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LIBER 1244 PAGE 106

**CONSOLIDATED MASTER DEED
MONROVIA BEACH CLUB
HARBORPOINTE CONDOMINIUMS
Act 59, Public Acts of 1973, as Amended**

This Consolidated Master Deed entered into and executed this 14th day of July, 2014 by **Monrovia Beach Club Harborpointe Condominium Association** (hereinafter referred to as "the Association") pursuant to the provisions of the Michigan Condominium Act as amended (being Section 559.101 Michigan Compiled Laws of 1948 and Act 50 of Public Acts of 1973).

WITNESSETH

WHEREAS, Developer has completed Monrovia Beach Club Harborpointe Condominiums and the Association desires, by recording this Consolidated Master Deed, together with the Condominium By-Laws, attached hereto as Exhibit "A" and together with a consolidating Condominium Subdivision Plan, attached hereto as Exhibit "B", to consolidate the Master Deed and all Amendments, and to eliminate now inapplicable portions of the Master Deed, Subdivision Plan, and Amendments.

NOW, THEREFORE, the Association does, upon the recording of the Monrovia Beach Club Harborpointe Condominiums Consolidated Master Deed, consolidate the Master Deed of Monrovia Beach Club Harborpointe Condominium as amended in the First Amendment recorded in Liber 451, page 431, as amended in the Second Amendment recorded in Liber 460, page 363, as amended in the Third Amendment recorded in Liber 467, page 307, as amended in the Fourth Amendment recorded in Liber 481, page 876, as amended in the Fifth Amendment recorded in Liber 488, page 48, as amended in the Sixth Amendment recorded in Liber 493, page 48, and as amended in the Seventh Amendment recorded in Liber 1175, page 182, Sanilac County Records, to be held, conveyed, hypothecated, encumbered, leased, rented, occupied, approved or in any manner utilized, subject to the provisions of the Act and to covenant, condition, restrict, use, limit and affirm the obligations set forth in this Consolidated Master Deed and Exhibit "A" attached hereto, all of which shall be deemed to run with the land and shall be a burden and a benefit to its Developers, its successors, assigns and any person acquiring or owing an interest in said real property, its grantees, successors, heirs, executors, administrators and assigns. In furtherance of the establishment of the Condominium Project, it is provided as follows:

ARTICLE I

TITLE AND NATURE

The Condominium Project shall be known as Monrovia Beach Club Harborpointe Condominium, Sanilac County Condominium Subdivision Plan 3. The architectural plans for the Condominium Project have been approved by the Village of Lexington, County of Sanilac, State of Michigan. The Condominium Project is established in accordance with the Act. The buildings and units contained in the Condominium Project, including the number, boundaries, dimensions and area of each unit therein are set forth completely in the Condominium Subdivision Plan attached hereto as Exhibit "B". Each building contains individual units for residential purposes and each unit is capable of individual utilization as a result of having its own entrance from and exit to a common element of the Condominium Project. Each co-owner in the Condominium Project shall have an exclusive right to his unit and shall have undivided and inseparable rights to share with other co-owners the common elements of the Condominium Project as are designated by this Master Deed.



ARTICLE II

LEGAL DESCRIPTION

The land which is submitted to the Condominium Project established by this Master Deed is particularly described as follows:

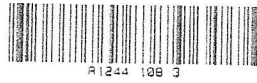
A part of fractional Section 31, Town 10 North, Range 17 East, Village of Lexington, Lexington Township, Sanilac County, Michigan described as: Beginning at the Northeast corner of Lot 13, Plat of Village of Monrovia, as recorded in Liber 1, page 1 of the Sanilac County Deed Records; thence South 02 degrees East along the East line of said lot, a distance of 165.0 feet; thence South 87 degrees 33 minutes West parallel with the North line of said Lot 264.0 feet; thence North 02 degrees West 165.0 feet along the West line of Lot 10 of said plat; thence North 87 degrees 33 minutes East along the Southerly right-of-way line of Huron Avenue 264.0 feet to the point of beginning. Containing 1.0 acres more or less.

ARTICLE III

DEFINITIONS

Certain terms are utilized not only in this Master Deed and Exhibits "A" and "B" hereto, but are or may be used in various other instruments such as, by way of example and not limitation, the Articles of Incorporation, corporate By-Laws and Rules and Regulations of the Monrovia Beach Club Harborpointe Condominium Association, a Michigan non-profit corporation, and deed, mortgages, liens, land contracts, easements and other instruments affecting the establishment of, or transfer of interests in, Monrovia Beach Club Harborpointe Condominium, as a Condominium Project. Wherever used in such documents or any other pertinent instruments, the terms set forth below shall be defined as follows:

- A. The "Act" means the Michigan Condominium Act, being Act 59 of the Public Acts of 1978, as amended.
- B. "Association" means the non-profit corporation organized under Michigan Law of which all co-owners shall be members, which corporation shall administer, operate, manage and maintain the Condominium Project. Any action required of or permitted to the Association shall be exercisable by its Board of Directors unless specifically reserved to its members by the Condominium Documents or the laws of the State of Michigan.
- C. "Association By-Laws" means the corporate By-Laws of Monrovia Beach Club Harborpointe Condominium Association, the Michigan non-profit corporation organized to manage, maintain and administer the Condominium Project.
- D. "Common Elements", where used without modification, means both the general and the limited common elements described in Article VI hereof.
- E. "Condominium By-Laws" means Exhibit "A" hereto, which sets forth the substantive rights and obligations of the co-owners, as required by Sections 3(a), 53, 54 of the Act, and which is recorded as part of the Master Deed.
- F. "Condominium Documents" means and includes this Master Deed and Exhibits "A" and "B" hereto, the Articles of Incorporation, By-Laws and the Rules and Regulations, if any, of the Association.
- G. "Condominium Premises" means and includes the land and the buildings, all improvements and structures thereon, and all easements, rights and appurtenances belonging to Monrovia Beach Club Harborpointe Condominium as described above.



- H. "Condominium Project", "Condominium" or "Project" means the Monrovia Beach Club Harborpointe Condominium as a Condominium Project established in conformity with the provisions of the Act.
- I. "Condominium Subdivision Plan" means Exhibit "B" hereto.
- J. "Consolidating Master Deed" means the final amended Master Deed which shall describe Monrovia Beach Club Harborpointe Condominium as a completed Condominium Project and shall reflect the entire land area, all units and common elements therein and the respective percentage of value pertinent to each unit as may finally be readjusted in accordance with Article VII hereof. Such Consolidating Master Deed, shall, when recorded in the Office of the Register of Deeds for Sanilac County, Michigan, supersede this Master Deed and all amendments hereof.
- K. "Co-owner" means a person, firm, corporation, partnership, association, trust (or other legal entity or any combination thereof) who or which owns one or more units in the Condominium Project. The term "owner" shall be synonymous with the term "co-owner". (Co-owner includes a land contract vendee if the land contract so provides.)
- L. "Developer" means Heritage Land Co., Inc., a Michigan corporation, which has made and executed this Master Deed, and its successors and assigns.
- M. "Unit", "Condominium Unit" or "Apartment" each mean the enclosed space constituting a single, complete residential unit or commercial shop in Monrovia Beach Club Harborpointe Condominium as such space may be described on Exhibit "B" hereto, and shall have the same meaning as the term "Condominium Unit" as defined by the Act.
- N. Whenever any reference herein is made to one gender, the same shall include a reference to any and all genders where the same would be appropriate; similarly, whenever a reference is made herein to the singular, a reference shall also be included to the plural where the same would be appropriate.

ARTICLE IV

COMMON ELEMENTS

- A. The general common elements are:
- (1) The land described in Article II hereof, including driveways, parking spaces and sidewalks not designated as limited common elements;
 - (2) The electrical wiring network throughout the Condominium Project, including that contained within unit walls, up to the point of connection with electrical fixtures, plugs and switches within any unit;
 - (3) The gas line network throughout the Condominium Project, including that contained within walls, up to the point of connection with gas fixtures within any units;
 - (4) The telephone wiring network throughout the Condominium Project, including that contained within unit walls, up to the point of connection with plugs or entry into a unit;
 - (5) The water distribution system throughout the Condominium Project, including that contained within unit walls, up to the point of connection with plumbing fixtures within any unit;
 - (6) The sanitary sewer, storm drainage and water disposal systems throughout the Condominium Project, including that contained within unit walls, up to the point of connection with plumbing fixtures within any unit;



- (7) Foundations, supporting columns, walls and unit perimeter walls (including windows and doors therein), roofs, ceilings, floor construction between unit levels and chimney throughout the Condominium Project.
- (8) Any television cable network or facilities that may, from time to time, be installed in the Condominium Project.
- (9) Any intercom and/or doorbell wiring contained within unit walls.
- (10) Such other elements of the Condominium Project not herein designated as general or limited common elements which are not enclosed within the boundaries of a unit, and which are intended for common use or necessary to the existence, upkeep and safety of the Condominium Project.

B. The limited common elements are:

- (1) Each individual garage space in the Condominium Project shall be subject to the exclusive use and enjoyment of the co-owner of the unit to which such garage is assigned.
- (2) Each individual patio and porch in the Condominium Project shall be subject to the exclusive use and enjoyment of the co-owner of the unit which opens onto such patio or porch as shown on Exhibit "B"
- (3) Each individual air-conditioning unit and pad in the Condominium Project shall be subject to the exclusive use and enjoyment of the co-owner of the unit which is served by such air-conditioning unit;
- (4) The interior surfaces of unit perimeter walls (including windows and doors therein), ceilings and floors contained within a unit and the surfaces of any load bearing walls designated general common elements but within a unit shall be subject to the exclusive use and enjoyment of the co-owner of such unit; and
- (5) The hallway and area under the stairs adjacent to Unit 24 in the Condominium Project shall be subject to the exclusive use and enjoyment of the co-owner of Unit 24, which opens onto such space as shown on Exhibit "B".

ARTICLE V

UNIT DESCRIPTION AND PERCENTAGE OF VALUE

- A. Each unit in the Condominium Project is described in this Article with reference to the Subdivision and Site Plan of Monrovia Beach Club Harborpointe Condominium as surveyed by Burgin Land Surveys, and attached hereto as Exhibit "B". Each unit includes all that space contained within the interior finished unpainted walls and ceilings and from the finished subfloor all as shown on the floor plans and sections on Exhibit "B" hereto and delineated with heavy outlines. The dimensions shown on perimeter plans have been or will be physically measured by Burgin Land Surveys. In the event that the dimensions on the measured perimeter plan on any specific unit differ from the dimensions on the typical perimeter plan for such unit shown on Exhibit "B" hereto, then the typical upper floor plans for such unit shall be deemed to be automatically changed for such specific unit in the same manner and to the same extent as the measured perimeter plan. Building elevations are shown in detail in architectural plans on file with the Village of Lexington Building Department.
- B. The percentage of value assigned to each unit has been determined with reference to the comparative size of each unit and is set forth in subparagraph C below. The percentage of value assigned to each unit shall be determinative of the proportionate share of each respective co-owner in the proceeds and expenses of the administration of the Condominium. The total value of the Condominium Project is 100. The percentage of value allocated to each unit may be changed only with the unanimous consent of all of the co-owners expressed in an amendment to this Master Deed, duly approved and recorded.



C. Set forth below are:

- (1) Each unit number as it appears on the Condominium Subdivision Plan.
- (2) The percentage of value assigned to each unit.

Unit percentages of value assigned

<u>Unit Number</u>	<u>Commonly Known As</u>	<u>Percentage of Value Assigned</u>
1	A-101	4.4025
2	A-102	4.4025
3	A-201	4.4025
4	A-202	4.4025
5	A-301	4.4025
6	A-302	4.4025
7	5500 Cole Alley	1.2580
8	5502 Cole Alley	1.2580
9	5504 Cole Alley	1.2580
10	5506 Cole Alley	1.2580
11	B-101	4.4025
12	B-201	4.4025
13	B-301	5.0314
14	B-102	4.4025
15	B-202	4.4025
16	B-302	5.0314
17	C-101	5.0314
18	C-201	5.0314
19	C-301(a)	5.0314
20	5508 Cole Alley	1.2580
21	5510 Cole Alley	1.2580
22	5512 Cole Alley	1.2580
23	5514 Cole Alley	1.2580
24	5516 Cole Alley	1.2580
25	5518 Cole Alley	1.2580
26	C-102	4.4025
27	C-202	4.4025
28	C-302	5.0314
29	C-301(b)	4.4025
Total		<hr/> 100.0 percent



ARTICLE VI

EASEMENTS IN FAVOR OF THE CONDOMINIUM PROJECT

In the event that any portion of a unit or common element encroachment upon another unit or common element due to shifting, settling or moving of a building, or due to survey errors, or construction deviations, reciprocal easements shall exist for the maintenance of such encroachment for so long as such encroachment exists, and for maintenance thereof after rebuilding in the event of any destruction. There shall be easements to, through and over those portions of the land, structures, buildings, improvements and walls (including interior unit walls) contained therein for the continuing maintenance and repair of all utilities in the Condominium Project. There shall exist easement of support with respect to any unit interior wall which supports a common element.

ARTICLE VII

EXPANSION OF CONDOMINIUM

As of the date of this Consolidated Master Deed, all permitted expansion has been completed.

ARTICLE VIII

AMENDMENT

This Master Deed and the Condominium Subdivision Plan, Exhibit "B" hereto, (but not Exhibit "A" hereto) may be amended by the Association at any regular annual meeting or a special meeting called for such purpose, by the affirmative vote of not less than sixty-six and two-thirds (66-2/3%) percent of all co-owners both in number and in value. A vote in number means one (1) vote per unit, and in value means the number of votes corresponding to the percentage allocated to each unit. In the event that a mortgagee is entitled to have one (1) vote, he shall be entitled to exercise one (1) vote which represents one (1%) percent of the Condominium Project, and the co-owner will be entitled to vote the remaining percentages allocated to his or her individual unit, except as provided in preceding Articles of this Master Deed and except as hereinafter set forth in this Article VIII:

- A. No unit dimensions may be modified without the written consent of the co-owner of such unit, nor may the nature or extent of limited common elements or the responsibility for maintenance, repair or replacement thereof be modified without the written consent of the co-owner of any unit to which the same are appurtenant.
- B. Prior to the Final Annual Meeting of members of the Association, the Developer may, without the consent of any co-owner or any other person, amend this Master Deed and the plans attached hereto as Exhibit "B" in order to correct survey or other errors made in such documents and to make such other amendments to such instruments and to the By-Laws attached hereto as Exhibit "A" as to not materially affect any rights of any co-owner or mortgagee in the Condominium Project including, by way of example and not as limitation, amendments for the purpose of facilitating conventional mortgage loan financing for existing or prospective co-owners and to enable the purchase of such mortgage loans by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the government National Mortgage Association and any other agency of the federal government or of the State of Michigan.
- C. The value of the vote of any co-owner and the corresponding proportion of common expenses assessed against such co-owner shall not be modified without the written consent of such co-owner and of his mortgage company.



D. The Condominium Project may not be terminated, vacated, revoked or abandoned without the written consent of ninety-five (95%) percent of all co-owners and all mortgagees (allocating one vote to each mortgage held).

MONROVIA BEACH CLUB
HARBORPOINTE CONDOMINIUM ASSOCIATION,

Brian L. Blaesing
By: Brian L. Blaesing
President

Jeffrey L. Conrad
By: Jeffrey L. Conrad
Secretary

STATE OF MICHIGAN
-SS-
COUNTY OF ST. CLAIR

The foregoing instrument was acknowledged before me this 14th day of July, 2014, by Brian L. Blaesing, President, and Jeffrey L. Conrad, Secretary of Monrovia Beach Club Harborpointe Condominium Association.

Douglas S. Touma
Douglas S. Touma
Notary Public for St. Clair County, Michigan
Acting in St. Clair County, Michigan
My commission expires: 7-14-19

Prepared by, record and return to:
Douglas S. Touma *e*
Touma, Watson, Whaling, Coury & Castello, P.C.
316 McMorran Blvd.
Port Huron, MI 48060



EXHIBIT A

CONDOMINIUM BY-LAWS
MONROVIA BEACH CLUB
HARBORPOINTE CONDOMINIUM

ARTICLE I

ASSOCIATION OF CO-OWNERS

Section A. Monrovia Beach Club Harborpointe Condominium, a residential and commercial condominium project (hereafter sometimes referred to as the "Condominium", "Project" or "Condominium Project"), located in the Village of Lexington, Sanilac County, Michigan, shall be administered by an Association of co-owners which shall be a non-profit corporation (hereinafter sometimes referred to as the "Association"), organized under the applicable laws of the State of Michigan, and responsible for the management, maintenance, operation and administration of the common elements, easements and affairs of the Condominium Project in accordance with the Master Deed, these By-Laws, the Articles of Incorporation, By-Laws and duly adopted Rules and Regulations of the Association, and the laws of the State of Michigan. All co-owners in the Condominium Project and all persons using or entering upon or acquiring any interest in any unit therein or the common elements thereof shall be subject to the provisions and terms set forth in the aforesaid Condominium Documents.

Section B. Membership in the Association and voting by members of the Association shall be in accordance with the following provisions:

- (1) Each co-owner shall be a member of the Association and no other person or entity shall be entitled to membership.
- (2) The share of a co-owner in the funds and assets of the Association cannot be assigned, pledged or transferred in any manner except as an appurtenance to his unit in the Condominium Project.
- (3) Except as limited in these By-Laws, each co-owner shall be entitled to one (1) vote for each unit owned.
- (4) No co-owner shall be entitled to vote at any meeting of the Association until he has presented evidence of ownership of a unit in the Condominium Project to the Association. The vote of each co-owner may only be cast by the individual representative designated by such co-owner in the notice required in Section B(5) of this Article I or by a proxy given by such individual representative.
- (5) Each co-owner shall file a written notice with the Association designating the individual representative who shall vote at meetings of the Association and receive all notices and other communications from the Association on behalf of such co-owner. Such notice shall state the name and address of the individual representative designated, the number of each unit owned by the co-owner, and the name and address of each person, firm, corporation, partnership, association, trust or other entity, who is the co-owner. Such notice shall be signed and dated by the co-owner. The individual representative designated may be changed by the co-owner at any time by filing a new notice in the manner herein provided.
- (6) There shall be an annual meeting of the members of the Association commencing with the First Annual Meeting. Other meetings may be provided for in the By-Laws of the



Association. Notice of time, place and subject matter of all meetings as provided in the Association By-Laws shall be given to each co-owner by mailing the same to each individual representative designated by the respective co-owners.

- (7) The presence in person or by proxy of fifty-one (51%) percent in number and in value of the co-owners qualified to vote shall constitute a quorum for holding a meeting of the members of the Association, except for voting on questions specifically required herein to require a greater quorum. The written vote of any person furnished at or prior to any duly called meeting at which such person is not otherwise present in person or by proxy shall be counted in determining the presence of a quorum with respect to the questions upon which the vote is cast.
- (8) Votes may be cast in person or by proxy or by a writing duly signed by the unit owner or the designated voting representative not present at a given meeting in person or by proxy. Proxies and any written votes must be filed with the Secretary of the Association at or before the appointed time of each meeting of the members of the Association. Cumulative voting shall not be permitted.
- (9) A majority, except where otherwise provided herein, shall consist of more than fifty (50%) percent in value of those qualified to vote and present in person or by proxy (or written ballot, if applicable) at a given meeting of the members of the Association. Whenever provided specifically herein, a majority may be required to exceed the simple majority hereinabove set forth of designated voting representatives present in person or by proxy (or by written ballot, if applicable) at a given meeting of the members of the Association.
- (10) Other provisions as to voting by members, not inconsistent with the provisions herein contained, may be set forth in the Association By-Laws.

Section C. The Association shall keep detailed books of account showing all expenditures and receipts of administration which shall specify the maintenance and repair expenses of the common elements and any other expenses incurred by or on behalf of the Association and the co-owners. Such accounts as well as all other Association records shall be open for inspection by the co-owners and their mortgagees during reasonable working hours. The Association shall prepare and distribute to each co-owner at least annually, a financial statement, the contents of which shall be defined by the Association. The books of account shall be audited at least annually by qualified, independent auditors; provided, however that such auditors need not be certified public accountants nor does such audit need to be a certified audit. Any institutional holder of a first mortgage lien on any unit in the Condominium Project shall be entitled to receive, upon request, a copy of such annual audited financial statement within ninety (90) days following the end of the Association's fiscal year. The costs of any such audit and any accounting expenses shall be expenses of administration. The Association shall also maintain on file current copies of the Master Deed for the Condominium Project, any amendments thereto and all other Condominium Documents and shall permit all co-owners, prospective purchasers and prospective mortgagees interested in the Condominium Project to inspect the same during reasonable working hours.

Section D. The affairs of the Association shall be governed by a Board of Directors, all of whom shall serve without compensation and who must be members of the Association except for the first Board of Directors designated in the Articles of Incorporation of the Association and any successors thereto elected prior to the First Annual Meeting of members. The number, terms of office, manner of election, removal and replacement, meetings, quorum and voting requirements and other duties or provisions of or relating to Directors, not inconsistent with the following shall be provided by the Association By-Laws.



- (1) The Board of Directors shall have all powers and duties necessary for the administration of the affairs of the Association and may do all acts and things as are not prohibited by the Condominium Documents or required thereby to be exercised and done by the co-owners. In addition to the foregoing general duties imposed by these By-Laws, or any further duties which may be imposed by resolution of the members of the Association or which may be set forth in the Association By-Laws, the Board of Directors shall be responsible specifically for the following:
- (a) To manage and administer the affairs and maintenance of the Condominium Project and the common elements thereof.
 - (b) To collect assessments from the members of the Association and to use the proceeds thereof for the purposes of the Association.
 - (c) To carry insurance and collect and allocate the proceeds thereof.
 - (d) To rebuild improvements after casualty.
 - (e) To contract for and employ persons, firms, corporations or other agents who shall assist in the management, operation, maintenance and administration of the Condominium Project.
 - (f) To approve or disapprove proposed purchasers or lessees of any unit in the manner specified in these By-Laws.
 - (g) To acquire, maintain and improve, and to buy, operate, manage, sell, convey, assign, mortgage or lease any real or personal property (including any unit in the Condominium Project and easements, rights-of-way and licenses) on behalf of the Association in furtherance of any of the purposes of the Association, including, by way of example and not as limitation, the lease or purchase of any unit in the Condominium Project for use by a resident manager.
 - (h) To borrow money and issue evidence of indebtedness in furtherance of any and all of the purposes of the Association and to secure the same by mortgage, pledge or other lien on property owned by the Association; provided, however, that any such action shall also be approved by the affirmative vote of not less than sixty-six and two-thirds (66 2/3%) percent of all of the members of the Association in number and in value.
 - (i) To make rules and regulations in accordance with Article VI Section K of these By-Laws.
 - (j) To establish such committees as it deems necessary, convenient or desirable and to appoint persons thereto for the purpose of implementing the administration of the Condominium Project and to delegate to such committees any functions or responsibilities which are not by law or the Condominium Documents required to be performed by the Board.
 - (k) To enforce the provisions of the Condominium Documents.
- (2) To make rules and regulations and to enter into agreements with institutional lenders the purposes of which are to obtain mortgage financing for co-owners which is acceptable for purchase by the Federal Home Loan Corporation, the Federal National Mortgage



Association, the government National Mortgage Association and any other agency of the federal government or of the State of Michigan.

- (3) The Board of Directors may employ for the Association a professional management agent (which may include the Developer or any person or entity related thereto) at reasonable compensation established by the Board of Directors to perform such duties and services as the Board shall authorize including, but not limited to, the duties listed in Section D(1) of this Article I, as well as any other duties or powers which are not by law or by the Condominium Documents required to be performed by or have the approval of the Board of Directors or the members of the Association. In no event shall the Board be authorized to enter into any contract with a professional management agent, or any other contract providing for services by the Developer, sponsor or builder, in which the maximum term is greater than three (3) years or which is not terminable by the Association upon ninety (90) days written notice thereof to the other party. In addition, Section 55 of the Act provides as follows:
- (1) A service contract which exists between the Association of co-owners and the developer is voidable by the Board of Directors of the Association of co-owners on the transitional control date or within 90 days thereafter and on 30 days notice at any time thereafter for cause.
 - (2) To the extent that any management contract extends beyond 1 year after the transitional control date, the excess period under the contract may be voided by the Board of Directors of the Association of co-owners by notice to the management agent at least 30 days before the expiration of the one year."
- (4) All of the actions (including, without limitation, adoption of these By-Laws and any Rules and Regulations for the Association, and any undertakings or contracts entered into with others on behalf of this Association) of the first Board of Directors of the Association named in its Articles of Incorporation or any successors thereto elected before the First Annual Meeting of members shall be binding upon the Association in the same manner as though such actions had been authorized by a Board of Directors duly elected by the members of the Association at the first or any subsequent annual meeting or members so long as such actions are within the scope of the powers and duties which may be exercised by any Board of Directors as provided in the Condominium Documents.

Section E. The Association By-Laws shall provide the designation, number, terms of office, qualifications, manner of election, duties, removal and replacement of the officers of the Association and may contain any other provisions pertinent to officers of the Association in furtherance of the provisions and purposes of the Condominium Documents and not inconsistent therewith. Officers may be compensated but only upon the affirmative vote of not less than sixty (60%) percent of all co-owners in number and in value.

Section F. Every Director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of his being or having been a Director or officer of the Association, whether or not he is a Director or officer at the time such expenses are incurred, except for those cases in which the Director or officer is adjudged guilty or willful or wanton misconduct or gross negligence in the performance of his duties; provided that, in the event of any claim or reimbursement or indemnification hereunder based upon a statement by the Director or officer seeking such reimbursement, the indemnification herein shall apply only if the Board of Directors (with the director seeking reimbursement abstaining) approves such



settlement and reimbursement as being in the best interest of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such Director or officer may be entitled. At least ten (10) days prior to payment of any indemnification which it has approved, the Board of Directors shall notify all co-owners thereof.

ARTICLE II

ASSESSMENTS

Section A. The Association shall be assessed as the person or entity in possession of any tangible personal property of the Condominium Project owned or possessed in common by the co-owners, and personal property taxes based thereon shall be treated as expenses of administration.

Section B. All costs incurred by the Association in satisfaction of any liability arising within, caused by or in connection with the common elements or the administration of the Condominium Project shall constitute expenditures affecting the administration of the Condominium Project; and all sums received as proceeds of, or pursuant to any policy of insurance carried by the Association securing the interests of the co-owners against liabilities or losses arising from, caused by or in connection with the common elements or the administration of the Condominium Project shall constitute receipts affecting the administration of the Condominium Project; all within the meaning of Section 54 (4) of the Act.

Section C. Assessments shall be determined in accordance with the following provisions:

- (1) The Board of Directors of the Association shall establish an annual budget in advance for each fiscal year and such budget shall project all expenses for the forthcoming year which may be required for the proper operation, management and maintenance of the Condominium Project, including a reasonable allowance for contingencies and reserves. An adequate reserve fund for maintenance, repairs and replacement of those common elements which must be replaced on a periodic basis must be established in the budget and must be funded by regular quarterly payments as set forth in Section D of this Article II, rather than by special assessments. At a minimum, the reserve fund shall be equal to ten (10%) percent of the Association's current annual budget, on a non-cumulative basis. Such ten (10%) percent minimum standard may prove to be inadequate. The Board of Directors and co-owners should carefully analyze their Condominium Project to determine whether a greater amount should be set aside or whether additional reserve funds should be established for other purposes. Upon adoption of an annual budget by the Board of Directors, copies of said budget shall be delivered to each co-owner and the assessment for said year shall be established based upon said budget. The delivery of a copy of the budget to each co-owner shall, however, not affect the liability of any co-owner for any existing or future assessments. Should the Board of Directors at any time determine, in its sole discretion, that the assessments levied are or may prove to be insufficient (a) to pay the costs of operation and management of the Condominium Project, (b) to provide replacements or existing common elements, (c) to provide additions to the common elements not exceeding \$2,000.00 annually, or (d) in the event of emergencies, the Board of Directors shall have the authority to increase the general assessment or to levy such additional assessment or assessments as it shall deem to be necessary.
- (2) Special assessments, in addition to those assessments required in subparagraph (1) of this Section C, may be made by the Board of Directors from time to time and approved by the co-owners as hereinafter provided to meet other needs or requirements of the Association, including, by way of example and not as limitation (a) assessments for



capital improvements or additions at a cost exceeding \$2,000.00 per year, (b) assessments for the purchase or lease of a unit pursuant to Article VI, Section M hereof, (c) assessments to purchase a unit upon foreclosure of the lien for assessments described in Section F of this Article II, (d) assessments for any other appropriate purpose not elsewhere herein described. Special assessments referred to in this subparagraph (2) (but not including those assessments referred to in subparagraph (1) of this Section C which shall be levied in the sole discretion of the Board of Directors) shall not be levied without the prior approval of more than sixty (60%) percent of all co-owners in number and in value.

Section D. All assessments, Association fees and any other authorized charges levied against the co-owners to cover expenses of administration shall be apportioned among and paid by the co-owners in accordance with the percentage of value allocated to each unit in Article V of the Master Deed without increase or decrease for the existence of any rights to the use of limited common elements appurtenant to a unit. Annual assessments, Association fees and any other authorized charges as determined in accordance with subparagraph (1) of Section C shall be payable by co-owners in four (4) equal calendar quarterly installments, commencing with acceptance of a deed to a unit or with acquisition of fee simple title to a unit by any other means. Special assessments and any other authorized charges shall be due and payable at such times as the Association shall determine. The payment of an assessment, Association fees and any other authorized charges shall be in default if such assessment, Association fees and any other authorized charges, or any part thereof, is not paid to the Association in full on or before the due date for such payment. Assessments, Association fees and any other authorized charges in default shall bear interest at the rate of seven (7%) percent per annum until paid in full. The Association may levy fees for late payment in addition to such interest. The late payment fees shall be due and payable together with the Association fees on the next date on which Association fees are due and payable. Failure to pay the processing fees shall subject the defaulting co-owner to all liabilities set forth in the Condominium Documents. Each co-owner (whether one or more persons), shall be, and remain, personally liable for the payment of all assessments, Association fees and any other authorized charges pertinent to his apartment or townhouse which may be levied while such co-owner is the owner thereof.

Section E. No co-owner may exempt himself from liability for his contribution toward the expenses of administration by waiver of the use or enjoyment of any of the common elements or by the abandonment of his unit.

Section F. The Association may enforce collection of delinquent assessments by a suit at law for a money judgment or by foreclosure of the statutory lien which secures the payment of assessments. Each co-owner, and every other person who, from time to time, has any interest in the Condominium Project, shall be deemed to have granted to the Association the unqualified right to elect to foreclose such lien either by judicial action or by advertisement. The provisions of Michigan law pertaining to foreclosure of mortgages by judicial action and by advertisement, as the same may from time to time be amended, are incorporated herein by this reference for the purposes of establishing the alternative procedures to be followed in lien foreclosure actions and the rights and obligations of the parties to such actions. Furthermore, each co-owner and every other person who, from time to time, has any interest in the Condominium Project, shall be deemed to have authorized and empowered the Association to sell or to cause to be sold the unit with respect to which the assessment (or assessments, as the case may be) is delinquent and to receive, hold and distribute the proceeds of such sale in accordance with the priorities established by applicable law. Each co-owner of a unit in the Condominium Project acknowledges that at the time of acquiring title to such unit, he was notified of the provisions of this Section and that he voluntarily, intelligently and knowingly waived notice of any proceedings brought by the Association to foreclose by advertisement the lien for nonpayment of assessments and a hearing on the same prior to the sale of the subject unit. Notwithstanding the foregoing, neither a judicial foreclosure action nor a suit at law for a money judgment shall be commenced nor shall any notice or



foreclosure by advertisement be published, until the expiration of ten (10) days after mailing, by first class mail, postage prepaid addressed to the co-owner in default at his last known address, a written notice that one or more assessments (or one or more installments of the annual assessment, as the case may be) are delinquent and that the Association may invoke any of its remedies hereunder if the default is not cured within ten (10) days after the date of mailing. Such written notice shall be accompanied by a written affidavit of an authorized representative of the Association which sets forth (1) the affiant's capacity to make the affidavit; (2) the statutory and other authority for the lien; (3) the amount outstanding (exclusive of interest, costs, attorney fees and future assessments); (4) the legal description of the subject unit; and (5) the name (or names as the case may be) of the co-owner of record. Such affidavit shall be recorded in the office of the Register of Deeds for Sanilac County prior to the commencement of any foreclosure proceedings, but it need not have been recorded as of the date of mailing as aforesaid. In the event that the default is not cured within the ten (10) day period, the Association may take such remedial action as may be available to it hereunder or under Michigan law. In the event that the Association elects to foreclose the lien by advertisement, the Association shall so notify the co-owner in default and shall inform such co-owner that he may request a judicial hearing by bringing suit against the Association. All expenses incurred in collecting unpaid assessments, including, by way of example and not as limitation, interest, costs, actual attorney's fees (not limited to statutory fees) and advances for taxes or other liens paid by the Association to protect its lien, shall be chargeable to the co-owner in default and shall be secured by the lien on his unit. In the event of default by any co-owner in the payment of any installment of the annual assessment levied against his unit, the Association shall have the right to declare all unpaid installments of the annual assessment for the pertinent fiscal year to be immediately due and payable. In addition, the Association may discontinue the furnishing or any utilities or other services to a co-owner in default upon seven (7) days written notice to such co-owner of its intention to do so. A co-owner in default shall not be entitled to utilize any of the general common elements of the Condominium Project, and shall not be entitled to vote at any meeting of the Association so long as such default continues. In a judicial foreclosure action, a receiver may be appointed to collect a reasonable rental for the unit from the co-owner thereof or from any person claiming under him.

Section G. Notwithstanding any other provisions of the Condominium Documents, the holder of any first mortgage covering any unit in the Condominium Project which comes into possession of the unit pursuant to the remedies provided in the mortgage or by deed (or assignment) in lieu of foreclosure, or any purchaser at a foreclosure sale, shall take the property free of any claims for unpaid assessments or charges against the mortgaged unit which accrue prior to the time such holder comes into possession of the unit (except for claims for a pro rata share of such unpaid assessments or charges resulting from a pro rata reallocation of such unpaid assessments or charges to all units including the mortgaged unit).

Section H. Intentionally left blank.

Section I. All property taxes and special assessments levied by any public taxing authority shall be assessed in accordance with Section 231 of the Act.

Section J. A mechanic's lien or construction lien otherwise arising under Act No. 179 of the Public Acts of Michigan of 1891 or Act No. 497 of the Public Acts of Michigan of 1980, respectively, as amended, shall be subject to Section 232 of the Act.

Section K. Pursuant to Section 211 of the Act, the purchaser of a unit may request a statement from the Association of the outstanding amount of any unpaid association assessments thereon, whether regular or special. Upon written request to the Association accompanied by a copy of the executed purchase agreement pursuant to which the purchaser has the right to acquire title to a unit, the Association shall provide a written statement of any unpaid assessments which may exist or a statement that none exist with respect to such unit, which statement shall be binding upon the Association for the period stated therein. Upon the payment of such amount within the period stated, the Association's lien for



assessments against such unit shall be deemed to have been satisfied, provided however, that the failure of purchaser to request such statement at least five (5) days prior to the closing of the purchase of such unit, shall render any unpaid assessments and the lien securing same, fully enforceable against such purchaser as well as the unit itself, to the extent provided for in the Act. Under the Act, unpaid assessments constitute a lien upon the unit prior to all claims against the proceeds of sale thereof except for real property taxes and first mortgages of record.

ARTICLE III

ARBITRATION

Section A. Disputes, claims, or grievances arising out of or relating to the interpretation or the application of the Condominium Documents, or any disputes, claims or grievances arising among or between co-owners and the Association shall, upon the election and written consent of the parties to any such disputes, claims or grievances and written notice to the Association, be submitted to arbitration and the parties thereto shall accept the arbitrator's decision as final and binding. The Commercial Arbitration Rules of the American Arbitration Association, as amended and in effect from time to time, hereafter shall be applicable to any such arbitration.

Section B. Election by co-owners or the Association to submit any such dispute, claim or grievance to arbitration shall preclude such parties from litigating such dispute, claim or grievance in the courts.

Section C. Except as otherwise hereinabove stated in Section B of Article III, neither a co-owner nor the Association shall be precluded from petitioning the courts to resolve any such disputes, claims or grievances.

ARTICLE IV

INSURANCE

Section A. The Association shall carry all risk, liability and, if applicable, workmen's compensation insurance coverages pertinent to the ownership, use and maintenance of the common elements of the Condominium Project, and such insurance, other than title insurance, shall be carried and administered in accordance with the following provisions:

- (1) All such insurance shall be purchased by the Association for the benefit of the Association, and the co-owners and their mortgagees, as their interests may appear, and provision shall be made for the issuance of certificates of mortgage endorsements to the mortgagees of co-owner. Each co-owner may obtain insurance coverage upon his unit at his own expense. It shall be each co-owner's responsibility to obtain insurance coverage for his personal property located within his unit or elsewhere on the Condominium Project; for his personal liability for occurrences within his unit or upon limited common elements appurtenant to his unit and for alternate living expenses in the event of fire and the Association shall have absolutely no responsibility for obtaining such coverages. The Association and all co-owners shall use their best efforts to see that all property and liability insurance carried by the Association or any co-owner shall contain appropriate provisions whereby the insurer waives its right of subrogation as to any claims against any co-owner or the Association.
- (2) All common elements of the Condominium Project shall be insured against fire and other perils covered by an all risk policy of insurance, in the amount equal to the maximum insurable replacement value, excluding foundation and excavation costs as determined annually by the Board of Directors of the Association. Such coverage shall



also include interior walls within any unit and the pipes, wires, conduits and ducts contained therein and shall further include all fixtures, equipment and trim within a unit which were furnished with the unit as standard items in accordance with the plans and specifications thereof as are on file with the Association (or such replacements thereof as do not exceed the cost of such standard items). Any improvements made by a co-owner within his unit shall be covered by insurance obtained by and at the expense of such co-owner; provided that, if the Association elects to include such improvements under its insurance coverage, any additional premium cost to the Association attributable thereto shall be assessed to and borne solely by said co-owner and collected as a part of the assessments against said co-owner under Article II hereof.

- (3) All premiums for insurance purchased by the Association pursuant to these By-Laws shall be expenses of administration.
- (4) Proceeds of all insurance policies owned by the Association shall be received by the Association, held in a separate account and distributed to the Association and the co-owners and their mortgagees as their interests may appear; provided, however, that whenever repair or reconstruction of the Condominium Project shall be required as provided in Article V hereof, the proceeds of any insurance received by the Association as a result of any loss requiring repair or reconstruction shall be applied to such repair or reconstruction and in no event shall hazard insurance proceeds be used for any purpose other than for repair, replacement or reconstruction of the Condominium Project unless all of the institutional holders of first mortgage liens on any units have given their prior written approval.

Section B. Each co-owner, by ownership of a unit in the Condominium Project shall be deemed to have appointed the Association as his true and lawful attorney-in-fact to act in connection with all matters concerning the maintenance of all risk liability and, if applicable, workmen's compensation insurance coverages pertinent to the Condominium Project, his unit and the common elements appurtenant thereto with such insurer as may, from time to time, provide such insurance for the Condominium Project. Without limitation on the generality of the foregoing, the Association as said attorney shall have full power and authority to purchase and maintain such insurance to collect and remit premiums therefor, to collect proceeds and to distribute the same to the Association, the co-owners and respective mortgagees, as their interests may appear, (subject always to the Condominium Documents) to execute releases of liability and to execute all documents and to do all things on behalf of such co-owner and the Condominium Project as shall be necessary or convenient for the accomplishment of the foregoing.

ARTICLE V

RECONSTRUCTION AND REPAIR

Section A. If any part of the Condominium Project shall be damaged, the determination of whether or not it shall be reconstructed or repaired shall be made in the following manner:

- (1) If the damaged property is a common element or a unit, the property shall be rebuilt or repaired if any unit in the Condominium Project is tenantable, unless it is determined by a unanimous vote of all co-owners that the Condominium Project shall be terminated and each institutional holder of a first mortgage lien on any unit has given its prior written approval of such termination.
- (2) If the Condominium Project is so damaged that no unit is tenantable, and if each institutional holder of a first mortgage lien on any unit has given its prior written approval of the termination of the Condominium Project, the damaged property shall not be rebuilt



and the Condominium Project shall be terminated, unless seventy-five (75%) percent or more of the co-owners in number and in value agree to reconstruction by vote or in writing within ninety (90) days after the destruction.

Section B. Any such reconstruction or repair shall be substantially in accordance with the Master Deed and the plans and specifications for the Condominium Project to a condition as comparable as possible to that condition existing prior to such damage unless the co-owners shall unanimously decide otherwise.

Section C. If the damage is only to a part of a unit which is the responsibility of a co-owner to maintain and repair, it shall be the responsibility of the co-owner to repair such damage in accordance with Section D of this Article V. In all other cases, the responsibility for reconstruction and repair shall be that of the Association.

Section D. Each co-owner shall be responsible for the reconstruction, repair and maintenance of the interior of his unit, including by way of example and not as limitation, floor coverings, wall coverings, window shades, draperies, interior walls (but not any common elements therein), interior trim, furniture, light fixtures and all appliances, whether free-standing or built-in. In the event that damage to interior walls within a co-owner's unit or to pipes, wires, conduits, ducts or other common elements therein is covered by the insurance held by the Association, then the reconstruction or repair shall be the responsibility of the Association in accordance with Section E of this Article V. If any other interior portion of a unit is covered by insurance held by the Association for the benefit of the co-owner, the co-owner shall be entitled to receive the proceeds of insurance relative thereto and if there is a mortgagee endorsement, the proceeds shall be payable to the co-owner and mortgagee jointly. In the event of substantial damage to or destruction of any unit or any part of the common elements, the Association shall promptly so notify such institutional holder of a first mortgage lien on any unit.

Section E. The Association shall be responsible for the reconstruction, repair and maintenance of the common elements and any incidental damage to a unit caused by such common elements or the reconstruction, repair or maintenance thereof. Immediately after a casualty causing damage to property for which the Association has the responsibility of maintenance, repair and reconstruction, the Association shall obtain reliable and detailed estimates of the cost to reconstruct or repair the damaged property to a condition as good as that existing prior to such reconstruction or repair required to be performed by the Association, or if at any time during such reconstruction or repair, the funds for the payment of such costs are insufficient, assessment shall be made against all co-owners for the costs of reconstruction or repair of the damaged property in sufficient amounts to provide funds to pay the estimated or actual costs thereof.

Section F. Section 233 of the Act and the following provisions shall control upon any taking by eminent domain:

- (1) In the event of any taking of an entire unit by eminent domain, the award for such taking shall be paid to the co-owner of such unit and to the mortgagee thereof, as their interests may appear. After acceptance of such award by the co-owner and by his mortgagee, they shall be divested of all interest in the Condominium Project. In the event that any condemnation award shall become payable to any co-owner whose unit is not wholly taken by eminent domain, then such award shall be paid by the condemning authority to the Association on behalf of such co-owner. If only a part of any unit is taken, the Association shall rebuild the same as is necessary to make it habitable and remit the balance of the condemnation proceeds pertinent to such unit to the co-owner of such unit and to the mortgagee thereof, as their interests may appear.



- (2) If there is any taking of any portion of the Condominium Project other than any unit, the condemnation proceeds relative to such taking shall be paid to the Association and the affirmative vote of more than fifty (50%) percent of the co-owners in number and in value shall determine whether to rebuild, repair or replace the portion so taken or to take such other action as they deem appropriate. If no such affirmative vote is obtained, such condemnation proceeds shall be remitted to the co-owners and to their mortgagees, as their interests may appear, in accordance with their respective percentages of value set forth in Article V of the Master Deed.
- (3) In the event that the Condominium Project continues after any taking by eminent domain, then the remaining portion of the Condominium Project shall be re-surveyed and the Master Deed amended accordingly, and, if any unit shall have been taken, the Article V of the Master Deed shall also be amended to reflect such taking and to proportionately readjust the percentages of value of the remaining units based upon the continuing value of the Condominium Project being 100%. Such amendment may be effected by an officer of the Association duly authorized by the Board of Directors without the necessity of execution or specific approval thereof by any co-owner, but only with the prior written approval of all holders of first mortgage liens or individual units.
- (4) In the event that any unit, or any portion thereof, or any common element in the Condominium Project is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, the Association shall promptly so notify each institutional holder of a first mortgage lien on any unit.

Section G. In the event that any mortgage on any unit is held by the Federal Home Loan Mortgage Corporation, the Association shall give written notice to the Federal Home Loan Mortgage Corporation at such address as it may, from time to time, direct: of any loss to or taking of the common elements, if such loss or taking exceeds \$10,000 in amount; or of damage, in excess of \$1,000 to any unit covered by a mortgage held in whole or in part by the Federal Home Mortgage Corporation.

Section H. Nothing contained in the Condominium Documents shall be construed to give a co-owner, or any other party, priority over the rights of holder of first mortgage liens, as established by their mortgages, upon a distribution to co-owners of insurance proceeds or condemnation awards.

ARTICLE VI

RESTRICTIONS

Section A. All units shall be used for single-family residence purposes (except that persons not of the same immediate family residing together may occupy a unit with written consent of the Board of Directors, which consent shall not be unreasonably withheld) and the common elements shall be used only for purposes consistent with the use of single-family residences. A family shall mean one person or a group of two or more persons related by bonds of consanguinity, marriage, or legal adoption.

Section B. A co-owner may lease his unit for the same purposes set forth in Section A of this Article VI, provided that written approval (which approval shall not be unreasonably withheld) of such lease transaction is obtained from the Board of Directors of the Association in the same manner required in sales transactions as specified in Section M of this Article VI. No co-owner shall lease less than an entire unit. Except for a lender in possession of a unit following a default in a first mortgage, by foreclosure or deed or other arrangement in lieu of foreclosure, no tenant shall be permitted to occupy, except under a written lease the initial term of which is at least one (1) year unless specifically approved



in writing by the Association. The terms of all leases, occupancy agreements and other occupancy arrangements shall incorporate, or be deemed to incorporate, all of the provisions of the Condominium Documents. Tenants and non-co-owner occupants shall comply with all of the conditions of the Condominium Documents and all leases and rental agreements shall so state. When a co-owner is in arrearage to the Association for assessments, the Association may give written notice of such arrearage to a tenant occupying a unit pursuant to a lease or rental agreement and the tenant, after a receipt of such notice, shall deduct from rental payments due the co-owner such arrearage as well as future assessments as they fall due and pay them directly to the Association. Such deductions shall not be a breach of the lease or rental agreement by the tenant. In the event that the Association determines that a tenant or non-co-owner occupant has failed to comply with the conditions of the Condominium Documents, the Association shall take the following action:

- (1) The Association shall notify the co-owner, by certified mail, of the alleged violation by the tenant or non-co-owner occupant.
- (2) The co-owner shall have fifteen (15) days after receipt of such notice to investigate and correct the alleged violation or advise the Association that such violation has not occurred.
- (3) In the event that the Association, after said fifteen (15) day period, believes that the alleged violation has not been cured or may be repeated, it may, on its behalf, or derivatively the co-owners may institute an action for eviction against the tenant or non-co-owner occupant for such violation. Such relief may be by summary proceeding. In addition, the Association may hold both the tenant or non-co-owner occupant and the co-owner liable for any damages caused by any violation of the Condominium Documents.

Section C. No co-owner shall make alterations in exterior appearance or make structural modifications to his unit (including interior walls through or in which there exists easements for support or utilities) or make changes in any of the common elements, limited or general, without the prior written approval of the Board of Directors including (by way of example and not as limitation) exterior painting or the installation of antennas, lights, aerials, awnings, doors, windows, shutters or other exterior attachments or modifications; nor shall any co-owner damage or make modifications or attachments to common element walls between units which in any way impairs sound conditioning provisions. The Board of Directors may approve only such modifications as do not impair the soundness, safety, utility or appearance of the Condominium Project.

Section D. No immoral, improper, unlawful or offensive activity shall be carried on in any unit or upon the common elements, limited or general, nor shall anything be done which may be or become an annoyance or a nuisance to the co-owners of the Condominium Project, nor shall any unreasonable noisy activity be carried on in any unit or on the common elements. No co-owner shall do or permit anything which will increase the rate of insurance on the Condominium Project without the prior written approval of the Board of Directors and each co-owner shall pay to the Association the increased cost of insurance premiums resulting from any such activity or the maintenance of any such condition.

Section E. No animals, except one (1) dog or one (1) cat shall be maintained by any co-owner without the prior written approval of the Board of Directors. Any co-owner who causes any animal to be brought or kept upon the premises of the Condominium Project shall indemnify and hold the Association harmless from and against any loss, cost, damage and liability which the Association may sustain as a result of the presence of such animal within the Condominium Project. No animal may be permitted to run loose at any time upon the common elements and any animal shall at all times be attended by a responsible person while on the common elements, limited or general. The Association may charge all co-owners maintaining animals a reasonable additional assessment to be collected in the manner



provided in Article II hereof in the event that the Association determines such assessment necessary to defray the maintenance cost to the Association of accommodating animals within the Condominium Project. The Association shall have the right to require that any pets be registered with it and may adopt such additional reasonable rules and regulations with respect to animals as it may seem proper.

Section F. The common elements, limited or general, shall not be used for storage of supplies, materials, personal property or trash or refuse of any kind, except as provided in duly adopted Rules and Regulations of the Association. Trash receptacles shall be maintained in areas designated therefor at all times and shall not be permitted to remain elsewhere on the common elements except for such short periods of time as may be reasonably necessary to permit periodic collection of trash. The common elements, limited common elements or patios shall not be used in any way for drying, shaking or airing of clothing or other fabrics. Automobiles may only be washed in areas approved by the Association. In general, no activity shall be carried on nor condition maintained by a co-owner either in his unit or upon common elements, which spoils the appearance to the Condominium Project.

Section G. Sidewalks, yards, landscaped areas, driveways, roads, parking areas and porches shall not be obstructed in any way nor shall they be used for purposes other than those for which they are reasonably and obviously intended. No bicycles, vehicles, chairs or benches may be left unattended on or about the general common elements. Use of any recreational facilities in the Condominium Project may be limited to such times and in such manner as the Association shall determine by duly adopted regulations.

Section H. No house trailers, commercial vehicles, boat trailers, boats, camping vehicles, camping trailers, snowmobiles, snowmobile trailers or vehicles other than automobiles, vans and pickup trucks driven for personal use may be parked or stored upon the premises of the Condominium Project, unless approved by the Board of Directors or unless parked in an area specifically designated therefor by the Association. Commercial vehicles and trucks shall not park in or abut the Condominium Project (except as above provided) unless while making deliveries or pick-ups in the normal course of business. Each co-owner shall park such automobile, van or pick-up truck in the garage or parking space provided therefor. Co-owners shall, if required by the Association, register with the Association all automobiles maintained by them within the Condominium Project.

Section I. No co-owner shall use or permit the use of any firearms, air rifles, pellet guns, BB guns, bows and arrows or other similar dangerous weapons, projectiles or devices anywhere on or about the Condominium Project by any occupant, agent, employee, invitee, guest or member of his family.

Section J. No signs or other advertising devices shall be displayed which are visible from the exterior of a residential unit or on the common elements, including "For Sale" signs, without the prior written approval of the Association.

Section K. All bedrooms, living room and dining areas of any unit shall be carpeted at all times. Hardwood, ceramic tile or other hard surface materials shall not be permitted in these areas. These provisions shall apply to only those units having living space below them and, therefore, do not apply to Units 7 through 10 and Units 20 to 26.

Section L. Only gas fired grills are permitted on the decks or patios of any unit.

Section M. Persons under 18 years of age shall not occupy any unit whose owners authorized occupants (adults) or lessees are not in residence.

Section N. No more than four permanent residents shall occupy a unit.

Section O. There shall be no solicitation without written permission of the Board of Directors.



Section P. Reasonable rules and regulations consistent with the Act, the Master Deed and these By-Laws concerning the use of the common elements may be made and amended from time to time by any Board of Directors of the Association. Copies of all such regulations and amendments thereto shall be furnished to all co-owners and shall become effective thirty (30) days after mailing or delivery thereof to the designated voting representative of each co-owner. Any regulation or amendment may be revoked at any time by the affirmative vote of not less than sixty-six and two-thirds (66-2/3%) percent of all owners in number and in value except that the co-owners may not revoke any regulation or amendment prior to said First Annual Meeting of members.

Section Q. The Association or its duly authorized agent, shall have access to each unit and any limited common elements appurtenant thereto from time to time during reasonable working hours, upon notice to the co-owner thereof, as may be necessary for the maintenance, repair or replacement of any of the common elements. The Association, or its agents, shall also have access to each unit and any limited common elements appurtenant thereto at all times without notice as may be necessary to make emergency repairs or to prevent damage to the common elements or to another unit. It shall be the responsibility of each co-owner to provide the Association with a means of access to his unit and any limited common elements appurtenant thereto during all periods of absence and, in the event of the failure of such co-owner to provide a means of access, the Association may gain access in such a manner as may be reasonable under the circumstances and shall not be liable to such co-owner for any necessary damage to his unit and any limited common elements appurtenant thereto caused thereby or for repair or replacement of any doors or windows damaged in gaining such access.

Section R. No co-owner may dispose of a unit or any interest therein by sale or lease without the prior written approval of the Association, which approval shall be obtained in the manner hereinafter provided:

- (1) A co-owner intending to make a sale or lease of a unit, or any interest therein, shall give written notice of such intention delivered to the Association at the registered office and shall furnish the name and address of the intended purchaser or lessee and such other information as the Association shall reasonably require. At the time of giving such notice, such co-owner shall also furnish the Association with copies of all instruments setting forth the terms and conditions of the proposed transaction. The giving of such notice shall constitute a warranty and a representation by such co-owner to the Association and to any purchaser or lessee produced by the Association that the co-owner believes the proposed sale or lease to be bona fide in all respects. The selling or leasing co-owner shall be responsible to the Association for any damages suffered by it in exercising its rights hereunder. In the event that any proposed sale is not bona fide, such damages may include (by way of example and not as limitation) the difference for the unit and the fair or rental value thereof.
- (2) In the event that a sale or lease transaction is consummated between a co-owner and any proposed purchaser or lessee upon any basis other than as disclosed to the Association, the Association shall then have the same rights to disapprove the transaction and to furnish a purchaser or lessee satisfactory to it as are expressed in subsections (1) and (2) of this Section R, and such rights to disapprove and to furnish a purchaser or lessee shall expire twenty (20) days after the Board of Directors receives knowledge at a Director's meeting of the actual terms of the transaction or one (1) year after consummation of the original transaction, whichever occurs first.
- (3) This Section R shall not apply to a public or private sale held pursuant to foreclosure of a first mortgage lien on any unit.
- (4) The holder of any first mortgage lien covering any unit in the Condominium Project which comes into possession of the unit covered by such mortgage pursuant to the



remedies provided in the mortgage, foreclosure of the mortgage or deed (or assignment) in lieu of foreclosure, shall be exempt from the provisions of this Section R.

Section S. No co-owner shall perform any landscaping or plant any trees, shrubs, flowers or any other plants or any ornamental materials upon the General or Limited Common Elements without the prior written approval of the Board of Directors.

Section T. No unsightly condition shall be maintained upon any balcony, porch or patio and only furniture and equipment consistent with ordinary balcony, porch or patio use shall be permitted to remain there during seasons when such areas are reasonably in use, and no furniture or equipment of any kind shall be stored on balconies, porches or patios during seasons when such areas are not reasonably in use.

Section U. Each co-owner shall maintain his unit and any limited common elements appurtenant thereto for which he has maintenance responsibility in a safe, clean and sanitary condition. Each co-owner shall also use due care to avoid damaging any of the common elements including (by way of example and not as limitation) the telephone, water, gas, plumbing, electrical, cable television or other utility conduits and systems and any other elements in any unit which are appurtenant to or which may affect any other unit. Each co-owner shall be responsible for damages or costs to the Association resulting from negligent damage to or misuse of any of the common elements by him, or by his family, guests, lessees, agents or invitees, unless such damages or costs are covered by insurance carried by the Association in which event there shall be no such responsibility (unless reimbursement to the Association is excluded by virtue of a deductible provision, in which event, the responsible co-owner shall bear the expense to the extent of the deductible amount). Any damages or costs to the Association may be assessed to and collected from the responsible co-owner in the manner provided in Article II hereof.

Section V. No co-owner shall consistently violate the terms of the Condominium Master Deed or By-Laws or any rules or regulations adopted by the Association. If such co-owner habitually violates these restrictions or regulations, including but not limited to excessive or noisy behavior, he or she may be required to vacate the premises and sell the premises back to the Condominium Association upon an eighty (80%) percent vote of all co-owners entitled to vote. The Condominium unit would be repossessed by the Association, and the co-owner so expelled would be paid a price to be fixed by an independent appraiser, attaching a fair market value to the Condominium unit at the time of expulsion.

ARTICLE VII

MORTGAGES

Section A. The Association shall notify each mortgagee appearing in said book of the name of each company from which all risk and liability insurance has been obtained and the amounts of such coverage.

Section B. Any institutional holder of a first mortgage lien on any unit shall be entitled to receive, upon request, submitted to the Association, written notification of every meeting of the members of the Association and to designate a representative to attend such meeting.

ARTICLE VIII

AMENDMENTS

Section A. Amendments to these By-Laws may be proposed by the Board of Directors of the Association acting upon the vote of a majority of the Directors or the vote of one-third (1/3) or more in number of the members or by instrument in writing signed by them.



Section B. Upon any such amendment being proposed, a meeting for consideration of the same shall be duly called in accordance with the provisions of the Association By-Laws.

Section C. Except as restricted by Section E of this Article VIII, these By-laws may be amended by the Association at any regular annual meeting or a special meeting called for such purpose, by the affirmative vote of not less than sixty-six and two-thirds (66-2/3%) percent of all co-owners both in number and in value. A vote in number means one (1) vote per unit, and in value means the number of votes corresponding to the percentage allocated to each unit. In the event that a mortgagee is entitled to have one (1) vote, he shall be entitled to exercise one (1) vote which represents one (1%) percent of the Condominium Project, and the co-owner will be entitled to vote the remaining percentages allocated to his or her individual unit.

Section D. Any amendment to these By-Laws (but not the Association By-Laws which may be amended as provided therein) shall become effective upon recording of such amendment in the Office of the Register of Deeds for Sanilac County. Without the prior written approval of all institutional holders of first mortgage liens on any units, no amendment to these By-Laws shall become effective which involves any change, direct or indirect, in Article I Section C and D(2), Article II Sections C(1), D and G, Article IV Section A or this Article VIII Sections C and E.

Section E. A copy of each amendment to these By-Laws shall be furnished to every member of the Association after adoption; provided, however, that any amendment to these By-Laws which is adopted in accordance with this Article VIII shall be binding upon all persons who have an interest in the Condominium Project irrespective of whether such persons actually receive a copy of such amendment.

ARTICLE IX

COMPLIANCE

The Association of co-owners and all present and future co-owners, tenants, future tenants, and any other persons acquiring an interest in or using the facilities of the Condominium Project in any number are subject to and shall comply with the Act, as amended, and the more acquisition, occupancy or rental of any unit or an interest therein or the utilization of or entry upon the Condominium Project shall signify that the Condominium Documents conflict with the provisions of the Act, the Act shall govern.

ARTICLE X

DEFINITIONS

All terms used herein shall have the same meaning as set forth in the Master Deed to which these By-Laws are attached as an Exhibit, or as set forth in the Act.

ARTICLE XI

REMEDIES FOR DEFAULT

Section A. Any default by a co-owner shall entitle the Association or another co-owner to the following relief:

- (1) Failure to comply with any of the terms or provisions of the Condominium Documents shall be grounds for relief, which may include, by way of example and not as limitation, an action for recovery or damages, for injunctive relief, for foreclosure of lien (if default in payment of assessment) or any combination thereof. Such relief may be sought by the Association, or, where appropriate, by an aggrieved co-owner or co-owners.



- (2) In any proceeding arising because of an alleged default by a co-owner, the Association, if successful, shall be entitled to recover the costs of the proceeding and such reasonable attorneys' fees, (not limited to statutory fees) as may be determined by the Court, but in no event shall any co-owner be entitled to recover such attorneys' fees.
- (3) The violation of any of the provisions of the Condominium Documents shall also give the Association or its duly authorized agents the rights, in addition to those rights set forth above, to enter upon the common elements, limited or general, and into any unit, where reasonably necessary, and summarily remove and abate, at the expense of the co-owner in violation, any structure, thing or condition existing or maintained contrary to the provisions of the Condominium Documents.
- (4) The violation of any of the provisions of the Condominium Documents by any co-owner shall be grounds for assessment by the Association, acting through its duly constituted Board of Directors, or monetary fines for such violations. No fines may be assessed unless Rules and Regulations establishing such fines have been first duly adopted by the Board of Directors of the Association and notice thereof given to all co-owners in the same manner as prescribed in Article II, Section 4 of the Association By-Laws. Thereafter, fines may be assessed only upon notice to the offending co-owner to appear before the Board no less than seven (7) days from the date of such notice and offer evidence in defense of the alleged violation. All fines duly assessed may be collected in the same manner as provided in Article II of these By-Laws. No fine shall be levied for the first violation. No fine shall exceed \$25 for the second violation, \$50 for the third violation or \$100 for any subsequent violation.

Section B. The failure of the Association or of any co-owner to enforce any right, provision, covenant or condition which may be granted by the Condominium Documents shall not constitute a waiver of the right of the Association or of any such co-owner to enforce such right, provision, covenant or condition in the future.

Section C. All rights, remedies and privileges granted to the Association or to any co-owner or co-owners pursuant to any terms, provisions, covenants and conditions of the aforesaid Condominium Documents shall be deemed to be cumulative and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other and additional rights, or in equity.

ARTICLE XII

SEVERABILITY

In the event that any of the terms, provisions, or covenants of the Condominium Documents are held to be partially or wholly invalid or unenforceable for any reason whatsoever, such holding shall not affect, alter, modify or impair in any manner whatsoever, any of the other terms, provisions or covenants of such documents or the remaining portions of any terms, provisions or covenants held to be partially invalid or enforceable.

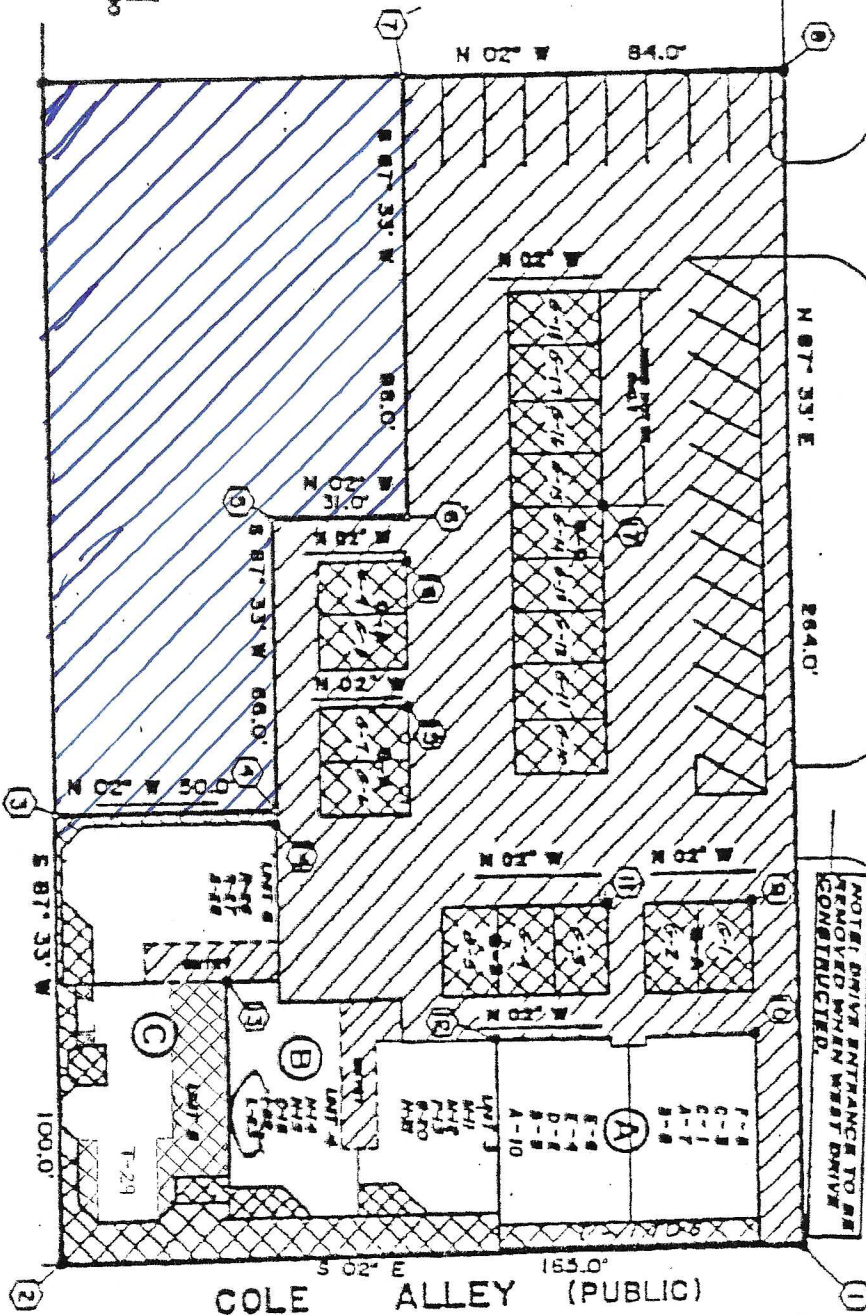
TRUE NORTH
EQUALS
COORDINATE
NORTH



SCALE IN FEET

E MAIN STREET

HURON AVENUE (PUBLIC 66' R.O.W.)



NOTE: REFER TO FIRST AND SECOND FLOOR PLAN FOR DIMENSIONS. ALSO REFER TO NEW FLOOR PLAN.

NOTE: DRIVE ENTRANCE TO BE REMOVED WHEN WEST DRIVE CONSTRUCTED.

COLE ALLEY (PUBLIC)

BUILDING AND BOUNDARY
COORDINATE TABLE

