

EAST SHORE HARBOR CLUB CONDOMINIUM

PURCHASER INFORMATION BOOKLET

TABLE OF CONTENTS

- A. Explanation Form Pursuant to Section 84a of the Michigan Condominium Act, as Amended
- B. Disclosure Statement
- C. Recorded Master Deed
- D. Condominium Bylaws
- E. Condominium Subdivision Plan
- F. First, Second, and Third Amendments to Recorded Master Deed
- G. Articles of Incorporation of East Shore Harbor Club Condominium Association
- H. Bylaws of East Shore Harbor Club Condominium Association
- L Escrow Agreement

J. Form of Purchase Agreement

EAST SHORE HARBOR CLUB CONDOMINIUM

Explanation Form Pursuant to Section 84a of the Michigan Condominium Act, As Amended

Section 84a of the Michigan Condominium Act (the "Act") requires a developer to provide copies of the following documents to a prospective purchaser of a condominium unit, other than a business condominium unit:

(a) The recorded Master Deed;

(b) A copy of a Purchase Agreement that conforms with Section 84a of the Act, as amended, and that is in a form in which the purchaser may sign the agreement;

(c) The Condominium Buyers Handbook; and

(d) A Disclosure Statement relating to the project containing the information required by Section 84a of the Act.

These requirements are designed to enable the purchaser to review the important provisions of the condominium documents.

The Successor Developer has put together a package of documents for East Shore Harbor Club Condominium containing the documents required by Section 84a of the Michigan Condominium Act, as amended, and, in addition, other documents which may be of interest to prospective purchasers.

Purchaser hereby acknowledges receipt from Successor Developer of a Condominium Buyers Handbook and of copies of the following documents for East Shore Harbor Club Condominium.

(1) This Explanation Form;

- (2) The Disclosure Statement;
- (3) The recorded Master Deed;
- (4) The Condominium Bylaws;
- (5) The Condominium Subdivision Plan;
- (6) The First, Second, and Third Amendments to Master Deed;

; (7) The Articles of Incorporation of the East Shore Harbor Club Condominium Association;

(8) The Bylaws of East Shore Harbor Club Condominium Association;

DISCLOSURE STATEMENT

FOR

EAST SHORE HARBOR CLUB CONDOMINIUM

SAUGATUCK, MICHIGAN

Developer:

Aren, Ltd. a Michigan corporation

Successor Developer:

Bank One, Milwaukee, N.A. a national banking association 111 East Wisconsin Ave. Milwaukee, Wisconsin 53201

East Shore Harbor Club Condominium is a residential and marina condominium project located in the City of Saugatuck, Allegan County, Michigan. The First Phase of the Condominium, consists of 30 residential units and 8 marina units. The Second Phase of the Condominium consists of 16 residential units.

The effective date of this disclosure statement is October 1, 1991.

THIS DISCLOSURE STATEMENT IS NOT A SUBSTITUTE FOR THE MASTER DEED OR OTHER LEGAL DOCUMENTS, AND ALL BUYERS SHOULD READ ALL DOCUMENTS TO FULLY ACQUAINT THEMSELVES WITH THE PROJECT AND THEIR RIGHTS AND RESPONSIBILITIES RELATED THERETO.

WE RECOMMEND THAT YOU CONSULT WITH AN ATTORNEY OR OTHER ADVISER PRIOR TO PURCHASING A CONDOMINIUM UNIT.

THIS DISCLOSURE STATEMENT HAS BEEN PREPARED AND DIS-TRIBUTED PURSUANT TO THE REQUIREMENTS OF THE MICHIGAN CONDOMINIUM ACT.

I.

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INTRODUCTION

Condominium development in Michigan is governed largely by a statute called the Michigan Condominium Act (the "Act"). This Disclosure Statement, together with copies of

- (9) The Escrow Agreement; and
- (10) Form of Purchase Agreement.

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Any Purchase Agreement which has been or may in the future be executed between Purchaser and Successor Developer will become binding on the last to occur of (i) the expiration of nine (9) business days from the date set forth below; or (ii) the execution of a Purchase Agreement. The calculation of such nine (9) day business period shall not include the date set forth below unless it is a business day. The term "business day" as used in this Acknowledgment means a day other than a Saturday, Sunday, or legal holiday.

A copy of any Purchase Agreement executed between a purchaser and Bank One - Milwaukee, N.A., will be given to the purchaser at the time of execution.

The signature of a purchaser upon this Acknowledgment is prima facie evidence that the documents described above were received and understood by Purchaser. This Acknowledgment has been executed by Purchaser on _____, 19

Receipt of a copy of this Acknowledgment is hereby also acknowledged.

the legal documents related to the creation and operation of East Shore Harbor Club Condominium (which are referred to as the "condominium documents") are furnished to each purchaser pursuant to the requirements of Michigan law that the Developer or the Successor Developer of a condominium project disclose to prospective purchasers the characteristics of the condominium units which are offered for sale.

"Condominium" is a form of real property ownership. Under Michigan law, a condominium unit (that part of the condominium individually owned and occupied) has the same legal attributes as any other form of real property and may be sold, mortgaged or leased, subject only to such restrictions as are contained in the condominium documents. East Shore Harbor Club includes residential units and marina units. Each unit has been designed and intended for separate ownership and use, and each unit has individual access to a common element of the condominium project.

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Each co-owner receives a deed to his individual condominium unit. Each coowner owns, in addition to his unit, an undivided interest in the common facilities (called "common elements") which service the project. Title to the common elements is included as part of, and is inseparable from, title to the individual condominium units. Each co-owner's proportionate share of the common elements is determined by the percentage of value assigned to his unit in the Master Deed.

All portions of the project not included within the units constitute the common elements. Limited common elements are those common elements which are reserved in the Master Deed for use by less than all co-owners. General common elements are all common elements other than limited common elements.

Real property taxes and assessments are levied individually against each unit at East Shore Harbor Club Condominium. These individual taxes and assessments cover the unit and its proportionate share of the common elements. No taxes or assessments are levied independently against the common elements.

Of course, no summary such as the one contained in this Disclosure Statement can fully state all of the details of a condominium development. Each purchaser is therefore urged to carefully review all of the condominium documents for East Shore Harbor Club Condominium. Any purchaser having questions pertaining to the legal aspects of the project is advised to consult his own lawyer or other professional adviser.

II.

LEGAL DOCUMENTATION

A. <u>General</u>. East Shore Harbor Club Condominium was established as a condominium project pursuant to a Master Deed and three Amendments to that Master Deed, all recorded in the office of the Allegan County Register of Deeds. Copies of the Master

Deed and the Amendments have been provided to you with this Disclosure Statement. The Master Deed includes the Condominium Bylaws as Exhibit A, and the Condominium Subdivision Plan as Exhibit B. All of these condominium documents should be reviewed carefully by prospective purchasers.

The condominium documents were prepared and recorded by the Aren, Ltd., the original Developer of East Shore Harbor Club Condominium and its counsel. The condominium documents may contain ambiguities or inconsistencies. As Successor Developer, Bank One is not responsible for the contents of the condominium documents.

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B. <u>Master Deed</u>. The Master Deed contains definitions of terms used in the condominium documents, the percentage of value assigned to each unit in the Condominium Project, a general description of the units and general and limited common elements included in the project and a statement regarding the relative responsibilities for maintaining the common elements. Article VII of the Master Deed covers easements. Article VIII contains a statement of when and how the Master Deed may be amended.

C. <u>Condominium Bylaws</u>. The Condominium Bylaws contain provisions relating to the operation, management and fiscal affairs of the condominium and, in particular, govern the assessment of the Condominium Project's operating costs among the unit owners. Article VI contains certain restrictions upon the ownership, occupancy and use of the Condominium Project. Article VI also contains provisions permitting the adoption of rules and regulations governing the common elements. A copy of the rules and regulations adopted by the East Shore Harbor Club Condominium Association are attached to the Condominium Bylaws. Article VI, Sections 13 and 14 contain a statement of the limited restrictions upon the leasing of units at East Shore Harbor Club Condominium. The restriction meets the requirements of the Act.

D. <u>Condominium Subdivision Plan</u>. The Condominium Subdivision Plan is a twodimensional survey depicting the physical location and boundaries of each of the units and all of the common elements in the project.

E. <u>Amendments</u> To date, the Master Deed, Condominium Bylaws, and Condominium Subdivision Plan have been amended as follows:

1. <u>First Amendment</u>. The First Amendment corrected an error in the subdivision plan originally recorded with the Master Deed.

2. <u>Second Amendment</u>. The Second Amendment amended Article VI, Section 2 of the Bylaws to permit a marina unit to be leased for periods of less than one year.

3. <u>Third Amendment</u>. The Third Amendment amended the Master Deed and the Condominium Subdivision Plan to expand East Shore Harbor Club

Condominium so that it included Phase II. The Third Amendment also deleted Article VI, Article VII(B) and (D), and Exhibit C of the original Master Deed.

III.

SUMMARY OF PROJECT

East Shore Harbor Club Condominium is located adjacent to Kalamazoo Lake in the City of Saugatuck, Allegan County, Michigan, on approximately 4.4 acres of land. East Shore Harbor Club Condominium is a residential and marina condominium built in two phases, including 46 residential units (some of which include the exclusive use of a marina slip) and 8 marina units. A private driveway provides access to Lake Drive, a public road.

IV.

DEVELOPER AND SUCCESSOR DEVELOPER

Aren, Ltd., a Michigan corporation, was the Developer of the Project. Its officers were Norman E. Archer, President, and James M. Engel, Secretary and Treasurer. Norman Archer and James Engel were also the principal shareholders of Aren, Ltd.

Bank One, Milwaukee, N.A., a national banking association, became the Successor Developer of East Shore Harbor Club Condominium as of June 19, 1991. Bank One financed the construction of the Condominium, and became Successor Developer after Aren, Ltd., defaulted under the terms of a loan agreement. The Successor Developer received title to the 14 remaining unsold units in the Condominium by a deed in lieu of foreclosure pursuant to the terms of a Settlement Agreement between the Developer and the Successor Developer. A copy of this Settlement Agreement is available for your review upon request.

VI.

REAL ESTATE BROKER

The real estate broker for East Shore Harbor Club Condominium is Woodland Realty, Inc. The address and principal place of business of Woodland Realty, Inc. is 466 East 16th Street, Holland, Michigan 49423. The principal broker who will be responsible for the sale of units at East Shore Harbor Club Condominium is Jeff Wilcox.

-4-

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VIII.

ESCROW OF FUNDS

In accordance with Michigan law, all funds received from prospective purchasers of units at East Shore Harbor Club Condominium will be deposited in an escrow account with an escrow agent. The escrow agent for East Shore Harbor Club Condominium is The Title Office, Inc. The address and principal place of business of The Title Office, Inc. is 213 Hubbard Street, Allegan, Michigan 49810.

Funds held in the escrow account will be returned to the prospective purchaser within three (3) business days upon such purchaser's withdrawal from a Purchase Agreement within the specified period. After the expiration of the nine (9) business-day withdrawal period described in the Purchase Agreement, all funds received from the purchaser will be retained in escrow to assure completion of only those uncompleted structures and improvements labeled under the terms of the condominium documents "Must Be Built." Pursuant to Michigan law, if the Successor Developer does not furnish the escrow agent with evidence of adequate security (such as an irrevocable letter of credit, lending commitment, indemnification agreement, or other security, which the escrow agent determines to be adequate), funds received from the purchaser will be released to the Successor Developer only if all of the following occur:

(a) (i) Issuance of a certificate of occupancy for the unit, if required by local ordinance, and conveyance of legal or equitable title to the unit to the purchaser, or

(ii) a default by purchaser in his obligations under the Purchase Agreement.

(b) Receipt by the escrow agent of a certificate signed by a licensed professional engineer or architect, either confirming that those portions of the phase of East Shore Harbor Club Condominium in which the unit is located and which on the condominium subdivision plan are labeled "Must Be Built" are substantially complete, or determining the amount necessary for substantial completion thereof.

(c) Receipt by the escrow agent of a certificate signed by a licensed professional engineer or architect either confirming that the common area facilities which on the Condominium Subdivision plan are labeled "Must Be Built" are substantially complete, or determining the amount necessary for substantial completion thereof.

A structure, element, facility or other improvement shall be deemed to be substantially complete when it can be reasonably employed for its intended use, and shall not be required to be constructed, installed or furnished precisely in accordance with the specifications

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for the project. A certificate of substantial completion shall not be deemed to be a certificate as to the quality of the items to which it relates.

Upon receipt of a certificate signed by a licensed professional engineer or architect determining the amount necessary for substantial completion, the escrow agent may release to the Successor Developer all funds in escrow in excess of the amounts determined by the issuer of such certificate to be necessary for substantial completion. In addition, upon receipt of a certificate signed by a licensed professional engineer or architect confirming substantial completion in accordance with the pertinent plans of an item for which funds have been deposited in escrow, the escrow agent shall release to the Successor Developer the amount of such funds specified by the issuer of the certificate as being attributable to such substantially completed item. However, if the amounts remaining in escrow after such partial release would be insufficient in the opinion of the issuer of such certificate for substantial completion of any remaining items for which funds have been deposited in escrow, only the amount in escrow in excess of such estimated cost to substantially complete shall be released by the escrow agent to the Successor Developer.

The escrow agent in the performance of its duties shall be deemed an independent party not acting as the agent of the Successor Developer, any purchaser, co-owner or other interested party. So long as the escrow agent relies upon any certificate, cost estimate or determination made by a licensed professional engineer or architect, the escrow agent shall have no liability whatever to the Successor Developer or to any purchaser, co-owner or other interested party for any error in such certificate, cost estimate or determination, or for any act or omission by the escrow agent in reliance thereon. The escrow agent shall be relieved of all liability upon release of all amounts deposited in accordance with the Michigan Condominium Act.

A licensed professional architect or engineer undertaking to make a certification to the escrow agent shall be held to the normal standards of care required of a member of that profession in determining substantial completion and the estimated cost of substantial completion, but such architect or engineer shall not be required to have designed the improvement or item or to have inspected or to have otherwise exercised supervisory control thereof during the course of construction or installation of the improvement or item with respect to which the certificate is delivered.

Also pursuant to Michigan law, if the Successor Developer has not substantially completed the improvements for which escrowed funds have been retained or security has been provided, the escrow agent, upon the request of East Shore Harbor Club Condominium Association or any interested owner of a unit at East Shore Harbor Club Condominium, shall notify the Successor Developer of the amount of funds or security that remain in the escrow account, and of the date upon which those funds can be released. If three (3) months pass after the escrow agent has notified the Successor Developer and the Successor Developer has not completed the specified improvements, or otherwise acted to gain release of the escrowed funds, the escrow agent may release the funds for the purpose of completing the incomplete improvements for which the funds were originally retained, or for a purpose specified in a

-6-

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written agreement between the East Shore Harbor Club Condominium Association and the Successor Developer.

As all of the structures and improvements labelled "Must Be Built" in the condominium documents for East Shore Harbor Club have been completed, it is likely that an architect's or engineer's certificate will be immediately available on the date of purchase. Thus, the escrow agent will need only a certificate of occupancy and evidence that title to the unit has been transferred to the Purchaser before it releases the Purchaser's funds to the Successor Developer.

Any interest earned on funds held in the escrow account will be released to the party who is entitled to receive the funds upon which the interest has accrued, except that interest on funds released from the escrow account due to a prospective purchaser's withdrawal from a Purchase Agreement shall be paid to the Successor Developer.

Additional details of the escrow arrangements made in connection with East Shore Harbor Club Condominium are contained in the Escrow Agreement which is attached to your Purchase Agreement.

IX.

COMPLETION OF BUILDINGS

The completed buildings in East Shore Harbor Club Condominium contained certain defects which the Condominium Association and Successor Developer have acted to remedy. These defects included lack of ventilation to crawl spaces, lack of draft stops in the attics, and lack of access to unit water heaters. The parking areas required additional storm water drainage. The marina docks and seawalls required reinforcement. Engineer's reports concerning the condition of the condominium prior to the corrective action taken are available for your review upon request.

The Successor Developer and the Condominium Association entered into a Settlement Agreement dated July 31, 1991, under which many of the defects described in the Engineer's reports were remedied, including repairs to the unit crawl spaces, the parking areas, and the marina areas. Work on the completed buildings has been financed by the Successor Developer and the Condominium Association. The Condominium Association contracted for the needed work for \$507,000. The first \$100,000 of financing was provided by the Condominium Association through special assessments on the units sold by the original Developer prior to June 19, 1991. The Successor Developer provided the next \$200,000 of financing. The Successor Developer loaned the Condominium Association the remaining \$207,000 balance, which will be repaid by the Condominium Association over a three-year period at a 10% annual rate of interest. The Condominium Association will repay the loan through assessments levied against all of the units in the Condominium. A copy of the Settlement Agreement is available for your review upon request.

RECREATIONAL FACILITIES

East Shore Harbor Club Condominium contains a community building and a swimming pool, both of which are common elements and open to the use of residential or marina unit owners. Some of the residential units have exclusive use of slips in Kalamazoo Lake, which are limited common elements.

XI.

ORGANIZATION AND CONTROL OF THE CONDOMINIUM

A. <u>The Condominium Buyer's Handbook</u>. General information about the government and organization of condominiums in Michigan may be found in the Condominium Buyer's Handbook, published by the Michigan Department of Commerce, and provided to you previously by the Successor Developer through the real estate broker, its agent.

B. <u>East Shore Harbor Club Condominium Association</u>. The East Shore Harbor Club Condominium Association has been incorporated under the laws of the State of Michigan as a not-for-profit corporation. It is responsible for the management, maintenance and administration of the Condominium. A person will automatically become a member of East Shore Harbor Club Condominium Association upon closing on the purchase of a unit.

The Articles of Incorporation and Bylaws of the Association which have been provided to you with this Disclosure Statement govern the procedural operations of the Association. The Association is governed by a five-person Board of Directors, all of whom must be unit owners, and at least one of whom must be a marina unit owner. Article III of the Association Bylaws sets forth the complete requirements for election of directors.

C. <u>Annual Meetings</u>. Annual meetings of the members of East Shore Harbor Club Condominium Association are held each year in accordance with the Condominium Bylaws for the purpose of conducting the business of the Association and electing directors for the succeeding year. Prior to each annual meeting, co-owners will receive notice stating the time and location of the meeting and the matters to be considered at the meeting as prescribed by the Condominium Bylaws.

At annual Association meetings, the Association members elect Directors, and the Directors in turn elect officers for the Association. Cumulative voting by members is permitted. The Successor Developer is entitled to cast votes at any meeting with respect to all units then owned by the Successor Developer titled in its name.

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E. <u>Percentages of Value</u>. Each of the 46 residential units and 8 marina units at the Condominium has been assigned an equal percentage of the total value of the project based

-8--

upon its size and anticipated allocable expenses of maintenance. The total value of the project is 100%. The percentage of value assigned to each unit is determinative of the value of such unit's vote at meetings of the Association of Co-Owners and of the unit's undivided interest in the common elements.

Article II, Section 4 of the Condominium Bylaws provides that the percentage of value shall also determine the amount of any assessment against the units. As further discussed in Section XIV below, the East Shore Harbor Club Condominium Association has adopted an alternative formula for determining the amount of assessments against the units.

F. <u>Management</u>. The Condominium Bylaws empower the Association, through its directors to employ a manager. At present, the Condominium has employed a manager, Property Management Systems, Inc., of Holland, Michigan. The Association has not signed a written management contract. Any inquiries regarding the management relationship should be directed toward Marilyn Schra at Property Management Systems, Inc., 456 East 16th Street, Holland, Michigan.

XIII.

NO WARRANTIES GIVEN BY SUCCESSOR DEVELOPER

CAUTION: THERE ARE NO WARRANTIES OF ANY KIND ON THIS CONDOMINIUM PROJECT. YOU, INDIVIDUALLY OR AS A MEMBER OF THE ASSOCIATION, MAY BE REQUIRED TO PAY SUBSTANTIAL SUMS FOR THE REPLACEMENT OR REPAIR OF ANY DEFECTS IN THIS CONDOMINIUM PROJECT THAT ARE NOT COVERED BY WARRANTY, IF ANY SUCH DEFECTS EXIST.

XIV.

BUDGET AND ASSESSMENTS

Each co-owner will pay a monthly assessment as his share of the common expenses of the Condominium. In addition, each co-owner will pay special monthly assessments to the Condominium Association to finance special work on the Condominium as discussed in Section IX. The special monthly assessments may continue to be collected by the Condominium Association until June 1, 1994. The monthly amounts collected from co-owners are used to operate and maintain the Condominium and to pay the East Shore Harbor Club's obligations.

Because East Shore Harbor Club Condominium Association depends upon the availability of funds for its day-to-day operations, it is important that each co-owner pay all of his regular and special monthly assessments in a timely manner. All monthly assessments at

-9-

East Shore Harbor Club Condominium are due by the first day of each month. In the event a co-owner fails to pay this amount in a timely manner, the Condominium Bylaws provide that East Shore Harbor Club Condominium Association may impose a lien upon a delinquent co-owner's unit, collect interest at the maximum legal rate on delinquent assessments, and impose other penalties. Article II of the Condominium Bylaws should be consulted for further details.

The amount of the regular monthly assessment will be determined by the amount of the common expenses. Under the budget of the East Shore Harbor Club Condominium Association for fiscal year 1991 (the fiscal year of the Association is a calendar year), the regular monthly assessments are as follows:

Residential Units	١
	\$123.00
Type A Unit (except units in Building C)	120.00
Type B Unit	120.00
Type C Unit	116.00
Type D Unit	123.00
Type E Unit	120.00
Type F Unit	
	127.00
Building C Unit	180.00
Unit 39	157.00
Units 40 and 41	165.00
Unit 42	
	52.00
Marina Units	

The East Shore Harbor Club Condominium Association estimates that it will collect \$73,158 in regular monthly assessments during 1991. In addition the Association will collect special assessments of \$135 a month from residential units and \$50 a month from marina units for seven months of 1991. The special assessments for 1991 shall amount to \$46,270.

For fiscal year 1991, the estimated revenues and expenditures of the Condominium are as follows:

REVENUES:

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	\$ 73,158.00
Monthly Assessments	\$ 46,270.00
Special Assessments	

\$ 119,428.00

TOTAL REVENUE

EXPENSES:			
Maintenance			\$12,000.00
Maintenance Supplies			\$ 3,600.00
Construction/Repair			\$ 6,000.00
Insurance Property/Liability Deductibles		\$10,600.00 <u>\$ 2,000.00</u>	\$12,600.00
Utilities Consumers Power Michigan Gas KLWSA Waste Management	.	\$ 6,000.00 \$ 1,000.00 \$ 1,200.00 <u>\$ 2,400.00</u>	
			\$10,600.00
Professional Services Legal Expense Property Management		\$ 6,000.00 \$ 7,710.00	
Other	. •	<u>\$ 2,000.00</u>	
			\$15,710.00
Debt Service Citizens Bank Bank One		\$ 4,000.00 <u>\$40,200.00</u>	
			\$44,200.00
Miscellaneous		\$ 1,000.00	
Reserve		\$13,718.00	
TOTAL EXPENSES			\$ 119,428.00

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Each co-owner must also pay other charges in connection with his ownership of a unit at East Shore Harbor Club Condominium. For example, each co-owner will be

-11-

responsible for paying real estate taxes levied on his unit and his undivided interest in the common elements. The amount of such taxes will be determined by the assessor of the City of Saugatuck. East Shore Harbor Club Condominium Association will pay no real estate taxes.

Like other unit owners, the Successor Developer is required to pay its assessments when they are due. The original Developer failed to pay certain monthly assessments on the unsold units in the Condominium. The Successor Developer will pay some of these past due assessments to the Condominium Association under the terms of the Settlement Agreement between the East Shore Harbor Condominium Association and the Successor Developer dated July 31, 1991. The Settlement Agreement is available for your review upon request. From July 31, 1991 onward, the Successor Developer shall pay all assessments levied on units owned by the Successor Developer when such assessments are due from the owners of other units in the Condominium in accordance with the Condominium documents.

Each co-owner could be required to pay special assessments additional to that noted above if such special assessments are levied by the Board of Directors of East Shore Harbor Club Condominium Association. Special assessments may be levied by the Board of Directors in the event that, among other things, the regular assessment should prove inadequate, common elements need to be replaced or expanded, or an emergency occurs. Article II of the Bylaws of East Shore Harbor Club Condominium attached to the Master Deed should be examined for further details about special assessments.

Like most expenses today, the expenses in the budget may change as a result of changing costs in the economy. This budget represents the Association's best estimate of those expenses at this time. However, these costs may increase from year to year on account of such factors as cost increases, the need for repair or replacement of common elements, and property improvements. Such cost increases will result in increased monthly assessments.

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RESTRICTIONS ON USE

In order to provide a pleasant environment at East Shore Harbor Club Condominium, the Condominium Bylaws limit activities of co-owners which might infringe upon the right to quiet enjoyment of all co-owners. Some of these restrictions are set forth herein. You should read Article VI of the Condominium Bylaws for a complete list of the restrictions.

The residential units in East Shore Harbor Club Condominium may be used only for the purpose of single-family dwellings. Unit owners are not permitted to modify the exterior of the Condominium units or the grounds at East Shore Harbor Club Condominium without the express written consent of the Board of Directors of the Condominium Association. Any structural modification of the interior of a Condominium unit at East Shore Harbor Club Condominium requires prior approval from the Association. Each unit owner may keep a maximum of two dogs, or two cats, or a cat and a dog at the Condominium. No other animals may be maintained at East Shore Harbor Club Condominium without the written consent of the Association. No landscaping or gardening is permitted at East Shore Harbor Club Condominium without the prior written approval of the Association.

The marina units at East Shore Harbor Club may be used only for recreational boating purposes, commercial fishing, public or private freight carrying, and commercial passenger operations are prohibited.

The use restrictions at East Shore Harbor Club Condominium are enforceable by the East Shore Harbor Club Condominium Association, which may take appropriate action to enforce the restrictions, such as legal actions for injunctive relief and damages. The remedies available in the event of default are contained in Article XI of the Condominium Bylaws.

XVI.

INSURANCE

East Shore Harbor Club Condominium Association is responsible for securing fire and extended coverage, vandalism and malicious mischief and liability insurance, and, when necessary, worker's compensation insurance pertinent to the ownership, use, and maintenance of the common elements of the Condominium. The Association also has a flood insurance policy on the project buildings through State Farm Insurance. Such insurance policies contain deductible clauses which, in the event of a loss, could result in the Association's being responsible for a certain portion of the loss.

Unit owners, as members of the Association, would bear any such loss in proportion to their percentage ownership of the common elements. East Shore Harbor Club Condominium Association has taken out an all-risk policy of insurance on the common elements. A copy of the all-risk policy is available from the Successor Developer's real estate broker for inspection by prospective purchasers. Worker's compensation insurance has not been secured by the Association because East Shore Harbor Club Condominium Association has no employees. Co-owners should regularly review the insurance coverage of the Condominium to insure it is adequate.

The insurance coverage provided by the Association will not cover the interior of individual units, any articles contained therein or any personal property of a co-owner on the grounds of the Condominium other than items provided by the Successor Developer in the initial sale of a unit. Each unit owner must therefore secure Condominium unit owner's insurance to insure against loss to the interior of his unit (the area from the paint on the wall in, including those items not furnished by Successor Developer at the time of the initial sale, or replacements thereof) and his personal property. A unit owner should consult with his insurance adviser to determine the amount of coverage required for his particular needs. In the

-13-

event a unit owner fails to procure his own insurance, he will be uninsured for any loss that might occur to his unit, to himself or his property.

If the Condominium is destroyed, in whole or in part, Article V of the Condominium Bylaws attached to the Master Deed provides a plan for reconstruction or repair.

Extended coverage insurance for the Condominium is provided by Prudential Insurance Company of America, Inc.

XVII.

PRIVATE ROADS AND EASEMENTS

There is a private driveway and parking area that is a common element of the Condominium. This driveway and parking area is for use by the co-owners and their guests and must be maintained by the East Shore Harbor Club Condominium Association, and have an estimated useful life of five years from the date of construction. The driveway and parking area will not be patrolled by public police forces. The Successor Developer has not sought the dedication of the driveway to the City of Saugatuck or the Allegan County Road Commission.

Designated car ports are available for most of the units. The remaining units have the use of attached garages. Parking space is also available adjacent to the driveway and in front of some of the buildings.

Bank One, as Successor Developer, and its agents or employees, are permitted to enter the Condominium for the purpose of sale and preparation for sale of units. The Successor Developer's designated sales agent is also permitted to enter East Shore Harbor Club Condominium and to maintain an office and model units at the Condominium. The usual public utility easements, such as telephone, electricity, water and sewer, are enjoyed by those companies and municipalities responsible for the furnishing of public utilities to the Condominium. As set forth more fully in Article VII of the Master Deed, the Successor Developer has also reserved the right to tie into utilities serving the Condominium.

Representatives of the East Shore Harbor Club Condominium Association are entitled to enter a unit in the case of an emergency or to make necessary repairs to a common element. While such an entry may cause inconvenience, it is necessary to the well-being of all the co-owners.

CO-OWNER LIABILITY

If title to a unit at East Shore Harbor Club Condominium passes by virtue of a first mortgage foreclosure, the ne title holder is not liable for the assessments of the East Shore Harbor Club Condominium Association which came due prior to the acquisition of the title to the unit by that person. Any unpaid assessments are deemed to be common expenses collectible from all of the Condominium unit owners, including that person. This provision is contained in the Condominium Bylaws, as required by the laws of the State of Michigan.

XIX.

ARBITRATION

The Purchase Agreement contains a provision permitting the purchaser to elect to arbitrate a dispute with the Successor Developer if the amount claimed by the purchaser in such dispute is less than \$2,500. For more information, see the Purchase Agreement.

The Michigan Condominium Act, as amended, also provides that the Condominium Association may elect to arbitrate any dispute with the Successor Developer concerning the common elements of the Condominium in which dispute the Association claims \$10,000 or less.

XX.

UNUSUAL CIRCUMSTANCES

Except as otherwise described above, to the Successor Developer's knowledge, there are no unusual circumstances associated with East Shore Harbor Club Condominium Association.

XXI.

LEGAL MATTERS

Warner, Norcross and Judd, One Vandenberg Center, Grand Rapids, Michigan, served as legal counsel in connection with the preparation of this Disclosure Statement. Legal counsel has not passed upon the accuracy of the factual matters herein contained. The Condominium documents for East Shore Harbor Club Condominium were prepared by Kreis, Enderle, Callandar & Hudgins, P.C., 800 Comerica Building, Kalamazoo, Michigan.

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CONCLUSION

Since no summary such as the one contained in this Disclosure Statement can fully state all of the details of a condominium development or of this Project, each purchaser is urged to carefully review all of the condominium documents for East Shore Harbor Club Condominium. Any purchaser having questions pertaining to the legal aspects of the Project is advised to consult his or her own lawyer or other professional adviser.

-16-

LIBER LUIS RURZES

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MASTER DEED EAST SHORE HARBOR CLUB (Act 538, Public Acts of 1982)

This Master Deed is made and executed on this $12^{4/7}$ day of <u>MARCH</u>, 1985, by Aren, Ltd, A Michigan Corporation, hereinafter referred to as "Developer," whose office is situated at 338 Park Street, Saugatuck, Michigan 49453, in pursuance of the provisions of the Michigan Condominium Act (being Act 538 of the Public Acts of 1982), as amended, hereinafter referred to as the "Act."

WITNESSETH:

WHEREAS the Developer desires by recording this Master Deed, together with the Condominium Bylaws attached hereto as Exhibit "A" and together with the Condominium Subdivision Plan attached hereto as Exhibit "B" (both of which are hereby incorporated 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, and the appurtenances thereto, as a residential condominium project under the provisions of the Act.

NOW, THEREFORE, the Developer does, upon the recording hereof, establish East Shore Harbor Club, A Condominium, as a condominium project under the Act and does declare that East Shore Harbor Club, A 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 said real property, their grantees, successors, heirs, executors, administrators and assigns. In furtherance of the establishment of said Condominium Project, it is provided as follows:

ARTICLE I TITLE AND NATURE

The Condominium Project shall be known as East Shore Harbor Club, A Condominium, Allegan County Condominium Subdivision Plan No. ______. The architectural plans for the Project were approved by the City of Saugatuck. The Condominium Project is established in accordance with the Act. The building and units contained in the condominium, including the number, boundaries, dimensions and area of each unit therein are set forth completely

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Tex contification #_____

was obtained from the state of

in the Condominium Subdivision Plan attached as Exhibit "B" hereto. Each marina unit is a boat slip for boat dockage. Each residential unit is capable of individual utilization on account of having its own entrance from and exit to a common element, all units are intended for separate ownership and use. Each co-owner in the condominium Project shall have an exclusive right to his unit and shall have undivided and inseparable rights to share with other co-owners the use and enjoyment of the common elements of the Condominium Project as are designated by the Master Deed.

ARTICLE II LEGAL DESCRIPTION

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

A. Phase One - Residential and Pier Area

Part of the Northeast $\frac{1}{2}$ of Section 16, Town 3 North, Range 16 $\frac{1}{2}$ West, City of Saugatuck, Allegan County, Michigan described GW as beginning at a point which is distant South 88 degrees 41 minutes 56 seconds West 816.69 feet along the North line of Section 16; thence South 02 degrees 27 minutes 29 seconds East 78.77 feet along the Centerline of Lake Street; thence South 48 degrees 26 minutes 01 second West 100.94 feet along the Centerline of Former U.S. 31 from the Northeast corner of Section 16 and proceeding thence North 48 degrees 26 minutes 01 second East 4.29 feet; thence South 02 degrees 27 minutes 29 seconds East 211.32 feet along the Westerly right-of-way line of Lake Street (150.00 feet wide); thence South 58 degrees 00 minutes 16 seconds West 628.30 feet along the Northerly line of Blue Star Highway (300.00 feet wide); thence North 31 degrees 59 minutes 44 seconds West 35.00 feet; thence South 58 degrees 00 minutes 16 seconds West 36.67 feet; thence North 31 degrees 59 minutes 44 seconds West 55.00 feet; thence North 43 degrees 18 minutes 20 seconds West 25.50 feet; thence North 31 degrees 59 minutes 44 seconds West 59.78 feet; thence North 53 degrees 57 minutes 27 seconds West 97.81 feet to reference point "C" and continuing North 53 degrees 57 minutes 27 seconds West 11+ Kalamazoo Lake; thence water's edge of feet the to the water's edge of Northeasterly and Northerly along Kalamazoo Lake to its intersection with a line which bears South 88 degrees 41 minutes 56 seconds West from the point of beginning; thence North 88 degrees 41 minutes 56 seconds East 34.00 feet, more or less, to reference point "B"; thence North 88 degrees 41 minutes 56 seconds East 60.00 feet to the point of beginning, containing 3.31 acres, more or less, and subject to easements of record.

-2-

Reference points "C" and "B" are connected by an intermediate traverse line which is described as recommencing at reference point "C" and proceeding thence North 50 degrees 18 minutes 31 seconds East 157.62 feet; thence South 36 degrees 52 minutes 12 seconds East 40.00 feet; thence North 86 degrees 00 minutes 00 seconds East 220.00 feet; thence North 51 degrees 37 minutes 01 second East 309.62 feet; thence North 37 degrees 00 minutes 00 seconds East 100.00 feet to reference point "B". Subject to all easements, restrictions, conditions and limitations of record.

B. Phase One - Pier Easement

All land lying between the water's edge of Kalamazoo Lake and 34 Southwesterly and Northwesterly of a line being part of the Northeast & of Section 16, Town 3 North, Range 16 West, City (4) of Saugatuck, Allegan County, Michigan described as beginning at a point which is distant South 88 degrees 41 minutes 56 seconds West 816.69 feet along the North line of Section 16; thence South 02 degrees 27 minutes 29 seconds East 78.77 feet along the Centerline of Lake Street; thence South 48 degrees 26 minutes 01 second West 96.65 feet along the Centerline of Former U.S. 31; thence South 02 degrees 27 minutes 29 seconds East 211.32 feet along the Westerly right-of-way line of Lake Street (150.00 feet wide); thence South 58 degrees 00 minutes 16 seconds. West 830.00 feet along the Northerly line of Blue Star Highway (300.00 feet wide) to reference point "A" from the Northeast corner of Section 16 and proceeding thence North 36 degrees 19 minutes 25 seconds West 247.00 feet; thence North 50 degrees 18 minutes 31 seconds East 143.38 feet to reference point "C" and the point of ending.

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 Corporate Bylaws and Rules and Regulations of East Shore Harbor Club Condominium Association, a Michigan non-profit corporation, and deeds, mortgages, liens, land contracts, easements and other instruments affecting the establishment of, or transfer of, interests in East Shore Harbor Club, A Condominium, as a condominium. Wherever used in such documents or any other instruments, the terms set forth below shall be defined as follows:

A. The "Act" means the Michigan Condominium Act, being Act 538 of the Public Acts of 1982 as amended.

B. "Association" shall mean the non-profit corporation organized under Michigan law of which all co-owners shall be

-3-

members which corporation shall administer, operate, manage and maintain the Condominium. Any action required of or permitted to be done by the Association shall be exercisable by its Board of Directors unless specifically reserved to its members by the Condominium Documents or the laws of the State of Michigan.

C. "Association Bylaws" means the Corporate Bylaws of East Shore Harbor Club Condominium Association, the Michigan nonprofit corporation organized to manage, maintain and administer the Condominium.

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

E. "Condominium Bylaws" means Exhibit "A" attached hereto, being the Bylaws setting forth the substantive rights and obligations of the co-owners as required by Section 3(8) of the Act to be recorded as part of the Master Deed.

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

G. "Condominium Premises" means and includes the land and condominium units, all improvements and structures thereon, and all easements, rights and appurtenances belonging to East Shore Harbor Club, A Condominium, as described above.

H. "Condominium Project," "Condominium" or "Project" means East Shore Harbor Club, A Condominium, as a Condominium Project established in conformity with the provisions of the Act.

I. "Condominium Subdivision Plan" means Exhibit "B" attached hereto.

J. "Consolidating Master Deed" means the final amended Master Deed which shall describe East Shore Harbor Club, A Condominium, as a completed Condominium Project and shall reflect the entire land area added to the Condominium from time to time under Article VI hereof, and all units and common elements therein, which shall express percentages of value pertinent to each unit as finally readjusted. Such Consolidating Master Deed, when recorded in the office of the Allegan County Register of Deeds, shall supersede the previously recorded Master Deed and all amendments thereto for East Shore Harbor Club, A Condominium.

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

-4-

L. "Developer" shall mean Aren, Ltd., a Michigan Corporation, which has made and executed this Master Deed, and its successors and assigns.

M. "Joint Driveway Agreement" means Exhibit C hereto.

N. "Unit" or "Condominium Unit" each means the enclosed space constituting a single complete residential unit and/or the space constituting a single complete marina unit in East Shore Harbor Club, A Condominium, as such space may be described on Exhibit "B" hereto, and shall have the same meaning as the term "unit" as defined in the Act.

O. Whenever any reference herein is made to one gender, the same shall include a reference to any and all genders where the same would be appropriate; similarly, whenever a reference is made herein to the singular, a reference shall also be included to the plural where the same would be appropriate.

ARTICLE IV COMMON ELEMENTS

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

A. The general common elements are:

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1. The land described in Article II hereof, including the fee areas and easement areas, also roads, driveways, sidewalks, stairways, entrydecks, and parking spaces not identified as limited common elements.

2. The electrical wiring network throughout the Project including that contained within unit walls and within the easements of the Project and up to the point of connection with electrical fixtures within any unit, but not including, the electric meter for each unit.

3. The telephone wiring network throughout the Project, including that contained within the easements of the Project.

4. The gas line network throughout the Project including that contained within unit walls and within the easements of the Project, up to the point of connection with gas fixtures within any unit but not including the gas meter for each unit.

5. The water distribution system throughout the Project, including that contained within unit walls, including

-5-

that contained within the easements of the Project, up to the point of connection with plumbing fixtures within any unit, but not including the water meter.

6. The water and waste disposal system throughout the Project, including that contained within the easements of the Project and including that contained within unit walls, up to the point of connection with plumbing fixtures within any unit.

7. The storm drainage system throughout the Project.

8. The cable television network throughout the Project, including that contained within the easements of the Project.

9. Foundations supporting columns, unit perimeter walls (including windows and doors therein) roofs, attic space, ceilings, floor construction between unit levels and between garages and chimneys.

10. Trash dumpsters.

11. The five-foot wide main docks, dock supports, bulkheads and foundations, seawalls and pilings which have not been designated as limited common elements.

12. The community building, swimming pool and tennis court.

13. Such other Elements of the Project not herein designated as general or limited common elements which are not enclosed within the boundaries of a unit, and which are intended for common use or necessary to the existence, upkeep and safety of the Project.

B. The limited common elements are:

1. Each individual balcony or deck in the Project is restricted to use by the Co-owner of the unit which opens into such balcony or deck, as shall be shown on Exhibit "B".

2. Each designated garage space, carport, parking space and designated docking space, which is not a marina condominium unit in the condominium project shall be a limited common element appurtenant to the unit with which it is conveyed by Developer.

3. The interior surfaces of unit perimeter walls, skylights, ceilings and floors contained within a unit or within a garage, or carport, windows and doors, shall be subject to the exclusive use and enjoyment of the Co-owner of such unit.

4. The heating and cooling system for each unit shall be a limited common element appurtenant to the unit it serves. 5. The fireplace combustion chamber for each unit shall be a limited common element appurtenant to the unit it serves.

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6. Mooring cleats, rub posts, and four-foot wide finger piers located within or adjacent to any unit or any docking space which is a limited common element.

7. All electrical wiring, cables, conduits, junction boxes, meters, outlets, plumbing, pipes and other facilities needed to supply telephone service, lighting, water and electricity to the unit or units and to the docking spaces which are designated as limited common elements, on, under, or within the finger piers.

C. The respective responsibilities for the maintenance, decoration, repair and replacement of the Common Elements are as follows:

1. The costs of maintenance, repair and replacement of each individual balcony or deck described in Article IV B-1 above and of each fireplace combustion chamber described in Article IV B-5 above shall be borne by the Co-owner of the unit to which such limited common element appertains.

2. The costs of maintenance, repair and replacement of each garage, carport, the parking area, docks, dock supports and foundations and the cost of dredging and maintaining the docking area shall be borne by the Association.

3. The costs of decoration and maintenance (but not repair or replacement except in cases of Co-owner fault) of all surfaces referred to in Article IV B-3 above shall be borne by the Co-owner of each unit to which such limited common elements are appurtenant.

4. The costs of maintenance, repair and replacement of the parking lot, entrydecks, roads, sidewalks and stairways described in Article IV A-1 shall be borne by the Association.

5. The costs of maintenance, repair and replacement of the heating and cooling system described in Article IV B-4 above shall be borne by the Co-owner of the unit to which such limited common element appertains.

6. The costs of maintenance, repair and replacement of all general and limited common elements other than as described above shall be borne by the Association.

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

-7-

ARTICLE V UNIT DESCRIPTION AND PERCENTAGE OF VALUE

Each unit in the Condominium Project is described in the Α. Condominium Subdivision Plan of East Shore Harbor Club, A Condominium, as prepared by Holland Engineering, Inc., and attached hereto as Exhibit "B." Each residential unit shall all that space contained within the interior finished include: unpainted walls and ceilings and from the finished subfloor all as shown on the floor plans and sections in Exhibit "B" hereto Each marina unit shall and delineated with heavy out-lines. include all that space contained within the horizontal dimension indicated in Exhibit B and delineated with heavy lines and all of the area above the horizontal dimension from lake surface upward. The dimensions shown on foundation plans in Exhibit "B" have been or will be physically measured by Holland Engineering, Inc. In the event that the dimensions on the measured foundation plan of any specific unit differ from the dimensions on the typical foundation plan for such unit shown in Exhibit "B," then the typical upperfloor plans for such unit shall be deemed to be automatically changed for such specific unit in the same manner and to the same extent as the measured foundation plan.

B. The percentage of values assigned to each unit is set forth in subparagraph C, below. The percentage of value assigned to each unit shall be determinative of the undivided interest of a co-owner in the common elements and of the proportionate share of each of the respective co-owners in the proceeds and expenses of the administration and the value of such co-owner's vote at meetings of the Association of co-owners. The total value of the project is 100. The percentage of value allocated to each unit may be changed only with the unanimous consent of each institutional holder of a first mortgage and all of the co-owners expressed in an amendment to this Master Deed, duly approved and recorded. The percentages of value were determined on a formula based on an allocation of expenses of maintenance which are equal.

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C. The percentage of value assigned to each unit shall be equal.

ARTICLE VI EXPANSION OF CONDOMINIUM

The Condominium Project established pursuant to the initial Master Deed of the East Shore Harbor Club consisting of 30 residential units and 8 marina units is intended to be the first stage of an expansion project to contain in its entirety a maximum of 46 residential units and 16 marina units. The additional units, if any, will be constructed upon all of the following described land:

Part of the Northeast ½ of Section 16, Town 3 North, Range 16 West, City of Saugatuck, Allegan County, Michigan described as beginning at a point which is distant South 88 degrees 41 minutes 56 seconds West 816.69 feet along the North line of Section 16; thence South 02 degrees 27 minutes 29 seconds East 78.77 feet along the Centerline of Lake Street; thence South 48 degrees 26 minutes 01 second West 96.65 feet along the Centerline of Former U.S. 31; thence South 02 degrees 27 minutes 29 seconds East 211.32 feet along the Westerly rightof-way line of Lake Street (150.00 feet wide); thence South 58 degrees 00 minutes 16 seconds West 628.30 feet along the Northerly line of Blue Star Highway (300.00 feet wide); from the Northeast corner of Section 16 and proceeding thence North 31 degrees 59 minutes 44 seconds West 35.00 feet; thence South 58 degrees 00 minutes 16 seconds West 36.67 feet; thence North 31 degrees 59 minutes 44 seconds West 55.00 feet; thence North 43 degrees 18 minutes 20 seconds West 25.50 feet; thence North 31 degrees 59 minutes 44 seconds West 59.78 feet; thence North 53 degrees 57 minutes 27 seconds West 97.81 feet to reference point "C" and continuing North 53 degrees 57 minutes 27 seconds West 11+ to the water's edge of Kalamazoo Lake; thence feet Southwesterly and Southerly along the water's edge of Kalamazoo Lake to its intersection with a line which bears South 58 degrees 00 minutes 16 seconds West from the point of beginning; thence North 58 degrees 00 minutes 16 seconds East 9.4+ feet to reference point "A"; thence North 58 degrees 00 minutes 16 seconds East 201.70 feet to the point of beginning, containing 1.09 acres, more or less.

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Reference points "A" and "C" are connected by an intermediate traverse line which is described as recommencing at reference poInt "A" and proceeding thence North 36 degrees 19 minutes 25 seconds West 247.00 feet; thence North 50 degrees 18 minutes 31 seconds East 143.38 feet to reference point "C".

(hereinafter referred to as "future development"). Therefore, any other provisions of this Master Deed notwithstanding, the number of units in the project may, at the option of the Developer or its successors or assigns, from time to time, within a period ending no later than February 1, 1990, be increased by the addition to this Condominium of any portion of the future development and the construction of residential and/or marina units thereon. The nature, appearance and location of all such additional units as may be constructed thereon shall be compatible with Phase I and shall be determined by the Developer it sole judgment and as may be approved by the City of in Such increase in size of this Condominium Project Saugatuck. shall be given effect by an appropriate amendment or amendments this Master Deed in the manner provided by law, which to shall be prepared by and at the amendment or amendments

-9-

discretion of the Developer or it successors and in which the percentages of value set forth in Article V hereof shall be proportionately readjusted in order to preserve a total value of 100 for the entire Project resulting from such amendment or amendments to this Master Deed. The precise determination of the readjustments in percentages of value shall be within the sole judgment of Developer: --- Such readjustments, however, shall reflect a continuing reasonable relationship among percentages of value based upon relative size and amenities of various units and on allocable expenses of maintenance; PROVIDED, HOWEVER, that in no such amendment or amendments shall the percentage of value assigned to each unit in Article V hereof be increased, nor shall the percentage of value assigned to each unit in Article V hereof diminished to less than .004 percent by such be further general or limited common definitions and redefinitions of elements as may be necessary to adequately describe and service the additional section or sections being added to the Project by such amendment. In connection with any such amendment(s), 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 and sidewalks in the Project to any roadways and sidewalks that may be located on, or planned for the future development, and to provide access to any unit that is located on, or planned for the future development, from the roadways and sidewalks located in the Project. All of the Co-owners and mortgagees of units and other persons interested or to become interested in the Project from time to time shall be deemed to have irrevocably and unanimously consented to such amendment or amendments of this Master Deed to effectuate the foregoing and, subject to the limitations set forth herein, to any proportionate reallocation of of percentages value of existing units which Developer or its successors may determine necessary in conjunction with such amendment or amendments. All such interested persons irrevocably appoint Developer its or successors as agent and attorney for the purpose of execution of such amendment or amendments to the Master Deed and all other documents necessary to effectuate the foregoing. Such amendments may be effected without the necessity of rerecording an entire Master Deed or the Exhibits thereto and may incorporate by reference all or any pertinent portions of this Master Deed and the Exhibits hereto; PROVIDED, HOWEVER, that a Consolidating Master Deed, when recorded, shall supersede the previously recorded Master Deed and all amendments thereto. Nothing herein contained, however, shall in any way obligate Developer to enlarge the Condominium Project beyond the section established by this Master Deed and Developer (or its successors and assigns) may, in its discretion, establish all or a portion of future development as a rental development, a separate condominium project (or projects) or any other form of development. There are no restrictions on the election of the Developer to expand

-10-

the Project other than as explicitly set forth herein. There is no obligation on the part of the Developer to add to the Condominium Project all or any portion of the area of future development described in this Article VI nor is there any obligation to add portions thereof in any particular order nor to construct particular improvements thereon in any specific locations.

If and when there is expansion of the Project, upon completion of such expansion the Condominium Project Fee Area will consist in its totality, if all of the expansion area is added, of the following described fee area:

Part of the Northeast 1/2 of Section 16, Town 3 North, Range 16 1/ West, City of Saugatuck, Allegan County, Michigan described as beginning at a point which is distant South 88 degrees $41_{\rm H}$ minutes 56 seconds West 816.69 feet along the North line of 0 Section 16; thence South 02 degrees 27 minutes 29 seconds East 78.77 feet along the Centerline of Lake Street; thence South 48 degrees 26 minutes 01 second West 100.94 feet along the Centerline of Former U.S. 31 from the Northeast corner of Section 16 and proceeding thence North 48 degrees 26 minutes 01 second East 4.29 feet; thence South 02 degrees 27 minutes 29 seconds East 211.32 feet along the Westerly right-of-way line of Lake Street (150.00 feet wide); thence South 58 degrees 00 minutes 16 seconds West 830.00 feet along the Northerly line of Blue Star Highway (300.00 feet wide) to reference point "A"; thence South 58 degrees 00 minutes 16 seconds West 9.4 feet, more or less, to the water's edge of Kalamazoo Lake; thence Northwesterly and Northerly along the water's edge of Kalamazoo Lake to its intersection with a line which bears South 88 degrees 41 minutes 56 seconds West from the point of beginning; thence North 88 degrees 41 56 seconds East 34.00 feet, more or less, to minutes reference point "B"; thence North 88 degrees 41 minutes 56 seconds East 60.00 feet to the point of beginning.

Reference points "A" and "B" are connected by an intermediate traverse line which is described as recommencing at reference point "A" and proceeding thence North 36 degrees 19 minutes 25 seconds West 247.00 feet; thence North 50 degrees 18 minutes 31 seconds East 301.00 feet; thence South 36 degrees 52 minutes 12 seconds East 40.00 feet; thence North 86 degrees 00 minutes 00 seconds East 220.00 feet; thence North 51 degrees 37 minutes 01 second East 309.62 feet; thence North 37 degrees 00 minutes 00 seconds East 100.00 feet to reference point "B", containing 4.4 acres, more or less. EASEMENTS

A. EASEMENT FOR MAINTENANCE OF ENCROACHMENTS

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

B. EASEMENT FOR INGRESS AND EGRESS

1. Developer hereby grants a 24 foot wide easement to the owners of the Phase II property for ingress and egress over and across a parcel of land, the centerline of which is described as being:

Part of the Northeast ½ of Section 16, Town 3 North, Range 16 + West, City of Saugatuck, Allegan County, Michigan described as beginning at a point which is distant South 88 degrees 41 minutes 56 seconds West 816.69 feet along the North line of Section 16; thence South-02 degrees 27 minutes: 29 seconds -East 78.77 feet along the Centerline of Lake Street; thence South 48 degrees 26 minutes 01 second West 96.65 feet along the Centerline of Former U.S. 31; thence South 02 degrees 27 minutes 29 seconds East 24.00 feet along the Westerly rightof-way line of Lake Street (150.00 feet wide) from the Northeast corner of Section 16 and proceeding thence South 87 degrees 30 minutes 00 seconds West 17.18 feet; thence along av curve to the left whose arc length is 141.76 feet with a radius of 95.00 feet, a central angle of 85 degrees 30 minutes 00 seconds and a chord bearing and distance of South 44 degrees 45 minutes 00 seconds West 128097 feet; thence: South 02 degrees 00 minutes 00 seconds West 62.18 feet; thence along a curve to the right whose arc length is 54.13 feet with a radius of 50.43 feet, a central angle of 61 degrees 30 minutes 00 seconds and a chord bearing and distance of South 32 degrees 45 minutes 00 seconds West 51.56 feet; thence South 63 degrees 30 minutes 00 seconds West 53.00 feet; thence along a curve to the left whose arc length is 95.91 feet with a radius of 137.37 feet, a central angle of 40 degrees 00 minutes 00 seconds and a chord bearing and distance of South 43 degrees 29 minutes 59 seconds West 93.97 feet; thence South 23 degrees 30 minutes 00 seconds West

33.58 feet; thence along a curve to the right whose arc length is 38.78 feet with a radius of 64.40 feet, a central angle of 34 degrees 30 minutes 16 seconds and a chord bearing and distance of South 40 degrees 45 minutes 08 seconds West 38.20 feet; thence South 58 degrees 00 minutes 16 seconds West 16.59 feet; thence along a curve to the right whose arc length is 41.78 feet with a radius of 59.85 feet, a central angle of 39 degrees 59 minutes 44 seconds and a chord bearing and distance of South 78 degrees 00 minutes 08 seconds West 40.93 feet to a point of reverse curve; thence along a curve to the left whose arc length is 41.78 feet with a radius of 59.85 feet, a central angle of 39 degrees 59 minutes 44 seconds and a chord bearing and distance of South 78 degrees 00 minutes 08 seconds West 40.93 feet; thence South 58 degrees 00 minutes 16 seconds West 234.02 feet to a point of ending on the Southerly line of Phase I of East Shore Harbor Club.

C. EASEMENTS RETAINED BY DEVELOPER

Roadway Easements. Developer reserves for the benefit 1. of itself, its successors and assigns, an easement for the unrestricted use of all roads and walkways in the condominium for the purpose of ingress and egress to and from all or any portion of the parcel described in Article VI. All expenses of maintenance, repair, replacement and resurfacing of any road referred to in this Article shall be shared by this condominium and any developed portions of the contiguous land described in Article VI whose closest means of access to a public road is over such road or roads. The Co-owners of this condominium shall be responsible from time to time for payment of a proportionate share of said expenses which share shall be determined by mutiplying such expense times a fraction, the numerator of which is the number of dwelling units in this condominium, and the denominator of which is comprised of the number of such units plus all other dwelling units in the adjoining land described in Article VI whose closest means of access to a public road is over such road.

2. Utility Easements. Developer also hereby reserves for the benefit of itself, its successors and assigns, and all present and future owners of the land described in Article VI or any portion or portions thereof perpetual easements to utilize, tap, tie into, extend and enlarge all utility mains located on the condominium premises, including, but not limited to, water, gas, electricity, storm and sanitary sewer mains. In the event Developer, its successors or assigns, utilizes, taps, 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, tying-in, extension or enlargement. Developer reserves the right to grant to third parties additional easements as may be required to supply additional services to the Condominium or any addition or expansion thereof.

D. NO OBLIGATION TO DEVELOP

Nothing-herein contained, however, shall in any way obligate Developer to develop the additional area described in Article VI and the Developer (or its successors and assigns), may in its discretion, establish all or a portion of said future development as a separate condominium project (or projects) or any other form of development.

ARTICLE VIII AMENDMENT

This Master Deed and the Condominium Subdivision Plan (Exhibit "B" to said Master Deed) may be amended with the consent of sixty-six and two thirds percent (66-2/3%) of the Co-owners and of the unit mortgages (allowing one vote for each mortgage held) except as hereinafter set forth:

A. No unit dimensions may be modified without the consent of the Co-owner of such unit nor may the nature or extent of limited common elements or the responsibility for maintenance, repair or replacement thereof be modified without the written consent of the Co-owner of any unit to which the same are appurtenant.

B. Prior to the date of the First Annual Meeting of the members of the Association, the Developer may, without the consent of any Co-owner or any other person, amend this Master Deed and the Plans attached as Exhibit "B" in order (1) to correct survey or other errors made in such documents; (2) 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-owner or mortgagee in the project, including, but not limited to, amendments for the purpose of facilitating conventional mortgage loan financing for existing or prospective co-owners and to enable the purchase of such mortgage loans by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Government National Mortgage Association and/or any other agency of the Federal Government or the State of Michigan.

C. The value of the vote of any Co-owner and the corresponding proportion of the common expenses assessed against such Co-owner shall not be modified without the written consent of such Co-owner and his mortgagee.

D. The Condominium Project may not be terminated, vacated, revoked or abandoned without the written consent of eighty-five

percent (85%) of all co-owners and all mortgagees (allocating one vote for each mortgage held).

	WITNESSES: AREN, LTD. A Michigan Corporation
[]	Cymphia P. Ortega, EV: BY:
о – П	Barbara S. Brewitz James M. Engel, Secretary Arreasurer
	STATE OF MICHIGAN)) ss. COUNTY OF KALAMAZOO)
	The foregoing instrument was acknowledged before me this $12^{\prime\prime}$ day of <u>March</u> , 1985, by James M. Engel,
	Secretary/Treasurer on behalf of Aren, Ltd., a Michigan Corporation.
	<u>Curythus Pote-Ortega</u> Notary Public Cynthia Poti-Ortega Allegan County, Michigan* My Commission Expires: 3-18-86
	*acting in Kalamazoo County, Michigan MASTER DEED DRAFTED BY:
	Cynthia P. Ortega HUFF, KREIS, ENDERLE, CALLANDER & HUDGINS, P.C. 800 ComericA Bank Building Kalamazoo, Michigan 49007
	WHEN RECORDED RETURN TO DRAFTER
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EXHIBIT A CONDOMINIUM BYLAWS EAST SHORE HARBOR CLUB, A CONDOMINIUM

ARTICLE I ASSOCIATION OF CO-OWNERS

Section 1. East Shore Harbor Club, A Condominium, a residential condominium project located in the City of Saugatuck, Allegan County, Michigan, shall be administered by an association of co-owners 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 Master Deed, these Bylaws, the Articles of Incorporation, Bylaws and duly adopted Rules and Regulations of the Association, and the laws of the State of Michigan. All Coowners in the Condominium Project and all persons using or entering upon or acquiring any interest in any Unit therein or the common elements thereof shall be subject to the provisions and terms set forth in the aforesaid Condominium Documents.

Section 2. Membership in the Association and voting by members of the Association shall be in accordance with the following provisions:

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

(b) The share of a Co-owner in the funds and assets of the Association cannot be assigned, pledged or transferred in any manner except as an appurtenance to his Unit in the Condominium.

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

(d) Whenever voting is required on an issue affecting the interests of the marina units, an affirmative vote of at least 5 of the 8 marina unit owners shall be required to pass any resolution.

(e) No Co-owner, other than the Developer, shall be entitled to vote at any meeting of the Association until he has presented evidence of ownership of a Unit in the Condominium Project to the Association. The vote of each Coowner may only be cast by the individual representative designated by such Co-owner in the notice required in subparagraph "f" below or by a proxy given by such individual representative. The Developer shall be entitled to vote for each Unit which it owns and with respect to which it is paying full monthly assessments.

(f) 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

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Section 3. 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 Coowners and their mortgagees during reasonable working hours. The least once a year a financial statement, the contents of which shall be defined by the Association. The books of account shall be examined at least annually by qualified independent accountants; provided, however, that such accountants need not be a certified audit. Any institutional holder of a first mortgage ie a copy of the examination report within ninety (90) days following the end of the Association's fiscal year upon request

(k) Other provisions as to voting by members, not inconsistent with the provisions herein contained, may be set forth in the Association Bylaws.

(j) A majority, except where otherwise provided herein, shall consist of more than fifty percent (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 hereinabove set forth and may require such majority to be one of both number and value of designated voting pallot, if applicable, at a given meeting of the members of the Association.

(i) Votes may be cast in person or by proxy 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.

(h) The presence in person or by proxy of one-fourth in number and in value of the Co-owners qualified to vote shall constitute a quorum for holding a meeting of the members of the Association, except for voting on questions specifically required herein to require a greater quorum. The written wote of any person furnished at or prior to any duly called 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.

(g) There shall be an annual meeting of the members of the Association commencing with the First Annual meeting held as provided in Section 7 of this Article I. Other meetings may be provided for in the Bylaws of the Association. Notice of time, place and subject matter of all meetings as provided in the corporate Bylaws of the Association, shall be given to each Co-owner by mailing the same to each individual representative designated by the respective Co-owners.

and address of the individual representative designated, the number or numbers of the Condominium Unit or Units 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. therefore. The costs of any such examination and any accounting expenses shall be expenses of administration. The Association also shall maintain on file current copies of the Master Deed for the Project, any amendments thereto and all other Condominium Documents and shall permit all Co-owners, prospective purchasers and prospective mortgagees interested in the Project to inspect the same during reasonable hours.

Section 4. The affairs of the Association shall be governed by a Board of Directors, all of whom shall serve without compensation and who must be members of the Association except for the First Board of Directors designated in the Articles of Incorporation of the Association and any successors thereto elected by the Developer prior to the First Annual Meeting of Members held pursuant to Section 7 of this Article I. The number, terms of office, manner of election, removal and replacement, meetings, quorum and voting requirements, and other duties or provisions of or relating to directors, not inconsistent with the following, shall be provided by the Association Bylaws.

(a) The Board of Directors shall have all powers and duties necessary for the administration of the affairs of the Association and may do all acts and things as are not prohibited by the Condominium Documents or required thereby to be excercised and done by the Co-owners. In addition to the foregoing general duties imposed by these Bylaws, or any further duties which may be imposed by resolution of the members of the Association or which may be set forth in the Association Bylaws, the Board of Directors shall be responsible specifically for the following:

(1) Management and administration of the affairs of and maintenance of the Condominium Project and the Common Elements thereof.

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

(3) To carry insurance and collect and allocate.

(4) To rebuild improvements after casualty.

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

(6) To acquire, maintain and improve, and to buy, operate, manage, sell, convey, assign, mortgage or lease any real or personal property (including any Unit in the Condominium and easements, rights-of-way and licenses) on behalf of the Association in furtherance of any of the purposes of the Association, including (but without limitation) the lease or purchase of any Unit in the Condominium for use by a resident manager.

(7) 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 also be approved by affirmative vote of more than sixty percent (60%) of all of the members of the Association in number and in value.

(8) To make rules and regulations in accordance with Article VI, Section 11 of these Bylaws.

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(9) 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.

(10) To make rules and regulations and/or to enter into agreements with institutional lenders the purposes of which are to obtain mortgage financing for Unit Coowners which is acceptable for purchase by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Government National Mortgage Association and/or any other agency of the federal government or the State of Michigan.

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

(b) 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 Section 4(a) of this Article I, 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 three years or which is not terminable by the Association upon ninety (90) days' written notice thereof to the other party. A service contract which exists between the Association of Co-owners and the Developer or affilitates of the Developer and a. management contract with the Developer or affiliates of the Developer is voidable by the Board of Directors of the Association of Co-owners 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 the expiration of the one (1) year.

(c) All of the actions (including, without limitation, the adoption of these Bylaws and any Rules and Regulations for the corporation, and any undertakings or contracts entered into with others on behalf of the corporation) 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 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.

Section 5. The Association Bylaws shall provide the designation, number, terms of office, qualifications, manner of election, duties, removal and replacement of the officers of the Association and may contain any other provisions pertinent to officers of the Association in furtherance of the provisions and purposes of the Condominium Documents and not inconsistent therewith. Officers may be compensated but only upon the affirmative vote of more than sixty percent (60%) of all Coowners in number and in value.

Section 6. Every Director and every Officer of the corporation shall be indemnified by the corporation against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of his being or having been a Director or Officer of the corporation, 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 or wanton misconduct or gross negligence in the performance of his duties; provided that, in the event of any claim for reimbursement.or indemnification herein shall apply only if the Board of Directors (with the Director seeking reimbursement as being in the best interest of the corporation. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such Director or Officer may be entitled. At least ten (10) days prior to payment of any indemnification which it has approved, the Board of Directors shall notify all Co-owners thereof.

Section 7. The First Annual Meeting of the Members of the Association may be convened by any Director and may be called, at any time after fifty percent (50%) in value and in number of all Units in all phases of development in the Condominium have been sold and the purchasers thereof qualified as members of the Association. In no event, however, shall said First Annual Meeting be held later than 120 days after eighty percent (80%) of all units in all phases in the condominium have been sold and the purchasers thereof qualified as members of the Association or 24 months after recordation of the Master Deed, whichever first occurs. The date, time and place of such First Annual Meeting shall be set by the Board of Directors, and at least fifteen (15) days' written notice thereof shall be given to each Co-owner. Thereafter, an annual meeting shall be held each year on such date as is specified in the Association Bylaws.

Section 8. An advisory committee of nondeveloper Co-owners shall be established either 120 days after conveyance of legal or equitable title to nondeveloper Co-owners of 1/3 of the units that may be created, or 1 year after the initial conveyance of legal or equitable title to a nondeveloper Co-owner of a unit in the project, whichever occurs first. The advisory committee shall meet with the condominium project Board of Directors for the purpose of facilitating communications 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 the nondeveloper Co-owners.

Section 9. Not later than 120 days after the conveyance of legal or equitable title to nondeveloper Co-owners of 25% of the units that may be created, at least 1 Director and not less than 25% of the Board of Directors of the Association of Co-owners shall be elected by nondeveloper Co-owners. Not later than 120 days after conveyance of legal or equitable title to nondeveloper Co-owners of 50% of the units that may be created, not less than 33-1/3% of the Board of Directors shall be elected by nondeveloper Co-owners. Not later than 120 days after conveyance of legal or equitable title to nondeveloper Co-owners of 75% of the units that may be created, and before conveyance of 90% of such units, the nondeveloper 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 Developer owns and offers for sale at least 10% of the units in the project or as long as 10% of the units remain that may be created.

Section 10. Notwithstanding the formula provided in Section 9, 54 months after the first conveyance of legal or equitable title to a nondeveloper Co-owner of a unit in the project, if title to not less than 75% of the units that may be created has not been conveyed, the nondeveloper 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 equal to the percentage of units which are owned by 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 Section 9. Application of this Section does not require a change in the size of the Board as determined in the condominium documents.

Section 11. If the calculation of the percentage of members of the Board that the nondeveloper Co-owners have the right to elect under Section 9, or if the product of the number of members of the Board multiplied by the percentage of units held by the nondeveloper Co-owners under Section 10 results in a right of nondeveloper Co-owners to elect a fractional number 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 nondeveloper 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 Section shall not eliminate the right of the Developer to designate 1 member as provided in Section 9.

ARTICLE II ASSESSMENTS

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

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

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

(a) The Board of Directors of the Association shall establish an annual budget in advance for each fiscal year and such budget shall project all expenses for the forthcoming year which may be required for the proper operation, management and maintenace of the Condominium Project, including a reasonable allowance for contingencies and reserves. An adequate reserve fund for maintenance, repairs and replacement of those Common Elements that must be replaced on a periodic basis must be established in the

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budget and must be funded by regular monthly payments as set forth in Section 4 below rather than by special assessments. As a minimum, the reserve fund shall be equal to ten percent (10%) of the Association's current annual budget on a noncumulative basis. The miniumum standard required by this Section may prove to be inadequate for a particular project. The Association of Co-owners should carefully analyze their Condominium Project to determine if a greater amount should be set aside, or if additional reserve funds should be established for other purposes. Upon adoption of an annual budget by the Board of Directors, copies of said budget shall be 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 the liability of any Co-owner for any existing or future assessments. Should the Board of Directors, at any time determine, in the sole discretion of the Board of Directors (1) that the assessments levied are or may prove to be insufficient to pay the costs of operation and management of the Condominium, (2) to provide replacements of existing Common Elements, (3) to provide additions to the Common Elements not exceeding \$1,000 annually, or (4) in the event of emergencies, the "Board of Directors shall have the authority to increase the general assessment or to levy such additional assessment or assessments as it shall deem to be necessary.

(b) Special assessments, in addition to those required in (a) above, may be made by the Board of Directors from time to time and approved by the Co-owners as hereinafter provided to meet other needs or requirements of the Association, including, but not limited to (1) assessments for capital improvements for additions of a cost exceeding \$1,000 per year, (2) assessments to purchase a Unit upon foreclosure of the lien for assessments described in Section 6 hereof, (3) assessments to purchase a Unit for use as a resident manager's Unit or (4) 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 3(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 sixty percent (60%) of all Co-owners in value and

Section 4. All assessments levied against the Co-owners to cover expenses of administration shall be apportioned among and paid by the Co-owners in accordance with the percentage of value allocated to each Unit in Article V of the Master Deed without increase or decrease for the existence of any rights to the use of limited Common Elements appurtenant to a Unit, except that all marina unit owners shall initially pay \$20.00 per month per unit as their share of the assessments. If and when the assessments must be increased, the share paid by the marina unit owners shall be increased by the same proportionate amount as the residential unit owners assessment increases. Annual assessments as determined in accordance with Article II, Section 3(a) above shall be payable by Co-owners in twelve (12) equal monthly installments, commencing with acceptance of a deed to a Unit or with acquisition of fee simple title to a Unit by any other means. The payment of an assessment shall be in default if such assessment, or any part thereof, is not paid to the Association in full on or before the due date for such payment. Assessments in default shall bear interest at the rate of seven percent (7%) per annum until paid in full. Each Co-owner (whether one or more persons) shall be, and remain, personally liable for the payment of all assessments pertinent to his Unit which may be levied while such Co-owner is the owner thereof.

Section 5. No Co-owner may exempt himself from liability for his contribution toward the expenses of administration by waiver of the use or enjoyument of any of the Common Elements or by the abandonment of his Unit.

Section 6.(a) The Association may enforce collection of delinquent assessments by a suit at law for a money judgment or by foreclosure of the statutory lien that secures payment of assessments. Each Co-owner, and every other person who from time to time has any interest in the Project, shall be deemed to have granted to the Association the unqualified right to elect to foreclose such lien either by judicial action or by advertisement.

(b) 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, by 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 has any interest in the Project, shall be deemed to have authorized and empowered the Association to sell or to cause to be sold the Unit with respect to which the assessment(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 Unit in the Project acknowledges that at the time of acquiring title to such Unit, he was notified of the provisions of this section and that he voluntarily, intelligently and knowingly waived notice of any proceedings brought by the Association to foreclose by advertisement the lien for nonpayment of assessments and a hearing on the same prior to the sale of the subject Unit.

(c) 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 mailing, by first class mail, postage prepaid, addressed to the delinquent Co-owner(s) at his or their last known address or a written notice that one or more installments of the annual assessment levied against the pertinent Unit is or are delinquent and that the Association may invoke any of its remedies hereunder if the default is not cured within ten (10) days after the date of mailing. Such written notice shall be accompanied by a written affidavit of an authorized representaitve 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 Unit(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 the commencement of any foreclosure proceeding, but it need not have been recorded as of the date of mailing as aforesaid.

(d) 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 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 period. installment of the annual assessment levied against his Unit, the Association shall have the right to declare all unpaid installments of the annual assessment for the pertinent fiscal year immediately due and payable. The Association also may discontinue the furnishing of any utilities or other services to a Co-owner in default upon seven (7) days' written notice to such Co-owner of its intention to do so. A Co-owner in default shall not be entitled to utilize any of the general Common Elements of the Project and shall not be entitled to vote at any meeting of the Association so long as such default continues. In a judicial foreclosure action, a receiver may be appointed to collect a reasonable rental for the Unit from the Co-owner thereof or any persons claiming under him.

Section 7. Notwithstanding any other provisions of the Condominium Documents, the holder of any first mortgage covering any Unit in the Project which comes into possession of the Unit pursuant to the remedies provided in the mortgage or by deed (or assignment) in lieu of foreclosure, or any purchaser at a foreclosure sale, shall take the property free of any claims for unpaid assessments or charges against the mortgaged Unit which accrue prior to the time such holder comes into possession of the Unit (except for claims for a pro rata share of such assessments or charges resulting from a pro rata reallocation of such assessments or charges to all Units including the mortgaged unit).

Section 8. (a) The Developer shall be responsible for payment of the full monthly 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 monthly 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 cost 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 9. All property taxes and special assessments levied by any public taxing authority shall be assessed in accordance with Section 131 of the Act.

Section 10. A mechanic's lien otherwise arising under Act No. 179 of the Michigan Public Acts of 1891, as amended, shall be subject to Section 132 of the Act.

Section 11. Pursuant to provisions of the Act, the Purchaser of any Condominium Unit may request a statement of the Association as to the outstanding amount of any unpaid

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

ARTICLE III ARBITRATION

Section 1. Disputes, claims, or grievances arising out of or relating to the interpretation or the application of the Condominium Documents, or any disputes, claims or grievances arising among or between Co-owners and the Association shall, upon the election and written consent of the parties to any such disputes, claims or grievances and written notice to the Association, be submitted to arbitration and the parties thereto shall accept the arbitrator's decision as final and binding. The Commercial Arbitration Rules of the American Arbitration Association as amended and in effect from time to time hereafter shall be applicable to any such arbitration.

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

Section 3. Election by Co-owners or the Association to submit any such dispute, claim or grievance to arbitration shall preclude such parties from litigating such dispute, claim or grievance in the courts.

ARTICLE IV INSURANCE

Section 1. The Association shall carry fire and extended coverage, vandalism and malicious mischief and liability insurance, and workmen's compensation insurance, if applicable, pertinent to the ownership, use and maintenance of the Common Elements of the Condominium Project, and such insurance, other than title 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 Coowners and their mortgagees, as their interests may appear, and provision shall be made for the issuance of certificates of mortgagee endorsements to the mortgagees of Co-owners. Each Co-owner may obtain insurance coverage at his own expense upon his Unit. It shall be each Co-owner's responsibility to obtain insurance coverage for his personal property located within his Unit or elsewhere on the Condominium and for his personal liability for occurrences within his Unit or upon limited Common Elements appurtenant to his Unit, and also for alternative living expense in event of fire, and the Association shall have absolutely no responsibility for obtaining such coverages. The Association and all Co-owners shall use their best efforts to see that all property and liability insurance carried by the Association or any Co-owner shall contain appropriate provisions whereby the insurer waives its right of

subrogation as to any claims against any Co-owner or the Association.

(b) All Common Elements of the Condominium Project 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 piers, seawalls, pipes, wires, conduits and ducts contained therein and shall further include all fixtures, equipment and trim within a Unit which were furnished with the Unit as standard items in accordance with the plans and specifications thereof as are on file with the Association (or such replacements thereof as do not exceed the cost of such standard items). Any improvements made by a Co-owner within his Unit shall be covered by insurance obtained by and at the expense of 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 Coowner, under Article II hereof and collected as a part of the assessments against said Co-owner.

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

(d) 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 Article V of these Bylaws, 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 institutional holders of first mortgages on Units in the Project have given their prior written approval.

Section 2. Each Co-owner, by ownership of a Unit in the Condominium Project, shall be deemed to appoint the Association as his true and lawful attorney-in-fact to act in connection with all matters concerning the maintenance of fire and extended coverage, vandalism and malicious mischief, liability insurance and workmen's compensation insurance, if applicable, pertinent to the Condominium Project, his Unit and the Common Elements appurtenant thereto with such insurer as may, from time to time, provide such insurance for the Condominium Project. Without limitation on the generality of the foregoing, the Association as said attorney shall have full power and authority to purchase and maintain such insurance, to collect and remit premiums therefore, 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.

ARTICLE V RECONSTRUCTION OR REPAIR

Section 1. If any part of the Condominium property shall be damaged, the determination of whether or not it shall be reconstructed or repaired shall be made in the following manner: (a) If the damaged property is a Common Element or a Unit, the property shall be rebuilt or repaired if any Unit in the Condominium is tenantable, unless it is determined by a unanimous vote of all of the Co-owners in the Condominium that the Condominium shall be terminated and each institutional holder of a first mortgage lien on any Unit in the Condominium has given its prior written approval of such termination.

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

Section 2. Any such reconstruction or repair shall be substantially in accordance with the Master Deed and the plans and specifications for the Project to a condition as comparable as possible to the condition existing prior to damage unless the Co-owners shall unanimously decide otherwise.

Section 3. If the damage is only to a part of a Unit which is the responsibility of a Co-owner to maintain and repair, it shall be the responsibility of the Co-owner to repair such damage in accordance with Section 4 hereof. In all other cases, the responsibility for reconstruction and repair shall be that of the Association.

Section 4. Each Co-owner shall be responsible for the reconstruction, repair and maintenance of the interior of his Unit, including, but not limited to, floor coverings, wall coverings, window shades, draperies, interior walls (but not any Common Elements therein), interior trim, furniture, light fixtures and all appliances, whether free-standing or built-in. In the event damage to interior walls within a Co-owner's Unit or to pipes, wires, conduits, ducts or other Common Elements therein is covered by insurance held by the Association, then the reconstruction or repair shall be the responsibility of the Association in accordance with Section 5. If any other interior for the benefit of the Co-owner, the Co-owner shall be payable to the Co-owner and the mortgage jointly. 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 institutional holder of a first mortgage lien on any of the Units in the Condominium.

Section 5. The Association shall be responsible for the reconstruction, repair and maintenance of the Common Elements and any incidental damage to a Unit caused by such Common Elements.or the reconstruction, repair or maintenance thereof. Immediately after a casualty causing damage to property for which the Association has the responsibility of maintenance, repair and detailed estimates of the cost to replace 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 of such reconstruction or repair, the for the payment of the costs thereof are insufficient, association or repair, the for the payment of the costs thereof are insufficient, assessments shall be made against all Co-owners for the cost of repair.

Section 6. In the event of any taking by eminent domain, the provisions of Section 133 of the Act (Act 538 of the Public Acts of 1982) shall be controlling.

Section 7. In the event any mortgage in the Condominium is held by the Federal Home Loan Mortgage Corporation ("FHLMC") then the Association shall give FHLMC written notice at such address as it may, from time to time, direct of any loss to or taking of the Common Elements of the Condominium if the loss or taking exceeds \$10,000 in amount or damage to a Condominium Unit covered by a mortgage purchased in whole or in part by FHLMC exceeds \$1,000.

Section 8. Nothing contained in the Condominium Documents shall be construed to give a Condominium Unit Owner, or any other party, priority over any rights of first mortgagees of Condominium Units pursuant to their mortgages in the case of a distribution to Condominium Unit Owners of insurance proceeds or condemnation awards for losses to or a taking of Condominium Units and/or Common Elements.

ARTICLE VI RESTRICTIONS

Section 1. No Unit in the Condominium shall be used for other than single-family residence purposes (except that persons not of the same immediate family residing together may occupy a Unit with written consent of the Board of Directors which consent shall not be unreasonably withheld) and the Common Elements shall be used only for purposes consistent with the use of singlefamily residences. A family shall mean one person or a group of two or more persons related by bonds of consanguinity, marriage, or legal adoption. No marina unit shall be used for other than recreational boating purposes nor shall any such unit be used as a location for taking on or discharging passengers for hire, or for any public or private freight carrying of any kind whatsoever, or for commercial fishing.

Section 2. A Co-owner may lease his Unit for the same purposes set forth in Section 1 of this Article VI; provided that written disclosure of such lease transaction is submitted to the Board of Directors of the Association in the same manner as specified in Section 13 of this Article VI. With the exception of a lender in possession of a Unit following a default of a first mortgage, foreclosure of deed or other arrangement in lieu of foreclosure, no Co-owner shall lease less than an entire Unit in the Condominium. The terms of all leases, occupancy agreements and occupancy arrangements shall incorporate, or be deemed to incorporate, all of the provisions of the Condominium Documents. The Developer may lease any number of Units in the condominium in its discretion. Nothwithstanding the above, no marina unit may be leased to anyone for any purposes.

Section 3. No Co-owner shall make alterations in exterior appearance or make structural modifications to his Unit (including interior walls through or in which there exist easements for support or utilities) or make changes in any of the Common Elements, limited or general, without the express written approval of the Board of Directors including (but not by way of limitation) exterior painting or the erection of antennas, lights, aerials, awnings, doors, shutters or other exterior attachments or modifications, nor shall any Co-owner damage or make modifications or attachments to Common Element walls between Units which in any way impairs soundconditioning provisions. Antennas or aerials installed prior to the recording of the Master Deed shall be permitted to remain. Such shall be maintained at the expense of the individual owner or owners. The Board of Directors may approve only such modifications as do not impair the soundness, safety, utility or appearance of the Condominium. Section 4. No immoral, improper, unlawful or offensive activity shall be carried on in any Unit or upon the Common Elements, limited or general, nor shall anything be done which may be or become an annoyance or a nuisance to the Co-owners of the Condominium, nor shall any unreasonably noisy activity be carried on in any Unit or on the Common Elements. No Co-owner shall do or permit anything to be done or keep or permit to be kept in his Unit or on the Common Elements anything that will increase the rate of insurance on the Condominium without the written approval of the Association and each Co-owner shall pay to the Association the increased cost of insurance premiums resulting from any such activity or the maintenance of any such condition.

Section 5. No animals, except two dogs or two cats or one dog and one cat, none of which shall exceed 40 pounds in weight, shall be maintained by any Co-owner unless specifically approved in writing by the Association. No animal may be kept or bred for any commercial purpose and shall have such care and restraint so as not to be obnoxious or offensive on account of noise, odor or unsanitary conditions. No animal may be permitted to run loose at any time upon the Common Elements and any animal shall at all times be attended by some responsible person while on the Common Elements, limited or general. No savage or dangerous animal shall be kept and any Co-owner who causes any animal to be brought or kept upon the premises of the Condominium shall indemnify and hold harmless the Association for any loss, damage or liability which the Association may sustain as the result of the presence of such animal on the premises, whether or not the Association has given its permission therefor. Deposits of fecal matter shall be made only in those areas specifically designated for such purposes by the Association. The Association may charge all Co-owners maintaining animals a reasonable additional assessment to be collected in the mannner provided in Article II of these Bylaws in the event that the Association determines such assessment necessary to defray the maintenance cost to the Association of accommodating animals within the Condominium. The Association may, without liability to the owner thereof, remove or cause to be removed any animal from the Condominium which it determines to be in violation of the restrictions imposed by this Section. The Association shall have the fight to require that any pets be registered with it and may adopt such additional reasonable rules and regulations with respect to animals as it may deem proper.

Section 6. The Common Elements, limited or general, shall not be used for storage of supplies, firewood, materials, personal property or trash or refuse of any kind, except in the garage or storage areas appurtenant to an owner's unit and except as provided in duly adopted rules and regulations of the Association. Trash receptacles shall be maintained in areas designated therefor at all times and shall not be permitted to remain elsewhere on the Common Elements except for such short periods of time as may be reasonably necessary to permit periodic collection of trash. The Common Elements shall not be used in any way for the drying, shaking, or airing of clothing or other fabrics. The Association may adopt rules to regulate or restrict car washing. In general, no activity shall be carried on nor condition maintained by a Co-owner either in his Unit or upon the Common Elements, which spoils the appearance of the Condominium.

Section 7. Sidewalks, yards, courtyards, landscaped areas, driveways, roads, parking areas, and porches shall not be obstructed in any way nor shall they be used for purposes other than for which they are reasonably and obviously intended. No bicycles, vehicles, chairs or benches may be left unattended on or about the Common Elements. Use of any recreational facilities in the Condominium may be limited to such times and in such manner as the Association shall determine by duly adopted ; regulations. Section 8. No house trailers, commercial vehicles, camping vehicles, camping trailers, snowmobiles, snowmobile trailers or vehicles other than automobiles may be parked or stored upon the premises of the Condominium, unless approved by the Board of Directors or unless parked in an area specifically designated therefor by the Association. Commercial vehicles and trucks shall not be parked in or about the Condominium (except as above shall not be parked in or about the Condominium (except as above growided) unless while making deliveries or pickups in the normal course of business. Each Co-owner shall, park his car in any parking space provided therefor. Co-owners shall, if the Association shall require, register with the Association all cars maintained on the Condominium Premises.

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

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

Section 11. Reasonable regulations consistent with the Act, the Master Deed and these Bylaws, concerning the use of the Common Elements may be made and amended from time to time by any Board of Directors of the Association, including the First Board of Directors (or its successors elected by the Developer prior to the First Annual Meeting of the entire Association held as provided in Article I, Section 7 of these Bylaws. Copies of all such regulations and amendments thereto shall be furnished to all Co-owners and shall become effective thirty (30) days after mailing or delivery thereof to the designated voting representative of each Co-owner. Any such regulation or amendment may be revoked at any time by the affirmative vote of among than fifty percent (50%) of all Co-owners in number and in value.

Section 12. The Association or its duly authorized agents shall have access to each Unit and any limited Common Elements appurtenant thereto from time to time, during reasonable working hours, upon notice to the Co-owner thereof, as may be necessary for the maintenance, repair or replacement of any of the Common Elements. The Association or its agents shall also have access to each Unit and any limited Common Elements appurtenant thereto to each Unit and any limited Common Elements appurtenant thereto at all times without notice as may be necessary to make emergency repairs to prevent damage to the Common Elements or to another Unit. It shall be the responsibility of each Co-owner to provide the Association means of access to his Unit and any limited Common Elements appurtenant thereto during all periods of absence and in the event of the failure of such Co-owner to provide 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.

Section 13. (a) A Co-owner, including the Developer, desiring to rent or lease a Condominium Unit, shall disclose that fact in writing to the Association at least ten (10) days before leasing the Condominium Unit and shall supply the Association with a copy of the exact lease form for its review for its compliance with the Condominium Documents. If Developer desires to rent Condominium Units before the transitional control date, it shall notify either the advisory committee or each Co-owner in writing.

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

(c) If the Association determines that the tenant or nonco-owner occupant has failed to comply with the conditions of the Condominium Documents, the Assocition shall take the following action:

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

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

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

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

Section 14. No Co-owner shall perform any landscaping or plant any trees, shrubs or flowers or place any ornamental materials upon the Common Elements unless approved by the Association in writing.

Section 15. No unsightly condition shall be maintained upon any patio and only furniture and equipment consistent with ordinary patio use shall be permitted to remain there during seasons when patios are reasonably in use and no furniture or equipment of any kind shall be stored on patios during seasons when patios are not reasonably in use.

Section 16. Each Co-owner shall maintain his Unit and any limited Common Elements appurtenant thereto for which he has maintenance responsibility in a safe, clean and sanitary condition. Each, Co-owner shall also use due care to avoid damaging any of the Common Elements including, but not limited to, the telephone, water, gas, plumbing, electrical or other utility conduits and systems and any other elements in any Unit which are appurtenant to or which may affect any other Unit. Each Co-owner shall be responsible for damages or costs to the Association resulting from negligent damage to or misuse of any of the Common Elements by him, or his family, guests, agents or invitees, unless such 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 deductible amount). Any costs or damages to the Association may be assessed to and collected from the responsible Co-owner in the manner provided in Article II hereof.

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

ARTICLE VII MORTGAGES

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

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

Section 3. Upon request submitted to the Association, any institutional holder of a first mortgage lien on any Unit 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 meetings.

ARTICLE VIII AMENDMENTS

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

Section 2. Upon any such amendment being proposed, a meeting for consideration of the same shall be duly called in accordance with the provisions of the Association Bylaws.

Section 3. Except as expressly limited in Section 5 of this Article VIII, these Bylaws may be amended by the Association at any regular annual meeting or a special meeting called for such purpose, by an affirmative vote of not less than sixty-six and two-thirds percent (66-2/3%) of all Co-owners in number and in value.

Section 4. Prior to the First Annual Meeting of members, these Bylaws may be amended by the first Board of Directors upon proposal of amendments by Developer without approval from any person to make such amendments as shall not increase or decrease

the benefits or obligations, or materially affect the rights of any member of the Association.

Section 5. Any amendment to these Bylaws (but not the Association Bylaws) shall become effective upon recording of such amendment in the Office of the Register of Deeds in the county where the Condominium is located. Without the prior written approval of two-thirds of the institutional holders of first mortgage liens on any Unit in the Condominium, no amendment to these Bylaws shall become effective which involves any change, direct or indirect, in Article I Sections 3 and 4(b), Article II Sections 3(a), 4 and 7, Article IV Section 1(d), Article VII Sections 1, 4, 6, 7, and 8, Article VII Section 1, Article VIII Sections 3 and 5, or Article XI Section 1.

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

ARTICLE IX COMPLIANCE

The Association of Co-owners and all present or future Coowners, tenants, future tenants, or any other persons acquiring an interest in or using the facilities of the project in any manner are subject to and shall comply with the Act, as amended, and the mere acquisition, occupancy or rental of any Unit or an interest therein or the utiliziation 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 Statute, the Statute shall govern.

ARTICLE X.

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

ARTICLE XI REMEDIES FOR DEFAULT

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

(a) Failure to comply with any of the terms or provisions of the Condominium Documents or the Act shall be grounds for relief, which may include without intending to limit the same, an action to recover sums due for damages, injunctive relief, foreclosure of lien (if default in payment of assessment) or any combination thereof, and such relief may be sought by the Association, or, if appropriate, by an aggrieved Co-owner or Co-owners.

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

(c) The violation of any of the provisions of the Condominium Documents shall also give the Association or its duly authorized agents the right, in addition to the rights set forth above, to enter upon the Common Elements, limited or general, or into any Unit, where reasonably necessary, and summarily remove and abate, at the expense of the Co-owner in violation, any structure, thing or condition existing or maintained contrary to the provisions of the Condominium Documents.

(d) The violation of any of the provisions of the Condominium Documents by any Co-owner shall be grounds for assessment by the Association, acting through its duly constituted Board of Directors, of monetary fines for such violations. No fine may be assessed unless Rules and Regulations establishing such fine have first been duly adopted by the Board of Directors of the Association and notice thereof given to all Co-owners in the same manner as prescribed in Article II, Section 4 of the Association Bylaws. Thereafter, fines may be assessed only upon a finding by the Board that the violation has occurred after notice to the offending Co-owner as prescribed in said Article II, Section 4 and an opportunity for such Co-owner to appear before the Board no less than seven (7) days from the date of the notice and offer evidence in defense of the alleged violation. All fines duly assessed may be collected in the same manner as provided in Article II of these Bylaws. No fine shall be levied for the first violation. No fine shall exceed \$25 for the second violation, \$50 for the third violation or \$100 for any subsequent violation.

Section 2. The failure of the Association or of any Co-owner to enforce any right, provision, covenant or condition which may be granted by the Condominium Documents shall not constitute a waiver of the right of the Association or of any such Co-owner to enforce such right, provisions, covenant or condition in the future.

Section 3. All rights, remedies and privileges granted to the Association or any Co-owner or Co-owners pursuant to any terms, provisions, covenants or conditions of the aforesaid Condominium Documents shall be deemed to be cumulative and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be available to such party at law or in equity.

ARTICLE XII SEVERABILITY

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

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ALLEGAN COUNTY CONDOMINIUM SUBDIVISION PLAN NO. 23

EXHIBIT \mathcal{B} to master deed of EAST SHORE HARBOR CLUB

VILLAGE OF SAUGATUCK, ALLEGAN CO., MICHIGAN

DEVELOPEB AREN, LTD. 338 PARK STREET SAUGATUCK, MICHIGAN 49453

SURVEYOR MICHAEL R. BERG REGISTERED LAND SURVEYOR HOLLAND ENGINEERING, INC. 418 E. 8 TH STREET HOLLAND, MICHIGAN 49423

LEGAL DESCRIPTION

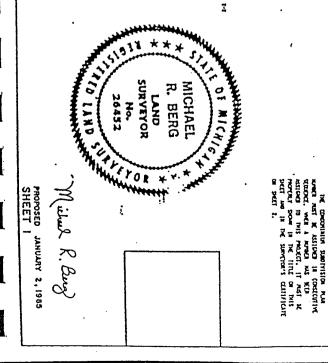
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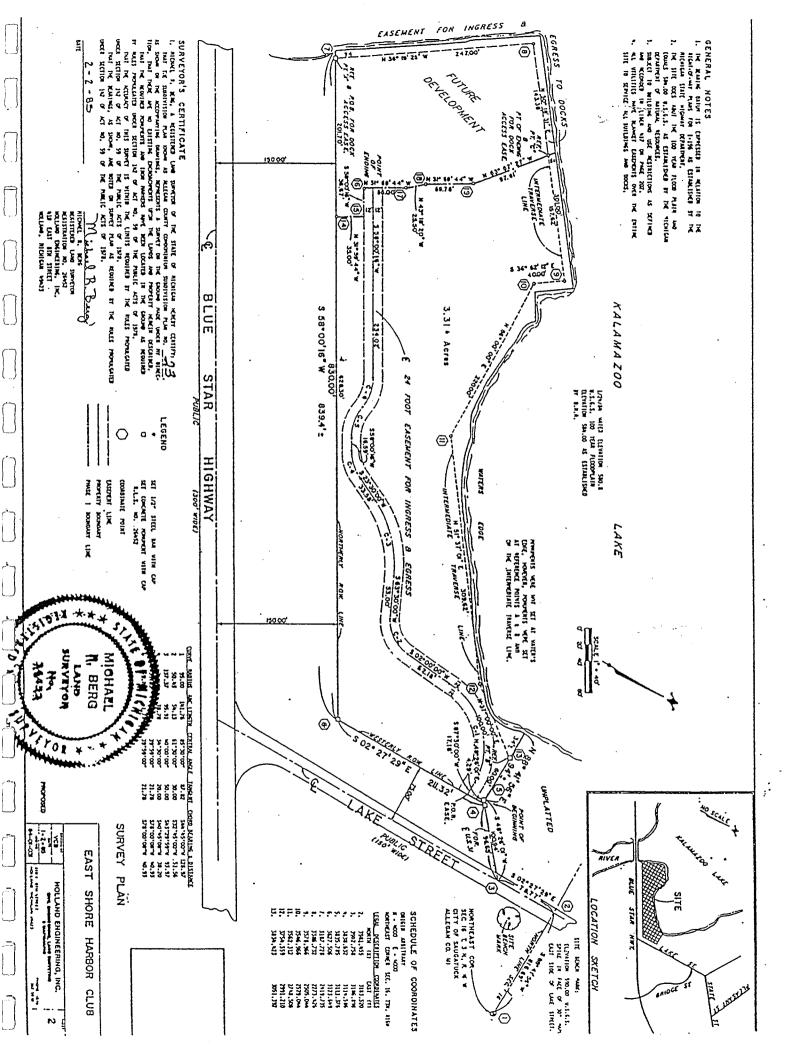
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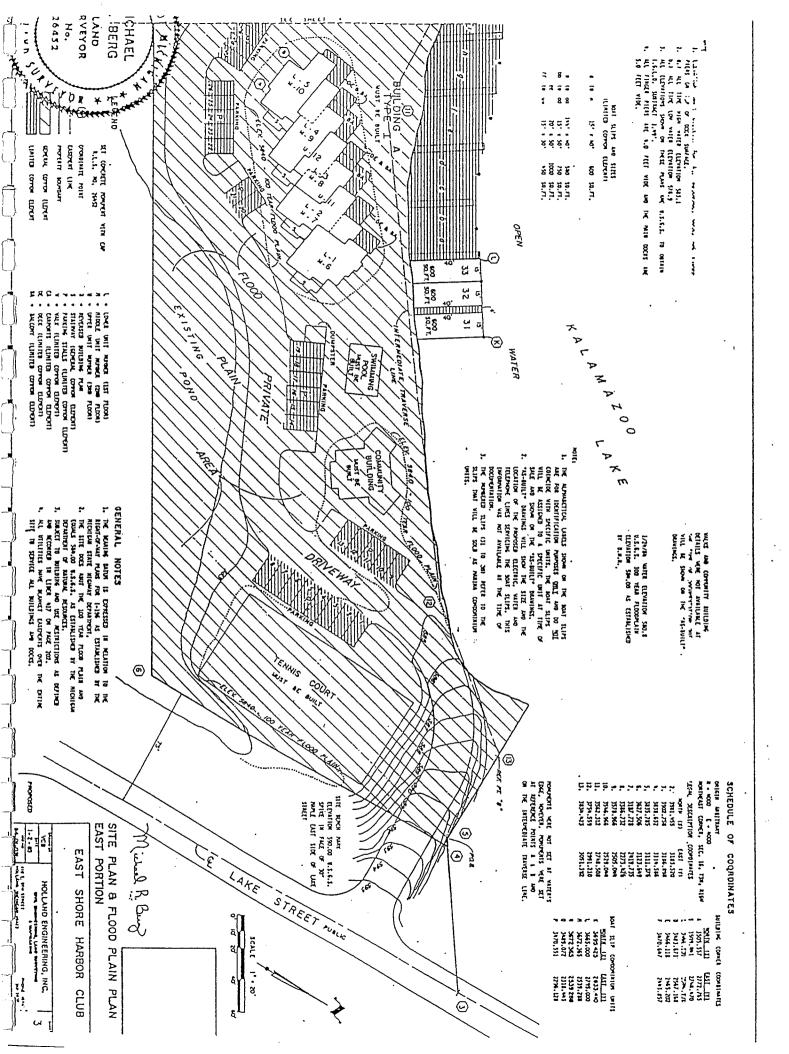
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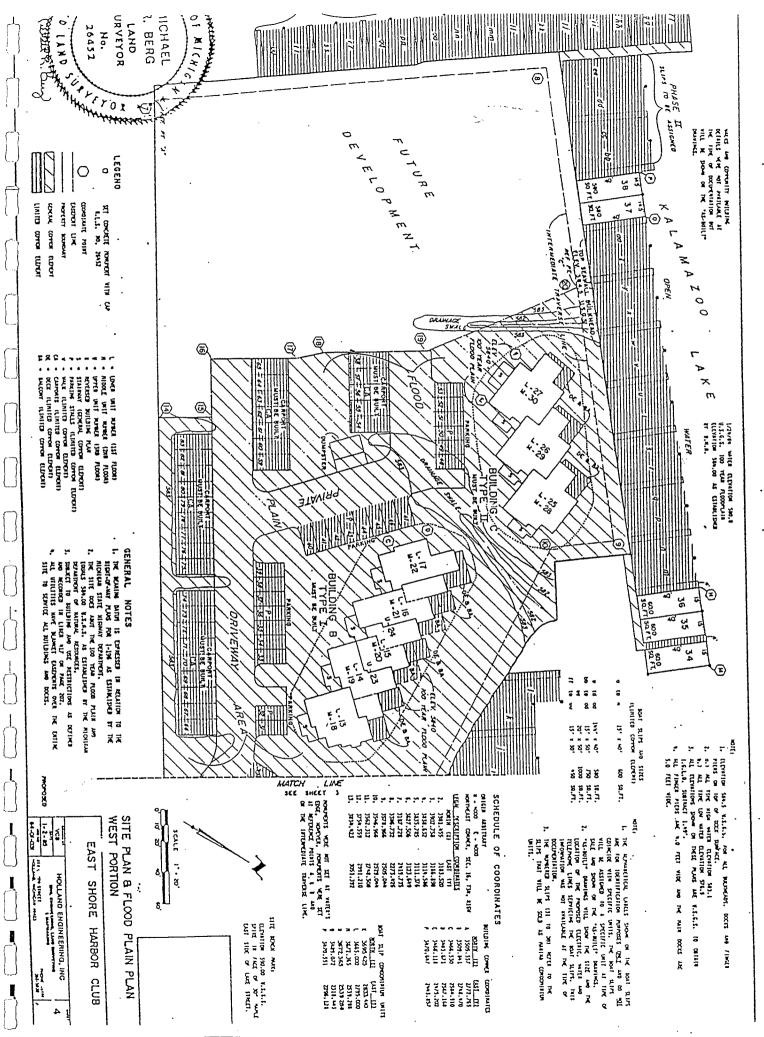
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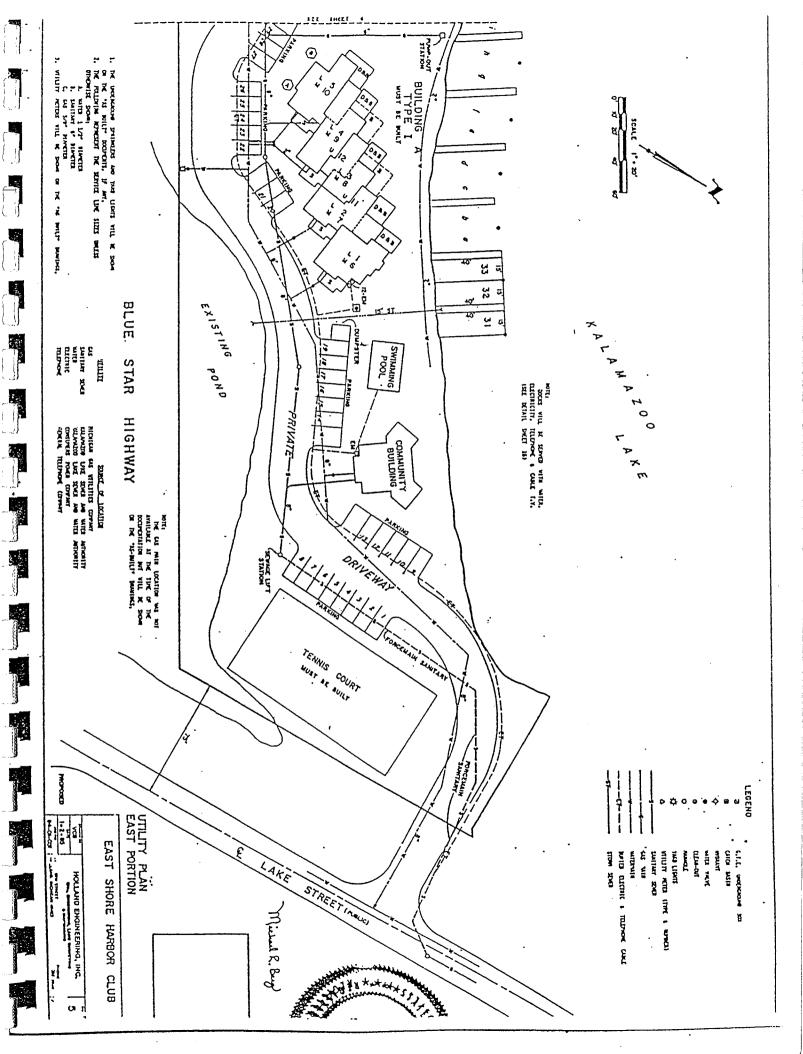


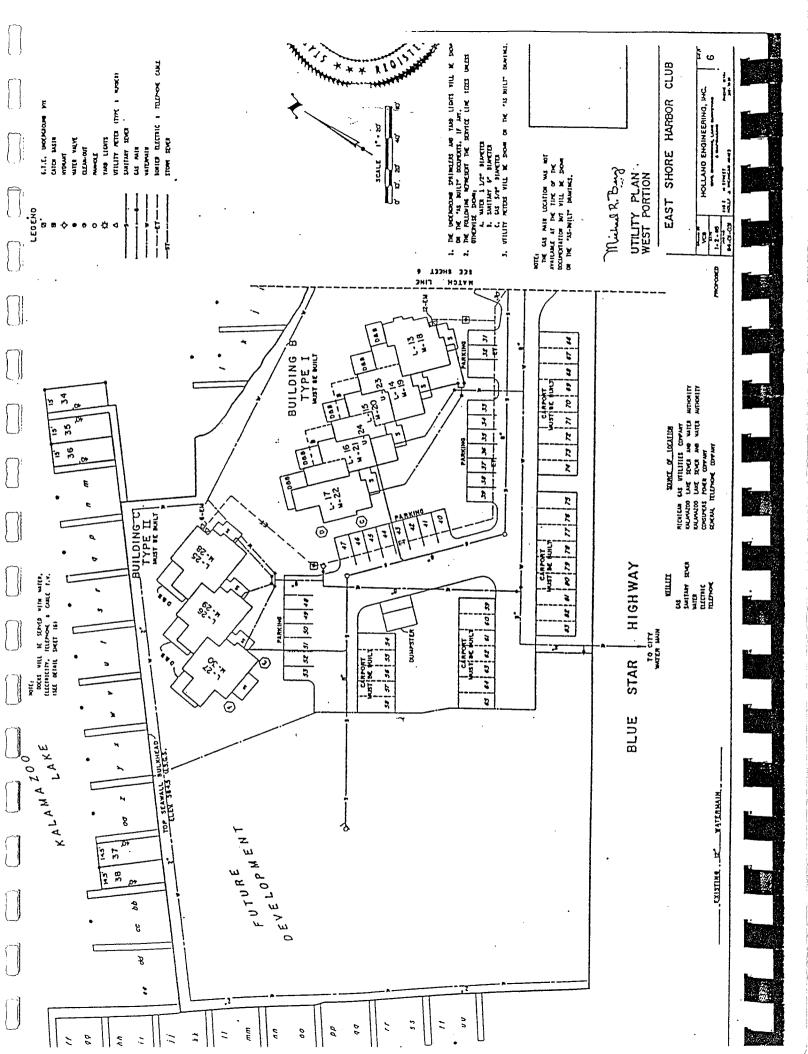


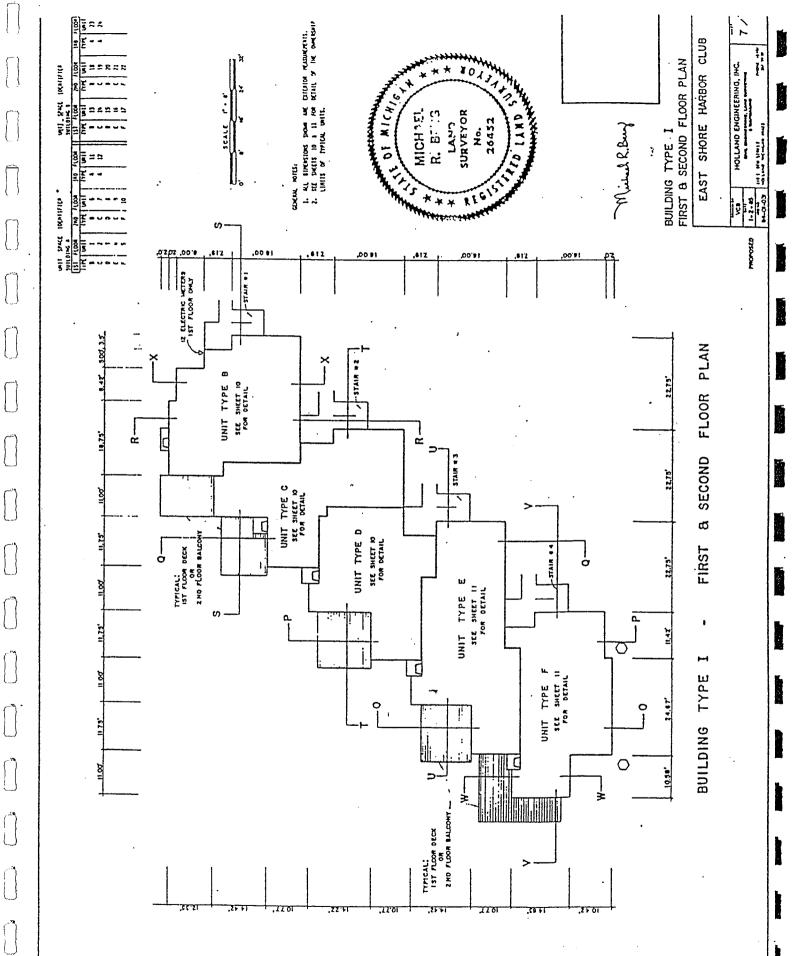


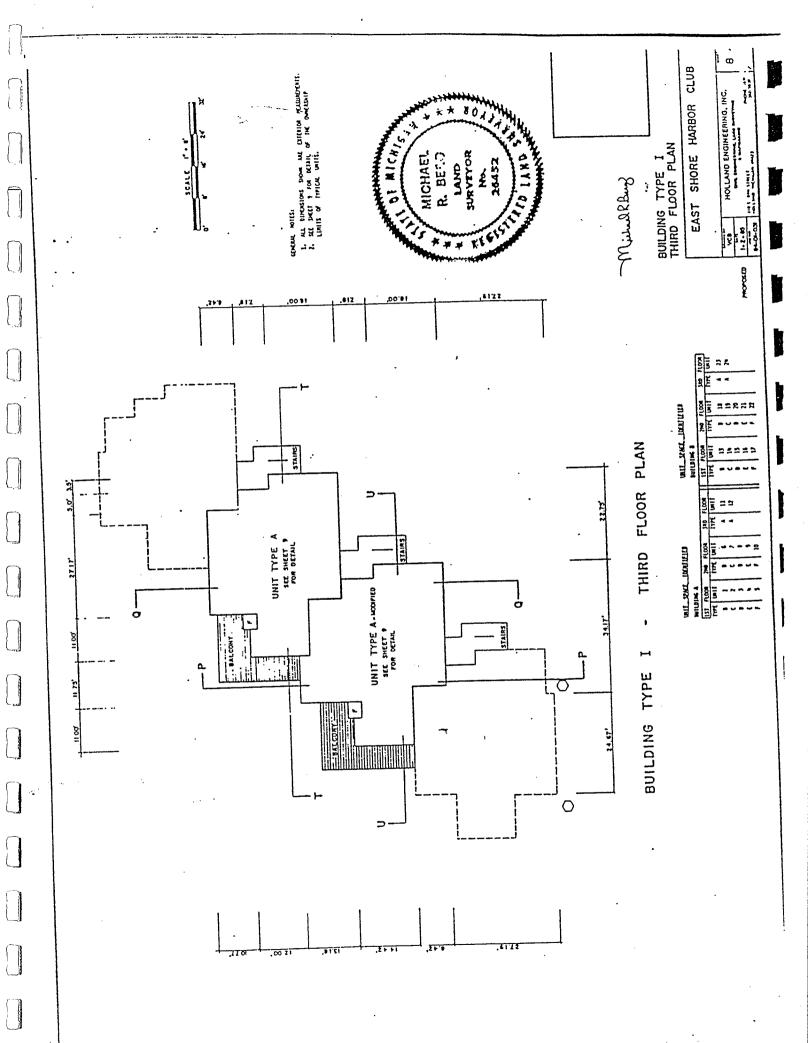


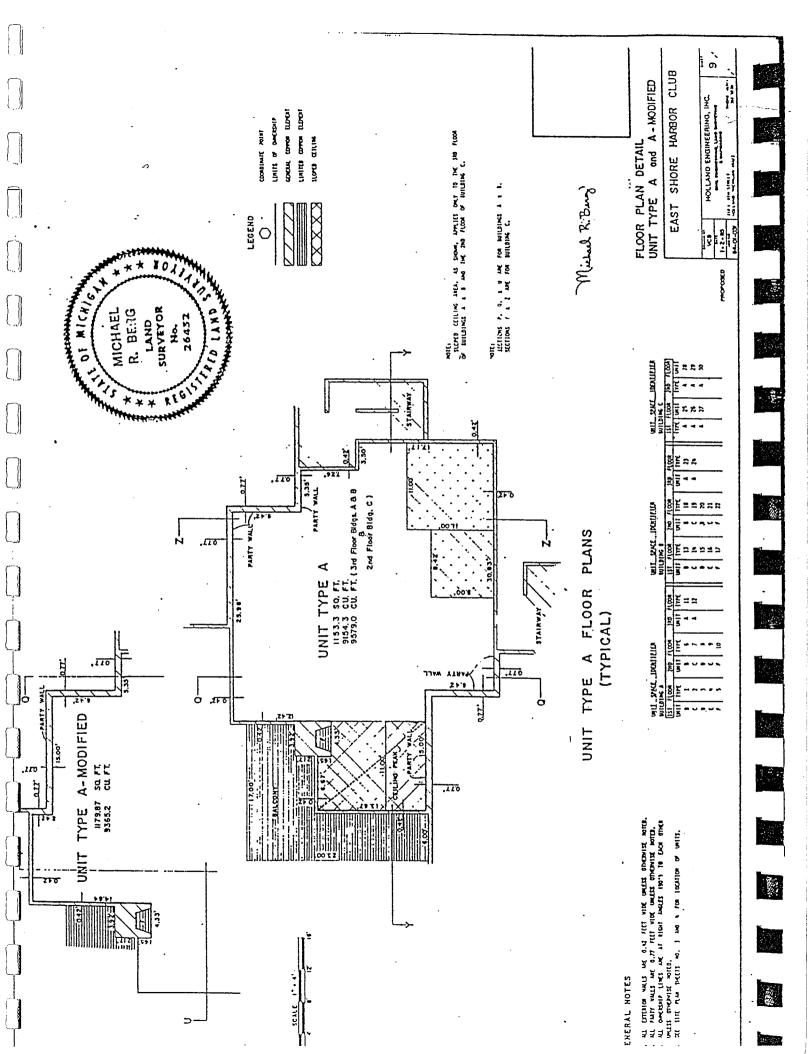
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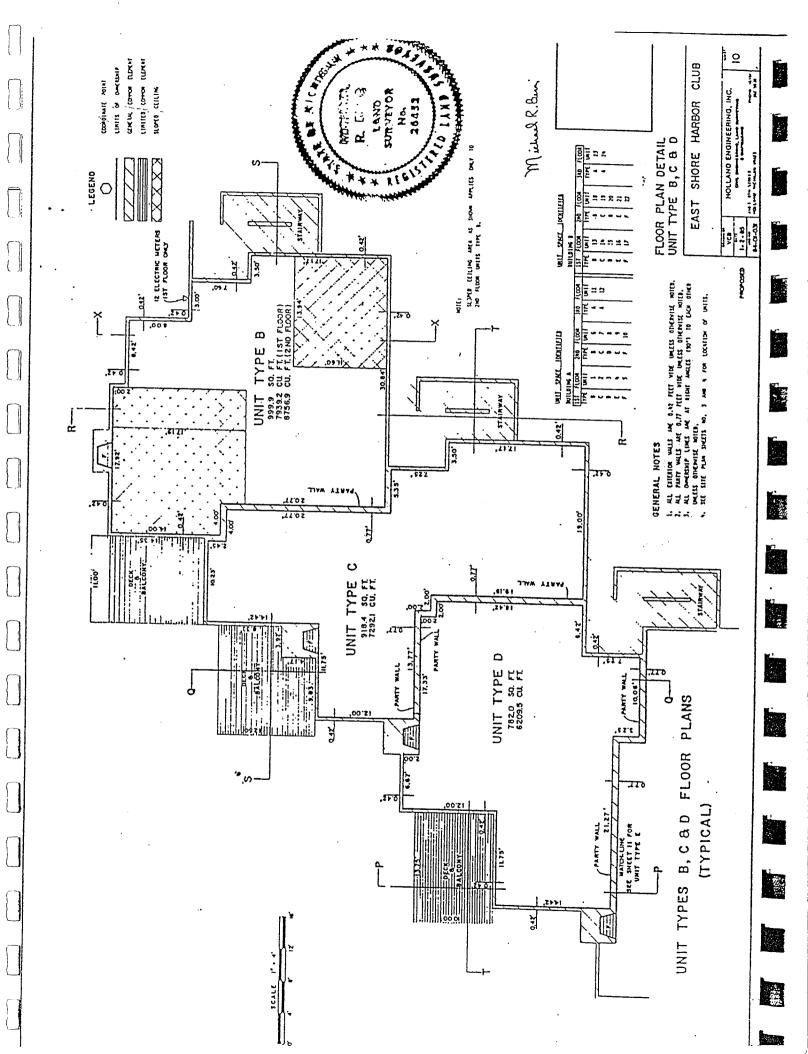


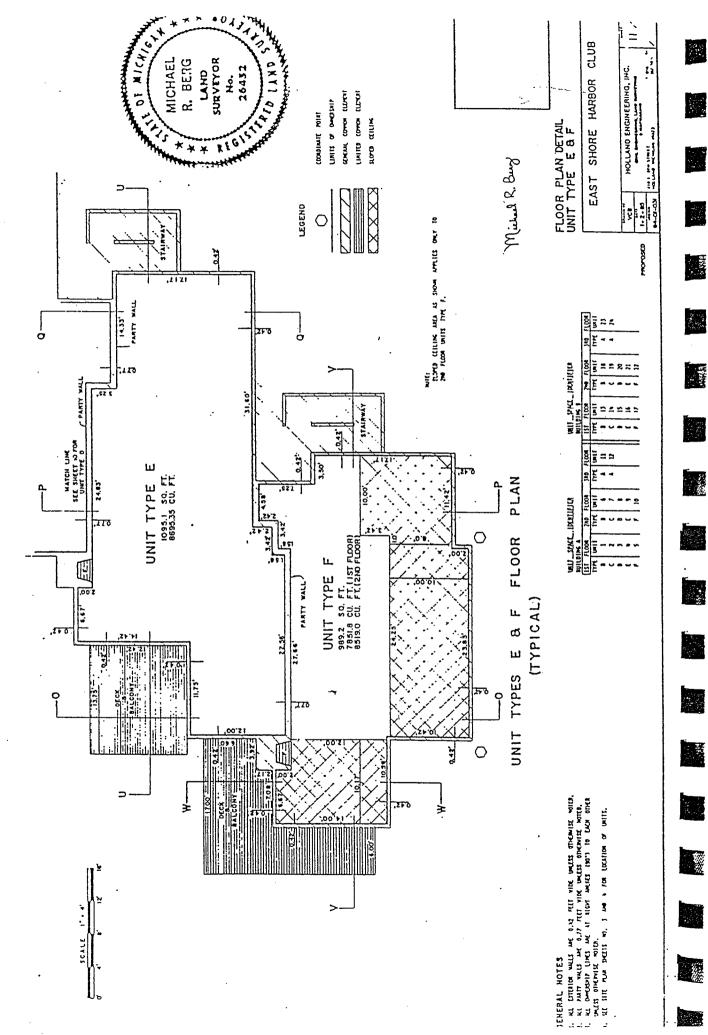






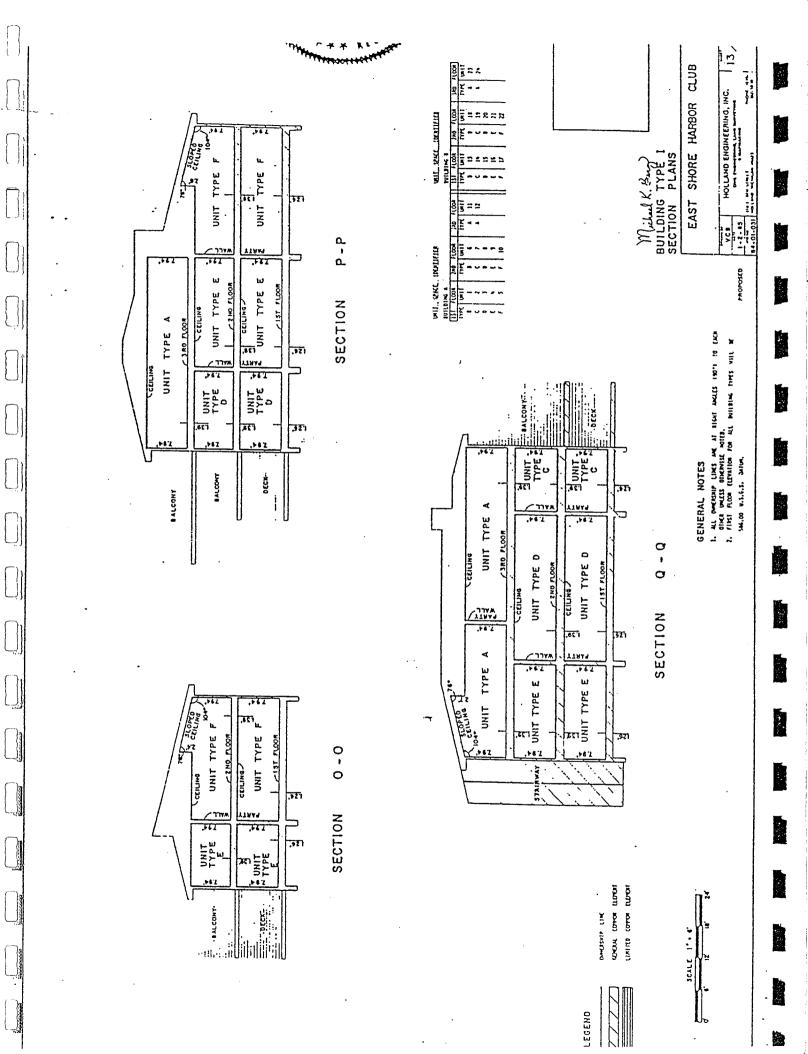


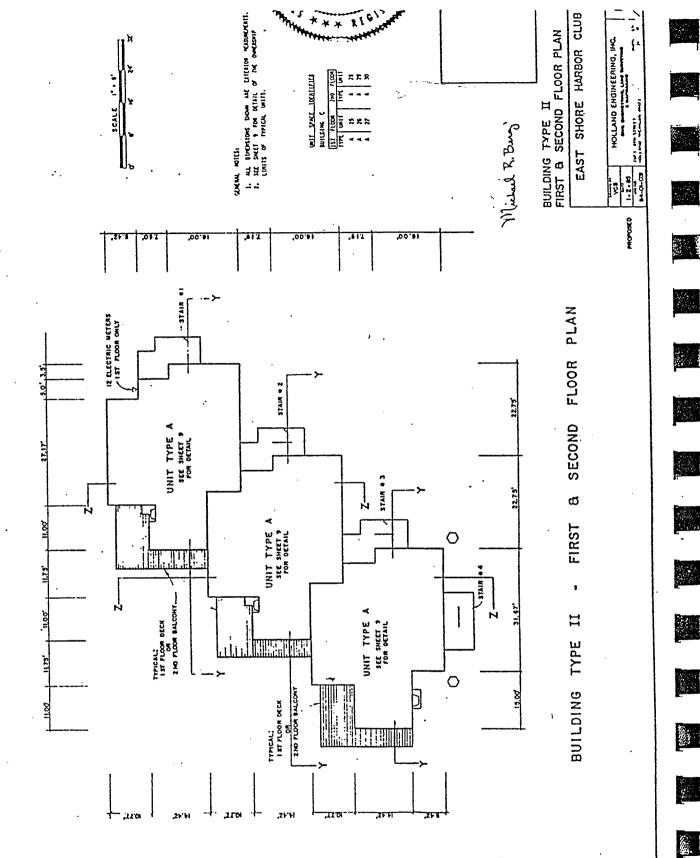


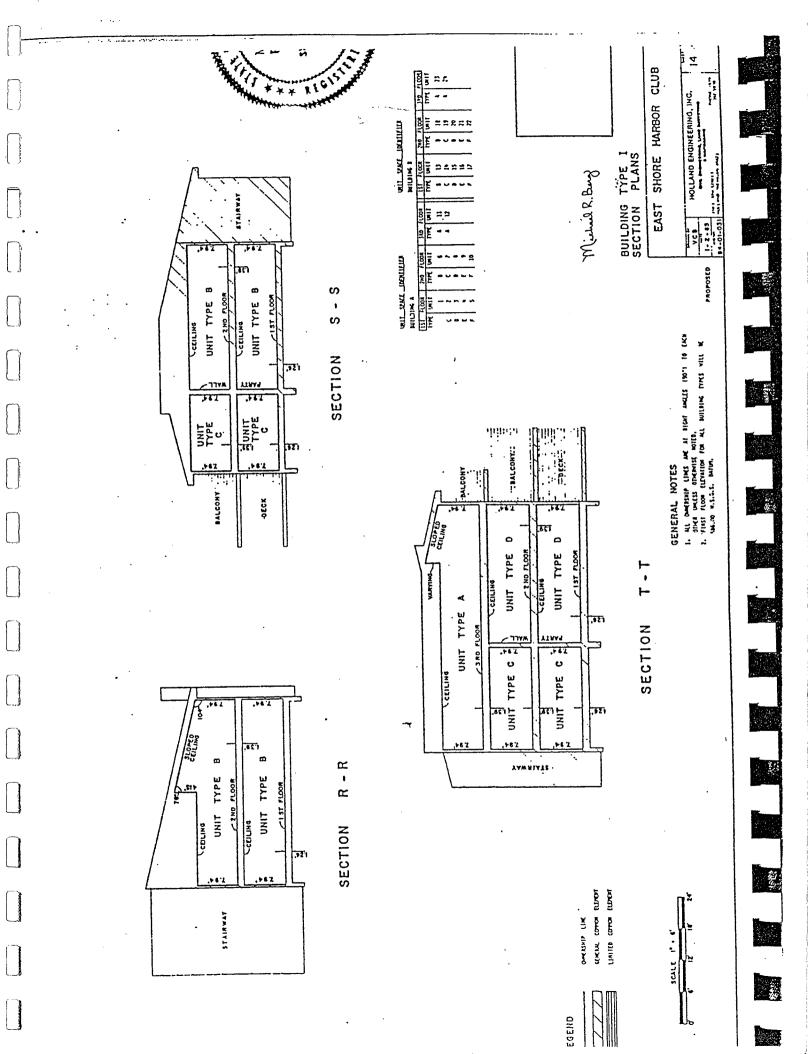


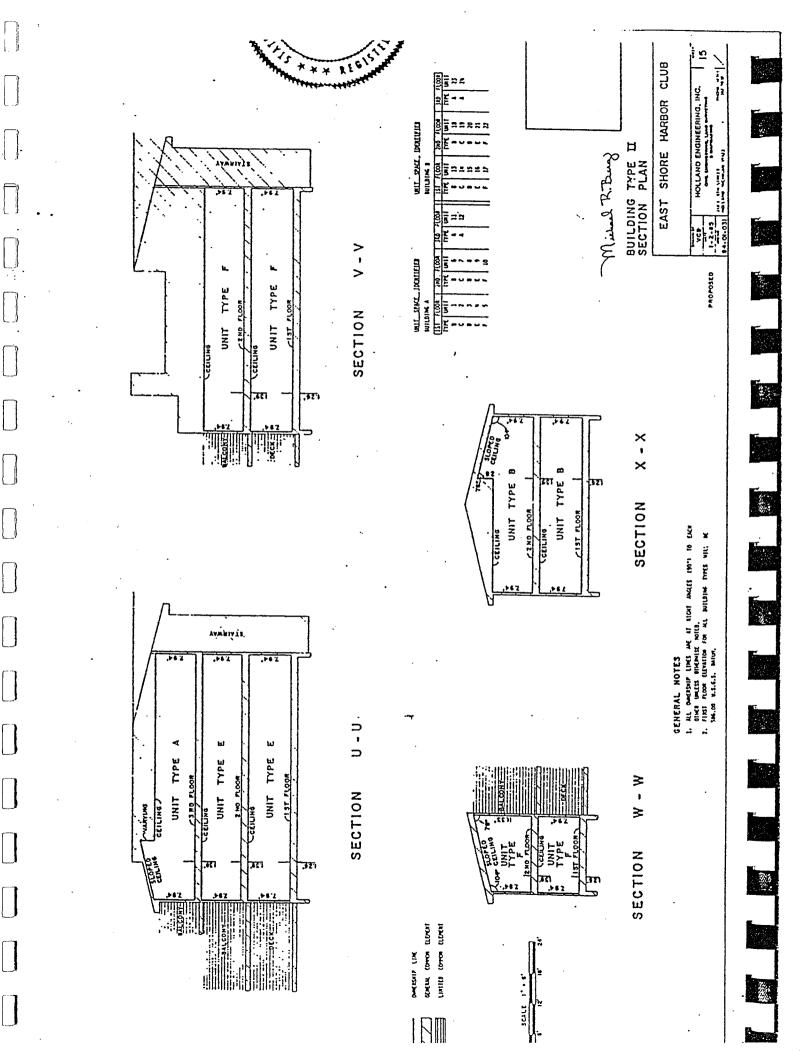
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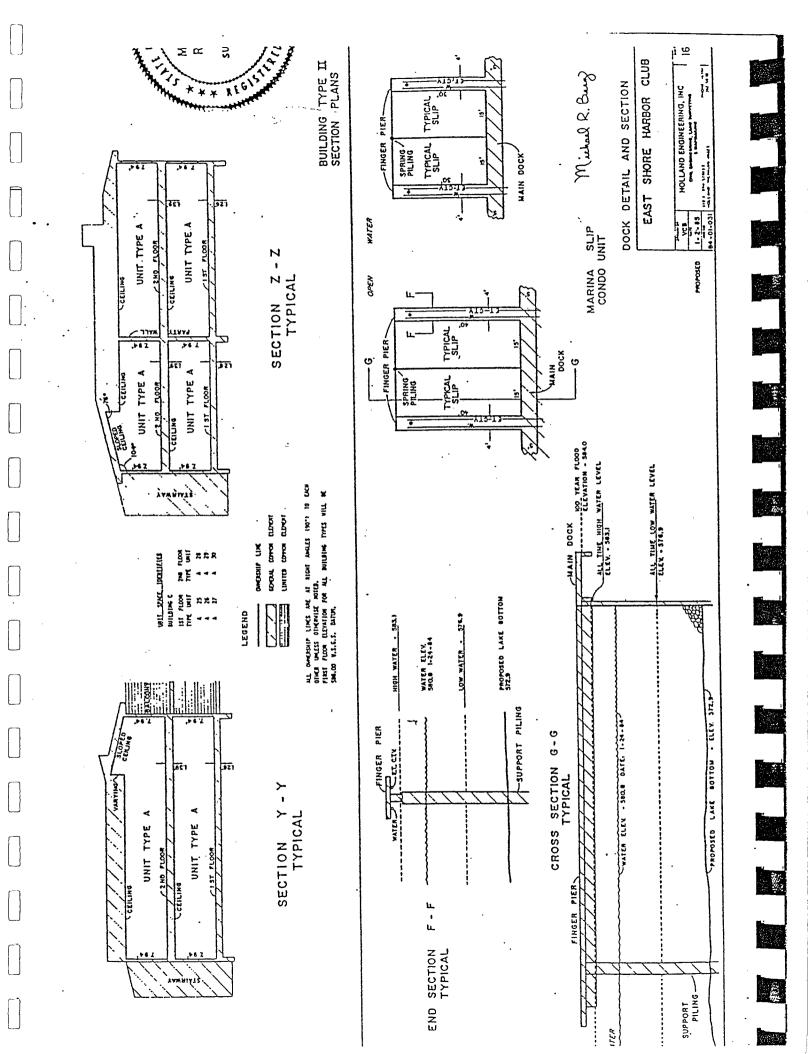
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UBER 1080 FASE 723 FIRST AMENDMENT TO THE MASTER DEED OF EAST SHORE HARBOR CLUB

AREN, LTD., a Michigan corporation, whose office is situated at 338 Park Street, Saugatuck, Michigan 49453, the Developer of the East Shore Harbor Club, a Condominium project established pursuant to the Master Deed thereof, recorded on March 15, 1985, in Liber 1079, Pages 299 through 355, Allegan County Records and known as Allegan County Condominium Subdivision Plan #23, hereby amends Exhibit B to said Master Deed of East Shore Harbor Club, a Condominium, pursuant to the authority reserved in Article VIII, Section B of said Master Deed for the purpose of correcting an error in the designation of the slips contained in Phase I and those proposed to be contained in Phase II. Upon recordation in the office of the Allegan County Register of Deeds of this Amendment, said Master Deed shall be amended in the following manner:

First amended sheets #1 and #4 of Exhibit B to the Master Deed of East Shore Harbor Club, which are attached hereto shall replace and supercede sheets #1 and #4 of the original Exhibit B to the Master Deed of East The original recorded sheets #1 Shore Harbor Club. The original recorded shee and #4 shall be of no further force or effect.

In all other respects, other than hereinabove indicated, the original Master Deed of the East Shore Harbor Club, including the Bylaws, Condominium Subdivision Plan and Joint Driveway Agreement respectively attached thereto as Exhibits A, B and C, shall be and figd, confirmed and redeclared. are hereby

WITNES Alan G. Enderle

Cyn hія Ortege STATE OF MICHIGAN

فمحسد بالمربوب والمحاد

)SS COUNTY OF KALAMAZOO)

On this \underline{S} day of \underline{APRIL} , 1985, before me, a Notary Public in and for said County, personally appeared the above named JAMES M. ENGEL, to me known to be the same person who executed the above instrument and has acknowledged the same to be his free act and deed.

millia

PREPARED BY AND WHEN RECORDED RECORDED RETURN TO: Cynthia P. Ortega 800 Comerica Bldg. With Commission Expires: 3/18/86 *Acting in Kalamazoo County Kalamazco, MI 49007 (616) 382-3784 1985 APR 11 AH 11:34

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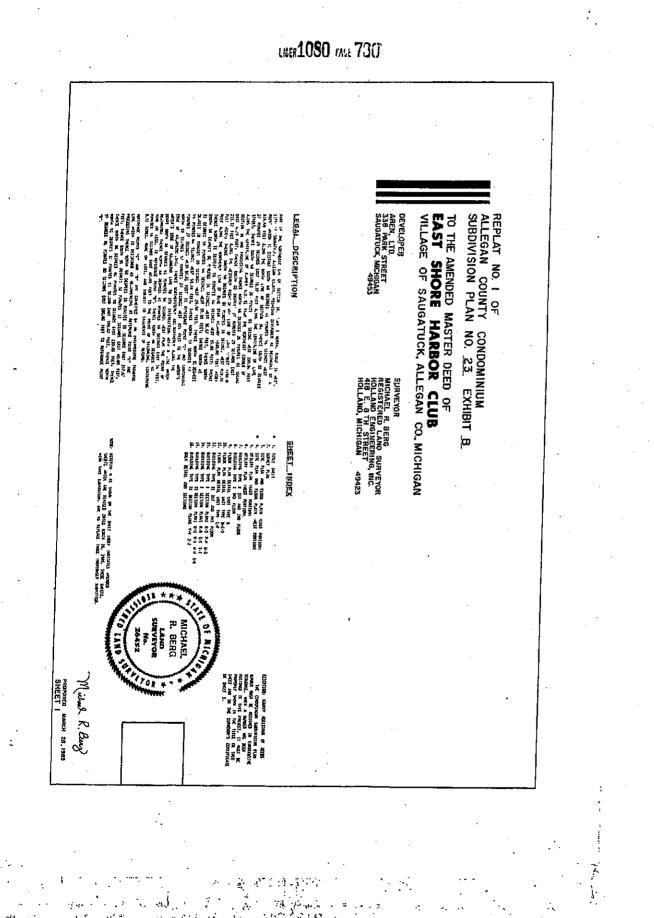
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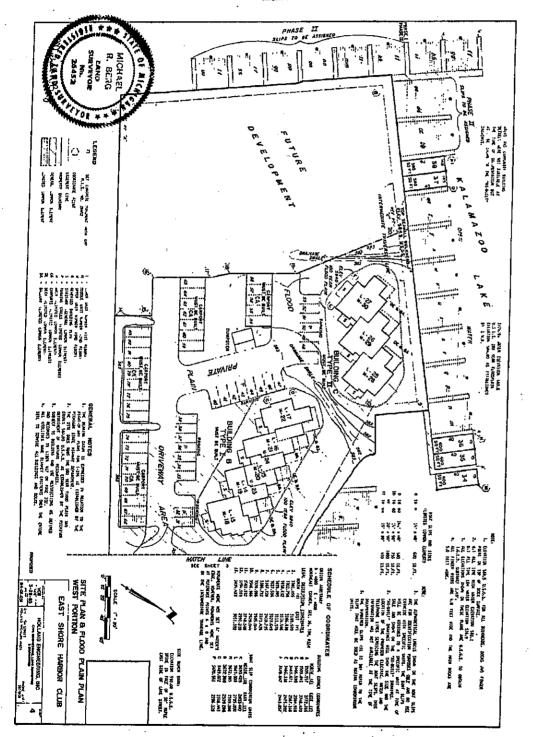
AREN JAMES M. ENGEL Its: Secretary/Treasurer

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LIBER 1080 FASE 731



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SECOND AMENDMENT TO THE MASTER DEED OF EAST SHORE HARBOR CLUB

AREN, LTD., a Michigan corporation whose office is situated at 338 Park Street, Saugatuck, Michigan 49453, the Developer of the East Shore Harbor Club, a Condominium project established pursuant to the Master Deed thereof, recorded on March 15, 1985, in Liber 1079, Pages 299 through 355, Allegan County Records as amended by the First Amendment to the Master Deed of East Shore Harbor Club recorded on April 11, 1985, in Liber 1080, Pages 729 through 731 and known as Allegan County Condominium Subdivision Plan #23, hereby amends Article VI, Section 2 of Exhibit A to said Master Deed of East Shore Harbor Club, a Condominium, pursuant to the authority reserved in Article VIII, Section B of said Master Deed and Article VIII, Section 4 of said Exhibit A for the purpose of eliminating a restriction against leasing marina units. Upon recordation in the office of the Allegan County Register of Deeds of this Amendment, Article VI, Section 2 shall be amended in the following manner:

> The following sentence is deleted from Article VI, Section 2 of Exhibit A:

> Notwithstanding the above, no marina unit may be leased to anyone for any purposes.

> The following sentence is inserted at the end of Article VI, Section 2 of Exhibit A:

> Notwithstanding the above, a marina unit co-owner may not enter into more than one lease per calendar year.

In all other respects, other than hereinabove indicated, the original Master Deed of East Shore Harbor Club as amended by the First Amendment to said Master Deed, including the Bylaws, Condominium Subdivision Plan and Joint Driveway Agreement respectively attached thereto as Exhibits A, B, and C, shall be and are hereby ratified, confirmed and redeclared.

WITNESS Michael В. prtega

Cyn :hia Ρ.

STATE OF MICHIGAN) SS. ١

COUNTY OF ALLEGAN

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AREN, LTD., /a Michigan obŕpć fation By: Morman E. Archer

Its: President

On this 25 day of \underline{AUGUST} , 1985, before a Notary Public for and in said County, personally appeared the above named NORMAN E. ARCHER, to me known to be the same person who executed the above instrument and has acknowledged the same to be his free act and deed.

PREPARED BY AND WHEN RECORDED RETURN TO: ✓Cynthia P. Ortega 800 Comerica Building Kalamazoo, Michigan 49007 (616) 382-3784

Cynthia Poti-Ortega Notary Public Allegan County, Michigan My commission expires: 3/18/86

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1985 SEP 11 AH 11: 37

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USER 1105 74GE 269

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THIRD AMENDMENT TO MASTER DEED

OF EAST SHORE HARBOR CLUB (Act 59, Public Acts OF 1978) As Amended

AREN, LTD., a Michigan corporation, the Developer of East Shore Harbor Club, a condominium project established pursuant to Master Deed recorded on March 15, 1985, and recorded at Liber 1079, Pages 299-355 inclusive, Allegan County Records, and designated as Allegan County Condominium Subdivision Plan No. 23, as amended by First Amendment dated April 8, 1985, and recorded at Liber 1080, Pages 730-731 inclusive, Allegan County Records, and as amended by Second Amendment dated August 25, 1985, and recorded at Liber 1091, Page 575, Allegan County Records, hereby amends said Master Deed pursuant to the authority reserved in Article VI thereof, for the purpose of enlarging the Condominium Project from 38 units to 54 units by the addition of land described in paragraph 1 below.

1. Article II of said Master Deed is hereby amended to read as follows:

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

Part of the Northeast 1 of Section 16, Town 3 North, Range 16 West, City of Saugatuck, Allegan County, Michigan described as beginning at a point which is distant south 88 degrees 41 minutes 56 seconds west 816.69 feet along the north line of Section 16; thence south 02 degrees 27 minutes 29 seconds east 78.77 feet along the centerline of Lake Street; thence south 48 degrees 26 minutes 01 second west 100.94 feet along the

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centerline of former U.S. 31 from the northeast corner of Section 16 and proceeding thence north 48 degrees 26 minutes 01 second east 4:29 feet; thence south 02 degrees 27 minutes 29 seconds east 211.32 feet along the westerly right-of-way line of Lake Street (150.00 feet wide); thence south 58 degrees 00 minutes 16 seconds west 830.00 feet along the northerly line of Blue Star Highway (300.00 feet wide) to reference point "A"; thence south 58 degrees 00 minutes 16 seconds west 9.4 feet, more or less, to the water's edge of Kalamazoo Lake; thence northwesterly and northerly along the water's edge of Kalamazoo Lake to its intersection with a line which bears south 88 degrees 41 minutes 56 seconds west from the point of beginning; thence north 88 degrees 41 minutes 56 seconds east 34.00 feet, more or less, to reference point "B"; thence north 88 degrees 41 minutes 56 seconds east 60.00 feet to the point of beginning;

Reference points "A" & "B" are connected by an intermediate traverse line which is described as recommencing at reference point "A" and proceeding thence north 36 degrees 19 minutes 25 seconds west 247.00 feet;

Thence north 50 degrees 18 minutes 31 seconds east 301.00 feet; thence south 36 degrees 52 minutes 12 seconds east 40.00 feet; thence north 86 degrees 00 minutes 00 seconds east 220.00 feet; thence north 51 degrees 37 minutes 01 second east 309.62 feet; thence north 37 degrees 00 minutes 00 seconds east 100.00 feet to reference point "B", containing 4.4 acres; more or less.

2. Article VI of said Master Deed is hereby amended to delete said Article in its entirety.

3. Article VII(B) and (D) of said Master Deed are hereby amended to delete said sections in their entirety and Article VII(C) is hereby relettered as Article VII(B).

4. Exhibit C to said Master Deed is hereby deleted in its entirety.

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LIEUR 1105 FAGE 271

5. The Condominium Subdivision Plans attached as Exhibit B to the Master Deed of East Shore Harbor Club and to the First Amendment to the Master Deed of East Shore Harbor Club (designated at Allegan County Subdivision Plan No. 23) are hereby amended by substituting for amended sheets No. 1 and 4 thereof, second amended sheets No. 1 and 4 attached as Exhibit B to this amendment. The legal description of the Condominium premises set forth on said second amended sheet No. 1 shall replace and supercede the description of said premises contained in amended sheet No. 1 of said amended Subdivision Plans.

6. The Condominium Subdivision Plans attached as Exhibit B to the Master Deed of East Shore Harbor Club and to the First Amendment to the Master Deed of East Shore Harbor Club are hereby amended by substituting for sheets 2, 3, 6, 7, 8, 9, 10, 11, 13, 14 and 15 thereof, amended sheets No. 2, 3, 6, 7, 8, 9, 10, 11, 13, 14 and 15 attached as Exhibit B to this amendment.

7. New sheets 17, 18, 19, 20, 21 and 22 of the Condominium Subdivision Plans attached hereto as Exhibit B shall, upon recordation in the office of the Register of Deeds of Allegan County supplement and be incorporated in the Condominium Subdivision Plans of East Shore Harbor Club.

8. In all other respects, the provisions of the Master Deed of East Shore Harbor Club recorded on March 15, 1985 and recorded in the office of the Register of Deeds for Allegan County, Michigan as Condominium Subdivision Plan No. 23, as previously_amended, are hereby ratified and confirmed.

-3-

LIGER 1105 PAGE 272

IN WITNESS WHEREOF, the Developer has duly executed this

Third Amendment to Master Deed this 26th day of Fibunuy, 1986.

SS.

thull Cynyhia P. Orte

Spaulding Patricia

STATE OF MICHIGAN)) COUNTY OF KALAMAZOO)

AREN, LTD., a Michigan Corporation By: il lufit (All) Norman E. Archer, President James M. Engel Secretary

On this <u>26</u> day of <u>kbuilant</u>, 1986, before me, a Notary Public in and for said County, appeared NORMAN E. ARCHER, and JAMES M. ENGEL, who are the President and Secretary of AREN, LTD., the corporation named in and which executed the within instrument; that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors; and that said persons further acknowledged said instrument to be the free act of said corporation.

(inthic Pate - Ortage Notary Public, Kalamazoo, Michigan My commission expires: 1-6-90 Cymna Toto-Grega

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DRAFTED BY:

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Cynthia P. Ortega 800 Comerica Building VKalamazoo, Michigan 49007 (616) 382-3784

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LIBER 2764 PAGE 915

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l		JOYCE A. LATTS REGISTER OF DEEDS				

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FOURTH AMENDMENT TO MASTER DEED

EAST SHORE HARBOR CLUB CONDOMINIUM

(Act 59, Public Acts of 1978) as amended

Allegan County Condominium Subdivision Plan No. 23

No interest in real estate being conveyed hereby, no revenue stamps are required.

This Instrument Drafted by:

Cynthia P. Ortega Miller, Johnson, Snell & Cummiskey, P.L.C. 303 North Rose Street, Suite 600 Kalamazoo, Michigan 49007 (269) 226-2950

LIBER 2764 PAGE 916

FOURTH AMENDMENT TO MASTER DEED EAST SHORE HARBOR CLUB CONDOMINIUM Page 2 of 3

FOURTH AMENDMENT TO MASTER DEED East Shore Harbor Club Condominium (Act 59, Public Acts of 1978) as amended

This Fourth Amendment to Master Deed is made and executed on this 21 day of Non-the Amendment to Master Deed is made and executed on this 21 day of profit corporation, c/o Gardner Management Co., of 5770 Venture Park, Kalamazoo, MI 49009, (the AAssociation@), pursuant to the provisions of the Michigan Condominium Act, being Act 59 of the Public Acts of 1978, as amended (the AAct@).

PREAMBLE

A. A condominium project known as East Shore Harbor Club (the AProject@), was established pursuant to the Master Deed recorded in Liber 1070, Pages 299 through 355, on March 15, 1985 (AMaster Deed@), Allegan County Records, as amended by the First Amendment to Master Deed dated April 8, 1985, and recorded on April 11, 1985, at Liber 1080, Pages 729 through 731, as further amended by the Second Amendment to Master Deed dated August 25, 1985, and recorded on September 11, 1985 at Liber 1091, Page 575, as further amended by the Third Amendment to Master Deed dated February 26, 1986, recorded on February 27, 1986 at Liber 1105, Pages 269 through 291.

B. Pursuant to the provisions contained in Article VIII, Section 1 of the Condominium Bylaws, the Board of Directors proposed an amendment to the Condominium Bylaws to add restrictions on the leasing of Units. Pursuant to Article VIII, Sections 2 and 3 of the Condominium Bylaws, a meeting was called for the consideration of this proposed amendment and the requisite 66 - 2/3% affirmative vote of the co-owners was obtained approving this amendment to the Master Deed. Further, the requisite 66 - 2/3% affirmative vote of mortgagees was obtained.

The East Shore Harbor Club Condominium Association does, upon the recording of this Fourth Amendment to Master Deed, amend the Master Deed establishing East Shore Harbor Club, a condominium project under the Act and amend the Condominium Association Bylaws for the purposes set forth below.

AMENDMENT

1. Article VI, Section 13 of the Condominium Bylaws is amended by the addition of the following subsection (e) at the end of that section:

LIBER 2764

PAGE 91

FOURTH AMENDMENT TO MASTER DEED EAST SHORE HARBOR CLUB CONDOMINIUM Page 3 of 3

A co-owner may not rent a Unit on more than two (2) occasions during any (e) calendar year (January 1 - December 31). All leases must be for a minimum term of thirty (30) days. Upon the submission of the lease to the Association pursuant to Article VI, Section 13 (a) above, the co-owner shall pay a One Hundred and 00/100 (\$100.00) Dollar fee to the Association. A violation of any of the provisions contained in Article VI, Section 13 shall subject the co-owner to a Five Hundred and 00/100 (\$500.00) Dollar fine to be imposed pursuant to the provisions contained in Article XI. Section 1 (d) of the Condominium Bylaws.

In all other respects, the Master Deed and Condominium Association Bylaws, as previously recorded, as previously amended shall remain in effect.

This Fourth Amendment to Master Deed has been executed as of the day and year first above written.

East Shore Harbor Club Condominium Association

h Bena Its: President FRANK BENAK

STATE OF MICHIGAN Ìss. COUNTY OF Kalamazon

The foregoing instrument was acknowledged before me this $2/2^{-2}$ day of November, 2004, by Frank Benak, the President of East Shore Harbor Club Condominium Association, a Michigan non-profit corporation.

Notary Public

County, Michigan KALAMA200 My commission expires 12 15-08 Acting in KALAMA County

KZ_DOC8-#137822-v1

Page 1 of 3

Joyce A. Watts Register of Deeds RECORDED August 15, 2006 10:38:33 AM Liber 3022 Page 285-287 FEE: \$20.00 D.MAM

STATE OF MICHIGAN Allegan County



Liber 3022 Page 285 #2006002656

REC'D AUG 1 4 2006

FIFTH AMENDMENT TO MASTER DEED

EAST SHORE HARBOR CLUB CONDOMINIUM

(Act 59, Public Acts of 1978) as amended

Allegan County Condominium Subdivision Plan No. 23

No interest in real estate being conveyed hereby, no revenue stamps are required.

This Instrument Drafted by:

TATH

Cynthia P. Ortega Miller, Johnson, Snell & Cummiskey, P.L.C. 303 North Rose Street, Suite 600 Kalamazoo, Michigan 49007 (269) 226-2950

Page 2 of 3

FIFTH AMENDMENT TO MASTER DEED East Shore Harbor Club Condominium (Act 59, Public Acts of 1978) as amended

This Fifth Amendment to Master Deed is made and executed on this 17th day of July, 2006, by East Shore Harbor Club Condominium Association, (the "Association") a Michigan non-profit corporation, c/o Gardner Management Co., of 5770 Venture Park, Kalamazoo, Michigan 49009, (the "Association"), pursuant to the provisions of the Michigan Condominium Act, being Act 59 of the Public Acts of 1978, as amended (the "Act").

PREAMBLE

A. A condominium project known as East Shore Harbor Club (the "Project"), was established pursuant to the Master Deed recorded in Liber 1070, Pages 299 through 355, on March 15, 1985 ("Master Deed"), Allegan County Records, as amended by the First Amendment to Master Deed dated April 8, 1985, and recorded on April 11, 1985, at Liber 1080, Pages 729 through 731, as further amended by the Second Amendment to Master Deed dated August 25, 1985, and recorded on September 11, 1985 at Liber 1091, Page 575, as amended by the Third Amendment to Master Deed dated February 26, 1986, recorded on February 27, 1986 at Liber 1105, Pages 269 through 291, as further amended by the Fourth Amendment to Master Deed dated November 21, 2004, recorded on December 2, 2004 at Liber 2764 Page 915, Allegan County Records.

B. The Association has received a written application signed by the co-owners of Units 15 and 16 requesting a reassignment of limited common elements. Pursuant to Section 39 of the Michigan Condominium Act, that being MCL 559.139, the Association does, upon the recording of this Fifth Amendment to Master Deed, amend the Master Deed establishing East Shore Harbor Club, a condominium project under the Act for the purpose of reassigning the limited common elements as so requested, as more fully set forth below.

AMENDMENT

1. All rights and obligations with respect to the following limited common elements are, upon the recording of this Fifth Amendment to Master Deed, assigned as follows:

UNIT 16: Slip z and Parking Space #36

UNIT 15: Slip i; Parking Space #45; Garage Space/Carport #61

Such Limited Common Elements may be subsequently reassigned to a different Unit in any recorded deed of conveyance to the Unit to which the Limited Common Element may be appurtenant or may be individually assigned or reassigned by other recorded instrument purporting to assign or reassign the same.

Page 3 of 3

2. In all other respects, the Master Deed, as previously recorded, as previously amended shall remain in effect.

This Fifth Amendment to Master Deed has been executed as of the day and year first above written.

East Shore Harbor Club Condominium Association

By: John S. Simoni

Its: President

STATE OF M)ss. Ottawa COUNTY OF

The foregoing instrument was acknowledged before me this $\frac{|b|}{|b|}$ day of July, 2006 by John S. Simoni, the President of East Shore Harbor Club Condominium Association, a Michigan non-profit corporation.



, Notary Public County, My commission expires: 5.27.2

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Pc Docs #157369v2



Rose Street Market Building 303 North Rose Street Suite 600 Kalamazoo, MI 49007-3850

TH MERITAS LAW FIRMS WORLDWIDE

CYNTHIA P. ORTEGA Attorney at Law

269.226.2959 269.978.2959 fax ortegac@millerjohnson.com

October 2, 2006



Mr. Steve Simoni 174 Coconut Palm Road Boca Raton, Florida 33432 via email j<u>ss4747@aol.com</u>

Re: East Shore Harbor Club Sixth Amendment

Dear Steve:

Mitchell and Morse's office located the original Replat No. 3 drawings from 1994 which were never recorded. I have prepared a Sixth Amendment to Master Deed to place these drawings on the record. I assume that somewhere along the line these drawings were approved by the Association. It would be nice if we had minutes from a meeting in 1994 approving these drawings. If you can find anything that I can place in my file to confirm that these were authorized, please forward that paperwork to me. I did not represent the Association in 1994. I left Kreis Enderle's offices in 1992 and the file stayed with that office. The un-numbered amendment dated in 1996 was prepared by Attorney Bob Lennon.

At any rate, please review these drawings and make sure that they match what is on site. If they appear to be correct, please sign the enclosed Sixth Amendment and return it to me. I will record the amendment with these drawings to correct the record.

Also enclosed is a bill for \$150 for the copies of the drawings. I assume that the Association will pay this directly.

If you have any questions, please let me know.

Very truly yours,

MILLER JOHNSON

By

CPO/cpo/jj Encls.

SIXTH AMENDMENT TO MASTER DEED

EAST SHORE HARBOR CLUB CONDOMINIUM

(Act 59, Public Acts of 1978) as amended

Allegan County Condominium Subdivision Plan No. 23

No interest in real estate being conveyed hereby, no revenue stamps are required.

This Instrument Drafted by:

Cynthia P. Ortega Miller, Johnson, Snell & Cummiskey, P.L.C. 303 North Rose Street, Suite 600 Kalamazoo, Michigan 49007 (269) 226-2950

SIXTH AMENDMENT TO MASTER DEED East Shore Harbor Club Condominium (Act 59, Public Acts of 1978) as amended

This Sixth Amendment to Master Deed is made and executed on this 2nd day of October, 2006, by East Shore Harbor Club Condominium Association, (the "Association") a Michigan non-profit corporation, c/o Gardner Management Co., of 5770 Venture Park, Kalamazoo, Michigan 49009, (the "Association"), pursuant to the provisions of the Michigan Condominium Act, being Act 59 of the Public Acts of 1978, as amended (the "Act").

PREAMBLE

A. A condominium project known as East Shore Harbor Club (the "Project"), was established pursuant to the Master Deed recorded in Liber 1070, Pages 299 through 355, on March 15, 1985 ("Master Deed"), Allegan County Records, as amended by the **First Amendment** to Master Deed dated April 8, 1985, and recorded on April 11, 1985, at Liber 1080, Pages 729 through 731, the **Second Amendment** to Master Deed dated August 25, 1985, and recorded on September 11, 1985 at Liber 1091, Page 575, the **Third Amendment** to Master Deed dated February 26, 1986, recorded on February 27, 1986 at Liber 1105, Pages 269 through 291, the **Fourth Amendment** to Master Deed dated November 21, 2004, recorded on December 2, 2004 at Liber 2764 Page 915, the **Fifth Amendment** dated July 17, 2006 recorded on August 15, 2006, at Liber 3022, Page 285, as also amended by an **un-numbered amendment** dated September 13, 1996 and recorded in September 1996 at Liber 1601 Page 227, Allegan County Records.

B. The Association has discovered that Replat No. 3 prepared in 1994 which should have been recorded as the Fourth Amendment to the Master Deed, was never recorded. Replat No. 3 was intended to, among other things, show the final as built configuration of the parking spaces and garages. However, the Association has been operating as if Replat No. 3 was recorded. The Association does, upon the recording of this Sixth Amendment to Master Deed, amend the Master Deed establishing East Shore Harbor Club, a condominium project under the Act for the purpose of placing Replat No. 3 of record.

AMENDMENT

1. Sheets 1, 2, 3, 4, 5 and 6 of Exhibit B, the Condominium Subdivision Plan for the East Shore Harbor Club Condominium, are replaced by Replat No. 3 Sheets 1, 2, 3, 4, 5 and 6 which are attached hereto.

2. In all other respects, the Master Deed, as previously recorded, as previously amended shall remain in effect.

This Sixth Amendment to Master Deed has been executed as of the day and year first above written.

East Shore Harbor Club Condominium Association

By: ______ John S. Simoni Its: President

 STATE OF ______)

)ss.

 COUNTY OF _____)

.

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The foregoing instrument was acknowledged before me this _____ day of October 2006 by John S. Simoni, the President of East Shore Harbor Club Condominium Association, a Michigan non-profit corporation.

(SEAL)

	, Notary Public
	County,
My commission expires:	· · · · · · · · · · · · · · · · · · ·

Pc Docs #174223

Page 1 of 21

STATE OF MICHIGAN Allegan County Joyce A. Watts Register of Deeds

RECORDED



November 26, 2008 11:50:35 AM Liber 3276 Page 180-200 p.MAM FEE: \$74.00

Liber 3278 Page 180 #2008022229

A HALS-JEATOINS RCVD

SEVENTH AMENDMENT TO MASTER DEED

East Shore Harbor Club Condominium (Act 59, Public Acts of 1978) as amended

This Seventh Amendment to Master Deed is made and executed on this <u>18</u> day of <u>November</u>, 2008, by East Shore Harbor Club Condominium Association, a Michigan nonprofit corporation, c/o Gardner Management Company, of 5770 Venture Park, Kalamazoo, Michigan, 49009 (the "Association"), pursuant to the provisions of the Michigan Condominium Act, being Act 59 of the Public Acts of 1978, as amended (the "Act").

PREAMBLE

A. A condominium project known as East Shore Harbor Club (the "Project"), was established pursuant to the Master Deed recorded in Liber 1070, Pages 299 through 355, on March 15, 1985 ("Master Deed"), Allegan County Records, as amended by the First Amendment to Master Deed dated April 8, 1985, and recorded on April 11, 1985, at Liber 1080, Pages 729 through 731, as further amended by the Second Amendment to Master Deed dated August 25, 1985, and recorded on September 11, 1985 at Liber 1091, Page 575, as further amended by the Third Amendment to Master Deed dated February 26, 1986, recorded on February 27, 1986, at Liber 1105, Pages 269 through 291, as further amended by the Fourth Amendment to Master Deed dated November 21, 2004, recorded on December 2, 2004, at Liber 2764, Pages 915 through 917, as further amended by the Fifth Amendment to Master Deed dated July 17, 2006, recorded on August 15, 2006, at Liber 3022, Page 285, as further amended by Sixth Amendment to Master Deed dated October 2, 2006, recorded on December 7, 2006 at Liber 3066, Page 531, and also amended by an un-numbered amendment dated September 13, 1996 and recorded in September, 1996 in Liber 1601, Page 227, Allegan County Records.

B. Pursuant to the provisions contained in Article VII, Section 1 of the Condominium Bylaws, the Board of Directors proposed an amendment to the Condominium Bylaws which would adopt the restated Bylaws as attached hereto as Exhibit A in lieu of and in substitution for the original Condominium Bylaws and the requisite 66 and 2/3% affirmative vote of the co-owners approving the restated Condominium Bylaws as an amendment to the Master Deed was obtained at a meeting duly called and noticed for such purpose. Further, the changes instituted by the restated Condominium Bylaws, do not require the approval of first mortgagees under Section 90 a(9) of Act 59 of the Public Acts of 1978; MCL 559.190a(9). Page 2 of 21

The East Shore Harbor Club Condominium Association does, upon the recording of this Seventh Amendment to Master Deed, amend the Master Deed establishing East Shore Harbor Club, a condominium project under the Act and amend the Condominium Bylaws to read as set forth on the attached Exhibit A.

This Seventh Amendment to Master Deed has been executed as of the first day and year above written.

East Shore Harbor Club Condominium Association

- -----

By Robert Langevin, Its President

STATE OF FLORIDA

COUNTY OF Martin

The foregoing instrument was acknowledged before me, in <u>Mactio</u> County, Florida, this <u>18</u>th day of <u>November</u>, 2008, by Robert Langevin, the President of East Shore Harbor Club Condominium Association, a Michigan nonprofit corporation, on behalf of the corporation.

-2-



Notary Public, Martin Co., FL My commission expires: 06/28/10 Acting in Martin County

Drafted by and when recorded return to: Joel G. Bouwens Cunningham Dalman, P.C. 321 Settlers Road, P.O. Box 1767 Holland, MI 49422-1767 (616) 392-1821 rijgbleast shore harbor club condo assn/seventh amendment to master decd080929.doc

- Page 3 of 21-----

EXHIBIT A

RESTATED CONDOMINIUM BYLAWS EAST SHORE HARBOR CLUB CONDOMINIUM

TABLE OF CONTENTS

Section 1. ASSOCIATION OF CO-OWNERS

1.1 Organization

1.2 Compliance

Section 2. MEMBERSHIP AND VOTING

2.1 Membership

2.2 Voting Rights

2.3 Eligibility to Vote

2.4 Marina Issues

2.5 Designation of Voting Representative

2.6 Proxies

2.7 Majority

Section 3. MEETINGS AND QUORUM

3.1 Annual Meeting of Members

3.2 Quorum of Members

Section 4. ADMINISTRATION

4.1 Board of Directors

4.2 Powers and Duties

- 4.3 Books of Account
- 4.4 Maintenance and Repair

4.5 Reserve Fund

4.6 Construction Liens

4.7 Managing Agent

4.8 Officers

4.9 Indemnification

Section 5. ASSESSMENTS

5.1 Administrative Expenses

5.2 Determination of Assessments

5.3 Apportionment of Assessments

5.4 Expenses of Administration

5.5 Collection of Assessments

Section 6. TAXES, INSURANCE, AND REPAIR

6.1 Real Property Taxes

6.2 Insurance Coverage

6.3 Reconstruction and Repair

6.4 Eminent Domain

Page 4 of 21

Section 7. USE AND OCCUPANCY RESTRICTIONS

7.1 Residential Use

7.2 Common Areas

7.3 Use and Occupancy Restrictions

7.4 Zoning Compliance

7.5 Rules of Conduct

7.6 Co-owner Enforcement

7.7 Remedies on Breach

Section 8. MORTGAGES

8.1 Notice to Association

8.2 Insurance

8.3 Rights of Mortgagees

8.4 Additional Notification

Section 9. LEASES

9.1 Residential Unit Limitations

9.2 Marina Lease Limitations

9.3 Notice of Lease

9.4 Terms of Lease

9.5 Remedies of Association

9.6 Liability for Assessments

Section 10. TRANSFER OF UNITS

10.1 Unrestricted Transfers

10.2 Notice to Association

Section 11. ARBITRATION

11.1 Submission to Arbitration

11.2 Preservation of Rights

Section 12. OTHER PROVISIONS

12.1 Definitions

12.2 Severability

12.3 Notices

12.4 Amendment

12.5 Conflicting Provisions

Page 5 of 21

RESTATED CONDOMINIUM BYLAWS EAST SHORE HARBOR CLUB CONDOMINIUM

Section 1 ASSOCIATION OF CO-OWNERS

1.1 Organization. East Shore Harbor Club Condominium is a residential condominium project located in City of Saugatuck, Allegan County, Michigan developed in successive segments so as to comprise a maximum of forty-six (46) residential units and eight (8) marina units. The management, maintenance, operation, and administration of the project is vested in East Shore Harbor Club Association an association of co-owners organized as a nonprofit corporation under the laws of the State of Michigan. The association will keep current copies of the master deed, all amendments to the master deed, and other condominium documents for the project available at reasonable hours for inspection by co-owners, prospective purchasers, mortgagees, and prospective mortgagees of units in the project.

1.2 Compliance. All present and future co-owners mortgagees, lessees, or other persons who may use the facilities of the condominium in any manner shall be subject to and comply with the provisions of Act No. 59, P.A. 1978, as amended, the master deed and any amendments, the condominium bylaws, and the articles of incorporation, association bylaws, and other condominium documents that pertain to the use and operation of the project. The acceptance of a deed of conveyance, the entering into of a lease, or the act of occupying a unit in the project shall constitute an acceptance of the terms of the condominium documents and an agreement to comply with their provisions.

Section 2 MEMBERSHIP AND VOTING

2.1 Membership. Each co-owner of a unit in the project, during the period of ownership, shall be a member of the association, and no other person or entity will be entitled to membership. The share of a member in the funds and assets of the association may be assigned, pledged, or transferred only as an appurtenance to a unit.

2.2 Voting Rights. Each co-owner will be entitled to one vote for each unit owned when voting by number, and one vote, the value of which shall equal the total of the percentages assigned to the unit or units owned, when voting by value. Voting shall be by number, except in those instances where voting is specifically required in the master deed or bylaws to be by number and value, and no accumulation of votes shall be permitted.

2.3 Eligibility to Vote. No co-owner, will be entitled to vote at any meeting of the association until the co-owner has presented written evidence of ownership of a unit in the project.

2.4 Marina Issues. Anything herein to the contrary whenever voting is required on an issue affecting the interests of the marina units, an affirmative vote of at least five (5) of the eight (8) marina unit owners shall be required to pass any resolution.

2.5 Designation of Voting Representative. The person entitled to cast the vote for each unit and to receive all notices and other communications from the association shall be designated by a certificate signed by all the record owners of a unit and filed with the secretary of the

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association. The certificate shall state the name and address of the individual representative designated, the number of the unit owned, and the name and address of the person or persons, firm, corporation, partnership, association, trust, or other legal entity who is the unit owner. All certificates shall be valid until revoked, until superseded by a subsequent certificate, or until a change has occurred in the ownership of the unit.

2.6 Proxies. Votes may be cast in person or by proxy. Proxies may be made by any designated voting representative who is unable to attend the meeting in person. Proxies will be valid only for the particular meeting designated and any adjournment, and must be filed with the association before the appointed time of the meeting.

2.7 Majority. At any meeting of members at which a quorum is present, 51 percent of the co-owners entitled to vote and present in person or by proxy (or written vote, if applicable), shall constitute a majority for the approval of the matters presented to the meeting, except as provided in Section 2.4 and in those instances in which a majority exceeding a simple majority is required by these bylaws, the master deed, or by law.

Section 3 MEETINGS AND QUORUM

3.1 Annual Meeting of Members. Annual meetings of the members shall be held in each year on a date during the month of July and at a time and place selected by the board of directors. At least 14 days prior to the date of an annual meeting, written notice of the date, time, place, and purpose of such meeting shall be mailed or delivered to each member entitled to vote at the meeting; provided, that not less than 30 days' written notice shall be provided to each member of any proposed amendment to these bylaws or to other recorded condominium documents.

3.7 Quorum of Members. The presence in person or by proxy of 25 percent of the coowners entitled to vote shall constitute a quorum of members. The written vote of any owner furnished at or prior to a meeting, at which meeting such owner 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 4 ADMINISTRATION

4.1 Board of Directors. The business, property, and affairs of the association shall be managed by a board of directors (the "board") to be elected in the manner described in the association bylaws.

4.2 Powers and Duties. The board shall have all powers and duties necessary for the administration of the affairs of the association, and may take all actions in support of the administration as are not prohibited by the condominium documents or specifically reserved to the members, including by way of example, the following:

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a. care, upkeep, and maintenance of the common elements;

b. development of an annual budget and the determination, levy, and collection of assessments required for the operation and affairs of the condominium;

Page 7 of 21

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employment and dismissal of contractors and personnel as necessary for the efficient management and operation of the condominium property;

- d. adoption and amendment of rules and regulations, consistent with these bylaws, governing the use of the condominium property;
- e. opening bank accounts, borrowing money, and issuing evidences of indebtedness in furtherance of the purposes of the association, and designating signatories required for such purpose;
- f. obtaining insurance for the common elements, the premiums of which shall be an expense of administration;
- g. granting licenses for the use of the common elements for purposes not inconsistent with the provisions of the act or of the condominium documents;
- h. authorizing the execution of contracts, deeds of conveyance, easements, and rights-of-way affecting any real or personal property of the condominium on behalf of the co-owners;
- i. making repairs, additions, and improvements to, or alterations of, the common elements, and repairs to and restoration of the common elements after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings;
- j. asserting, defending, or settling claims on behalf of all co-owners in connection with the common elements of the project and, upon written notice to all coowners, instituting actions on behalf of and against the co-owners in the name of the association; and
- k. such further duties as may be imposed by resolution of the members of the association or that may be required by the condominium documents or the act.

4.3 Books of Account. The association shall keep books and records containing a detailed account of the expenditures and receipts of administration, which will specify the maintenance and repair expenses of the common elements and any other expenses incurred by or on behalf of the association and its members. Such accounts shall be open for inspection by the co-owners and their mortgagees during reasonable hours. The association shall also prepare and distribute a financial statement to each co-owner at least once a year, the contents of which will be defined by the association. The books and records shall be reviewed annually and audited at such times as required by the board of directors by qualified independent accountants (who need not be certified public accountants), and the cost of such review or audit shall be an expense of administration.

4.4 Maintenance and Repair. The responsibility for maintenance and repair of units and common elements is as follows:

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a. All maintenance of and repair to a unit (other than maintenance and repair of general common elements located within a unit) and to a limited common element that is the responsibility of the co-owner of a unit as set forth in the master deed, shall be made by the co-owner of the unit. Any co-owner who desires to make structural modifications to a unit or limited common element must first obtain the

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written consent of the association and shall be responsible for all damages to the common elements resulting from such repairs.

All maintenance of, repair to, and replacement for the general common elements, whether located inside or outside the units, and to limited common elements to the extent required by the master deed, shall be made by the association and shall be charged to all the co-owners as a common expense unless necessitated by the negligence, misuse, or neglect of a particular co-owner, in which case the expense shall be charged to the co-owner individually. The association or its agent shall have access to each unit from time to time during reasonable hours, upon notice to the occupant, for the purpose of maintenance, repair, or replacement of any of the common elements that are the responsibility of the association located within or accessible only from a unit. The association or its agents shall also have access to each unit at all times without notice for making emergency repairs necessary to prevent damage to other units and/or to the common elements.

4.5 Reserve Fund. The association shall maintain a reserve fund to be used for major repairs and replacement of the common elements as provided by section 105 of the act. The fund shall be established in the minimum amount required on or before the transitional control date, and shall, to the extent possible, be maintained at a level that is equal to or greater than 10 percent of the then-current annual budget of the association on a noncumulative basis. The minimum reserve standard required by this section may prove to be inadequate, and the board should carefully analyze the project from time to time in order to determine if a greater amount should be set aside or if additional reserve funds shall be established for other purposes.

4.6 Construction Liens. A construction lien arising as a result of work performed on a unit or on an appurtenant limited common element shall attach only to the unit upon which the work was performed. A construction lien for work authorized by the association shall attach to each unit only to the proportionate extent that the co-owner of such unit is required to contribute to the expenses of administration. No construction lien shall arise or attach to a condominium unit for work performed on the general common elements not contracted for by the association.

4.7 Managing Agent. The board may employ a management company or managing agent at a compensation established by the board to perform such duties and services as the board shall authorize, including, but not limited to, the powers and duties described in section 4.2.

4.8 Officers. The association bylaws shall provide the designation, number, terms of office, qualifications, manner of election, duties, removal, and replacement of officers of the association and may contain any other provisions pertinent to officers of the association not inconsistent with these bylaws. Officers may be compensated, but only upon the affirmative vote of 60 percent or more of all co-owners.

4.9 Indemnification. All directors and officers of the association shall be entitled to indemnification against costs and expenses incurred as a result of actions (other than willful or wanton misconduct or gross negligence) taken or not taken on behalf of the association upon 10 days' notice to all co-owners, in the manner and to the extent provided by the association bylaws. In the event that no judicial determination as to indemnification has been made, an opinion of independent counsel as to the propriety of indemnification shall be obtained if a majority of co-owners vote to procure such an opinion.

Section 5 ASSESSMENTS

5.1 Administration Expenses. The association shall be assessed as the entity in possession of any tangible personal property of the condominium owned or possessed in common, and personal property taxes levied on such property shall be treated as expenses of administration. All costs incurred by the association in satisfaction of any liability arising within, caused by, or connected with the common elements or the administration of the project shall be expenses of administration, and all sums received as proceeds of, or pursuant to any policy of insurance covering the interests of the co-owners against liabilities or losses arising within, caused by, or connected with the common elements or the administration of such common elements shall be receipts of administration.

5.2 Determination of Assessments. Assessments will be determined in accordance with the following provisions:

- a. *Initial budget.* The board of the association shall establish an initial budget in advance for each fiscal year, which budget will project all expenses for the coming year that may be required for the proper operation, management, and maintenance of the condominium project, including a reasonable allowance for contingencies and reserves. The annual assessment to be levied against each unit in the project shall then be determined on the basis of the budget. Copies of the budget will be delivered to each owner, although the failure to deliver such a copy to each owner will not affect or in any way diminish the liability of a co-owner for any existing or future assessment.
- b. Budget assessments. Should the board determine at any time, in its sole discretion, that the initial assessments levied are insufficient: (1) to pay the costs of operation and maintenance of the common elements; (2) to provide for the replacement of existing common elements; (3) to provide for additions to the common elements not exceeding \$5,000 or \$100 per unit annually, whichever is less; or (4) to respond to an emergency or unforeseen development; the board is authorized to increase the initial assessment or to levy such additional assessments as it deems to be necessary for such purpose(s). The discretionary authority of the board to levy additional assessments will rest solely with the board for the benefit of the association and its members, and may not be attached by or subject to specific performance by any creditors of the association.
- c. Special assessments. Special assessments, in excess of those permitted by subsections (a) and (b), may be made by the board from time to time with the approval of the co-owners as provided in this subsection to meet other needs or requirements of the association, including but not limited to: (1) assessments for additions to the common elements costing more than \$5,000 in any year; (2) assessments to purchase a unit upon foreclosure of the lien described in section 5.5; or (3) assessments for any other appropriate purpose not specifically described. Special assessments referred to in this subsection (but not including those assessments referred to in subsections (a) and (b), which will be levied in the sole discretion of the board) will not be levied without the prior approval of 60

percent or more of all co-owners. The authority to levy assessments pursuant to this subsection is solely for the benefit of the association and its members and may not be attached by or subject to specific performance by any creditors of the association.

5.3 Apportionment of Assessments. All assessments levied against the co-owners to cover expenses of administration shall be apportioned among and paid by the co-owners in accordance with the percentage of value allocated to each Unit in Article V of the Master Deed without increase or decrease for the existence of any rights to the use of limited Common Elements appurtenant to a Unit, except that all marina unit owners shall initially pay \$20.00 per month per unit as their share of the assessments. If and when the assessments must be increased, the share paid by the marina unit owners shall be increased by the same proportionate amount as the residential unit owners assessment increases. Annual assessments as determined in accordance with Article V, Section 5.2a above shall be payable by co-owners in twelve (12) equal monthly installments, commencing with acceptance of a deed to a Unit or with acquisition of fee simple title to a Unit by any other means. The payment of an assessment shall be in default if such assessment, or any part thereof, is not paid to the association in full on or before the due date for such payment. Assessments in default shall bear interest at the rate of seven percent (7%) per annum until paid in full. Each co-owner (whether one or more persons) shall be, and remain, personally liable for the payment of all assessments pertinent to his Unit which may be levied while such co-owner is the owner thereof. (Designated as Article II, Section 4 in original Bylaws).

5.4 Expenses of Administration. The expenses of administration shall consist, among other things, of such amounts as the board may deem proper for the operation and maintenance of the condominium property under the powers and duties delegated to it and may include, without limitation, amounts to be set aside for working capital of the condominium, for a general operating reserve, for a reserve for replacement, and for meeting any deficit in the common expense for any prior year. The board shall advise each co-owner in writing of the amount of common charges payable by the co-owner and shall furnish copies of each budget containing common charges to all co-owners.

5.5 Collection of Assessments. Each co-owner shall be obligated for the payment of all assessments levied upon the co-owner's unit during the time that the person is the co-owner of the unit, and no co-owner may become exempt from liability for the co-owner's contribution toward the expenses of administration by waiver of the use or enjoyment of any of the common elements, or by the abandonment of a unit.

a. Legal remedies. In the event of default by any co-owner in paying the assessed common charges, the board may declare all unpaid installments of the annual assessment for the pertinent fiscal year to be immediately due and payable. In addition, the board may impose reasonable fines or charge interest at the legal rate on such assessments from and after the due date. Unpaid assessments, together with interest on the unpaid assessments, collection, and late charges; advances made by the association for taxes or other liens to protect its lien; attorney fees; and fines in accordance with the condominium documents shall constitute a lien on the unit prior to all other liens except tax liens in favor of any state of federal taxing authority and sums unpaid upon a mortgage of record recorded prior to the recording of any notice of lien by the association, and the association may enforce

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the collection of all sums due by suit at law for a money judgment or by foreclosure of the liens securing payment in the manner provided by section 108 of the act. In a foreclosure proceeding, whether by advertisement or by judicial action, the co-owner or anyone claiming under the co-owner shall be liable for assessments charged against the unit that become due before the redemption period expires, together with interest, advances made by the association for taxes or other liens to protect its lien, costs, and reasonable attorney fees incurred in their collection.

Sale of unit. Upon the sale or conveyance of a unit, all unpaid assessments against the unit shall be paid out of the sale price by the purchaser in preference over any other assessment or charge except as otherwise provided by the condominium documents or by the act. A purchaser or grantee may request a written statement from the association as to the amount of unpaid assessments levied against the unit being sold or conveyed. The purchaser or grantee shall not be liable for, and the unit sold or conveyed shall not be subject to a lien for any unpaid assessments in excess of, the amount stated in a written response from the association. Unless the purchaser or grantee requests a written statement from the association at least five days before sale as provided in the act, however, the purchaser or grantee shall be liable for any unpaid assessments against the unit together with interest, late charges, fines, costs, and attorney fees.

Self-help. The association may enter upon the common elements, limited or general, to remove and abate any condition constituting a violation of the condominium documents, or may discontinue the furnishing of services to a co-owner in default under any of the provisions of the condominium documents, upon seven days' written notice to such co-owner of the association's intent 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 the default continues; provided, that this provision shall not operate to deprive any co-owner of ingress and egress to and from the co-owner's unit.

d. *Application of payments.* Money received by the association in payment of assessments in default shall be applied as follows: first, to costs of collection and enforcement of payment, including reasonable attorney fees; second, to any interest charges and fines for late payment on such assessments; and third, to installments of assessments in default in order of their due dates.

Section 6 TAXES, INSURANCE, AND REPAIR

6.1 Real Property Taxes. Real property taxes and assessments shall be levied against the individual units and not against the property of the project or any phase of the project. Taxes and assessments that become a lien against the property in the year in which the project was established shall be expenses of administration and shall be assessed against the units located on the land with respect to which the tax or assessment was levied in proportion to the percentage of value assigned to each unit. Real property taxes and assessments levied in any year in which a vacation of the project occurs shall be assessed only against the individual units. For tax and

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special assessment purposes no unit shall be combined with any other unit or units, and no assessment of any fraction of a unit or combination of any unit with other whole or partial units shall be made, nor shall any division or split of the assessment or taxes of a single unit be made, whether the unit is owned by an individual or multiple co-owners. Taxes for real property improvements made to or within a specific unit shall be assessed against that unit only, and each unit shall be treated as a separate, single parcel of real property for purposes of property taxes and special assessments.

6.2 Insurance Coverage. The association shall be appointed as attorney-in-fact for each co-owner to act on insurance matters and shall be required to obtain and maintain, to the extent applicable: casualty insurance with extended coverage, vandalism and malicious mischief endorsements; liability insurance (including director's and officer's liability coverage if deemed advisable); and worker's compensation insurance pertinent to the ownership, use, and maintenance of the common elements of the project. All insurance shall be purchased by the board of directors for the benefit of the association, the co-owners, and the mortgagees, as their interests may appear. Such insurance, other than title insurance, shall be carried and administered according to the following provisions:

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Co-owner responsibilities. Each co-owner will be responsible for obtaining casualty insurance coverage at the co-owner's expense with respect to the co-owner's improvements constructed or located within the perimeters of the co-owner's unit. It shall be each co-owner's responsibility to obtain insurance coverage for the co-owner's personal property located within the co-owner's unit or elsewhere on the condominium, for personal liability for occurrences within the co-owner's unit or on the limited common elements appurtenant to the co-owner's unit, and for alternative living expenses in the event of fire or other casualty causing temporary loss of the co-owner's unit. All insurance carried by the association or any co-owner shall contain provisions waiving the right of subrogation as to any claims against any co-owner or the association for insured losses.

b. Common element insurance. All common elements of the project shall be insured by the association against fire and other perils covered by a standard extended coverage endorsement, to the extent deemed applicable and appropriate, in an amount to be determined annually by the board. Such coverage shall also include interior walls within any unit and the pipes, wires, conduits and ducts contained therein and shall further include all fixtures, equipment and trim within a unit which were furnished with the unit upon its initial purchase (or such replacements thereof as do not exceed the cost of such original items). The association shall not be responsible in any way for maintaining insurance with respect to any improvements located within the units.

c. *Fidelity insurance.* The association may obtain, if desired, fidelity coverage to protect against dishonest acts by its officers, directors, trustees, and employees and all others who are responsible for handling funds of the association.

d. *Power of attorney.* The board is irrevocably appointed as the agent for each coowner, each mortgagee, other named insureds and their beneficiaries, and any other holder of a lien or other interest in the condominium or the property, to

- 8 -

adjust and settle all claims arising under insurance policies purchased by the board and to execute and deliver releases upon the payment of claims.

e. *Insurance proceeds*. 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; provided, however, whenever Section 6.3 requires the repair or reconstruction of the Condominium, any insurance proceeds received by the association as a result of any loss requiring repair or reconstruction shall be applied for such purpose. Hazard insurance proceeds shall never be used for any purpose other than for repair, replacement or reconstruction of the project unless all of the holders of mortgages on units in the Condominium have given their prior written approval.

f. *Premium expenses.* Except as otherwise provided, all premiums upon insurance purchased by the association pursuant to these bylaws shall be expenses of administration.

6.3 Reconstruction and Repair. The following provisions will control, if any part of the condominium property is damaged or destroyed:

- a. Common elements. If a common element or a unit is damaged, such property shall be rebuilt or repaired if any condominium unit is tenantable, unless the co-owners unanimously vote that the condominium shall be terminated and each holder of a mortgage lien on any condominium unit has given its prior written approval of such termination.
- b. *Reconstruction.* If the Condominium is so damaged that no unit is tenantable, and if each holder of a 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 all the co-owners in value and in number agree to reconstruction by vote or in writing within ninety (90) days after the destruction.
- c. Standard. 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 similar as possible to the condition existing prior to damage, unless the co-owners and each holder of a mortgage lien on any condominium unit shall unanimously decide otherwise.
- d. Associated responsibility. If the damage is only to a part of a unit which it 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. The association promptly shall notify each holder of a mortgage lien on any of the condominium units if any unit or any part of the common elements is substantially damaged or destroyed.

Co-owner responsibility. 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

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appliances, whether freestanding or built-in, and items deemed to be the responsibility of the individual co-owner by Article V. C. of the master deed. If damage to decks and balconies, 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 thereof 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).

Incidental damage. 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.

Proceeds. Any insurance proceeds received, whether by the association or a coowner, shall be used for reconstruction or repair when reconstruction or repair is required by these Bylaws. If the insurance proceeds 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 monthly assessments, as set forth in Section 5.3 hereof.

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

Units. In the event of the taking of all or any portion of a unit, the award for such taking shall be paid to the co-owner of the unit and any mortgagee of the unit, as their interests may appear. If a co-owner's entire unit is taken by eminent domain, such co-owner and any mortgagee shall, after acceptance of the condemnation award, be divested of all interest in the project.

b. Common elements. In the event of the taking of all or any portion of the general common elements, the condemnation proceeds relative to the taking shall be paid to the association for use and/or distribution to its co-owners. The affirmative vote of 80 percent or more of the co-owners in number and in value shall determine whether to rebuild, repair, or replace the portion so taken or to take such other action as the co-owners deem appropriate.

c. Amendment to master deed. In the event the project continues after the taking by eminent domain, the remaining portion of the project shall be resurveyed and the

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master deed amended accordingly. If any unit shall have been taken, section 5 of the master deed shall also be amended to reflect the taking and to proportionately readjust the percentages of value of the remaining co-owners based upon the continuing total value of the condominium of 100 percent. The amendment may be completed by an officer of the association duly authorized by the board without the necessity of execution or specific approval by any co-owner.

Notice to mortgagees. In the event any unit in the condominium, the common elements, or any portion of them is made the subject matter of an eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, the association shall promptly notify each holder of a publicly recorded mortgage lien on any of the units in the condominium.

e. *Inconsistent provisions.* To the extent not inconsistent with the provisions of this section, section 133 of the act ("contractable projects") shall control upon any taking by eminent domain.

Section 7 USE AND OCCUPANCY RESTRICTIONS

7.1 Residential Use. Condominium units shall be used exclusively for residential and no unit or appurtenant common element shall be used for any purpose other than that of a single family residence or purposes incidental to residential use. A family shall mean a couple in a committed relationship and their children and or parents. No building intended for other business uses, and no apartment house, rooming house, day care facility, foster care residence, or other commercial and/or multiple-family dwelling of any kind shall be erected, placed, or permitted on any unit. No marina unit shall be used for other than recreational boating purposes nor shall any unit be used as a location for taking on or discharging passengers for hire, or for any public or private freight carrying of any kind whatsoever, or for commercial fishing.

7.2 Common Areas. The common elements shall be used only by the co-owners of units in the condominium and by their agents, tenants, family co-owners, invitees, and licensees for access, ingress to, and egress from the respective units, and for other purposes incidental to use of the units; provided, that any parking areas, storage facilities, or other common elements designed for a specific purpose shall be used only for those purposes or other uses 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 or easement presently in existence or entered into by the board at some future date that affects all or any part of the common elements.

7.3 Use and Occupancy Restrictions. In addition to the general requirements of sections 7.1 and 7.2, the use of the project and its common elements by any co-owner shall be subject to the following specific restrictions:

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a. *Exterior changes.* No co-owner shall make alterations in exterior appearance or make structural modifications to his Unit (including interior walls through or in which there exist easements for support or utilities) or make changes in any of the Common Elements, limited or general, without the express written approval of the Board of Directors including (but not by way of limitation) exterior painting or the erection of antennas, lights, aerials, doors, shutters or other exterior

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attachments or modifications, nor shall any Co-owner damage or make modifications or attachments to Common Element walls between Units which in any way impairs sound conditioning provisions. Antennas or aerials installed prior to the recording of the master deed shall be permitted to remain. Such shall be maintained at the expense of the individual owner or owners. The Board of Directors may approve only such modifications as do not impair the soundness. safety, utility or appearance of the Condominium.

Unit rental. No portion of a unit may be rented, and no transient tenants may be b. accommodated in any building; provided, that this restriction shall not prevent the rental or sublease of an entire unit together with its appurtenant limited common elements for residential purposes subject to the limitations of Section 9.

Nuisances. No nuisances shall be permitted on the property nor shall any use or c. practice be permitted that is a source of annoyance to, or that interferes with the peaceful possession or proper use of the project by the co-owners. No unit shall be used in whole or in part for the storage of rubbish or trash, nor for the storage of any property or thing that may cause the unit to appear in an unclean or untidy condition. No substance or material shall be kept on a unit that will emit foul or obnoxious odors, or that will cause excessive noise that will or might disturb the peace, quiet, comfort, or serenity of the occupants of surrounding units.

Prohibited uses. No immoral, improper, offensive, or unlawful use shall be đ. conducted on the property, and nothing shall be done or kept in any unit or on the common elements that will increase the rate of insurance for the project without the prior written consent of the association. No co-owner shall permit anything to be done or kept in the co-owner's unit or elsewhere on the common elements that will result in the cancellation of insurance on any unit or any part of the common elements, or that will be in violation of any law."

Signs. No signs or other advertising devices (other than one professionally made e. unlit sign, or a sign of substantially the same quality and appearance, not larger than four square feet in size, advertising a unit for sale) that are visible from the exterior of the unit or from the common elements shall be displayed on any unit without written permission from the association or its managing agent.

Personal property. No co-owner shall display, hang, or store any clothing, sheets, f. blankets, laundry, or other articles of personal property outside a unit. This restriction shall not be construed to prohibit a co-owner from placing and maintaining outdoor furniture and accoutrements and decorative foliage of a customary nature and appearance on a patio, deck, or balcony appurtenant to a unit; provided, that furniture or other property stored during the winter season on any open patio, deck or balcony that is visible from another unit or from the common elements of the project shall be properly secured and covered.

Firearms and weapons. No co-owner shall use, or permit the use by any occupant, g. agent, tenant, invitee, guest, or co-owner of the co-owner's family of any firearms, air rifles, pellet guns, B-B guns, bows and arrows, illegal fireworks or other dangerous weapons, projectiles, or devices anywhere on or about the property.

- 12 -

Pets and animals. No animals of any kind may be kept or maintained in any unit h. except for two domestic dogs, less than 18 inches in height at the shoulder or two domestic cats, or one such dog and one cat, or two caged birds, without the prior written consent of the association, which consent, if given, may be revoked at any time by the association. No exotic, savage, or dangerous animal shall be kept on the property, and no animal may be kept or bred for commercial purposes. Common household pets permitted under the provisions of this subsection shall be kept only in compliance with the rules and regulations promulgated by the board of directors from time to time, and must at all times be kept under care and restraint so as not to be obnoxious on account of noise, odor, or unsanitary conditions. No animal shall be permitted to run loose upon the common elements or within any unit (except the unit owned by the owner of such animal), and the owner of each pet shall be responsible for cleaning up after it.

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

- Recreational vehicles. No recreational vehicles, boats, or trailers shall be parked or stored anywhere on the property, except within a unit's garage, with the garage door closed, without the written approval of the association. No snowmobile, allterrain vehicle, or other motorized recreational vehicle shall be operated on the property. No maintenance or repair shall be performed on any boat or recreational vehicle except within a garage or residence where totally isolated from public view.
- Satellite dishes. A co-owner may install a satellite dish on the co-owner's unit, subject to reasonable prior written approval by the association as to size, location, color, and screening. To the extent required by applicable federal law, the association's regulations shall not unreasonably impair a co-owner's installation, maintenance, or use of the satellite dish.
- Application of restrictions. Unless there is an election to arbitrate pursuant to k. these bylaws, a dispute or question as to whether a violation of any specific regulation or restriction contained in this section has occurred shall be submitted to the board, which shall conduct a hearing and render a decision in writing; the decision shall be binding upon all co-owners and other parties having an interest in the project.
 - Use of common elements. The general common elements shall not be used for the storage of supplies or personal property (except for such short periods of time as may be reasonably necessary to permit the placement of trash for collection the

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next day). No vehicles shall be parked on or along the private drive(s) (except in the event of approved parties or receptions generating a need for off-site parking), and co-owners shall not personally use or obstruct any guest parking areas that may be located on the common elements of the project without the prior consent > of the association. No co-owner shall in any way restrict access to any utility line or other area that must be accessible to service the common elements or that affects an association responsibility in any way. In general, no activity shall be carried on nor condition maintained by any co-owner either in the co-owner's unit or upon the common elements that despoils the appearance of the condominium.

7.4 Zoning Compliance. In addition to the restrictions contained in this section, the use of any unit must satisfy the requirements of the zoning ordinances of the municipality in which the project is located in effect at the time of the contemplated use, unless a variance for such use is obtained from the municipality.

7.5 Rules of Conduct. Additional rules and regulations consistent with the act, the master deed, and these bylaws concerning the use of units and common elements may be promulgated and amended by the board. Copies of such rules and regulations must be furnished by the board to each co-owner at least 30 days prior to their effective date, and may be revoked at any time by the affirmative vote of 60 percent or more of all co-owners.

7.7 Co-owner Enforcement. An aggrieved co-owner will also be entitled to compel enforcement of the condominium documents by action for injunctive relief and/or damages against the association, its officers, or another co-owner in the project.

7.8 Remedies on Breach. In addition to the remedies granted by these bylaws for the collection of assessments, (including the imposition of fines) the association shall have the right, in the event of a violation of the restrictions on use and occupancy imposed by this section, to enter the unit and to remove or correct the cause of the violation. Such entry will not constitute a trespass, and the co-owner of the unit will reimburse the association for all costs of the removal or correction. Failure to enforce any of the restrictions contained in this section will not constitute a waiver of the right of the association to enforce restrictions in the future.

Section 8 MORTGAGES

8.1 Notice to Association. Any co-owner who mortgages a unit shall notify the association of the name and address of the mortgagee (referenced in this section as a "mortgagee"), and the association will maintain such information.

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

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

a. Inspection and notice. Upon written request to the association, a mortgagee will be entitled to: (1)inspect the books and records relating to the project upon reasonable notice; (2) receive a copy of the annual financial statement that is distributed to co-owners; (3) notice of any default under the condominium

documents by its mortgagor in the performance of the mortgagor's obligations that is not cured within 30 days; and (4) notice of all meetings of the association and its right to designate a representative to attend the meetings.

- b. *Exemption from restrictions.* A mortgagee that comes into possession of a unit pursuant to the remedies provided in the mortgage or by deed in lieu of foreclosure, shall be exempt from any option or right of first refusal on the sale or rental of the mortgaged unit in the condominium documents.
- c. *Past-due assessments.* A mortgagee that comes into possession of a unit pursuant to the remedies provided in the mortgage, or by deed in lieu of foreclosure, shall take the unit free of any claims for unpaid assessments on charges against the mortgaged unit that accrue prior to the time the mortgagee comes into possession, except for assessments having priority as liens against the unit or claims for a pro rata share of such assessments or charges resulting from a reallocation of such assessments charged to all units including the mortgaged unit.

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

Section 9 LEASES

9.1 Residential Unit Limitations. No co-owner shall be allowed to rent a unit on more than two (2) occasions during any calendar year (January 1 through December 31). All leases must be for a minimum term of thirty (30) days. Upon the submission of the lease to the Association, pursuant to Section 9.3 below, the co-owner shall pay a One Hundred Dollar (\$100.00) fee to the Association. A violation of the provisions contained in this Section 9 shall subject the co-owner to a Five Hundred Dollar (\$500.00) fine imposed pursuant to the provisions contained in Section 7.8 of the Condominium Bylaws.

9.2 Marina Lease Limitations. Notwithstanding anything herein to the contrary, a marina unit co-owner may not enter into more than one (1) lease per calendar year.

9.3 Notice of Lease. A co-owner, intending to lease a unit, shall disclose that fact in writing to the association at least 10 days before presenting a lease form to the prospective tenant and, at the same time, shall supply the association with a copy of the lease form. No unit shall be leased for a period of less than 30 days without the prior written consent of the association.

9.4 Terms of Lease. Non-co-owner occupants of a unit shall comply with all the conditions of the condominium documents of the project, and all lease and rental agreements must require such compliance.

9.5 Remedies of Association. If the association determines that any non-co-owner occupant has failed to comply with any conditions of the condominium documents, the association may take the following action:

- 15 -

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

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

Section 10 TRANSFER OF UNITS

10.1 Unrestricted Transfers. An individual co-owner may, without restriction under these bylaws, sell, give, devise, or otherwise transfer the co-owner's unit, or any interest in the unit.

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

Section 11 ARBITRATION

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

11.2 Preservation of Rights. Election by any co-owner or by the association to submit any dispute, claim, or grievance to arbitration shall preclude that party from litigating the dispute, claim, or grievance in the courts. Except as provided in this section, however, all

- 16 -

Page 21 of 21

interested parties shall be entitled to petition the courts to resolve any dispute, claim, or grievance in the absence of an election to arbitrate.

Section 12 OTHER PROVISIONS

12.1 Definitions. All terms used in these bylaws will have the same meaning assigned by the master deed to which the bylaws are attached, or as defined in the act.

12.2 Severability. In the event that any of the terms, provisions, or covenants of these bylaws or of any condominium document are held to be partially or wholly invalid or unenforceable for any reason whatsoever, such holding shall not affect, alter, modify, or impair any of the other terms, provisions, or covenants of such documents or the remaining portions of any terms, provisions, or covenants held to be partially invalid or unenforceable.

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

12.4 Amendment. These bylaws may be amended, altered, changed, added to, or repealed only in the manner prescribed in the master deed.

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

- 1. the Master Deed, including the condominium subdivision plan (but excluding these bylaws);
- 2. these condominium bylaws;
- 3. the articles of incorporation of the association;
- 4. the association bylaws;
- 5. the rules and regulations of the association; and
- 6. the disclosure statement.

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STATE OF MICHIGAN Allegan County Joyce A. Watts Register of Deeds RECORDED



June 07, 2010 10:55:01 AM Liber 3423 Page 620-621 D.MAM FEE: \$17.00



Liber 3423 Page 620 #2010010217

EIGHTH AMENDMENT TO MASTER DEED East Shore Harbor Club Condominium (Act 59, Public Acts of 1978) as amended

This Eighth Amendment to Master Deed is made and executed on this <u>Inde</u>, 2010, by East Shore Harbor Club Condominium Association, (the "Association") a Michigan non-profit corporation, c/o Gardner Management Co., of 5770 Venture Park, Kalamazoo, Michigan 49009, (the "Association"), pursuant to the provisions of the Michigan Condominium Act, being Act 59 of the Public Acts of 1978, as amended (the "Act").

PREAMBLE

A condominium project known as East Shore Harbor Club (the "Project"), was Α. established pursuant to the Master Deed recorded in Liber 1070, Pages 299 through 355, on March 15, 1985 ("Master Deed"), Allegan County Records, as amended by the First Amendment to Master Deed dated April 8, 1985, and recorded on April 11, 1985, at Liber 1080, Pages 729 through 731, as further amended by the Second Amendment to Master Deed dated August 25, 1985, and recorded on September 11, 1985 at Liber 1091, Page 575, as further amended by the Third Amendment to Master Deed dated February 26, 1986, and recorded on February 27, 1986 at Liber 1105, Pages 269 through 291, as further amended by the Fourth Amendment to Master Deed dated November 21, 2004, and recorded on December 2, 2004 at Liber 2764, Page 915, as further amended by the Fifth Amendment to Master Deed dated July 17, 2006, and recorded on August 15, 2006 at Liber 3022, Pages 285 through 287, as further amended by the Sixth Amendment to Master Deed dated October 2, 2006, and recorded on December 7, 2006 at Liber 3066, Pages 531 through 539, as further amended by the Seventh Amendment to Master Deed dated November 18, 2008, and recorded on November 26, 2008 at Liber 3278, Pages 180 through 200.

B. The Association has received a written application signed by the co-owners of Units 26, 29 and 41 requesting a reassignment of limited common elements. Pursuant to Section 39 of the Michigan Condominium Act, that being MCL 599.139, the Association does, upon the recording of this Eighth Amendment to Master Deed, amend the Master Deed establishing East Shore Harbor Club, a condominium project under the Act for the purpose of reassigning the limited common elements as so requested, as more fully set forth below.

AMENDMENT

1. All rights and obligations with respect to the following limited common elements are, upon the recording of this Eighth Amendment to Master Deed, assigned as follows:

Unit 26Garage 56 and Garage 62Unit 29Garage 103 (formerly Garage 104 under previous site plan
to Master Deed)Unit 41Garage 63

Such Limited Common Elements may be subsequently reassigned to a different Unit in any recorded deed of conveyance to the Unit to which the Limited Common Element may be appurtenant or may be individually assigned or reassigned by other recorded instrument purporting to assign or reassign the same.

2. In all other respects, the Master Deed, as previously recorded, as previously amended shall remain in effect.

This Eighth Amendment to Master Deed has been executed as of the first day and year above written.

East Shore Harbor Club Condominium Association

By:

David Koestner, President

STATE OF <u>MICHIGAN</u> COUNTY OF OHawa

The foregoing instrument was acknowledged before me this 3 day of 100, 2010 by David Koestner, the President of East Shore Harbor Club Condominium Association, a Michigan non-profit corporation.

rah-Soarberg Notary Public

Prepared by: Kay E. Kossen Kreis, Enderle, Hudgins & Borsos, PC One West Michigan Ave. Battle Creek, MI 49017(269) 966-3000 ____ County, Michigan My commission expires: _____

> ANNETTE VANDENBERGH-SAARBERG Notary Public, State of Michigan County of Ottawa My Commission Excess August 3, 2012 Acting in the County of Ottawa

ALLEGAN COUNTY CONDOMINIUM NEFLAI NU. U UT

SUBDIVISION PLAN NO. 23 EXHIBIT B

THE CONDOMINIUM SUBDIVISION PLAN NUMBER MUST BE ASSIGNED IN CONSECUTION EXCIDENCE WHEN A NUMBER HAS BEEN ASSIGNED TO THIS PPOLOCE, IT MUST BE PROPERLY SHOWN IN THE TITLE ON THIS SHEET AND IN THE SURVEYORS GETRIFFARE ON SHEET 2.

VITENTION COUNTY RECISTRAR OF DEEL

EAST SHORE HARBOR CLUB

TO THE AMENDED MASTER DEED OF

CITY OF SAUGATUCK, ALLEGAN CO. MICHIGAN

DEVELOPER

SAUGATUCK, MICHIGAN 49453 338 PARK STREET AREN, LTD.

SURVEYOR

SOUTH HAVEN, MICHIGAN 49090 MITCHELL SURVEYS, INC. 404 BROADWAY

LEGAL DESCRIPTION

PART OF THE NORTHEAST 1/4 OF SECTION 16, TOWN 3 NORTH, RANCE 16 WEST, CITY OF SAUGATUCK, ALLEGAN COUNTY, MICHIGAN DESCRIBED AS BECINING AT A POINT WARCHI SID SISTANT SOUTH 80 DEGREES 41 MINUTES 56 SECONIDS WEST BIG.69 FEET ALONG THE NORTH LINE OF ESCTION 16; THENCE SOUTH Q2 DEGREES 27 MINUTES 29 SECONIDS EAST 78.77 FEET ALONG THE CRITERIANE OF LAKE STREET; THENCE SOUTH 48 DEGREES 26 MINUTES 01 SECONID WEST 100.94 FEET ALONG THE CONTERING OF FORMER U.S. 31 FROM THE NORTHEAST CORNERS OF SECTION 16 AND PROCEEDING THENCE NORTH 48 DEGREES 27 MINUTES 20 SECOND EAST 4.29 FEET; THENCE SOUTH 48 DEGREES 27 MINUTES 20 SECOND EAST 4.29 FEET; THENCE SOUTH 48 DEGREES 20 MINUTES 01 SECOND FEET ALONG THE MORTHERLY LINE OF LAKE STREET (150.00 FEET ALONG THE MORTHERLY LINE OF LAKE STREET (150.00 FEET ALONG THE MORTHERLY LINE OF BLUE STAR HIGHWAY (300.00 FEET 150.000 FEET ALONG THE WESTERS 20 MINUTES 16 SECONDS WEST 94 FEET, MONE OR ELUE STAR HIGHWAY (300.00 FEET 150.000 FEET ALONG THE WESTERS DOG TO MINUTES 16 SECONDS WEST 94.94 FEET, MONE OR LEUES TO MINUTES 16 SECONDS WEST 94.00 FEET ALONG THE WAITER'S EDGE OF LAKE, THENCE NORTH 88 DEGREES 00 MINUTES 16 SECONDS WEST 94 MINUTES 56 SECONDS EAST 34.00 FEET MONE OF LESS, TO REFERENCE POINT "A", THENCE SOUTH 58 DEGREES 00 MINUTES 16 SECONDS WEST 94 A MINUTES 56 SECONDS EAST 34.00 FEET MONE OF LESS, TO REFERENCE POINT "A", AND PROFINE OF RALAMAZOO LAKE, THENCE NORTH MB DEGREES 41 MINUTES 56 SECONDS MONTH 88 DEGREES 41 MINUTES 56 SECONDS EAST 34.00 FEET MONE OF LESS, TO REFERENCE POINT "B", THENCE NORTH 36 DEGREES 41 MINUTES 56 SECONDS MINUTES 25 SECONDS WEST 220.00 FEET TO THE PROFINE OF THE MARE NUMERS 25 SECONDS WEST 220.00 FEET TO THE PROFINE OF THE PROFILES TO MINUTES 26 SECONDS EAST 320.00 FEET TO THE ROUTH 36 DEGREES 19 MINUTES 00 SECONDS EAST 220.00 FEET THENCE POINT 97 SOUTH 36 DEGREES 22 MINUTES 12 SECONDS EAST 300.00 FEET THENCE FOR THE 96 MINUTES 00 SECONDS EAST 100.00 FEET TO REFERENCE POINT 67 4.4 ACRES, MORE OR LESS.

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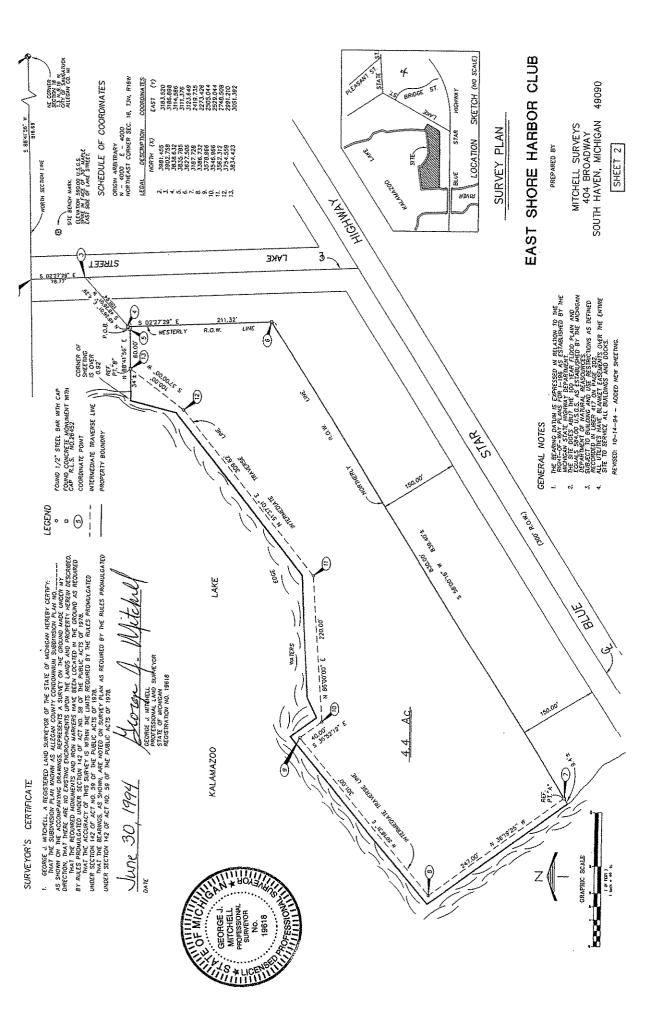
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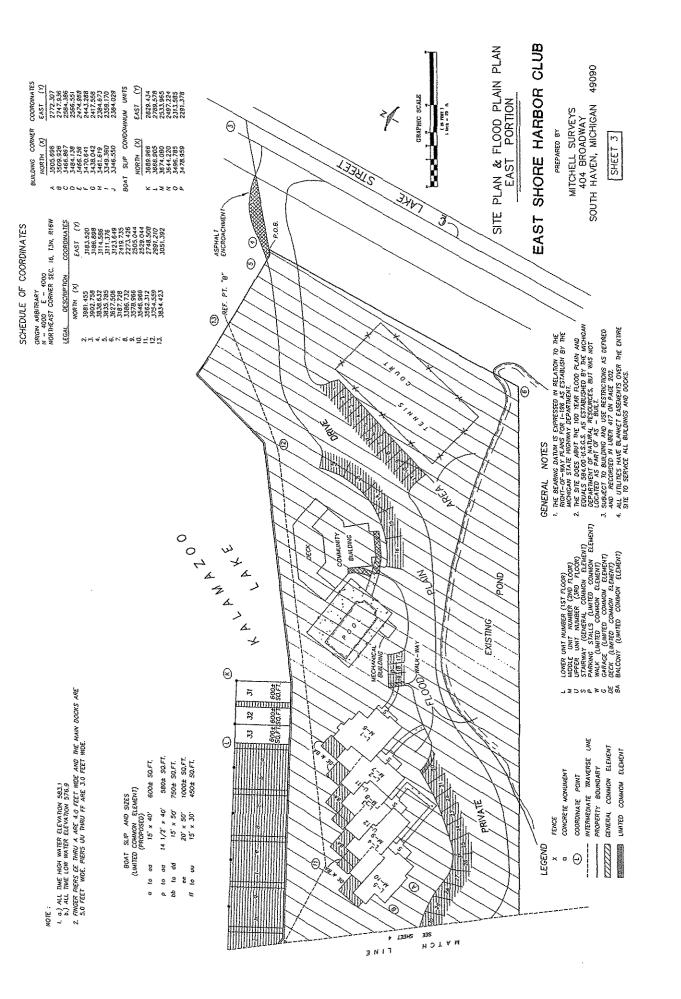
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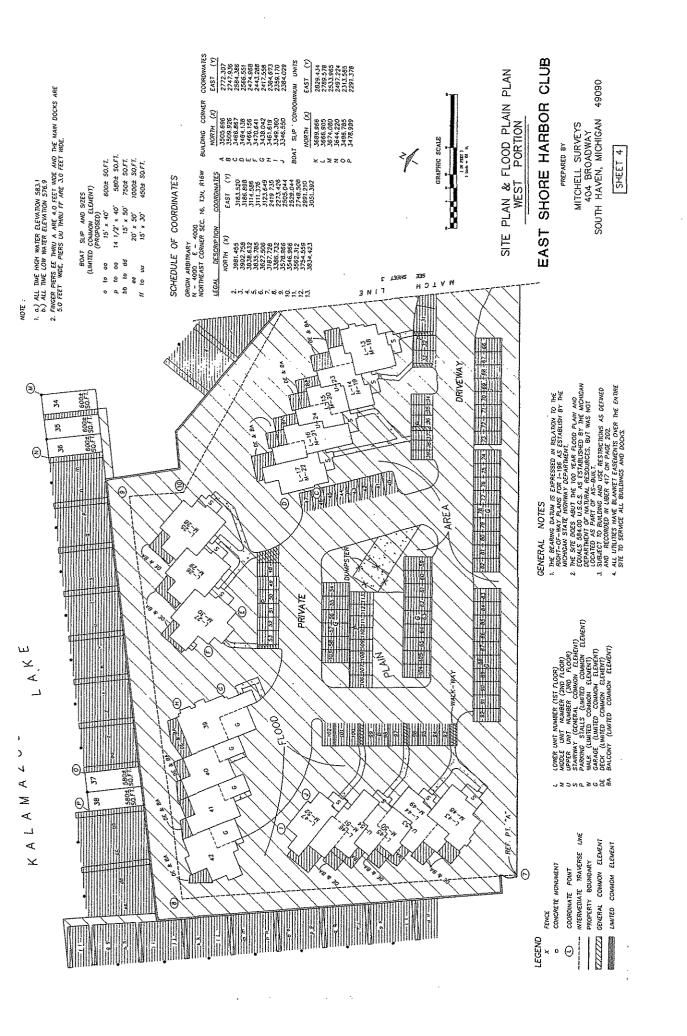
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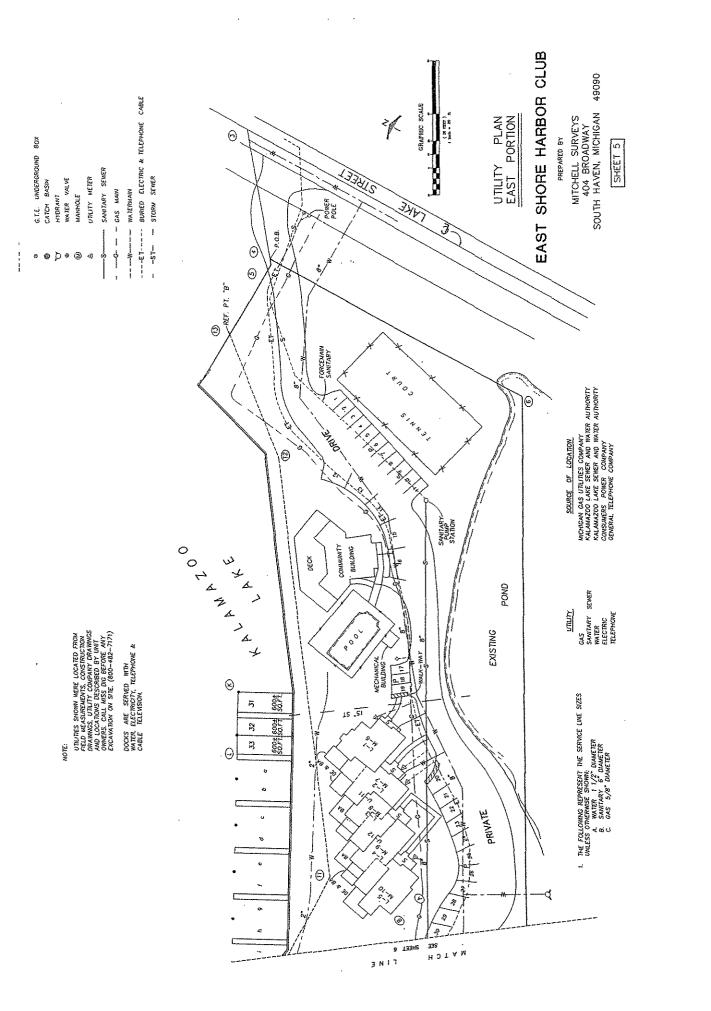


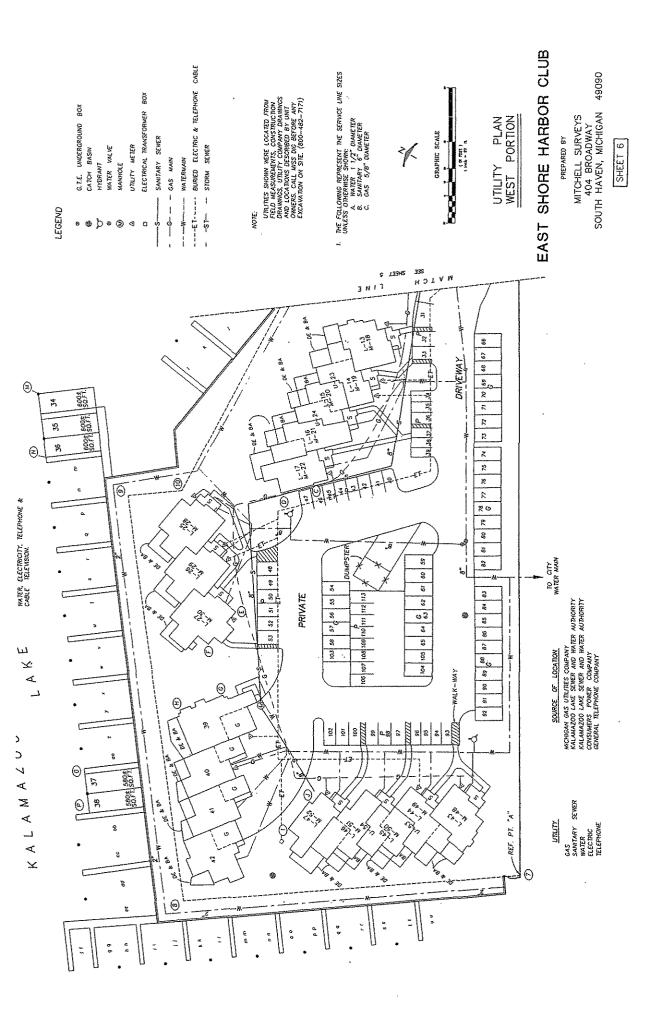
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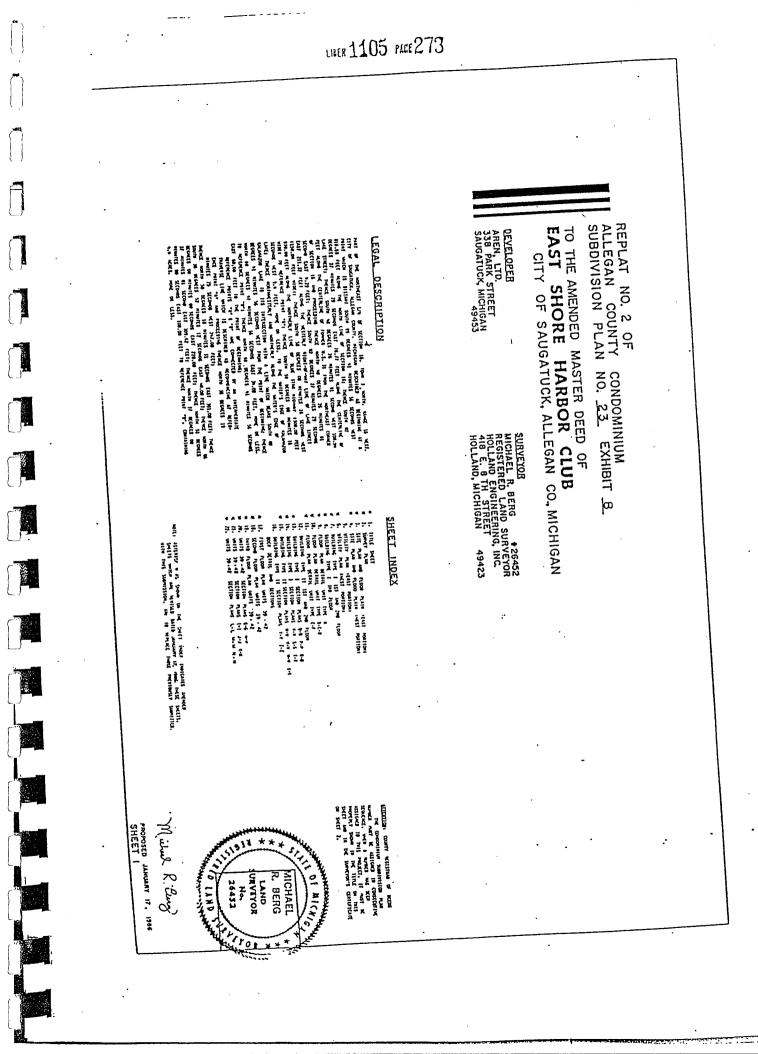


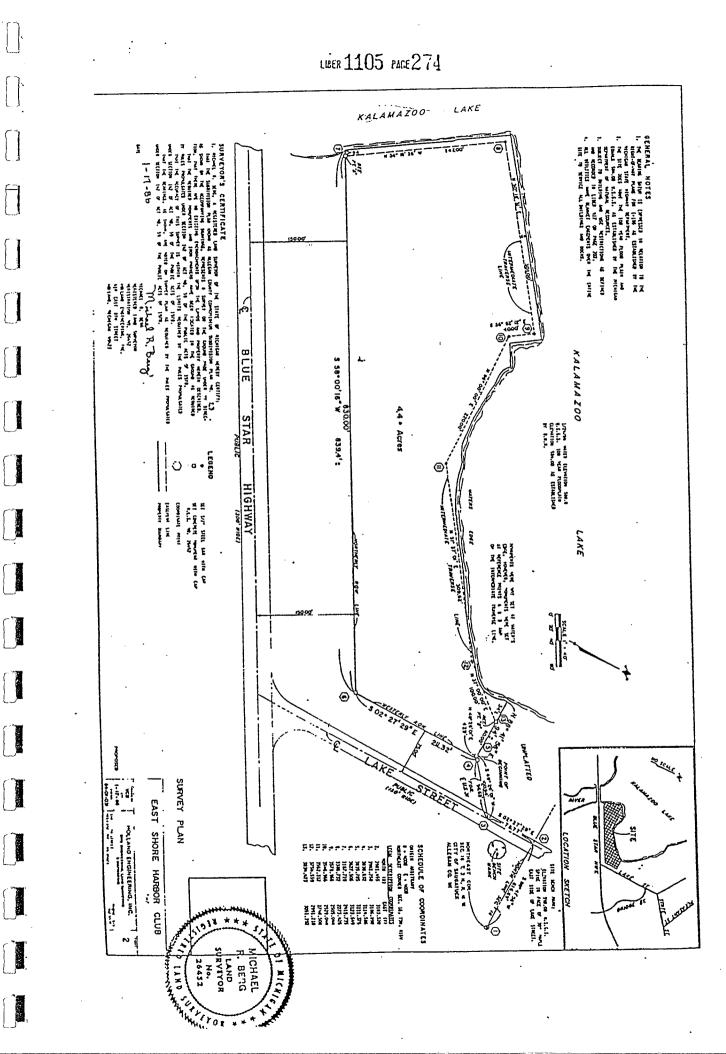


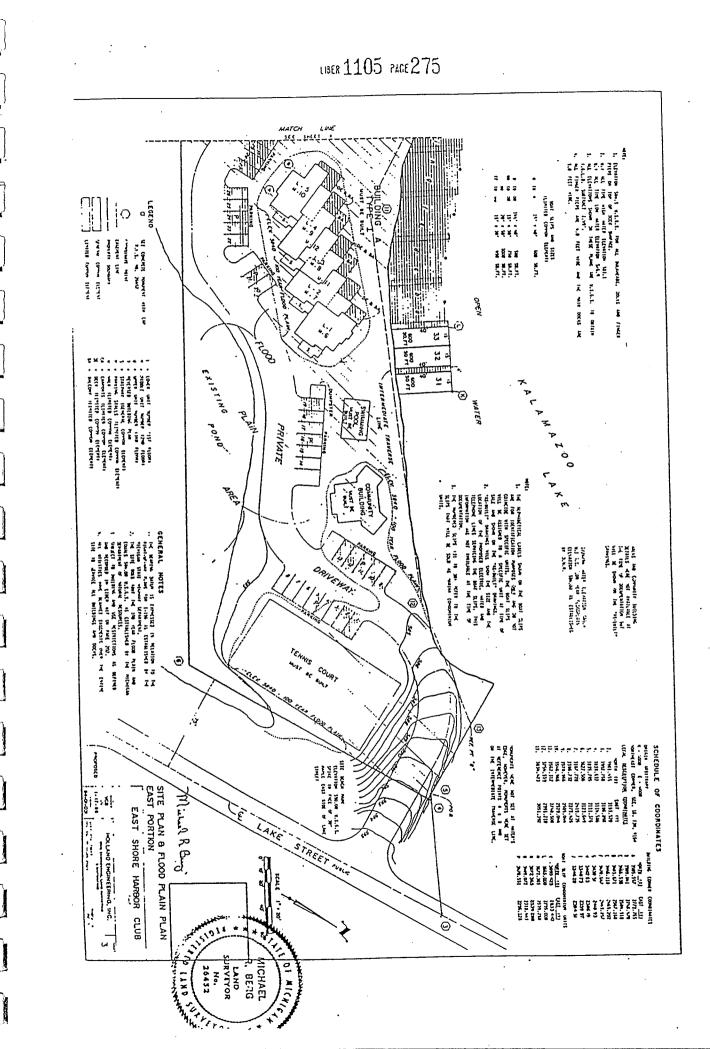




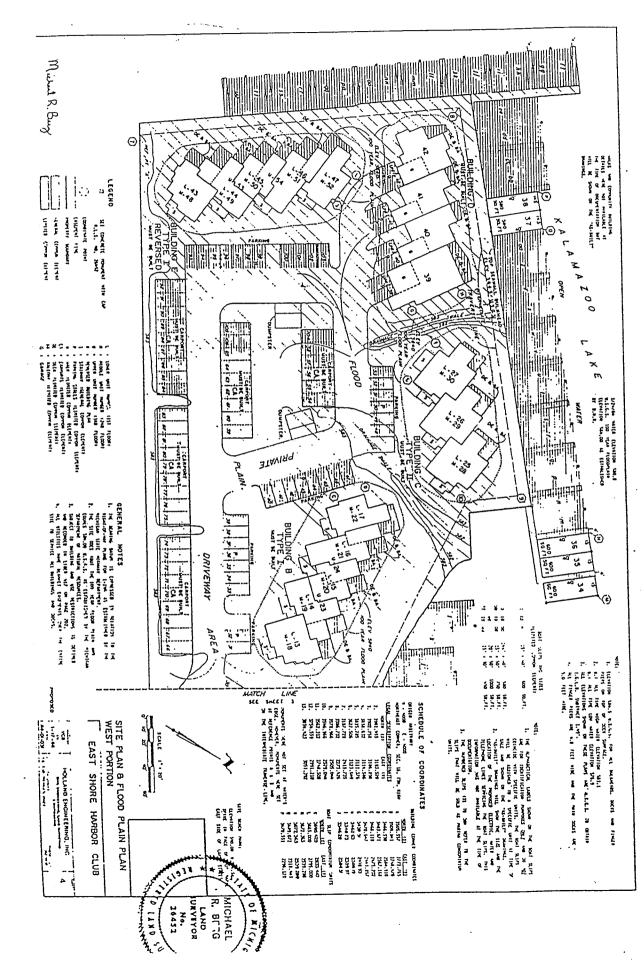








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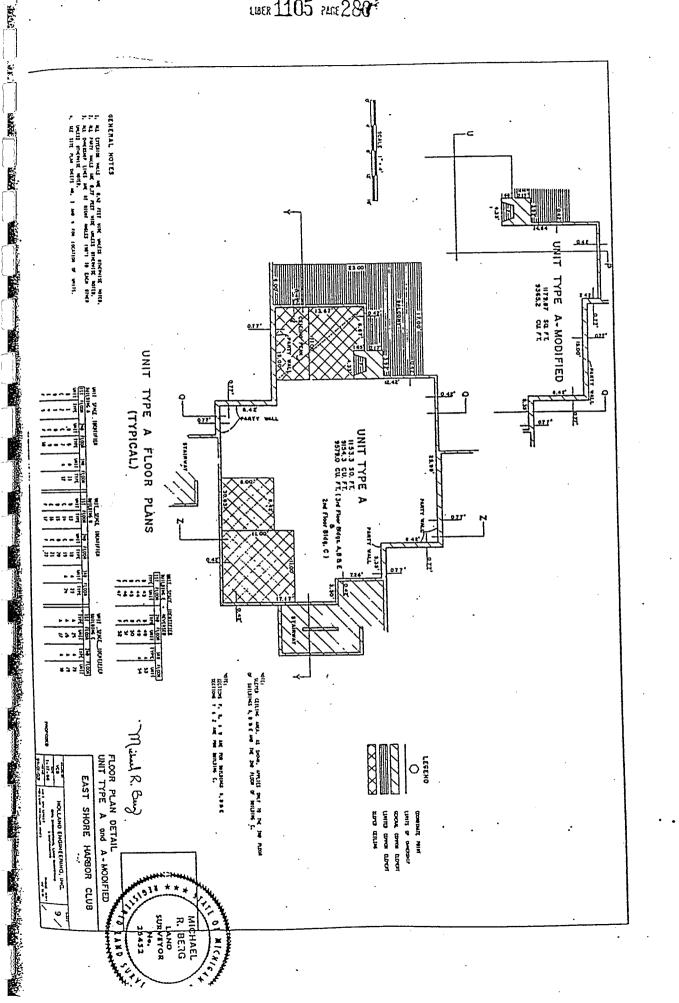
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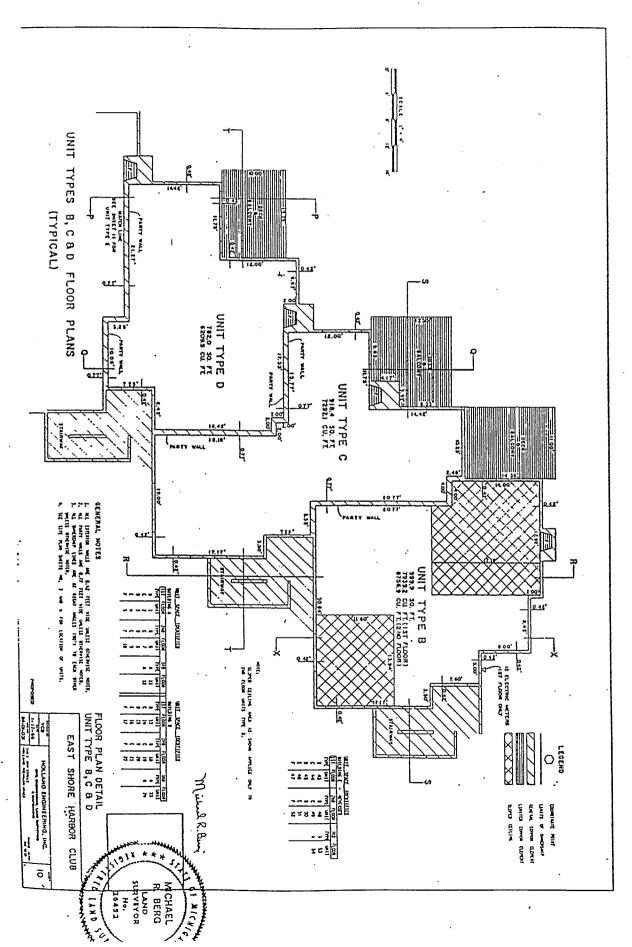


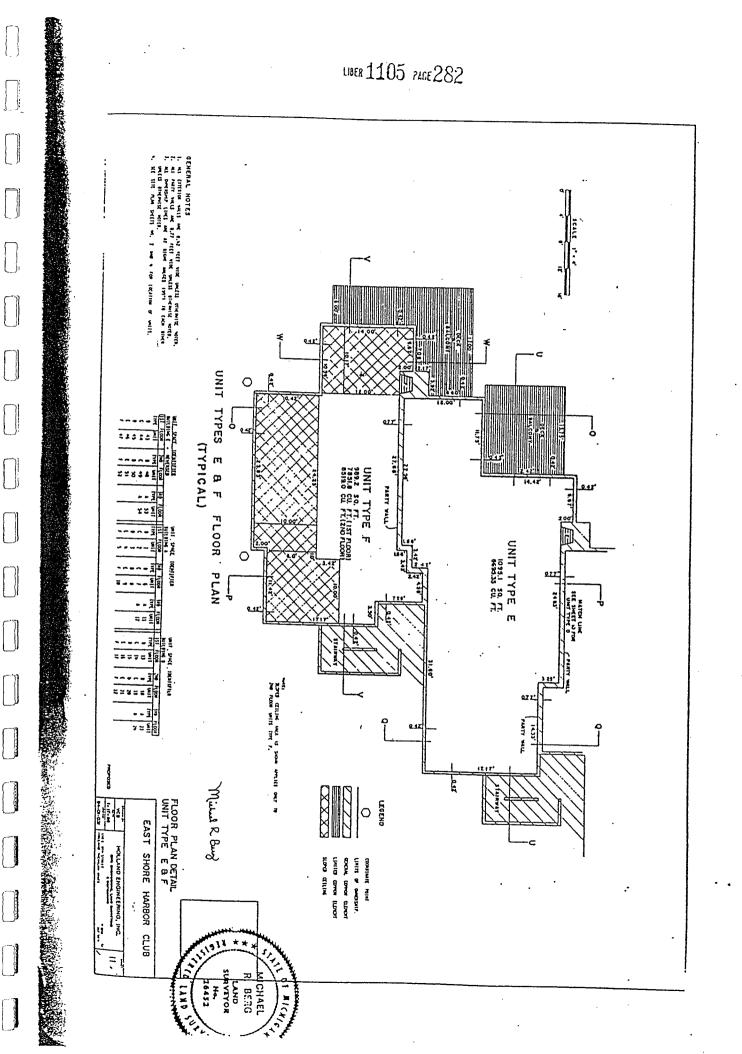
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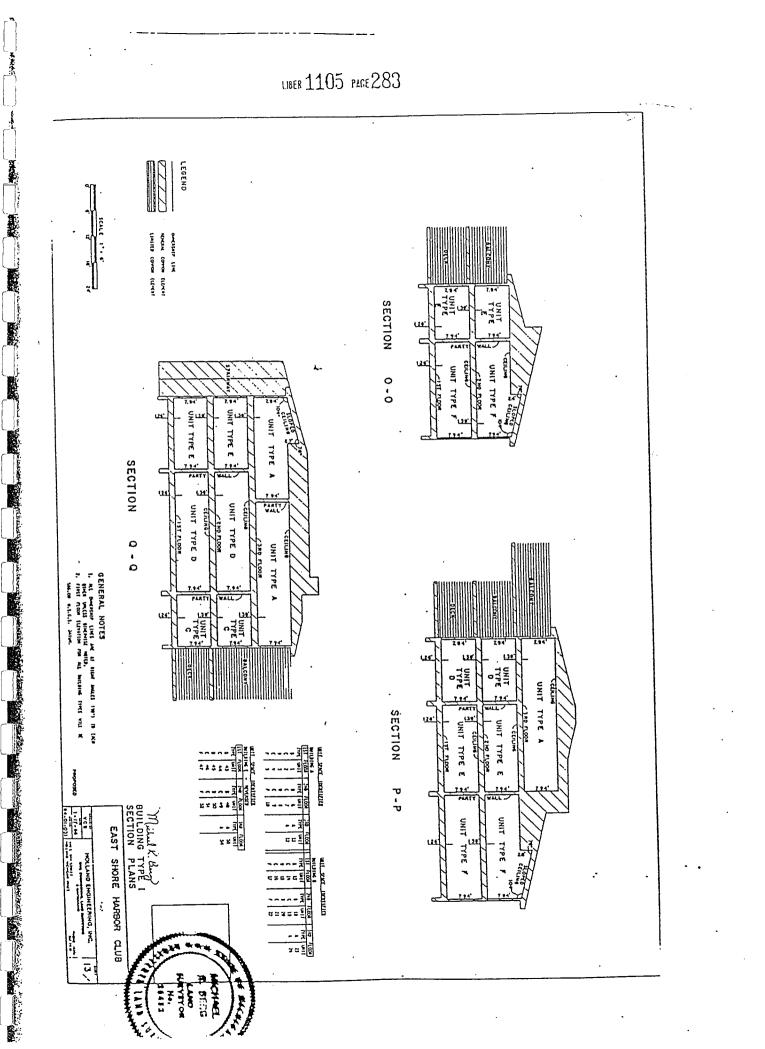
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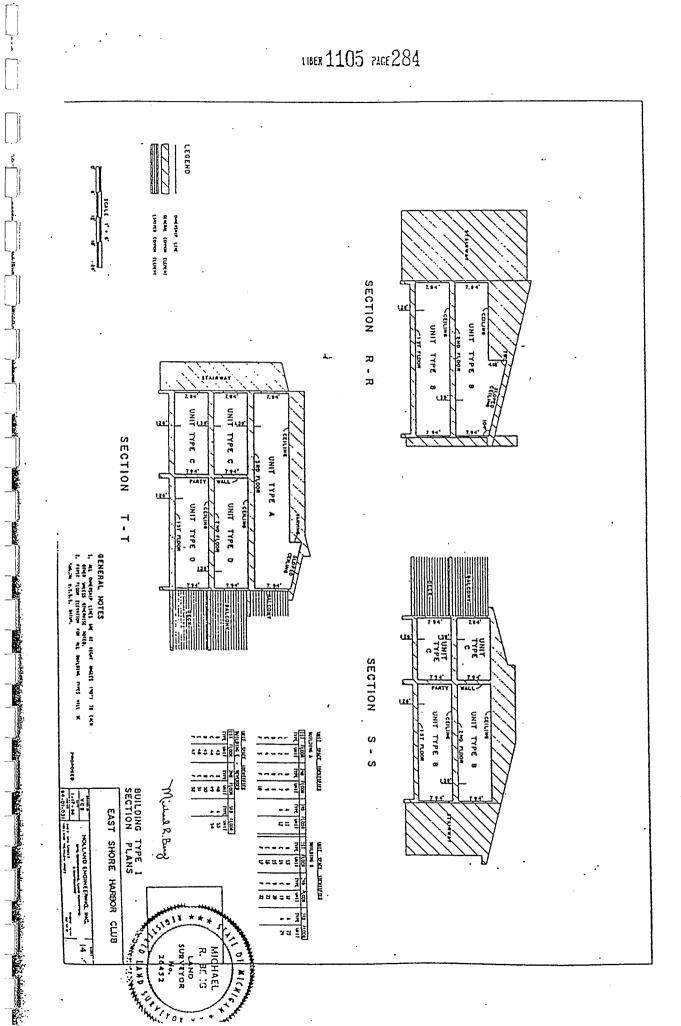
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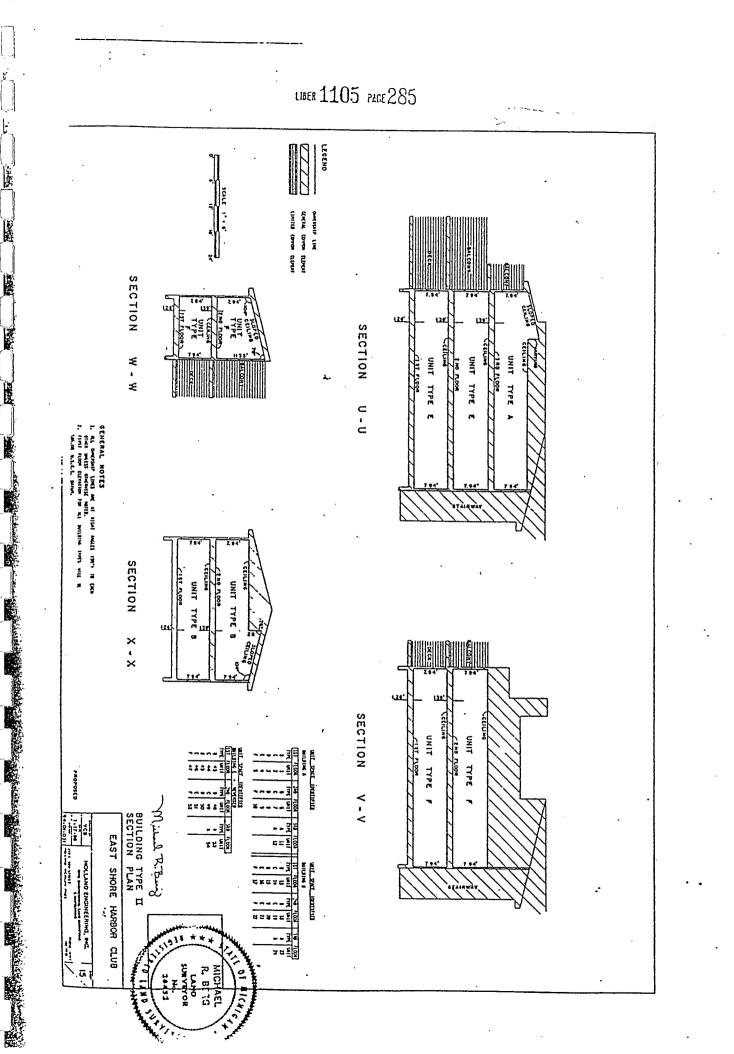
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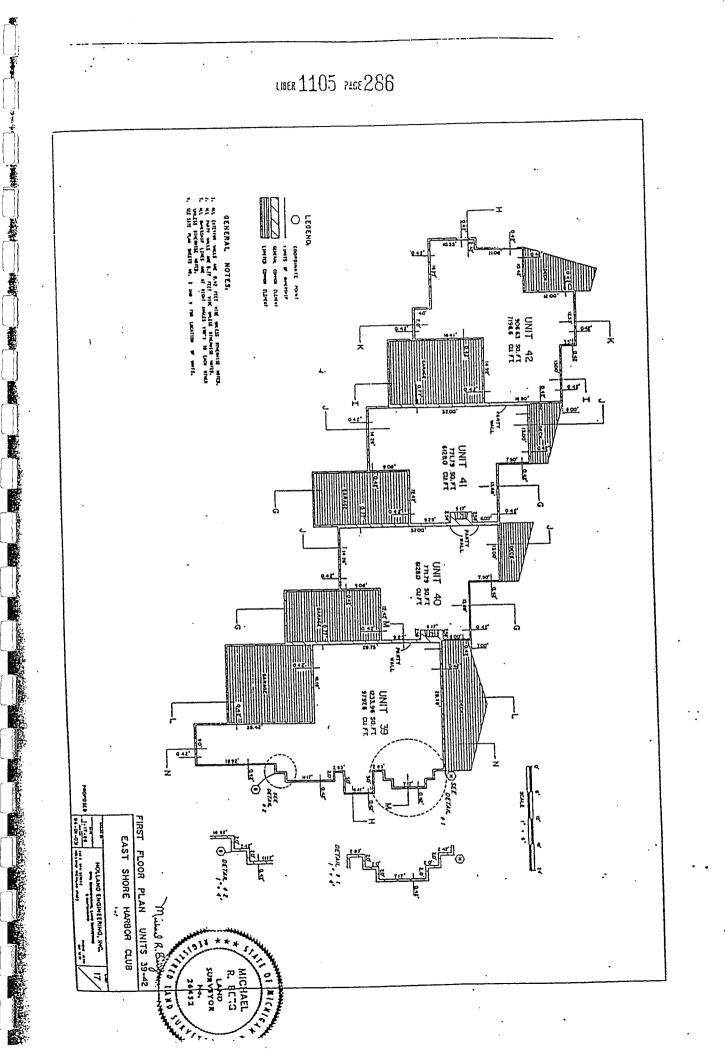


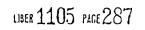










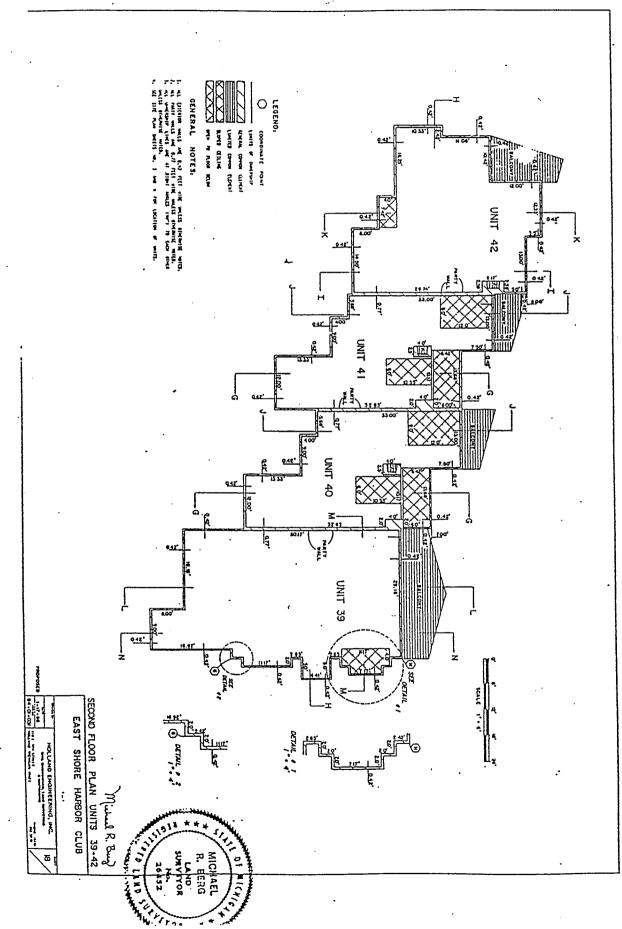


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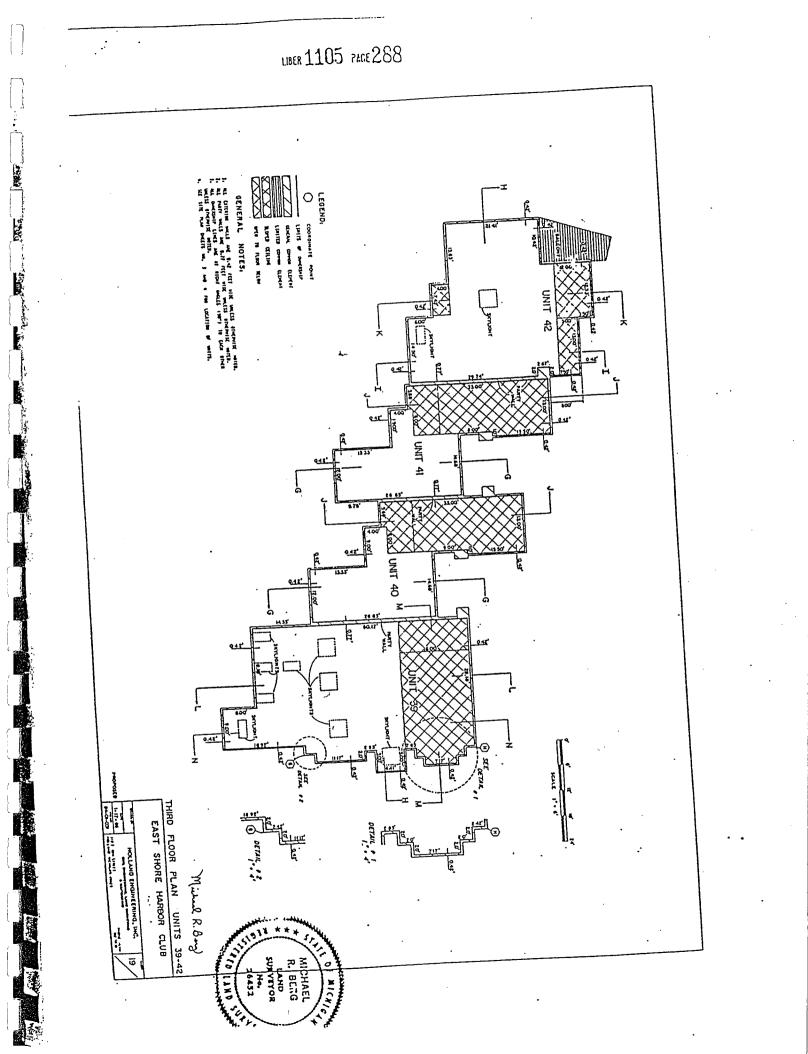
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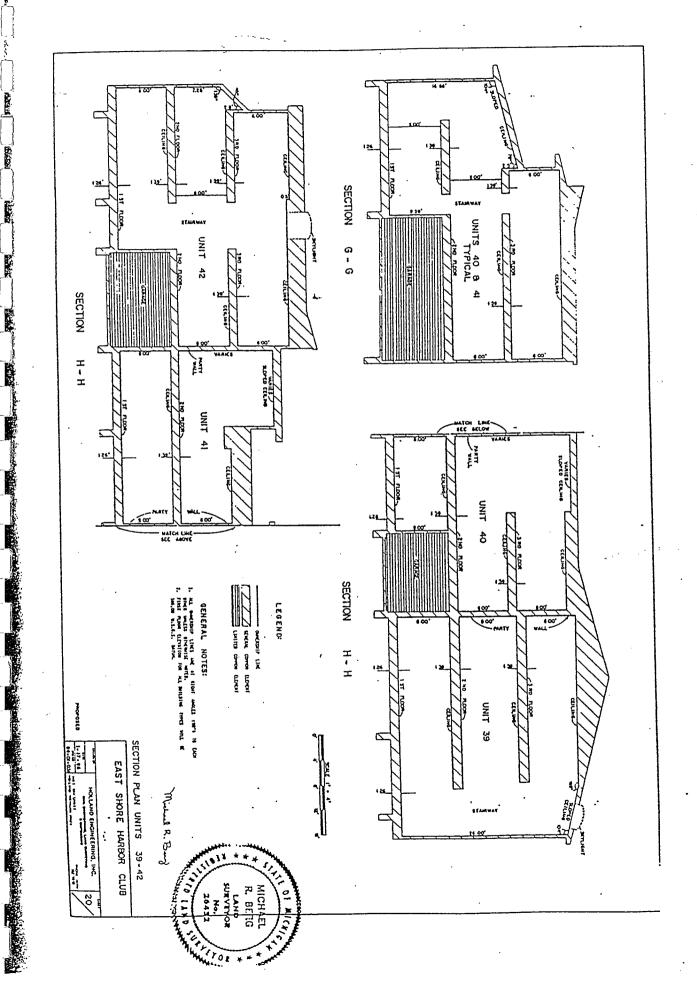
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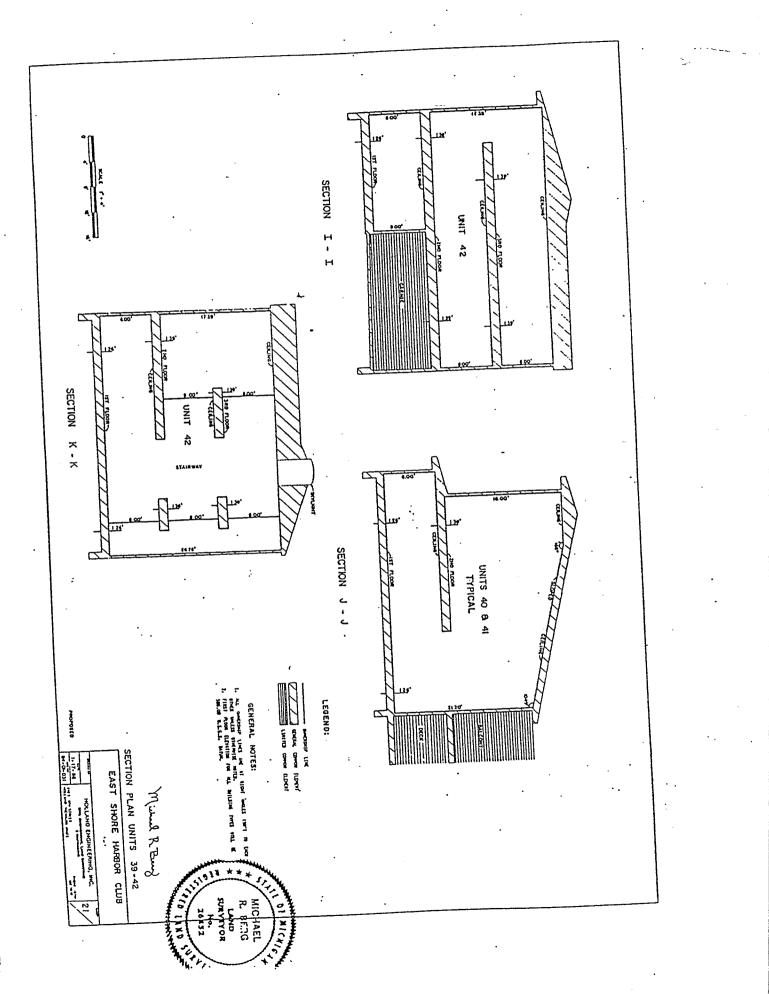
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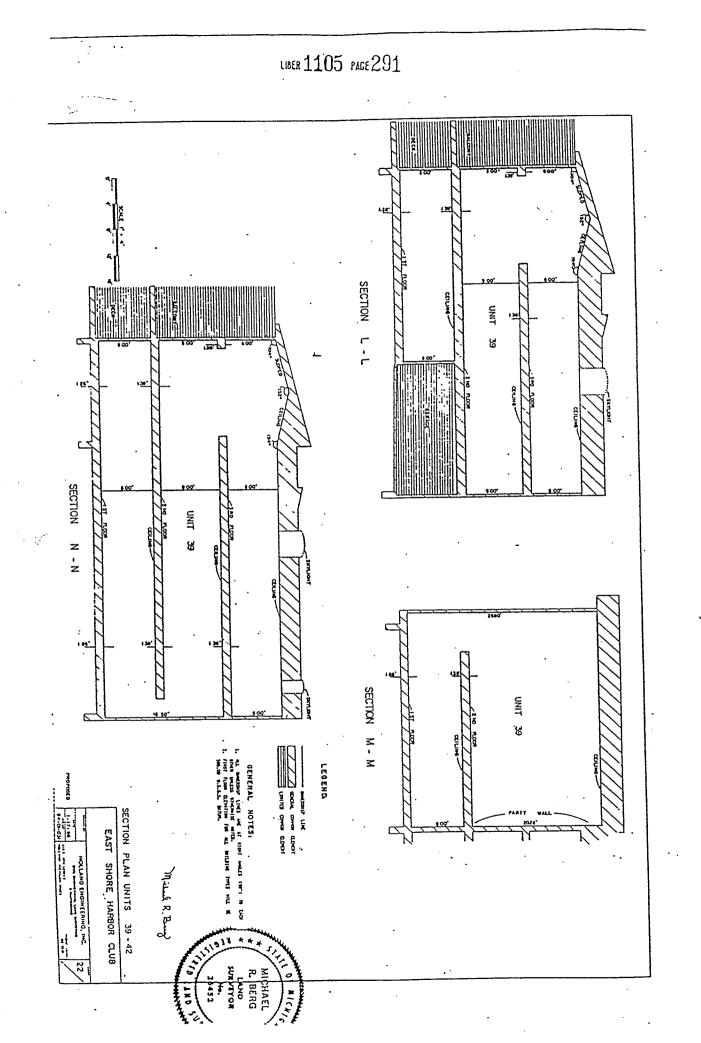
LIBER 1105 PAGE 290



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Michigan Department of Commerce Lânsing, Michigan This is to Gertify That Articles of Incorporation of EAST SHORE HARBOR CLUB CONDOMINIUM ASSOCIATION , 19 84 AUGUST day of were duly filed in this office on the 13TH in conformity with Act 162, Public Acts of 1982. In testimony whereof, I have hereunto set my hand and affixed the Seal of the Department, in the City of Lansing, this 13TH day , 19 84 AUGUST of. Directo Naen J-1 Sus

NON-PROFIT ARTICLES OF INCORPORATION

These Articles of Incorporation are signed and acknowledged by the incorporators for the purpose of forming a non-profit corporation under the provisions of Act No. 162 of the Public Acts of 1982, as follows:

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ARTICLE I

The name of the corporation is East Shore Harbor Club Condominium Association.

ARTICLE II

The purpose or purposes for which the corporation is formed are as follows:

- (a) To manage and administer the affairs of and to maintain East Shore Harbor Club, A Condominium, (hereinafter called the "Condominium");
- (b) To levy and collect assessments against and from the members of the corporation and to use the proceeds thereof for the purposes of the corporation;
- (c) To carry insurance and to collect and allocate the proceeds thereof;
- (d) To rebuild improvements after casualty;
- (e) To contract for and employ persons, firms, or corporations to assist in management, operation, maintenance, and administration of said Condominium;
- (f) To make and enforce reasonable regulations concerning the use and enjoyment of said Condominium.
- (g) To own, maintain and improve, and to buy, sell, convey, assign, mortgage, or lease (as Landlord or Tenant) any real and personal property, including, but not limited to, any unit in the Condominium or any other real property, whether or not contiguous to the Condominium, for the purpose of providing benefit to the members of the corporation and in furtherance of any of the purposes of the corporation;
- (h) To borrow money and issue evidences of indebtedness in furtherance of any or all of the objects of its business; to secure the same by mortgage, pledge or other lien;

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(i) To enforce the provisions of the Master Deed and Bylaws of the Condominium and of these Articles of Incorporation and such Bylaws and Rules and Regulations of this Corporation as may hereafter be adopted;

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- (j) To do anything required of or permitted to it as administrator of said Condominium by the Condominium Master Deed or Bylaws or by Act No. 538 of Public Acts of 1982;
- (k) In general, 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 said Condominium and to the accomplishment of any of the purposes thereof.

ARTICLE III

Location of the first registered office is: 338 Park Street, Saugatuck, Michigan 49453.

Post office address of the first registered office is: 338 Park Street, Saugatuck, Michigan 49453.

ARTICLE IV

The name of the first resident agent is: Norman E. Archer.

ARTICLE V

Said corporation is organized upon a non-stock and membership basis;

The amount of assets which said corporation possesses is:

Real Property: None Personal Property: None

Said corporation is to be financed under the following general plan:

Assessment of Members

ARTICLE VI

The name and place of business of the incorporator is: James M. Engel, 4412 Ridgeway Circle, Kalamazoo, Michigan 49007

-2- .

ARTICLE VII

The name and address of the first Board of Directors is:

Norman E. Archer, 338 Park Street, Saugatuck, Michigan 49453

James. M. Engel, 4412 Ridgeway Circle, Kalamazoo, Michigan 49007

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ARTICLE VIII

The term of the corporate existence is perpetual.

ARTICLE IX

The qualifications of members, the manner of their admission to the corporation, the termination of membership, and voting by such members shall be as follows:

(a) Each co-owner (including the Developer) of a unit in the Condominium shall be a member of the corporation, and no other person or entity shall be entitled to membership; except that the subscribers hereto shall be members of the corporation until such time as their membership shall terminate, as hereinafter provided.

(b) Membership in the corporation (except with respect to any non-co-owner incorporators, who shall cease to be members upon the qualification for membership of any co-owner) shall be established by acquisition of fee simple title to a unit in the Condominium and by recording with the Register of Deeds in the County where the Condominium is located, a deed or other instrument establishing a change of record title to such unit and furnishing of evidence of same satisfactory thè to the corporation (except that the Developer of the Condominium shall establishment of the a member immediately upon become Condominium) the new co-owner thereby becoming a member of the corporation, and the membership of the prior co-owner thereby being terminated.

(c) The share of a member in the funds and assets of the corporation cannot be assigned, pledged, encumbered or transferred in any manner except as an appurtenance to his unit in the Condominium.

(d) Voting by members shall be in accordance with the provisions of the Bylaws of this corporation.

-3-

I, the incorporator, sign my name this $\frac{2nl}{lay}$ day of $\frac{nl}{lay}$. 5 James M. Engel (Incorporator

PLEASE RETURN TO:

Cynthia P. Ortega HUFF, KREIS, ENDERLE, CALLANDER & HUDGINS 800 Comerica Building Kalamazoo, MI 49007

(616) 382-3784

ASSOCIATION BYLAWS

ARTICLE I ADOPTION OF CONDOMINIUM BYLAWS

The Bylaws of East Shore Harbor Club, A Condominium (hereinafter known as the Condominium Bylaws) as attached to the Master Deed and recorded in Liber 1049, Pages 299 through 355, Allegan County Records, are hereby incorporated by reference and adopted in their entirety as a part of the Bylaws of this corporation.

ARTICLE II MEETINGS

Section 1. 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. Voting shall be as provided in the Condominium Bylaws. 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 Articles of Incorporation, the Bylaws of the Corporation, the Condominium Master Deed or the laws of the State of Michigan.

Section 2. The first annual meeting of members of the corporation shall be held in accordance with Article I, Section 7 of the Condominium Bylaws. The date, time and place of the First Annual Meeting shall be set by the Board of Directors, and at least fifteen (15) days' written notice thereof shall be given to each co-owner. Thereafter, the annual meetings of members of the Association shall be held on the third Tuesday of July each succeeding year at such time and place as shall be determined by the Board of Directors. At such meetings there shall be elected by ballot of the co-owners a Board of Directors in accordance with the requirements of Article III of these Bylaws. The coowners may also transact at annual meetings such other business of the Corporation as may properly come before them.

Section 3. 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 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.

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Section 4. 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 coowner of record, at least ten (10) days but not more than sixty (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 I, Section 2(e) of the Condominium 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.

Section 5. If any meeting of owners cannot be held because a quorum is not in attendance, the owners who are present may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

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ARTICLE III BOARD OF DIRECTORS

Section 1. The affairs of the corporation shall be governed by a Board of Directors all of whom must be members of the corporation or officers, partners, trustees, employees or agents of members of the corporation except for the first Board of Directors designated in the Articles of Incorporation of the Association. Directors shall serve without compensation.

Section 2. The first Board of Directors designated in the Articles of Incorporation shall be composed of one person and such first Board of Directors shall manage the affairs of the corporation until a successor Board of Directors is elected at the First Meeting of Members of the corporation convened at the time required by Article II, Section 2 of these Bylaws. The successor Board of Directors elected at the First Meeting of Members of the corporation and each successor Board of Directors elected thereafter shall be composed of 5 persons provided that at least one of the such members, but not more than two of such members, shall be a marina unit owner. The term of office (except for the original Board of Directors and the Board of Directors elected at the First Annual Meeting of Members, if the First Annual Meeting is held on any day other than the third Tuesday of July) of each Director shall be one (1) year. The Directors shall hold office until their successors have been elected and hold their first meeting.

Section 3. The Board of Directors shall have the powers and duties set forth in the Condominium Bylaws.

Section 4. Vacancies in the Board of Directors (including the First Board of Directors named in the Articles of Incorporation) 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, even

-2-

though they may constitute less than a quorum. Each person so elected shall be a Director until a successor is elected at the next annual meeting of the Association.

Section 5. At any regular or special meeting of the Association duly called, any one or more of the Directors may be removed with or without cause by a majority of the co-owners and a successor may then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the co-owners shall be given an opportunity to be heard at the meeting.

Section 6. The first meeting of a newly elected Board of Directors shall be held within ten (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 to legally constitute such meeting, providing a majority of the whole Board shall be present.

Section 7. Regular meetings 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 ten (10) days prior to the date named for such meeting.

Section 8. Special meetings of the Board of Directors may be called by the President on three (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 one Director.

Section 9. 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 of 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.

Section 10. 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, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be

-3-

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 11. 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 IV OFFICERS

Section 1. 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 a Treasurer. The Directors may appoint such other officers as in their judgment may be necessary. Any two offices except that of President and Vice President may be held by one person.

Section 2. 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. 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.

Section 4. 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.

Section 5. 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 do so 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.

Section 6. 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 and of such books and papers as the Board

-4-

of Directors may direct; and he shall, in general, perform all duties incident to the office of the Secretary.

Section 7. The Treasurer shall have responsibility for the Association funds and securities and shall be responsible for full and accurate accounts of all receipts keeping and disbursements in books belonging to the Association. The Treasurer 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 depositaries as may, from time to time, be designated by the Board of Directors. The Treasurer shall, in general perform all duties incident to the office of the Treasurer.

Section 8. The officers shall have such other duties, powers and responsibilities as shall, from time to time, be authorized by the Board of Directors.

ARTICLE V SEAL

Section 1. The corporation shall have a seal which shall have inscribed thereon the name of the corporation, the words "Corporate Seal," and "Michigan."

ARTICLE VI FINANCE

Section 1. The finances of the corporation shall be handled in accordance with the Condominium Bylaws.

Section 2. The fiscal year of the corporation 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. The funds of the corporation shall be deposited in such bank 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.

ARTICLE VII AMENDMENTS

Section 1. These Bylaws (but not the Condominium Bylaws) may be amended by the Association at a duly constituted meeting for such purposes, by an affirmative vote of a simple majority of the co-owners present in person, by proxy or written vote as such vote is defined in Article I, Section 2(i) of the Condominium Bylaws.

-5-

Section 2. Amendments to these Bylaws may be proposed by the Board of Directors of the Association acting upon the vote of the majority of the Directors or by one-third (1/3) or more in number of the members of the Association whether meeting as members or by instrument in writing signed by them.

Section 3. Upon any such amendment being proposed, a meeting for consideration of the same shall be duly called in accordance with the provisions of Article II of these Bylaws.

Section 4. Any amendment to these Bylaws shall become effective upon adoption of the same in accordance with Section 1 of this Article VII without approval by the State of Michigan and without recording in the office of the Register of Deeds.

Section 5. A copy of each amendment to these Bylaws shall be furnished to every member of the Association after adoption.

ARTICLE VIII COMPLIANCE

Section 1. These Bylaws are set forth to comply with the requirements of Act No. 327 of the Public Acts of Michigan of 1931, as amended, Act No. 59 of the Public Acts of Michigan of 1978, as amended, Act No. 538 of the Public Acts of Michigan 1982, and with the duly recorded Master Deed of the Condominium and Exhibits A and B attached thereto. In case any of these Bylaws conflict with the provisions of said statute or with the provisions of said Master Deed or the Exhibits thereto, the provisions of the statute and said Master Deed shall be controlling.

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NINTH AMENDMENT TO MASTER DEED EAST SHORE HARBOR CLUB CONDOMINIUM

(Act 59, Public Acts of 1978) as amended

Allegan County Condominium Subdivision Plan No. 23

No interest in real estate being conveyed hereby, no revenue stamps are required.

This Instrument Drafted by:

Cynthia P. Ortega MILLER JOHNSON 100 West Michigan Ave., Suite 200 Kalamazoo, Michigan 49007 (269) 226-2959

NINTH AMENDMENT TO MASTER DEED East Shore Harbor Club Condominium (Act 59, Public Acts of 1978) as amended

This Ninth Amendment to Master Deed is made and executed on this _____ day of _____, 2015, by East Shore Harbor Club Condominium Association, (the "Association") a Michigan non-profit corporation, c/o Gardner Management Co., of 5770 Venture Park, Kalamazoo, Michigan 49009, (the "Association"), pursuant to the provisions of the Michigan Condominium Act, being Act 59 of the Public Acts of 1978, as amended (the "Act").

PREAMBLE

A. A condominium project known as East Shore Harbor Club (the "**Project**"), was established pursuant to the Master Deed recorded in Liber 1070, Pages 299 through 355, on March 15, 1985 ("Master Deed"), Allegan County Records, as amended by the First Amendment to Master Deed dated April 8, 1985, and recorded on April 11, 1985, at Liber 1080, Pages 729 through 731, as further amended by the Second Amendment to Master Deed dated August 25, 1985, and recorded on September 11, 1985 at Liber 1091, Page 575, as amended by the Third Amendment to Master Deed dated February 26, 1986, recorded on February 27, 1986 at Liber 1105, Pages 269 through 291, as amended by the Fourth Amendment to Master Deed dated November 21, 2004, recorded on December 2, 2004 at Liber 2764 Page 915, as amended by the Fifth Amendment to Master Deed dated July 17, 2006, recorded on August 15, 2006 at Liber 3022 Page 285, as amended by the Sixth Amendment to Master Deed dated October 2, 2006, recorded on December 7, 2006 at Liber 3066 Page 532, as amended by the Seventh Amendment to Master Deed dated November 18, 2008, recorded on November 26, 2008, at Liber 3278, Page 180, as amended by the Eighth Amendment to Master Deed dated June 3, 2010, recorded on June 7, 2010, at Liber 3423, Page 620, Allegan County Records.

B. The Association has received a written application signed by the co-owners of Units 26 and 43 requesting a reassignment of a limited common element garage. Pursuant to Section 39 of the Michigan Condominium Act, that being MCL 559.139, the Association does, upon the recording of this Seventh Amendment to Master Deed, amend the Master Deed establishing East Shore Harbor Club, a condominium project under the Act for the purpose of reassigning a limited common element garage as so requested, as more fully set forth below.

AMENDMENT

1. All rights and obligations with respect to the following limited common element are, upon the recording of this Ninth Amendment to Master Deed, assigned as follows:

Garage Space #62 is reassigned from Unit 26 to Unit 43

This Limited Common Element may be subsequently reassigned to a different Unit in any recorded deed of conveyance to the Unit to which the Limited Common Element may be appurtenant or may be individually

assigned or reassigned by other recorded instrument purporting to assign or reassign the same.

In all other respects, the Master Deed, as previously recorded, as previously 2. amended shall remain in effect.

This Ninth Amendment to Master Deed has been executed as of the day and year first above written.

East Shore Harbor Club Condominium Association

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By: _____Kenneth Trester Its: President

STATE OF MICHIGAN

)ss. COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of _____, 2015, by Kenneth Trester, the President of East Shore Harbor Club Condominium Association, a Michigan non-profit corporation.

, Notary Public

____ County, Michigan

My commission expires: Acting in _____ County



Joyce A. Watts Register of Deeds RECORDED November 24, 2015 12:29:29 Liber 3983 Page 248-250 D.MAM FEE: \$20.00

STATE OF MICHIGAN Allegan County



TENTH AMENDMENT TO MASTER DEED

EAST SHORE HARBOR CLUB CONDOMINIUM

(Act 59, Public Acts of 1978) as amended

Allegan County Condominium Subdivision Plan No. 23

No interest in real estate being conveyed hereby, no revenue stamps are required.

This Instrument Drafted by:

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Cynthia P. Ortega Miller Johnson 100 West Michigan Ave., Suite 200 Kalamazoo, Michigan 49007 (269) 226-2959

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TENTH AMENDMENT TO MASTER DEED East Shore Harbor Club Condominium (Act 59, Public Acts of 1978) as amended

This Tenth Amendment to Master Deed is made and executed on this $1 day of N_{0V...}$, 2015, by East Shore Harbor Club Condominium Association, (the "Association") a Michigan non-profit corporation, c/o Gardner Management Co., of 5770 Venture Park, Kalamazoo, Michigan 49009, (the "Association"), pursuant to the provisions of the Michigan Condominium Act, being Act 59 of the Public Acts of 1978, as amended (the "Act").

PREAMBLE

Α. A condominium project known as East Shore Harbor Club (the "Project"), was established pursuant to the Master Deed recorded in Liber 1070, Pages 299 through 355, on March 15, 1985 ("Master Deed"), Allegan County Records, as amended by the First Amendment to Master Deed dated April 8, 1985, and recorded on April 11, 1985, at Liber 1080, Pages 729 through 731, as further amended by the Second Amendment to Master Deed dated August 25, 1985, and recorded on September 11, 1985 at Liber 1091, Page 575, as amended by the Third Amendment to Master Deed dated February 26, 1986, recorded on February 27, 1986 at Liber 1105, Pages 269 through 291, as amended by the Fourth Amendment to Master Deed dated November 21, 2004, recorded on December 2, 2004 at Liber 2764 Page 915, as amended by the Fifth Amendment to Master Deed dated July 17, 2006, recorded on August 15, 2006 at Liber 3022 Page 285, as amended by the Sixth Amendment to Master Deed dated October 2, 2006, recorded on December 7, 2006 at Liber 3066 Page 532, as amended by the Seventh Amendment to Master Deed dated November 18, 2008, recorded on November 26, 2008, at Liber 3278, Page 180, as amended by the Eighth Amendment to Master Deed dated June 3, 2010, recorded on June 7, 2010, at Liber 3423, Page 620, Allegan County Records, as amended by the Ninth Amendment to Master Deed dated November 21, 2014, recorded on December 1, 2014, at Liber 3885, page 616, Allegan County Records.

B. The Association has received a written application signed by the co-owners of Units 26 and 43 requesting a reassignment of a limited common element garage. Pursuant to Section 39 of the Michigan Condominium Act, that being MCL 559.139, the Association does, upon the recording of this Tenth Amendment to Master Deed, amend the Master Deed establishing East Shore Harbor Club, a condominium project under the Act for the purpose of reassigning a limited common element garage as so requested, as more fully set forth below.

AMENDMENT

1. All rights and obligations with respect to the following limited common element are, upon the recording of this Tenth Amendment to Master Deed, assigned as follows:

Garage Space #62 is reassigned from Unit 26 to Unit 43

This Limited Common Element may be subsequently reassigned to a different Unit in any recorded deed of

conveyance to the Unit to which the Limited Common Element may be appurtenant or may be individually assigned or reassigned by other recorded instrument purporting to assign or reassign the same.

2. In all other respects, the Master Deed, as **previously** recorded, as previously amended shall remain in effect.

This Tenth Amendment to Master Deed has been executed as of the day and year first above written.

East Shore Harbor Club Condominium Association

B١ Kenneth Trester

Its: President

STATE OF MICHIGAN))ss. laar-COUNTY OF)

The foregoing instrument was acknowledged before me this 17 day of 1000, 2015, by Kenneth Trester, the President of East Shore Harbor Club Condominium Association, a Michigan non-profit corporation.

, Notary Public legan County, Michigan My commission expires: Acting in County