

09-030-012-200 010-00

TAX CERTIFICATE # 10017
 DATE: 1-30-07
 JEANETTE E. NEITZEL
 BAY COUNTY TREASURER HIL

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RECORDED

2004 FEB -4 P 12: 29

Barbara T. Ford, Notary Public
 REGISTER OF DEEDS
 BAY COUNTY, MICHIGAN

IRISH ACRES HOMESITE CONDOMINIUM

MASTER DEED

This Master Deed is made and executed on this 4th day of ^{FEBRUARY} January, 2004, by Golf Meadows, L.L.C., hereinafter referred to as "Developer", whose address is Bay City, Michigan 48706, in pursuance of the provisions of the Michigan Condominium Act (being Act 59 of the Public Acts of 1978, as amended), hereinafter referred to as the "Act".

WITNESSETH:

WHEREAS, the Developer desires by recording this Master Deed, together with the Bylaws attached hereto as Exhibit A and Exhibit B (both of which are hereby incorporated herein by reference and made a part hereof), to establish the real property described in Article II below, together with the improvements located and to be located thereon as a condominium project under the provisions of the Act.

NOW, THEREFORE, the Developer does, upon the recording hereof, establish Irish Acres Homesite Condominium as a Condominium Project under the Act and does declare that Irish Acres Homesite Condominium (hereinafter referred to as the "Condominium", "Project" or the "Condominium Project") shall, after such establishment, be held, conveyed, hypothecated, encumbered, leased, rented, occupied, improved, or in any other manner utilized, subject to the provisions of the Act, and to the covenants, conditions, restrictions, uses, limitations and affirmative obligations set forth in this Master Deed and Exhibits A and B hereto, all of which shall be deemed to run with the land and shall be a burden and a benefit to the Developer, its successors and assigns, and any persons acquiring or owning an interest in the Condominium Premises, their grantees, successors, heirs, personal representatives and assigns. In furtherance of the establishment of the Condominium Project, it is provided as follows:

ARTICLE I.

TITLE AND NATURE

The Condominium Project shall be known as Irish Acres Homesite Condominium, Bay County Condominium Subdivision Plan No. 51. The Condominium Project is established

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in accordance with the Act. The homesites contained in the Condominium, including the number, boundaries, dimensions and area of each are set forth in the Condominium Subdivision Plan attached as Exhibit B hereto.

The condominium project shall consist of homesites each of which is intended for separate ownership and use and shall be known as a Homesite. Each Homesite shall consist of only the land included within the perimeter of the site as delineated on the Condominium Subdivision Plan. Each purchaser will hold title to his/her Homesite and to any residential building ("residence") and other improvements constructed upon the Homesite. All residences and improvements to be constructed upon the Homesite and the Common Elements shall comply with the provisions of this Master Deed and Condominium Bylaws. Each co-owner in the condominium Project shall have an exclusive right to use his Homesite and shall have an undivided and inseparable right to share in the Common Elements of the condominium Project as designated in this Master Deed.

ARTICLE II.

LEGAL DESCRIPTION

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

Attached hereto as Schedule I

Saving and reserving unto the Developer, its successors and assigns, any and all mineral rights in the above described property.

ARTICLE III.

DEFINITIONS

Certain terms are utilized not only in this Master Deed and Exhibits A and B hereto, but are or may be used in various other instruments such as, by way of example and not limitation, the Articles of Incorporation and rules and regulations of Irish Acres Homesite Condominium, a Michigan non-profit corporation, and deeds, mortgages, liens, land contracts, easements and other instruments affecting the establishment of, or transfer of interests in Irish Acres Homesite Condominium, as a condominium. Wherever used in such documents or any other pertinent instruments, the terms set forth below shall be defined as follows:

Section 1. Act. The "Act" means the Michigan Condominium Act, being Act 59 of the Public Acts of 1978, as amended.

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Section 2. Association. "Association" means Irish Acres Homesite Condominium Association, which is a non-profit corporation organized under Michigan law of which all Co-owners shall be members, which corporation shall administer, operate, manage and maintain the Condominium.

Section 3. Bylaws. "Bylaws" means Exhibit A hereto, being the Bylaws setting forth the substantive rights and obligations of the Co-owners and required by Section 3(8) of the Act to be recorded as part of the Master Deed. The Bylaws shall also constitute the corporation bylaws of the Association as provided for under the Michigan Nonprofit Corporation Act.

Section 4. Township. "Township" means Township of Frankenlust, Bay County, a Michigan municipal corporation.

Section 5. Common Elements. "Common Elements" where used without modification, means both the General and Limited Common Elements described in Article IV hereof.

Section 6. Condominium Documents. "Condominium Documents" means and includes this Master Deed and Exhibits A and B hereto, and the Articles of Incorporation, Bylaws and Rules and Regulations, if any, of the Association as all of the same may be amended from time to time.

Section 7. Condominium Premises. "Condominium Premises" means and includes the land described in Article II above and all easements, rights and appurtenances belonging to Irish Acres Homesite Condominium as described above.

Section 8. Condominium Project, Condominium or Project. "Condominium Project", "Condominium" or "Project" means the Irish Acres Homesite Condominium as a Condominium Project established in conformity with the provision of the Act.

Section 9. Condominium Subdivision Plan. "Condominium Subdivision Plan" means Exhibit B hereto.

Section 10. Consolidating Master Deed. "Consolidating Master Deed" means the final amended Master Deed which shall describe Irish Acres Homesite Condominium as a completed Condominium Project and all Homesites and Common Elements therein as may be reconfigured, and which shall express percentages of value pertinent to each Homesites as finally readjusted. Such Consolidating Master Deed, when recorded in the office of the Bay County Register of Deeds, shall supersede the previously recorded Master Deed for the Condominium and all amendments thereto. In the event the Homesites and Common Elements in the Condominium are established in substantial conformance with the proposed Condominium Subdivision Plan attached as Exhibit "B" to the Master Deed, the Developer shall be able to satisfy the foregoing obligation

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by filing a certificate in the office of the Bay County Register of Deeds confirming that the Homesites and Common Elements "as built" are in substantial conformity with the proposed Condominium Subdivision Plan and that no Consolidating Master Deed need be recorded.

Section 11. Co-owner or Owner. "Co-owner" means a person, firm, corporation, partnership, association, trust or other legal entity or any combination thereof who or which own one or more Homesites in the Condominium Project. The term "Owner", wherever used, shall be synonymous with the term "Co-Owner".

Section 12. Developer. "Developer" means Golf Meadows, L.L.C., a Michigan Limited Liability Company, which has made and executed this Master Deed, and its successors and assigns. Both successors and assigns shall always be deemed to be included within the term "Developer" whenever, however and wherever such terms are used in the condominium Documents.

Section 13. Development and Sales Period. "Development and Sales Period", for the purposes of the Condominium Documents and the rights reserved to Developer hereunder, shall be deemed to continue for so long as Developer continues to own any Homesite in the Project.

Section 14. First Annual Meeting. "First Annual Meeting" means the initial meeting at which non-developer Co-owners are permitted to vote for the election of all Directors and upon all other matters which may properly be brought before the meeting. Such meeting is to be held (a) in the Developer's sole discretion after 50% of the Homesites are sold, or (b) mandatorily after (i) the expiration of 54 months from the date of the first Homesite conveyance or (ii) 120 days after 75% of all Homesites are sold, whichever first occurs.

Section 15. Transitional Control Date. "Transitional Control Date" means the date on which a Board of Directors of the Association of Co-Owners takes office pursuant to an election in which the votes which may be cast by eligible Co-owners unaffiliated with the Developer exceeds the votes which may be cast by the Developer.

Section 16. Unit, Condominium Unit, Homesite. "Unit", "Homesite" or "Condominium Unit" each mean a single residential building site in Irish Acres Homesite Condominium, as described in Article V, Section 1 hereof and on Exhibit "B" hereto, and shall have the same meaning as the term "Condominium Unit" as defined in the Act. All structures and improvements now or hereafter located within the boundaries of a Homesite shall be owned in their entirety by the Owner of the Unit within which they are located and shall not, unless otherwise expressly provided in the Condominium Documents, constitute Common Elements.

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 and vice versa.

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ARTICLE IV.

COMMON ELEMENTS

The Common Elements of the Project described in Exhibit B attached hereto, and the respective responsibilities for maintenance are as follows:

Section 1. General Common Elements. The General Common Elements are:

- (a) Land. The land described in Article II hereto, including roadways and easements not identified as Limited Common Elements, but excluding those portions of said land designated on the Condominium Subdivision Plan as the Condominium Homesites and limited common elements. All land contained within such description shall be and remain a General Common Element of the Condominium.
- (b) Electrical. The electrical transmission system throughout the Project, intended to service Condominium residences, up to the point of lateral connections for Homesite service, but not including, the electric meter for each Condominium Residence, together with common lighting for the Project, if any is installed.
- (c) Telephone. The telephone system throughout the Project up to the point of lateral connections for Homesite service.
- (d) Beneficial Easements. Off-site and/or on-site easements, in any, which benefit the Condominium, either previously created or which may be established in the future.
- (e) Telecommunications. The telecommunications system throughout the Project, if and when it may be installed, up to the point of lateral connections for Homesite service.
- (f) Other. Such other elements of the Project not designated as General or Limited Common Elements which are intended for common use or necessary to the existence, upkeep and safety of the Project.
- (g) All entrance markers and signs for the Condominium Project.
- (h) All landscaping berms, trees and plantings, within the Condominium Project, except any landscaping, trees and plantings within any Homesite or limited common element.
- (i) Sidewalks. The sidewalk system throughout the Project, if and when they may be installed.

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(j) Parks. The park area together with the easement for ingress and egress as designated on attached Exhibit B.

(k) Roads. The roadways as designated on attached Exhibit B until accepted by the Bay County Road Commission, as a public county road.

(l) Some or all of the utility lines, systems (including mains and service leads) and equipment described above may be owned by the local public authority or by the company that is providing the pertinent service. Accordingly, such utility lines, systems and equipment shall be General Common Elements only to the extent of the Co-owners' interest therein, if any, and Developer makes no warranty whatever with respect to the nature or extent of such interest, if any.

Section 1. Limited Common Elements. Limited Common Elements shall be subject to the exclusive use and enjoyment of the owner of the Homesite to which the Limited Common Elements are appurtenant.

(a) Yard Areas. Each Yard Area immediately surrounding a Homesite as designated on the Condominium Subdivision Plan is limited common element limited in use to the Homesite it immediately surrounds. This specifically includes installed landscaping.

(b) Utility Leads. All utility leads lying within the Homesite and adjoining limited common Element Yard Area are limited in use to the Homesite which they respectively service.

Section 2. Responsibilities. The respective responsibilities for the maintenance, decorations, repair and replacement of the Common Elements are as follows:

(a) Co-Owner Responsibilities. All cost of electricity, gas, municipal water and sanitary sewer charges, and any other utility services shall be borne by the Co-owner of the Homesite to which such services are furnished. In addition, the Co-owner is responsible for the costs of maintenance, repair and replacement of the residence and other improvements located within each Homesite and including without limitation, lawn mowing and snow removal from the driveways of the homesite. The Co-owner is responsible for horizontal connection of service from any main utility line to the lateral connection within the Homesite.

(b) Association Responsibility. The costs of maintaining all General Common Elements shall be borne by the Association, subject to any provisions of the bylaws expressly to the contrary.

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Section 3. Utility Systems. The extent of the Developer's and Association's responsibility will be to see to it that telephone, electric, water and sanitary sewer utilities are installed within reasonable proximity to, but not within, the Homesites and their Limited Common Element Areas. Each Co-owner will be entirely responsible for arranging for and paying all costs in connection with extension of such utilities by laterals from the mains to any structures and fixtures located within the Homesites and their respective Limited Common Element Areas.

Section 4. Use of Homesites and Common Elements. No Co-owner shall use his Homesite 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 Homesite or the Common Elements.

ARTICLE V.

HOMESITES DESCRIPTION AND PERCENTAGE OF VALUE

Section 1. Description of Homesites. Each Homesite in the Condominium Project is described in this paragraph with reference to the Condominium Subdivision Plan of Irish Acres Homesite Condominium as prepared by Advocate Engineering, and attached hereto as Exhibit B. Each Homesite shall consist of the space contained within Homesite boundaries as shown in Exhibit B hereto and delineated with heavy outlines. The boundaries of the Homesite may vary from time to time to accommodate changes in grade elevations. Accordingly, the Developer or, upon assignment, the Association shall have the right, in its sole discretion, to modify the condominium Subdivision Plan to depict actual ground elevations and Homesite boundaries. Even if no such amendment is undertaken, easements for maintenance of structures that encroach on Common Elements have been reserved in Article VI.

Section 2. Percentage of Value. The percentage of value assigned to each Homesite shall be equal. The determination that percentages of value should be equal was made after reviewing the comparative characteristics of each Homesite in the Project which would effect maintenance costs and concluding that there are no material differences among the Homesite regarding the allocation of percentages of value. The percentage of value assigned to each homesite shall determine each Co-owner's undivided interest in the Common Elements, the proportionate share to be paid by each Co-owner for the expenses of the Association and the value of such Co-owner's vote at meetings of the Association. The total value of the Project is 100%.

ARTICLE VI.

EASEMENTS

Section 1. Easement for Maintenance of Encroachments and Utilities. There shall be easements to, through and over the entire project (including all homesite and their Limited Common Element Yard Areas) for the continued maintenance, repair, replacement and

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enlargement of any General Common Elements Utilities in the Condominium. In the event any portion of a Homesite or Common Element encroaches upon another Homesite or Common Element due to shifting, settling or moving of a building, or due to survey errors, or construction deviations, or changes in ground elevations, 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 contained therein for the continuing maintenance and repair of all utilities in the Condominium.

Section 2. Easements Retained by Developer.

(a) Roadway Easements. Developer reserves for the benefit of itself, its successors and assigns, an easement for the unrestricted use of all roads in the Condominium for the purpose of ingress and egress to and from all adjoining properties. All expenses of maintenance, repair, replacement and resurfacing of any road referred to in this Section shall be borne by this Condominium. The Co-owners of this Condominium shall be responsible for payment of a proportionate share of such expenses which share shall be determined by multiplying such expenses by a fraction, the numerator of which is the number of Homesite within the project, and the denominator of which is comprised of the numerator plus all other Homesites.

The Developer reserves the right at any time during the Sales Period, and the Association shall have the right thereafter, to dedicate to the public a right-of-way of such width as may be required by the local public authority over any or all of the roadways in the Irish Acres Homesite Condominium shown as General Common Elements in the Condominium Subdivision Plan. Any such right-of-way dedication may be made by the Developer without the consent of any Co-owner, mortgagee or other person and shall be evidenced by an appropriate amendment to this Master Deed and to the Condominium Subdivision Plan hereto, recorded in the Bay County Records. All of the Co-Owners and mortgagees of Homesite 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 right-of-way dedication. Any such dedication shall be subject to rights of dedication and use reserved in this Agreement.

(b) Utility Easements. Developer also hereby reserves for the benefit of itself, its successors and assigns; perpetual easements to utilize, tap, tie into, extend and enlarge all utility mains located in the Condominium Premises, including, but not limited to, telephone and electric. In the event Developer, its successors or assigns utilizes, ties into, extends or enlarges any utilities located on the Condominium Premises, it shall be obligated to pay all of the expenses reasonably necessary to restore the condominium Premises to their state immediately prior to such utilization, tapping, tapping-in, extension or enlargement. All expenses of maintenance, upkeep, repair and replacement of the utility mains shall be

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expenses of administration. The Developer reserves a fifteen (15) foot utility easement over each homesite, which is immediately adjacent to roadway as set forth in Exhibit B.

The Co-owners of this condominium shall be responsible for payment of a proportionate share of such expenses. The share shall be determined by multiplying such expenses by a fraction, the numerator of which is the number of Homesite which have been served and the denominator of which is comprised of the numerator plus all other Homesite.

The Developer reserves the right at any time prior to the Transitional Control Date to reserve unto itself easements for drainage and electric and telephone lines across each homesite, limited commons and general commons and to grant easements for utilities over, under and across the Condominium to appropriate governmental agencies or public utility companies and to transfer title of utilities to state, county or local governments or utility companies. After the Transitional Control Date, the Association may retain the reservation of right at its discretion. Any such easement or transfer of title may be conveyed by the Developer without the consent of any Co-owner, mortgagee or other person and shall be evidenced by an appropriate amendment to this Master Deed and to Exhibit B hereto, recorded in the Bay County Records. All of the Co-owners and mortgagees of Homesite 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 easements or transfers of title. Any grants pursuant hereto shall be subject to the rights reserved in the Agreement.

Section 3. Grant of Easement by Association. The Association, acting through its lawfully constituted Board of Directors (including any Board of Directors acting prior to the Transitional Control Date) shall be empowered and obligated to grant such easements, licenses, rights-of-entry and rights-of-way over, under and across the Condominium Premises for utility purposes, access purposes or other lawful purposes as may be necessary for the benefit of the Condominium, subject, however, to the approval of the Developer so long as the Construction and Sales Period has not expired.

Section 4. Easements for Maintenance, Repair and Replacement. The Developer, the Association and all public or private utilities shall have such easements over the Condominium Premises, including all Homesite and Common Elements, as may be necessary, to fulfill any responsibilities of maintenance, repair, decoration or replacements which they or any of them are required or permitted to perform under the Condominium Documents. These easements include, without any implication of limitation, the right of the Association to obtain access during reasonable hours and upon reasonable notice to electrical and telephone lines and other Common Elements located within any Homesite or its appurtenant Limited Common Elements. This section should not be interpreted to allow utility companies greater access to the condominium Residence than they would have otherwise.

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Section 5. Telecommunications Agreements. The Association, acting through its duly constituted Board of Directors and subject to the Developer's approval during the Construction and Sales Period, shall have the power to make or cause to be made such installments and/or grant such easements, licenses and other rights of entry, use and access and to enter into any contract or agreement, including wiring agreements, right-of-way agreements, access agreements and multi-homesite agreements and, to the extent allowed by law, contracts for sharing of any installation or periodic subscriber service fees as may be necessary, convenient or desirable to provide for telecommunications, videotext, broad band cable, satellite dish, earth antenna and similar services (collectively "Telecommunications") to the Project or any Homesite therein. Notwithstanding the foregoing, in no event shall the Board of Directors enter into any contract or agreement or grant any easement, license or right of entry or do any other act or thing which will violate any provision of any federal, state or local law or ordinance. Any and all sums paid by any Telecommunications or other company or entity in connection with such service, including fees, if any, for the privilege of installing same or sharing periodic subscriber service fees, shall be receipts affecting the administration of the Condominium Project within the meaning of the Act and shall be paid over to and shall be the property of the Association.

Section 6. Detention Basin and Storm Drainage System. The cost of maintenance, repair and replacement of the detention basin and storm drainage system (including, without limitation, all lakes, drainage areas, dams) shall be borne by the Association. In the event the Association fails to provide adequate maintenance, repair, or replacement of the storm drainage system, Frankenlust Township may serve written notice of such failure upon the Association. Such written notice shall contain a demand that the deficiencies be cured within a reasonable time period. If such deficiencies are not cured, the Township may undertake such maintenance, repair or replacement and the costs associated plus a 25% administration fee may be assessed against the co-owners and collected as a special assessment on the next annual Township of Frankenlust tax roll.

ARTICLE VII.

SUBDIVISION, CONSOLIDATION AND OTHER MODIFICATIONS OF HOMESITES

Notwithstanding any other provision of the Master Deed or the Bylaws, Homesites and adjoining Common Element areas in the Condominium may be subdivided, consolidated, modified and the boundaries relocated, by the Developer in accordance with Sections 48 and 49 of the Act, applicable zoning laws and regulations in effect in the Township (and/or the County of Bay, if applicable) at the time, and this Article. Such changes in the affected Homesite or Homesites and any adjoining Common Elements shall be promptly reflected in a duly recorded amendment or amendments to this Master Deed.

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Section 1. By Developer. Developer reserves the sole right during the Development and Sales Period and without the consent of any other Owner or any mortgagee of any Unit to take the following action:

(a) Subdivide Homesites. Subdivide or resubdivide any Homesites which it owns together with adjoining Common Element areas and in connection therewith to install utility conduits and connections and any other improvements reasonably necessary to effect the subdivision, any or all of which may be designated and redefined by the Developer as Homesites and/or General or Limited Common Elements; any such installations shall not disturb any utility connections serving Homesites and adjoining Common Elements 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 sole discretion of Developer, its successors or assigns.

(b) Relocate Boundaries. Relocate any boundaries between adjoining Homesites and adjoining Common Element areas not necessary for the reasonable use of Homesites other than those subject to the relocation. The relocation of such boundaries 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 sole discretion of the Developer, its successors or assigns.

(c) Amend to Effectuate Modifications. In any amendment or amendments resulting from the exercise of the rights reserved to Developer above, each portion of the Homesite or Homesites resulting from such subdivision or relocation of boundaries shall be separately identified by number. 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 and serve the Homesites in the Condominium Project as so modified. All of the Owners and mortgagees of Homesites 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 percentage of value of Homesites which Developer or its successors may determine necessary in conjunction with such amendment or amendments. All such interested persons irrevocably appoint 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 hereto.

Section 2. Subdivision by Others Prohibited. No one other than the Developer may subdivide any Homesite unless the right to do so is expressly assigned in recordable form by the Developer.

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ARTICLE VIII.

CONTRACTIBILITY

Section 1. Contractibility of Condominium. Notwithstanding any other provision of the Master Deed or the Bylaws, the number of Homesite in the condominium Project may be contracted in accordance with Section 33 of the Act and this Article; such changes in the number of Homesite shall be promptly reflected in a duly recorded amendment or amendments to this Master Deed.

Section 2. Developer or its successors may elect to contract the Condominium Project in accordance with the provision of the Act.

Section 3. The election to contract the Condominium Project must be exercised on or before six years from the recording of this Master Deed or an even longer period as is provided for in the Act.

Section 4. The land that may be withdrawn from the Condominium Project is generally described as all portions of the Project that remain undeveloped. For purpose of this Section, "undeveloped" means that a Residence has not been built on a Homesite.

Section 5. Portions of the land may be withdrawn by the Developer or its successors with the consent of Co-owners as required by Section 2 in any manner and in any order deemed appropriate by them.

ARTICLE IX.

EXPANSION OF CONDOMINIUM

As of the date of this Master Deed is recorded, Developer intends to establish a Condominium Project consisting of 32 homesites upon the land described in Article II hereof. Developer reserves the right, however, to expand the number of homesite to be included with the Condominium Project by the inclusion of additional land and improvements, to a maximum of 75 homesites which shall be in substantial harmony, both in nature and in appearance, with existing homesite in the Condominium Project. Therefore, any other provisions of this Master Deed to the contrary notwithstanding, the number of homesite in the Condominium Project may, at the option of the Developer, or its successors or assigns, from time to time, within a period ending no later than six years from the date of recording this initial Master Deed, be expanded as aforesaid to any number determined by the Developer in its sole judgment; but in no event shall the number of homesite be more than 75. Such additional homesite, if any, shall be constructed upon all or some portion of the following described land:

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Developer further reserves the right to amend and alter the site and utility plans of any homesite described on Exhibit "B" hereto. All such amendments and alterations shall be made prior to any affected homesite becoming subject to a binding purchase agreement. The nature and appearance of any such altered site plan, or homesite shall be determined by Developer in its sole judgment. In no event, however, shall such altered homesite deviate substantially from the general development plan of the Condominium Project.

ARTICLE X.

CONVERTIBLE AREAS

Section 1. Designation of Convertible Areas. The Limited Common Element Yard Areas adjacent to the respective Homesite are hereby designated as Convertible Areas within which the Homesite and Common Elements may be modified as provided herein.

Section 2. Reservation of Rights to Modify Homesite and Common Elements. The Developer reserves the right, in its sole discretion, during a period ending no later than six years from the date of recording this Master Deed, to enlarge, diminish, modify or extend Homesite and/or General or Limited common Elements appurtenant or geographically proximate to such Homesite within the Convertible Areas above designated for such purpose, to relocate driveways, and/or to construct privacy areas, courtyards, atriums, patios, decks and other private amenities, so long as such modifications do not unreasonably impair or diminish the appearance of the Project or the view, privacy or other significant attribute or amenity of any Homesite which adjoins or is proximate to the modified Homesite or Common Element. Under no circumstances, however, shall the Developer, the Association or any other co-owner or assignee of the Developer modify, enlarge or diminish any Limited Common Element Yard Area or any rights in connection therewith without the express written consent of the Co-owner to whose Homesite such Yard Area is appurtenant.

Section 3. Compatibility of Improvements. All improvements constructed within the Convertible Areas described above shall be reasonably compatible with the structures on other portions of the Condominium Project, as determined by Developer in its discretion. No improvements, other than as above indicated, may be created on the Convertible Areas.

ARTICLE XI.

OPERATIVE PROVISIONS

Any expansion or contraction in the Project pursuant to Articles above shall be governed by the provisions set forth below.

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Section 1. Amendment of Master Deed and Modification of Percentages of Value. Such expansions or contraction of this Condominium Project shall be given effect by appropriate amendments to this Master Deed in the manner provided by law, which amendments shall be prepared by and at the discretion of the Developer and in which the percentages of value set forth in Article V hereof may be proportionately readjusted when applicable in order to preserve a total value of 100% for the entire Project resulting from such amendments to this Master Deed. The precise determination of the readjustments in percentages of value shall be made within the sole judgment of the Developer. Such readjustments, however, shall reflect a continuing reasonable relationship among percentages of value based upon the original method of determining percentages of value of the Project.

Section 2. Redefinition of Common Elements. Such amendments to the Master Deed shall also contain such further definitions and redefinitions of General or Limited Common Elements as may be necessary to adequately describe, serve and provide access to the parcel or parcels being subtracted from the Project by such amendments. In connection with any such amendments, the Developer shall have the right to change the nature of any Common Element previously included in the Project for any purpose reasonably necessary to achieve the purposes of this Article, including but not limited to, the connection of roadways in the Project to any roadways.

Section 3. Consolidating Master Deed. A Consolidating Master Deed shall be recorded pursuant to the Act when the Project is finally concluded as determined by the Developer in order to incorporate into one set of instruments all changes in development. The Consolidating Master Deed, when recorded, shall supersede the previously recorded Master Deed and all amendments thereto.

Section 4. Consent of Interested Persons. All of the co-owners and mortgagees of Homesite 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 amendments to this Master Deed as may be proposed by the Developer to effectuate the purposes of Article VII above and to any proportionate reallocation of percentages of value of existing Homesite which the Developer may determine necessary in conjunction with such amendments. All such interested persons irrevocably appoint the Developer as agent and attorney for the purpose of execution of such amendments to the Master Deed and all other documents necessary to effectuate the foregoing. Such amendments may be effected without the necessity of rerecording the entire Master Deed or the exhibits hereto and may incorporate by reference all or any pertinent portions of this Master Deed and the Exhibits hereto.

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ARTICLE XII

SPECIAL ASSESSMENT

Section 1. Upon approval by an affirmative vote of not less than 51% of all co-owners, the Association shall be vested with the power and authority to sign petitions requesting establishment of a special assessment district pursuant to provisions of applicable Michigan statutes for improvement of roads within or adjacent to the condominium premises (homesites).

Section 2. In the event that a special assessment road improvement project is established pursuant to applicable Michigan law, the collective costs assessable to the condominium premises (homesites) as a whole shall be borne equally by all co-owners.

Section 3. All road improvement special assessments levied by any public taxing authority shall be assessed in accordance with Section 131 of 1978 PA 59, as amended.

ARTICLE XIII.

AMENDMENT

This Master Deed and the Condominium Subdivision Plan (Exhibit B to said Master Deed) may be amended with the consent of 66 2/3% of the Co-owners, except as hereinafter set forth:

Section 1. Modification of Homesite Dimensions and Limited Common Elements. Notwithstanding Section 3, a Co-owner's Homesite dimensions, Limited common Elements, the right of a Co-owner to rent his Homesite, and the formula used to determine the percentage of value of Homesite in the Project, shall not be modified without the written consent of the affected Co-owner. Upon request of an owner, a homesite may be split and added to contiguous homesite to create a larger homesite upon consent of the Association Board of Directors. Further, upon request of the owner, two or more adjoining homesite may be combined to create one homesite for building purposes only upon consent of the Association Board of Directors. In no event shall any homesite within the project be smaller than as shown in Exhibit "B".

Section 2. Mortgagee Consent. Whenever a proposed amendment would materially alter or change the rights of mortgagees generally, then such amendments shall require the approval of 66 2/3% of all first mortgagees of record allocating one vote for each mortgage held.

Section 3. By Developer. Prior to 1 year after expiration of the Sales Period, the Developer may, without the consent of any Co-owner or any other person, amend this Master Deed and the Condominium Subdivision Plan attached as Exhibit B in order to correct survey or other errors made in such documents and to make such other amendments to such instruments and to the Bylaws attached hereto as Exhibit A as do not materially affect any rights of any Co-owners or mortgagees in the project.

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Section 4. Change in Percentage of Value. The value of the vote of any Co-owner and the corresponding proportion of common expenses assessed against such Co-owner shall not be modified without the written consent of such Co-owner and his mortgagee, nor shall the percentage of value assigned to any Homesite be modified without like consent, except as provided in this Master Deed or in the Bylaws.

Section 5. Termination, Vacation, Revocation or Abandonment. The Condominium Project may not be terminated, vacated, revoked or abandoned without the written consent of the Developer and 80% of all non-developer Co-owners. The right of the Developer to contract the Project shall not be affected by this Section.

Section 1. Developer Approval. Article V, Article VI, Article VII, Article VIII, Article IX, Article X, Article XI, Article XII and Article XIII shall not be amended nor shall the provisions thereof be modified by any other amendment to this Master Deed without the written consent of the Developer so long as the Developer continues to offer any Homesite in the Condominium for sale.

ARTICLE XIV.

DEDICATION

Section 1. Developer intends to, and by recordings of this Master Deed reserves the right and power to, dedicate all the roads in the Condominium to public use, and all persons acquiring any interest in the Condominium, including without limitation all co-owners and mortgagees, shall be deemed irrevocably to have appointed Developer and its successors as agent and attorney-in-fact to make such dedication and to act in behalf of all co-owners and their mortgagees in any statutory or special assessment proceedings with respect to the dedicated roads. After certificates of occupancy are issued for Residences in 100% of the Units in the Condominium, the foregoing rights and powers may be exercised by the Association.

ARTICLE XV.

ASSIGNMENT

Any or all of the rights and power granted or reserved to the Developer in the Condominium Documents or by law, including the power to approve or disapprove any act, use or proposed action or any other matter or thing, may be assigned by it to any other entity or to the Association. Any such assignment or transfer shall be made by appropriate instrument in writing duly recorded in the Office of the Bay County Register of Deeds.


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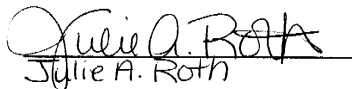
WITNESSES:

Golf Meadows, L.L.C.

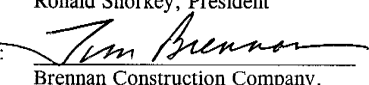

Dorothy D. Shorkey

BY:


Shorkey Builders, Inc., Member
Ronald Shorkey, President



Julie A. Roth

BY:


Brennan Construction Company,
Member
Tim Brennan, President

STATE OF MICHIGAN)
) §
COUNTY OF BAY)

On this ^{4th} ~~30th~~ day of ^{FEBRUARY} ~~JANUARY~~, 2004, the foregoing Master Deed was acknowledged before me by Golf Meadows, L.L.C. by Ronald Shorkey, President of Shorkey Builders, Inc., Member and Tim Brennan, President of Brennan Construction Company, Member.


JULIE A. ROTH
Notary Public
Bay County, Michigan
My Commission expires: 8-9-2005

Master Deed Drafted by:
Patrick R. Winter, P.C.
206 E. Cedar, P.O. Box 939
Standish, MI 48658
(989) 846-4589

When recorded, return to Drafter.

clients\7188wf\MASTER.DEED\djb

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LEGAL DESCRIPTION

PHASE ONE

COMMENCING AT THE SW CORNER OF SECTION 12, T13N.
 R4E, FRANKENLUST TOWNSHIP, BAY COUNTY, MICHIGAN;
 THENCE S 87°22'30" E ALONG THE SOUTH LINE OF SAID
 SECTION AND AMELITH ROAD 174.21 FEET TO THE POINT OF
 BEGINNING; THENCE N 0°11'10" W PARALLEL WITH THE WEST
 LINE OF SAID SECTION 180.22 FEET; THENCE S 87°22'30" E
 PARALLEL WITH SAID SOUTH LINE 823.20 FEET; THENCE N
 0°07'09" W PARALLEL WITH THE N-S 1/16 LINE OF THE SW
 1/4 OF SAID SECTION 522.14 FEET; THENCE N 55°27'37" W
 17.80 FEET; THENCE S 86°34'02" W 67.43 FEET; THENCE N
 3°01'05" W 141.05 FEET; THENCE N 28°51'17" E 75.97
 FEET; THENCE N 3°04'00" E 132.23 FEET; THENCE N
 86°58'55" E 371.51 FEET TO THE SAID N-S 1/16 LINE;
 THENCE S 0°07'09" E ALONG SAID 1/16 LINE 1084.69 FEET
 TO THE SOUTH LINE OF SAID SECTION AND AMELITH ROAD;
 THENCE N 87°22'30" W ALONG SAID SOUTH LINE AND ROAD
 1149.37 FEET TO THE POINT OF BEGINNING. CONTAINS 11.93
 ACRES, MORE OR LESS AND IS SUBJECT TO RESERVATIONS.
 RESTRICTIONS AND EASEMENTS OF RECORD, IF ANY.

Schedule I

Document Received
 With Limited Legibility
 Bay County Register of Deeds

07/14/2003 12:55 FAX

003

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Schedule II

424909

LEGAL DESCRIPTION

Real property in the Township of Frankenlust, County of Bay, State of Michigan, and is described as follows:

PARCEL A:

Part of the Southwest 1/4 of the Southwest 1/4 of Section 12, Town 13 North, Range 4 East, described as: Commencing at the Southwest corner of said Section 12; thence North 00 degrees 11 minutes 10 seconds West along the West line of said Section and Three Mile Road 363.44 feet to the point of beginning; thence continue North 00 degrees 11 minutes 10 seconds West 590.88 feet to the Southerly line of the Consumers Power Company Easement as recorded in Liber 863, Page 940; thence North 85 degrees 58 minutes 55 seconds East along said Southerly line 1324.87 feet to the North-South 1/8 line of the Southwest 1/4 of said Section; thence South 00 degrees 07 minutes 09 seconds East 1084.69 feet to the Southerly line of said Section and Amelith Road; thence North 87 degrees 22 minutes 30 seconds West along the South line of said Section 1149.37 feet; thence North 00 degrees 11 minutes 10 seconds West 214.76 feet; thence South 87 degrees 22 minutes 30 seconds East 7.51 feet; thence North 00 degrees 11 minutes 10 seconds West 148.68 feet; thence North 87 degrees 22 minutes 30 seconds West 181.72 feet to the Point of Beginning.

PARCEL B:

Commencing at the West 1/4 corner of Section 12, Town 13 North, Range 4 East; thence South 00 degrees 11 minutes 10 seconds East along the West line of said Section and Three Mile Road 1420.30 feet to the Point of Beginning; thence continuing South 00 degrees 11 minutes 10 seconds East along said Section line 15.53 feet; thence North 86 degrees 58 minutes 55 seconds East 178.00 feet; thence North 88 degrees 01 minutes 03 seconds West parallel with the East-West 1/8 line 177.91 feet to the Point of Beginning.

PARCEL C:

Commencing at the West 1/4 corner of Section 12, Town 13 North, Range 4 East; thence South 00 degrees 11 minutes 10 seconds East along the West line of said Section and Three Mile Road 1420.30 feet; thence South 88 degrees 01 minutes 03 seconds East parallel with the East-West 1/8 line of the Southwest 1/4 of said Section 200.02 feet; thence North 00 degrees 11 minutes 10 seconds 1.94 feet to the Point of Beginning; thence North 86 degrees 58 minutes 55 seconds East 1124.92 feet to the North-South 1/8 line of the Southwest 1/4 of said Section; thence North 00 degrees 07 minutes 09 seconds East along said 1/8 line 6.51 feet; thence North 87 degrees 53 minutes 27 seconds West 1016.20 feet; thence South 01 degrees 58 minutes 57 seconds West 8.74 feet to the East-West 1/8 line of the Southwest 1/4 of said Section; thence North 88 degrees 01 minutes 03 seconds West along said 1/8 line 107.85 feet; thence South 00 degrees 11 minutes 10 seconds East 98.13 feet to the Point of Beginning.

End of Schedule II*Schedule II*

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**EXHIBIT A
BYLAWS****ARTICLE I.****ASSOCIATION OF CO-OWNERS**

Irish Acres Homesite Condominium, a detached residential Condominium Project located in the Township of Frankenlust, Bay County, Michigan, shall be administered by an Association of Co-owners known as Irish Acres Homesite Condominium Association, which shall be a nonprofit corporation, hereinafter called the "Association", organized under the applicable laws of the State of Michigan, and responsible for the management, maintenance, operation and administration of the Common Elements, easements and affairs of the Condominium Project in accordance with the Condominium Documents and the laws of the State of Michigan. These Bylaws shall constitute both the Bylaws referred to in the Master Deed and required by Section 3(8) of the Michigan Condominium Act (Act 59, Public Acts of 1978, as amended ("The Act")), and the Bylaws provided for under the Michigan Nonprofit Corporation Act. Each Co-owner shall be entitled to membership and no other person or entity shall be entitled to membership. 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 Homesite. The Association shall keep current copies of the Master Deed, all amendments to the master Deed, and other Condominium Documents for the Condominium Project available at reasonable hours to Co-owners, prospective purchasers and prospective mortgagees of Homesites in the Condominium Project, all persons using or entering upon or acquiring any interest in any Homesite therein or the Common Elements thereof shall be subject to the provisions and terms set forth in the Condominium Documents. The purpose of these Condominium Bylaws is to govern the administration, maintenance, operation, construction and future use of the condominium.

ARTICLE II.**ASSESSMENTS**

All expenses arising from the management, administration and operation of the Association in pursuance of its authorizations and responsibilities as set forth in the Condominium Documents and the Act shall be levied by the Association against the Homesites and the Co-owners thereof in accordance with the following provisions:

Section 1. Assessments for Common Elements. All costs incurred by the Association in satisfaction of any liability arising within, caused by, or connected with the General 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, any policy of insurance securing the interest of the Co-owners against liabilities or losses arising within, caused by, or connected with the General Common Elements or the administration of the

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Condominium Project shall constitute receipts affecting the administration of the Condominium Project, within the meaning of Section 54(4) of the Act.

Section 2. Determination of Assessments. Assessments shall be determined in accordance with the following provisions:

(a) Budget. 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. 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 3 below rather than by special assessments. At a minimum, the reserve fund shall be equal to 10% of the Association's current annual budget on a noncumulative basis. Since the minimum standard required by this subparagraph may prove to be inadequate for this particular project, the Association of Co-owners should carefully analyze the Condominium Project to determine if a greater amount should be set aside, or if additional reserve funds should be established for other purposes from time to time. Upon adoption of an annual budget by the Board of Directors, copies of the budget shall be delivered to each Co-owner and the assessment for said year shall be established based upon said budget, although the delivery of a copy of the budget to each Co-owner shall not affect or in any way diminish 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, that the assessments levied are or may prove to be insufficient to pay the costs of operation and management of the Condominium. 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. The discretionary authority of the Board of Directors to levy assessments pursuant to this subparagraph shall rest solely with the Board of Directors for the benefit of the Association and the members thereof, and shall not be enforceable by any creditors of the Association or the members thereof.

(b) Special Assessments. Special assessments, in addition to those required in subparagraph (a) above, may be made by the Board of Directors from time to time and approved by the Co-owners as hereinafter provided to meet other needs or requirements of the Association, including, but not limited to:

(1) Assessments for additions to the Common Elements. (2) assessments to purchase a Homesite upon foreclosure of the lien for assessments described in Section 5 hereof, or (3) assessments for any other appropriate purpose not elsewhere herein described. Special assessments referred to in this subparagraph (b) (but not including those assessments referred to in subparagraph 2(a) above, which shall be levied in the sole discretion of the Board of Directors) shall not be levied without the prior approval of more than 50% of all Co-owners in number and in value. The authority to levy assessments pursuant to this subparagraph is solely for the benefit of the Association and the members thereof and shall not be enforceable by any creditors of the Association or the members thereof.

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Section 3. Apportionment of Assessments and Penalty for Default. Unless otherwise provided herein or in the Master Deed, 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 Homesite 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 Homesite. Annual assessments as determined in accordance with Article II, Section 2(a), above, shall be due as of the first day of April, commencing with acceptance of a deed to or a land contract vendee's interest in a Homesite, or with the acquisition of fee simple title to a Homesite 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. Each installment in default shall bear cumulative late charges as follows: \$5 for tardiness of 6 to 10 days; \$10 for tardiness of 11 to 15 days; \$15 for tardiness of 16 to 20 days and \$20 for tardiness of 20 days to 30 days thereafter, at the rate of \$1.00 per day until paid in full. The determination of tardiness shall be as of the date received by the Association. The Association may, pursuant to Article X, Section 3 hereof, levy fines for the late payment in addition to such late charge, including the assessment of fines for chronic or continuing late payment of assessments. Each Co-owner (whether 1 or more persons) shall be, and remain, personally liable for the payment of all assessments (including fines for late payment and costs of collection and enforcement of payment) pertinent to his Homesite which may be levied while such Co-owner is the owner thereof, except a land contract purchaser from any Co-owner, including Developer, shall be personally liable and such land contract seller shall not be personally liable for all such assessments levied up to and including the date upon which such land contract seller actually takes possession of the Homesite following extinguishment of all rights of the land contract purchaser in the Homesite. Payments on account of installments of assessments in default shall be applied as follows: first, to costs of collection and enforcement of payment, including reasonable attorneys' fees; second, to any interest charges and fines for late payment on such installments; and third, to installments in default in order of their due dates.

Section 4. Waiver of Use or Abandonment of Homesite. No Co-owner may exempt himself from liability for his contribution toward the expenses of administration by waive of the use or enjoyment of any of the Common Elements or by the abandonment of his Homesite.

Section 5. Enforcement

(a) Remedies. The Association may enforce collection of delinquent assessments by a suit at law for a money judgment and/or by foreclosure of the statutory lien that secures payment of assessments. In the event of default by any Co-owner in the payment of any installment of the annual assessment levied against his Homesite, 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 also may discontinue the furnishing of any utilities or other services to a Co-owner in default upon 7 days' written notice to such Co-owner of its

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intention to do so. A Co-owner in default shall not be entitled to utilize any of the General Common Elements of the Project and shall not be entitled to vote at any meeting of the Association so long as such default continues; provided, however, this provision shall not operate to deprive any Co-owner of ingress and egress in and from his Homesite. In a judicial foreclosure action, a receiver may be appointed to collect a reasonable rental for the Homesite from the Co-owner thereof or any persons claiming under him. The Association may also assess fines for late payment or non-payment of both regular and special assessments in accordance with the provisions of Article X, Section 3 of these Bylaws. All of these remedies shall be cumulative and not alternative.

(b) Foreclosure Proceedings. 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 the lien securing payment of assessments either by judicial action or by advertisement. The provisions of Michigan law pertaining to foreclosure of mortgages by judicial action and by advertisement, as the same may be amended from time to time, are incorporated herein by reference for the purposes of establishing the alternative procedures to be followed in lien foreclosure actions and the rights and obligations of the parties to such actions. Further, each Co-owner and every other person who from time to time had any interest in the Project, shall be deemed to have authorized and empowered the Association to sell or to cause to be sold the Homesite 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. Each Co-owner of a Homesite in the Project acknowledges that at the time of acquiring title to such Homesite, he was notified of the provisions of this subparagraph and that he voluntarily, intelligently and knowingly waived notice of: (1) any proceedings brought by the Association to foreclosure by advertisement of the lien for nonpayment of assessments, and (2) to a hearing on the same prior to the sale of the subject Homesite.

(c) Notice of Action. Notwithstanding the foregoing, 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 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 1 or more installments of the annual assessment levied against the pertinent Homesite is or are delinquent and that the Association may invoke any of its remedies hereunder if the default is not cured within 10 days after the date of mailing. Such written notice shall be accompanied by a written affidavit of an authorized representative of the Association that sets forth (i) the affiant's capacity to make the affidavit, (ii) the statutory and other authority for the lien, (iii) the amount outstanding (exclusive of interest, costs, attorney fees and future assessments), (iv) the legal description of the subject Homesite(s), and (v) the name(s) of the Co-owner(s) of record. Such affidavit shall be recorded in the office of the Register of Deeds in the county in which the Project is located prior to commencement of any foreclosure

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proceeding, but it need not have been recorded as of the date of mailing as aforesaid. If the delinquency is not cured within the 10-day period, the Association may take such remedial action as may be available to it hereunder or under Michigan law. In the event the Association elects to foreclose the lien by advertisement, the Association shall so notify the delinquent Co-owner and shall inform him that he may request a judicial hearing by bringing suit against the Association.

(d) Expenses of Collection. The expenses incurred in collecting unpaid assessment, including interest, costs, actual attorney's fees (not limited to statutory fees) and advances for taxes or other liens paid by the Association to protect its liens, shall be chargeable to Co-owner in default and shall be secured by the lien on the Homesite.

Section 6. Liability of Mortgages. Notwithstanding any other provisions of the Condominium Documents, the holder of any first mortgage covering any Homesite in the Project which comes into possession of the Homesite pursuant to the remedies provided in the mortgage or by deed (or assignment) in lieu of foreclosure, or any purchasers at a foreclosure sale, shall take the property free of any claims for unpaid assessments or charges against the mortgaged Homesite which accrue prior to the time such holder comes into possession of the Homesite (except for claims for a prorata share of such assessments or charges resulting from a prorata reallocation of such assessments or charges to all Homesites including the mortgaged Homesite).

Section 7. Developer's Responsibility for Association Maintenance Assessments. Even though a member of the Association, the Developer shall not be responsible, at any time, for payment of the monthly Association assessments for units owned by it.

Section 8. Co-owner's Responsibility for Association Assessments. Each co-owner shall be responsible for the full monthly Association assessment for the homesite. However, the Co-owner shall pay all costs related to maintenance and liability within his homesite and a proportionate share of the Association's current maintenance and administrative expenses outside of the homesite. The Association's maintenance and administrative expenses may include, for example, snow removal, insurance, street maintenance, landscaping, sign lighting, common area utilities, and the Association's reserve fund.

Section 9. Personal Property Tax Assessment of Association Property. 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. Any such personal property taxes levied shall be treated as expenses of administration and paid by the Association.

Section 10. Real Property Taxes and Special Assessments. All property taxes and special assessments levied by any public taxing authority shall be assessed in accordance with Section 131 of the Act.

Section 11. Construction Lien. A construction lien otherwise arising under Act No. 497 of the Michigan Public Acts of 1980, as amended, shall be subject to Section 132 of the Act.

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Section 12. Statement as to Unpaid Assessments. The purchaser of any Homesite may request a statement from the Association as to the amount of any unpaid Association assessments, whether regular or special. Upon written request to the Association, accompanied by a copy of the executed purchase agreement, the Association shall provide a written statement of any unpaid assessments which may exist or a statement that none exist, which statement shall be binding upon the Association for the period stated. Upon the payment of that sum within the period stated, the Association's lien for assessments as to such Homesite shall be deemed satisfied and the purchaser shall not be liable for any assessments greater than the amount set forth by the Association in the written statement. If a purchaser fails to request in writing such a statement at least 5 days before the closing of the purchase of such Homesite, any unpaid assessments and the lien securing the same shall be fully enforceable against the purchaser and the Homesite itself.

ARTICLE III.

ARBITRATION

Section 1. Scope and Election. 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 the Co-owners and the Association, upon the election and written consent of the parties to any such disputes, claims or grievances (which consent shall include an agreement of the parties that the judgment of any circuit court of the State of Michigan may be rendered upon any award pursuant to such arbitration), and upon written notice to the Association, shall be submitted to arbitration and the parties thereto shall accept the arbitrator's decision as final and binding, provided that no question affecting the claim of title of any person to any fee or life estate in real estate is involved. 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. Judicial Relief. In the absence of the election and written consent of the parties pursuant to Section 1 above, no Co-owner or the Association shall be precluded from petitioning the courts and resolve any such disputes, claims or grievances.

Section 3. Election of Remedies. Such election and written consent 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.

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ARTICLE IV.

INSURANCE

Section 1. Association Coverage.

(a) Scope of Coverage. The Association shall carry liability insurance and worker's compensation insurance, if applicable, for all the Common Elements in the Project and such other insurance for those areas within the Homesites which the Association has responsibility for as set forth in Article IV, Section 3(a) of the Master Deed. All 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. The Association shall provide for, if requested, the issuance of certificates of mortgage endorsements to the mortgagees of Co-owners. All information in the Association's records regarding insurance coverage shall be made available to all Co-owners upon request and reasonable notice during normal business hours.

(b) Premium Expenses. All premiums upon insurance purchased by the Association pursuant to these Bylaws shall be expenses of administration.

(c) Proceeds of Insurance Policies. Proceeds of all insurance policies owned by the Association shall be received by the Association, held in a separate account and distributed to the Association, the Co-owners and their mortgagees, as their interests may appear.

(d) Authority of Association to Settle Insurance Claims. Each Co-owner shall be deemed to appoint the Association as his true and lawful attorney-in-fact to act in connection with all matters concerning the insurance of the Condominium Project including the adjustment and settlement of any losses or claims.

Section 2. Co-owner Coverage. After a Condominium residence has been built on a Homesite, each co-owner shall obtain fire and extended coverage, vandalism, liability, and malicious mischief insurance for the residence and all other improvements constructed or to be constructed within the Homesite. All such insurance shall be carried by each co-owner in an amount equal to the maximum insurance replacement value, excluding foundation and excavation costs. In addition, each co-owner shall insure the personal property and contents within the Condominium residence and elsewhere within the Homesite, and, also obtain coverage for alternative living expense and special assessments in the event of a fire. Under no circumstances shall the Association be responsible for obtaining any of the insurance coverage described in this Section 2.

Section 3. Waiver of Subrogation. The Association and all Co-owners shall use their best efforts to see that all property and liability insurance carried by the Association or any co-owner shall contain appropriate provisions whereby the insurer waives its right of subrogation as to any claims against any co-owner or the Association.

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Section 4. Indemnification - Each individual Co-owner shall indemnify and hold harmless every other Co-owner, the Developer and the Association for all damages and costs, including attorneys' fees, which such other Co-owners, the Developer or the Association may suffer as a result of defending any claim arising out of an occurrence on or within such individual Co-owner's Homesite and shall carry insurance to secure this indemnity if so required by the Association (or the Developer during the Development and Sales Period). This Section 5 shall not be construed to give any insurer any subrogation right or other right or claim against any individual Co-owner, however.

ARTICLE V.

RECONSTRUCTION OR REPAIR

Section 1. Repair or Reconstruction. Any reconstruction or repair shall be substantially in accordance with the Master Deed, the Condominium Subdivision Plan and the Condominium Bylaws and to a condition as comparable as possible to the condition existing prior to the damage unless the Co-owners shall unanimously decide otherwise.

Section 2. Co-owner Responsibility for Repair or Replacement.

(a) Definition of Co-owner Responsibility. If there is damage to a residence or other improvement constructed within a homesite which is the responsibility of a Co-owner to repair and replace, it shall be the responsibility of the Co-owner to replace or to repair such damage. In all other cases, the responsibility for reconstruction and repair shall be that of the Association.

(b) Damage to Interior and Exterior of Homesite. Each Co-owner shall be responsible for the replacement, repair, decoration and maintenance of the exterior and interior of the residence and garage constructed within their Homesite, including, but not limited to, floor coverings, windows, window shades, draperies, doors, ceilings, interior trim, hardware, furniture, light fixtures and all appliances, whether free-standing or built-in. In addition, each co-owner shall be responsible for the replacement, decoration, repair and maintenance of those areas within the Homesite specifically described in Article IV, Section 3(a) of the Master Deed.

Section 3. Association Responsibility for Repair. Except as otherwise provided in the Master Deed and in Section 2 hereof, the Association shall be responsible for the reconstruction, repair and maintenance of the Common Elements. Immediately after a casualty causing damage to property for which the Association has the responsibility of maintenance, repair and reconstruction, the Association shall obtain reliable and detailed estimates of the cost to replace the damages property in a condition as good as that existing before the damage. If the proceeds of insurance are not 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 cost thereof are

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insufficient, assessment shall be made against all Co-owners for the cost of reconstruction or repair of the damages property in sufficient amounts to provide funds to pay the estimated or actual cost of repair.

Section 4. Timely Reconstruction and Repair. If damage to Common Elements or a Homesite adversely affects the appearance of the Project, the Association or Co-owner responsible for the reconstruction, repair and maintenance thereof shall proceed with replacement of the damaged property without delay, and shall complete such replacement within 6 months after the date of the occurrence which caused damage to the property.

Section 5. Eminent Domain. Section 133 of the Act and the following provisions shall control upon any taking by eminent domain:

(a) Taking of Homesite. In the event of any taking of an entire Homesite by eminent domain, the award for such taking shall be paid to the Co-owner of such Homesite and the mortgagee thereof, as their interests may appear. After acceptance of such award by the Co-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 Homesite is not wholly taken by eminent domain, then such award shall be paid by the condemning authority to the Co-owner and his mortgagee, as their interests may appear.

(b) Taking of Common Elements. If there is any taking of any portion of the Condominium other than any Homesite, the award for such taking shall be paid to the Co-owners and their mortgagees in proportion to their respective interests in the Common Elements. An affirmative vote of more than 50% of the Co-owners in number and in percentage of value shall determine whether or rebuild, repair or replace the portion so taken or to take such other action as they deem appropriate.

(c) Continuation of Condominium After Taking. In the event the Condominium Project continues after a taking by eminent domain, the remaining portion of the Condominium Project shall be re-surveyed and the Master Deed amended accordingly. The cost of these resurveys and amendments shall be costs of administration.

(d) Notification of Mortgagees. In the event any Homesite or the common Elements is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, the Association shall promptly notify each institutional holder of a first mortgage lien on any of the Homesites in the Condominium.

Section 6. Notification of FHLMC. In the event any mortgage in the Condominium is held by the Federal Home Loan Mortgage Corporation ("FHLMC") then, upon written request by FHLMC, the Association shall give it written notice of any loss to or taking of the Common Elements of the Condominium.

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Section 7. Priority of Mortgage Interests. Nothing containing in the Condominium Documents shall be construed to give a Condominium Homesite Owner, or any other party, priority over any rights of first mortgagees of Condominium Homesites pursuant to their mortgages in the case of a distribution to Condominium Homesite Owners of insurance proceeds or condemnation awards for losses to or a taking of Condominium Homesites and/or Common Elements.

ARTICLE VI.

BUILDING SPECIFICATIONS AND USE RESTRICTIONS

All of the Homesites in the Condominium shall be held, used and enjoyed subject to the following limitations and restrictions:

Section 1:

- A. **Land Use and Building Type.** All units shall be used for residential purposes only. No building shall be erected, altered, placed or permitted to remain on any unit other than one single family dwelling not to exceed two stories in height and a private garage for the storage of not more than three motor vehicles, which garage must be attached to the principal residential structure.
- B. **Dwelling Size.** The living area of any residential dwelling erected on any unit shall meet the following minimum six requirements:

| | |
|---------------------|--|
| One story residence | 1,400 square feet |
| Two story residence | 1000 square feet for the ground floor with total minimum square feet of 1,400 |

For purposes of establishing square footage pursuant to this restriction, living area shall exclude any and all porches, basements, garages, attic areas, patios, decks or accessory structures.

- C. **Architectural Control.** The Architectural Control Committee shall consist of three (3) members who are appointed by the Association and/or Developer, pursuant to Section 3, hereof.

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- D. **Construction Plans.** No structure shall be erected, placed or altered on any unit until the construction plans and specifications and a site and landscaping plan showing the location of the structure has been reviewed and approved by the Architectural Control Committee as to the quality of workmanship and materials, harmony of external design with existing structures, location with respect to topography and finish grade elevation and conformance with the restrictions contained herein.
- E. **Solar Energy Devices.** No solar energy collecting devices may be placed on any roof area. Any other form of solar energy collection system must be commercially designed and manufactured and incorporated in the original design and construction of a residence and be approved by the Architectural Control Committee before its inclusion in any residential structure.
- F. **Home Types.** No underground houses, mobile homes, berm houses, dome houses or houses of other design that do not conform to conventional residential design shall be permitted. No modular home, double wide houses or other houses of a nature or design that are not constructed on the site shall be permitted. The final grade elevation of all structures shall be approved by the Architectural Control Committee before any construction is undertaken.
- G. **Vacant Units.** The owner of a vacant unit shall be required to commence construction of a dwelling upon such unit within 12 months or as otherwise approved by the developer/association. However, the owner of such unit shall keep the unit clean and neat appearing and no building materials may be stored on the unit until excavation of the building site begins.
- H. **Dwelling Construction or Completion.** Each dwelling built in accordance with the requirements of these restrictions shall be completed within nine (9) months from issuance of a building permit. Completion of the dwelling shall include all exterior structural work, driveways and final grading, seeding or sodding of lawn and other landscaping, and all the other steps necessary to secure an Occupancy Permit from the Frankenlust Township Building Inspector. During the period of construction the units adjacent to the one on which the dwelling is being erected are not to be used for any purpose whatsoever and shall at all times be kept free of building litter and refuse.
- During the course of construction of a dwelling, the contractor or owner shall clean the unit at least weekly, removing all debris and scrap building material.
- I. **Building Location.** No building shall be located on a unit nearer than 30 feet for the front yard, 40 feet for the rear yard and all side yards shall be a minimum of 10 feet.

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- J. **Nuisances.** No noxious or offensive activity shall be carried on upon any unit, nor shall anything be done thereupon which may become an annoyance or nuisance to the neighborhood. No commercial sign of any kind shall be displayed to public view on any unit, except one real estate sales sign not to exceed four square feet in size or signs used by a builder to advertise the property during construction of a residential structure.
- K. **Animals.** No animals, livestock or poultry of any kind shall be raised or kept on any unit except dogs, cats or other household pets may be kept, provided they are not kept outside in a pen, kennel, or any other type shelter as to cause a nuisance and provided no animal shall run at large.
- L. **Temporary Structures.** No structure of a temporary character, trailer, camper, basement, shack, garage, or other out building shall be used on any unit at any time as a residence, either temporarily or permanently.
- M. **Vehicle Parking and Storage.** The overnight parking of commercial vehicles shall not be permitted on any unit within the subdivision or streets adjacent thereto; however, the parking of one operable commercial pickup truck or enclosed van owned and used by the owner of the unit within the subdivision is permitted, if such vehicle is used by the unit owner on a daily basis. Parking or storage of any type of house trailer, camping trailer, hauling trailer or boat is not permitted, except in an enclosed building.
- N. **Fences, Walls or Kennels.** No fences, walls or kennels shall be constructed unless approved by the Architectural Control Committee.
- O. **Swimming Pools.** No swimming pools shall be constructed unless approved by the Architectural Control Committee.
- P. **Satellite Dishes.** Satellite dishes shall be allowed if attached to the dwelling and no greater than 24 inches in diameter, no antennas of any type or kind shall be allowed.
- Q. **Brick, Stone or Stucco.** All dwellings shall have brick siding for the front of the house which shall cover an area equal to forty (40%) of the total area front side of the house, excluding garage doors, as approved by Architectural Control Committee. Brick shall be commercially sold brick, however shall not be a simulated fake brick siding. All units shall plant one tree in the front yard as designated by Architectural Control Committee, which shall include type of tree and location of tree.
- R. **Garbage.** All garbage and garbage containers shall be stored inside the garage until placed at the curbside for collection.

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- S. **Mail and Paper Boxes.** No brick or concrete mail or paper boxes shall be constructed in the right-of-way of the Bay County Road Commission and no mail or paper boxes shall be constructed or installed unless approved by the Architectural Control Committee.
- T. **Drain Easement.** The unit owners of Units 20, 24, 25, 26, 27, 28, 29, 30, 31, and 32 taking subject to the dedicated drainage easement as designated on Exhibit B, to this Master Deed, shall not in any manner, alter the grade or contour of the swale, designated as a drainage easement, located on the East 20 feet of the units, this includes no planting, fences, or impediments of any kind.
- U. **Building Sites.** No unit or parcel shall be divided by the titleholder for the purpose of creating additional building sites. A unit may be divided solely for the purpose of increasing the property owned by an adjacent unit owner if approved by the Architectural Control Committee and allowed by the Frankenlust Township Board.
- V. **Special Assessment.** Subject to the following special assessments with Frankenlust Township, for the property, the first being for cleaning/repairing or otherwise improving and maintaining the storm water detention area, including pump, at an estimated annual cost of \$3,000.00 to be shared equally by all units. The second special assessment being for the cost of placement, repairing, maintaining and operating of street lighting within the project, at an estimated annual cost of \$3,000.00, to be shared equally by all units in the project.

Section 2. Activities. No immoral, improper, unlawful or offensive activity shall be carried on in any Homesite or upon the Common Elements, Limited or General, nor shall anything be done which may be or become an annoyance or a nuisance to the Co-owners of the Condominium. No commercial activities shall be carried on in Co-owner's Homesite or on any of the Common Elements of the Project. No unreasonably noisy activity shall occur in or on the Common Elements or in any Homesite at any time and disputes among Co-owners, arising as a result of this provision which cannot be amicably resolved, shall be arbitrated by the Association. No discharge of firearms on any common area or Homesite less than 10 acres.

Section 3. Architectural Control Committee. The Developer or the Association Board of Directors shall appoint an architectural committee of three members, who shall serve, until they resign or are removed by a majority vote of the Board of Directors.

Section 4. Advertising. No signs or other advertising devices of any kind shall be displayed which are visible from the exterior of a Residence within a Homesite or on the Common Elements, excepting "For Sale" signs, without written permission from the Association. During the construction and Sales Period, approval of any such signs or other advertising devices shall also be obtained from the Developer.

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Section 5. Rules and Regulations. It is intended that the Board of Directors of the Association may make rules and regulations from time to time to reflect the needs and desires of the majority of the Co-owners in the Condominium. 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 the Board of Directors of the Association, including the first Board of Directors (or its successors) prior to the Transitional Control Date. Copies of all such rules, regulations and amendments thereto shall be furnished to all Co-owners.

Section 6. Right of Access of Association. The Association or its duly authorized agents shall have access to each Homesite 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 Homesite 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 Homesite. It shall be the responsibility of each Co-owner to provide the Association means of access to his Homesite and any Limited Common Elements appurtenant thereto during all periods of absence, and in the event of the failure to such Co-owner to provide 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 Homesite and any Limited Common Elements appurtenant thereto caused thereby.

Section 7. Co-owner Maintenance. Each Co-owner shall maintain his Homesite 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, electrical or other utility conduits and systems and any other elements in any Homesite which are appurtenant to or which may affect any other Homesite. 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 damages 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 hereto.

Section 8. Reserved Rights of Developer.

(a) Prior Approval of Developer. During the Construction and Sales Period, no buildings, fences, walls, retaining walls, drives, walks or other structures or improvements shall be commenced, erected, maintained, nor shall any addition to, or change or alteration to any structure be made (including in color or design), except interior alterations which do not affect structural elements of any Homesite, nor shall any hedges, trees or substantial plantings or

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landscaping modifications be made, until plans and specifications, acceptable to the Developer, showing the nature, kind, shape, height, materials, color, scheme, location and approximate cost of such structure or improvement and the grading or landscaping plan of the area to be affected shall have been submitted to and approval in writing obtained from Developer, its successors or assigns, and a copy of said plans and specifications, as finally approved, lodged permanently with Developer. Developer shall have the right to refuse to approve any such plan or specifications, or grading or landscaping plans which are not suitable or desirable in its opinion for aesthetic or other reasons; and in passing upon such plans, specifications, grading or landscaping, it shall have the right to take into consideration the suitability of the proposed structure, improvement or modification, the site upon which it is proposed to effect the same, and the degree of harmony thereof with the Condominium as a whole and any adjoining properties under development or proposed to be developed by Developer. The purpose of this Section is to assure the continued maintenance of the Condominium as a beautiful and harmonious residential development, and shall be binding upon both the Association and upon all Co-owners.

(b) Developer's Rights in Furtherance of Development and Sales. None of the restrictions contained in this Article shall apply to the commercial activities or signs or billboards, if any, of the Developer during the Development and Sales Period, or the Developer under the Agreement, or of the Association in furtherance of its powers and purposes set forth herein and in its Articles of Incorporation, as the same may be amended from time to time. Notwithstanding anything to the contrary elsewhere herein contained, Developer shall have the right to maintain a sales office, model Homesites, advertising display signs, storage areas and reasonable parking incident to the foregoing and such access to, from and over the Project as may be reasonable to enable development and sales of the entire Project by the Developer and it may continue to do so during the entire Development and Sales Period.

(c) Enforcement of Bylaws. The Condominium Project shall at all times be maintained in a manner consistent with the highest standards of a beautiful, serene, private, residential community for the benefit of the Co-owners and all persons interested in the Condominium. If at any time the Association fails or refuses to carry out its obligation to maintain, repair, replace and landscape in a manner consistent with the maintenance of such high standards, then the Developer, or any person to whom he may assign this right, at his option, may elect to maintain, repair and/or replace any Common Elements and/or to do any landscaping required by these Bylaws and to charge the cost thereof 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 activity prohibited by these Bylaws.

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ARTICLE VII.

MORTGAGES

Section 1. Notice to Association. Any Co-owner who mortgages his Homesite 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 Homesites". The Association may, at the written request of a mortgagee of any such Homesite, report any unpaid assessments due from the Co-owner of such Homesite. The Association shall give to the holder of any first mortgage covering any Homesite in the Project written notification of any default in the performance of the obligations of the Co-owner of such Homesite that is not cured within 60 days.

Section 2. Insurance. The Association shall, if requested by a mortgagee, notify such 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. Notification of Meetings. Upon request submitted to the Association, any institutional holder of a first mortgage lien on any Homesite in 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.

VOTING

Section 1. Vote. Except as limited in these Bylaws, each Co-owner shall be entitled to one vote for each Condominium Homesite owned.

Section 2. Eligibility to Vote. 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 Homesite in the Condominium Project to the Association, and is current in all assessments due prior to the date of the meeting. Except as provided in Article IX, Section 2 of these Bylaws, no Co-owner, other than the Developer, shall be entitled to vote prior to the date of the First Annual Meeting of members held in accordance with Article IX Section 2. The vote of each Co-owner may be cast only by the individual representative designated by such Co-owner in the notice required in Section 3 of this Article VIII below or by a proxy given by such individual representative. The Developer shall be the only person entitled to vote at a meeting of the Association until the First Annual Meeting of members, and shall be entitled to vote during such period notwithstanding the fact that the Developer may own no Homesites at the time or from time to time during such period. At and after the First Annual Meeting the Developer shall be entitled to vote for each Homesite which it owns.

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Section 3. Designation of Voting Representative. Each Co-owner shall file a written notice with the Association designating the individual representative who shall vote at meetings of the Association and receive all notices and other communications from the Association on behalf of such Co-owner. Such notice shall state the name and address of the individual representative designated, the number or numbers of the Condominium Homesite or Homesites owned by the Co-owner, and the name and address of each person, firm, corporation, partnership, association, trust or other entity who is the Co-owner. Such notice shall be signed and dated by the Co-owner. The individual representative designated may be changed by the Co-owner at any time by filing a new notice in the manner herein provided.

Section 4. Quorum. The presence in person or by proxy of 25% of the co-owners in number and in value qualified to vote shall constitute a quorum for holding a meeting of the members of the Association, except for voting on questions specifically required by the Condominium Documents 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 the vote is cast.

Section 5. Voting. Votes may be cast only in person or by a writing duly signed by the designated voting representative not present at a given meeting in person or by proxy. Proxies and any written votes must be filed with the secretary of the Association at or before the appointed time of each meeting of the members of the Association. Cumulative voting shall not be permitted.

Section 6. Majority. A majority, except where otherwise provided herein, shall consist of more than 50% 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 herein above set forth and may require each majority to be one of both number and value of designated voting representative present in person or by proxy, or by written vote, if applicable, at a given meeting of the members of the Association.

ARTICLE IX.

MEETINGS

Section 1. Place of Meeting. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Co-owners as may be designated by the Board of Directors. Meetings of the Association shall be conducted in accordance with Sturgis' Code of Parliamentary Procedure, Roberts Rules of Order or some other generally recognized manual of parliamentary procedure, when not otherwise in conflict with the Condominium Documents (as defined in the Master Deed) or the laws of the State of Michigan.

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Section 2. First Annual Meeting. The First Annual Meeting of members of the Association may be convened only by the Developer and may be called at any time after more than 50% in number of the Homesites in Irish Acres Site Condominium have been sold and the purchasers thereof qualified as members of the Association. In no event, however, shall such meeting be called later than 120 days after the conveyance of legal or equitable title to non-developer Co-owners of 75% in number of all Homesites that may be created or 54 months after the first conveyance of legal or equitable title to the non-developer Co-owner of a Homesite in the Project, whichever first occurs. Developer may call meetings of members for informative or other appropriate purposes prior to the First Annual Meeting of members and no such meeting shall be construed as the First Annual Meeting of members. The date, time and place of such meeting shall be set by the Board of Directors and at least 10 days' written notice thereof shall be given to each Co-owner. The phrase "Homesites that may be created" as used in this paragraph and elsewhere in the Condominium Documents refers to the maximum number of Homesites which the Developer is permitted, under the Condominium Documents as may be amended, to include in the Condominium.

Section 3. Annual Meetings. Annual meetings of members of the Association shall be held on the second Wednesday of September each succeeding year after the year in which the First Annual Meeting is held at such time and place as shall be determined by the Board of Directors; provided, however, that the second annual meeting shall not be held sooner than 8 months after the date of the First Annual Meeting. At such meetings there shall be elected by ballot of the Co-owners a Board of Directors in accordance with the requirements of Article XIII of these Bylaws. The Co-owners may also transact at annual meetings such other business of the Association as may properly come before them.

Section 4. Special Meetings. It shall be the duty of the President to call a special meeting of the Co-owners as directed by resolution of the Board of Directors or upon a petition signed by 1/3 of the Co-owners presented to the Secretary of the Association. Notice of any special meeting shall state the time and place of such meeting and the purposes thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 5. Notice of Meetings. It shall be the duty of the Secretary (or other Association officer in the Secretary's absence) to serve a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, upon each Co-owner of record, at least 10 days but not more than 60 days prior to such meeting. The mailing, postage prepaid, of a notice to the representative of each Co-owner at the address shown in the notice required to be filed with the Association by Article VIII, Section 3 of these Bylaws shall be deemed notice served. Any member may, by written waiver of notice signed by such member, waive such notice, and such waiver, when filed in the records of the Association shall be deemed due notice.

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Section 6. Adjournment. If any meeting of Co-owners cannot be held because a quorum is not in attendance, the Co-owners who are present may adjourn the meeting to a time not less than 48 hours from the time the original meeting was called.

Section 7. Order of Business. The order of business of all meetings of the members shall be as follows: (a) roll call to determine the voting power represented at the meeting; (b) proof of notice of meeting or waiver of notice; (c) reading of minutes preceding meeting; (d) reports of officers; (e) reports of committees; (f) appointment of inspector of elections (at annual meetings or special meetings held for purpose of election of Directors or officers); (g) election of Directors (at annual meeting or special meetings held for such purpose); (h) unfinished business; and (i) new business. Meeting of members shall be chaired by the most senior officer of the Association present at such meeting. For purposes of this Section, the order of seniority of officers shall be President, Vice President, Secretary and Treasurer.

Section 8. Action Without Meeting. Any action which may be taken at a meeting of the members (except for the election or removal of Directors) may be taken without a meeting by written ballot of the members. Ballots shall be solicited in the same manner as provided in Section 5 for the giving of notice of meetings of members. Such solicitations shall specify (a) the number of responses needed to meet the quorum requirements; (b) the percentage of approvals necessary to approve the action; and (c) the time by which ballots must be received in order to be counted. The form of written ballot shall afford an opportunity to specify a choice between approval and disapproval of each matter and shall provide that, where the member specifies a choice, the vote shall be cast in accordance therewith. Approval by written ballot shall be constituted by receipt within the time period specified in the solicitation of (i) a number of ballots which equals or exceeds the quorum which would be required if the action were taken at a meeting; and (ii) a number of approvals which equals or exceeds the number of votes which would be required for approval if the action were taken at a meeting at which the total number of votes cast was the same as the total number of ballots cast.

Section 9. Consent of Absentees. The transactions at any meeting of members, either annual or special, however called and noticed, shall be as valid as though made at a meeting duly held after regular call and notice, if a quorum be present either in person or by proxy; and if, either before or after the meeting, each of the members not present in person or by proxy, signs a written waiver of notice, of a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 10. Minutes, Presumption of Notice. Minutes or a similar record of the proceedings of meetings of members, when signed by the President or Secretary, shall be presumed truthfully to evidence the matters set forth therein. A recitation in the minutes of any such meeting that notice of the meeting was properly given shall be prima facie evidence that such notice was given.

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ARTICLE X.

ASSESSMENT OF FINES

Section 1. General. The violation by any Co-owner, occupant or guest, of any of the provisions of the Condominium Documents, including any duly adopted Rules and Regulations, shall be grounds for assessment by the Association, acting through its duly constituted Board of Directors, of monetary fines against the involved Co-owner. Such Co-owner shall be deemed responsible for such violations whether they occur as a result of his person actions or the actions of his family, guests, tenants or any other person admitted through such Co-owner to the Condominium Premises.

Section 2. Procedures. Upon any such violation being alleged by the Board, the following procedures will be follows:

(a) Notice. Notice of the violation, including the Condominium Document provision violated, together with a description of the factual nature of the alleged offense set forth with such reasonable specificity as will place the Co-owner on notice as to the violation, shall be personally delivered or sent by first class mail, postage prepaid, to the Co-owner and to any tenant, if applicable.

(b) Opportunity to Defend. The Co-owner shall have an opportunity to appear before the Board and offer evidence in defense of the alleged violation. The appearance before the Board shall be at its next scheduled meeting, but in no event shall the Co-owner be required to appear less than ten days from the date of the Notice of Violation set forth in (a) above.

(c) Default. Failure to appear or respond to the Notice of Violation in writing constitutes a default.

(d) Hearing and Decision. After a hearing conducted by the Board, the Board shall by majority vote of a quorum of the Board, decide whether a violation has occurred. If the Co-owner fails to appear for the hearing before the Board after proper notice, the board may proceed to conduct the hearing without the Co-owner. The Board's decision is final.

Section 3. Amounts. If the Board decides that the Co-owner has violated the Condominium Documents the Board in its discretion may levy fines as follows:

(a) First Violation. Up to a maximum \$250.00 fine.

(b) Second Violation. Up to a maximum \$500.00 fine.

(c) Third Violation. Up to a maximum \$1,000.00 fine.

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- (d) Fourth Violation and Subsequent Violations. Up to a maximum \$2,500.00 fine.

Section 4. Collection. The fines levied pursuant to Section 3 above shall be assessed against the Co-owner and shall be due and payable together with the regular Condominium assessment on the first of the next following month. Failure to pay the fine will subject the Co-owner to all liabilities, late charges and other remedies, including foreclosure, set forth in the Condominium Documents.

ARTICLE XI.

REMEDIES FOR DEFAULT

Any default by a Co-owner in complying with the Condominium Documents shall entitle the Association or another Co-owner to the following relief:

Section 1. Legal Action. Failure to comply with any of the provision of the Condominium Documents shall be grounds for relief, which may include an action to recover sums due for damages, injunctive relief, foreclosure or lien (if default in payment of assessment) or any combination thereof, and such relief may be sought by the Association or, if permitted by law, an aggrieved Co-owner or Co-owners.

Section 2. Recovery of Costs. In any proceeding arising because of an alleged default by any Co-owner, the Association, if successful, shall be entitled to recover all costs incurred by the Association as a result of the default and the actual attorneys' fees, not limited to statutory fees incurred by the Association as a result of the default. Costs and attorney fees incurred before initiation of the lawsuit may also be recovered by the Association.

Section 3. Removal and Abatement. 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 Homesite, 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. The Association shall have no liability to any Co-owner arising out of the exercise of its removal and abatement power.

Section 4. Assessment of Fines. 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 in accordance with Article X of these Bylaws.

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Section 5. Non-Waiver of Right. The failure of the Association or of any Co-owner to enforce any right, provision or condition which may be granted by the Condominium documents shall not constitute a waiver of the right of the Association or of any such Co-owner to enforce such right, provision or condition in the future.

Section 6. Cumulative Rights, Remedies, and Privileges. All rights, remedies and privileges granted to the Association or any Co-owner or Co-owners pursuant to the 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.

Section 7. Enforcement of Provisions of Condominium Documents. A Co-owner may maintain an action against the Association and its officers and directors to compel such persons to enforce the terms and provisions of the Condominium Documents. A Co-owner may maintain an action against any other Co-owner for injunctive relief or for damages or any combination thereof for noncompliance with the terms and provisions of the Condominium Documents or the Act.

ARTICLE XII.

AMENDMENTS

Section 1. Proposal. 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 may be proposed by 1/3 or more in number of the Co-owners, in writing and signed by them.

Section 2. Meeting. Upon the proposal of any amendments, a meeting for consideration of the same shall be duly called in accordance with the provisions of these Bylaws.

Section 3. Voting. These bylaws may be amended by the Co-owners at any regular meeting, annual meeting or special meeting called for such purpose by an affirmative vote of 66 2/3 % of all Co-owners in number and in percentage of value. No consent of the mortgagees shall be required to amend these Bylaws unless such amendment would materially alter or change the rights of such mortgagees, in which event the approval of 66 2/3 % of the mortgagees shall be required with each mortgagee having one vote for each mortgage held.

Section 4. By Developer. Prior to the First Annual Meeting, these bylaws may be amended by the Developer without approval from any other person so long as any such amendment does not materially alter or change the right of a Co-owner or mortgagee.

Section 5. When effective. Any amendment to these Bylaws shall become effective upon recording of such amendment in the office of the Bay County Register of Deeds.

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Section 6. Binding. 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 on all persons who have an interest in the Project irrespective of whether such persons actually receive a copy of the amendment.

ARTICLE XIII.

BOARD OF DIRECTORS

Section 1. Number and Qualification of Directors. The Board of Directors shall initially be comprised of 3 members. The affairs of the Association shall be governed by a Board of Directors all of whom must be members of the Association or officers, partners, trustees, employees or agents of members of the Association, except for the first Board of Directors of the Association. Directors shall serve without compensation.

Section 2. Election of Directors.

(a) First Board of Directors. The first Board of Directors shall be composed of 3 person and such first Board of Directors or its successors as selected by the Developer shall manage the affairs of the Association until the appointment of the first non-developer Co-owners to the Board.

(b) Appointment of Non-developer Co-owners to Board Prior to First Annual Meeting. Not later than 120 days after conveyance of legal or equitable title to non-developer Co-owners of 25% in number of the Homesites that may be created, 1 of the 3 Directors shall be selected by non-developer Co-owners. Not later than 120 days after conveyance of legal or equitable title to non-developer Co-owners of 50% in number of the Homesites that may be created, 2 of the 3 Directors shall be elected by non-developer Co-owners. When the required percentage levels of conveyance have been reached, the Developer shall notify the non-developer Co-owners and request that they hold a meeting and elect the required Director or Directors, as the case may be. Upon certification to the Developer by the Co-owners of the Director or Directors so elected, the Developer shall then immediately appoint such Director or Directors to the Board to serve until the First Annual Meeting of members unless he is removed pursuant to Section 7 of this Article or he resigns or becomes incapacitated.

(c) Election of Directors at and after First Annual Meeting.

(i) Not later than 120 days after conveyance of legal or equitable title to non-developer Co-owners of 75% in number of the Homesites that may be created, the non-developer Co-owners shall elect all Directors on the Board, except that the Developer shall have the right to designate at least 1 Director as long as the Homesites that remain to be created and sold equal at least 10% of all the Homesites that may be created in the Project.

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Whenever the 75% conveyance level is achieved, a meeting of Co-owners shall be promptly convened to effectuate this provision, even if the First Annual Meeting has already occurred.

(ii) Regardless of the percentage of Homesites which have been conveyed, upon the elapse of 54 months after the first conveyance of legal or equitable title to the non-developer Co-owner of a Homesite in the Project, the non-developer Co-owners have the right to elect a number of members of the Board of Directors equal to the percentage of Homesites then owned, and the Developer has the right to elect a number of members of the Board of Directors equal to the percentage of Homesites which are owned by the Developer and for which all assessments are payable by the Developer. This election may increase, but shall not reduce, the minimum election and designation rights otherwise established in subsection (i). Application of this subsection does not require a change in the size of the Board of Directors.

(iii) If the calculation of the percentage of members of the Board of Directors that the non-developer Co-owners have the right to elect under subsection (ii), or if the product of the number of members of the Board of Directors multiplied by the percentage of Homesites held by the non-developer Co-owners under subsection (b) results in a right of non-developer Co-owners to elect a fractional number of members of the Board of Directors, then a fractional election right of 0.5 or greater shall be rounded up to the nearest whole number, which number shall be the number of members of the Board of Directors that the non-developer Co-owners have the right to elect. After application of this formula the Developer shall have the right to elect the remaining members of the Board of Directors. Application of this subsection shall not eliminate the right of the Developer to designate 1 member as provided in subsection (i).

(iv) At the First Annual Meeting 2 Directors shall be elected for a term of 2 years and 1 Director shall be elected for a term of 1 year. At such meeting all nominees shall stand for election as 1 slate and the 2 persons receiving the highest number of votes shall be elected for a term of 2 years and the 1 person receiving the next highest number of votes shall be elected for a term of 1 year. At each annual meeting held thereafter, either 2 or 1 Directors shall be elected depending upon the number of Directors whose terms expire. After the First Annual Meeting, the term of office (except for 2 of the Directors elected at the First Annual Meeting) of each Director shall be 2 years. The Directors shall hold office until their successors have been elected and hold their first meeting.

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(v) Once the Co-owners have acquired the right hereunder to elect a majority of the Board of Directors, annual meetings of Co-owners to elect Directors and conduct other business shall be held in accordance with the provisions of Article IX, Section 3 hereof.

(d) Increase in Size of Board. As the size of the Association increases the number of Directors may be increased by amendment to these Bylaws to any odd number not exceeding 5. Any such amendment shall be consistent in principle with the foregoing provisions of this Section 2 and shall be deemed to be one which does not materially alter or change the right of any Co-owner or mortgagee within the meaning of Article XII, Section 4 of these Bylaws.

Section 3. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and may do all acts and things as are not prohibited by the Condominium Documents or required thereby to be exercised and done by the Co-owners.

Section 4. Other Duties. In addition to the foregoing duties imposed by these Bylaws or any further duties which may be imposed by resolution of the members of the Association, the Board of Directors shall be responsible specifically for the following:

(a) To manage and administer the affairs of and to maintain the Condominium Project and the Common Elements thereof.

(b) To levy and collect assessments from the members of the Association and to use the proceeds thereof for the purposes of the Association.

(c) To carry insurance and collect and allocate the proceeds thereof.

(d) To rebuild improvements after casualty.

(e) To contract for and employ persons, firms, corporations or other agents to assist in the management, operation, maintenance and administration of the Condominium Project.

(f) To acquire, maintain and improve, and to buy, operate, manage, sell, convey, assign, mortgage or lease any real or personal property (including any Homesite in the Condominium and easements, rights-of-way and licenses) on behalf of the Association in furtherance of any of the purposes of the Association.

(g) To borrow money and issue evidences of indebtedness in furtherance of any or all of the purposes of the business of the Association, and to secure the same by mortgage, pledge, or other lien, on property owned by the Association; provided, however, that any such action shall also be approved by affirmative vote of 75% of all of the members of the Association in number and in value.

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(h) To make rules and regulations in accordance with Article VI, Section 9 of these Bylaws.

(i) To establish such committees as it deems necessary, convenient or desirable and to appoint persons thereto for the purpose of implementing the administration of the Condominium and to delegate to such committees any functions or responsibilities which are not by law or the Condominium Documents required to be performed by the Board.

(j) To enforce the provisions of the Condominium Documents.

(k) To collect from each Co-owner his prorata share of all assessments levied against the Association under the Irish Acres Site Condominium Agreement for Planned Residential Development as defined in Article II of the Master Deed.

(l) At some time subsequent to the initial development, it may become necessary to pave or improve some or all of the roads within or adjacent to the condominium premises. The improvement may be financed, in whole or in part, by the creation of a special assessment district or districts that may include IRISH ACRES HOMESITE CONDOMINIUM. The acceptance of a conveyance or the execution of a land contract by any owner or purchaser, his/her heirs, executors, administrators, or assigns, shall be deemed an irrevocable acknowledgment that the Board of Directors of the Association shall be vested with full power and authority to obligate all co-owners to participate in a special assessment district, sign petitions requesting said special assessment, and consider and otherwise act on all assessment issues on behalf of the Association and all co-owners; provided, that prior to signature by the Association on a petition for improvement of such public roads, the desirability of said improvement shall be approved by an affirmative vote of not less than 51 % of all co-owners. No consent of mortgagees shall be required for approval of said public road improvement.

Section 5. Management Agent. The Board of Directors may employ for the Association a professional management agent (which may include the Developer or any person or entity related thereto) at reasonable compensation established by the Board to perform such duties and services as the Board shall authorize, including, but not limited to, the duties listed in Sections 3 and 4 of this Article, and the Board may delegate to such management agent any other duties or powers which are not by law or by the Condominium Documents required to be performed by or have the approval of the Board of Directors or the members of the Association. In no event shall the Board be authorized to enter into any contract with a professional management agent, or any other contract providing for services by the Developer, sponsor or builder, in which the maximum term is greater than 3 years or which is not terminable by the Association upon 90 days' written notice thereof to the other party and no such contract shall violate the provisions of Section 55 of the Act.

Section 6. Vacancies. Vacancies in the Board of Directors which occur after the Transitional Control Date caused by any reason other than the removal of a Director by a vote of the members of the Association shall be filled by vote of the majority of the remaining Directors,

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even though they may constitute less than a quorum, except that the Developer shall be solely entitled to fill the vacancy of any Director whom it is permitted in the first instance to designate. Each person so elected shall be a Director until a successor is elected at the next annual meeting of the Association. Vacancies among non-developer Co-owner elected Directors which occur prior to the Transitional Control Date may be filled only through election by non-developer Co-owners and shall be filled in the manner specified in Section 2(b) of this Article.

Section 7. Removal. At any regular or special meeting of the Association duly called with due notice of the removal action proposed to be taken, any one or more of the Directors may be removed with or without cause by the affirmative vote of more than 50% in number and in value of all of the Co-owners and a successor may then and there be elected to fill any vacancy thus created. The quorum requirement for the purpose of filling such vacancy shall be the normal 35% requirement set forth in Article VIII, Section 4. Any Director whose removal has been proposed by the Co-owners shall be given an opportunity to be heard at the meeting. The Developer may remove and replace any or all of the Directors selected by it at any time or from time to time in its sole discretion. Likewise, any Director selected by the non-developer Co-owners to serve before the First Annual Meeting may be removed before the First Annual Meeting in the same manner set forth in this paragraph for removal of Directors generally.

Section 8. First Meeting. The first meeting of a newly elected Board of Directors shall be held within 10 days of election at such place as shall be fixed by the Directors at the meeting at which such Directors were elected, and no notice shall be necessary to the newly elected Directors in order legally to constitute such meeting, providing a majority of the whole Board shall be present.

Section 9. Regular Meetings. Regular meeting of the Board of Directors may be held at such times and places as shall be determined from time to time by a majority of the Directors, but at least two such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director, personally, by mail, telephone or telegraph at least 10 days prior to the date named for such meeting.

Section 10. Special Meetings. Special meetings of the Board of Directors may be called by the President on 3 days' notice to each Director, given personally, by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or secretary in like manner and on like notice on the written request of 2 Directors.

Section 11. Waiver of Notice. Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meetings of the Board shall be deemed a waiver of notice by him or the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

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Section 12. Quorum. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, less than a quorum is present, the majority of those present may adjourn the meeting to a subsequent time upon 24 hours prior written notice delivered to all Directors not present. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice. The joinder of a Director in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such Director for purposes of determining a quorum.

Section 13. First Board of Directors. The actions of the first Board of Directors of the Association or any successors thereto selected or elected before the Transitional Control Date shall be binding upon the Association so long as such actions are within the scope of the powers and duties which may be exercised generally by the Board of Directors provided in the Condominium Documents.

Section 14. Fidelity Bonds. The Board of Directors shall require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be expenses of administration.

ARTICLE XIV.

OFFICERS

Section 1. Officers. The principal officers of the Association shall be a President, who shall be a member of the Board of Directors, a Vice President, a Secretary and Treasurer. The Directors may appoint an Assistant Treasurer, and an Assistant Secretary, and such other officers as their judgment may be necessary. Any two offices except that of President and Vice President may be held by one person.

(a) President. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of the President of an association, including, but not limited to, the power to appoint committees from among the members of the Association from time to time as he may in his discretion deem appropriate to assist in the conduct of the affairs of the Association.

(b) Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board to so do on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors.

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(c) Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the members of the Association; he shall have charge of the corporate seal, if any, and of such books and papers as the Board of Directors may direct; and he shall, in general, perform all duties incident to the office of the Secretary.

(d) Treasurer. The Treasurer shall have responsibility for the Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall be responsible for the deposit of all monies and other valuable effects in the name and to the credit of the Association, and in such depositories as may, from time to time, be designated by the Board of Directors.

Section 2. Election. The officers of the Association shall be elected annually by the Board of Directors at the organizational meeting of each new Board and shall hold office at the pleasure of the Board.

Section 3. Removal. Upon affirmative vote of a majority of the members of the Board of Directors, any officer may be removed either with or without cause, and his successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board called for such purpose. No such removal action may be taken, however, unless the matter shall have been included in the notice of such meeting. The officer who is proposed to be removed shall be given an opportunity to be heard at the meeting.

Section 4. Duties. The officers shall have such other duties, powers and responsibilities as shall, from time to time, be authorized by the Board of Directors.

ARTICLE XV.

SEAL

The Association may (but need not) have a seal. If the Board determines that the Association shall have a seal, then it shall have inscribed thereon the name of the Association, the words "corporate seal", and "Michigan."

ARTICLE XVI.

FINANCE

Section 1. Records. 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 once a year a financial

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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 Homesite in the condominium shall be entitled to receive a copy of such annual audited financial statement within 90 days following the end of the Association's fiscal year upon request therefor. The costs of any such audit and any such audit and any accounting expenses shall be expenses of administration.

Section 2. Fiscal Year. The fiscal year of the Association shall be an annual period commencing on such date as may be initially determined by the Directors. The commencement date of the fiscal year shall be subject to change by the Directors for accounting reasons or other good cause.

Section 3. Bank. Funds of the Association shall be initially deposited in such bank or savings association as may be designated by the Directors and shall be withdrawn only upon the check or order of such officers, employees or agents as are designated by resolution of the Board of Directors from time to time. The funds may be invested from time to time in accounts or deposit certificates of such bank or savings association as are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation and may also be invested in interest-bearing obligations of the United States Government.

ARTICLE XVII.

INDEMNIFICATION OF OFFICERS AND DIRECTORS

. Every Director and officer of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party or in which he may become involved by reason of his being or having been a Director or officer of the Association, whether or not he is a Director or officer at the time such expenses are incurred, except 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 Director seeking reimbursement abstaining) approves such settlement and reimbursement as being in the best interest of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such Director or officer may be entitled. At least 10 days prior to payment of any indemnification which it has approved, the Board of Directors shall notify all Co-owners thereof. Further, the Board of Directors is authorized to carry officers' and directors' liability insurance covering acts of the officers and directors of the Association in such amounts as it shall deem appropriate.

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ARTICLE XVIII.

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, the Master Deed, these Bylaws, Rules and Regulations of the Association and the mere acquisition, occupancy or rental of any Homesite or an interest therein or the utilization 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 XIX.

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 XX.

RIGHTS RESERVED TO DEVELOPER

Any or all of the rights and powers granted or reserved to the Developer in the Condominium Documents or by law, including the right and power to approve or disapprove any act, use, or proposed action or any other matter or thing, may be assigned by it to any other entity or to the Association. Any such assignment or transfer shall be made by appropriate instrument in writing in which the assignee or transferee shall join for the purpose of evidencing its consent to the acceptance of such powers and rights and such assignee or transferee shall thereupon have the same rights and powers as herein given and reserved to the Developer. Any rights and powers reserved or retained by Developer or its successors shall expire and terminate, if not sooner assigned to the Association, at the conclusion of the Construction and Sales Period as defined in Article III of the Master Deed. The immediately preceding sentence dealing with the expiration and termination of certain rights and powers granted or reserved to the Developer is intended to apply, insofar as the Developer is concerned, only to Developer's rights to approve and control the administration of the condominium and shall not, under any circumstances, be construed to apply to or cause the termination and expiration of any real property rights granted or reserved to the Developer or its successors and assigns in the Master Deed or elsewhere (including, but not limited to, access easements, utility easement and all other easements created and reserved in such documents which shall not be terminable in any manner hereunder and which shall be governed only in accordance with the terms of their creation or reservation and not hereby).

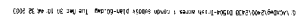
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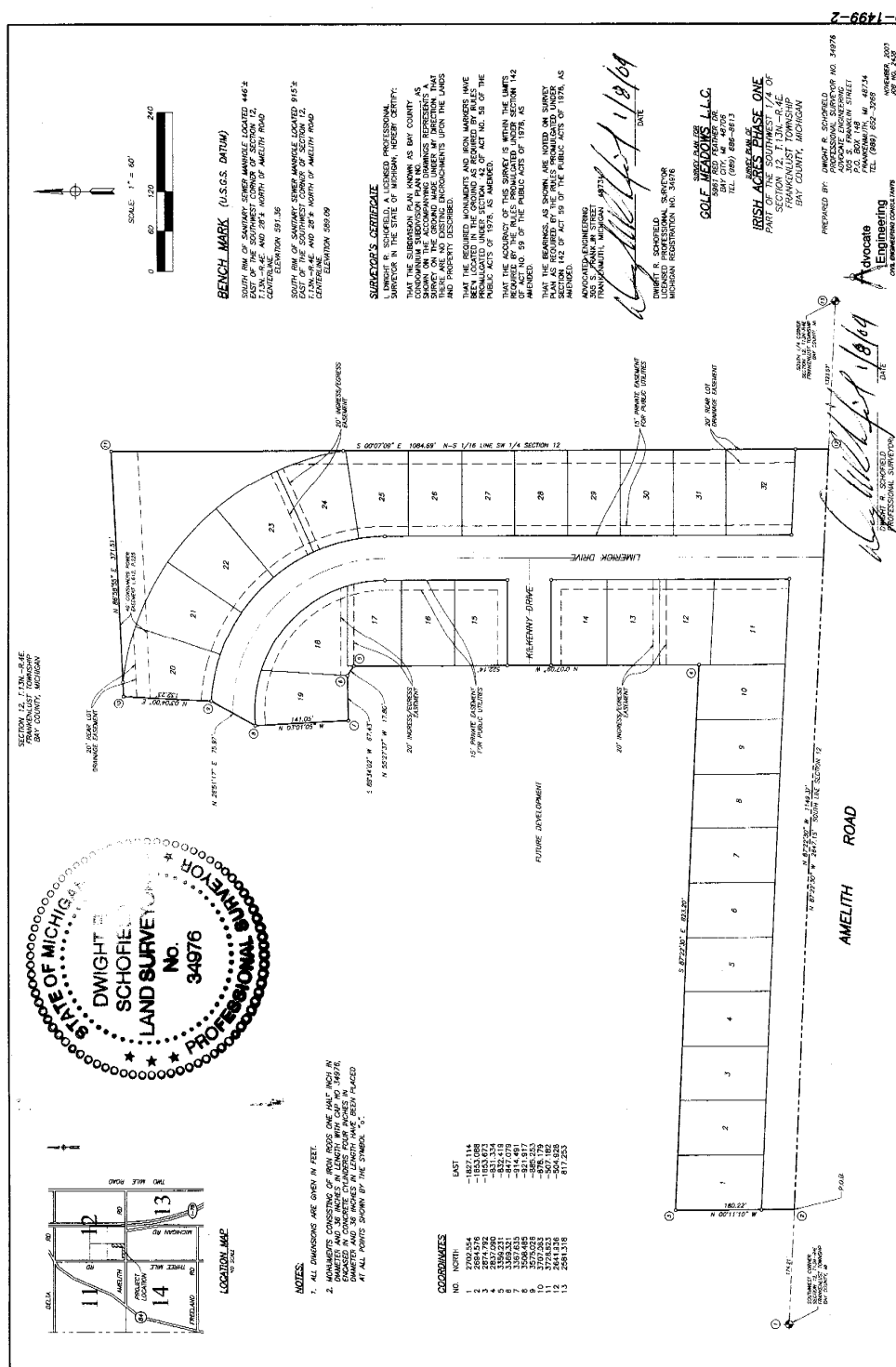
ARTICLE XXI
SEVERABILITY

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 Condominium Documents or the remaining portions of any terms, provisions or covenants held to be partially invalid or unenforceable.

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DATE _____
DWIGHT A. SONGFELD
PROFESSIONAL SURVEYOR
NO. 1975





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