

and any Mortgagee of the Unit, as their interests may appear. If a Co-owner's entire Unit is taken by eminent domain, such Co-owner and any Mortgagee shall, after acceptance of the condemnation award, be divested of all interest in the Project.

- b. *Common Elements.* In the event of the taking of all or any portion of the General Common Elements, the condemnation proceeds relative to the taking shall be paid to the Association for use and/or distribution to its members. The affirmative vote of eighty percent (80%) or more 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 the Co-owners deem appropriate.
- c. *Amendment to Master Deed.* In the event the Project continues after the taking by eminent domain, the remaining portion of the Project shall be resurveyed and the Master Deed amended accordingly. If any Unit shall have been taken, Section 5 of the Master Deed shall also be amended to reflect the taking and to proportionately readjust the Percentages of Value of the remaining Co-owners based upon the continuing total value of the Condominium of one hundred percent (100%). The amendment may be completed by an officer of the Association duly authorized by the board without the necessity of execution or specific approval by any Co-owner.
- d. *Notice to Mortgagees.* In the event any Unit in the Condominium, the Common Elements, or any portion of them is made the subject matter of an eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, the Association shall promptly notify each holder of a publicly recorded mortgage lien on any of the Units in the Condominium.
- e. *Inconsistent Provisions.* To the extent not inconsistent with the provisions of this Section, section 133 of the Act ("contractable projects") shall control upon any taking by eminent domain.

SECTION 7

USE AND OCCUPANCY RESTRICTIONS

7.1 Residential Use. Condominium Units shall be used exclusively for residential occupancy, and no Unit or appurtenant Common Element shall be used for any purpose other than that of a single family residence or purposes incidental to residential use.

7.2 Common Areas. No temporary or permanent improvements shall be constructed within any Common Element by any Co-owner and no temporary or permanent improvement other than those reflected on the Condominium Drawings shall be constructed within any Common Element by the Association without compliance with the applicable site plan approval requirements and other applicable ordinances of Whitney Township. The Common Elements shall be used only by the Co-owners of Units in the Condominium and by their agents, tenants, family members, invitees, and licensees for access, ingress to, and egress from the respective Units, and for other purposes incidental to use of the Units; provided, that any parking areas, storage facilities, pool, or other Common Elements designed for a specific purpose shall be used only for those purposes or other uses approved by the board. No temporary or permanent structures shall be constructed within the Common Areas except as now depicted on

the Plan. The dog run shall be cleaned regularly as necessary. The use, maintenance, and operation of the Common Elements shall not be obstructed, damaged, or unreasonably interfered with by any Co-owner, and shall be subject to any lease or easement presently in existence or entered into by the board at some future date that affects all or any part of the Common Elements. Notwithstanding the foregoing, only Dock Co-owners shall have the right to use the Dock.

7.3 Use and Occupancy Restrictions. In addition to the general requirements of Sections 7.1 and 7.2, the use of the Project and its Common Elements by any Co-owner shall be subject to the following specific restrictions:

- a. *Exterior Changes.* No Co-owner shall make any additions, alterations, or modifications to any of the Common Elements, nor make any changes to the exterior appearance or structural elements of the Unit without the prior written approval of the Association. The Association shall not approve any alterations or structural modifications that would jeopardize or impair the soundness, safety, or appearance of the Project. Any Co-owner may make alterations, additions, or improvements within the Co-owner's Unit without the prior approval of the board, but the Co-owner shall be responsible for any damage to other Units, the Common Elements, or the Property resulting from such alterations, additions, or improvements.
- b. *Unit Rental.* No portion of a Unit may be rented, and no transient tenants may be accommodated in any Unit; provided, that this restriction shall not prevent the rental or sublease of an entire Unit together with its appurtenant Limited Common Elements for residential purposes in the manner permitted by these Bylaws.
- c. *Nuisances.* No nuisances shall be permitted on the Property nor shall any use or practice be permitted that is a source of annoyance to, or that interferes with the peaceful possession or proper use of the Project by the Co-owners. No Unit or its appurtenant Limited Common Elements shall be used in whole or in part for the storage of rubbish or trash, nor for the storage of any property or thing that may cause the Unit or its appurtenant Limited Common Elements to appear in an unclean or untidy condition. No substance or material shall be kept on a Unit or its appurtenant Limited Common Elements that will emit foul or obnoxious odors, or that will cause excessive noise that will or might disturb the peace, quiet, comfort, or serenity of the occupants of surrounding Units.
- d. *Prohibited Uses.* No immoral, improper, offensive, or unlawful use shall be conducted on the Property, and nothing shall be done or kept in any Unit or on the Common Elements that will increase the rate of insurance for the Project without the prior written consent of the Association. No Co-owner shall permit anything to be done or kept in the Co-owner's Unit or elsewhere on the Common Elements that will result in the cancellation of insurance on any Unit or any part of the Common Elements, or that will be in violation of any law.
- e. *Signs.* No signs or other advertising devices (other than one professionally made unlit sign, or a sign of substantially the same quality and appearance, not larger than four square feet in size, advertising a Unit for sale) that are visible from the exterior of the Unit or from the Common Elements shall be displayed on any Unit

without written permission from the Association or its managing agent.

- f. *Personal Property.* No Co-owner shall display, hang, or store any clothing, sheets, blankets, laundry, or other articles of personal property outside a Unit. This restriction shall not be construed to prohibit a Co-owner from placing and maintaining outdoor furniture and accoutrements and decorative foliage of a customary nature and appearance on a patio, deck, or balcony appurtenant to a Unit; provided, that (i) no such furniture or other personal property shall be stored during the winter season on any open patio, deck, or balcony that is visible from another Unit or from the Common Elements of the Project, (ii) no barbecue grills shall be used, and (iii) decorative foliage shall be limited to not more than two planters each of which when filled shall not exceed fifty (50) pounds in weight.
- g. *Firearms and Weapons.* No Co-owner shall use, or permit the use by any occupant, agent, tenant, invitee, guest, or member of the Co-owner's family of any firearms, air rifles, pellet guns, B-B guns, bows and arrows, illegal fireworks or other dangerous weapons, projectiles, or devices anywhere on or about the Property.
- h. *Pets and Animals.* No animals of any kind may be kept or maintained in any Unit except for one domestic dog, one domestic cat, and/or two caged birds, without the prior written consent of the Association, which consent, if given, may be revoked at any time by the Association. No exotic, savage, or dangerous animal shall be kept on the Property, and no animal may be kept or bred for commercial purposes. Common household pets permitted under the provisions of this subsection shall be kept only in compliance with the rules and regulations promulgated by the board of directors from time to time, and must at all times be kept under care and restraint so as not to be obnoxious on account of noise, odor, or unsanitary conditions. No animal shall be permitted to run loose upon the Common Elements or within any Unit (except the Unit owned by the owner of such animal), and the owner of each pet shall be responsible for cleaning up after it.

The Association may charge a Co-owner maintaining animals a reasonable supplemental assessment if the Association determines that such an assessment is necessary to defray additional maintenance costs to the Association of accommodating animals within the Condominium. The Association may also, without liability to the owner of the pet, remove or cause any animal to be removed from the Condominium that it determines to be in violation of the restrictions imposed by this section. Any person who causes or permits any animal to be brought to or kept on the Condominium Property shall indemnify and hold the Association harmless from any loss, damage, or liability that the Association may sustain as a result of the presence of such animal on the Condominium Property.

- i. *Parking/Recreational Vehicles.* Co-owner and Co-owner family and guest motor vehicles may be parked in the outside parking spaces only when the Co-Owner's Unit's interior appurtenant parking spaces are fully occupied by other motor vehicles. No recreational vehicles, boats, or trailers shall be parked or stored anywhere on the Property, including within a Unit's appurtenant parking spaces. No snowmobile, all-terrain vehicle, or other motorized recreational

vehicle shall be operated on the Property. No maintenance or repair shall be performed on any motor vehicle, boat, trailer or recreational vehicle anywhere on the Property.

- j. *Occupancy Limitations.* No more than six (6) persons shall occupy or reside in any Unit. In the event that a violation of this restriction by a family in occupancy of a Unit results from the birth or adoption of a child, or the marriage or remarriage of a family member, this restriction shall be suspended as to such family for a period of one year to provide such family a reasonable time to cure such violation or otherwise dispose of the Unit.
- k. *Satellite Dishes.* A Co-owner may not install a satellite dish on the Co-owner's Unit.
- l. *Application of Restrictions.* Unless there is an election to arbitrate pursuant to these Bylaws, a dispute or question as to whether a violation of any specific regulation or restriction contained in this Section has occurred shall be submitted to the board, which shall conduct a hearing and render a decision in writing; the decision shall be binding upon all Co-owners and other parties having an interest in the Project.
- m. *Use of Common Elements.* The General Common Elements shall not be used for the storage of supplies or personal property. No Co-owner shall in any way restrict access to any utility line or other area that must be accessible to service the Common Elements or that affects an Association responsibility in any way. In general, no activity shall be carried on nor condition maintained by any Co-owner either in the Co-owner's Unit or upon the Common Elements that despoils the appearance of the Condominium.
- n. *Water Craft Mooring.* Water craft may be moored in Lake Huron only during daylight hours. No water craft shall at any time be stored or otherwise left unattended on the beach on the Lake Huron side of the Project.

7.4 Dock Restrictions. In addition to the requirements of Sections 7.1, 7.2, and 7.3, the use of the Dock by any Dock Co-owner and their agents, tenants, family members, invitees, and licensees shall be subject to the following specific restrictions:

- a. *Changes.* No Dock Co-owner shall make any additions, alterations, or modifications to the Dock, nor make any changes to the structural elements of the Dock, including, without limitation, the erection of lights, storage boxes, dinghy storage racks or devices, swimming ladders or any other attachments or modifications, without the prior written approval of the Association. The Association shall not approve any alterations or structural modifications that would jeopardize or impair the soundness, safety, or appearance of the Dock. The Dock shall at all times be maintained at a height at least thirty-six (36) inches from the water level to the top of the Dock.
- b. *Water Craft.* No water craft not owned by the Dock Co-owner or in excess of twenty (20) feet may use the Dock in any manner. No water craft may be moored to the Dock. Each Dock Co-owner shall have the right to install only one water craft hoist, all water craft shall be stored in a bunk type hoist with a minimum five foot vertical lift capacity and the water craft stored in the hoist may not exceed the weight capacity of the hoist.

- c. *Nuisances.* No nuisances shall be permitted on the Dock nor shall any use or practice be permitted that is a source of annoyance to, or that interferes with the peaceful possession or proper use of the Dock by the Dock Co-owners. No part of the Dock shall be used in whole or in part for the storage of rubbish or trash, nor for the storage of any other property. No substance or material shall be kept on the Dock or a water craft that will emit foul or obnoxious odors, or that will cause excessive noise that will or might disturb the peace, quiet, comfort, or serenity of the occupants of surrounding portions of the Dock. No open flames shall be permitted on any water craft. All dinghies and other auxiliary water craft shall be affixed to a boat and entirely out of the water.
- d. *Prohibited Uses.* No immoral, improper, offensive, or unlawful use shall be conducted on the Dock or any water craft, and nothing shall be done or kept on the Dock or any water craft that will increase the rate of insurance for the Project without the prior written consent of the Association. No Dock Co-owner shall permit anything to be done or kept on the Dock or in the Dock Co-owner's water craft that will result in the cancellation of insurance on the Dock, or that will be in violation of any law.
- e. *Signs.* No signs or other advertising devices that are visible from the Common Elements shall be displayed on the Dock or any water craft without written permission from the Association or its managing agent.
- f. *Personal Property.* No Co-owner shall display, hang, or store any clothing, sheets, blankets, laundry, or other articles of personal property on the Dock or outside the Dock Co-owner's water craft. This restriction shall not be construed to prohibit a Dock Co-owner from placing and maintaining outdoor furniture and accoutrements and decorative foliage of a customary nature and appearance on the water craft deck.
- g. *Pets and Animals.* No animals of any kind may be kept or maintained on the Dock or in any water craft.
- j. *Occupancy Limitations.* No water craft shall be used for overnight occupancy.
- k. *Installation/Removal of Dock and Water Craft Hoists.* The Association shall determine the date each spring upon which the Dock and all water craft hoists will be installed and the date each fall upon which the Dock and all water craft hoists will be removed. The Association shall give notice to each Dock Co-owner of the date for the removal of the Dock and water craft hoists at least fifteen (15) days in advance. Each Dock Co-owner shall remove his water craft from his water craft hoist prior to the date for the removal of the Dock and the water craft hoists. Upon failure to do so in a timely manner, the Association may do so and the cost of doing so shall be assessed to the defaulting Dock Co-owner. The Association will engage a qualified third party to do the installation and removal. The Dock and the water craft hoists will be stored in the Storage Area as depicted upon the Condominium Subdivision Plan. No water craft or water craft trailers may be stored in the Storage Area.

7.5 Zoning Compliance. In addition to the restrictions contained in this Section, the use of any Unit must satisfy the requirements of the zoning ordinances of the township in which the Project is located in

effect at the time of the contemplated use, unless a variance for such use is obtained from the township.

7.6 Rules of Conduct. Additional rules and regulations consistent with the Act, the Master Deed, and these Bylaws concerning the use of Units and Common Elements may be promulgated and amended by the board. Copies of such rules and regulations must be furnished by the board to each Co-owner at least 10 days prior to their effective date, and may be revoked at any time by the affirmative vote of sixty percent (60%) or more of all Co-owners.

7.7 Enforcement by Developer. The Project shall at all times be maintained in a manner consistent with the highest standards of a private residential community, used and occupied for the benefit of the Co-owners and all other persons interested in the Condominium. If at any time the Association fails or refuses to carry out its obligations to maintain, repair, replace, and landscape in a manner consistent with the maintenance of such standards, the Developer, or any person to whom it may assign this right may, at its option, elect to maintain, repair, and/or replace any Common Elements or to do any landscaping required by these Bylaws and to charge the cost to the Association as an expense of administration. The Developer shall have the right to enforce these Bylaws throughout the Development and Sales Period, which right of enforcement shall include (without limitation) an action to restrain the Association or any Co-owner from any prohibited activity.

7.8 Co-owner Enforcement. An aggrieved Co-owner will also be entitled to compel enforcement of the Condominium Documents by action for injunctive relief and/or damages against the Association, its officers, or another Co-owner in the Project.

7.9 Remedies on Breach. In addition to the remedies granted by these Bylaws for the collection of assessments, the Association shall have the right, in the event of a violation of the restrictions on use and occupancy imposed by this Section, to enter the Unit and to remove or correct the cause of the violation. Such entry will not constitute a trespass, and the Co-owner of the Unit will reimburse the Association for all costs of the removal or correction. Failure to enforce any of the restrictions contained in this Section will not constitute a waiver of the right of the Association to enforce restrictions in the future.

7.10 Reserved Rights of Developer. The restrictions contained in this Section shall not apply to the commercial activities of the Developer during the Development and Sales Period. The Developer shall also have the right to maintain a sales office, advertising display signs, storage areas, and reasonable parking incident to its sales efforts and such access to, from, and over the Property as may be reasonable to enable development and sale of the entire Project.

7.11 Assignment and Succession. Any of the rights granted to or reserved by the Developer in the Condominium Documents or by law may be assigned by it to any other entity or to the Association. Any such assignment or transfer shall be made by an appropriate document in writing, signed by the Developer and recorded in the public records of the county in which the Project is located. Upon such assignment, the assignee will have the same rights and powers as those granted to or reserved by the Developer in the Condominium Documents.

SECTION 8 MORTGAGES

8.1 Notice to Association. Any Co-owner who mortgages a Unit shall notify the Association of the name and address of the Mortgagee and the Association will maintain such information. The information relating to Mortgagees will be made available to the Developer or its successors as needed for the purpose of obtaining consent from, or giving notice to Mortgagees, concerning actions requiring consent or notice to Mortgagees under the Condominium Documents or the Act.

8.2 Insurance. The Association shall notify each Mortgagee of the name of each company insuring the Condominium against fire, perils covered by extended coverage, and vandalism and malicious mischief, with the amounts of the coverage.

8.3 Rights of Mortgagees. Except as otherwise required by applicable law or regulation, a Mortgagee has the following rights:

- a. *Inspection and Notice.* Upon written request to the Association, a Mortgagee will be entitled to: (1) inspect the books and records relating to the Project upon reasonable notice; (2) receive a copy of the annual financial statement that is distributed to Co-owners; (3) notice of any default under the Condominium Documents by its mortgagor in the performance of the mortgagor's obligations that is not cured within 30 days; and (4) notice of all meetings of the Association and its right to designate a representative to attend the meetings.
- b. *Past-due Assessments.* A Mortgagee that comes into possession of a Unit pursuant to the remedies provided in the mortgage, or by deed in lieu of foreclosure, shall take the Unit free of any claims for unpaid assessments on charges against the mortgaged Unit that accrue prior to the time the Mortgagee comes into possession, except for assessments having priority as liens against the Unit or claims for a pro rata share of such assessments or charges resulting from a reallocation of such assessments charged to all Units including the mortgaged Unit.

8.4 Additional Notification. When notice is to be given to a Mortgagee, the board shall also give such notice to the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Veterans Administration, the Federal Housing Administration, the Farmer's Home Administration, the Government National Mortgage Association and any other public or private secondary mortgage market entity participating in purchasing or guarantying mortgages of Units in the Condominium if the board has notice of such participation.

SECTION 9 LEASES

9.1 Notice of Lease. A Co-owner, including the Developer, intending to lease a Unit, shall disclose that fact in writing to the Association at least 10 days before presenting a lease form to the prospective tenant and, at the same time, shall supply the Association with a copy of the lease form. No Unit shall be leased for a period of less than two (2) weeks. A Co-owner shall pay the Association a registration fee of two hundred dollars (\$200.00) for each lease entered into by the Co-owner.

9.2 Terms of Lease. Non-Co-owner occupants of a Unit shall comply with all the conditions of the Condominium Documents of the Project, and all lease and rental agreements must require such compliance.

9.3 Remedies of Association. If the Association determines that any non-Co-owner occupant has failed to comply with any conditions of the Condominium Documents, the Association may take the following action:

- a. **Notice.** The Association shall notify the Co-owner of the Unit by certified mail advising of the alleged violation by the non-Co-owner occupant.
- b. **Investigation.** The Co-owner will have 15 days after receipt of the notice to investigate and correct the alleged breach by the non-Co-owner occupant or to advise the Association that a violation has not occurred.
- c. **Legal Action.** If, after 15 days, the Association believes that the alleged breach has not been cured or may be repeated, it may institute an action for eviction against the non-Co-owner occupant and a simultaneous action for money damages (in the same or in a separate action) against both the Co-owner and the non-Co-owner occupant for breach of the conditions of the Condominium Documents. The relief provided for in this section may be by summary proceeding. The Association may hold both the non-Co-owner occupant and the Co-owner liable for any damages to the Common Elements caused by the Co-owner or non-Co-owner occupant in connection with the Unit or the Project.

9.4 Liability for Assessments. If a Co-owner is in arrears to the Association for assessments, the Association may give written notice of the arrearage to a non-Co-owner occupant occupying the Co-owner's Unit under a lease or rental agreement and the non-Co-owner occupant, after receiving such notice, shall deduct from rental payments due the Co-owner the full arrearage, and future assessments as they fall due, and pay them to the Association. Such deductions shall not be a breach of the lease agreement by the non-Co-owner occupant.

SECTION 10 TRANSFER OF UNITS

10.1 Unrestricted Transfers. A Co-owner may, without restriction under these Bylaws, sell, give, devise, or otherwise transfer the Co-owner's Unit, or any interest in the Unit.

10.2 Notice to Association. Whenever a Co-owner shall sell, give, devise, or otherwise transfer the Co-owner's Unit, or any interest in the Unit, the Co-owner shall give written notice to the Association within five days after consummating the transfer. Such notice shall be accompanied by documents evidencing the title or interest transferred.

10.3 Purchase at Judicial Sale. The board shall have the power and authority to bid and purchase, for and on behalf of the Association, any Unit at a sale pursuant to a mortgage foreclosure, a foreclosure of the lien for common expenses under the Act, an order or direction of a court, or at any other involuntary sale, upon the consent or approval of the Co-owners owning not less than sixty percent (60%) in number and in value. The consent shall include a maximum price that the board or its duly authorized agent may bid and pay for the Unit.

10.4 Financing of Purchase. The board shall have authority to make mortgage arrangements and special assessments proportionately among the respective Co-owners, and other such financing arrangements as authorized by the vote of the Co-owners, in order to close and consummate the purchase of a Unit by the Association. No such financing arrangement may be secured by an encumbrance on any interest in the Project other than the Unit to be purchased and the Limited Common Elements appurtenant to the Unit.

10.5 Miscellaneous.

- a. The Association shall hold title to any Unit acquired pursuant to this Section in the name of the Association or a nominee delegated by the board, for the sole benefit of all Co-owners. The board shall have the authority at any time to sell, lease, or sublease the Unit on behalf of the Association upon such terms as the board shall deem desirable, but in no event shall a Unit be sold for less than the amount paid by the Association to purchase the Unit unless Co-owners owning not less than sixty percent (60%) in number and in value first authorize the sale for such lesser amount.
- b. Except as otherwise provided in the Master Deed or in these Bylaws, in the event of any transfer of a Unit or any interest therein, the transferee shall be jointly and severally liable with the transferor for all unpaid assessments of the transferor accrued and payable prior to the date of transfer.

**SECTION 11
ARBITRATION**

11.1 Submission to Arbitration. Any dispute, claim, or grievance arising out of or relating to the interpretation or application of the Master Deed, Bylaws, or other Condominium Documents, and any disputes, claims, or grievances arising among or between Co-owners or between Co-owners and the Association may, upon the election and written consent of the parties to the dispute, claim, or grievance, and written notice to the Association, be submitted to arbitration. The parties shall accept the arbitrator's decision and/or award as final and binding. The commercial arbitration rules of the American Arbitration Association, as amended and in effect from time to time, shall be applicable to all such arbitrations.

11.2 Disputes Involving the Developer. A contract to settle by arbitration may also be executed by the Developer and any claimant with respect to any claim against the Developer that might be the subject of a civil action, provided that:

- a. *Purchaser's Option.* At the exclusive option of a purchaser or Co-owner in the Project, a contract to settle by arbitration shall be executed by the Developer with respect to any claim that might be the subject of a civil action against the Developer, which claim involves an amount less than \$2,500 and arises out of or relates to a purchase agreement, Unit, or the Project.
- b. *Association's Option.* At the exclusive option of the Association of Co-owners, a contract to settle by arbitration shall be executed by the Developer with respect to any claim that might be the subject of a civil action against the Developer, which claim arises out of or relates to the Common Elements of the Project, if the amount of the claim is \$10,000 or less.

11.3 Preservation of Rights. Election by any Co-owner or by the Association to submit any dispute, claim, or grievance to arbitration shall preclude that party from litigating the dispute, claim, or grievance in the courts. Except as provided in this Section, however, all interested parties shall be entitled to petition the courts to resolve any dispute, claim, or grievance in the absence of an election to arbitrate.

SECTION 12 OTHER PROVISIONS

12.1 Definitions. All terms used in these Bylaws will have the same meaning assigned by the Master Deed to which the Bylaws are attached, or as defined in the Act.

12.2 Severability. In the event that any of the terms, provisions, or covenants of these Bylaws or of any Condominium Document are held to be partially or wholly invalid or unenforceable for any reason whatsoever, such holding shall not affect, alter, modify, or impair 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.

12.3 Notices. Notices provided for in the Act, Master Deed, or Bylaws shall be in writing and shall be addressed to the Association at its registered office in the State of Michigan and to any Co-owner at the address contained in the deed of conveyance, or at such other address as may subsequently be provided. The Association may designate a different address for notices to it by giving written notice of such change of address to all Co-owners. Any Co-owner may designate a different address for notices by giving written notice to the Association. Notices addressed as above shall be deemed delivered when mailed by United States mail with postage prepaid or when delivered in person.

12.4 Amendment. These Bylaws may be amended, altered, changed, added to, or repealed only in the manner prescribed in the Master Deed. Notwithstanding any other provisions of these Condominium Bylaws or the Master Deed, no provision of these Condominium Bylaws which requires compliance with the ordinances of Whitney Township, which requires the consent of Whitney Township, or which is otherwise for the benefit of Whitney Township may be amended in any manner without the consent of Whitney Township.

12.5 Conflicting Provisions. In the event of a conflict between the Act (or other laws of the State of Michigan) and any Condominium Document, the Act (or other laws of the State of Michigan) shall govern. In the event of a conflict between the provisions of any one or more of the Condominium Documents themselves, the following order of priority shall be applied, and the provisions of the document having the highest priority shall govern:

1. the Master Deed, including the Condominium Subdivision Plan (but excluding these Bylaws);
2. these Condominium Bylaws;
3. the Articles of Incorporation of the Association;
4. the Association Bylaws;
5. the rules and regulations of the Association; and
6. the Disclosure Statement.

ARENAC COUNTY CONDOMINIUM
SUBDIVISION PLAN NO. 187
EXHIBIT B TO MASTER DEED OF

WHITESTONE BAY CONDOMINIUM

WHITNEY TOWNSHIP
ARENAC COUNTY, MICHIGAN

DEVELOPER
WHITESTONE BAY DEVELOPMENT, L.L.C.
4835 TOWNE CENTER ROAD
SUITE 203
SAGINAW, MICHIGAN, 48604

SURVEYOR
WILCOX PROFESSIONAL SERVICES
5859 SHERMAN ROAD
SAGINAW, MICHIGAN, 48604

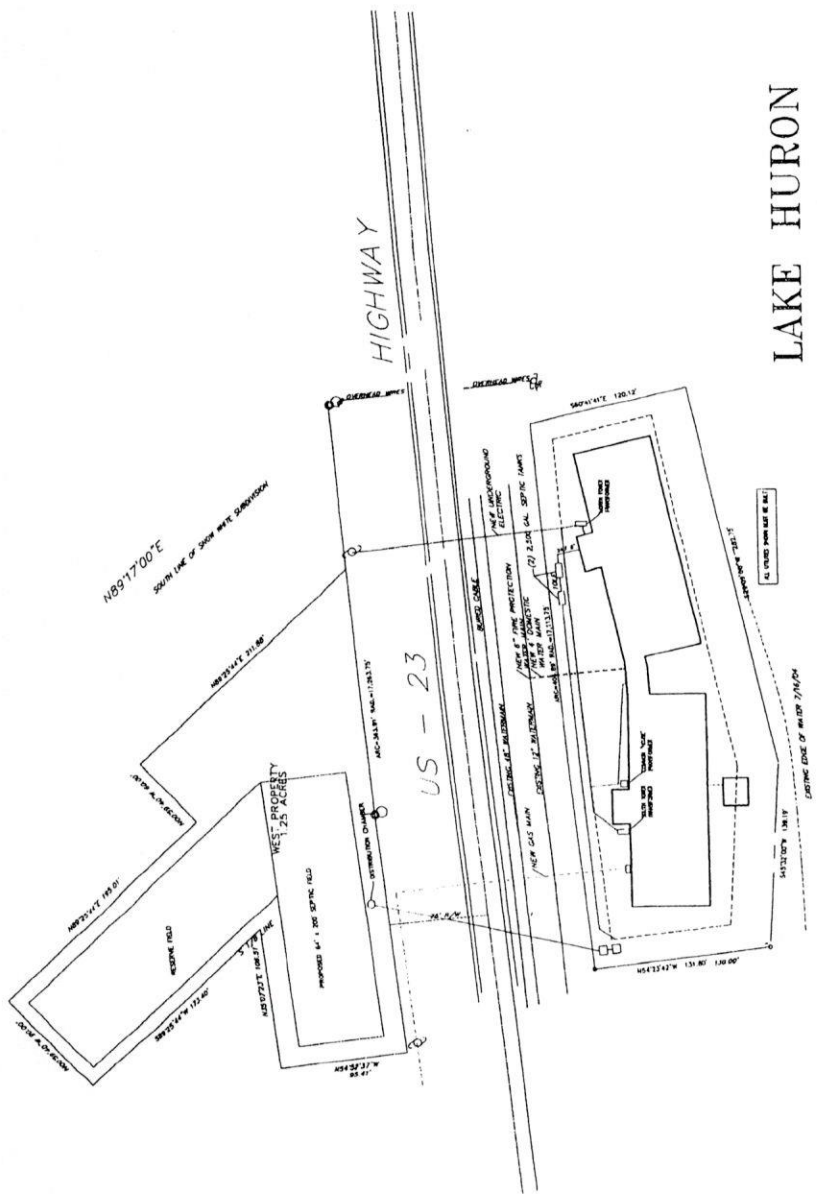
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<p>TITLE SHEET</p> <p>DATE: 1/1/84</p>	<p>PREPARED BY: JOHN MATTISON, OWNER PROFESSIONAL ENGINEER</p>	<p>THE MATTISON COMPANY 3435 TRINITY CENTRE ROAD EAST LANSING, MICHIGAN 48004</p>	<p>WHITESTONE BAY CONDOMINIUM</p>
			<p>SHEET 1</p>



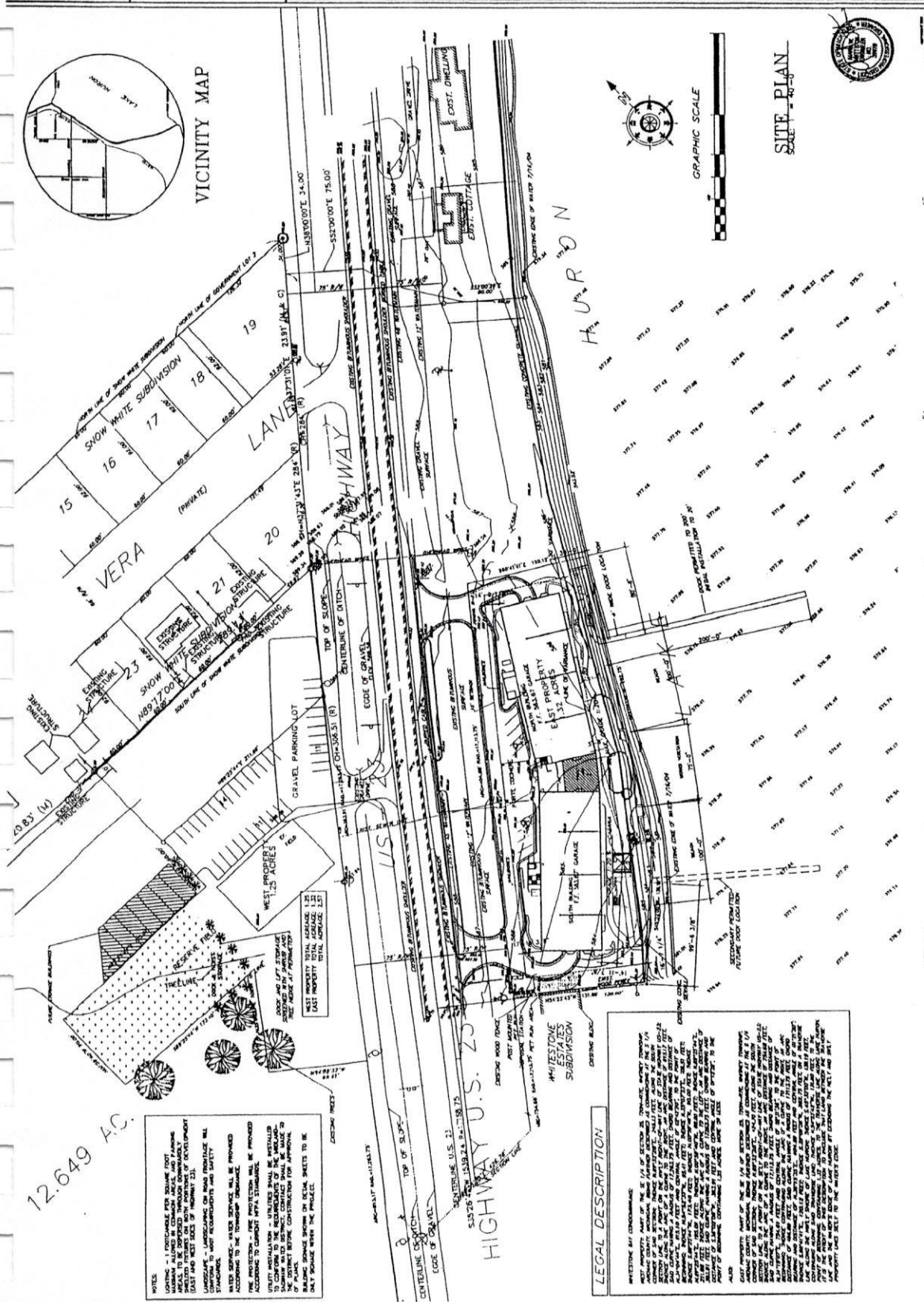
LAKE HURON

<p>PREPARED BY: MARK WINTERSTEIN PROFESSIONAL ENGINEER</p>	<p>THE WINTERSTEIN COMPANY 4415 BUNK CENTRE ROAD SUITE 104 EVANSTON, ILLINOIS 60120</p>	<p>WHITESTONE BAY CONDOMINIUM</p>	<p>SHEET 3</p>
<p>SITE PLAN</p>			



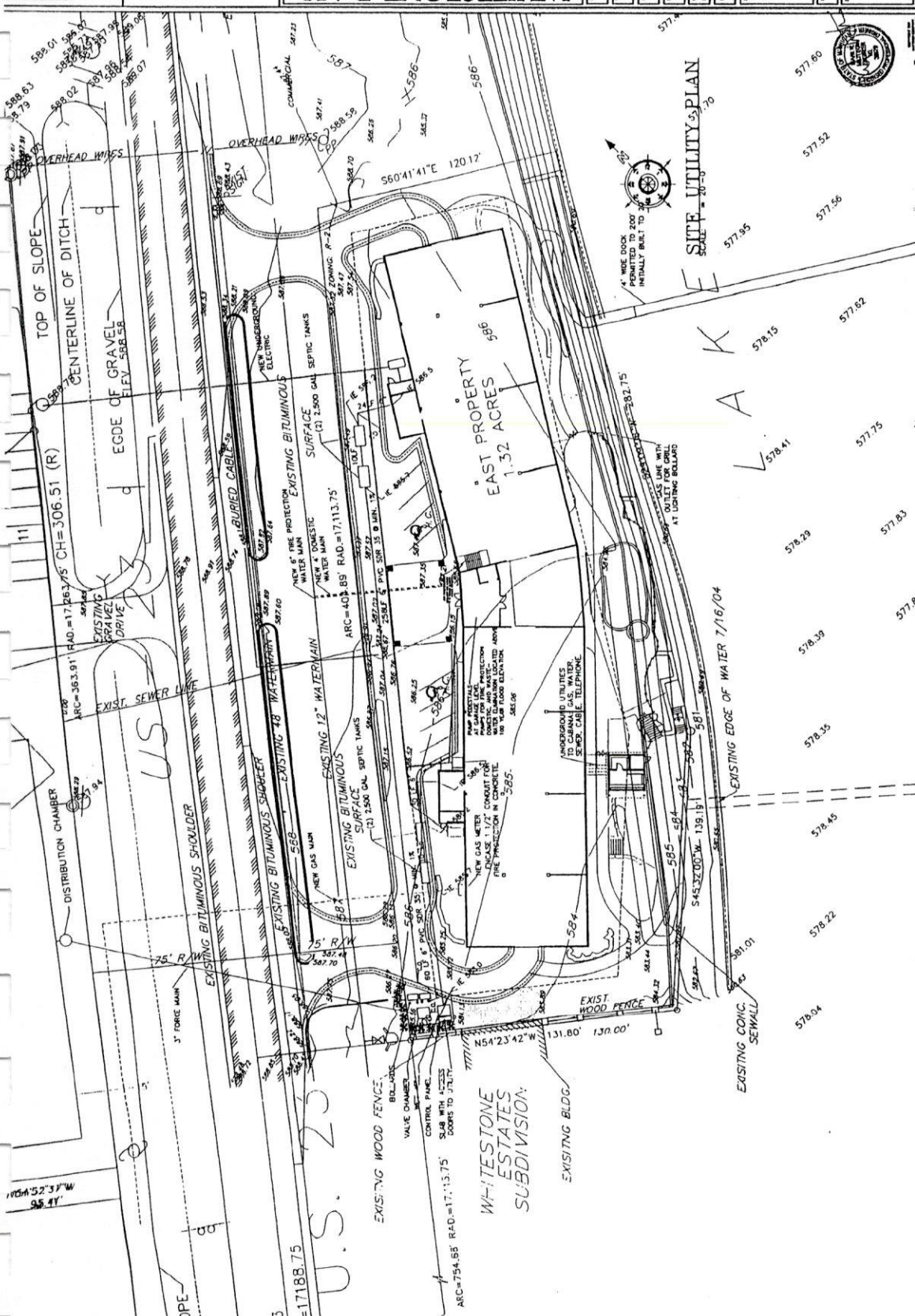
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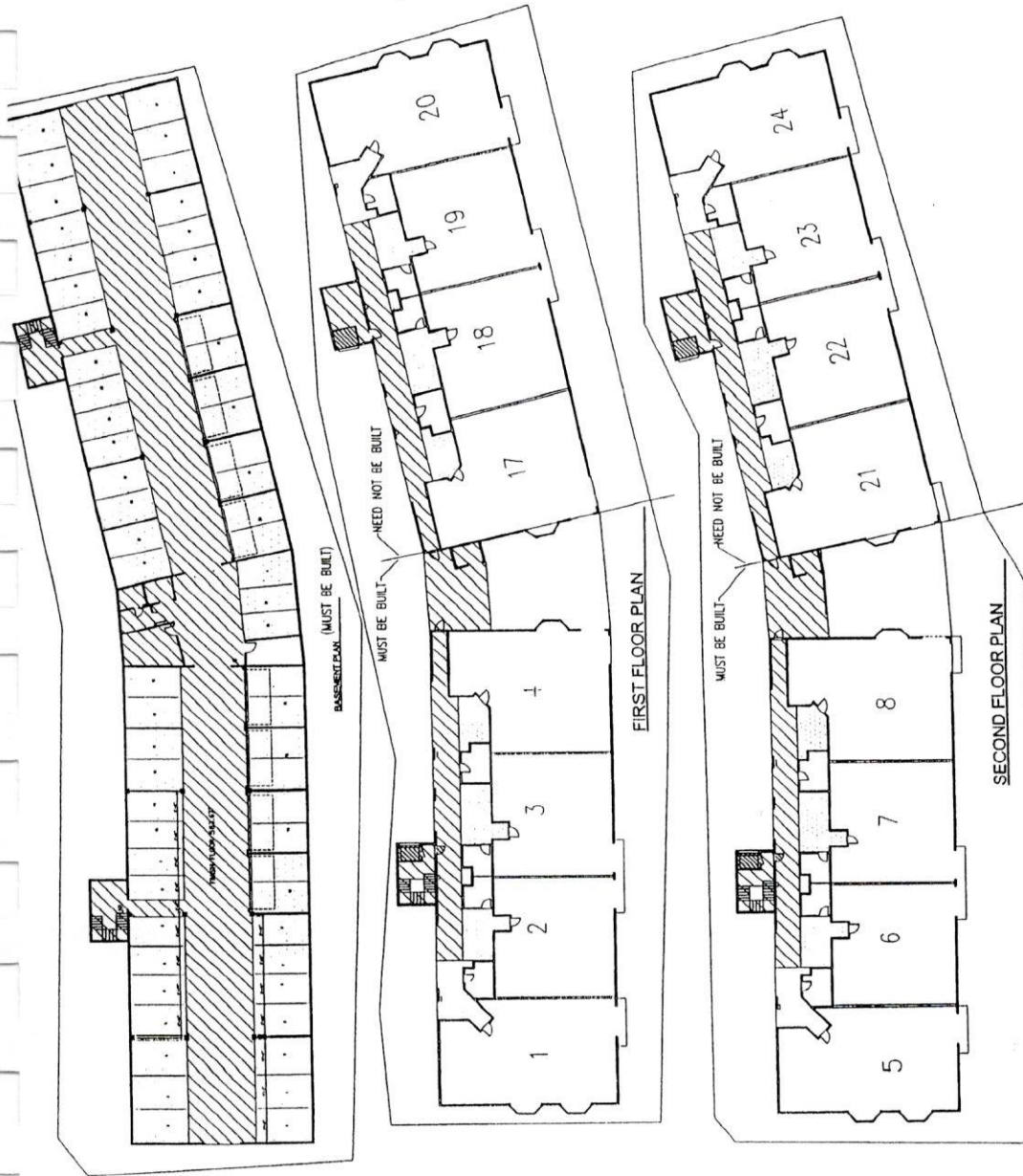
UTILITY PLAN	WHITESTONE BAY CONDOMINIUM
<p>PREPARED BY: MARK W. WATSON PROFESSIONAL ENGINEER 1015 N. W. 10TH AVE. 455 TOWN CENTRE ROAD SUITE 100 SUNNYVALE, MICHIGAN 48564</p>	
	SHEET 4



LEGAL DESCRIPTION:

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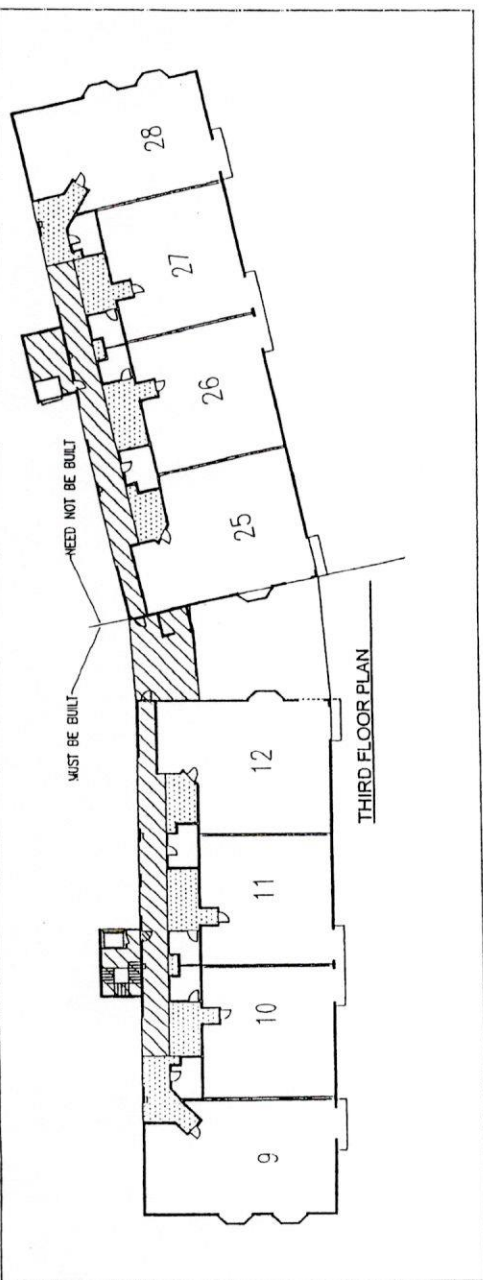




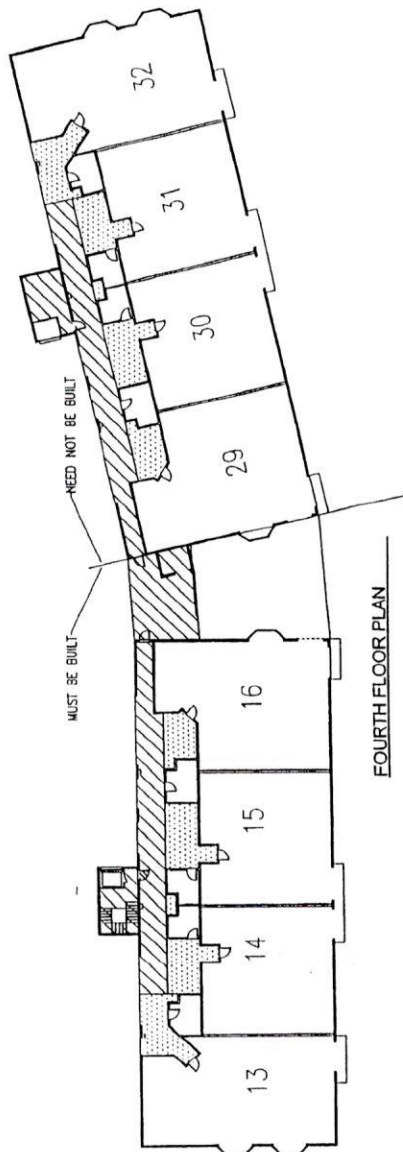
LEGEND

☐ PART OF EXISTING
☐ EXISTING COMMON ELEMENT
☐ EXISTING COMMON ELEMENT
☐ EXISTING COMMON ELEMENT




<p>FLOOR PLAN</p> <p>SCALE: 1/8" = 1'-0"</p>	<p>WHITESTONE BAY CONDOMINIUM</p>	<p>SHEET 5</p>
<p>PREPARED BY: THE MATTISON COMPANY 10000 W. MICHIGAN AVE. SUITE 100 TROY, MI 48064</p>	<p>THE MATTISON COMPANY 10000 W. MICHIGAN AVE. SUITE 100 TROY, MI 48064</p>	<p>SHEET 5</p>



SPACE CUBIC FT./SQ. FEET TABLE

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LEGEND

	UNITS OF CHOICE*
	GENERAL COMMON ELEMENT
	UNITED COMMON ELEMENT

FLOOR PLAN
1,100 sq. ft.

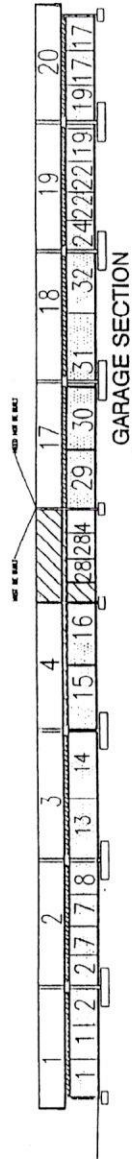
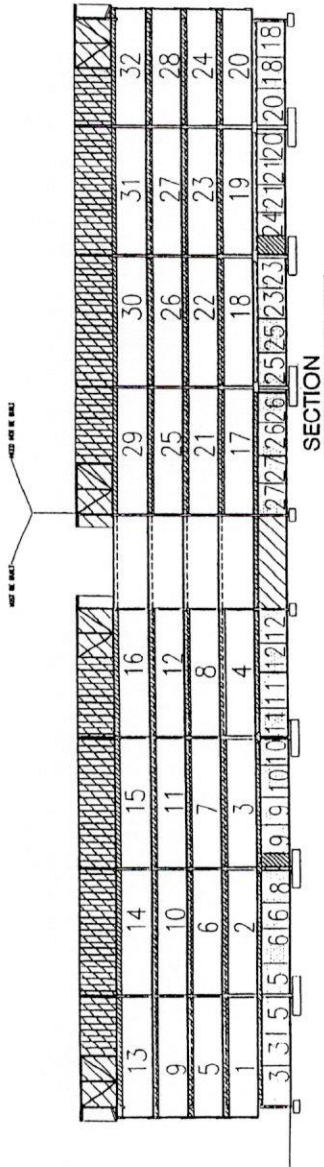
WHITSTONE BAY
CONDOMINIUM

FLOOR PLAN

PREPARED BY:
MARK E. MATTHEW
PROFESSIONAL ENGINEER

THE MATTHEW COMPANY
4835 TORRANCE CENTRE ROAD
SUITE 104
SAGINAW, MICHIGAN 48604

SHEET 6



LEGEND

UNIT OF CONCRETE

GENERAL CONCRETE

UNITED CONCRETE



X-SECTIONS	WHITESTOE BAY CONDOMINIUM
DESIGNED BY: PROFESSIONAL ENGINEER STATE OF MICHIGAN 12/1/12	
PROJECT NO.: 10474	
DATE: 12/1/12	
SHEET 7	

EXHIBIT "C"**WHITESTONE BAY CONDOMINIUM
LEGAL DESCRIPTION OF PROJECT**

Premises situated in the Township of Whitney, County of Arenac, and State of Michigan, to wit:

Part of the Southeast 1/4 of Section 25, Town 20 North, Range 7 East, being further described as commencing at the South 1/4 corner of said Section; thence North 89°32'28" East, 424.70 feet, along the South Section line, to a point on the Southeasterly right-of-way line of State Highway US-23; thence along the arc of a curve to the right, an arc distance of 754.68 feet, said curve having a radius of 17113.75 feet, chord bearing and distance of North 34°19'07" East, 754.61 feet and central angle of 02°31'36" to the Point of Beginning; thence continuing along the arc of a curve to the right, an arc distance of 404.89 feet, said curve having a radius of 17113.75 feet, chord bearing and distance of North 36°15'35" East, 404.89 feet and central angle of 01°21'20"; thence South 60°41'41" East, 120.12 feet; thence South 29°09'06" West, 282.75 feet, on a traverse line along the Northwestern shore of Lake Huron; thence South 45°32'00" West, 139.19 feet, continuing along said traverse line; thence North 54°23'42" West, 131.80 feet, to the Point of Beginning, containing 1.32 acres, to the traverse line along Lake Huron, it is the intent of this description to include that land between the traverse line and the water's edge of Lake Huron by extending the Northeasterly and Southwesterly property lines Southeasterly to the water's edge;

Also,

Part of the Southeast 1/4 of Section 25, Town 20 North, Range 7 East, being further described as commencing at the South 1/4 corner of said Section; thence North 00°30'00" West, 1056.25 feet along the North-South 1/4 line; thence North 89°25'43" East, 717.71 feet, along the Southerly line of Snow White Subdivision, recorded in Liber 2 of Plats, Page 58, Arenac County Records; thence South 00°50'57" West, 100.00 feet to the Point of Beginning; thence North 89°25'43" East, 212.24 feet; thence along the Northwestern line of US-23 right-of-way, along the arc of a curve to the left, an arc distance of 180.38 feet, said curve having a radius of 17263.75 feet, chord bearing and distance of South 36°28'30" West, 180.38 feet and central angle of 00°35'55"; thence South 89°33'36" West, 102.39 feet; thence North 00°50'57" East, 143.74 feet, to the Point of Beginning, containing 0.52 acres, more or less. Together with a 50 foot wide easement for ingress/egress lying adjacent to and immediately North of the above described parcel. Said Easement to extend Easterly to the Northwestern line of US-23,

EXHIBIT "D"
WHITESTONE BAY CONDOMINIUM
SEWERAGE SYSTEM ESCROW AGREEMENT

This Whitestone Bay Condominium Sewerage System Escrow Agreement (the "Agreement") is entered into on this ____ day of _____, 2005, by and between Whitestone Bay Development, L.L.C., a Michigan limited liability company with principal offices in Saginaw, Michigan, (the "Developer"), Whitestone Bay Condominium Association, a Michigan non-profit corporation, (the "Association") and Bay County Abstract, Inc. (the "Escrow Agent"), whose address is 612 Adams Street, Bay City, Michigan 48708, and is based upon the following facts and circumstances:

1. Developer intends to establish a residential condominium project known as Whitestone Bay Condominium in Whitney Township, Arenac County, Michigan under applicable Michigan law (the "Condominium").

2. The Condominium will be administered by the Association.

3. The Condominium will be served by a public sewerage system (the "Sewerage System") to be constructed by Developer and which will thereafter be operated, maintained, repaired and replaced by the Association.

4. Developer and Escrow desire to enter into this Agreement to establish an escrow account for the benefit of the Developer and Association which satisfies the requirements of Part 41, Sewerage Systems, of the Natural Resources and Environmental Protection Act of the State of Michigan, 1994 PA 451, as amended, and the regulations and policies of the Michigan Department of Environmental Quality adopted pursuant thereto.

5. Escrow Agent is acting as an independent party pursuant to the provisions of this Agreement for the benefit of Developer and the Association and not as the agent of any party.

Now, therefore, in consideration of the mutual covenants in this Agreement, Developer, Association and Escrow Agent agree as follows:

1. **Deposit of Funds.** Developer will deposit with Escrow Agent within ten (10) days after the date of this Agreement the sum of \$19,412.00 which is the amount certified by Wilcox Professional Services, LLC to be sufficient to operate, maintain and/or replace the Sewerage System for a period of two (2) years. Not later than two years after commencement of operation of the Sewerage System, the Association will deposit with Escrow Agent the sum of \$48,350.00 which is the amount certified by Wilcox Professional Services, LLC to be sufficient to operate, maintain and/or replace the Sewerage System for a period of an additional three (3) years. When the Association makes its deposit into escrow or provides the bond as described in the Master Deed for Whitestone Bay Condominium, any amount received by Escrow Agent from Developer shall be refunded to Developer.

2. **Release of Funds.** The sums deposited with the Escrow Agent under the terms of this Agreement shall be held and released by the Escrow Agent to the Developer or to the Association for the sole purpose of continuing uninterrupted Sewerage System operation and maintenance in the event that assessments by the Association against the owners of the condominium units in the Condominium is inadequate or becomes unavailable. Developer and Association shall jointly and severally have authority to access the funds held by Escrow Agent pursuant to this Agreement for this intended purpose. When requesting a release of funds for this intended purpose, Developer or Association, as the case may be, shall certify to Escrow Agent that the conditions contained in this paragraph with respect to a release of the funds have been satisfied and Escrow Agent may rely upon such certification without further investigation by Escrow Agent.
3. **Interest Earned on Escrowed Funds.** Escrow Agent has no obligation to earn interest on the sums held pursuant to this Agreement. However, if interest on such sums is earned, all such interest shall be separately accounted for by Escrow Agent and shall be held in escrow and released pursuant to the terms of this Agreement.
4. **Rights and Liabilities of the Escrow Agent.**
 - a. On delivering the funds deposited with the Escrow Agent pursuant to this Agreement, the Escrow Agent shall be released from any further liability under this Agreement. Liability is limited by the provisions of this Agreement. By signing this Agreement, the Escrow Agent is acting solely as a depository. The Escrow Agent is not responsible for the failure of any bank that it uses as an escrow depository for funds it receives under this Agreement.
 - b. The Escrow Agent does not guarantee Developer's or Association's performance of their obligations with respect to the Sewerage System and undertakes no responsibilities for the conformity of their performance with the specifications for the Sewerage System, with local or state laws, or in any other particular.
 - c. Except in instances of gross negligence or willful misconduct, the Escrow Agent's liability under this Agreement is limited to the release of the funds held pursuant to this Agreement minus any reasonable expenses that the Escrow Agent incurs in administering the funds, including reasonable attorney fees and litigation expenses for defending, negotiating, or analyzing claims against it that arise out of the administration of such escrowed funds. The Escrow Agent shall be entitled to deduct these costs without notice from amounts on deposit under this Agreement.
5. **Governing Law.** This Agreement shall be governed by the laws of the State of Michigan.

6. **Entire Agreement.** This Agreement sets forth the entire agreement of the parties with respect to the subject matter of this Agreement.

Whitestone Bay Development,
L.L.C.

Bay County Abstract, Inc.

By: _____
Lynn R. Wolgast, Manager
Developer

By: _____
Its: _____
Escrow Agent

Whitestone Bay Condominium Association

By: _____
Lynn R. Wolgast, President

EXHIBIT "E"

WHITESTONE BAY CONDOMINIUM

LEGAL DESCRIPTION OF ADJACENT PROPERTY

PART OF THE SE 1/4 OF SECTION 25, T20N-R7E, WHITNEY TOWNSHIP, ARENAC COUNTY, MICHIGAN, BEING FURTHER DESCRIBED AS COMMENCING AT THE S 1/4 CORNER OF SAID SECTION; THENCE N.00°30'00"W., 1056.25 FEET, ALONG THE N-S 1/4 LINE; THENCE N.89°25'43"E., 717.71 FEET, ALONG THE S'LY LINE OF SNOW WHITE SUBDIVISION, RECORDED IN LIBER 2 OF PLATS, PAGE 58, ARENAC COUNTY RECORDS, TO THE POINT OF BEGINNING; THENCE CONTINUE, N.89°25'43"E., 289.13 FEET; THENCE ALONG THE NW'LY LINE OF US-23 RIGHT-OF-WAY, ALONG THE ARC OF A CURVE TO THE LEFT, AN ARC DISTANCE OF 126.14 FEET, SAID CURVE HAVING A RADIUS OF 17263.75 FEET, CHORD BEARING AND DISTANCE OF S.36°59'01"W., 126.14 FEET AND CENTRAL ANGLE OF 00°25'07"; THENCE S.89°25'43"W., 212.24 FEET; THENCE N.00°50'57"E., 100.00 FEET, TO THE POINT OF BEGINNING, CONTAINING 0.58 ACRES, MORE OR LESS.

AND ALSO

PART OF THE SE 1/4 OF SECTION 25, T20N-R7E, WHITNEY TOWNSHIP, ARENAC COUNTY, MICHIGAN, BEING FURTHER DESCRIBED AS COMMENCING AT THE S 1/4 CORNER OF SAID SECTION; THENCE N.89°32'28"E., 424.70 FEET, ALONG THE SOUTH SECTION LINE, TO A POINT ON THE SE'LY RIGHT-OF-WAY LINE OF STATE HIGHWAY US-23; THENCE ALONG THE ARC OF A CURVE TO THE RIGHT, AN ARC DISTANCE OF 1159.60 FEET, SAID CURVE HAVING A RADIUS OF 17263.75 FEET, CHORD BEARING AND DISTANCE OF N.34°59'47"E., 1159.37 FEET AND CENTRAL ANGLE OF 03°52'56", TO THE POINT OF BEGINNING; THENCE CONTINUING ALONG THE ARC OF A CURVE TO THE RIGHT, AN ARC DISTANCE OF 276.04 FEET, SAID CURVE HAVING A RADIUS OF 17113.75 FEET, CHORD BEARING AND DISTANCE OF N.37°23'58"E., 276.01 FEET AND CENTRAL ANGLE OF 00°55'27"; THENCE S.51°53'01"E., 81.52 FEET; THENCE S.29°09'06"W., 260.77 FEET, ON A TRAVERSE LINE ALONG THE NW'LY SHORE OF LAKE HURON; THENCE N.60°41'41"W., 120.12 FEET, TO THE POINT OF BEGINNING, CONTAINING 0.62 ACRES, TO THE TRAVERSE LINE ALONG LAKE HURON. IT IS THE INTENT OF THIS DESCRIPTION TO INCLUDE THAT LAND BETWEEN THE TRAVERSE LINE AND THE WATER'S EDGE OF LAKE HURON BY EXTENDING THE NE'LY AND SW'LY PROPERTY LINES SE'LY TO THE WATER'S EDGE.