

**EXHIBIT A TO MASTER DEED
CONDOMINIUM BYLAWS
OF
BROOKFIELD PARK CONDOMINIUMS
ASSOCIATION INC.**

CONDOMINIUM BYLAWS
OF
BROOKFIELD PARK CONDOMINIUM
ASSOCIATION, INC.

ARTICLE I
ASSOCIATION OF CO-OWNERS

Section 1.

Organization. Brookfield Park Condominium Co-Owners Association, Inc., a residential condominium located in the City of Norton Shores, Muskegon County, Michigan (the "Condominium"), shall be administered by an association of Co-Owners (the "Association") which shall be organized as a non-profit corporation under the laws of the State of Michigan. The Association will be responsible for the management, maintenance, operation and administration of the Common Elements, easements and affairs of the Condominium in accordance with the Master Deed, these Bylaws, the Articles of Incorporation, Rules and Regulations of the Association, and the laws of the State of Michigan.

Section 2.

Compliance. All present and future co-owners, mortgagees, lessees and all other persons who may in any manner use, enter upon or acquire any interest in the Condominium Premises, or any Unit in the Condominium, shall be subject to and comply with the provisions of the Michigan Condominium Act (Act 59 of the Public Acts of 1978, as amended), the Master Deed and Condominium Bylaws, and Rules and Regulations of the Association including, but not necessarily limited to, any provision thereof pertaining to the use and operation of the Condominium Premises and the property of the Condominium. The acceptance of a deed or conveyance, the taking of a mortgage, the execution of a lease or the act of occupancy of a Unit, or presence, in the Condominium shall constitute an acceptance of the provisions of these instruments and an agreement to comply therewith.

Section 3.

Purpose of Bylaws. These Bylaws govern the general operation, maintenance, administration, use and occupancy of the Condominium, and all such activities shall be performed in accordance with the provisions hereof.

ARTICLE II
MEMBERSHIP AND VOTING

Section 1.

Membership. Each Co-Owner of a Unit in the Condominium, present and future, shall be a member of the Association during the term of such ownership, and no other person or entity shall be entitled to membership. Neither membership in the Association nor the share of a member in the funds and assets of the Association shall be assigned, pledged or transferred in any manner, except as an appurtenance to a Unit in the Condominium, and any attempted assignment, pledge or transfer in violation of this provision shall be wholly void.

Section 2.

Voting Rights. Except as limited in the Master Deed and in these Bylaws, the Co-Owners of each Unit shall collectively be entitled to one vote when voting by number and one vote, the value of which shall equal the total percentage assigned to the Unit or Units owned by them in the Master Deed, when voting by value. Voting when required or permitted herein, or elsewhere in the Condominium Documents, shall be by value, except in those instances where voting is specifically required to be both in value and in number, and the

those instances where voting is specifically required to be both in value and in number, and the accumulation of votes shall not be permitted.

Section 3.

Persons Entitled to Vote. If a Unit is owned by one person, his right to vote shall be established by the presentation of evidence of ownership of that Unit. If a Unit is owned by more than one person, or is under lease, the person entitled to cast the vote for the Unit and to receive all notices and other communications from the Association shall be designated by a certificate signed by all of the record owners of the Unit and filed with the Secretary of the Association. Such certificates shall state the name and address of the individual representative designated, the number or numbers of the Unit or Units owned, the name and address of the person or persons, firm, corporation, partnership, association, trust or other legal entity who is the Co-Owner thereof, and shall be signed and dated by the Co-Owners of record. All certificates shall be valid until revoked, until superseded by a subsequent certificate, or until a change occurs in the record ownership of the Unit concerned. The Developer shall, at any meeting, be entitled to cast a vote on behalf of each Unit he owns without submitting any proof of ownership. For purposes of this Section 3, the Developer shall be deemed to own only completed Units, as defined in Article V, Section 7.

Section 4.

Method of Voting. Votes on a specific issue may be cast in person. In addition, any person entitled to vote at any meeting may also appear and vote (either specifically on an issue or by the general designation of a person to cast a vote) via telecommunications equipment, as provided in the Association Bylaws, or by written proxy. Proxies may be made by any person entitled to vote. They shall be valid only for the particular meeting designated, and any adjournment thereof, and must be filed with the Association before the appointed time of the meeting.

Section 5.

Majority. At any meeting of the members at which a quorum is present, more than fifty percent (50%) in value of the co-owners voting, whether in person or by proxy, on any particular matter, shall be required for the approval of such matter, except as otherwise required herein, by the Master Deed or by law.

ARTICLE III MEETINGS AND QUORUM

Section I.

Co-owners' Advisory Committee. An Advisory Committee of Non- Developer Co-Owners shall be established either one hundred twenty (120) days after conveyance of legal or equitable title to Non- Developer Co-Owners of one-third (1/3) of the Units that may be created, or one year after initial conveyance of legal or equitable title to a Non-Developer Co-Owner of a Unit in the Project, whichever first occurs. The Advisory Committee shall meet with the condominium project Board of Directors for the purpose of facilitating communication and aiding the transition of control to the Association of Co-Owners. The Advisory Committee shall cease to exist when a majority of the Board of Directors of the Association of Co-Owners is elected by Non-Developer Co-Owners. In addition, the Committee shall have such other duties and responsibilities as the Developer may from time to time designate. Reasonable notice of meetings of the Advisory Committee shall be provided to all members of the Advisory Committee, and such meetings may be open or closed, in the discretion of the Developer. The Developer may designate by any means an Advisory Committee chairman and other officers of the Advisory Committee. The Committee chairman may designate appropriate subcommittees and assign responsibilities thereto.

Section 2.

Composition of Board. Not later than one hundred twenty (120) days after conveyance of legal or equitable

title to Non-Developer Co-Owners of twenty-five (25%) percent of the Units that may be created, at least one director and not less than twenty-five (25%) percent of the Board of Directors of the Association of Co-Owners shall be elected by Non-Developer Co-Owners. Not less than one hundred twenty (120) days after conveyance of legal or equitable title to non-Developer Co-Owners of fifty (50%) percent of the Units that may be created, not less than thirty-three (33%) percent of the Board of Directors shall be elected by Non-Developer Co-Owners. Not later than one hundred twenty (120) days after conveyance of legal or equitable title to Non-Developer Co-Owners of seventy-five (75%) percent of the Units that may be created, and before conveyance of ninety (90%) percent of such Units, the Non-Developer Co-Owners shall elect all directors on the Board, except that the Developer shall have the right to designate at least one director as long as the Developer owns and offers for sale at least ten (10%) percent of the Units in the Project or as long as ten (10%) percent of the Units remain that may be created.

Notwithstanding the formula provided above, fifty-four (54) months after the first conveyance of legal or equitable title to a Non-Developer Co-Owner of a Unit in the Project, if title to not less than seventy-five (75%) percent of the Units that may be created has not been conveyed, the Non-Developer Co-Owners have the right to elect as provided in the Condominium Documents, a number of members of the Board of Directors of the Association of Co-Owners equal to the percentage of Units they hold, and the Developer has the right to elect as provided in the Condominium Documents, a number of members of the Board of Directors equal to the percentage of Units 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 above. Application of this subsection does not require a change in the size of the Board of Directors as determined in the Condominium Documents.

If the calculation of the percentage of members of the Board at the Non-Developer Co-Owners have the right to elect under this section or if the product of the number of members of the Board multiplied by the percentage of Units held by the Non-Developer Co-Owners under this section results in a right of Non-Developer Co-Owners to elect a fractional of members of the Board, 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 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. Application of this subsection shall not eliminate the right of the Developer to designate one (1) member as provided herein above.

Section 3.

First Annual Meeting of Members. The first annual meeting of the members of the Association may be convened only by the Board of Directors and may be called at any time upon ten (10) days' written notice to all co-owners. In no event, however, shall the first annual meeting to be held later than: (i) one hundred twenty (120) days after the initial conveyance of legal or equitable title to non-developer Co-Owners of twenty-five (25%) percent of the Units in the Condominium Project that may be created; or (ii) fifty-four (54) months after the first conveyance of legal or equitable title to a Non-Developer Co-Owner of a Unit in the Condominium Project, whichever first occurs, at which meeting the eligible Co-Owners may vote for the election of officers of the Association. The Board of Directors may call meetings of members of the Association for informational or other appropriate purposes prior to the initial meeting of members, but no such meeting shall be construed as the initial meeting of members.

Section 4.

Subsequent Annual Meetings of Members. Following the first annual meeting, an annual meeting of the members shall be held in each year at the time and place specified in the Bylaws of the Association. At least ten (10) days prior to the date of an annual meeting, written notice of the time, place, and purpose of such meeting, unless waived in the manner provided in the Bylaws of the Association, shall be sent by first class mail, postage prepaid, to each person entitled to vote at the meeting.

Section 5.

Special Meetings of Members. 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 one-third (1/3) of the Co-Owners presented to the Secretary of the Association. Notice of any special meeting, unless waived in the manner provided in the Bylaws of the Association, shall state the time and place of such meeting and purposes thereof and shall be given at least ten (10) days prior to the date of such meeting. No business shall be transacted at a special meeting except as stated in the notice.

Section 6.

Quorum of Members. Unless otherwise provided herein, the presence, in person or by proxy, of more than forty percent (40%) in number and value of the Co-Owners entitled to vote shall constitute a quorum of members. If a quorum shall not be present at any meeting, the members present may adjourn the meeting for not more than thirty (30) days.

**ARTICLE IV
ADMINISTRATION**

Section 1.

Board of Directors. The business, property and affairs of the Association shall be managed by a Board of Directors to be elected and to serve in the manner set forth in the Association Bylaws; provided, that until the initial meeting of members as provided in Article III, Section 1, hereof, the Directors designated in the Articles of Incorporation, or their appointed successors, shall serve. Directors shall serve without compensation. All actions of the first Board of Directors of the Association named in its Articles of Incorporation or any successors thereto elected by the Developer before the initial meeting of members shall be binding upon the Association in the same manner as though such actions had been authorized by the Board of Directors duly elected by members of the Association at the initial meeting or at any subsequent meeting, so long as such actions are within the scope of the powers of and duties which may be exercised by a Board of Directors as provided in Condominium Documents. A service contract or management contract entered into between the Association and the Developer or affiliates of the Developer shall be voidable by the Board of Directors on the transitional control date or within ninety (90) days thereafter, and on thirty (30) days notice at any time thereafter for cause. To the extent that any management contract extends beyond one (1) year after the transitional control date, the excess period under the contract may be voided by the Board of Directors of the Association of Co-Owners by notice to the management agent at least thirty (30) days before expiration of the one (1) year.

Section 2.

Powers and Duties. The Board shall have all powers and duties necessary for the administration of the affairs of the Condominium and may do all things which are not prohibited by law or the Condominium Documents or required thereby to be done by the Co-Owners. The powers and duties to be exercised by the Board shall include, but shall not be limited to, the following:

- (a) To manage and administer the affairs and maintenance of the Condominium and of the Common Elements, property and easements thereof;
- (b) To levy and collect assessments against and from the members of the Association and to use the proceeds therefrom for the proper purposes of the Association, and to enforce assessments through liens and foreclosure proceedings where, in the judgment of the Directors, appropriate;
- (c) To carry insurance and to collect and allocate the proceeds thereof;

(d) To restore, repair or rebuild the Condominium, or any portion thereof, after occurrence of casualty and to negotiate on behalf of co-owners in connection with the taking of the Condominium, or any portion thereof, by eminent domain;

(e) To contract for and employ, and to discharge, persons or business entities to assist in management, operation, maintenance, and administration of the Condominium;

(f) To make reasonable rules and regulations affecting co-owners and their tenants, guests, employees, invites, families and pets concerning the use and enjoyment of the Condominium and to enforce such regulations by all legal methods, including, but not limited to, the imposition of fines and late payment charges, eviction proceedings or legal proceedings;

(g) To own, maintain and improve, and to buy, sell, convey, assign, mortgage, or lease (as landlord or tenant) any real or personal property, including, but not limited to, any Unit in the Condominium, easements, rights-of-way or licenses or any other real property, whether or not contiguous to the Condominium, for the purpose of providing benefits to the members of the Association and in furtherance of any of the purposes of the Association;

(h) To borrow money and issue evidences of indebtedness in furtherance of any and 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 first be approved by affirmative vote of two-thirds (2/3) of all of the members of the Association in number and in value at a meeting of the members duly called;

(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 make rules and regulations or to enter into agreements with institutional lenders, or both, for the purpose of obtaining mortgage financing for co-owners which is acceptable for purchase by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Government National Mortgage Association or any other agency of the federal government, the State of Michigan, the County of Muskegon or the City of Muskegon;

(k) To enforce the provisions of the Condominium Documents;

(l) To do anything required of or permitted to it as administrator of said Condominium by the Condominium Master Deed or Condominium Bylaws or by Act No. 59 of the Public Acts of 1978, as amended, including, but not limited to, those amendments contained in Act No. 538 of the Public Acts of 1982, and in Act No. 113 of the Public Acts of 1983;

(m) In general, to enter into any kind of activity, to make and perform any contract and to exercise all powers necessary, incidental or convenient to the administration, management, maintenance, repair, replacement and operation of the Condominium and to the accomplishment of any of the purposes thereof not forbidden, and with all powers conferred upon nonprofit corporations by the laws of the State of Michigan.

Provided, however, that neither the Board nor the Association shall, by act or omission, seek to abandon, partition, subdivide, encumber, sell or transfer the Common Elements, or any of them, unless at least two-thirds

(2.3) of the first mortgagees (based upon one vote for each mortgage owned) or owners (other than the Developer) of the individual condominium Units; have given their prior written approval (the granting of easements for public utilities or for other public purposes consistent with the intended use of the Common Elements by the Condominium shall not be deemed a transfer for purposes hereof).

Section 3.

Managing Agent. The Board may employ, at a compensation established by it, a Managing Agent for the Condominium to perform such duties and services as the Board shall authorize, including, but not limited to, the powers and duties set forth in Section 2 of this Article. The Developer, or any related person or entity, may serve as Managing Agent if so appointed. If the Board employs a professional management agent for the Association, the Board shall notify each holder of a first mortgage lien on any Unit in the Condominium prior to terminating the employment of such professional management agent (or any successor thereto) and assuming self-management. In no event shall the Board be authorized to enter into any contract with a professional management agent, or any contract providing for services by the Developer or its affiliates, in which the maximum term is greater than three (3) years or which is not terminable by the Association upon ninety (90) days' written notice thereof to the other party or upon thirty (30) days' written notice for cause.

Section 4.

Officers. The Association Bylaws shall provide the designation, number, terms of office, qualifications, manner of election, duties, removal and replacement of the officers of the Association and may contain any other provisions pertinent to officers of the Association not inconsistent herewith. Officers may be compensated, but only upon the prior affirmative vote of a majority of all co-owners in number and in value at a meeting of the members duly called.

Section 5.

Actions Prior to First Annual Meeting.

(a) All of the actions (including, without limitation, the adoption of these Bylaws, the Association Bylaws, any rules and regulations for the Association, and any undertakings or contracts entered into with others on behalf of the Association) of the first Board of Directors of the Association named in its Articles of Incorporation, or their appointed successors, before the first annual meeting of members, shall be binding upon the Association in the same manner as though such actions had been authorized by a Board of Directors duly elected by the members of the Association at the first or any subsequent annual meeting of members so long as such actions are within the scope of the powers and duties which may be exercised by any Board of Directors as provided in the Condominium Documents.

(b) The first Board of Directors elected by the members shall have the power to renew, renegotiate or terminate all management or other service contracts entered into prior to the first annual meeting at the end of the calendar year following the first annual meeting upon giving reasonable notice. Any service contract between the Association and the Developer or its affiliates is immediately voidable by the Board of Directors on the date of the first annual meeting or within ninety (90) days thereafter, and on thirty (30) days' notice at any time thereafter for cause.

Section 6.

Indemnification of Officers and Directors. Every director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of his being or having been a director or officer of the Association, whether or not he is a director or officer at the time such expenses are incurred, except in such cases wherein the director or officer is adjudged guilty of wilful and 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 and such approval is based on a judicial opinion or opinion of independent counsel as to the propriety of the indemnification if the co-owners of fifty percent (50%) or more of the Condominium request such opinion. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled. At least ten (10) days prior to payment of any indemnification which it has approved, the Board of Directors shall notify all Co-Owners thereof.

Section 1.

Personal 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, and personal property taxes based thereon shall be treated as expenses of administration.

Section 2.

Costs and Receipts to be Common. All costs incurred by the Association in satisfaction of any liability arising within, or caused by or in connection with the Common Elements or the administration of, the Condominium shall be expenses of administration, and all sums received as proceeds of, or pursuant to, any policy of insurance carried by the Association securing the interests of the co-owners against liabilities or losses arising within, caused by or connected with the Common Elements or the administration of the Condominium shall be receipts of administration.

Section 3.

Books of Account. The Association shall keep or cause to be kept detailed books of account showing all expenditures and receipts affecting administration of the Condominium. Such books of account shall specify the maintenance and repair expenses of the Common Elements and any other expenses incurred by or on behalf of the Association and co-owners and shall be open for inspection by the co-owners and their mortgagees during reasonable working hours on normal working days at a place to be designated by the Association. The books of account shall be audited at least annually by qualified independent auditors, but such audit need not be a certified audit nor must the auditors be certified public accountants. The cost of such audit, and all accounting expenses, shall be an expense of administration. Any institutional holder of a first mortgage lien on any Unit in the Condominium shall be entitled to receive a copy of the audit report within ninety (90) days following the end of the Association's fiscal year upon request therefor. At least once a year, the Association shall prepare and distribute to each Co-Owner a statement of its financial condition.

Section 4.

Regular Quarterly Assessments. The Board shall establish an annual budget in advance for each fiscal year for the Condominium, and such budget shall contain a statement of the estimated funds required to defray the expenses of administration for the forthcoming year, which shall include all items defined as such in these Bylaws and all other common expenses. The budget shall also allocate and assess all such common charges against all Co-Owners in accordance with the percentage of value allocated to each Unit by the Master Deed, without increase or decrease for the existence of any rights to the use of Limited Common Elements appurtenant thereto. The common expenses shall consist, among other things, of such amounts as the Board may deem proper for the operation, management and maintenance of the Condominium property under the powers and duties delegated to it hereunder, and may include, without limitation, amounts to be set aside for working capital of the Condominium, for a general operating service, for a reserved fund, and for meeting any deficit in the common expense for the prior year. An adequate reserve fund for maintenance, repair and replacement of the Common Elements must be established in the budget and must be funded by regular quarterly payments rather than by special assessments. The Board shall advise each Co-Owner in writing of the amount of common charges payable by him and shall furnish copies of each budget on which such common charges are based to all Co-Owners, although delivery of a copy of the budget to each Co-Owner shall not affect the liability of any co-owner for any existing or future assessments. Should the Board, at any time, determine, in its sole discretion, that the assessments levied are or may prove to be insufficient: (1) to pay the costs of operation and management of the Condominium, (2) to provide for the maintenance, repair or replacement of existing Common Elements, (3) to provide additions to the Common Elements not exceeding \$5,000 annually, or (4) to provide for emergencies; the Board shall have the authority to increase the general assessments or to levy such additional assessment or assessments as it shall deem to be necessary. All assessments levied in accordance with this Section 4 shall be payable by Co-Owners in four (4) equal quarterly installments, commencing with acquisition of title to a Unit by any means.

Section 5.

Special Assessments. Special assessments, in addition to those provided for in Section 4 above, may be levied by the Board from time to time, following approval by the Co-Owners as hereinafter provided, to meet other

needs, requirements or desires of the Association, including, but not limited to, (1) assessments for capital improvements for additions to the Common Elements at a cost exceeding \$5,000 per year, (2) assessments to purchase a Unit upon foreclosure of the lien for assessments as described in Section 6 hereof, or (3) assessments for any other appropriate purpose not elsewhere herein described. Special assessments referred to in this Section 5 (but not including those assessments referred to in Section 4 above, which shall be levied in the sole discretion of the Board) shall not be levied without prior approval of two-thirds (2/3) of all Co-Owners, in good standing in the Association and not in default in respect of obligations to the Association, in value and in number, which approval shall be granted only by a vote of the Co-Owners taken at a meeting of the Co-Owners called in accordance with the provisions of Article III hereof.

Section 6.

Collection of Assessments. Each Co-Owner, whether one or more persons, shall be and shall remain personally obligated for the payment of all assessments levied with regard to this Unit during the time that he is the owner thereof, and no Co-Owner may exempt himself from liability for his contribution toward the expenses of administration by waiver of the use or enjoyment of any of the Common Elements or by the abandonment of his Unit. In the event of default by any Co-Owner in paying the assessed common charges, interest at the maximum legal rate shall be charged on such assessment from the due date thereof and further penalties or proceedings may be instituted by the Board in its discretion. The payment of an assessment shall be in default if such assessment, or any part thereof, is not paid on or before the due date established by the Board for such payment. The Board may, but need not, report such a default to any first mortgagee of record. Any first mortgagee of a Unit in the Condominium may consider a default in the payment of any assessment a default in the payment of its mortgage. Unpaid assessments shall constitute a lien upon the Unit prior to all other liens except tax liens and sums unpaid on a first mortgage of record. The Association may enforce collection of delinquent assessments by a suit of law for a money judgment or by foreclosure of the lien that secures payment of assessments. Each Co-Owner, and every other person, except a first mortgagee, who from time to time has any interest in the Condominium, shall be deemed to have granted to the Association the unqualified right to elect to foreclose such lien either by judicial action or by advertisement. The provisions of Michigan law pertaining to foreclosure of mortgages by judicial action and by advertisement, as the same may 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 right and obligations of the parties to such actions. Further, each Co-Owner and every other person, except a first mortgagee, who from time to time has any interest in the Condominium shall be deemed to have authorized and empowered the Association to sell or to cause to be sold the Unit with respect to which the assessment is delinquent and to receive, hold and distribute the proceeds of such sale in accordance with the priorities established by applicable law. Each Co-Owner acknowledges that at the time of acquiring title to his Unit, he was notified of the provisions of this section and that he voluntarily, intelligently and knowingly waived notice of any proceedings brought by the Association to foreclose by advertisement the lien for nonpayment of assessments and a hearing on the same prior to the sale of the subject Unit. Notwithstanding the foregoing, neither a judicial foreclosure action nor a suit at law for a money judgment shall be commenced, nor shall any notice of foreclosure by advertisement be published, until the expiration of ten (10) days after the mailing, by certified mail return receipt requested and postage prepaid, addressed to the delinquent Co-Owner at his last known address of a written notice that an assessment, or any part thereof, levied against his Unit is delinquent and that the Association may invoke any of its remedies hereunder if the default is not cured within ten (10) days after the date of mailing. Such written notice shall be accompanied by a written affidavit of an authorized representative of the Association that sets for (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 Unit, and (v) the name of the Co-Owner of record. Such affidavit shall be recorded in the Office of the Muskegon County Register of Deeds prior to the commencement of any foreclosure proceeding, but it need not have been recorded as of the date of mailing as aforesaid. If the delinquency is not cured within the ten (10) day period, the Association may take such remedial action as may be available to it hereunder or under Michigan law. In the event the Association elects to foreclose the lien by advertisement, the Association shall so notify the representative designated above and shall inform such representative that he may request a judicial hearing by bringing suit against the Association. The expenses incurred in collecting unpaid assessments, including interest, costs, actual and reasonable attorney's fees (not limited to statutory fees) and advances for taxes or other liens paid by the Association to protect its lien, shall be chargeable to the Co-Owner

in default and shall be secured by the lien on his Unit. In the event of default by any Co-Owner in the payment of any installment of the annual assessment levied against his Unit, the Association shall have the right to declare all unpaid installments of the annual assessment for the pertinent fiscal year immediately due and payable. In a judicial foreclosure action, a receiver may be appointed to collect a reasonable rental for the Unit from the Co-Owner thereof or any persons claiming under him, and each Co-Owner hereby covenants to the appointment of such a receiver. The Association may also discontinue the furnishing of any services to a co-owner in default upon seven (7) days' written notice to such co-owner of its intent to do so. A Co-Owner in default on the payment of any assessment shall not be entitled to vote at any meeting of the Association so long as such default continues.

If the holder of a first mortgage on a Unit in the Condominium obtains title to the Unit as a result of foreclosure of the mortgage, deed in lieu of foreclosure or similar remedy, or any other remedy provided in the mortgage, such person, and its successors and assigns, or other purchaser at a foreclosure sale shall not be liable for unpaid assessments chargeable to the Unit which became due prior to the acquisition of title to the Unit by such person; provided, however, that such unpaid assessments shall be deemed to be common expenses collectible from all of the Unit owners including such person, its successors and assigns and that all assessments chargeable to the Unit subsequent to the acquisition of title shall be the responsibility of such person as hereinbefore provided with respect to all Co-Owners. When a Co-Owner is in arrearage to the Association for assessments, the Association may give written notice of arrearage to any person occupying his Unit under a lease or rental agreement, and such person, after receiving notice, shall deduct from rental payments due the Co-Owner arrearage and future assessments as they fall due and pay them to the Association. The deductions shall not be a breach of the rental agreement or lease by the occupant.

At any foreclosure sale hereunder, the Association may be the purchaser.

Section 7.

Obligations of the Developer.

(a) The Developer shall be responsible for payment of the full quarterly Association maintenance assessment, and all special assessments, for all completed Units owned by it and shall also maintain, at its own expense, any incomplete Units owned by it. "Completed Unit" shall mean a Unit with respect to which a certificate of occupancy has been issued by the local public authority.

(b) In addition to maintaining any incomplete Units owned by it, the Developer shall be charged a portion of the established quarterly Association assessment for each incomplete Unit established in the Master Deed, whether constructed or not. Such portion shall be determined by the officers of the Association based upon the level of common expenses actually incurred in respect of such incomplete Units, and it may be altered on a month-to-month basis. Each incomplete Unit must, at a minimum, bear its pro rata portion of the costs of all accounting and legal fees, public liability and casualty insurance (to the extent such incomplete Units are covered by policies of insurance maintained by the Association), utility maintenance, if any, grounds maintenance (including landscaping), real estate taxes in the year of the establishment of the Condominium, maintenance of all General and Limited Common Elements actually servicing any incomplete Units, management fee, if any is charged for incomplete Units and a portion of the reserve for the repair and replacement of major Common Elements determined according to the timing of the actual installation of the materials for whose repair and replacement this reserve has been established.

Section 8.

Maintenance and Repair. As provided in the Master Deed, all maintenance of and repair to the General Common Elements, whether located inside or outside the Units, and to Limited Common Elements to the extent set forth in the Master Deed, shall be made by the Association and be charged to all the Co-Owners as a common expense unless necessitated by the negligence, misuse or neglect of a Co-Owner, in which case such expense shall be charged to such Co-Owner. The Association or its agent shall have access to each Unit from time to time during reasonable working hours, upon notice to the occupant thereof, for the purpose of maintenance, repair or replacement of any of the Common Elements located therein or accessible therefrom. The Association or its agent shall also have access to each Unit at all times without notice for making

emergency repairs necessary to prevent damage to other Units, the Common Elements, or both.

It shall be the responsibility of each Co-Owner to provide the Association means of access to his Unit and any Limited Common Elements appurtenant thereto during all periods of absence, and in the event of the failure of such Co-Owner to provide means of access, the Association may gain access in such manner as may be reasonable under the circumstances and shall not be liable to such Co-Owner for any necessary damage to his Unit and any Limited Common Elements appurtenant thereto caused thereby or for repair or replacement of any doors or windows damaged in gaining such access, all of which shall be the responsibility of such Co-Owner. Except as otherwise provided herein, however, any damage caused to a Unit or its contents by the maintenance or repair activities of the Association or by the Common Elements shall be repaired at the expense of the Association.

All other maintenance and repair obligations shall, as provided in the Master Deed, rest on the individual Co-Owner. Each Co-Owner shall maintain his Unit and any Limited Common Elements appurtenant thereto for which he has maintenance responsibility in a safe, clean and sanitary condition. Each Co-Owner shall also use due care to avoid damaging any of the Common Elements including, but not limited to, the telephone, water, gas, plumbing, electrical or other utility conduits and systems and other elements in any Unit which are appurtenant to or which may affect any other Unit. Each Co-Owner shall be responsible for damages or costs to the Association resulting from negligent damage to or misuse of any of the Common Elements by him, or his family, guests, agents or invites, unless such damages or costs are actually reimbursed from insurance carried by the Association in which case there shall be no such responsibility (if reimbursement to the Association is excluded by virtue of a deductible provision, the responsible Co-Owner shall bear the expense to the extent of the deductible amount, anything else in these Bylaws to the contrary notwithstanding). Any costs or damages to the Association that are herein or elsewhere in the Condominium Documents assigned to the individual Co-Owner may be assessed to and collected from the responsible Co-Owner in the manner provided for regular assessments in Article V, Section 6, hereof.

The provisions of this Section 8 shall be subject to those of Article VI, Sections 1-3, in the event of repair or replacement on account of a casualty loss.

Section 9.

Taxes. Subsequent to the year in which construction of the building containing a Unit is completed, all special assessments and property taxes shall be assessed against the individual Units and not against the total property of the Development or any part thereof, except for the year in which the Development, or any phase thereof, was established subsequent to the tax day. Taxes and special assessments which become a lien against the property in any such year shall be expenses of administration and shall be assessed against the Units in proportion to percentage of value appertaining to each Unit. Special assessments and property taxes in any year in which the property existed as an established Development on the tax day shall be assessed against the individual Units notwithstanding any subsequent vacation of the Development.

Assessments for subsequent real property improvements to a specific Unit shall be assessed to that Unit description only, and each Unit shall be treated as a separate, single Unit of real property for purposes of property tax and special assessment, and shall not be combined with any other Unit or Units, and no assessment of any fraction of any Unit or combination of any Unit with other Units or fractions thereof shall be made, nor shall any division or split of the assessment or taxes of a single Unit be made notwithstanding separate or common ownership thereof.

Section 10.

Documents to be Kept. The Association shall keep current copies of the approved Master Deed, and all amendments thereto, and other Condominium Documents available at reasonable hours to Co-Owners, prospective purchasers, and prospective mortgagees of Units in the Condominium.

Section 11.

Reserve for Major Repairs and Replacement. The Association shall maintain a reserve fund for major repairs and replacement of Common Elements in an amount equal to at least ten percent (10%) of the

Association's current annual budget on a noncumulative basis. Monies in the reserve fund shall be used only for major repairs and replacement of Common Elements. The minimum standards required by this section may prove inadequate for a 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.

Section 12.

Statement of Unpaid Assessments. Pursuant to provisions of the Act, the purchaser of any Unit may request a statement from the Association as to the outstanding amount of any unpaid assessments thereon, whether regular or special. Upon written request to the Association accompanied by a copy of the executed purchase agreement pursuant to which the purchaser holds a right to acquire a Unit, the Association shall provide a written statement of such unpaid assessments as may exist or a statement that none exist, which statement shall be binding upon the Association for the period stated therein. Upon the payment of that sum within the period stated, the Association's lien for assessments as to such Unit shall be deemed satisfied, provided, however, that the failure of a purchaser to request such statement at least five (5) days prior to the closing of the purchase of such Unit shall render any unpaid assessments and the lien securing same, fully enforceable against such purchaser and the Unit itself.

ARTICLE VI INSURANCE, REPAIR OR REPLACEMENT; CONDEMNATION; MECHANICS' LIENS

Section 1.

Insurance. The Association shall carry fire and extended coverage, vandalism, malicious mischief and liability insurance, workers' compensation insurance, if applicable, and such other insurance coverage as the Board may determine appropriate with respect to the ownership, use and maintenance of the Common Elements, both General and Limited, of the Condominium and the administration of the affairs of the Condominium. Such insurance shall be carried and administered in accordance with the following provisions:

(a) All such insurance shall be purchased by the Association for the benefit of the Association, and the Co-Owners and their mortgagees, as their interests may appear, and provision shall be made for the issuance of certificates of mortgagee endorsements to the mortgagee of Co-Owners. It shall be each of the Co-Owner's responsibility to obtain insurance coverage for his personal property located within his Unit or elsewhere on the Condominium and for his personal liability for occurrences within his Unit or upon Limited Common Elements appurtenant to his Unit, and also for alternative living expense, and the Association shall have absolutely no responsibility for obtaining such coverage. 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, and, subject to the provisions of Article V, Section 8 hereof, the Association and each Co-Owner hereby waive, each as to the other, any right of recovery for losses covered by insurance. The liability of carriers issuing insurance obtained by the Association shall not, unless otherwise required by law, be affected or diminished on account of any additional insurance carried by any Co-Owner, and vice versa.

(b) All Common Elements of the condominium shall be insured against fire and other perils covered by a standard extended coverage endorsement in an amount equal to the maximum insurable replacement value, excluding foundation and excavation costs, as determined annually by the Board of Directors of the Association. Such coverage shall also include interior walls within any Unit and the pipes, wires, conduits and ducts contained therein and shall further include all fixtures, equipment and trim within an apartment which were furnished with the Unit as standard items according to the plans and specifications thereof as are on file with the Association (or such replacements thereof as do not exceed the cost of such standard items). Any improvements made by a Co-Owner within his Unit shall be covered by insurance obtained by and at the expense of said Co-Owner; provided that, if the Association elects to include such improvements under its insurance coverage, any additional premium cost to the Association attributable thereto shall be assessed to and borne solely by said Co-Owner and collected as a part of the assessment levied against said Co-Owner under Article V, Section 4 hereof.

(c) Public liability insurance shall be carried in such limits as the Board may from time to time determine appropriate, and shall cover the Association, each member, director and officer thereof, and any managing agent.

(d) All premiums upon insurance purchased by the Association pursuant to these Bylaws shall be expenses of administration, except as otherwise provided in subsection (b) above.

(e) Proceeds of all insurance policies owned by the Association shall be received by the Association, held in a separate account and distributed to the Association, and the Co-Owners and their mortgagees as their interests may appear; provided, however, whenever repair or reconstruction of the Condominium shall be required as provided in Section 3 of this Article, the proceeds of any insurance received by the Association as a result of any loss requiring repair or reconstruction shall be applied for such repair or reconstruction and in no event shall hazard insurance proceeds be used for any purpose other than for repair, replacement or reconstruction of the project unless all of the holders of first mortgages on Units, and all Co-Owners, in the Condominium have given their prior written approval.

(f) All insurance carried by the Association shall, to the extent possible, provide for cross-coverage of claims by one insured against another.

Section 2.

Appointment of Association. Each Co-Owner, by ownership of a Unit in the Condominium, shall be deemed to appoint the Association as his true and lawful attorney-in-fact to act in connection with all matters concerning insurance pertinent to the Condominium, his Unit and the Common Elements appurtenant thereto. Without limitation on the generality of the foregoing, the Association as said attorney shall have full power and authority to purchase and maintain such insurance, to collect and remit premiums therefor, to collect proceeds and to distribute the same to the Association, the Co-Owners and respective mortgagees, as their interests may appear (subject always to the Condominium Documents), to execute releases of liability and to execute all documents and to do all things on behalf of such Co-Owner and the Condominium as shall be necessary or convenient to the accomplishment of the foregoing.

Section 3.

Reconstruction or Repair. If any part of the Condominium shall be damaged, the determination of whether or not, and how, it shall be reconstructed or repaired shall be made in the following manner:

(a) If the damaged property is a common element or a Unit, the property shall be rebuilt or repaired if any Unit in the Condominium is tenantable, unless it is determined by a two-thirds (2/3) vote of all of the Co-Owners in the Condominium that the Condominium shall be terminated and each holder of a first mortgage lien on any Unit in the Condominium has given its prior written approval of such termination.

(b) If the Condominium is so damaged that no Unit is tenantable, and if each holder of a first mortgage lien on any Unit in the Condominium has given its prior written approval to the termination of the Condominium, the damaged property shall not be rebuilt and the Condominium shall be terminated, unless two-thirds (2/3) of the Co-Owners in value and in number agree to reconstruction by vote or in writing within ninety (90) days after the destruction.

(c) Any reconstruction or repair shall be performed substantially in accordance with the Master Deed and the plans and specifications for the Condominium to a condition as comparable as possible to the condition existing prior to damage unless two-thirds (2/3) of the Co-Owners and each holder of a first mortgage lien on any Unit in the Condominium shall unanimously decide otherwise.

(d) If the damage is only to a part of a Unit which is the responsibility of a Co-Owner to maintain and repair, it shall be the responsibility of the Co-Owner to repair such damage in accordance with subsection (e) hereof. In all other cases, the responsibility for reconstruction and repair shall be that of the Association. In the event of substantial damage to or destruction of any Unit or any part of the Common Elements, the Association promptly shall so notify each holder of a first mortgage lien on any of the Units in the Condominium.

(e) Each Co-Owner shall be responsible for the reconstruction and repair of the interior of his Unit, including, but not limited to, floor coverings, wall coverings, window shades, draperies, interior walls (but not any Common Elements therein), interior trim, furniture, light fixtures and all appliances, whether free-standing or built-in, and items deemed to be the responsibility of the individual Co-Owner items in the Master Deed. If damage to interior walls within a Unit or to pipes, wires, conduits, ducts, or other Common Elements therein, is covered by insurance held by the Association, then the reconstruction or repair shall be the responsibility of the Association in accordance with subsection (f). If any other interior portion of a Unit, or item therein, is covered by insurance held by the Association for the benefit of the Co-Owner, the Co-Owner shall be entitled to receive the proceeds of insurance relative thereto, and if there is a mortgagee endorsement, the proceeds shall be payable to the Co-Owner and the mortgagee jointly, without any change to the obligations set forth in this subsection (e).

(f) The Association shall be responsible for the reconstruction and repair of the Common Elements and for any incidental damage to a Unit, and the contents thereof, caused by such Common Elements or the reconstruction or repair thereof. Immediately after a casualty occurs 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 return the damaged property to a condition as good as that existing before the damage.

(g) Any insurance proceeds received, whether by the Association or a Co-Owner, shall be for the reconstruction or repair when reconstruction or repair is required by these Bylaws. If the proceeds of insurance are not sufficient to pay the estimated costs of reconstruction or repair required to be performed by the Association, or if at any time during such reconstruction or repair, or upon completion of such reconstruction or repair, the funds for the payment of the costs thereof are insufficient, assessments shall be made against all Co-Owners for the cost of reconstruction or repair of the damaged property in sufficient amounts to provide funds to pay the estimated or actual cost of repair. Such assessments shall be levied in the same manner as the regular quarterly assessments, as set forth in Article V, Section 4, hereof.

Section 4.

Eminent Domain. The following provisions shall control upon any taking by eminent domain:

(a) The Association, acting through its Board of Directors, may negotiate on behalf of all Co-Owners for any taking of Common Elements. Any negotiated settlement shall be subject to the approval of two-thirds (2/3) of the Co-Owners in number and in value and shall thereupon be binding on all Co-Owners.

(b) If an entire Unit is taken by eminent domain, the award for such taking shall be paid to the Association for the benefit of the owner of such Unit 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. The undivided interest in the Common Elements belonging to the Co-Owner whose Unit has been taken shall thereafter appertain to the remaining Units, including those restored or reconstructed under the provisions of this Section.

(c) If any condemnation award shall become payable to any Co-Owner whose Unit is not wholly taken by eminent domain, then such award shall be paid by the condemning authority to the Association on behalf of such Co-Owner and the Association shall, if practical, rebuild, using the award, the same to the extent necessary to make it habitable and remit the balance of the condemnation proceeds pertinent to such Unit to the owner and mortgagees thereof, as their interests may appear.

(d) If there is any taking of any portion of the Condominium other than any Unit, the condemnation proceeds relative to such taking shall be paid to the Association and the affirmative vote of two-thirds (2/3) of the Co-Owners in number and in value at a meeting duly called shall determine whether to rebuild, repair or replace the portion so taken or to take such other action as they deem appropriate. If no such affirmative vote is obtained, such condemnation proceeds shall be remitted to the Co-Owners and their respective mortgagees, as their interests may appear, in accordance with their respective percentages of value set forth in the Master Deed.

(e) If the Condominium project continues after taking by eminent domain, then the remaining portion of the Condominium project shall be resurveyed and the Master Deed amended accordingly, and, if any Unit shall have been taken, then the Master Deed shall also be amended to reflect such taking and to proportionately readjust the percentages of value of the remaining Co-Owners based upon a continuing value for the Condominium of one hundred percent (100%). Such amendment may be effected by an officer of the Association duly authorized by the Board of Directors without the necessity of execution or specific approval thereof by any Co-Owners, but only with the prior written approval of all holders of first mortgage liens on individual Units in the project.

(f) If any Unit in the Condominium, or any portion thereof, or the Common Elements or any portion thereof, 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 promptly shall so notify each holder of a first mortgage lien on any of the Units in the Condominium.

(g) If the taking of a portion of a Condominium Unit makes it impractical to rebuild the partially taken Unit to make it habitable, then the entire undivided interest in the Common Elements appertaining to that Condominium Unit shall thenceforth appertain to the remaining Condominium Units, being allocated to them in proportion to their respective undivided interest in the Common Elements. The remaining portion of that Condominium Unit shall thenceforth be a Common Element.

(h) Votes in the Association of Co-Owners and liability for future expenses of administration appertaining to a Condominium Unit taken or partially taken (as provided in subsection (g) hereof) by eminent domain shall thenceforth appertain to the remaining Condominium Units, being allocated to them in proportion to their relative voting strength in the Association.

Section 5.

Mechanics' Liens. The following provisions shall control the circumstances under which mechanics' liens may be applied against the Condominium or any Unit thereof:

(a) Except as provided below, a mechanics' lien for work performed on a Condominium Unit or upon a Limited Common Element may attach only to the Unit upon or for the benefit of which the work was performed.

(b) A mechanics' lien for work authorized by the Developer or principal contractor and performed upon the Common Elements may attach only to Units owned by the Developer at the time of recording of the statement of account and lien.

(c) A mechanics' lien for work authorized by the Association of Co-Owners may attach to each Unit only to the proportionate extent that the Co-Owner of the Unit is required to contribute to the expenses of administration as provided by the Condominium Documents.

(d) A Mechanics' lien may not arise or attach to a Unit for work performed on the Common Elements not contracted by the Developer or the Association of Co-Owners.

If a Co-Owner is advised or otherwise learns of a purported mechanics' lien contrary to the foregoing, he shall immediately notify the Board of Directors. Upon learning of the purported mechanics' lien, the Board shall take appropriate measures to remove any cloud on the title of Units improperly affected thereby.

ARTICLE VII USE AND OCCUPANCY RESTRICTIONS

Section 1.

Residential Use. Condominium Units shall be used exclusively for residential occupancy, and no Unit or any Common Element appurtenant thereto shall be used for any purpose other than that of a single family residence or other purposes customarily incidental thereto, except that professional and quasi-professional Co-Owners

may use their residence as an ancillary facility to an office established elsewhere, so long as such does not generate unreasonable traffic by members of the general public. The foregoing restrictions as to use shall not, however, be construed in such manner as to prohibit a Co-Owner from: (a) maintaining his personal professional library; (b) keeping his personal business or professional records or accounts; or (c) handling his personal business or professional telephone calls or correspondence. Such uses are expressly declared customarily incidental to principal residential use and not in violation of said restrictions.

Section 2.

Common Areas. The Common Elements shall be used only by the Co-Owners of Units in the condominium and by their agents, tenants, family members, invites and licensees for access, ingress to and egress from the respective Units and for other purposes incidental to use of the Units; provided, however, that any storage areas or other common areas designed for a specific use shall be used only for the purposes approved by the Board. The use, maintenance and operation of the Common Elements shall not be obstructed, damaged or unreasonably interfered with by any Co-Owner, and shall be subject to any lease, concession or easements, presently in existence or entered into by the Board at some future time, affecting any part or all of said Common Elements.

Section 3.

Specific Prohibitions. Without limiting the generality of the foregoing provisions, use of the Development and all Common Elements by any Co-Owner shall be subject to the following restrictions:

(a) No portion of a Unit may be rented and no transient tenants may be accommodated therein; provided, that nothing herein shall prevent the rental or sublease of an entire Unit for residential purposes or of a Limited Common Element appurtenant to such Unit in the manner set forth in Article IX hereof.

(b) No Co-Owner shall make any alterations, additions or improvements to any common element, nor make changes to the exterior appearance or structural members of his Unit without the prior written approval of the Association. The Association shall not approve any alterations or structural modifications which would jeopardize or impair the soundness, safety or appearance of the Condominium Premises. An Owner may make alterations, additions or improvements within his Unit without the prior written approval of the Board, but such Owner shall be responsible for any damage to other Units, the Common Elements, the property, or any part thereof, resulting from such alterations, additions or improvements.

(c) No nuisances shall be permitted on the Condominium property nor shall any use or practice be permitted which is a source of annoyance to its residents, or which interferes with the peaceful possession or proper use of the Condominium Premises by its residents.

(d) No immoral, improper, offensive or unlawful use shall be made of the Condominium property or any part thereof, and nothing shall be done or kept in any Unit or on the Common Elements which will increase the rate of insurance for the Development without the prior written consent of the Board. No Co-Owner shall permit anything to be done

or kept in his Unit or on the Common Elements which will result in the cancellation of insurance or any Unit, or any part of the Common Elements, or which would be in violation of any law.

(e) No signs or other advertising devices shall be displayed which are visible from the exterior of any Unit or upon the Common Elements, including "For Sale" or "For Rent" signs, without written permission from the Association or Managing Agent.

(f) No Co-Owner shall display, hang or store any clothing, sheets, blankets, laundry or other articles outside his Unit, or which may be visible from the outside of his Unit (other than draperies, curtains, blinds and/or shades of a customary nature and appearance), or paint or decorate or adorn the outside of his Unit, or install outside his Unit any CB, short wave or other radio or television antenna, window air-conditioning Unit, awning or other equipment, fixtures or items of any kind, without the prior written permission of the Board or the written permission of the Managing Agent. The foregoing restrictions as to use and occupancy shall not be construed to prohibit a Co-Owner from placing and maintaining outdoor furniture and decorative foliage of

a customary nature and appearance on a patio or deck which is a Limited Common Element appurtenant to his Unit.

(g) Pets must at all times be kept under such care and restraint as not to be obnoxious on account of noise, odor or unsanitary conditions. No animal shall be permitted to run loose upon the Common Elements, Limited or General, and any person who causes or permits any animal to be brought or kept on the Condominium property shall indemnify and hold harmless the Association for any loss, damage or liability which the Association may sustain as a result of the presence of such animal on the Condominium property.

(h) No structure of a temporary character, mobile home, van, trailer, tent, shack, garage, accessory building or outbuilding shall be occupied or used at any time as a residence, either temporary or permanent. No recreational vehicles, boats or trailers shall be parked or stored in any garage if such storage would prevent full closure of the door thereto or elsewhere on the Condominium property for more than 48 hours without the written approval of the Association, and no more than three (3) automobiles or other vehicles customarily used for transportation purposes shall be kept on the Condominium property by those persons residing in any Unit; provided, that no automobiles or similar vehicles which are not in operating condition shall be permitted at any time. No commercial vehicles or trucks shall be parked in or about the Condominium except for the making of deliveries or pick-ups in the normal course of business.

(i) The Common Elements shall not be used for the storage of supplies or personal property (except in Limited Common Element garages or other areas specifically designated for such purpose), and trash or refuse shall be placed only in approved trash receptacles. In general, no activity shall be carried on nor condition maintained by any Co-Owner either in his Unit or upon the Common Elements which despoil the appearance of the Condominium.

Section 4.

Rules of Conduct. Reasonable rules and regulations concerning the use of Condominium Units and Common Elements, Limited and General, may be promulgated and amended by the Board. Copies of such rules and regulations shall be furnished by the Board to each Co-Owner at least 10 days prior to their effective date, and may be revoked any time by the affirmative vote of more than 66% of all Co-Owners in number and in value.

Section 5.

Enforcement. Failure to comply with any of the terms of the Act, the Master Deed, these Condominium Bylaws, the Articles of Incorporation, Bylaws or Rules and Regulations of the Association, shall be grounds for relief, which may include, without limitation, an action to recover sums due for such damages, injunctive relief, and any other remedy that may be appropriate to the nature of the breach. The failure of the Association to enforce any right, provision, covenant or condition which may be granted by the Act, the Master Deed, these Condominium Bylaws, the Articles of Incorporation, Bylaws or Rules and Regulations of the Association shall not constitute a waiver of the right of the Association to enforce such right, provision, covenant or condition in the future. An aggrieved Co-Owner shall also be entitled to compel enforcement of the Condominium Documents by action for injunctive relief and/or damages against the Association, its officers or another Co-Owner in the Development.

See Article XI, below, for the remedies available upon default.

Section 6.

Use by Developer. During the period of sale by the Developer of any Units, the Developer and its agents, employees, contractors and subcontractors, and their respective agents and employees, shall be entitled to access, ingress to and egress from any part of the Development as may be reasonably required for the purpose of said sale of Units. Until all Units in the entire Condominium Premises have been sold by the Developer, and until each Unit sold by it is occupied by the purchasers thereof, the Developer shall have the right to maintain a sales office and/or model dwellings, a business office, a construction office and/or trucks and other construction equipment, storage areas and customary signs in connection therewith as may be reasonable to enable development and sale of the entire Development. The Developer shall restore any areas so utilized to habitable status upon termination of use.

ARTICLE VIII
LEASES**Section 1.**

Notice of Lease. A Co-Owner, including the Developer, desiring to rent or lease a Condominium Unit for a period of more than thirty (30) consecutive days, shall disclose that fact in writing to the Association at least ten (10) days before presenting a lease form to a prospective tenant and, at the same time, shall supply the Association with a copy of the exact lease form for its review for compliance with the Condominium Documents. No Unit shall be rented or leased for a period of less than ninety (90) days without the prior written consent of the Association. A Developer proposing to rent condominium Units before the Transitional Control Date, shall notify either the advisory committee or each Co-Owner in writing.

Section 2.

Terms of Lease. Tenants or non Co-Owner occupants shall comply with all the conditions of the Condominium Documents of the Development, and all lease and rental agreements shall so state.

Section 3.

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

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

Section 4.

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

ARTICLE IX
MORTGAGES**Section 1.**

Mortgage of Condominium Units. Any Co-Owner who mortgages a Condominium Unit shall notify the Association of the name and address of the mortgagee, and the Association shall maintain such information in a book entitled "Mortgagees of Units". At the written request of a mortgagee of any such Unit, the mortgagee shall be entitled to: (a) inspect the books and records relating to the Development during normal business hours, upon reasonable notice; (b) receive a copy of the annual financial statements of the Association which is prepared for the Association and distributed to the Owners; and (c) receive written notice of all meetings of the Association and be permitted to designate a representative to attend all such meetings. Failure, however, of the Association to provide any of the foregoing to a mortgagee who has so requested the same shall not affect the validity of any action or decision which is related thereto.

Section 2.

Notice of Insurance. The Association shall notify each mortgagee appearing in said book of the name and 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.

Rights of Mortgagee. Notwithstanding any other provision of the Condominium Documents, except as otherwise required by mandatory law or regulation, with respect to any first mortgage of record of a Condominium Unit:

- (a) The holder of the mortgage is entitled, upon written request, to notification from the Association of any default by the mortgagor of such Condominium Unit in the performance of such mortgagor's obligations under the Condominium Documents which is not cured within thirty (30) days.
- (b) The holder of any first mortgage which comes into possession of a Condominium Unit pursuant to the remedies provided in the mortgage or deed (or assignment) in lieu of foreclosure, shall be exempt from any option, "right of first refusal" or other restriction on the sale or rental of the mortgaged Unit, including but not limited to, restrictions on the posting of signs pertaining to the sale or rental of the Unit.
- (c) The holder of any first mortgage which comes into possession of a Condominium Unit pursuant to the remedies provided in the mortgage, or by deed (or assignment) in lieu of foreclosure, shall take the property free of any claims for unpaid assessments or charges against the mortgaged Unit which accrue prior to the time such holder comes into possession thereof (except for claims for a pro rata share of such assessments or charges resulting from a pro rata reallocation of such assessments charged to all Units including the mortgaged Unit).

Section 4.

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

ARTICLE X AMENDMENTS

Section 1.

Proposal. Amendments to these Bylaws may be proposed by the Board of Directors of the Association acting upon the vote of a majority of the Directors or by 1/3 or more in number of the Members by an instrument in writing signed by them.

Section 2.

Meeting to Be Held. If such an amendment is proposed, a meeting for consideration of the same shall be duly called in accordance with the provisions of the Condominium Documents.

Section 3.

Vote Required. These Condominium Bylaws may be amended by an affirmative vote of 2/3rds of all Members in number and in value and 2/3rds of all mortgagees at any regular meeting, or at a special meeting called for such purpose. Each mortgagee shall have one vote for each mortgage held.

Section 4.

Amendments Not Materially Changing Members Rights. The Board of Directors may enact amendments to these Condominium Bylaws without the approval of any Member or mortgagee, provided that such amendments shall not materially alter or change the rights of a Member or mortgagee.

Section 5.

Amendments Concerning Leases. Provisions in these Bylaws relating to the ability or terms under which a Member may rent his or her Unit may not be modified and amended without providing notice to each affected Member and mortgagee and the opportunity to vote on the amendment.

Effective Date. Any amendment to these Bylaws (but not the Association Bylaws) shall become effective upon the recording of such amendment in the Office of the Register of Deeds in the county where the Condominium is located.

Section 7.

Costs of Amendment. Any person causing or requesting an amendment to these Condominium Bylaws shall be responsible for the costs and expenses of considering, adopting, preparing and recording such amendment; provided, however, that such costs and expenses relating to amendments adopted pursuant to Article X(3), or pursuant to a decision of the Advisory Committee shall be expenses of administration.

Section 8.

Notice; Copies of Amendment. Members and mortgagees of record of Units shall be notified of proposed amendments not less than 10 days before the amendment is recorded. A copy of each amendment to these Condominium Bylaws shall be furnished to every Member after recording; provided, however, that any amendment to these Bylaws that is adopted in accordance with this Article or the Act shall be binding upon all persons who have an interest in the project irrespective of whether such persons actually receive a copy of the amendment.

ARTICLE XI REMEDIES FOR DEFAULT

Section 1.

Relief Available. Any default by a Member shall entitle the Association or another Member or Members to the following relief:

(a) Failure to comply with any restriction on use and occupancy contained herein or of any term or condition of the Condominium Documents shall be grounds for relief, which may include, without limitation, an action to recover sums due for damages, for injunctive relief, for foreclosure of lien (if in default in payment of an assessment — see Article V.6 above), the discontinuance of services upon 7 days notice, the levying of fines against Co-Owners after notice and hearing thereon and the imposition of late charges for non-payment of assessments, or any combination thereof. All such remedies shall be deemed to be cumulative and shall not be considered as an election of remedies. Such relief may be sought by the Association, or, if appropriate, by an aggrieved Member or Members.

(b) In any proceeding arising because of an alleged default by any Member, the Association, if successful, shall be entitled to recover the costs of the proceeding and such reasonable attorney's fees (not limited to statutory fees) as may be determined by the Court or arbiter, but in no event shall any Member be entitled to recover attorney's fees.

(c) Such other reasonable remedies as provided in the rules and regulations promulgated by the Board of Directors, including, without limitation, the levying of fines against Member and the imposition of late charges for nonpayment of assessments.

(d) The violation of any of the provisions of the Condominium Documents shall also give the Association or its duly authorized agents the rights set forth above, to enter, where reasonably necessary, upon the limited or general common elements, or into any Unit, and summarily remove and abate, at the expense of the violating Member, any structure, thing or condition existing or maintained contrary to the provisions of the Condominium Documents.

Section 2.

Failure to Enforce. The failure of the Association or of any Member to enforce any right, provision, covenant or condition which may be granted by the Condominium Documents shall not constitute a waiver of the right of the Association or of any such Member to enforce such right, provision, covenant or condition in the future.

Section 3.

Rights Cumulative. All rights, remedies and privileges granted to the Association or any Member or Members pursuant to any terms, provisions, covenants or conditions of the Condominium Documents shall be deemed

to be cumulative, and the exercise of any one or more shall be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such other and additional rights, remedies or privileges as may be available to such party at law or in equity.

Section 4.

Hearing. Prior to the imposition of any fine or other penalty hereunder, the offending Member shall be given a reasonable opportunity to appear before the Board and be heard. Following any such hearing the Board shall prepare a written decision and place it in the permanent records of the Association.

ARTICLE XII ARBITRATION

Section 1.

Submission to Arbitration. Any dispute, claim or grievance arising out of or relating to the interpretation or application of the Master Deed, By-Laws or other Condominium Documents, or to any disputes, claims or grievances arising among or between the Co-Owners or between such owners and the Association may, upon the election and written consent of the parties to any such dispute, claim or grievance, and written notice to the Association, be submitted to arbitration by the Arbitration Association and the parties thereto shall accept the Arbitrator's award as final and binding. All arbitration hereunder shall proceed in accordance with Sections 5001-5065 of Act 236 of the Public Acts of 1961, as amended which may be supplemented by reasonable rules of the Arbitration Association.

Section 2.

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

(a) At the exclusive option of a Purchaser, Co-Owner or person occupying a restricted Unit in the Development, a contract to settle by arbitration shall be executed by the Developer with respect to any claim that might be the subject of a civil action against the Developer, which claim involves an amount less than \$2,500.00 and arises out of or relates to a purchase agreement, Condominium Unit or the Development.

(b) At the exclusive option of the Association of Co-Owners, a contract to settle by arbitration shall be executed by the Developer with respect to any claim that might be the subject of a civil action against the Developer, which claim arises out of or relates to the Common Elements of the Development, if the amount of the claim is \$10,000.00 or less.

Section 3.

Preservation of Rights. Election by any Co-Owner or by the Association to submit any such dispute, claim or grievance to arbitration shall preclude such party from litigating such dispute, claim or grievance in the courts. Provided, however, that except as otherwise set forth in this Article, no interested party shall be precluded from petitioning the Courts to resolve any dispute, claim or grievance in the absence of an election to arbitrate.

ARTICLE XIII MISCELLANEOUS PROVISIONS

Section 1.

Severability. In the event that any of the terms, provisions, or covenants of these By-Laws or any Condominium Documents are held to be partially or wholly invalid or unenforceable for any reason whatsoever, such holding shall not affect, alter, modify or impair in any manner whatsoever any of the other terms, provisions or covenants of such documents or the remaining portions of any terms, provisions or covenants held to be partially invalid or unenforceable, and in such event the document shall be construed in all respects as if such invalid or unenforceable provisions were omitted.

Section 2.

Notices. Notices provided for in the Act, Master Deed or By-Laws shall be in writing and shall be addressed to the Association at 1290 Wood St., Muskegon, MI 49442 or to any Co-Owner at the address set forth in the

deed of conveyance, or at such other address as may hereinafter be provided.

The Association may designate a different address for notices to it by giving written notice of such change of address to all Co-Owners. Any Co-Owner may designate a different address for notices to him by giving written notice to the Association. Notices addressed as above shall be deemed delivered when mailed by United States mail with postage prepaid, or when delivered in person.

Section 3.

Amendment. These By-Laws may be amended, altered, changed, added to or repealed only in the manner set forth in Article X of the Master Deed of Brookfield Park Condominiums.

Section 4.

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

- (1) the Master Deed, including the Condominium Subdivision Plan;
- (2) these Condominium Bylaws;
- (3) the Articles of Incorporation of the Association;
- (4) the Bylaws of the Association; and
- (5) the Rules and Regulations of the Association.

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