

Only two (2) and three (3) bedroom units will be constructed in the original stage, however four (4) bedroom units of approximately two thousand (2,000) square feet may be built in subsequent stages. The Basic Value of all four (4) bedroom units is \$85,000.00.

The Declarant has reserved the right to build in stages. The Declarant proposes to construct no more than one hundred forty-four (144) units on the entire property.

The initial stage of construction consists of twenty-eight (28) units. The percentage of interest of each unit is shown above.

The Declarant proposes to construct units in no more than five (5) stages.

Declarant will elect whether or not to proceed with each stage of development within seven (7) years from the date of this Declaration.

The percentage of ownership in the common elements for each unit in the stages of development shall be calculated by dividing the basic value of said unit by the total of the basic values of all units at each stage of development.

Example: Original Units - Unit Type - (2) bedroom has a basic value of \$65,000.00. The total of the basic values of all units of the original (28) units is \$2,105,000.00.

$$\text{Percentage Interest for Type (2) bedroom is : } \frac{\$65,000.00}{\$2,105,000.00} = .030878$$

$$\text{Percentage Interest for Type (3) bedroom is: } \frac{\$80,000.00}{\$2,105,000.00} = .038004$$

Declarant reserves the right to construct any mix of two (2) bedroom, three (3) bedroom and four (4) bedroom units in each stage as Declarant deems appropriate so long as the two (2) bedroom and three (3) bedroom units are substantially identical to the other two (2) and three (3) bedroom units in the original stage, except the size of any future unit may be increased or decreased in size by no more than fifteen (15%) percent of the size of a similar original unit as to two (2) and three (3) bedroom units. Four (4) bedroom units may be increased or decreased in size by no more than fifteen (15%) percent of two thousand (2,000) square feet.

All units in future stages shall have a comparable architectural style, quality of construction and quality of building materials equal or better than those in the original units.

Example of change in percentage interests:

If Declarant elects to construct nineteen (3) bedroom units and nine (2) bedroom units in Stage 2, the percentages of interests of the units will change as follows:

Basic values of original nine (2) bedroom units	\$ 585,000
Plus:	
Basic values of original nineteen (3) bedroom units	1,520,000
Plus:	
Basic values of Stage 2 nine (2) bedroom units	585,000
Plus:	
Basic values of Stage 2 nineteen (3) bedroom units	<u>1,520,000</u>
	\$ 4,210,000