

DISCLOSURE STATEMENT

BRIDLEWOOD

SUCCESSOR DEVELOPER – SELLER
CLEARVIEW HOMES, LLC
445 S. LIVERNOIS, SUITE 324
ROCHESTER HILLS, MI 48307
248-275-6992

Bridlewood is a 31- unit residential site condominium.

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

IT IS RECOMMENDED THAT PROFESSIONAL ASSISTANCE BE SOUGHT PRIOR TO PURCHASING A CONDOMINIUM UNIT.

January 19, 2022

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DISCLOSURE STATEMENT

BRIDLEWOOD

I. Introduction

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

This Disclosure Statement, together with copies of the legal documents required for the creation and operation of the project, are furnished each purchaser by HY-D Construction LLC (hereafter sometimes referred to as "Developer" or "Successor Developer" of certain of the Units in the Condominium) pursuant to the requirement of Michigan law that the original developer and a successor developer of a condominium project disclose to prospective purchasers the characteristics of the condominium units that are offered for sale. The "Original Developer" of the Condominium was Summit Properties & Development Company, Inc.

II. The Condominium Concept

Condominium is a method of subdividing, describing and owning real property. A condominium unit has the same legal attributes as any other form of real property under Michigan law and may be sold, mortgaged or leased, subject only to such restrictions as are contained in the condominium documents and as otherwise may be applicable to the property.

Each owner receives a deed to his individual condominium unit. Each owner owns, in addition to his unit, an undivided interest in the other components ("common elements") of the project. Title to the common elements is included as part of, and is inseparable from, title to the individual condominium units. Each owner's proportionate share of the common elements is determined by the percentage of value assigned to his unit in the Master Deed described in Section IV of this Disclosure Statement.

All portions of the project not included within the units constitute the common elements. Limited common elements are those common elements that are set aside for use by less than all unit owners. General common elements are all common elements other than limited common elements.

The project is administered generally by a non-profit corporation of which all owners are members (the "Association"). The nature and duties of the Association are described more fully in Section VI of this Disclosure Statement.

Except for the year in which the project is established, real property taxes and assessments are levied individually against each unit in the project. The separate taxes and assessments cover the unit and its proportionate share of the common elements. No taxes or assessments are levied independently against the common elements. In the year in which the project is established, the taxes and assessments for the units covered by the Master Deed usually are billed to the

Association and are paid by the owners of such units in proportion to the percentages of value assigned to the units owned by them.

Although the foregoing is generally accurate as applied to most residential condominium developments, the details of each development may vary substantially. Accordingly, each purchaser is urged to review carefully all of the documents contained in the Bridlewood Purchaser Information Booklet as well as any other documents that the Developer has delivered to the purchaser in connection with this development. Any purchaser having questions pertaining to the legal aspects of the project is advised to consult his own lawyer or other professional advisor.

III. Description of the Condominium Project

A. Size, Scope and Physical Characteristics of the Project. Bridlewood is a 31 unit residential site condominium project located in Brandon Township, Michigan. Each unit is a building side for a single family home.

B. Utilities. Bridlewood is served by public water, sanitary and storm sewers, gas, electric and telephone service. Gas service is furnished by Consumers Energy and is individually metered to each unit for payment by the co-owner, electricity is furnished by DTE Energy and telephone service is provided by SBC. The costs of maintaining the sanitary and storm sewer systems serving the project, to the extent those systems are located within the project boundaries, will be borne by the Association.

C. Roads. The roads in Bridlewood are private and will be maintained (including, without limitation, snow removal) by the Association. Replacement, repair and resurfacing will be necessary from time to time as circumstances dictate. It is impossible to estimate with any degree of accuracy future roadway repair or replacement costs. It is the Association's responsibility to inspect and to perform a preventative maintenance of condominium roadways on a regular basis in order to maximize the life of project roadways and to minimize repair and replacement costs.

D. Community Sewer System. Sanitary sewage disposal for Units 1-7, 22 and 24 is provided by individual septic disposal systems that are located on each of those Units, which are maintained by the owners of the respective Units. Sanitary sewage disposal for the balance of the Units (i.e., Units 8-21, 23, and 25-31) is provided by means of a community septic system. The community sewer system servicing Units 8-21, 23, and 25-31 of the Condominium Project (the "Community Sewer System"), including common tanks, individual tanks, sanitary lines, pumps and all other portions of that system, as depicted in the Condominium Subdivision Plan for the Project, is a limited common element and is limited in use and enjoyment to Units 8-21, 23, and 25-31 of the Project. The Community Sewer System consists of the individual septic tanks, individual septic pumps, the connecting main sewers and manholes, one community septic tank, the drain field dosing pumps, the community drain field and other related facilities, as depicted in the Condominium Subdivision Plan for the Project. A common area located near the northeast portion of the Project will serve as the location of the community drain field and may not be used for residential purposes until the Community Sewer System has been properly abandoned. The Community Sewer System is maintained by the Association and the costs of maintenance shall be paid only by the owners of Units 8-21, 23, and 25-31 as part of their regular and/or special

Association assessments. Units 1-7, 22 and 24 shall not pay for the operation, maintenance, repair, replacement, management or administration of the Community Sewer System. If public sanitary sewers ever become available to the Project, all Units must connect to the public system and the Community Sewer System and individual septic systems must be properly abandoned. Detailed provisions governing the use of the Community Sewer System are contained in the Master Deed for the Project. There are additional costs assessed to and payable by the Co-owners whos' units are serviced by the Community Sewer System.

IV. Legal Documentation

- A. General. Bridlewood was established as a condominium project by the Original Developer pursuant to the Master Deed recorded in the Oakland County Records and contained in the Bridlewood Purchaser Information Booklet. The Master Deed includes the Bylaws as Exhibit A and the Condominium Subdivision Plan as Exhibit B.
- B. Master Deed. The Master Deed contains the definitions of certain terms used in the condominium documents, the percentage of value assigned to each unit in the condominium project, a general description of the units and common elements included in the project and a statement regarding the relative responsibilities for maintaining the common elements. Article 6 of the Master Deed contains the provisions for subdivisions, consolidation and other modifications of limits. Article 7 covers easements and Article 9 covers the provisions for amending the Master Deed and provides that the Developer may assign to the Association or to another entity any or all of its rights and powers granted or reserved in the condominium documents or by law.
- C. Bylaws. The Bylaws contain provisions relating to the operation, management and fiscal affairs of the condominium and, in particular, set forth the provisions relating to assessments of Association members for the costs of operating the condominium project. Article VI contains certain restrictions upon the ownership, occupancy and use of the condominium project. Article VI also contains provisions permitting the adoption of rules and regulations governing the common elements.
- D. Condominium Subdivision Plan. The Condominium Subdivision Plan is a three dimensional survey depicting the physical location and boundaries of each of the units and all of the common elements in the project.

V. The Successor Developer and Other Service Organizations

- A. Successor Developers Background and Experience. The Developer, Clearview Homes, LLC is a Delaware limited liability company. It was founded in 2009 by its current President. Clearview Homes, LLC embarked on its first development project in 2012 at the Vineyards of Clarkston located in Independence Township. Clearview Homes, LLC has since gone on to develop The Orchards Hillcrest in Washington Township, Tyler Manor and Fuhrmann Woods in Sterling Heights, Savannah Ridge Estates in Oxford Township, Scriptor Park Estates in the Village of Oxford and Waldon Meadows in Orion Township. Clearview Homes, LLC is the primary builder within these communities, along with many previously developed communities located in Oakland, Macomb and Livingston counties.

- B. Broker. The Units are being sold to a professional building company which will construct and sell homes to individual home buyers using the following Brokers: National Realty Centers, Birmingham, MI. and Casper Phillip Connolly, White Lake, MI.
- C. Legal Proceeding Involving the Condominium Project or the Developer. The Successor Developer is not aware of any pending judicial or administrative proceedings involving the condominium project or the Developer.

VI. Operation and Management of the Condominium Project

- A. The Condominium Association. The responsibility for management and maintenance of the project is vested in the Bridlewood Association, which has been incorporated as a non-profit corporation under Michigan law. The Articles of Incorporation of the Association are contained in the Purchaser Information Booklet. The Bylaws include provisions that govern the procedural operations of the Association. The Association is governed by its Board of Directors, the initial members of which are designees of the Developer.

Within 120 days after closing the sales of 25% of the units, one of the three directors will be selected by non-developer owners; and within 120 days after closing the sales of 75% of the units, the non-developer owners will elect all directors, except that the Developer will have the right to designate at least one director as long as it owns at least 10% of the units in the project. Regardless of the number of units conveyed, 54 months after the first conveyance, non-developer owners may elect directors in proportion to the number of units that they own.

Within 120 days after closing the sale of one-third of the units or one year from the date of the first conveyance, whichever first occurs, the Developer must establish an advisory committee to service as liaison between the non-developer owners and the Developer.

The First Annual Meeting may be convened any time after 50% of the units have been sold and must be held on or before the expiration of 120 days after 75% of the units have been sold or within 54 months after conveyance of the first unit, whichever first occurs. At the First Annual Meeting, the members of the Association will elect directors, and the directors in turn will elect officers for the Association.

The Developer's voting rights are set forth in Article VIII, Section 2 of the Bylaws.

- B. Percentage of Value. All of the units in Bridlewood have equal percentages of value. The percentage of value assigned to each unit determines, among other things, the value of each co-owner's vote and his share of the regular and special Association assessments and of the proceeds of administration of the project.

C. Project Finances.

(1) Budget. Article II of the Bylaws requires the Board of Directors to adopt an annual budget for the operation of the project. The initial budget was formulated by the Developer and is intended to provide for the normal and reasonably predictable expenses of administration of the project, and includes a reserve for major repairs to and replacement of common elements. Inasmuch as the budget must necessarily be prepared in advance, it reflects estimates of expenses made by the Developer. To the extent that estimates prove inaccurate during actual operation and to the extent that the goods and services necessary to service the condominium project change in cost in the future, the budget and the expenses of the Association also will require revision. The current budget of the Association has been included as Appendix I to this Disclosure Statement.

(2) Assessments. Each owner of a unit, including the Developer, must contribute to the Association to defray expenses of administration; while the Developer is obligated to contribute to the Association for such purpose, its contributions are determined differently than the other owners' contributions are determined. See Article II of the Bylaws. Assessments are based upon the percentages of value assigned to the units. The Board of Directors may also levy special assessments in accordance with the provisions in the Bylaws.

(3) Foreclosure of Lien. The Association has a lien on each unit to secure payment of Association assessments. The Bylaws provide that the Association may foreclose its lien in the same fashion that mortgages may be foreclosed by judicial action or by advertisement under Michigan law. By closing on the purchase of a unit, each purchaser will be deemed to have waived notice of any proceedings brought by the Association to foreclose its lien by advertisement and notice of a hearing prior to the sale of his unit.

(4) Other Possible Liabilities. Each purchaser is advised of the possible liability of each owner under Section 58 of the Condominium Act:

If the mortgagee of a first mortgage of record or other purchaser of a condominium unit obtains title to the condominium unit as a result of foreclosure of the first mortgage, that mortgagee or purchaser and his or her successors and assigns are not liable for the assessments by the administering body chargeable to the unit that became due prior to the acquisition of title to the unit by that mortgagee or purchaser and his or her successors and assigns.

D. Condominium Association Management Contract. No management agent has been selected for the project at this time. Professional management is not required by the condominium documents. If and when a management agent is retained, the budget must be increased to cover the costs thereof.

E. Insurance.

(1) Title Insurance. The Purchase Agreement provides that the Developer shall furnish each purchaser a commitment for an owner's title insurance policy issued by Stewart Title Guaranty Company through its authorized representative, Liberty Title Agency, Inc., at or prior to closing, and that the policy itself shall be provided within a reasonable time after closing. The cost of the commitment and policy is to be borne by the Developer. Each purchaser should review the title insurance commitment with a qualified advisor of his choice prior to closing to make certain that it conforms to the requirements of the Purchase Agreement.

(2) Other Insurance. The condominium documents require that the Association carry fire and extended coverage for vandalism and malicious mischief and liability insurance and workers' compensation insurance, if applicable, with respect to all of the general common elements of the project. The insurance policies have deductible clauses and, to the extent thereof, losses will be borne by the Association. The board of directors is responsible for obtaining insurance coverage for the Association. Each owner's *pro rata* share of the annual Association insurance premiums is included in the monthly assessment. The Association insurance policies are available for inspection during normal working hours. A copy of the certificate of insurance with respect to the condominium project will be furnished to each owner upon request.

Each owner is responsible for obtaining fire and extended coverage insurance on his unit and the building and other improvements located thereon, as well as personal property, liability and other individual insurance coverage to the extent indicated in Article IV of the Bylaws. Each owner must deliver a certificate of insurance to the Association to confirm that the required insurance coverage is being maintained. If an owner fails to maintain any such insurance coverage or to provide evidence thereof to the Association, the Association may obtain such insurance and collect the cost thereof from the delinquent owner. The Association should periodically review all insurance coverage to be assured of its continued adequacy and owners should each do the same with respect to their individual insurance.

F. Restrictions on Ownership, Occupancy and Use. Article VI of the Bylaws sets forth restrictions on the ownership, occupancy and use of a unit in the condominium project. It is impossible to paraphrase these restrictions without risking the omission of some provision that may be of significance to a purchaser. Consequently, each purchaser should examine the restrictions with care to be sure that they do not infringe upon an important intended use. The following is a list of certain of the more significant restrictions:

(1) Units are to be used only for single-family residential purposes.

(2) No owner may lease his unit for less than an initial term of six months unless approved by the Association. An owner must disclose his intention to lease a unit and

provide a copy of the exact lease form to the Association at least ten days before presenting a lease to a potential lessee.

(3) Except for household pets, no animals may be maintained by any owner unless approved by the Association. Even if the Association has approved the maintenance of a pet, detailed restrictions are applicable.

(4) There are substantial limitations upon physical changes which may be made to the common elements and to the units in the condominium, and upon the uses to which the common elements and units may be put.

(5) Reasonable regulations may be adopted by the Board of Directors of the Association concerning the use of common elements, without vote of the owners.

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

VII. Rights and Obligations as Between Developer and Owners

A. Before Closing. The respective obligations of the Developer and the purchaser of a unit in the project prior to closing are set forth in the Purchase Agreement and the accompanying Escrow Agreement. Those documents should be closely examined by all purchasers in order to ascertain the disposition at closing of earnest money deposits advanced by the purchaser, anticipated closing adjustments, and other important matters. The Escrow Agreement provides, pursuant to Section 103b of the Condominium Act, that the escrow agent shall maintain sufficient funds or other security to complete those improvements shown as "must be built" on the Condominium Subdivision Plan until such improvements are substantially complete. Absent such security, funds retained in escrow are not to be released to the Developer until issuance of a certificate of occupancy, if applicable, conveyance to a purchaser of title to a unit and confirmation by the escrow agent that all improvements labeled "must be built" are substantially complete.

B. At Closing. Each purchaser will receive by warranty deed fee simple title to his unit subject to no liens or encumbrances other than the condominium documents and those other easements and restrictions that are specifically set forth in the condominium documents and title insurance commitment.

C. After Closing.

(1) General. Subsequent to the purchase of the unit, relations between the Developer and the owner are governed by the Master Deed and the Condominium Act, except to the extent that any contractual provisions of the Purchase Agreement are intended to survive the closing.

(2) Condominium Project Warranties. The Developer is warranting each of the units against defects in workmanship and materials for a period of one year from the date of closing the sale of the pertinent unit, as more particularly set forth in the Limited Warranty which accompanies the Purchase Agreement. Except for emergencies or in other

extraordinary circumstances, all warranty claims must be submitted in writing to the Developer at its address appearing on the cover sheet of this Disclosure Statement within the applicable one year warranty period. In the case of emergencies or in other extraordinary circumstances where written communications would be inappropriate, purchasers should contact the Developer by telephone at the number shown on the cover of this Disclosure Statement. The warranty is extended only to the first purchaser of each unit and is not transferable. The warranty does not cover consequential or incidental damages. Further, any implied warranty is limited to the one-year period applicable to the Developer's express warranty. It is recommended that you examine the Limited Warranty and review it with advisors of your choice prior to the execution of the Purchase Agreement and the closing on the purchase of your unit.

VIII. Purpose of Disclosure Statement

The Developer has prepared this Disclosure Statement in good faith, in reliance upon sources of information believed to be accurate and in an effort to disclose material facts about the project. Each purchaser is urged to engage a competent lawyer or other advisor in connection with deciding whether to purchase a unit. In accepting title to a unit, each purchaser shall be deemed to have waived any claim or right arising out of or relating to any immaterial defect, omission or misstatement in this Disclosure Statement. The terms used herein are defined in the Condominium Act.

The Michigan Department of Licensing and Regulatory Affairs publishes The Condominium Buyers Handbook that the Developer has delivered to you. The Developer assumes no obligation, liability, or responsibility as to the statements contained in or omitted from The Condominium Buyers Handbook.

The descriptions of the Master Deed and other instruments contained herein are summary only and may or may not completely and adequately express the content of the various condominium documents. Each purchaser is referred to the original Master Deed and other original instruments as contained in the Purchaser Information Booklet. In accordance with the rules of the Michigan Department of Licensing and Regulatory Affairs, legal phraseology, technical terms and terms of art have been minimized and brevity has been the objective to the extent consistent with the purposes of the Disclosure Statement and rules of the Michigan Department of Consumer and Industry Services.

Collected for 2021	2021 Income				2022	2022 Budget				
General Dues	\$ 535.00	General	Septic	Spec Legal	Total	General Dues	\$545	General	Septic	total
sewer Dues	\$ 270.00	\$ 5,885	\$ 1,890	\$ 1,100	\$ 8,875	Septic Dues	\$309	\$5,995	\$2,163	\$8,158
Special Legal Fee assessment	\$ 100.00					\$ -	73%		27%	
		2021 Expense				2022 Proposed Expense Budget				
		General	Septic	Spec Legal	Total	# of Homes	11	7		
Snow Plow Pre-Pay	\$ 800	\$ -			\$ 800	Snow Plow 2023*	\$ 1,100	\$ 100	\$ -	\$ 100
Landscaping General	\$ 964	\$ -			\$ 964	Landscaping General	\$ 1,300	\$ 118	\$ -	\$ 118
Legal Special Assessment	\$ -	\$ -	\$ 2,700		\$ 2,700	Legal Special Assessment	\$ -	\$ -		
Misc.	\$ 87	\$ -			\$ 87	Misc.	\$ 200	\$ 18	\$ -	\$ 18
Trash *	\$ 2,137	\$ -			\$ 2,137	Trash	\$ 3,200	\$ 291	\$ -	\$ 291
Insurance	\$ 150	\$ -			\$ 150	Insurance	\$ 200	\$ 18	\$ -	\$ 18
Sewer Maintenance	\$ -	\$ 1,686			\$ 1,686	Septic Field	\$ 1,800	\$ -	\$ 257	\$ 257
	\$ -	\$ -			\$ -	General Reserve	\$ -	\$ -		\$ -
	\$ -	\$ -			\$ -	20% Sewer Reserve	\$ 360	\$ -	\$ 51	\$ 51
Total 2021 Expenses	\$ 4,138	\$ 1,686	\$ 2,700	\$ 8,524	2022 Annual Dues		\$ 545	\$ 309	\$ 854	
All in Surplus from 2021 dues	\$ 1,747	\$ 204	\$ (1,600)	\$ 351	Manual Entry for prorated new homes		\$ -	\$ -	\$ -	
Annual Bucket Surplus from 2021 dues	\$ 147	\$ 204			Total 2022 Annual dues		\$ 5,995	\$ 2,163	\$ 8,158	
*FY21 trash was lower due to vendor change and payment requirements						\$2,800	FY22 beginning balance			
* Pre-paid snow plow based on PY savings and Prepayment.						Lot #5 dues	\$233	\$ 2,314	\$ 835	\$ 3,149

Capital project	
Road Top coat estimate	\$ 71,000
Clearview's contribution	\$ 43,310
Hy-D's Contribution	\$ 10,500
Bridlewood Contribution	\$ 17,190
Individual Assessment	\$ 1,562.7