HUNTER'S CREEK

DISCLOSURE STATEMENT

A 52-unit residential condominium located in Comstock Township, Michigan, developed by Joyce & Don, LLC ("Developer"), a Michigan limited liability company, 192 Van Bruggen Street, Galesburg, Michigan 49053. This Project may be contracted to a minimum of 2 Units or expanded to a maximum of 105 Units

The effective date of this Disclosure Statement is March 31, 2000

THIS DISCLOSURE STATEMENT HAS NOT BEEN FILED WITH THE DEPARTMENT OF CONSUMER AND INDUSTRY SERVICES, CORPORATION, SECURITIES AND LAND DEVELOPMENT BUREAU, 6546 MERCANTILE WAY, LANSING, MICHIGAN 48910. THE DEPARTMENT HAS NOT UNDERTAKEN TO PASS ON THE VALUE OR MERITS OF THE DEVELOPMENT NOR TO MAKE ANY RECOMMENDATIONS AS TO THE PURCHASE OF UNITS IN THE PROJECT.

THIS DISCLOSURE STATEMENT IS NOT A SUBSTITUTE FOR THE MASTER DEED, THE CONDOMINIUM BUYER'S 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.

PREPARED BY:
John M. Novak
MILLER, JOHNSON, SNELL & CUMMISKEY, P. L. C.
425 West Michigan Avenue
Kalamazoo, Michigan 49007

HUNTER'S CREEK

TABLE OF CONTENTS

DISCLOSURE STATEMENT

HUNTER'S CREEK

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 to each purchaser pursuant to the requirement of Michigan law that the Developer of a condominium project disclose to prospective purchasers the characteristics of the condominium units which are offered for sale.

II. The Condominium Concept

A condominium is a form of 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.

Each Co-Owner receives a deed to their individual condominium unit. Each Co-owner owns, in addition to their unit, an undivided interest in the common facilities ("common elements") which service the project. Title to the common elements is included as part of, and is inseparable from, title to the individual condominium units. Each Co-Owner's proportionate share of the common elements is determined by the percentage of value assigned to their unit in the Master Deed.

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

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 carefully review all of the documents contained in the Hunter's Creek Purchaser Information Booklet as well as any other documents that have been 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 their own lawyer or professional advisor.

III. Description of the Condominium Project

A. General. Hunter's Creek is a 52-unit residential condominium. The condominium is expandable or contractible, and contains convertible areas. The Project may be expanded in the sole discretion of the Developer by adding the property more particularly described in Article VII of the Master Deed. The Developer may construct up to 105 units, The Developer also, however, may contract the Project in its sole discretion. The minimum number of units that may be built is two (2).

B. Master Deed. The Master Deed contains definitions of terms used in the Condominium Documents, sets forth the percentage of value assigned to each unit, generally describes the units, designates general and limited common elements and sets forth the relative responsibilities for maintaining them. The Master Deed also covers easements and sets forth the procedure for amending the Condominium Documents.

C. Condominium Bylaws. The Condominium 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 paying the costs of operation of the condominium. The Condominium Bylaws contain restrictions upon the ownership, occupancy and use of the units and common elements of the condominium. They also contain provisions permitting the adoption of rules and regulations governing the common elements. At the present time no rules and regulations have been adopted by the Board of Directors of the Association.

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.

E. Declaration of Conditions, Covenants and Restrictions for Hunter's Run. All unit Co-Owners are subject to the Declarations of General Covenants, Conditions and Restrictions for Hunter's Run Planned Unit Development. These restrictions run for the benefit of other property located in the general geographical area and for the benefit of and to the detriment of the Condominium Co-Owners. These restrictions are recorded at the Kalamazoo County Register of Deeds Office and are included in the Purchaser's Information Booklet.

IV. The Developer

A. Developer's Background and Experience. Joyce & Don, LLC, is a Michigan limited liability company. It was formed for the purpose of developing Hunter's Creek, a residential condominium. It consists of two members: Joyce I. Watts and Donald F. Watts. Don and Joyce Watts have been involved in the development and construction business for over twenty (20) years. The Watts, through an affiliate, Watts Construction Company, Inc., a Michigan corporation, have developed numerous residential projects, including Hunter's Place, Hunter's Run, Hunter's Run No. 2, Merrybrook, and Fleetwood, in Comstock, Michigan.

B. Legal Proceedings Involving the Condominium or the Developer. The Developer is not presently aware of any pending judicial or administrative proceedings involving the condominium or the Developer.

V. Operation and Management of the Condominium

A. The Condominium Association. The responsibility for management and maintenance of the project is vested in Hunter's Creek Condominium Association, a Michigan non-profit corporation (the "Association"). The Association consists of all the Co-Owners of the condominium.

The procedural operations of the Association are set forth in the Articles of Incorporation and Bylaws of the Association which are contained in the Purchaser Information Booklet. The Association is governed by its Board of Directors which is elected by the Co-Owners at the annual meeting of members. The Directors then elect the officers for the Association. The Developer is entitled to cast votes for any unit held in their name.

B. Percentages of Value. The percentage of value assigned to each unit determines the value of each Co-Owner's vote, its proportionate share of regular and special Association assessments and the proceeds of administration of the project. Percentages of value for the individual units are set forth in Article V of the Master Deed. The total value of all of the units in the condominium, from time to time, is one hundred percent (100%).

C. Project Finances.

1. Budget. The Condominium Bylaws require 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 to include a reserve for replacement of major structural and other components of the project in the future. Inasmuch as the budget must be prepared in advance, it reflects estimates of expenses made by the Developer and the management agent based in part on bids, in part upon experience in similar projects and in part upon the estimates of others. To the extent that estimates prove inaccurate during actual operations 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 within this Disclosure Statement.

2. Assessments. Each Co-Owner must contribute to the Association in proportion to the percentage of value of the unit(s) assigned to the Co-Owner. The Developer must also contribute to the Association in accordance with the percentages of value assigned to completed units owned by it. The Developer is, of course, required to maintain, at its expense, all incomplete units owned by it. The Board of Directors may also levy special assessments in accordance with the Condominium Bylaws.

3. Possible Additional Liability. Pursuant to Section 84a of the Condominium Act, each purchaser is advised of the possible liability of each Co-Owner under Section 58 of the Condominium Act:

> **"If the mortgagee of a first mortgage or record or the other purchaser of a condominium unit obtains title to the condominium unit as a result of foreclosure of the first mortgage, such person, its successors and assigns, is not liable for the assessments by the administering body chargeable to the unit which became due prior to the acquisition of title to the unit by such person. The unpaid assessments are deemed to be common expenses collectible from all of the condominium unit owners including such persons, its successors and assigns."**

D. Condominium Association Management Contracts. The Condominium Bylaws permit the Association to engage a management agent. No management agent has been selected as of the effective date of this document.

E. Insurance. The Condominium Documents require that the Association carry liability insurance and workmen's compensation insurance if applicable, with respect to all of the 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 Co-Owner's pro rata share of the annual Association insurance premiums is included in their 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 upon demand to each Co-Owner upon closing the sale of their unit. Each Co-Owner is responsible for obtaining insurance coverage with respect to their unit to the extent indicated in Article IV of the Condominium Bylaws, and for liability for injury within their unit. The Association should periodically review all insurance coverage to be assured of its continued adequacy and Co-Owners should each do the same with respect to their personal insurance. The name of the insurance company is Citizens Insurance. The agent is Phil Kehoe, whose address is 2019 Rambling Road, Kalamazoo, Michigan, and whose telephone number is (616) 343-1671.

F. Restrictions on Ownership, Occupancy and Use. Article VI and VII of the Condominium Bylaws set forth restrictions upon 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 portion 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 are some of the more significant restrictions:

1. There are restrictions related to the conveyance or leasing of a unit; and

2. There are substantial limitations upon physical changes which may be made to the Common Elements and the units in the condominium, and upon the use of Common Elements and units; and

3. Reasonable rules and regulations may be adopted by the Board of Directors of the Association concerning the use of Common Elements, without vote of Co-Owners.

None of the restrictions apply to the commercial activities or signs of the Developer and the Developer is also not subject to the restrictions upon the lease of any of the units it owns.

VI. Operation and Management of the Master Association.

A. Hunter's Run Association. Each Co-Owner in the condominium shall also be a member of the Hunter's Run Association ("Master Association"). The Master Association is responsible for the management and maintenance of certain common areas, which are not part of a specific development. The Articles of Incorporation, Bylaws and Declaration of General Covenants, Conditions and Restrictions for the Master Association are contained in the Purchaser's Information Booklet, and govern the Master Association. The Master Association is managed by a Board of Directors who are elected by the Co-Owners.

B. Assessments. The Master Association will charge annual assessments and may levy special assessments. Each Co-Owner is responsible for paying the Master Association assessments directly. The amount of the annual assessment is recommended by the Board of Directors and must be approved at the annual meeting of the members of the Master Association. Presently, the annual assessment is Two Hundred Dollars ($200) per unit or lot.

C. Covenants, Conditions and Restrictions of the Master Association. All unit Co-Owners are subject to the Declaration of General Covenants, Conditions and Restrictions for Hunter's Run Planned Unit Development which is recorded at the Kalamazoo County Register of Deeds Office, and which is included in the Purchaser's Information Booklet. The purchaser is bound by these restrictions and should carefully review them.

VII. Rights and Obligations as Between Developer and Co-Owners.

A. Before Closing. The respective obligations of the Developer and the purchaser of a condominium unit in the project prior to closing are set forth in the Purchase Agreement and the Escrow Agreement. Both of those documents should be closely examined by all purchasers in order to ascertain the disposition of earnest money deposits advanced by purchaser at the time of closing, anticipated closing adjustments, and the obligation of both parties with respect to modifications to the standard unit and extra installations.

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

C. After Closing. Subsequent to the purchase of the unit, relations between the Developer and the Co-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.

D. Escrow. The Developer shall place any deposits or funds it receives from a unit purchaser in escrow with an independent escrow agent. After the expiration of the unit purchaser's right to withdraw from the transaction, the Developer shall retain the amounts in escrow or provide other adequate security to assure completion of the uncompleted structures and improvements labeled under the terms of the Condominium Subdivision Plan as "Must be Built". The Escrow Agent will not release funds to Developer in connection with the purchase of a unit until issuance of a Certificate of Occupancy for the unit, conveyance of legal or equitable title of the unit to the purchaser and receipt by the Escrow Agent of a certificate from a licensed professional engineer or architect stating that those portions of the phase of the project in which the unit is located and which are labeled on the Condominium Subdivision Plan as "Must be Built" are substantially complete or stating the amount of work necessary for substantial completion. Such certificate shall confirm that recreational or other facilities which are labeled on the Condominium Subdivision Plan as "Must be Built", whether located within or outside of the phase of the project in which the condominium unit is located, and which are intended for common use are substantially complete or indicate the amount necessary for substantial completion thereof. Upon receipt of such certificate, Escrow Agent shall pay to Developer the sums from purchaser which were escrowed over and above the amount required to complete the "Must be Built" items mentioned above.

In the event the purchaser withdraws from the Purchase Agreement prior to the time the Purchase Agreement becomes binding, all sums paid to Escrow Agent by said purchaser shall be returned provided purchaser or Developer has timely notified Escrow Agent of the withdrawal.

VIII. Local Government, Taxes and Utility Service

A. Local Government. The project is located in Comstock Township and the Comstock Public School District.

B. Real Property Taxes. Taxes upon the units in the condominium are assessed by the Township of Comstock, the County of Kalamazoo and the Comstock Public School District. Pursuant to Michigan law, taxes are required to be assessed on the basis of fifty percent of true cash value. Real property taxes incurred during the year in which the condominium is formed will be issued for the entire condominium and will be an expense of administration that is paid by the Association. The Association will charge the Co-Owners and Developer for the portion of the tax bill that is equal to their respective percentage of value of ownership in the condominium. In subsequent years, each Co-Owner will receive an individual tax bill attributable to their unit only. It is impossible to determine with accuracy the amount of real property taxes which will fall due in subsequent years since those taxes are a function of both property values and tax rates which may either rise or fall.

C. Utilities. All utilities provided to units are individually metered. The following utility services are available to the condominium:

1. Sanitary sewer, water and storm sewer - City of Kalamazoo
2. Electricity - Consumers Energy
3. Telephone - Ameritech
4. Gas - Consumers Energy
5. Cable T.V. - Cablevision

IX. Sales Offices.

The Developer has reserved in the Master Deed, for itself, its successors, authorized agents, representatives and employees the right to maintain offices, sales and other facilities on the land contained within the project. The Developer will pay all costs related to those facilities or common elements while owned by the Developer. The Developer shall restore the facilities to habitable status upon termination of use.

X. Warranties--None Given by Developer

The Developer provides no warranties of any kind with regard to the condominium. Express warranties are not provided unless specifically stated. A portion of the Purchase Agreement is herein reprinted in full for your information and convenience.

ENTIRE AGREEMENT

THIS AGREEMENT CONSTITUTES THE ENTIRE AGREEMENT BETWEEN THE PARTIES. NO REPRESENTATIONS, WARRANTIES, UNDERTAKINGS, OR PROMISES, WHETHER ORAL, IMPLIED OR OTHERWISE, CAN BE MADE OR HAVE BEEN MADE BY EITHER DEVELOPER OR ITS AGENTS OR BROKERS, TO SUBSCRIBER OR ANYONE ELSE UNLESS EXPRESSLY STATED HEREIN OR UNLESS MUTUALLY AGREED IN WRITING BY THE PARTIES. ALL AMENDMENTS, SUPPLEMENTS OR RIDERS HERETO, IF ANY,

SHALL BE IN WRITING EXECUTED BY BOTH PARTIES AND ATTACHED TO THIS AGREEMENT. PURCHASER SHALL NOT RECORD THIS AGREEMENT OR ANY MEMORANDUM THEREOF.

XI. Easements

The project is subject to a number of easements. Prospective purchasers are advised to review the Master Deed, the Condominium Subdivision Plan which is attached as Exhibit B to the Master Deed, and the title insurance commitment provided to the purchaser regarding the specifics of the easements affecting the project.

XII. 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 which it believes satisfy the requirements of the purchaser. Each purchaser is urged to engage a competent lawyer or other advisor in connection with his or her decision to purchase a unit. In accepting title to the unit in the condominium project each purchaser shall be deemed to have waived any claim or right arising out of or relating to any material defect, omission or misstatement as contained within or omitted from this Disclosure Statement. The terms used herein are defined in the Condominium Act.

The Michigan Department of Consumer and Industry Services, Corporation, Securities and Land Development Bureau does not endorse the project nor pass upon the value or merit of the development nor make any recommendation with regard to the purchase of a unit and any representation to the contrary is improper. The Michigan Department of Consumer and Industry Services, Corporation, Securities and Land Development Bureau (formerly the Michigan Department of Commerce) publishes The Condominium Buyer's Handbook which the Developer has delivered to you. The Developer assumes no obligation, liability, or responsibility as to the statements contained therein or omitted from the Condominium Buyer's Handbook.

The descriptions of the Master Deed and other instruments contained herein are summarized and may not completely and adequately express the content of the various Condominium Documents. Each purchaser is referred to in the original Master Deed and other original instruments as contained within the Purchaser Information Booklet. In accordance with the proposed rules of the Michigan Department of Consumer and Industry Services, Corporation, Securities and Land Development Bureau, 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, Corporation, Securities and Land Development Bureau.

XIII. Budget, Assessments and Other Changes Related to Unit Ownership

Each Co-Owner in the condominium will pay an annual assessment for their share of the common expenses of the condominium. These amounts are used to operate and maintain the condominium. Assessments must be paid in a timely manner, since operation of the condominium is dependent on the availability of funds. Assessments are due by July 10 and January 10. In the event a Co-Owner fails to pay this amount in a timely manner, the Condominium Bylaws provide that the Association may impose a lien upon the delinquent CoOwner's unit, collect interest at a rate of seven percent (7%) per annum and impose other penalties. Article III of the Condominium Bylaws should be consulted for further details.

Each Co-Owner shall also pay an annual installment to the Master Association. Presently, the Master Association's annual fee is $200. Like the Condominium Association fees, the Master Association fees are also subject to change.

In addition to the above assessments, each condominium purchaser shall pay a non-refundable buy-in fee to the Condominium Association equal to $500.

The amount of each semi-annual assessment will be determined by the amount of common expenses. It is estimated that in the first year of the condominium, each Co-Owner will pay an average of $1,800 on an annual basis. This will generate annual revenue of a total of $93,600 per year. It is anticipated that the first year's revenue and expenses of the condominium will be shown in "Exhibit A" attached.

Like most expenses today, the expenses in the budget are subject to changes as a result of changing costs in the economy. The budget expenses contained herein represent the Developer's best estimate of those expenses at this time. However, these expenses may increase from year to year due to cost increases, the need to repair, replace, maintain or improve the common elements.

Each Co-Owner must pay other charges in connection with its ownership of a unit in the condominium. For example, each Co-Owner is responsible for paying real estate taxes levied on their unit and their interest in the common elements. The amount of the taxes will be determined by the assessor of the Township of Comstock. The Developer expects the assessor to base its tax on the estimated market value of the unit. The Association will pay no real estate taxes.

In addition, each Co-Owner may be required to pay special assessments. Special assessments may be levied by the Board of Directors where the regular assessment proves inadequate, Common Elements need to be replaced or expanded, or for emergencies. Article III of the Condominium Bylaws should be examined for further details about special assessments. Developer is also required to pay special assessments in accordance with the percentages of value assigned to completed units it owns.

There are no other fees, payments or services which are paid or furnished directly or indirectly by the Developer which will later become an expense of administration.

XIV. Expansion, Contraction and Conversion of Condominium

Developer has also reserved the right to make the Project larger by expansion, up to 105 units, or smaller to but not less than two (2) units by contraction. This right permits the Developer to either add units to the Project or eliminate them from the Project. However, no unit may be eliminated from the Project after a unit has been conveyed to any non-developer co-owner. Contractions and expansion of the condominium can be made by amendments to the Master Deed which do not require the consent of anyone other than the Developer. If that occurs, the Developer would re-allocate percentages of value so that the total percentages would continue to equal 100. After any contraction of the condominium enough land must remain to adequately service the remaining units and to meet any setback and space requirements imposed by local building authorities. Developer's right to contract or expand the condominium expires six (6) years after recording of the first Master Deed. The boundaries of land area which may be withdrawn from the condominium and the order in which this might be done is not restricted by the Master Deed. The area which could be added to the Project for the additional units that may be added is shown on the Condominium Subdivision Plan.

XV. Legal Matters

John M. Novak, of Miller, Johnson, Snell & Cummiskey, P.L.C., 425 W. Michigan Avenue, Kalamazoo, Michigan, served as legal counsel in connection with the preparation of this Disclosure Statement and related documents. Legal counsel has not passed upon the accuracy of the factual matters herein contained.

XVI. Financial Arrangements

The development of the condominium will be financed by ___N/A___.

XVII. Unusual Circumstances

The Developer is not aware of any unusual circumstances with regard to this condominium Project other than the following:

A. The road throughout **Hunter's Creek** is private and the costs of the maintenance shall be borne by the Co-Owners.

B. Every Co-Owner shall be a member of the Hunter's Run Association (the "Master Association") and the Hunter's Place Condominium Association. The Co-Owner's assessments to each Association are paid directly by the Co-Owner.

C. The road providing access to **Hunter's Creek** is private and is owned and maintained by the Master Association. The Co-Owners, as members of the Master Association, have the right to use all of the roads owned by the Master Association. In addition, the Co-Owners are entitled to the benefits of an easement that was granted by the Master Association to the prior owner of the Condominium parcel for use of the Master Association's roadway and utility lines.

EXHIBIT A

INCOME

52 units of assessment at an average of $1800 per year:	$ 93,600	
Total Income:	$ 93,600	

ANNUAL EXPENSE

Administrative:		
Insurance	$15,600.00	
Legal/accounting	$ 1,000.00	
Office Expenses	$ 500.00	
Total Administrative:		$17,100.00
Land Services:		
Grounds maintenance	$32,000.00	
General maintenance	$ 3,400.00	
Electric	$ 1,000.00	
Snow plowing (driveway and sidewalks only)	$16,000.00	
Maintenance supplies	$ 1,000.00	
Total Land Services:		$53,400.00
Services:		
Trash removal	$ 5,928.00	
Total Unit Services:		$ 5,928.00
Reserve Accounts:		
Reserve		$17,172.00
Total Reserve:	$17,172.00	
TOTAL EXPENSES:	$93,600.00	