

Section 6. Any disagreement between the parties with respect to the interpretation or application of this Lease or the obligations of the parties hereunder shall be resolved by arbitration. Such arbitration shall be conducted upon request of the LANDLORD or the TENANT before an arbitrator designated by the American Arbitration Association, or its successor, and in accordance with the rules of such Association, or its successor. The arbitrator designated and acting under this Lease shall make his award in strict conformity with such rules and shall have no power to depart from or change any of the provisions thereof. The expense of arbitration proceedings conducted hereunder shall be borne equally by the parties. All arbitration proceedings hereunder shall be conducted in Oakland, Livingston or Wayne County, Michigan.

## ARTICLE XIX

### DEFINITION OF CERTAIN TERMS, ETC.

Section 1. Whenever in this Lease the term "the building on the Leased Premises" or words of similar import appear, they shall be construed to mean the entire structure or structures on the Leased Premises, unless a more explicit meaning is clearly set forth.

Section 2. The captions of this Lease are for convenience and reference only and in no way define, limit or describe the scope or intent of this Lease nor in any way affect this Lease.

Section 3. Whenever in this Lease the term "mortgage" is used it shall be construed to include such terms as "deed of trust", "mortgage deed", "security interest", or such classes of instruments as are commonly given to secure advances on, or the unpaid purchase price of, real estate and leasehold estates, and/or the credit instruments secured thereby, under the laws of the State of Michigan.

## ARTICLE XX

### TENANT'S INDEBTEDNESS

It is anticipated that TENANT will be incurring or assuming indebtedness in connection with the conveyance to it of improvements to the Leased Premises. In order to secure the lender of such funds, it may be necessary for LANDLORD to mortgage its fee interest. LANDLORD agrees to do so, but only on the condition that the cash proceeds from the issuance of Certificates of Membership be used to reduce such mortgage indebtedness pro rata, according to the relationship of such indebtedness to the sales price of the dwelling units securing such indebtedness, that LANDLORD be given an interest in any installment purchase contracts for Certificates of Membership, and that as such contracts are paid the indebtedness is further reduced until all Certificates of Membership are fully paid, at which time LANDLORD will be entitled to a discharge of such mortgage.

## ARTICLE XXI

### STAGING

It is anticipated that development of the Leased Premises will occur in stages. Unless otherwise specifically provided herein, the rights and duties of LANDLORD and TENANT hereunder

shall become effective as each such stage is begun as well as to the Leased Premises as a whole. In light of such staging, in the event LANDLORD or the developer so desire, in the sole discretion of either of them, the premises leased hereunder shall be reduced in area such that the then Leased Premises shall consist of the developed portion of the premises together with any portion of such premises on which development is not insubstantial.

ARTICLE XXII

BINDING EFFECT

It is further covenanted and agreed by and between the parties hereto that the covenants and agreements herein contained shall bind and inure to the benefit of the LANDLORD, its successors and assigns, and the TENANT, its successors and assigns.

IN WITNESS WHEREOF, the parties hereto have duly signed this instrument this 1st day of July, 1984.

Signed, sealed and delivered  
in the presence of:

COLONIAL-HUNT CLUB LAND COMPANY,  
a Michigan co-partnership

Lucille Ireland  
Lucille Ireland

By: James W. Pelky  
JAMES W. PELKY, General Partner

David W. Miller  
David W. Miller

COLONIAL ACRES COOPERATIVE  
PHASE V, INC., a Michigan  
non-profit corporation

Lucille Ireland  
Lucille Ireland

By: James W. Pelky  
JAMES W. PELKY, President  
and Special Member

and

David W. Miller  
David W. Miller

By: Edward Tompkins  
EDWARD TOMPKINS, Secretary

STATE OF MICHIGAN )  
 ) SS.  
COUNTY OF Oakland )

On this 1st day of July, 1984, before me a Notary Public in and for said county, personally appeared JAMES W. PELKY, to me personally known, who being by me duly sworn, did say that he is the General Partner of a partner of COLONIAL-HUNT CLUB LAND COMPANY, a Michigan co-partnership, and that he executed the within instrument under power and authority granted him specifically by the terms of the Partnership Agreement and that in so doing he acknowledged the same to be his free act and deed on behalf of said partnership.

Helen J. Krohn Notary Public  
Oakland County, Michigan  
My Commission Expires: \_\_\_\_\_

HELEN J. KROHN  
Notary Public, Oakland County, MI  
My Commission Expires June 3, 1985

STATE OF MICHIGAN )  
 )  
COUNTY OF Oakland )

On this 1st day of July, 1984, before me a Notary Public in and for said county, personally appeared JAMES W. PELKY and EDWARD TOMPKINS, to me personally known, who being by me duly sworn, did say that they are respectively the President and Special Member and Secretary of COLONIAL ACRES COOPERATIVE PHASE V, INC., the corporation named in and which executed the within instrument, and that said instrument was signed in behalf of said corporation by authority of its Board of Directors.

Helen J. Krohn Notary Public  
Oakland County, Michigan  
My Commission Expires: \_\_\_\_\_

HELEN J. KROHN  
Notary Public, Oakland County, MI  
My Commission Expires June 3, 1985

This instrument was prepared by and when recorded, return to:

R. PETER PROKOP, ESQ.  
RAYMOND & DILLON, P.C.  
400 Renaissance Center  
Suite 2370  
Detroit, Michigan 48243  
(313) 259-7700

SCHEDULE "A"

Land in the Township of Lyon, (now in the City of South Lyon),  
County of Oakland, State of Michigan, described as:

PARCEL 1

Part of the Northeast 1/4 of Section 19, Town 1 North, Range 7  
East, Lyon Township, Oakland County, Michigan, more particularly  
described as: Beginning at a point distant North 89 degrees 27  
minutes 47 seconds West, 1579.10 feet along the North line of  
said Section 19 from the Northeast corner of said Section 19 and  
proceeding thence South 00 degrees 39 minutes 23 seconds West,  
314.50 feet; thence South 89 degrees 27 minutes 47 seconds East,  
254.40 feet; thence South 00 degrees 39 minutes 23 seconds West,  
2291.53 feet; thence North 45 degrees 59 minutes 18 seconds West,  
1027.43 feet; thence North 00 degrees 37 minutes 41 seconds East,  
1899.12 feet; thence South 89 degrees 27 minutes 47 seconds East,  
30.00 feet; thence South 00 degrees 37 minutes 41 seconds West,  
264.00 feet; thence South 89 degrees 27 minutes 47 seconds East,  
165.00 feet; thence North 00 degrees 37 minutes 41 seconds East,  
264.00 feet; thence South 89 degrees 27 minutes 47 seconds East,  
298.58 feet to the point of beginning.

PARCEL 2

Part of the Northeast 1/4 of Section 19, Town 1 North, Range 7  
East, Lyon Township, (now the City of South Lyon), Oakland  
County, Michigan, more particularly described as: Beginning at a  
point distant North 89 degrees 27 minutes 47 seconds West,  
1877.68 feet along the North line of said Section 19 from the  
Northeast corner of said Section 19 and proceeding thence South  
00 degrees 37 minutes 41 seconds West, 264.00 feet; thence North  
89 degrees 27 minutes 47 seconds West, 165.00 feet; thence North  
00 degrees 37 minutes 41 seconds East, 264.00 feet; thence South  
89 degrees 27 minutes 47 seconds East, 165.00 feet to the point  
of beginning.

EXCEPT:

Part of the northeast 1/4 Section 19, T. 1N., R. 7E., Lyon  
Township, (now the City of South Lyon), Oakland County, Michigan,  
more particularly described as beginning at a point distant N.  
89° 27' 47" W. 1877.68 feet along the north line of said Section  
19 from the northeast corner of said Section 19 AND PROCEEDING  
THENCE S. 00° 37' 41" W. 264.00 ft.;  
    thence N. 89° 27' 41" W. 165.00 ft.;  
    thence N. 00° 37' 41" E. 264.00 ft.;  
    thence S. 89° 27' 47" E. 165.00 ft.

to the POINT OF BEGINNING.

AND (next page):

Land in the City of South Lyon, County of Oakland, State of Michigan, described as:

PARCEL 3

Part of the North 1/2 Fractional Section 19, Town 1 North, Range 7 East, Lyon Township, Oakland County, Michigan, described as: Beginning at the North 1/4 Section corner of Section 19, Town 1 North, Range 7 East and proceeding thence South 89 degrees 26 minutes 32 seconds East, 567.48 feet along the North line of Section 19 (centerline of Eleven Mile Road); thence South 00 degrees 37 minutes 41 seconds West, 1899.27 feet; thence along the Chesapeake and Ohio Railroad Right-of-Way the following two courses: North 45 degrees 59 minutes 18 seconds West, 1737.21 feet and North 46 degrees 01 minutes 18 seconds West, 1022.66 feet; thence South 89 degrees 30 minutes 12 seconds East, 1438.73 feet along the North line of Section 19, (centerline of Eleven Mile Road) to the point of beginning.