

ANTRIM COUNTY  
MICHIGAN  
RECEIVED FOR RECORD

MAY 11 12 09 PM '82

SHANTY TOWN CONDOMINIUMS

MASTER DEED

Wanda R. C. [unclear]  
REGISTER OF DEEDS

MASTER DEED, Made this 10 day of May, 1982, by  
ROBERT W. OLSEN, of 309 E. Front Street, Traverse City,  
Michigan 49684, hereinafter referred to as the "Developer".

W I T N E S S E T H:

WHEREAS, the Developer is the owner of lands herein  
described and desires to establish the same together with  
improvements and to be located thereon and the appurtenances  
thereto as a condominium project under the provisions of Act 59  
of the Public Acts of 1978 as amended by recording this Master  
Deed together with the condominium bylaws attached hereto as  
Exhibit "A" and the condominium subdivision plans attached  
hereto as Exhibit "B", both of which are incorporated herein by  
reference and made a part hereof.

NOW, THEREFORE, the Developer does hereby establish Shanty  
Town Condominiums by recording of this Master Deed as a  
condominium project and does declare that Shanty Town  
Condominiums, hereinafter referred to as the "Condominium",  
shall be henceforth held, conveyed, encumbered, leased,  
occupied, improved and in any other manner utilized, subject to  
the provisions of said Act, and to the covenants, conditions,  
restrictions, uses, limits, and affirmative obligations set  
forth in this Master Deed and Exhibit "A" and "B" hereunder,  
all of which shall be deemed to run with the land. In  
furtherance of the establishment of said Condominium, it is  
provided as follows:

I

TITLE AND NATURE

The condominium project shall be known as Shanty Town  
Condominiums, Antrim County Subdivision Plan No. 16. The

condominium project is established in accordance with Act 59 of the Public Acts of 1978, as amended. The bylaws attached hereto as Exhibit "A" are hereby incorporated herein by reference. The Condominium subdivision plan attached hereto as Exhibit "B" is hereby incorporated herein by reference.

## II

### LEGAL DESCRIPTION

The land on which the condominium project is located and which is established by this Master Deed is situated in the Township of Custer, County of Antrim, and State of Michigan, and described as follows, viz:

Commencing at the Southeast corner of Section 6, Town 29 North, Range 7 West, Custer Township, Antrim County, Michigan; thence N 54°07'19"W 1049.41 feet to the point of beginning; thence S 83°13'51"W 109.50 feet; thence N 85°11'12"W 77.38 feet; thence N 01°14'31"E 309.77 feet; thence S 74°36'10"E 165.02 feet; thence S 11°30'42"E 166.56 feet; thence S 07°48'29"W 97.16 feet; to the point of beginning, being a part of the Southeast one quarter of the Southeast one quarter of said Section 6, Town 29 North, Range 7 West.

## III

### DEFINITIONS

The following terms, whenever utilized in this Master Deed, Articles of Incorporation, Corporate Bylaws, Bylaws of Association of Co-owners, Subscription and Reservation Agreement, instruments of conveyance, including amendments to Master Deed and consolidating Master Deed, and in any other document or instrument without limitation shall be defined as follows, viz:

A. The Act means the Condominium Act, being Act No. 59 of the Public Acts of 1978, as amended.

B. Association shall mean the person designated in the condominium documents to administer the Condominium Project.

C. Condominium Bylaws means Exhibit "A" hereto, being the Bylaws setting forth the substantive rights and obligations of

the Co-owners and required by the Act to be recorded as part of the Master Deed.

D. Consolidating Master Deed means the final amended Master Deed which shall describe the Condominium as a completed Condominium Project and shall reflect the entire land area added to the Condominium from time to time under Article VII hereof, and all units and common elements therein, and which shall express percentages of value pertinent to each unit as finally readjusted. Such consolidating Master Deed, when approved by the Michigan Department of Commerce and recorded in the office of the Antrim County Register of Deeds, shall supersede all previously recorded Master Deeds for the Condominium.

E. Apartment, Townhouse or Unit each mean the enclosed space constituting a single complete residential unit in the Condominium as such space may be described on Exhibit "B" hereto, and shall have the same meaning as the term "unit", as defined in the Act.

F. Condominium Documents wherever used means and includes this Master Deed and Exhibits "A" and "B" hereto, the Articles of Incorporation, Bylaws and the Rules and Regulations, if any, of the Association.

G. Condominium Project, Condominium or Project means Shanty Town Condominiums as an approved Condominium Project established in conformity with the provisions of the Act.

H. Condominium Subdivision Plan means Exhibit "B" hereto.

I. 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", wherever used, shall be synonymous with the term "Co-owner".

J. Condominium Premises means and includes the land and the buildings, all improvements, and structures thereof, and

all easements, rights and appurtenances belonging to the Condominium Project.

K. Common Elements where used without modification shall mean both the general and limited common elements described in Article IV hereof.

L. Percentage of Value. The percentage assigned to each individual condominium unit in the condominium Master Deed.

M. 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.

#### IV

##### COMMON ELEMENTS

The common elements of the project described in Exhibit "B" attached hereto and the respective responsibilities for maintenance, decoration, repair, or replacement thereof are as follows:

A. The general common elements are:

1. The land described in Article II hereof, including roads and parking lot areas;
2. The electrical wiring network throughout the project up to the point of connection with electrical fixtures within any unit;
3. The telephone wiring network throughout the project;
4. The plumbing and heating network throughout the project including that contained within unit walls, up to the point of connection with plumbing and heating fixtures within any unit;
5. The water distribution system, and sanitary sewer system throughout the project;
6. Foundations, supporting columns, unit perimeter walls (including the windows and doors therein), roofs, ceilings and floor constructions between unit levels and chimneys;

7. The television cable network throughout the project, if and when available and installed;

8. Fireplace chimneys and flues, if constructed, and as shown on "as built" Condominium Subdivision Plans (Exhibit B hereto).

9. Such other elements of the 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 project.

B. The limited common elements are:

1. The interior surfaces of unit perimeter walls (including windows and doors therein); ceilings and floors contained within a unit shall be subject to the exclusive use and enjoyment of the Co-owner of such unit;

2. Decks and stairs and fireplace combustion chambers where applicable shall be a limited common element to the unit to which each deck or stair or fireplace combustion chamber is adjacent to and assigned to as shown on Exhibit "B".

3. The area designated on Exhibit B attached hereto and labeled "Carports" as assigned to individual units through subsequent amendment to this Master Deed.

C. The costs of maintenance, repair, and replacement of all other general and limited common elements described above shall be borne by the Association except that the costs of decoration and maintenance (but not repair or replacement except in cases of Co-owner fault) of all surfaces referred to in Article IV-B-1 and 2 above shall be borne by the Co-owner of each unit to which such limited common elements are appurtenant.

D. No Co-owner shall use his unit or the common elements in any manner inconsistent with the purposes of the project or in any manner which will interfere with or impair the rights of

any other Co-owner in the use and enjoyment of his unit or the common elements.

E. Any maintenance, repair or replacement (the cost of which is to be borne by the Co-owner) may be performed by or under the direction of the Association and the cost may be assessed against the responsible Co-owner or Co-owners as provided in the Condominium Bylaws.

V

UNIT DESCRIPTION AND PERCENTAGE OF VALUE

A. Each unit in the project is described in this paragraph with reference to the Condominium Subdivision Plan of the project attached hereto as Exhibit "B". Each unit shall include 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 in Exhibit "B" hereto.

B. The percentage of value assigned to each unit is set forth in subparagraph D 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 and the value of such Co-owner's vote at meetings of the Association of Co-owners. The total value of the 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, except as provided in Article VII hereof.

C. The determination of the percentage of value which should be assigned were made after reviewing the comparative characteristics of each unit in the project and concluding that square footage allocation with reasonable adjustment was the proper determining factor.

D. 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.

<u>Unit No.</u>	<u>Percentage of Value Assigned</u>
1	8.37
2	8.33
3	8.33
4	8.33
5	8.33
6	8.33
7	8.33
8	8.33
9	8.33
10	8.33
11	8.33
12	8.33

#### VI

##### EASEMENTS

In the event any portion of a unit or common element encroaches upon another unit or common element due to shifting, settling or moving of a building, or due to survey errors, or construction errors, 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. There shall exist easements of support with respect to any unit interior wall which supports a common element.

#### VII

##### ENLARGEMENT OF CONDOMINIUM

The Condominium Project established pursuant to the initial Master Deed and consisting of 12 units is intended to be the first stage of a multi-stage project to contain in its entirety a maximum of 80 units. The Developer owns or is interested in certain additional land described as follows:

A part of the Southeast quarter of Southeast Quarter of Section 6, Town 29 North, Range 7 West, Custer Township, Antrim County, Michigan, described as commencing at the Southeast corner of Section 6, Town 29 North, Range 7 West, Custer Township, Antrim County, Michigan, thence West 1322.90 feet along the South line of said Section 6 and the center line of M-88 Highway; thence North 00°14'07" West 1310.56 feet along the center line of M-88 Highway, thence South 89°54'21" East 1323.61 feet; thence South 0°12'17" East 1308.37 feet to point of beginning excepting: commencing at the Southeast corner of Section 6, Town 29 North, Range 7 West, Custer Township, Antrim County, Michigan; thence N 54°07'19"W 1049.41 feet to the point of beginning; thence S 83°13'51"W 109.50 feet; thence N 85°11'12"W 77.38 feet; thence N 01°14'31"E 309.77 feet; thence S 74°36'10"E 165.02 feet; thence S 11°30'42"E 166.56 feet; thence S 07°48'29"W 97.16 feet; to the point of beginning, being a part of the Southeast one quarter of the Southeast one quarter of said Section 6, Town 29 North, Range 7 West.

hereinafter referred to as "proposed future development"

Therefore, any other provisions of this Master Deed, notwithstanding the number of units in the project, may, at the option of the Developer or its successors or assigns, during and up to a period of time five (5) years from the recordation of this Master Deed, be increased by the addition to this Condominium of any portion of the future development and the construction of residential units thereon. The nature and appearance of all such additional units as may be constructed thereon shall be determined by the Developer in its sole judgment. Such increase in size of this Condominium Project shall be given effect by an appropriate amendment or amendments to this Master Deed in the manner provided by law, which amendment or amendments shall be prepared by and at the discretion of the Developer or its successors and in which the percentages of value set forth in Article V hereof shall be proportionately readjusted in order to preserve a total value of 100 for the entire project resulting from such amendment or amendments to this Master Deed. The precise determination of the readjustments in percentages of value shall be within the sole judgment of the Developer except that such readjustments shall be approved by the Michigan Department of Commerce. Such



readjustments, however, shall reflect a continuing reasonable relationship among percentages of value based upon relative size of various units. Such amendment or amendments to the Master Deed shall also contain such further definitions of general or limited common elements as may be necessary to adequately describe the additional section or sections being added to the project by such amendment. All of the Co-owners and mortgagees of units and other persons interested or to become interested in the project from time to time shall be deemed to have irrevocably and unanimously consented to such amendment or amendments of this Master Deed to effectuate the foregoing and to any proportionate reallocation of percentages of value of existing units which the Developer or its successors may determine necessary in conjunction with such amendment or amendments as the same may be approved by the Department of Commerce. All such interested persons irrevocably appoint the Developer or its successors as agent and attorney for the purpose of execution of such amendment or amendments to the Master deed and all other documents necessary to effectuate the foregoing. Such amendments may be effected without the necessity of rerecording an entire Master Deed or the exhibits thereto and may incorporate by reference all or any pertinent portions of this Master Deed and the exhibits hereto; PROVIDED, HOWEVER, that a Consolidating Master Deed, when recorded, shall supersede all previously recorded Master Deeds. Nothing herein contained, however, shall in any way obligate the Developer to enlarge the Condominium Project beyond the size established by this Master Deed and the Developer (or its successors and assigns) may, in its discretion, establish a separate condominium project (or projects) or any other form of development.

#### VIII

#### EASEMENTS RETAINED BY DEVELOPER

The Developer reserves for the benefit of itself, its

successors and assigns, for residential purposes only, perpetual easements for the unrestricted use of all roads, driveways, and walkways in the Condominium for the purposes of ingress and egress to and from all or any portion of the parcel described in Article II or any portion or portions thereof, and any other land contiguous to the condominium premises which may be now owned or hereafter acquired by the Developer or its successors. The Developer also hereby reserves for the benefit of itself, its successors and assigns, and all future owners of the land described in Article II or any portion or portions thereof and any other land contiguous to the condominium premises or to said land described in Article VII which may be now owned or hereafter acquire by the Developer, perpetual easements to utilize, tap and tie into all utility mains located on the condominium premises. The Developer reserve to itself, its successors and assigns, the right to terminate and revoke any utility or other easement granted in Exhibit B at such time as the particular easement has become unnecessary. This may occur, by way of example and not limitation, when a water or sewer system or other utility easement is relocated to coordinate further and future development of the project. No easement utility may be terminated or revoked unless and until all units served by it are adequately served by an appropriate substitute or replacement utility on a shared maintenance basis. Any termination or revocation of any such easement shall be effected by the recordation of an appropriate amendment to this Master Deed, which shall first be approved by the Michigan Department of Commerce.

#### IX

##### AMENDMENT

1. The Condominium documents may be amended for a proper purpose, without consent of Co-owners, mortgagees and other interested parties, including the modification of the types and sizes of units prior to construction of units and unsold

condominium units and their appurtenant limited common elements as long as the amendments do not materially alter or change the rights of the Co-owners, mortgagees, or other interested parties and are approved by the Michigan Department of Commerce.

2. The condominium documents may be amended for a proper purpose, even if the amendment will materially alter or change the rights of the Co-owners, mortgagees or other interested parties with the approval of the Department of Commerce and the consent of two-thirds of the votes of the Co-owners. A Co-owner's condominium unit dimensions or appurtenant limited common elements may not be modified without his consent. Co-owners and mortgagees of record shall be notified of proposed amendments.


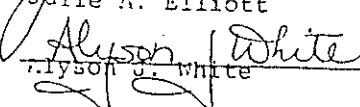
3. A person causing or requesting an amendment to the condominium documents shall be responsible for costs and expenses of the amendment except for amendments based upon a vote of a prescribed majority of Co-owners or based upon the advisory committee's decision, the costs of which are expenses of administration.

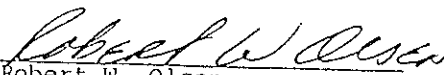
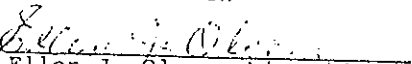
4. A master deed amendment, including the consolidating master deed, dealing with the addition or modification of units or other physical characteristics of the project shall comply with the standards prescribed in the Act for the preparation of an original condominium subdivision plan for the project.

IN WITNESS WHEREOF, the Developer has caused this Master Deed to be executed the day and year first above written.

Signed in the Presence of:

DEVELOPER:

  
Julie A. Elliott  
  
Alyson J. White

  
Robert W. Olsen  
  
Ellen J. Olsen, his wife

CERTIFICATION MAY 11 1982

I hereby certify that according to our records all taxes returned to this office are paid for five years preceding the date of this instrument. This does not include taxes in the process of collection.

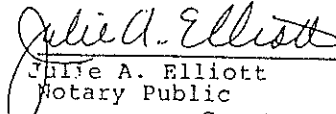
Beverly Edgington, Antrim County Treasurer

STATE OF MICHIGAN

)  
) SS  
)

COUNTY OF

On this 10 day of May, 1982, before me, a notary public, personally appeared ROBERT W. OLSEN and ELLEN J. OLSEN, his wife, known to me to be the persons described in the foregoing instrument, who acknowledged that they have executed the foregoing as their free and voluntary act and deed.

  
Julie A. Elliott  
Notary Public  
Grand Travi. County, Michigan  
My commission expires: 5/20/84

This instrument drafted by:

Donald A. Brandt, Esq.  
SMITH, JOHNSON & DEMLOW, ATTORNEYS, P.C.  
603 Bay Street, P O Box 705  
Traverse City, Michigan 49684

CONDOMINIUM BYLAWSSHANTY TOWN CONDOMINIUMSARTICLE IASSOCIATION OF CO-OWNERS

Section 1. Shanty Town Condominiums shall be administered by an Association of Co-owners which shall be a non-profit corporation, hereinafter called the "Association" organized under the laws of the State of Michigan.

Section 2. The Association shall be organized to manage, maintain, and operate the Condominium in accordance with the Master Deed, these Bylaws, the Articles of Incorporation, and Bylaws of the Association, and the laws of the State of Michigan. The Association may provide for independent management of the Condominium Project.

Section 3. Membership in the Association and voting by the members of the Association shall be in accordance with the following provisions:

(a) Each Co-owner shall be a member of the Association and no other person or entity shall be entitled to membership.

(b) 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.

(c) Except as limited in these Bylaws, each Co-owner shall be entitled to one vote for each Condominium unit owned when voting by number and one vote, the value of which shall equal the total of the percentages allocated to the unit owned by such Co-owner as set forth in Article V of the Master Deed, when voting by value. Voting shall be by value except in those instances when voting is specifically required to be both in value and in number.

(d) No Co-owner, other than the Developer, 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. No Co-owner, other than the Developer, shall be entitled to vote prior to the First Annual Meeting of Members held in accordance with Section 8 of this Article. The vote of each Co-owner may only be cast by the individual representative designated by such Co-owner in the notice required in sub-paragraph (e) below or by a proxy given by such individual representative. The Developer shall be entitled to vote each unit which it owns and with respect to which it is paying full monthly assessments.

(e) 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 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.

(f) There shall be an annual meeting of the members of the Association commencing with the First Annual Meeting held as provided in Section 8 of this Article I. Other meetings may be provided for in the Bylaws of the Association. Notice of the time, place and subject matter of all meetings shall be given to each Co-owner by mailing the same to each individual representative designated by the respective Co-owner at least ten (10) days prior to said meeting.

(g) The presence, in person or by proxy, of one-fifth (1/5) of the Co-owners in number and in value shall constitute a quorum for holding a meeting of the members of the Association, except for voting on questions specifically required to require a greater quorum. The written vote of any person furnished at or prior to any duly called meeting, at which meeting said person is not otherwise present in person or by proxy shall be counted in determining the presence of a quorum with respect to the question upon which a vote is cast.

(h) Votes may be cast in person or by proxy or by writing, duly signed by the designated voting representative not present at a given meeting in person or by proxy. Proxies and any written vote 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.

(i) A majority, except where otherwise provided herein, shall consist of more than fifty (50%) per cent in value of those qualified to vote and present in person or by proxy (or written vote, 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 and may require such majority to be one of both number and value of designated voting representatives present in person or by proxy, or by written ballot, if applicable, at a given meeting of the member of the Association.

Section 4. 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 and 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 two (2) times a year 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 lien in the Condominium shall be entitled to receive a copy of such annual audited financial statement within ninety (90) days following the end of the Association's fiscal year upon request therefor. The costs of any such audit and any accounting expenses shall be expenses of administration. The Association also shall maintain on file current copies of the Master Deed for the Project, any amendments thereto and all other Condominium documents, and shall permit all Co-owners, prospective purchasers and prospective mortgagees interested in the Project, to inspect the same during reasonable hours.

Section 5. 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 by the Developer prior to the First Annual Meeting of members held pursuant to Section 8 of this Article I. 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, shall be provided by the Association Bylaws.

Section 6. The Association Bylaws 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 more than sixty (60%) per cent of all Co-owners in number and in value.

Section 7. Every director and every officer of the corporation shall be indemnified by the corporation 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 when expenses are incurred, except in such cases wherein the director or officer is adjudged guilty of willful or wanton misconduct or gross negligence in the performance of his duties; provided that, in the event of any claim for reimbursement or indemnification hereunder based upon a settlement by the director or officer seeking such reimbursement or indemnification, the indemnification herein shall apply only if the Board of Directors (with the directors seeking reimbursement abstaining) approves such settlement and reimbursement as being in the best interest of the corporation. 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 to any indemnification which it has approved, the Board of Directors shall notify all Co-owners thereof.

Section 8. The First Annual Meeting of the members of the Association may be convened by the Developer and may be called, in Developer's discretion, at any time after fifty (50%) per cent in value and in number of all units in all phases of the development of the condominium determined with reference to the recorded consolidated Master Deed have been sold and the purchasers thereof qualified as members of the Association. In no event, however, shall said First Annual Meeting be held later than one hundred twenty (120) days after eighty (80%) per cent of all units in all phases of the development of the condominium have been sold and the purchasers thereof qualified as members of the Association or twenty-four (24) months after recordation of the Master Deed, whichever first occurs. The date, time and place of such First Annual Meeting shall be set by the Board of Directors, and at least fifteen (15) days written notice thereof shall be given to each Co-owner. Thereafter, an annual meeting shall be held each year on such date as is specified in the Association Bylaws. Within one year of recordation of the Master Deed, the Developer shall call a special meeting of members for the purposes of electing three (3) persons from among the non-Developer Co-owners to serve on an advisory committee to the temporary Board of Directors. The purpose of the advisory committee shall be to facilitate communication between the temporary Board of Directors and the non-Developer Co-owners until

the First Annual Meeting of the members is held in accordance with the provisions hereof. The members of the advisory committee shall serve for one year, or until their successors are elected. The advisory committee shall cease to exist automatically upon election of directors at the First Annual Meeting of members. The temporary Board of Directors and the advisory committee shall meet with each other at such time as may be requested by the advisory committee; provided, however, that there shall be no more than four (4) such meetings per year unless both entities agree. Developer may call additional meetings of members of the association for information or other appropriate purposes prior to the First Annual Meeting of members and no such meeting (or the special meeting held for the purposes of electing the members of the advisory committee) shall be construed as the First Annual Meeting of members.

*Liber  
268,  
Page 1311*

## ARTICLE II.

### ASSESSMENTS

Section 1. The Association shall be assessed as the person or entity in possession of any tangible personal property of the Condominium owned or possessed in common by the Co-owners, and personal property taxes based thereon shall be treated as expenses of administration.

Section 2. All costs incurred by the Association in satisfaction of any liability arising within, caused by, or connected with the common elements or the administration of the Condominium Project shall constitute expenditures affecting the administration of the Project, and all sums received as the proceeds of, or pursuant to, a policy of insurance securing the interest of the Co-owners against liabilities or losses arising within, caused by, or connected with the common elements or the administration of the Condominium Project shall constitute receipts affecting the administration of the Condominium Project, within the meaning of Section 54(4) of the Act.

Section 3. Assessments shall be determined in accordance with the following provisions:

(a) 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 that must be replaced on a periodic basis shall be established in the budget and must be funded by regular monthly payments as set forth in Section 4 below rather than by special assessments. At a minimum, the reserve fund shall be equal to ten (10%) per cent of the Association's current annual budget on a noncumulative basis. The minimum standard required by this section may prove to be inadequate for a particular project. The Association of Co-owners shall carefully analyze their Condominium Project to determine if a greater amount should be set aside, or if 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 mailed to each Co-owner, although the delivery of a copy of the budget to each Co-owner shall not affect the liability of any Co-owner for any existing or future assessments. Should the Board of Directors, at any time determine, in the sole discretion of the Board of Directors: (1) that the assessments levied are or may prove to be insufficient to pay the costs of operation and management of the Condominium; (2) to provide replacements of existing



common elements; (3) to provide additions to the common elements not exceeding \$1,000.00 annually; or (4) 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.

(b) Special assessments, in addition to those required in (a) above may be made by the Board of Directors from time to time and approved by the Co-owners. Special assessments referred to in this paragraph shall not be levied without the prior approval of more than sixty (60%) per cent of all Co-owners in value and in number.

Section 4. All assessments 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 as determined in accordance with Article II, Section 3(a) above, shall be payable by Co-owners in twelve (12) equal monthly installments, commencing with acceptance of a deed to a unit or with acquisition of fee simple title to a unit by any other means. The payment of an assessment shall be in default if such assessment, or any part thereof, is not paid to the Association in full on or before the due date for such payment. Assessments in default shall bear interest at the rate of seven (7%) per cent per annum until paid in full. Each Co-owner (whether one or more persons) shall be and remain personally liable for the payment of all assessments pertinent to his unit which may be levied while such Co-owner is the owner thereof.

Section 5. 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 6. The Association may enforce collection of delinquent assessments by a suit at law for a money judgment or by foreclosure of the statutory lien that secures payment of assessments. Each Co-owner, and every other person who, from time to time, has any interest in the 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, and further, to have authorized and empowered the Association to sell or to cause to be sold the unit with respect to which the assessment(s) is or are delinquent and to receive, hold, and distribute the proceeds of such sale in accordance with the priorities established by applicable law. Notwithstanding anything to the contrary, neither a judicial foreclosure action nor a suit at law for a money judgment shall be commenced, nor shall any notice of foreclosure by advertisement be published, until the expiration of ten (10) days after mailing, by first class mail, postage prepaid, addressed to the delinquent Co-owner(s) at his or their last known address of a written notice that one or more installments of the annual assessment levied against the pertinent unit is or 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 in recordable form, executed by an authorized representative of the Association and shall set forth the following: (1) the name of the Co-owner of record thereof, (2) the legal description of the Condominium unit or units to which the notice applies, (3) the amounts due the Association of Co-owners at the date of notice, exclusive of interest, costs, attorney fees and future assessments. The notice shall be recorded in the office of the Register of Deeds in the

county in which the Condominium Project is located prior to the commencement of any foreclosure proceeding, but it need not have been recorded as of the date of mailing as aforesaid. If the delinquency 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. The expenses incurred in collecting unpaid assessments, including interest, costs, actual attorney 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(s). 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 immediately due and payable. The Association may also discontinue the furnishing of any services to a Co-owner in default upon seven (7) days' written notice to such Co-owner of its intent to do so. A Co-owner in default shall not be entitled to vote at any meeting of the Association so long as such default continues. A receiver may be appointed in an action for foreclosure of the assessment lien and may be empowered to take possession of the Condominium unit, if not occupied by the Co-owner, and to lease the Condominium unit and to collect and apply the rental therefrom.

Section 7. Notwithstanding any other provisions of the Condominium documents, the holder of any first mortgage covering any unit in the 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 assessments or charges resulting from a pro rata reallocation of such assessments or charges to all units including the mortgaged unit).

Section 8. During the period up to the time of the First Annual Meeting of members in accordance with the provisions of Article I, Section 8 hereof, the Developer of the Condominium, even though a member of the Association, shall not be responsible for payment of the monthly Association assessment. Developer, however, shall, during the period up to the time of the First Annual Meeting, pay a proportionate share of the Association's current maintenance expenses based upon the ratio of unsold units at the time the expense is incurred to the total number of completed units in the Condominium. In no event shall the Developer be responsible for payment, until after said First Annual Meeting, of any assessments for deferred maintenance, reserves for replacement, for capital improvements or other special assessments, except with respect to occupied units owned by it. After the First Annual Meeting, Developer shall be responsible for payment of the full monthly Association maintenance assessment for all completed units owned by it. Developer shall also pay a percentage of certain costs of the Association for unbuilt and incomplete units. The percentage, at any time, of the unbuilt and incomplete units to the entire project shall be the percentage of costs for which the Developer is responsible. These costs shall include legal, accounting, insurance, road maintenance, snow removal, property taxes, yard maintenance, maintenance of accessory buildings and all similar costs. "Occupied Unit" shall mean a unit used as a residence. "Completed Unit" shall mean a unit with respect to which a certificate of occupancy has been issued by the local public authority.

Section 9. All property taxes and special assessments levied by any public taxing authority shall be assessed in accordance with Section 131 of the Act.

Section 10. A mechanic's lien otherwise arising under Act No. 179 of the Michigan Public Acts of 1891, as amended, shall be subject

to Section 132 of the Act. Pursuant to Section 111 of the Act, the purchaser of any Condominium unit may request a statement of the Association as to the outstanding amount of any unpaid written request to the Association accompanied by a copy of the right to acquire a unit, the Association shall provide a written statement of such unpaid assessments as may exist or a statement that none exist, which statement shall be binding upon the Association for the period stated therein. Upon the payment of that sum within the period stated, the Association's lien for assessments as to such unit shall be deemed satisfied; provided, however, that the failure of a purchaser to request such statement at least five 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 and the unit itself, to the extent provided by the Act. Under the Act, unpaid assessments constitute a lien upon the unit and the proceeds of sale thereof prior to all claims except real property taxes and first mortgages of record.

### ARTICLE III.

#### ARBITRATION

Section 1. 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 2. No Co-owner or the Association shall be precluded from petitioning the courts to resolve any such disputes, claims or grievances.

Section 3. 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.

### ARTICLE IV.

#### INSURANCE

Section 1. The Association shall carry fire and extended coverage, vandalism and malicious mischief and liability insurance, and workmen's compensation insurance, if applicable, pertinent to the ownership, use and maintenance of the common elements of the Condominium Project.

Section 2. 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 all premiums for insurance carried by the Association shall be an expense of administration.

Section 3. Each Co-owner may obtain insurance coverage at his own expense upon his unit. 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 and for his personal liability for occurrences within his unit or upon limited common elements appurtenant to his unit, and also for alternative living expense in the event of fire, and the Association shall have absolutely no respon-

sibility for obtaining such coverage.

Section 4. All common elements of the Condominium Project shall be insured against fire and other perils covered by standard extended coverage endorsement in an 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 contain 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 a unit shall be covered by insurance obtained by and at the expense of said 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.

Section 5. The proceeds of any insurance policies received by the Association as a result of any loss requiring repair or reconstruction shall be applied for 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 Project unless all of the institutional holders of first mortgages on units in the Project have given their prior written approval.

Section 6. Each Co-owner, by ownership of a unit in the Condominium Project, shall be deemed to appoint the Association as his true and lawful attorney-in-fact to act in connection with all matters concerning the maintenance of fire and extended coverage, vandalism and malicious mischief, liability insurance and workmen's compensation insurance, if applicable, 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 to the Condominium Project.

#### ARTICLE V.

##### RECONSTRUCTION OR REPAIR

Section 1. If any part of the Condominium property shall be damaged, the determination of whether or not it shall be reconstructed or repaired shall be made in the following manner:

(a) If the damaged property is a common element or a unit, the property shall be rebuilt or repaired if any unit in the Condominium is tenantable, unless it is determined that the Condominium shall be terminated and each institutional holder of a first mortgage lien on any unit in the Condominium has given its prior written approval of such termination.

(b) If the Condominium is so damaged that no unit is tenantable, and if each institutional holder of a first mortgage lien on any unit in the Condominium has given its prior written approval of the termination of the Condominium, the damaged property shall not be rebuilt and the Condominium shall be terminated, unless seventy-five (75%) per cent or more of the Co-owners in value and in number agree to reconstruction by vote or in writing within ninety (90) days after the destruction.

Section 2. Any such reconstruction or repair shall be substantially in accordance with the Master Deed and the plans and specifications for the Project.

Section 3. 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 4 hereof. In all other cases, the responsibility for construction and repair shall be that of the Association.

Section 4. Each Co-owner shall be responsible for the reconstruction, repair and maintenance of the interior of his unit, including, but not limited to, 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 damage to interior walls within a Co-owner's unit or to pipes, wires, conduits, ducts, or other common elements thereof, or to any fixtures, equipment and trim which are standard items within a unit is covered by insurance held by the Association, then the reconstruction or repair shall be the responsibility of the Association in accordance with Section 5 hereof. 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 the mortgagees jointly. In the event of substantial damage to or destruction of any unit or any part of the common elements, the Association shall promptly notify each institutional holder of a first mortgage lien on any of the units of the Condominium.

Section 5. 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 a responsibility for maintenance, repair and reconstruction, the Association shall obtain reliable and detailed estimates of the cost to replace the damaged property in a condition as good as that sufficient to defray the estimated costs of reconstruction or repair required to be performed by the Association, or if at any time during such reconstruction or repair, or upon completion of such reconstruction or repair, the funds for the payment of the costs thereof are insufficient, assessments shall be made against all Co-owners for the cost of reconstruction or repair of the damaged property in sufficient amounts to provide funds to pay the estimated or actual cost of repair.

Section 6. The following provisions and Section 133 of the Act shall control upon any taking by eminent domain:

(a) In the event of any taking of an entire unit by eminent domain, the award for such taking shall be paid to the owner of such unit and the mortgagee thereof, as their interests may appear. After acceptance of such award by the owner and 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 the condemning authority to the Co-owner and his mortgagee, as their interest may appear.

(b) If there is any taking of any portion of the Condominium other than any unit the condemnation proceeds relative to such taking shall be paid to the Co-owners

and their mortgagees in proportion to their respective interests in the common elements and the affirmative vote of more than seventy-five (75%) per cent 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.

(c) In the event the Condominium Project continues after 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, then 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 Co-owners, based upon the continuing value of the Condominium of 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 on individual units in the Project.

(d) The Association shall promptly notify each institutional holder of a first mortgage lien on any of the units in the Condominium in the event that any unit or portion thereof or the common elements or any portion thereof is made the subject matter of any condemnation or eminent domain proceeding.

Section 7. Nothing contained in the Condominium documents shall be construed to give a Condominium unit owner or any other party priority or any rights of first mortgagees of Condominium units pursuant to their mortgages and in the case of a distribution to Condominium unit owners of insurance proceeds or condemnation awards for losses to or a taking of Condominium units and/or common elements.

#### ARTICLE VI.

##### RESTRICTIONS

Section 1. No unit in the Condominium shall be used for other than single-family residence purposes and the common elements shall be used only for purposes consistent with the use of single-family residences.

Section 2. A Co-owner may lease his unit for the same purposes set forth in Section 1 of this Article VI; provided that written disclosure of such lease transaction is submitted to the Board of Directors of the Association in the same manner as specified in Section 13 of this Article VI. With the exception of a lender in possession of a unit following a default of a first mortgage, foreclosure or deed or other arrangement in lieu of foreclosure, no Co-owner shall lease less than an entire unit in the condominium and no tenant shall be permitted to occupy except under a written lease the initial term of which is at least six (6) months, unless specifically approved in writing by the Association. The terms of all leases, occupancy agreements and occupancy arrangements shall incorporate, or be deemed to incorporate, all of the provisions of the Condominium documents.

Section 3. 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 express written approval of the Board of Directors including (but not by way of limitation), exterior painting or the erection of antennas, lights, aerials, awnings, doors (including screen and storm doors), 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. In order to maintain uniformity of Condominium exterior appearance, no Co-owner shall use any color of drape or drape liner on the exterior side of the windows of his unit other than white, nor shall any Co-owner paint the exterior surface of any door or other exterior surface to his unit in a color or shade not approved in writing by the Board of Directors. The Board of Directors may approve only such modifications as do not impair the soundness, safety, utility, or appearance of the condominiums.

Section 4. 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 or becomes an annoyance or a nuisance to the Co-owners of the Condominium, nor shall any unreasonably noisy activity be carried on in any unit or on the common elements. No Co-owner shall do or permit anything to be done or keep or permit to be kept in his unit or on the common elements anything that will increase the rate of insurance on the Condominium without the written approval of the Association and each Co-owner shall pay to the Association the increase cost of insurance premiums resulting from any such activity or the maintenance of any such condition.

Section 5. Household pets may be kept on the Condominium premises. Any person who permits an animal to be brought or kept on the Condominium property shall indemnify and hold harmless the Association for any loss, damage or liability, including actual attorney fees, which the Association may sustain as a result of the presence of such animal on the Condominium property. Each Co-owner is responsible for maintaining control of any household pets at all times, and all animals shall be leashed or chained during any period for which they are present on the common elements of the project and each owner shall immediately perform any necessary clean-up required by the keeping of such pet.

Section 6. The common elements, limited or general, shall not be used for storage of supplies, materials, personal property or trash or refuse of any kind, 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 shall not be used in any way for the drying, shaking or airing of clothing or other fabrics. Automobiles may only be washed in areas approved by the Association, however, until such an area is designated, automobiles may be washed in any convenient area of the parking lot. In general, no activity shall be carried on nor condition maintained by a Co-owner either in his unit or upon the common elements, which spoils the appearance of the Condominium.

Section 7. Sidewalks, yards, landscaped areas, driveways, roads, parking areas, balconies, and stairs shall not be obstructed in any way nor shall they be used for purposes other than for which they are reasonably and obviously intended. No bicycles, vehicles, chairs or benches may be left unattended on or about the common elements.

Section 8. No house trailers, commercial vehicles, boat trailers, boats, camping vehicles, camping trailers, snowmobiles, snowmobile trailers or vehicles other than automobiles may be parked or stored

upon the premises of the Condominium, unless either parked in an area, if any, specifically designated therefor by the Association or approved in writing by the Board of Directors. Commercial vehicles and trucks shall not be parked in or about the Condominium (except as above provided) unless while making deliveries or pickups in the normal course of business. In the event that there arises a shortage of parking spaces, the Association may allocate or assign parking spaces from time to time on an equitable basis. There shall be unrestricted parking for motor vehicles which are used for personal transportation.

Section 9. No Co-owner shall use, or permit the use by any occupant, agent, employee, invitee, guest or member of his family of any firearms, air rifles, pellet guns, B-B guns, bows and arrows or other similar dangerous weapons, projectiles or devices anywhere on or about the Condominium premises.

Section 10. No signs or other advertising devices shall be displayed which are visible from the exterior of a unit or on the common elements, including "For Sale" signs, without written permission from the Association.

Section 11. Reasonable regulations consistent with the Act, the Master Deed and these Bylaws, concerning the use of the common elements may be made and amended from time to time by any Board of Directors of the Association, including the First Board of Directors (or its successors elected by the Developer) prior to the First Annual Meeting of the entire Association held as provided in Article I, Section 8, of these Bylaws. All regulations made by the First Board of Directors shall not be effective until approved by the Michigan Department of Commerce. 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 such regulation or amendment may be revoked at any time by the affirmative vote of more than fifty (50%) per cent of all Co-owners in number and in value.

Section 12. The Association or its duly authorized agents 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 to prevent damage to the common elements or to another unit. It shall be the responsibility of each Co-owner to provide the Association 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 such means of access, the Association may gain access in such 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 damages in gaining such access.

#### Section 13.

(a) A co-owner, including the Developer, desiring to rent or lease a Condominium unit, shall disclose that fact in writing to the Association at least twenty-one (21) days before leasing the Condominium unit and shall supply the Association with a copy of the exact lease form for its review for compliance with the Condominium documents. If Developer desires to rent Condominium units before the transitional control date, it shall notify either the advisory committee or each Co-owner in writing.



(b) Tenants or non-Co-owner occupants shall comply with all of the conditions of the Condominium documents of the Condominium Project and all leases and rental agreements shall so state.

(c) If the Association determines that the tenant or non-Co-owner occupant has failed to comply with the condition of the Condominium documents, the Association shall take the following action:

(1) The Association shall notify the Co-owner by certified mail advising of the alleged violation by tenant.

(2) The Co-owner shall have fifteen (15) days after receipt of such notice to investigate and correct the alleged breach by the tenant or advise the Association that a violation has not occurred.

(3) If after fifteen (15) days the Association believes that the alleged breach is not cured or may be repeated, it may institute on its behalf or derivatively by the Co-owners on behalf of the Association, if it is under the control of the Developer, an action for eviction against the tenant or non-Co-owner and tenant or non-Co-owner occupant for breach of the conditions of the Condominium documents. The relief set forth in this section may be by summary proceeding. The Association may hold both the tenant and the Co-owner liable for any damages caused by the Co-owner or tenant in connection with the Condominium unit.

(d) When a Co-owner is in arrearage to the Association for assessments, the Association may give written notice of the arrearage to a tenant occupying a Co-owner's Condominium unit under a lease or rental agreement and the tenant, after receiving the notice shall deduct from rental payments due the Co-owner the arrearage and future assessments as they fall due and pay them to the Association. The deductions shall not be a breach of the rental agreement or lease by the tenant.

Section 14. No Co-owner shall perform any landscaping or plant any trees, shrubs or flowers or place any ornamental materials upon the common elements unless approved by the Association in writing, excepting decks which may be maintained in the owner's discretion, subject to Association approval.

Section 15. No unsightly condition shall be maintained upon any deck and only furniture and equipment consistent with ordinary residential and recreational 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 any deck during seasons when such areas are not reasonably in use.

Section 16. 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, but not limited to, the telephone, water, gas, plumbing, electrical 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 his family, guests, agents or invitees, unless such damage or costs are covered by insurance carried by the Association in which case there shall be no such responsibility (unless reimbursement to the Association is excluded by virtue of a deductible provision, in which case the responsible Co-owner shall bear the expense to the extent of the deductible amount. Any costs or damages to the

Association may be assessed to and collected from the responsible Co-owner in the manner provided in Article II hereof.

Section 17. None of the restrictions contained in this Article VI shall apply to the commercial activities or signs or billboards, if any, of the Developer during the development and sales period as defined hereinafter, or of the Association in furtherance of its powers and purposes set forth herein and in its Articles of Association and Bylaws as the same may be amended from time to time. For the purposes of this Section, the development and sales period shall be deemed to continue so long as Developer owns any unit which he offers for sale. Until all units in the entire Condominium Project (including the initial stage and any successive stages) are sold by Developer, Developer shall have the right to maintain a sales office, a business office, a construction office, model units, storage areas, reasonable parking incident to the foregoing and such access to, from and over the project as may be reasonable to enable development and sale of the entire project by Developer. Developer shall restore the areas so utilized to habitable status upon termination of use.

#### ARTICLE VII.

##### MORTGAGES

Section 1. Any Co-owner who mortgages his unit shall notify the Association of the name and address of the mortgagee, and the Association shall maintain such information in a book entitled "Mortgages of Units". The Association may, at the written request of a mortgagee of any such unit, report any unpaid assessments due from the Co-owner of such unit. The Association shall give to the holder of any first mortgage covering any unit in the Project written notification of any default in the performance of the obligations of the Co-owner of such unit that is not cured within sixty (60) days.

Section 2. The Association shall notify each mortgagee appearing in said book of the name of each company insuring the Condominium against fire, perils covered by extended coverage, and vandalism and malicious mischief and the amounts of such coverage.

Section 3. Upon request submitted to the Association, any institutional holder of a first mortgage lien on any unit on the Condominium shall be entitled to receive written notification of every meeting of the members of the Association and to designate a representative to attend such meeting.

#### ARTICLE VIII.

##### AMENDMENTS

Section 1. Amendments to these Bylaws may be proposed by the Board of Directors of the Association acting upon the vote of the majority of the Directors or by one-third or more in number of the members or by instrument in writing signed by them.

Section 2. 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 Bylaws.

Section 3. Except as expressly limited in Section 5 of this Article VIII, these Bylaws may be amended by the Association at any regular annual meeting or a special meeting called for such purpose, by an affirmative vote of not less than two-thirds (2/3) of all Co-owners in number and in value.

Section 4. Prior to the First Annual Meeting of Members, these Bylaws may be amended by the First Board of Directors upon proposal of amendments by Developer without approval from any person other than the Michigan Department of Commerce to make such amendments as shall not increase or decrease the benefits or obligations or materially affect the rights of any member of the Association.

Section 5. Any amendment to these Bylaws (but not the Association Bylaws) shall become effective upon approval of the same by the State of Michigan and the recording of such amendment in the Office of the Register of Deeds in the county where the Condominium is located. Without the prior written approval of at least 50% of all institutional holders of first mortgage liens on any unit in the Condominium, no amendment to these Bylaws shall become effective which involves any change, direct or indirect, in Article I, Sections 4 and 5(b), Article II, Section 3(a), 4 and 7, Article IV, Section 1(d), Article V, Section 1, 4, 6, 7 and 8, Article VII, Section 1, Article VIII, Sections 3 and 5, Article XI, Section 1, or to any other provision hereof that increases or decreases the benefits or obligations, or materially affects the rights of any first mortgage liens.

Section 6. A copy of each amendment to the Bylaws shall be furnished to every member of the Association after adoption; provided, however, that any amendment to these Bylaws that is adopted in accordance with this Article shall be binding upon all persons who have an interest in the Project irrespective of whether such person actually receives a copy of the amendment.

#### ARTICLE IX

##### COMPLIANCE

The Association of Co-owners and all present or future Co-owners, tenants, future tenants or any other persons acquiring an interest in or using the facilities of the Project in any manner are subject to and shall comply with the Act, as amended, and the mere acquisition, occupancy of or entry upon the Condominium premises shall signify that the Condominium documents are accepted and ratified. In the event 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 Bylaws are attached as an Exhibit or as set forth in the Act.

#### ARTICLE XI

##### REMEDIES FOR DEFAULT

Section 1. Any default by a Co-owner shall entitle the Association or another Co-owner or Co-owners to the following relief:

- (a) Failure to comply with any of the terms or provisions of the Condominium documents or the Act shall be grounds for relief, which may include, but without limiting, an action to recover sums due for damages, injunctive relief, foreclosure of lien, or

any combination thereof, and such relief may be sought by the Association or, if appropriate, by an aggrieved Co-owner or Co-owners.

(b) In any proceeding arising because of an alleged default by any 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.

(c) The violation of any of the provisions of the Condominium documents shall also give the Association or its duly authorized agents the right, in addition to the rights set forth above, to enter upon the common elements, limited or general, or 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.

(d) 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, of monetary fines for such violations. No fine may be assessed unless Rules and Regulations establishing such fine have been first duly adopted by the Board of Directors of the Association, and notice thereof given to all Co-owner in the same manner as prescribed in Article II, Section 4, of the Association Bylaws. Thereafter, fines may be assessed only upon notice to the offending Co-owners as prescribed in Article II, Section 4, and an opportunity for such Co-owner to appear before the Board no less than seven (7) days from the date of the 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 Bylaws. No fines shall be levied for the first violation. No fine shall exceed \$25.00 for the second violation, \$50.00 for the third violation or \$100.00 for the subsequent violation.

Section 2. 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, provisions, covenant or condition in the future.

Section 3. All rights, remedies, and privileges granted to the Association or any Co-owner or Co-owners pursuant to any terms, provisions, covenants, or 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 any party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be available to such party at law or in equity.

ARTICLE XII.

SEVERABILITY

In the event that any of the terms, provisions or covenants of these Bylaws or 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 unenforceable.

ANTRIM COUNTY CONDOMINIUM  
SUBDIVISION PLAN NO 16  
EXHIBIT B TO MASTER DEED

SHANTY TOWN CONDOMINIUMS  
TOWNSHIP OF CUSTER, COUNTY OF ANTRIM,  
MICHIGAN

DEVELOPER ROBERT W OLSEN  
309 EAST FRONT STREET  
TRAVERSE CITY, MICHIGAN 49684

- SHEET INDEX
- 1 TITLE DESCRIPTIONS
  - 2 SURVEY PLAN
  - 3 SITE PLAN
  - 4 UTILITY PLAN
  - 5 FLOOR PLAN - BUILDING 1 & 2
  - 6 SECTION PLAN

ATTENTION COUNTY REGISTER OF DEEDS  
THE CONDOMINIUM SUBDIVISION PLAN NUMBER MUST BE  
ASSIGNED IN CONSECUTIVE SEQUENCE. WHEN A NUMBER  
HAS BEEN ASSIGNED TO THIS PROJECT, IT MUST BE  
PROPERLY SHOWN IN THE TITLE, SHEET 1, AND THE  
SURVEYORS CERTIFICATE, SHEET 2.

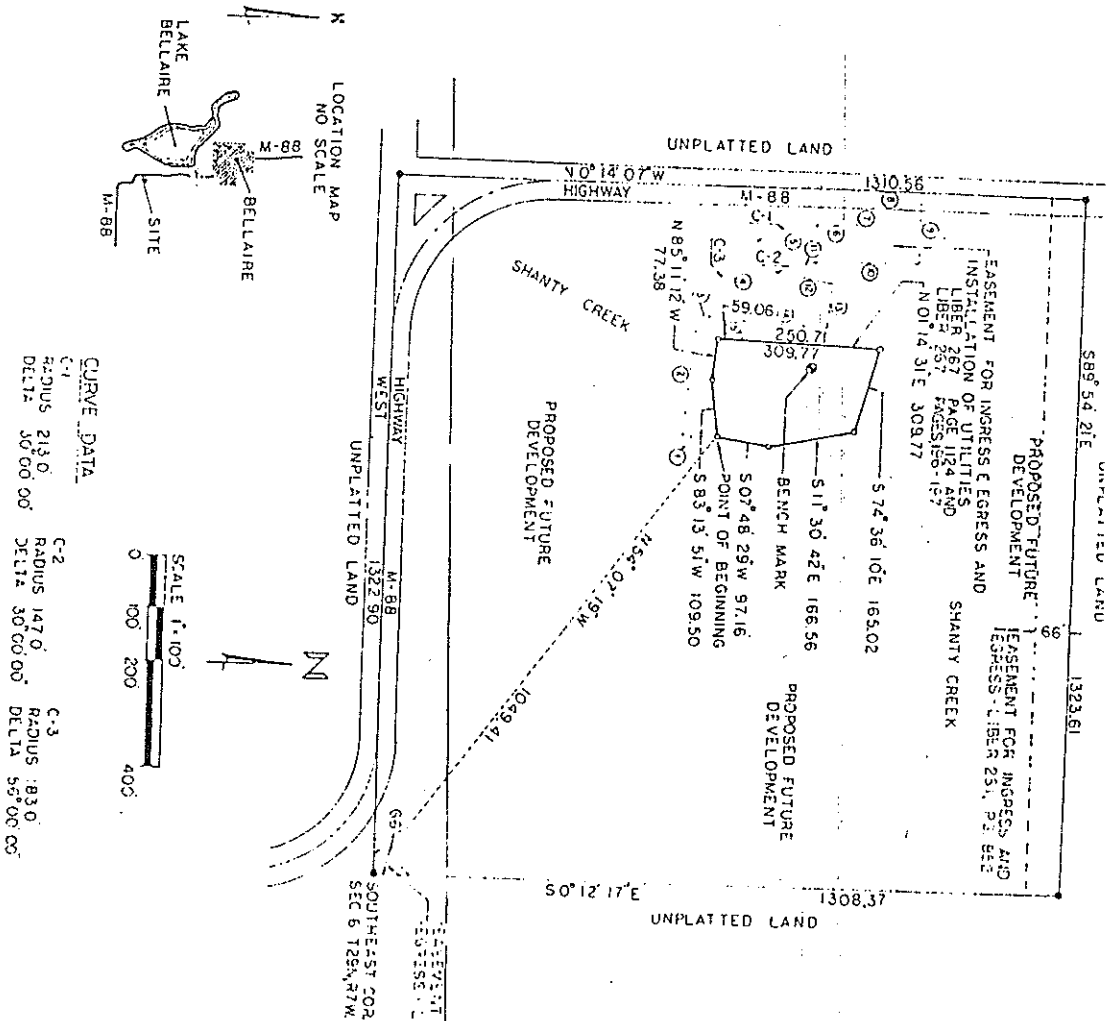
SURVEYOR  
ARTHUR L LEMNOX  
REGISTERED LAND SURVEYOR  
LEMMOX & ASSOCIATES P.C.  
619 EAST CAYUGA  
BELLAIRE, MICHIGAN 49615

APPROVED  
NOTARY PUBLIC  
MICHIGAN  
JANUARY 1, 1981

PROPERTY DESCRIPTION

COMMENCING AT THE SOUTHEAST CORNER OF SECTION 6, TOWN 29 NORTH,  
RANGE 7 WEST, CUSTER TOWNSHIP, ANTRIM COUNTY, MICHIGAN; THENCE  
N 54° 07' 19" W 104.941 FEET TO THE POINT OF BEGINNING; THENCE  
S 83° 13' 51" W 109.50 FEET; THENCE N 85° 11' 12" W 77.38 FEET; THENCE  
N 01° 14' 31" E 305.77 FEET; THENCE S 74° 36' 10" E 165.02 FEET; THENCE  
S 11° 30' 42" E 166.56 FEET; THENCE S 07° 48' 29" W 97.16 FEET; TO THE  
POINT OF BEGINNING BEING A PART OF THE SOUTHEAST ONE QUARTER  
OF THE SOUTHEAST ONE QUARTER OF SAID SECTION 6 TOWN 29 NORTH,  
RANGE 7 WEST.

PROPOSED DECEMBER 23, 1981



SURVEY PLAN OF  
SHANTY TOWN CONDOMINIUMS  
TOWNSHIP OF CUSTER  
ANTRIM COUNTY, MICHIGAN

## MUSKIEERD COURSES

	NUMBERED COURSES	
1	506	42.2E
2	NE2	34.23W
3	N33	24.6S
4	N03	51.55E
5	N56	06.05W
6	N15	08.05W
7	N00	08.05W
8	528	73.22E
9	589	45.53W
10	N00	14.07W
11	N89	45.53E
12	S00	08.03E
13	S15	08.05E
14	N08	32.21E
15	S83	04.11E
16	S06	32.23W
17	S86	08.05E
18		42.86E

## NOTES

3. BEHNS MARK RAILROAD SPIKE  
IN WEST SIDE OF 40' OAK  
ELEVATION 626.11 USGS DATUM  
BEARINGS AS SHOWN ARE  
RELATIVE TO THE SURVEY  
RECORDED IN USER 216 PAGE 55

## LEGEND

- BOUNDARY CORNERS
- SET CONCRETE MONUMENT.
- BEARING & DISTANCE OF MATCHING COURSE.

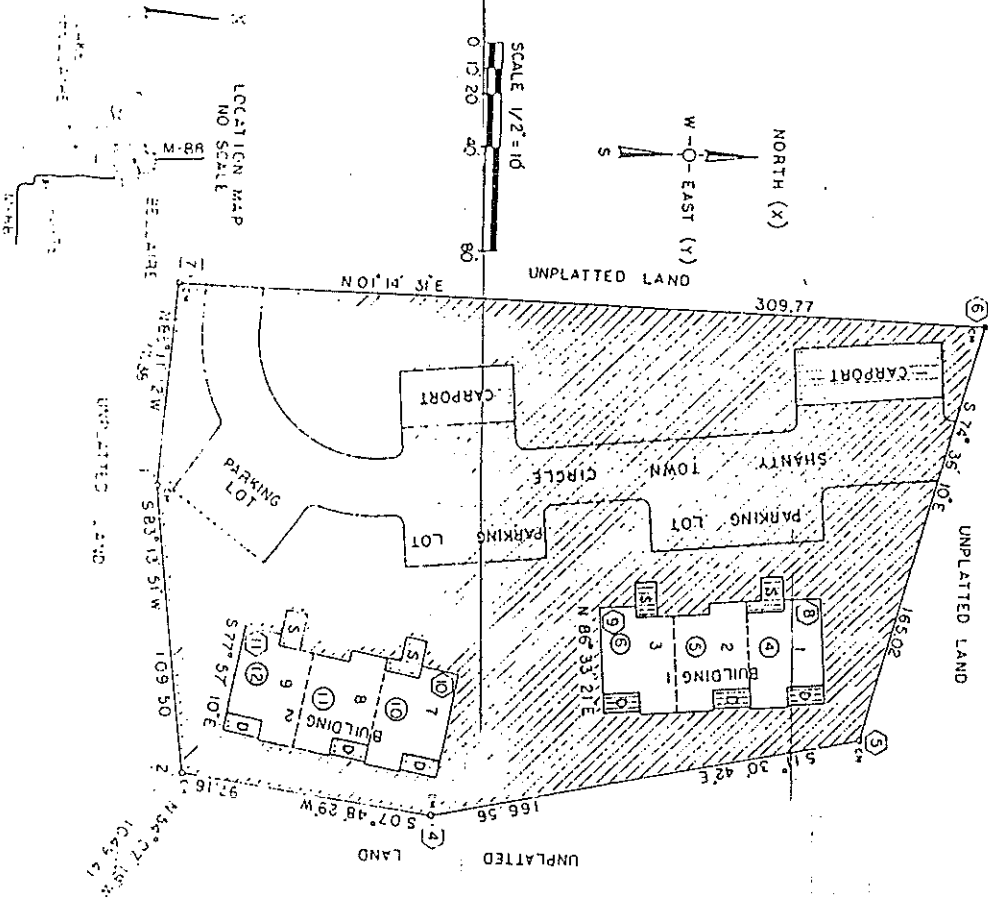
SURVEYOR'S CERTIFICATE

STATE ARCHIBALD L. LENNOX, REGISTERED LAND SUPERVISOR OF THE COUNTY OF MICHIGAN, HEREBY CERTIFY THAT THE SUBDIVISION PLAN KNOWN AS ANTRIM COUNTY CONDOMINIUM SUBDIVISION PLAN NO. 15, AS SHOWN ON THE ACCOMPANYING DRAWINGS, REPRESENTS A SURVEY ON THE GROUND MADE UNDER MY DIRECTION, AND THAT THERE ARE NO EXISTING ENCROACHMENTS UPON THE LANDS AND PROPERTY HEREIN DESCRIBED THAT THE REQUIRED MONUMENTS AND IRON MARKERS HAVE BEEN LOCATED IN THE GROUND AS REQUIRED BY THE RULES PROMULGATED UNDER SECTION 142 OF ACT NUMBER 59 OF THE PUBLIC ACTS OF 1978. THAT THE ACCURACY OF THIS SURVEY IS WITHIN THE LIMITS REQUIRED BY THE RULES. PROCLAIMED UNDER SECTION 142 OF ACT NUMBER 59 OF THE PUBLIC ACTS OF 1978 THAT THE BEARINGS AS SHOWN ARE NOTED ON SURVEY PLAN AS REQUIRED BY THE RULES AS PROCLAIMED UNDER SECTION 142 OF ACT NUMBER 59 OF THE PUBLIC ACTS OF 1978.

PROPOSED DECEMBER 23, 1981

APPROVED  
 REGISTRATION NO 20357  
 LENNOX E ASSOCIATES P.C.  
 619 EAST CARUGA  
 BELLAIRE, MICHIGAN 49615

SITE PLAN OF  
SHANTY TOWN  
TOWNSHIP OF CUSTER  
ANTRIM COUNTY, MICHIGAN



SCHEDULE OF  
COORDINATE POINTS

COORD. POINT	NORTH (X)	EAST (Y)
1	5602.11	5363.86
2	5615.02	5472.60
3	5000.00	6322.90
4	5711.28	5485.80
5	5874.49	5452.56
6	5918.30	5293.47
7	5608.60	5286.76
8	5857.74	5399.36
9	5773.72	5404.42
10	5722.22	5432.64
11	5639.90	5413.07

- [ ] = GENERAL COMMON ELEMENT
- [ ] = LIMITED COMMON ELEMENT
- CM = CONCRETE MONUMENT
- = COORDINATE POINT

NOTE: BEARINGS SHOWN ARE RELATIVE TO THE SURVEY RECORDED IN LIBER 216 PAGE 55.

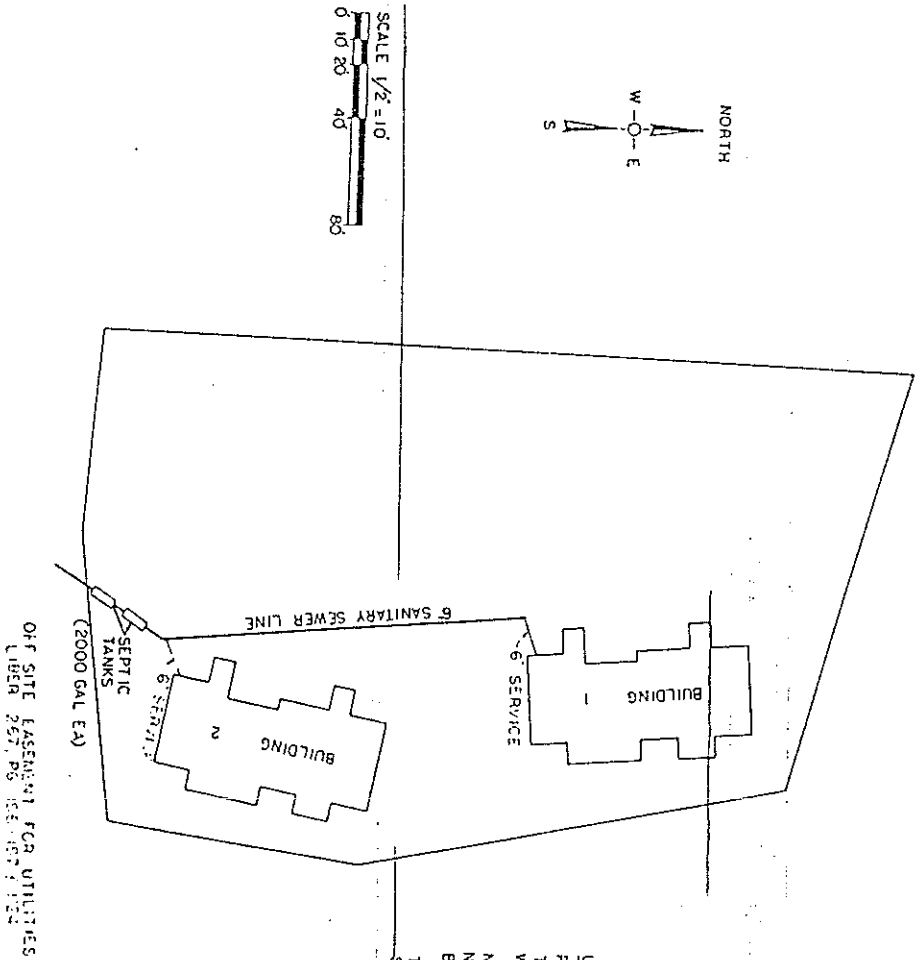
FIRST FLOOR UNIT NO. 1001

APPROVED  
ARTHUR L. LENNOX  
REGISTERED LAND SURVEYOR  
REGISTRATION NO. 20357  
619 EAST CANOGA  
BELL LAIRE, MICHIGAN 49615

PROPOSED DECEMBER 23, 1981



SHANTY TOWN  
CONDOMINIUMS



UTILITY PLAN

UTILITY SOURCES

POWER - TOP-O-MICHIGAN RURAL ELECTRIC CO.  
TELEPHONE - GENERAL TELEPHONE CO. OF MICHIGAN  
WATER & SEWER - LENNOX & ASSOC. - FIELD OBSERVATION

NOTE: POWER, TELEPHONE, TV & WATER ARE  
NOT IN ROW, THEY WILL BE SHOWN ON AS  
BUILT PLANS.

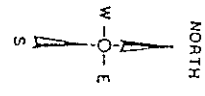
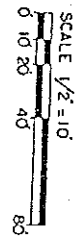
THE PROJECT IS NOT SERVED BY  
STORM SEWER.

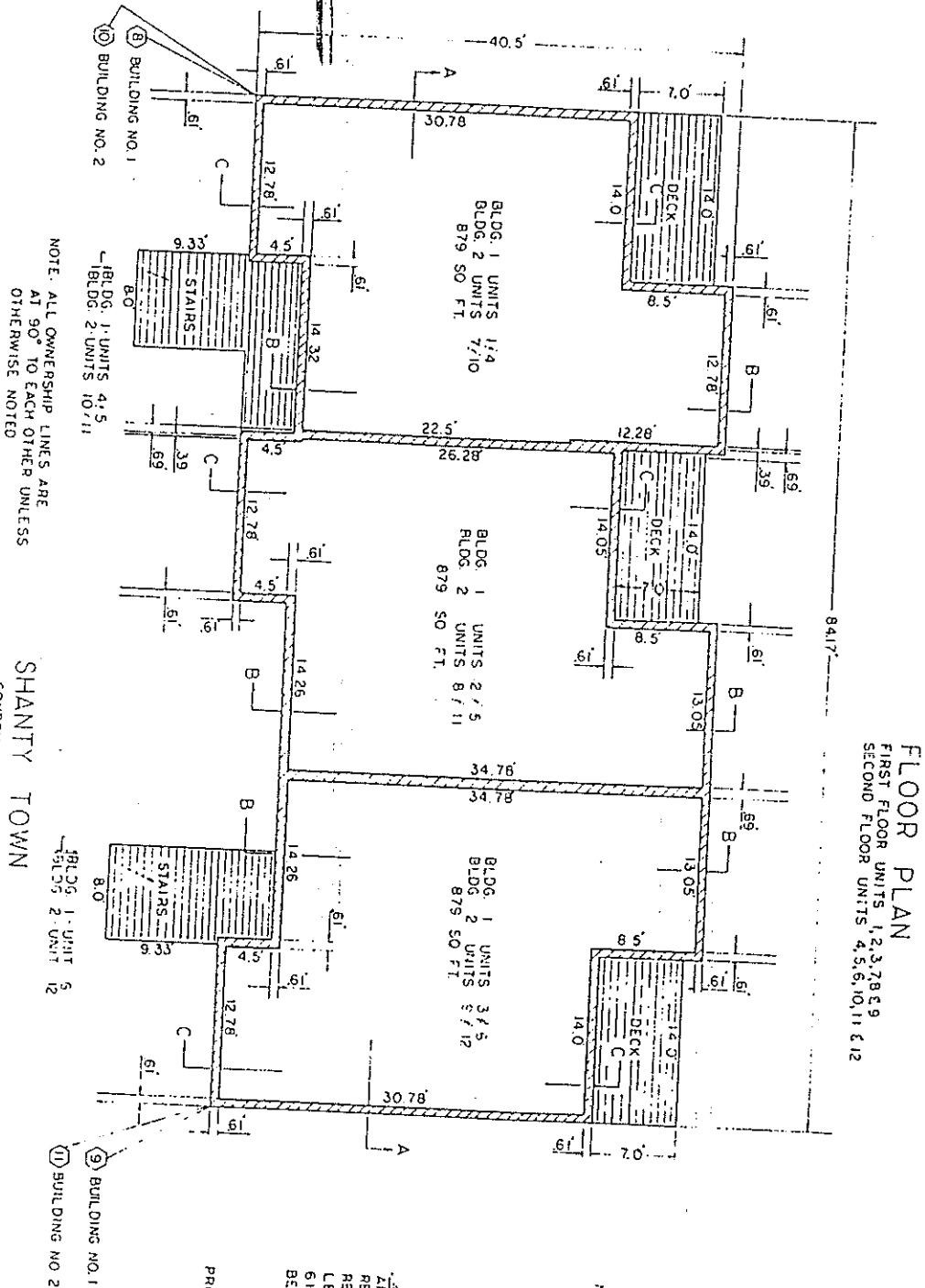
*Arthur L. Lennox*  
ARTHUR L. LENNOX  
REGISTERED LAND SURVEYOR  
LENNOX & ASSOCIATES P.C.  
619 EAST CAYUGA  
BELL LAIRE, MICHIGAN 49615

PROPOSED DECEMBER 23, 1981

APPROVED  
*[Signature]*  
MICHAEL J. LENNOX  
REGISTERED LAND SURVEYOR  
SHEET 4

OFF SITE EASEMENT FOR UTILITIES  
LIBEP 267, PG 1326-1327, 1328





FLOOR PLAN  
FIRST FLOOR UNITS 1,2,3,7&8,9  
SECOND FLOOR UNITS 4,5,6,10,11&12

GENERAL COMMON ELEMENT  
LIMITED COMMON ELEMENT  
LIMITS OF OWNERSHIP  
COORDINATE LOCATION  
ALL CORNERS ARE 90°  
DEGREES - BOTH FLOORS

ARTHUR L LENNOX  
REGISTERED LAND SURVEYOR  
REGISTRATION NO. 20357  
LENNOX & ASSOCIATES P.C.  
619 EAST CAYUGA  
BELLAIRE, MICHIGAN 49615

PROPOSED DECEMBER 23, 1981

⑨ BUILDING NO. 1  
⑪ BUILDING NO. 2

36L25 1-UNIT 5  
36L25 2-UNIT 12

SHANTY TOWN

## CONDOMINIUMS

SCALE 1.41

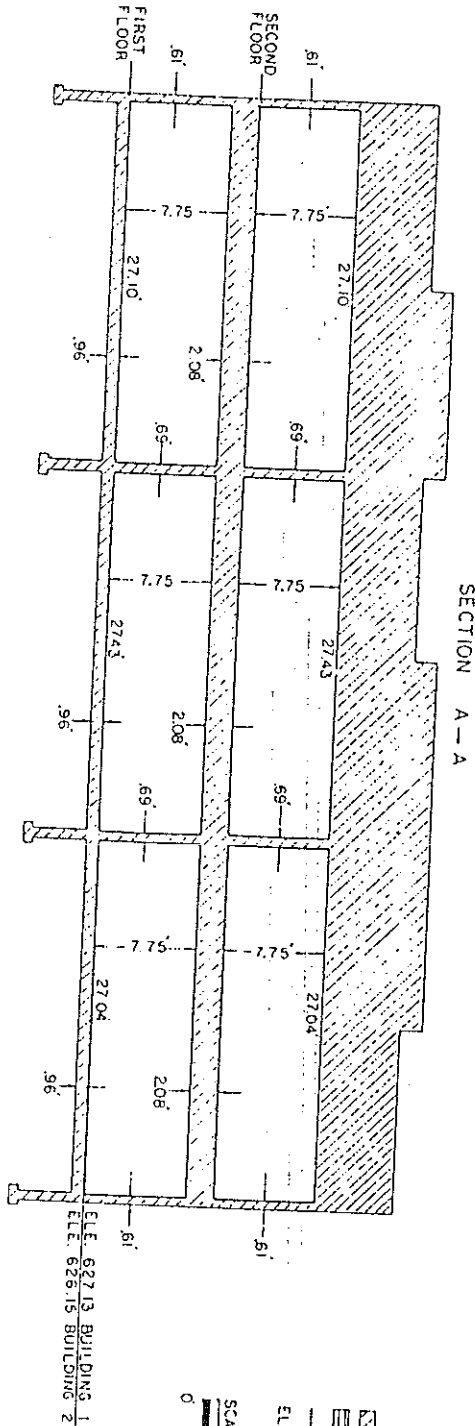
APPROVED

ॐ नमो भगवते वासुदेवाय

[illegible]

SHEET 5

# SHANTY TOWN CONDOMINIUMS SECTION PLANS

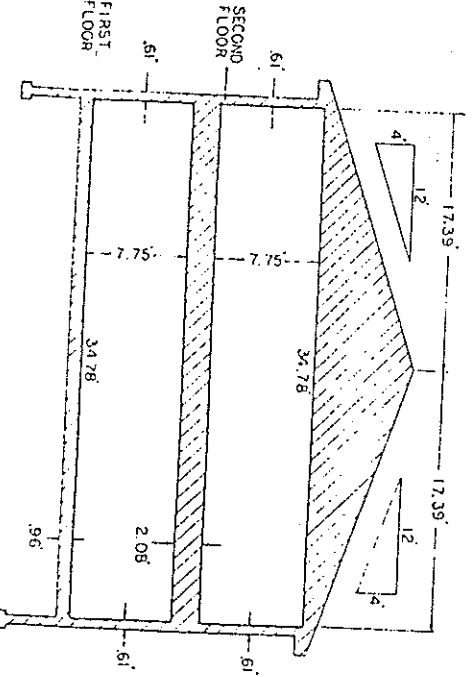


SCALE 1" = 4'

0 4 8 16

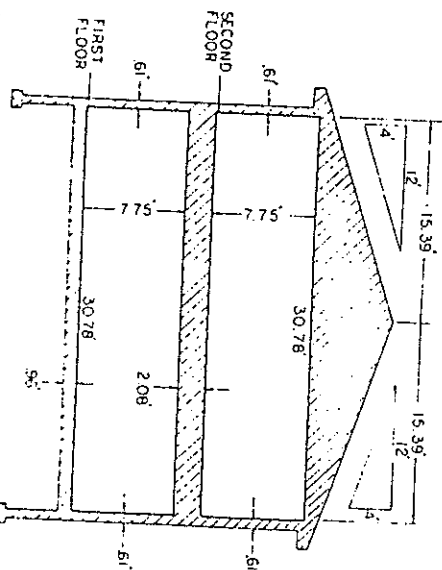
GENERAL COMMON ELEMENT  
LIMITED COMMON ELEMENT  
LIMITS OF OWNERSHIP  
ELEVATIONS ARE USGS DATUM

## SECTION B-B



NOTE: ALL OWNERSHIPS ARE AT  
90° TO EACH OTHER EXCEPT  
AS OTHERWISE NOTED.

## SECTION C-C



PROPOSED DEC. 23, 1981

ARTHUR L. LENNOX  
REGISTERED LAND SURVEYOR  
LENNOX & ASSOCIATES P.C.  
619 EAST CAYUGA  
BELLAIRES, MICHIGAN 49615

APPROVED  
BY: [Signature]  
NOTED: [Signature]  
SHEET 6