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I HEREBY CERTIFY that there are No Tax Liens or Titles held by the State or any Individual against the within description, and all Taxes on same are paid for five years previous to the date of this instrument, as appears by the records in my office. This certificate does not apply to current taxes, if any now in process of collection.
Date 5-9 20 05
Mary Conner
Deputy, Kent County Treasurer, Grand Rapids, Michigan

MASTER DEED

GRAND RIDGE TOWNHOMES

THIS MASTER DEED is made and executed on this 4th day of May, 2005 by Ada Place Townhomes, L.L.C., hereinafter referred to as the "Developer," the post office address of which is 255 East Brown Street, Suite 110, Birmingham, MI 48009, in pursuance of the provisions of the Michigan Condominium Act (being Act 59 of the Public Acts of 1978, as amended), hereinafter referred to as the "Act."

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

NOW, THEREFORE, the Developer does, upon the recording hereof, establish Grand Ridge Townhomes as a Condominium Project under the Act and does declare that Grand Ridge Townhomes 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, the Bylaws, and the Condominium Subdivision Plan, all of which shall be deemed to run with the land and shall be a burden and a benefit to the Developer and any persons acquiring or owning an interest in the Condominium Premises and their respective successors and assigns. In furtherance of the establishment of the Condominium Project, it is provided as follows:

ARTICLE I
TITLE AND NATURE

The Condominium Project shall be known as Grand Ridge Townhomes, Kent County Condominium Subdivision Plan No. 736. The Project consists of 18 buildings with four Condominium Units in each building, for a total of 72 Units as shown on the Condominium Subdivision Plan. The engineering and architectural plans for the Project were approved by, and are on file with the Township of Grand Rapids, Kent County, Michigan. The Condominium Project is established in accordance with the Michigan Condominium Act. The buildings contained in the Condominium, including the number, boundaries, dimensions, and area of each Unit therein, are set forth completely in the Condominium Subdivision Plan. Each building contains individual Units for residential purposes and each Unit is capable of individual utilization on account of having its own entrance from and exit to a Common Element of the Condominium Project. 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 Common Elements of the Condominium Project.

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ARTICLE II
LEGAL DESCRIPTION

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

A PARCEL OF LAND LOCATED IN THE NORTHWEST 1/4 OF SECTION 14, TOWN 7 NORTH, RANGE 11 WEST, GRAND RAPIDS TOWNSHIP, KENT COUNTY, MICHIGAN, DESCRIBED AS: COMMENCING AT THE WEST 1/4 CORNER OF SECTION 14; THENCE N 01°42'06"E 329.49 FEET ALONG THE WEST LINE OF SECTION 14; THENCE N 89°51'52"E 1,326.15 FEET ALONG THE SOUTH LINE OF THE NORTH 1/2 OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION TO THE EAST LINE OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 14; THENCE N 01°49'20"E 985.07 FEET ALONG THE EAST LINE OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 14 TO THE NORTHEAST CORNER OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION AND THE POINT OF BEGINNING OF THE FOLLOWING DESCRIBED PARCEL: THENCE S 01°49'20"W 614.78 FEET ALONG THE EAST LINE OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 14; THENCE THE FOLLOWING EIGHT COURSES ALONG THE BOUNDARY OF GRAND RIDGE COMMUNITY, KENT COUNTY CONDOMINIUM SUBDIVISION PLAN NUMBER 347:: S 68°36'12"W 108.40 FEET (RECORDED AS N 68°35'55"E 108.41 FEET); N 71°37'58"W 365.09 FEET; N 03°53'43"E 121.69 FEET; N 64°51'49"W 68.84 FEET; S 87°34'28"W 75.10 FEET; N 35°45'33"W 240.48 FEET; N 58°27'39"W 84.72 FEET; N 02°52'34"E 152.44 FEET TO THE NORTH LINE OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 14;; THENCE S 89°59'07"E 801.15 FEET ALONG THE NORTH LINE OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 14 TO THE POINT OF BEGINNING. TOGETHER WITH AN EASEMENT FOR INGRESS AND EGRESS AS RECORDED IN LIBER 3905, PAGE 205, KENT COUNTY RECORDS. THIS PARCEL CONTAINS 8.74 ACRES.

subject to all easements and restrictions of record and all governmental limitations.

ARTICLE III
DEFINITIONS

Certain terms are utilized not only in this Master Deed and Exhibits "A" and "B" hereto, but are or may be used in various other instruments such as, by way of example and not limitation, the Articles of Incorporation and rules and regulations of the Grand Ridge Townhomes 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 Grand Ridge Townhomes as a condominium. Wherever used in such documents or any other pertinent instruments, the terms set forth below shall be defined as follows:

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

Section 2. Association or Association of Co-owners. "Association" or "Association of Co-owners" means Grand Ridge Townhomes Association, which is the non-profit corporation organized under Michigan law of which all Co-owners shall be members, and which corporation shall administer, operate, manage, and maintain the Condominium.

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Section 3. Board of Directors or Board. "Board of Directors" or "Board" means the Board of Directors of Grand Ridge Townhomes Association, a Michigan non-profit corporation organized to administer, operate, manage, and maintain the Condominium.

Section 4. Condominium Bylaws or Bylaws. "Condominium Bylaws" or "Bylaws" means Exhibit "A" hereto, being the Bylaws setting forth the substantive rights and obligations of the Co-owners and required by Section 3(8) of the Act to be recorded as part of the Master Deed. The Bylaws shall also constitute the corporate bylaws of the Association as provided for under the Michigan Nonprofit Corporation Act.

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

Section 6. Condominium Documents. "Condominium Documents" means and includes this Master Deed, recorded pursuant to the Michigan Condominium Act, Exhibits "A" and "B" hereto, the Articles of Incorporation and rules and regulations, if any, of the Association, as all of the same may be amended from time to time, and any other instrument referred to in the Master Deed or Bylaws which affects the rights and obligations of Co-owners in the Condominium.

Section 7. Condominium Premises. "Condominium Premises" means and includes the land described in Article II above, all improvements, and structures thereon, and all easements, rights, and appurtenances belonging to Grand Ridge Townhomes as described above.

Section 8. Condominium Project, Condominium or Project. "Condominium Project," "Condominium," or "Project" each mean Grand Ridge Townhomes as a Condominium Project established in conformity with the Michigan Condominium Act.

Section 9. Condominium Subdivision Plan. "Condominium Subdivision Plan" means Exhibit "B" hereto. The Condominium Subdivision Plan assigns a number to each Condominium Unit and includes a description of the location and approximate size of the Unit and certain Common Elements.

Section 10. Consolidating Master Deed. "Consolidating Master Deed" means the final amended Master Deed that shall describe Grand Ridge Townhomes as a completed Condominium Project and shall reflect the entire land area in the Condominium Project resulting from parcels that may have been added to and/or withdrawn from the Condominium from time to time, and all Units and Common Elements therein, as constructed, and which shall express percentages of value pertinent to each Unit as finally readjusted. Such Consolidating Master Deed shall be recorded in the office of the Kent County Register of Deeds and when recorded shall supersede the previously recorded Master Deed for the Condominium and all amendments thereto. A consolidating master deed and plans showing the Condominium as built shall be recorded not later than 1 year after completion of construction in order to consolidate all phases or amendments of the Project. A copy of the recorded consolidating master deed shall be provided to Grand Ridge Townhomes Association.

Section 11. Construction and Sales Period. "Construction and Sales Period," for the purposes of the Condominium Documents and the rights reserved to the Developer thereunder, means the period commencing with the recording of the Master Deed and continuing as long as the Developer owns any Unit which it offers for sale.

Section 12. Co-owner or Owner. "Co-owner" means a person, firm, corporation, partnership, association, trust, or other legal entity or any combination of those entities, who owns one or more Condominium Units in the Condominium Project. The term "Owner," wherever used, shall be synonymous with the term "Co-owner." "Co-owner" includes land contract vendees and land contract

vendors, who are considered jointly and severally liable under the Condominium Act and the Condominium Documents, except as the recorded Condominium Documents provide otherwise.

Section 13. Developer. "Developer" means Ada Place Townhomes, L.L.C., which has made and executed this Master Deed, and its successors and assigns. Both successors and assigns shall always be deemed to be included within the term "Developer" whenever, however, and wherever such term is used in the Condominium Documents.

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

Section 15. General Common Elements. "General Common Elements" means the Common Elements other than the Limited Common Elements.

Section 16. Limited Common Elements. "Limited Common Elements" means a portion of the Common Elements reserved for the exclusive use of less than all of the Co-owners.

Section 17. Person. "Person" means an individual, firm, corporation, limited liability company, partnership, association, trust, the state, or an agency of the state or other legal entity, or any combination thereof.

Section 18. Storm Water Drainage System. "Storm Water Drainage System" means all facilities for storm water drainage, detention and retention, located within the Common Elements of the Condominium or shown as Easements on Exhibit B, and including all items described in Article IV, Section 1(i) and (j).

Section 19. Township. "Township" means the Township of Grand Rapids, Kent County, Michigan.

Section 20. Transitional Control Date. "Transitional Control Date" means the date on which a Board of Directors of the Association takes office pursuant to an election in which the votes that may be cast by eligible Co-owners unaffiliated with the Developer exceed the votes that may be cast by the Developer.

Section 21. Unit or Condominium Unit. "Unit" or "Condominium Unit" each mean the enclosed space constituting a single complete residential Unit in Grand Ridge Townhomes, as such space may be described in the Condominium Subdivision Plan, and shall have the same meaning as the term "Condominium Unit" as defined in the Act.

Section 22. Gender Terms. 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 to the plural shall also be included where the same would be appropriate and vice versa.

Section 23. Miscellaneous. Other terms that may be utilized in the Condominium Documents and which are not defined in this Article shall have the meanings provided in the Act.

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ARTICLE IV
COMMON ELEMENTS

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

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

(a) **Common Driveways**. All common driveways designated on the Condominium Subdivision Plan. The driveways within the Condominium that provide internal traffic circulation for the Condominium are privately owned in common by all Co-owners and will be maintained by the Association and not the Township or county road commissioners or any other governmental agency. All land contained within such description shall be and remain a General Common Element of the Condominium subject only to the rights of the public in such road, there being no intent by recording this Master Deed to dedicate to the public any portion of the roadways or drives within the Project.

(b) **Common Lighting**. The exterior common lighting system located throughout the Project, including all electrical transmission lines, lighting fixtures on the exterior of each building, pole lights, and related equipment designed to provide illumination to the Project as a whole.

(c) **Construction**. Foundations, supporting columns, Unit perimeter walls (but not including windows and doors therein), roofs, ceilings, and floor construction between Units and Unit levels.

(d) **Electrical**. The electrical transmission system located throughout the Project, including that contained within Unit walls, up to the point of connection for individual Unit service, but not including, the electric meter, fixtures, plugs and switches for each Unit.

(e) **Gas**. The gas distribution system located throughout the Project, including that contained in Unit walls, up to the point of connection for individual Unit service, but not including, fixtures, appliances, valves, connections, extensions, or the gas meter for each Unit.

(f) **Land**. The land and beneficial easements described in Article II hereof, including the common driveways, parking spaces, condominium entryway and signage, sidewalks, and perimeter fences, if any, located thereon not identified as Limited Common Elements. Nothing herein shall obligate the Developer to construct any amenity herein described except as shown on the Condominium Subdivision Plan as "must be built."

(g) **Irrigation System**. The irrigation system located throughout the Project, including all control clocks, meters, valves, pits, and all water distribution lines and fittings for the lawn irrigation systems.

(h) **Sanitary Sewer**. The sanitary sewer system located throughout the Project, including that contained within Unit walls and the meters, up to the point of connection for individual Unit service.

(i) **Storm Sewer**. The storm water sewer system, including storm sewers throughout the Project.

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(j) Telephone. The telephone system located throughout the Project up to the point of entry to each Unit.

(k) Telecommunications and Cable Wiring. The telecommunication and cable wiring systems located throughout the Project, if and when they may be installed, up to, but not including, connections to provide service to individual Units.

(l) Water. The water distribution system located throughout the Project, including that contained in Unit walls, up to the point of entry to each Unit, including the water meters which service each building.

(m) Other. 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 are necessary to the existence, upkeep, and safety of the Project. If any meter, appliance, or fixture services a Unit other than the Unit that it is located within, then such meter, appliance, or fixture shall be a General Common Element.

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

Section 2. Limited Common Elements. Limited Common Elements shall be subject to the exclusive use and enjoyment of the Owner of the Unit to which the Limited Common Elements are appurtenant. The Limited Common Elements are:

(a) Air Conditioning Units. Each individual air conditioner compressor, its pad, and other equipment and accessories related thereto together with the ground surface immediately below the pad, are restricted in use to the Co-owner of the Unit that such air conditioner unit services.

(b) Decks, Patios and Porches. Each individual Unit deck, patio or porch is restricted in use to the Co-owner of the Unit served thereby as shown on Exhibit "B" hereto. Ordinary maintenance of decks, patios and porches is the responsibility of the Co-owner of the Unit to which such deck, patio or porch is appurtenant.

(c) Driveway. Each Unit driveway leading to its garage and shared Unit sidewalk and steps, if any, that is appurtenant to a Unit is restricted in use to the Unit served thereby as depicted on Exhibit B.

(d) Exterior Lighting. The exterior front and rear coach and garage lights controlled by the individual Units are limited to the use of the Unit that they serve.

(e) Fireplace Combustion Chamber, Fireplace and Flue. The fireplace, fireplace combustion chamber, vent and flu of each fireplace, as well as the general common elements appurtenant to each, shall be limited in use to the Unit served thereby.

(f) Garages, Garage Doors and Openers. The garage, garage door, and its hardware, including the electric garage door opener if any (openers are not standard equipment), shall be limited in use to the Unit that it services.

(g) **Heating and Cooling**. Each heating and cooling system including, without limitation, all related equipment and ductwork throughout the Unit shall be limited to the Unit served thereby.

(h) **Interior Surfaces**. The interior surfaces of the Unit, including the garage perimeter walls, ceiling, and floor shall be subject to the exclusive use and enjoyment of the Co-owner of such Unit.

(i) **Interior Walls, Ceilings, and Floors**. Interior walls, ceilings, and floors between Unit levels are limited in use to the Co-Owner of the Unit in which they are contained, except that there shall exist an easement through each of the foregoing for utilities or support necessary to other Units or Common Elements.

(j) **Mailboxes**. Each individual Unit mailbox is limited to the Unit to which it is assigned.

(k) **Utility Meters**. Utility meters (gas and electric) are limited to the Unit served thereby.

(l) **Windows, Screens, and Doors**. The windows, screens, and doors in the Project are restricted in use to the Unit to which such windows, screens, and doors are appurtenant.

Section 3. Responsibilities. The respective responsibilities for the maintenance, decoration, repair, removal, and replacement of the Common Elements are as follows:

(a) **General Common Elements**. The costs of maintenance, decoration, repair, removal, and replacement of all General Common Elements shall be borne by the Association.

(b) **Limited Common Elements**. The cost of maintenance, decoration, repair, and replacement of all Limited Common Elements shall be borne by the Co-Owner of the Unit including but not limited to the following:

(i) **Air Conditioner**. The cost of maintenance, repair, removal, and replacement of each air conditioner compressor referenced in Section 2 above, including its compressor, pad and other equipment and accessories related thereto, shall be borne by the Co-owner of the Unit to which such air conditioner is appurtenant.

(ii) **Decks, Patios, Porches, Windows, Screens and Doors**. The cost of maintenance, repair and replacement of all decks, patios, porches, windows, screens, and doors (including garage doors) referred to in Section 2 of this Article shall be borne by each Unit Co-owner to which they are appurtenant. The uniform appearance of all decks, patios, porches, windows, screens, and doors (including garage doors) shall be maintained at all times in accordance with the Bylaws attached hereto and no changes in design, material or color may be made without the express written approval of the Association (and the Developer during the Construction and Sales Period).

(iii) **Exterior Lights**. The responsibility for and costs of maintenance, repair, removal and replacement of exterior lights adjacent to each Unit entry shall be borne by the Co-owner of the Unit served thereby. Co-owners shall not tamper with the photocell operation of any exterior lights and bulbs shall be promptly replaced to maintain the Project lighting. If a Co-owner adds lighting to his or her, balcony or porch (with the prior written permission of the Developer and the Association), the Co-owner shall be responsible for maintenance, repair, and replacement thereof. Replacement of the exterior

coach light fixtures (not including lighting added by a Co-owner) shall be the responsibility of the Association.

(iv) **Fireplaces**. The costs of maintenance, repair, removal, and replacement of the gas fireplace located with a Unit, if any, as well as the flue, fireplace combustion chamber and the vent shall be borne by the Co-owner of such Unit. Any maintenance, repair, removal, or replacement to said flue must receive the prior written approval of the Association to ensure the safety of the structures and residents of the Condominium.

(v) **Garage Doors and Openers**. The costs of maintenance, repair, removal, and replacement of each garage door and electric garage door opener referred to in Section 2 of this Article shall be borne by the Co-owner of the Unit to which they are appurtenant; provided, however, that the Association shall be responsible for painting the garage doors and any maintenance, repair, removal, and/or replacement of the garage doors that creates a change in the exterior appearance of same shall be subject to the prior express written approval of the Association (and the Developer during the Construction and Sales Period).

(vi) **Heating and Cooling Systems**. The cost of maintenance, repair, removal, and replacement of each heating and cooling system shall be borne by the Co-owner of the Unit to which such heating and cooling system is appurtenant.

(vii) **Interior Surfaces**. The costs of decoration, maintenance, repair, and replacement of all interior Unit surfaces shall be borne by the Co-owner of each Unit to which such Limited Common Elements are appurtenant.

(viii) **Utility Meters**. Co-owners shall be responsible for the maintenance of the utility meters that serve their respective Units, except that water meters shall be repaired, replaced, and maintained by the Association.

(ix) **Water, Electric, and Gas Systems**. Co-owners shall be responsible for the maintenance, repair, and replacement of the electric, and gas systems from the point of entry into and throughout their respective Units. Co-owners shall be responsible for the maintenance, repair, and replacement of the water system from the point of entry into and throughout their respective Units. Electric and gas utility service shall be metered to each Unit for payment by the Co-owner thereof.

(c) **Utility Systems**. Some or all of the utility lines, systems (including mains and service leads), and equipment and any telecommunication systems described above may be owned by the local public authority or by the company that is providing the pertinent service. Accordingly, such utility lines, systems and equipment, and any telecommunications shall be General Common Elements only to the extent of the Co-owners' interest therein, if any, and Developer makes no warranty whatever with respect to the nature or extent of such interest, if any. The extent of the Developer's responsibility will be to see to it that telephone, water, electric, and natural gas mains are existing or installed within reasonable proximity to, but not necessarily within, the Units. Telephone, water, electric, and natural gas mains shall be installed with reasonable proximity to, but not necessarily within, the Units. Utilities (except water service) shall be metered to each Unit for payment by the Co-owner thereof.

(d) **Storm Water Drainage System**. The costs of maintenance, repair, and replacement of the storm water drainage system, including, without limitation, any drainage easements and storm water filtration systems and facilities, shall be borne by the Association, unless dedicated to the

Public. In performing its responsibility, the Association shall inspect and perform preventative maintenance of the storm water drainage system and facilities on a regular basis in order to maximize their useful life and to minimize repair and replacement costs. The expenses of repair, maintenance, operation and replacement of the storm water drainage system and any reserve for the replacement thereof shall be an expense of administration of the Project and shall be assessed against all Co-owners of Units in the Project and any benefited land adjoining the Condominium. owned or hereafter acquired by Developer or its successors. The storm water drainage system shall be operated, maintained, repaired and replaced in accordance with the provisions of the Master Deed and Bylaws for the Project, all rules and regulations for the Project, and all applicable federal, state and local statutes, laws, ordinances and regulations.

(e) Common Driveways. The Association shall have the responsibility for the maintenance repair, operation and replacement of the common driveways in the Project. In performing its responsibility, the Association's shall inspect and perform preventative maintenance of the common driveways on a regular basis (including, without limitation, snow removal) in order to maximize their useful life and to minimize repair and replacement costs. The expenses of repair, maintenance, operation and replacement of the driveways and any reserve for the replacement thereof shall be expenses of administration of the Project and shall be assessed against all Co-owners of Units in the Project. Except in the case of Co-owner fault, each Unit shall be assessed pursuant to the percentage of value assigned to each Unit in Article V below for the expenses of repair, maintenance, operation and replacement of the roads, which may be assessed as part of the regular assessments and/or special assessments against those Units. The operation, maintenance, repair and replacement of the common driveways are further subject to the terms and provisions of the Bylaws of the Project and all rules and regulations for the Project, and all applicable federal, state and local statutes, laws, ordinances and regulations. If the Association or its contractors or agents fails to perform maintenance, repair or replacement requirements set forth in the Master Deed, the Bylaws, and applicable laws then in addition to all other remedies available under applicable law, the Township and their respective contractors and agents, may, at their option with or without notice, enter onto the Project or any Unit that is not in compliance and perform any necessary maintenance, repair, replacement and/or operation of or on the driveways. In that event, the Association shall reimburse the Township and/or their contractors all costs incurred by it in performing the necessary maintenance, repair or replacement of the driveways, plus an administrative fee of 15%. If the Association does not reimburse the Township for those cost, then the Township, at its option, may assess the cost therefore against the Co-owners of the Units in the Project to be collected as a special assessment on the next annual tax roll. At a minimum, the Association shall establish an annual inspection and maintenance program for the roads in the Project. This provision may not be modified, amended, or terminated without the consent of the Township.

(f) Failure of Co-owner to Perform Maintenance Responsibilities. In the event a Co-owner fails to maintain, decorate, repair, or replace any items for which he is responsible, the Association (and/or the Developer during the Construction and Sales Period) shall have the right, but not the obligation, to take whatever action or actions it deems desirable to so maintain, decorate, repair, remove, and replace any of such Limited Common Elements, all at the expense of the Co-owner of the Unit. Failure of the Association (or the Developer) to take any such action shall not be deemed a waiver of the Association's (or the Developer's) right to take any such action at a future time. All costs incurred by the Association or the Developer in performing any responsibilities under this Article which are required, in the first instance to be borne by any Co-owner, shall be assessed against such Co-owner and shall be due and payable with his monthly assessment next falling due; further, the lien for nonpayment shall attach as in all cases of regular assessments and such assessments may be enforced by the use of all means available to the Association under the

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Condominium Documents for the collection of regular assessments including, without limitation, legal action, foreclosure of the lien securing payment and imposition of fines.

(g) **Use of Units and Common Elements**. 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 that will interfere with or impair the rights of any other Co-owner in the use and enjoyment of his Unit or the Common Elements. No Limited Common Element, if created, may be modified or its use enlarged or diminished by the Association without the written consent of the Co-owner to which Unit the same is appurtenant.

(h) **Association Responsibility for Private Roads**. Until dedication, if any, it is the Association's responsibility to inspect and to perform preventative maintenance of the Condominium roadways on a regular basis (including, without limitation, snow removal) in order to maximize the roadways useful life and to minimize repair and replacement costs. The private roads as shown on the Condominium Subdivision Plan will be maintained, replaced, repaired, and resurfaced as necessary as determined by the Association. In the event the Association fails to provide adequate maintenance, repair, or replacement of the herein mentioned private roads, the Township of Grand Rapids may serve written notice of such failure upon the Association. Such written notice shall contain a demand that the deficiencies of maintenance, repair, or replacement be cured within a stated reasonable time period. If such deficiencies are not cured, the Township may enter onto any part of the Condominium Project and undertake such maintenance, repair, or replacement and the costs thereof plus a 25% administrative fee may be assessed against the Co-owners and collected as a special assessment on the next annual Grand Rapids Township tax roll. Items constructed by the Developer in the road right of way including, without limitation, sidewalks, street trees, signage, monuments, and street lighting shall be maintained by the Association after installation.

(i) **Ingress/Egress Easement.** The adjoining property owner has granted an ingress and egress easement over the adjoining condominium development to the entrance of Grand Ridge Townhomes. This private roadway, unless dedicated to the public, shall be owned and maintained by the adjoining property owner. Grand Ridge Condominium Association and the co-owners of Grand Ridge Condominium are responsible for payment of a pro-rata share of the cost of maintenance, repair and replacement of said roadway pursuant to the terms and conditions of a Road and Utility Easement and Maintenance Easement Agreement entered into between Weiland-McMaster Associates Limited Partnership as Grantor and Townhouse 72, L.L.C. as Grantee, recorded in Liber 3905, Page 205 et seq., Kent County Register of Deeds, Kent County, Michigan.

ARTICLE V
UNIT DESCRIPTION AND PERCENTAGE OF VALUE

Section 1. Description of Units. The Project consists of 72 Units. Each Unit in the Condominium Project is described in this paragraph with reference to the Condominium Subdivision Plan of Grand Ridge Townhomes as prepared by Chettleburgh & Associates, 1680 East Paris, S.E., Grand Rapids, MI 49546. Each Unit shall include all that space contained within the interior finished unpainted walls and ceilings and from the finished subfloor, all as shown on the floor plans and sections in the Condominium Subdivision Plan and delineated with heavy outlines. The dimensions shown on foundation plans in the Condominium Subdivision Plan have been or will be physically measured by Chettleburgh & Associates. 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 the Condominium Subdivision

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Plan, then the typical upper-floor 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.

Section 2. Percentage of Value. The percentage of value assigned to each Unit shall be equal. The determination that percentages of value should be equal was made after reviewing the comparative characteristics of each Unit in the Project and concluding that there are not material differences among the Units insofar as the allocation of percentages of value is concerned. The percentage of value assigned to each Unit shall be determinative of each Co-owner's respective share of the Common Elements of the Condominium Project, the proportionate share of each respective Co-owner in the proceeds and the expenses of administration and the value of such Co-owner's vote at meetings of the Association. The total value of the Project is 100%.

ARTICLE VI
SUBDIVISION, CONSOLIDATION, CONTRACTION AND OTHER MODIFICATIONS OF UNITS

Notwithstanding any other provision of the Master Deed or the Bylaws, Units in the Condominium may be subdivided, consolidated, contracted, modified, and the boundaries relocated, in accordance with Sections 33, 48 and 49 of the Act and this Article. Such changes in the affected Unit or Units shall be promptly reflected in a duly recorded amendment or amendments to this Master Deed.

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

(a) **Subdivide Units**. Subdivide or resubdivide any Units which it owns and in connection therewith to construct and install walls, floors, ceilings, utility conduits and connections, and any other improvements reasonably necessary to effect the subdivision, any or all of which may be designated by the Developer as General or Limited Common Elements; such construction shall not adversely affect the structural integrity of the building nor disturb any utility connections serving Units other than temporarily. Such subdivision or resubdivision of Units shall be given effect by an appropriate amendment or amendments to this Master Deed in the manner provided by law, which amendment or amendments shall be prepared by and at the sole discretion of Developer, its successors or assigns.

(b) **Consolidate Contiguous Units**. Consolidate under single ownership two or more Units that are separated only by Unit perimeter walls. In connection with such consolidation, Developer may alter or remove all or portions of the intervening wall, provided that the structural integrity of the building is not affected thereby, and provided that no utility connections serving other Units are disturbed other than temporarily. Such consolidation of Units shall be given effect by an appropriate amendment or amendments to this Master Deed in the manner provided by Law, which amendment or amendments shall be prepared by and at the sole discretion of the Developer, its successors or assigns.

(c) **Relocate Boundaries**. Relocate any boundaries between adjoining Units, separated only by Unit perimeter walls or other Common Elements not necessary for the reasonable use of Units other than those subject to the relocation. In connection with such relocation, Developer may alter or remove all or portions of the intervening wall, provided that the structural integrity of the building is not affected thereby, and provided that no utility connections serving other Units are disturbed other than temporarily. The relocation of such boundaries shall be given effect by an appropriate amendment or amendments to this Master Deed in the manner provided by law,

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which amendment or amendments shall be prepared by and at the sole discretion of the Developer, its successors or assigns.

(d) **Amend to Effectuate Modifications**. In any amendment or amendments resulting from the exercise of the rights reserved to Developer above, each portion of the Unit or Units resulting from such subdivision, consolidation or relocation of boundaries shall be separately identified by number and the percentage of value as set forth in Article V hereof for the Unit or Units subdivided, consolidated or as to which boundaries are relocated shall be proportionately allocated to the resultant new Condominium Units 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 the original method of determining percentages of value for the Project. Such amendment or amendments to the Master Deed shall also contain such further definitions of General or Limited Common Elements as may be necessary to adequately describe the buildings and Units in the Condominium Project as so modified. All of the Co-owners and mortgagees of Units and other persons interested or to become interested in the Project from time to time shall be deemed to have irrevocably and unanimously consented to such amendment or amendments of this Master Deed to effectuate the foregoing and to any proportionate reallocation of percentages of value of Units which Developer or its successors may determine necessary in conjunction with such amendment or amendments. All such interested persons irrevocably appoint Developer or its successors as agent and attorney for the purpose of execution of such amendment or amendments to the Master Deed and all other documents necessary to effectuate the foregoing. Such amendments may be effected without the necessity of re-recording an entire Master Deed or the Exhibits hereto.

Section 2. By Co-owners. One or more Co-owners may undertake:

(a) **Subdivision of Units**. The Co-owner of a Unit may subdivide his Unit upon request to and approval by the Association. Upon receipt of such request, the president of the Association shall present the matter to the Board of Directors for review and, if approved by the Board, cause to be prepared an amendment to the Master Deed, duly subdividing the Unit, separately identifying the resulting Units by number or other designation, designating only the Limited or General Common Elements in connection therewith, and reallocating the percentages of value (if necessary) in accordance with the Co-owner's request. The Co-owner requesting such subdivision shall bear all costs of such amendment. Such subdivision shall not become effective, however, until the amendment to the Master Deed, duly executed by the Association, has been recorded in the office of the Kent County Register of Deeds.

(b) **Consolidation of Units; Relocation of Boundaries**. Co-owners of adjoining Units may relocate boundaries between their Units or eliminate boundaries between two or more Units upon written request to and approval by the Association. Upon receipt of such request, the president of the Association shall present the matter to the Board of Directors for review and, if approved by the Board, cause to be prepared an amendment to the Master Deed duly relocating the boundaries, identifying the Units involved, reallocating percentages of value and providing for conveyancing between or among the Co-owners involved in relocation of boundaries. The Co-owners that request relocation of boundaries shall bear all costs of such amendment. Such relocation or elimination of boundaries shall not become effective, however, until the amendment to the Master Deed has been recorded in the office of the Kent County Register of Deeds.

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Section 3. Limited Common Elements. Limited Common Elements shall be subject to assignment and reassignment in accordance with Section 39 of the Act and in furtherance of the rights to subdivide, consolidate, or relocate boundaries described in this Article.

ARTICLE VII
CONVERTIBLE AREAS

Section 1. Designation of Convertible Areas. All unsold Units and the Common Elements are designated on the Condominium Subdivision Plan as Convertible Areas within which the Units and Common Elements may be modified, expanded, and created. The Developer reserves the right, in its sole discretion, during a period ending six years from the date of recording of this Master Deed to convert, modify the size, location, design, or elevation of Units and/or General or Limited Common Elements appurtenant or geographically proximate to such unsold Units and within the areas immediately adjacent to the unsold Units and or immediately adjacent to the Common Elements as need arises in order to make reasonable changes to Unit types and sizes, to increase and decrease the immediately adjacent common areas, or to create additional Units and General and Limited Common Elements, so long as such modifications do not unreasonably impair or diminish the appearance of the Project or the view, privacy, or other significant attribute or amenity of any Unit which adjoins or is proximate to the modified Unit or Common Element.

Section 2. Right to Modify Floor Plans. The Developer further reserves the right to amend and alter the floor plans and/or elevations of any buildings and/or Units described in the Condominium Subdivision Plan attached hereto. The nature and appearance of all such altered buildings and/or Units shall be determined by the Developer in its sole judgment; but, in no event shall such altered buildings and/or Units deviate substantially from the general development plan approved by Township. All such improvements shall be reasonably compatible with the existing structures in the Project, as determined by the Developer in its sole discretion.

Section 3. Amendment of Master Deed. Any such conversion of this Condominium Project shall be given effect by appropriate amendments to this Master Deed in the manner provided by law, which amendments shall be prepared by and at the discretion of the Developer and in which the percentages of value set forth in Article V hereof shall be proportionately readjusted when applicable in order to preserve a total value of 100% for the entire Project resulting from such amendments to this Master Deed. The precise determination of the readjustments in percentages of value shall be made within the sole judgment of the Developer. Such readjustments, however, shall reflect a continuing reasonable relationship among percentages of value based upon the original method of determining percentages of value for the Project.

Section 4. Consolidating Master Deed. A Consolidating Master Deed shall be recorded pursuant to the Act when the Project is finally concluded as determined by the Developer in order to incorporate into one set of instruments all successive stages of development. The Consolidating Master Deed, when recorded, shall supersede the previously recorded Master Deed and all amendments thereto.

Section 5. Consent of Interested Persons. 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 amendments to this Master Deed as may be proposed by the Developer to effectuate the purposes of this Article and to any proportionate reallocation of percentages of value of existing Units which the Developer may determine necessary in conjunction with such amendments. All such interested persons irrevocably appoint the Developer as agent and attorney for the purpose of execution of such amendments to the Master Deed and all other documents necessary to effectuate the foregoing. Such amendments may be effected without the necessity of re-recording the

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entire Master Deed or the Exhibits hereto and may incorporate by reference all or any pertinent portions of this Master Deed and the Exhibits hereto.

Section 6. Expiration of Rights. Notwithstanding any herein to the contrary, if the Developer has not completed the development and construction of the entire Project, including proposed improvements whether identified as "Must be Built" or "Need not be Built," during a period ending 10 years from the date of commencement or construction by the Developer of the Project, the Developer, its successors, or assigns have the right to withdraw from the Project all undeveloped portions of the Project without the prior consent of any Co-owners, mortgagees or Units in the Project, or any other party having an interest in the Project. If the Developer has exercised any of its rights contained in the Master Deed permitting the expansion, contraction, or rights of convertibility of Units or Common Elements, then the time period is 6 years from the date the Developer exercised it rights with respect to the expansion, contraction, or right of convertibility, whichever right was exercised last. The undeveloped portion of the Project withdrawn shall also automatically be granted easements for utility and access purposes through the Project for the benefit of the undeveloped portions of the Project. If the Developer does not withdraw the undeveloped portions of the Project from the Project before the expiration of the time periods, such lands shall remain part of the Project as General Common Elements and all rights to construct Units upon that land shall cease. In such an event, if it becomes necessary to adjust percentages of value as a result of fewer Units existing, a Co-owner or the Association of Co-owners may bring an action to require revisions to the Percentages of Value.

ARTICLE VIII
EASEMENTS

Section 1. Easement for Maintenance of Encroachments and Utilities. In the event any portion of a Unit or Common Element encroaches upon another Unit or Common Element due to shifting, settling, or moving of a building, or due to survey errors, or construction 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, 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 that supports a Common Element. This Section shall not allow or permit any encroachment upon, or an easement for an encroachment upon, Units described in this Master Deed being comprised of land and/or airspace above and/or below said land, without the consent of the Co-owner of the Unit to be burdened by the encroachment or easement.

Section 2. Easements Retained by Developer.

(a) **Ingress and Egress.** The Developer hereby reserves permanent nonexclusive easements for ingress and egress over the driveways, and walks, if any, in the Condominium and permanent easements to use, tap into, enlarge or extend all driveways, walks, and utility lines in the Condominium, including without limitation, all communications, water, gas, electric, storm water drainage system, including sanitary sewer lines and any pumps, sprinklers or water retention and detention areas, all of which easement shall be for the benefit of any other land adjoining the Condominium if now owned or hereafter acquired by Developer or its successors. This easement shall run with the land in perpetuity. The Developer has no financial obligation to support such easements.

(b) **Driveway Easements.** The Developer reserves for the benefit of itself, its successors and assigns, and all future owners of the land described in Article II or any portion or portions thereof and for the benefit of any other land adjoining the Condominium if now owned or

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hereafter acquired by Developer or its successors, an easement for the unrestricted use of all driveways, 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 II. This easement shall run with the land in perpetuity. The Developer has no financial obligation to support such easements.

(c) Utility Easements. The Developer also hereby reserves for the benefit of itself, its successors and assigns, and all future owners of the land described in Article II or any portion or portions thereof, and for the benefit of any other land adjoining the Condominium if now owned or hereafter acquired by Developer or its successors perpetual easements to utilize, tap, tie into, extend, and enlarge all utility mains located in the Condominium, including, but not limited to, water, gas, and storm water drainage system. In the event Developer, its successors or assigns, utilizes, taps, ties into, extends, or enlarges any utilities located in the Condominium, 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. All expenses of maintenance, repair, and replacement of any utility mains referred to in this Section shall be shared by this Condominium and any developed portions of the land described in Article II that are served by such mains including any other land adjoining the Condominium now owned or hereafter acquired by Developer or its successors. This easement shall run with the land in perpetuity. The Developer has no financial obligation to support such easements.

(d) Granting Utility Rights to Agencies. The Developer reserves the right at any time during the Construction and Sales Period to grant easements for utilities over, under and across the Condominium to appropriate governmental agencies or public utility companies and to transfer title of utilities to governmental agencies or to utility companies. Any such easement or transfer of title may be conveyed by the Developer without the consent of any Co-owner, mortgagee or other person and shall be evidenced by an appropriate amendment to this Master Deed and to Exhibit "B" hereto, recorded in the Kent County Records. 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 amendments to this Master Deed as may be required to effectuate the foregoing grant of easement or transfer of title.

(e) Construction and Sales Period. The Developer reserves the right at any time during the Construction and Sales Period to maintain reasonable facilities, including but not limited to, signage, commercial lighting, marketing and sales offices, business offices, construction offices, model Units, storage areas, and parking facilities to facilitate the construction and sales of the Project. During the Construction and Sales Period, the Developer may invite the general public, and/or government officials and entities, and/or the media to enter upon the Condominium for purposes of sales and marketing events of the Developer and of the Project. During the Construction and Sales Period, and forever thereafter, the Developer reserves the unrestricted right to the use of the "Grand Ridge Townhomes" name and/or other identifying phrases, marks, logos, photographs, drawings, designs, plans, signage, and marketing and promotional materials associated with the Project and may use them for any and all purposes. The Developer further reserves an access easement for ingress and egress over, across, and through the Project as may be necessary to enable the construction, marketing and sale of the entire Project. The Developer may assign the easements and rights contained in this paragraph without notice or consent of the Co-owners.

(f) Right to Dedicate. The Developer reserves the right at any time during the Construction and Sales Period to dedicate to the public a right-of-way of such width as may be required by the local public authority over any or all of the roadways, driveways and/or storm

water drainage system in the Condominium, shown as General Common Elements on the Condominium Subdivision Plan. Any such right-of-way dedication may be made by the Developer without the consent of any Co-owner, mortgagee, or other person and shall be evidenced by an appropriate amendment to this Master Deed and to the Condominium Subdivision Plan hereto, recorded in the Kent County Records. 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 right-of-way dedication. After certificates of occupancy are issued for residences in 100% of the Units in the Condominium, the Association may exercise the foregoing rights and powers. Subsequent to the dedication of the roads or storm water drainage system to the public, it may become necessary to pave or improve some or all of the roads, driveways or the storm water drainage system within or adjacent to the Condominium Premises. In such case the improvements may be financed, in whole or in part, by the creation of a special assessment district or districts that may include the Condominium. In the event that a special assessment road improvement project or storm water drainage system project is established pursuant to Michigan law, the collective costs of assessment to the condominium premises as a whole shall be borne equally by all Co-owners. No consent of mortgagees shall be required for approval of said public road or storm water drainage system improvement.

Section 3. Grant of Easements by Association. The Association, acting through its lawfully constituted Board of Directors (including any Board of Directors acting prior to the Transitional Control Date) shall be empowered and obligated to grant such easements, licenses, rights-of-entry, and rights-of-way over, under and across the Condominium Premises for utility purposes, access purposes, or other lawful purposes as may be necessary for the benefit of the Condominium or for the benefit of any other land; subject, however, to the approval of the Developer during the Construction and Sales Period.

Section 4. Easements for Maintenance, Repair, and Replacement. The Developer, the Association and all public or private utility companies shall have such easements over, under, across, and through the Condominium Premises, including all Units and Common Elements as may be necessary to develop, construct, market, and operate any Units within the land described in Article II hereof, and also to fulfill any responsibilities of maintenance, repair, decoration, or replacement which they or any of them are required or permitted to perform under the Condominium Documents or by law. These easements include, without any implication of limitation, the right of the Association to obtain access during reasonable hours and upon reasonable notice to water meters, sprinkler controls and valves, and other Common Elements located within any Unit or its appurtenant Limited Common Elements. The Association, the Kent County Department of Public Services, the Michigan Department of Environmental Quality, and the Township of Grand Rapids and their respective contractors, employees, agents and assigns are herby granted a permanent and irrevocable easement to enter onto the General Common Elements and onto each Unit serviced by roads, storm water drainage system, and onto the Limited Common Elements appurtenant to those Units for the purpose of and/or replacing the roads, storm water drainage system or any portion thereof. The area of the Condominium Premises that contains any part of the roads, storm water drainage system facilities shall be maintained in a manner so as to be accessible at all times and shall contain no structures or landscaping features that would unreasonably interfere with such access. This easement shall not be modified, amended or terminated without the consent of the Township of Grand Rapids.

Section 5. Telecommunications Agreements. The Association, acting through its duly constituted Board of Directors and subject to the Developer's approval during the Construction and Sales Period, shall have the power to grant such easements, licenses, and other rights of entry, use and access and to enter into any contract or agreement, including wiring agreements, right-of-way agreements, access agreements and multi-unit agreements and, to the extent allowed by law, contracts for sharing of any

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installation or periodic subscriber service fees as may be necessary, convenient or desirable to provide for telecommunications, videotext, broad band cable, satellite dish, earth antenna, and similar services (collectively "Telecommunications") to the Project or any Unit therein. Notwithstanding the foregoing, in no event shall the Board of Directors enter into any contract or agreement or grant any easement, license or right of entry or do any other act or thing which will violate any provision of any federal, state, or local law or ordinance. In the event the Association enters into a bulk rate telecommunications agreement, the Co-owners agree to the inclusion of the cost of such service to be included as a cost of administration and assessed as per the Condominium Bylaws.

Section 6. Emergency Access Easement. There shall exist for the benefit of all Co-owners, their guests and invitees, the Township, or any emergency service agency, an ingress and egress easement over the roads/driveways in the Condominium as depicted on the Condominium Subdivision Plan to the extent the roads/driveways remain private for purposes of, without limitation, fire and police protection, ambulance and rescue services and other lawful governmental or private emergency services to the Condominium Project and the Co-owners, their guests and invitees. This easement shall not obligate the Township or the County to any maintenance or repair obligations with respect to the private roads within the Condominium and this grant shall in no way be construed as a dedication of any street, road, or driveway to the public.

Section 7. Ingress and Egress Access Easement. Access to Grand Ridge Townhomes is provided by means of an easement over Grand Ridge Drive, a private road in the adjoining condominium project. Such easement is set forth in the Road and Utility Easement and Maintenance Agreement recorded in Liber 3905, Page 205 et seq., Kent County Register of Deeds. The Co-owners of Grand Ridge Townhomes are responsible for a pro-rata share of the upkeep and maintenance costs of the road as set forth in the Agreement.

ARTICLE IX
AMENDMENT

This Master Deed, the Bylaws, and the Condominium Subdivision Plan may be amended with the consent of 2/3 majority of the votes of the Co-owners and mortgagees, except as hereinafter set forth:

Section 1. Modification of Units or Common Elements. No Unit dimension may be modified in any material way without the consent of the Co-owner and mortgagee of such Unit nor may the nature or extent of Limited Common Elements or the responsibility for maintenance, repair, removal, or replacement thereof be modified in any material way without the written consent of the Co-owner and mortgagee of any Unit to which the same are appurtenant, except as otherwise expressly provided in this Master Deed or in the Bylaws to the contrary.

Section 2. Mortgagee Consent. Whenever a proposed amendment would materially alter or change the rights of mortgagees generally, then such amendments shall require the approval of 2/3 majority vote of all first mortgagees of record, allocating one vote for each mortgage held. Mortgagees need not appear at any meeting of Co-owner except that their approval shall be solicited through written ballots. To the extent that a vote of mortgagees of Units are required for the amendment of the Condominium Documents, the procedure described in Section 90a of the Act, MCL 559.190a shall be followed.

Section 3. By the Developer. Pursuant to Section 90(1) of the Act, the Developer hereby reserves the right, on behalf of itself and on behalf of the Association, to amend materially this Master Deed and the other Condominium Documents without approval of any Co-owner or mortgagee for the purposes of correcting survey or other errors and for any other purpose, including but not limited to, an amendment modifying the types and sizes of unsold Units and their appurtenant Limited Common

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Elements, unless the amendment would materially alter or change the rights of a Co-owner or mortgagee, in which event Co-owner and mortgagee consent shall be required as provided above.

Section 4. Change in Percentage of Value. The method or formula used to determine the percentage of value of Units for other than voting purposes and any provisions relating to the ability or terms under which a Co-owner may rent a Unit may not be changed without the written consent of each affected Co-owner and mortgagee, except as provided in this Master Deed or in the Bylaws.

Section 5. Termination, Vacation, Revocation or Abandonment. The Condominium Project may not be terminated, vacated, revoked, or abandoned without the written consent of the Developer during the Construction and Sales Period, 80% of non-developer Co-owners and 80% of first mortgagees.

Section 6. Developer Approval. During the Construction and Sales Period, the Condominium Documents shall not be amended nor shall any of the provisions thereof be modified by any other amendment to this Master Deed without the written consent of the Developer.

Section 7. Proposal. A person causing or requesting an amendment to the Condominium Documents shall be responsible for costs and expenses of the amendment, except for amendments based upon a vote of a prescribed majority of Co-owners and mortgagees or based upon the advisory committee's decision, the costs of which are expenses of administration. Amendments may be proposed by Co-owners or the Association acting upon the vote of the majority of directors. Upon any such amendment being proposed, a meeting for consideration of same shall be duly called in accordance with these Bylaws. Co-owners shall be notified of proposed amendments not less than 10 days before the amendment is recorded. An amendment shall be effective when recorded in the office of the Kent County Register of Deeds. For purposes of this Article, the affirmative vote of a 2/3 of Co-owners is considered 2/3 of all Co-owners entitled to vote as of the record date for such vote.

ARTICLE X
ASSIGNMENT

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

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Ada Place Townhomes, L.L.C.,
a Michigan limited liability company

By: _____
James O'Malley
Its: Member

STATE OF MICHIGAN)
) SS.
COUNTY OF OAKLAND)

On this 4th day of May, 2005, James O'Malley, a Member of Ada Place Townhomes, L.L.C., acknowledged the foregoing Master Deed before me on behalf of Ada Place Townhomes, L.L.C.

Margaret K. Foster

Margaret Foster, Notary Public,
Oakland County, Michigan
Acting in Oakland County
My commission expires: 1/26/09

Master Deed drafted by:

Justin Berger, Esq.
Freeman, Cotton, & Norris, P. C.
33 Bloomfield Hills Parkway, Suite 100
Bloomfield Hills, Michigan 48304
(248) 642-2255

When recorded, return to drafter.

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EXHIBIT "A"

GRAND RIDGE TOWNHOMES

BYLAWS

ARTICLE I
ASSOCIATION OF CO-OWNERS

Grand Ridge Townhomes, a residential Condominium Project located in the Township of Grand Rapids, Kent County, Michigan, shall be administered by an Association of Co-owners which shall be a non-profit corporation, hereinafter called the "Association," organized under the applicable laws of the State of Michigan, and responsible for the management, maintenance, operation, and administration of the Common Elements, easements and affairs of the Condominium Project in accordance with the Condominium Documents and the laws of the State of Michigan. These Bylaws shall constitute both the Bylaws referred to in the Master Deed and required by Section 3(8) of the Act and the Bylaws provided for under the Michigan Nonprofit Corporation Act. Each Co-owner shall be entitled to membership and no other person or entity shall be entitled to membership. The share of a Co-owner in the funds and assets of the Association cannot be assigned, pledged, or transferred in any manner except as an appurtenance to his Unit. The Association shall keep current copies of the Master Deed, all amendments to the Master Deed, and other Condominium Documents for the Condominium Project available at reasonable hours to Co-owners, prospective purchasers, mortgagees, and prospective mortgagees of Units in the Condominium Project. All Co-owners 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.

ARTICLE II
ASSESSMENTS

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

Section 1. Assessments for Common Elements. All costs incurred by the Association in satisfaction of any liability arising within, caused by, or connected with the Common Elements or the administration of the Condominium Project shall constitute expenditures affecting the administration of the Project, and all sums received as the proceeds of, or pursuant to, any policy of insurance securing the interest of the Co-owners against liabilities or losses arising within, caused by, or connected with the 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 2. Determination of Assessments. Assessments shall be determined in accordance with the following provisions:

(a) **Budget; Regular Assessments**. The Association shall establish an annual budget in advance for each fiscal year and such budget shall project all expenses for the forthcoming year that may be required for the proper operation, management, and maintenance of the Condominium Project, including a reasonable allowance for contingencies and reserves. An adequate reserve fund for maintenance, repairs, removal,

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and replacement of those Common Elements that must be replaced on a periodic basis shall be established in the budget and must be funded by regular payments as set forth in Section 2(c) below rather than by special assessments. At a minimum, the reserve fund shall be equal to 10% of the Association's current annual budget on a noncumulative basis. Since the minimum standard required by this subparagraph may prove to be inadequate for this particular Project, the Association of Co-owners should carefully analyze the Condominium Project to determine if a greater amount should be set aside, or if additional reserve funds should be established for other purposes from time to time. Upon adoption of an annual budget by the Association, copies of the budget shall be delivered to each Co-owner and the assessment for said year shall be established based upon said budget. The annual assessments as so determined and levied shall constitute a lien against all Units as of the first day of the fiscal year to which the assessments relate. Failure to deliver a copy of the budget to each Co-owner shall not affect or in any way diminish such lien or the liability of any Co-owner for any existing or future assessments. Should the Association at any time decide, in its sole discretion: (l) that the assessments levied are or may prove to be insufficient (a) to pay the costs of operation and management of the Condominium, (b) to provide replacements of existing Common Elements, (c) to provide additions to the Common Elements not exceeding $7,500.00 annually for the entire Condominium Project, or (2) that an emergency exists, the Association shall have the authority to increase the general assessment or to levy such additional assessment or assessments as it shall deem to be necessary. The Association also shall have the authority, without Co-owner consent, to levy assessments pursuant to the provisions of Article V, Section 4 hereof. The discretionary authority of the Association to levy assessments pursuant to this subparagraph shall rest solely with the Association for the benefit of the members thereof, and shall not be enforceable by any creditors of the Association or of the members thereof.

(b) **Special Assessments**. Special assessments, in addition to those required in subparagraph (a) above, may be made by the Association from time to time and approved by the Co-owners as hereinafter provided to meet other requirements of the Association, including, but not limited to: (l) assessments for additions to the Common Elements of a cost exceeding $7,500.00 for the entire Condominium Project per year, (2) assessments to purchase a Unit upon foreclosure of the lien for assessments described in Section 5 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 2(a) above, which shall be levied in the sole discretion of the Association) shall not be levied without the prior approval of more than 65% of all Co-owners. The authority to levy assessments pursuant to this subparagraph is solely for the benefit of the Association and the members thereof and shall not be enforceable by any creditors of the Association or of the members thereof.

(c) **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 each Co-owner's proportionate share of the expenses of administration as provided in Article V, Section 2 of the Master Deed and without increase or decrease for the existence of any rights to the use of Limited Common Elements appurtenant to a Unit except as otherwise specifically provided in the Master Deed. Annual assessments as determined in accordance with Article II, Section 2(a) above shall be payable by Co-owners in periodic installments, commencing with acceptance of a deed to or a land

contract vendee's interest in a Unit, or with the acquisition of fee simple title to a Unit by any other means.

Section 3. Developer's Responsibility for Assessments. During the Construction and Sales Period as defined in Article III, Section 12 of the Master Deed, the Developer of the Condominium, even though a member of the Association, shall not be responsible for payment of the monthly Association assessment. The Developer, however, shall during the Construction and Sales Period pay a proportionate share of the Association's current maintenance expenses actually incurred from time to time based upon the ratio of completed Units owned by Developer at the time the expense is incurred to the total number of Units in the Condominium. In no event shall Developer be responsible for payment, during the Construction and Sales Period, of any assessments for deferred maintenance, reserves for replacement, for capital improvements or other special assessments, except with respect to Occupied Units owned by it. Developer shall not be responsible at any time for payment of said monthly assessment or payment of any expenses whatsoever with respect to Units not completed notwithstanding the fact that such Units not completed may have been included in the Master Deed. Further, the Developer shall in no event be liable for any assessment levied in whole or in part to purchase any Unit from the Developer or to finance any litigation or other claims against the Developer, any cost of investigating and preparing such litigation or claim or any similar or related costs. "Occupied Unit" shall mean a Unit used as a residence. "Completed Unit" shall mean a Unit with respect to which a certificate of occupancy has been issued by the Township of Grand Rapids.

Section 4. Penalties for Default. The payment of an assessment shall be in default if any installment thereof is not paid to the Association in full on or before the due date for such installment. A late charge of $25.00 per installment or as otherwise established by the Board may be assessed automatically by the Association upon each installment in default for ten or more days until paid in full. The Association may, pursuant to Article XIX, Section 4 and Article XX hereof, levy fines for late payment of assessments in addition to such late charge. Each Co-owner (whether one or more persons) shall be, and remain, personally liable for the payment of all assessments (including fines for late payment and costs of collection and enforcement of payment) pertinent to his Unit which may be levied while such Co-owner is the owner thereof, except a land contract purchaser from any Co-owner including Developer shall be so personally liable and such land contract seller shall not be personally liable for all such assessments levied up to and including the date upon which such land contract seller actually takes possession of the Unit following extinguishment of all rights of the land contract purchaser in the Unit. Payments on account of installments of assessments in default shall be applied as follows: first, to costs of collection and enforcement of payment, including reasonable attorney's fees; second, to any interest charges and fines for late payment on such installments; and third, to installments in default in order of their due dates.

Section 5. Liens for Unpaid Assessments. Sums assessed to Co-owner by the Association that remain unpaid, including but not limited to regular assessments and special assessments, together with interest on such sums, collection and late charges, advances made by the Association of Co-owners for taxes or other liens to protect its lien, attorney fees, and fines in accordance with the Condominium Documents shall constitute a lien upon the Unit or Units in the Project owned by the Co-owner at the time of the assessment before other liens except tax liens on the Unit in favor of any state or federal taxing authority and sums unpaid on a first mortgage of record except that past due assessments that are evidenced by a notice of lien, recorded as set forth in Section 108 of the Condominium Act. Any such unpaid sum shall constitute a lien against the Unit as of the first day of the fiscal year to which the assessment, fine or late charge relates and shall be a lien prior to all claims except real property taxes and first mortgages of record. All charges which the Association may levy against any Co-owner shall be deemed to be assessments for purposes of this Section and Section 108 of the Act. Upon the sale or conveyance of a Unit, all unpaid assessments, interest, late charges, fines, costs, and attorney fees against

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the Unit shall be paid out of the sale price or by the purchaser in preference over any other assessments or charges of whatever nature except amount due the state, or any subdivision thereof, or any municipality for taxes and special assessments due and unpaid on the Unit and payments due under a first mortgage having priority thereto.

Section 6. Waiver of Use or Abandonment of Unit. No Co-owner may exempt himself from liability for his contribution toward the expenses of administration by waiver of the use or enjoyment of any of the Common Elements or by the abandonment of his Unit.

Section 7. Enforcement.

(a) Remedies. In addition to any other remedies available to the Association, 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. In the event of default by any Co-owner in the payment of any installment of the annual assessment levied against his Unit, the Association shall have the right to declare all unpaid installments of the annual assessment for the pertinent fiscal year immediately due and payable. The Association also may discontinue the furnishing of any utilities or other services to a Co-owner in default upon seven-day 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; provided, however, this provision shall not operate to deprive any Co-owner of ingress or egress to and from his Unit. 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. The Association may also assess fines for late payment or non-payment of assessments in accordance with the provisions of Article XIX, Section 4 of these Bylaws. All of these remedies shall be cumulative and not alternative.

(b) Foreclosure Proceedings. Each Co-owner, and every other person who from time to time has any interest in the Project, shall be deemed to have granted to the Association the unqualified right to elect to foreclose the lien securing payment of assessments either by judicial action or by advertisement. The Association is entitled to reasonable interest, expenses, costs and attorney fees for foreclosure by judicial action or by advertisement. The provisions of Michigan law pertaining to foreclosure of mortgages by judicial action and by advertisement, as the same may be amended from time to time, are incorporated herein by reference for the purposes of establishing the alternative procedures to be followed in lien foreclosure actions and the rights and obligations of the parties to such actions. The redemption period for a foreclosure is 6 months from the date of sale unless the property is abandoned, in which event the redemption period is 1 month from the date of sale. 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 subparagraph 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. The Co-owner of a Unit subject to foreclosure and any purchaser, grantee, successor, or assignee of the Co-owner's interest in the Condominium

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Unit, is liable for assessments by the Association of the Co-owners chargeable to the Unit that become due before expiration of the period of redemption together with interest, advances made by the Association for taxes or other liens to protect its lien, costs and attorney fees incurred in their collection.

(c) Notice of Action. Notwithstanding the foregoing, neither a judicial foreclosure action nor a suit at law for a money judgment shall be commenced, nor shall any notice of foreclosure by advertisement be published, until the expiration of ten days after mailing, by first class mail, postage prepaid, addressed to the delinquent Co-owner(s) at his or their last known address, 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 days after the date of mailing. Such written notice shall be accompanied by a written affidavit of an authorized representative of the Association that sets forth (i) the affiant's capacity to make the affidavit, (ii) the statutory and other authority for the lien, (iii) the amount outstanding (exclusive of interest, costs, attorney's 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 Wayne County Register of Deeds prior to commencement of any foreclosure proceeding, but it need not have been recorded as of the date of mailing. If the delinquency is not cured within the ten-day period, the Association may take such remedial action as may be available to it hereunder or under Michigan law. In the event the Association elects to foreclose the lien by advertisement, the Association shall so notify the delinquent Co-owner and shall inform him that he may request a judicial hearing by bringing suit against the Association.

(d) Expenses of Collection. The expenses incurred in collecting unpaid 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.

Section 8. Statement as to Unpaid Assessments. The purchaser of any Unit may request a statement of the Association as to the amount of any unpaid 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 the right to acquire a Unit, the Association shall provide a written statement of such unpaid assessments as may exist or a statement that none exist, which statement shall be binding upon the Association for the period stated therein. Upon the sale or conveyance of the Unit, all unpaid assessments, interest, late charges, fine, costs, and attorney fees against the Unit shall be paid out of the sale price or by the purchaser in preference over any other assessments or charges of whatever nature, except, amounts due the state, or any subdivision, or municipality for taxes and special assessments due and unpaid on the Unit, and payments due under a first mortgage having priority thereto. Upon the payment of the assessments and associated charges, the Association's lien for assessments as to such Unit shall be deemed satisfied. Nothing herein withstanding, the failure to collect the payment for the unpaid assessment at closing of the purchase of such Unit shall render any unpaid assessments and the lien securing the same fully enforceable against such purchaser and the Unit itself, to the extent provided by the Act.

Section 9. Liability of Mortgagee. The mortgagee of a first mortgage of record of a Unit shall give notice to the Association of the commencement of foreclosure of the first mortgage by advertisement by serving a copy of the published notice of foreclosure required by statute upon the Association by certified mail, return receipt requested, addressed to the resident agent of the Association or to the address the Association provides to the mortgagee, if any, in those cases where the address is not registered,

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within 10 days after first publication. The mortgagee of a first mortgage of record shall give notice to the Association of its intent to commence foreclosure of the first mortgage by judicial action by serving a notice setting forth the names of the mortgagors, the date the mortgage was recorded, the amount claimed due on the mortgage on the date of the notice, and a description of the mortgaged premises that substantially conforms with the description continued in the mortgage upon the Association by certified mail, return receipt requested, addressed to the resident agent of the Association at the agent's address, or to the address the Association provides to the mortgagee, if any , in those cases where the address is not registered, not less than 10 days before commencement of the judicial action. Failure of the mortgagee to provide notice as required shall only provide the Association with legal recourse and will not, in any event, invalidate any foreclosure proceeding between a mortgagee and mortgagor. If the mortgagee of a first mortgage of record or other purchaser of Unit obtains title to the Unit as a result of foreclosure of the first mortgage, such person, its successors, and assigns are not liable for the unpaid assessments chargeable to the Unit that become due prior to the acquisition of title to the Unit by such person except for assessments that have priority over the first mortgage under Section 108 of the Condominium Act.

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

Section 11. Personal Property Tax Assessment of Association Property. The Association shall be assessed as the person or entity in possession of any tangible personal property of the Condominium owned or possessed in common by the Co-owners, and personal property taxes based thereon shall be treated as expenses of administration.

Section 12. Construction Lien. A construction lien otherwise arising under Act No. 497 of the Michigan Public Acts of 1980, as amended, shall be subject to Section 132 of the Act.

ARTICLE III
ARBITRATION AND LITIGATION

Section 1. Arbitration Among or Between Co-Owners or Co-Owners and the Association.

(a) **Scope and Election**. Disputes, claims, or grievances arising out of or relating to the interpretation of the application of the Condominium Documents, or any disputes, claims, or grievances arising out of disputes among or between Co-owners or between Co-Owners or the Association, shall be submitted to Arbitration upon the election and written consent of the parties to any such disputes, claims, or grievances and upon written notice to the Association.

(b) **Arbitration**. With respect to all arbitration under this Section: (i) judgment of the circuit court of the State of Michigan for the jurisdiction in which the Condominium Project is located may be rendered upon any award pursuant to such arbitration and the parties thereto shall accept the arbitrator's decision as final and binding; (ii) the Commercial Arbitration Rules of the American Arbitration Association, as amended and in effect from time to time hereafter, shall be applicable to such arbitration; (iii) the period of limitations prescribed by law for the bringing of a civil action shall apply equally to the requirement or agreement to settle by arbitration; (iv) all costs of arbitration shall be allocated in the manner provided by the arbitration association; (v) the method of appointment of the arbitrator or arbitrators shall be pursuant to rules of the arbitration association; (vi) the arbitration shall proceed according to MCL 600.5001 to 600.5065 of Act No. 236 of the Public Acts of 1961, as amended, which may be

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supplemented by the rules of the arbitration association, and (vii) the agreement to arbitrate precludes the parties from litigating such claims in the courts.

(c) **Judicial Relief**. In the absence of the election and written consent of the parties to arbitrate as provided pursuant to Section 1(a) above, no Co-owner or the Association adversely affected by a violation of or failure to comply with the Act or rules promulgated under the Act, or a provision of an agreement or master deed shall be precluded from petitioning a court of competent jurisdiction to resolve any dispute, claim, or grievances.

(d) **Election of Remedies**. The election by the parties to submit any dispute, claim, or grievance to arbitration prohibits the parties from petitioning the courts regarding that dispute, claim, or grievance.

Section 2. **Arbitration Between the Developer and Co-owner(s) and/or the Association**. By purchase of a Unit, Co-owners agree as follows:

(a) **Arbitration Between the Developer and Co-owner(s)**. With respect to any claim that might be the subject of a civil action between a purchaser, Co-owner, or person occupying a restricted Unit under Section 104b of the Act and the Developer, which claim involves an amount of Two Thousand Five Hundred Dollars ($2,500.00) or less and arises out of or relates to the Common Elements of the Project, such claim shall be settled by arbitration at the exclusive option of the purchaser, Co-owner, or person occupying a restricted Unit under Section 104b of the Act. All other claims may be settled by arbitration upon the agreement of the parties.

(b) **Arbitration Between the Developer and the Association**. With respect to any claim that might be the subject of a civil action between the Association and the Developer, which claim arises out of or relates to the Common Elements of the Condominium Project, if the amount of the claim is Ten Thousand Dollars ($10,000.00) or less such claim shall be settled by arbitration, at the exclusive option of the Association. All other claims may be settled by arbitration upon the agreement of the parties.

(c) **Arbitration**. With respect to all arbitration under this Section: (i) judgment of the circuit court of the State of Michigan for the jurisdiction in which the Condominium Project is located may be rendered upon any award pursuant to such arbitration and the parties thereto shall accept the arbitrator's decision as final and binding; (ii) the Commercial Arbitration Rules of the American Arbitration Association, as amended and in effect from time to time hereafter, shall be applicable to such arbitration; (iii) the period of limitations prescribed by law for the bringing of a civil action shall apply equally to the requirement or agreement to settle by arbitration; (iv) all costs of arbitration shall be allocated in the manner provided by the arbitration association; (v) the method of appointment of the arbitrator or arbitrators shall be pursuant to rules of the arbitration association; (vi) the arbitration shall proceed according to MCL 600.5001 to 600.5065 of Act No. 236 of the Public Acts of 1961, as amended, which may be supplemented by the rules of the arbitration association, and (vii) the agreement to arbitrate precludes the parties from litigating such claims in the courts.

(d) **Judicial Relief**. In the absence of the election and written consent of the parties to arbitrate as provided pursuant to Section 1(a) above, no Co-owner or the Association adversely affected by a violation of or failure to comply with the Act or rules promulgated under the Act, or a provision of an agreement or master deed shall be

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precluded from petitioning a court of competent jurisdiction to resolve any dispute, claim or grievances.

(e) Section 107 Action by Co-owners. Nothing in this Section shall, however, prohibit a co-owner from maintaining an action in court against the Association and its officers and directors to compel these persons to enforce the terms and provisions of the Condominium Documents, nor to prohibit a co-owner from maintaining an action in court against any other co-owner for injunctive relief or for damages or any combination thereof for noncompliance with the terms and provisions of the Condominium Documents or the Act.

Section 3. Litigation/Arbitration on behalf of Association. Actions on behalf of and against the Co-owners shall be brought in the name of the Association. Subject to the express limitations on actions in these Bylaws and in the Association's Articles of Incorporation, the Association may assert, defend, or settle claims on behalf of all Co-owners in connection with the Common Elements of the Condominium. As provided in the Articles of Incorporation of the Association, the commencement of any civil action or arbitration (other than one to enforce these Bylaws or to collect delinquent assessments) shall require the approval of a majority of the Co-owners, and shall be governed by the requirements of this Section. The requirements of this Section will ensure that the Co-owners are fully informed regarding the prospects and likely costs of any civil action the Association proposes to engage in, as well as the ongoing status of any civil actions actually filed by the Association. These requirements are imposed in order to reduce both the costs of litigation and the risk of improvident litigation, and in order to avoid the waste of the Association's assets in litigation through additional or special assessments where reasonable and prudent alternatives to the litigation exist. Each Co-owner shall have standing to sue to enforce the requirements of this Section. The following procedures and requirements apply to the Associations commencement of any civil action other than an action to enforce these Bylaws or to collect delinquent assessments:

(a) Pre-Litigation Requirements. Prior to commencing a civil action on behalf of the Association, the Board of Directors shall (i) call a special meeting of the Co-owners for the express purpose of evaluating the merits of the proposed litigation ("Litigation Evaluation Meeting"); (ii) at least 10 days prior to the date scheduled for the Litigation Evaluation Meeting, issue a written report to all Co-owners outlining the Boards recommendation that a civil suit be filed, such report shall include a full disclosure of all attempts made by the Board to settle the controversy; (iii) present to the Co-owners, prior to or at the Litigation Evaluation Meeting, the Board of Director's written recommendation of the proposed attorney for the civil action. Such recommendation shall include, the name and affiliations of the attorney, the number of years the attorney has practiced law, the name and address of every condominium and homeowner association for which the attorney has filed a civil action together with the case number, county, and court in which each action was filed, the litigation attorney's proposed written fee agreement, the litigation attorneys total estimated cost of the civil action through a trial on the merits, including legal fees, court costs, expert witness fees and all other expenses expected to be incurred, the litigation attorney's written estimate of the amount the Association is likely to recover in the suit net of legal fees, court costs, expert witness fees, and all other expenses expected to be incurred in the litigation, the attorney's billing and payment policies and the litigation attorney's commitment to provide written status reports of the litigation, settlement progress, and updated cost and recovery estimates no less than every 30 days; (iv) present to the Co-owners prior to or at the Litigation Evaluation Meeting the amount to be specially assessed against each Unit in the Condominium to fund the total estimated cost of the civil action through a trial on the merits in both total and on a monthly per Unit basis.

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(b) Co-owner Litigation Approval. At the Litigation Evaluation Meeting the Co-owners shall vote on whether to authorize the Board of Directors to proceed with the proposed civil action and whether the matter should be handled by the litigation attorney proposed by the Board of Directors. The commencement of any civil action by the Association (other than a suit to enforce these Bylaws or collect delinquent assessments) must be approved by 66 2/3% of the Co-owners.

(c) Litigation Assessment. All fees estimated to be incurred in pursuit of any civil action subject to paragraph (a) above shall be paid only by special assessment of the Co-owners, which special assessment must be approved at the Litigation Evaluation Meeting. The total amount of the litigation special assessment shall be collected monthly over a period not to exceed twenty-four (24) months. If at any time during the course of the action, the Board of Directors determines that the approved special litigation assessment is inaccurate or requires revision, the Board of Directors shall immediately prepare a revised estimate of the total cost of litigation. If the revised estimate exceeds the litigation special assessment previously approved by the Co-owners, the Board of Directors shall call a special meeting of the Co-owners to review the status of the litigation, and to allow the Co-owners to vote on whether to continue the civil action and increase the litigation special assessment. The meeting shall have the same quorum and voting requirements as the litigation evaluation meeting.

(d) Independent Expert Opinion. If the lawsuit relates to the condition of any of the Common Elements of the Condominium, the Board of Directors shall obtain a written independent expert opinion as to reasonable and practical alternative approaches to repairing the problems with the Common Elements, which shall set forth the estimated costs and expected viability of each alternative. In obtaining the independent expert opinion, the Board of Directors shall conduct its own investigation as to the qualification of any expert and shall not retain any expert recommended by the litigation attorney or any other attorney with whom the Board of Directors consults. The purpose of the independent expert opinion is to avoid any potential confusion regarding the condition of the Common Elements that might be created by a report prepared as an instrument of advocacy for use in a civil action. The independent expert opinion will ensure that the Co-owners have a realistic appraisal of the condition of the Common Elements, the likely cost of repairs to or replacement of the same, and the reasonable and prudent repair and replacement alternatives. The independent expert opinion shall be sent to all Co-owners with the written notice of the Litigation Evaluation Meeting.

(e) Litigation Reviews. The Board of Directors shall meet monthly during the course of any civil action to discuss and review: (i) the status of the litigation; (ii) the status of settlement efforts, if any; and (iii) the attorney's written report. In addition, a copy of the minutes from the litigation review meeting, together with a copy of any reports submitted to the Board of Directors, shall be mailed to each Co-owner within 30 days of each Litigation Review Meeting.

(f) Disclosure of Litigation Expenses. The litigation expenses, including attorney's fees, court costs, expert witness fees and all other expenses of any civil action filed by the Association shall be fully disclosed to Co-owners in the Association's annual budget. In addition, litigation expenses shall be made reasonably available for Co-owner review on written request of a Co-owner.

ARTICLE IV

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INSURANCE

Section 1. Extent of Coverage. 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 and certain other portions of the Condominium Project, as set forth below, and such insurance, other than title insurance, shall be carried and administered in accordance with the following provisions:

(a) **Responsibilities of Co-owners and Association.** All such insurance shall be purchased by the Association for the benefit of the Association, and the Co-owners and their mortgagees, as their interests may appear, and provision shall be made for the issuance of certificates of mortgagee endorsements to the 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 determine by personal investigation or from his own insurance advisors the nature and extent of insurance coverage adequate to his needs and thereafter to obtain insurance coverage for his personal property and any additional fixtures, built-in equipment and trim (as referred to in subsection (b) below) 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 coverage. The Association, as to all policies which it obtains, and all Co-owners, as to all policies which they obtain, 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) **Insurance of Common Elements and Fixtures.** 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 current insurable replacement value, excluding foundation and excavation costs, as determined annually by the Association in consultation with the Association's insurance carrier and/or its representatives in light of commonly employed methods for the reasonable determination of replacement costs. Such coverage shall be effected upon an agreed-amount basis for the entire Condominium Project with appropriate inflation riders in order that no co-insurance provisions shall be invoked by the insurance carrier in a manner that will cause loss payments to be reduced below the actual amount of any loss (except in the unlikely event of total project destruction if the insurance proceeds failed, for some reason, to be equal to the total cost of replacement). All information in the Association's records regarding insurance coverage shall be made available to all Co-owners upon request and reasonable notice during normal business hours so that Co-owners shall be enabled to judge the adequacy of coverage and, upon the taking of due Association procedures, to direct the Board at a properly constituted meeting to change the nature and extent of any applicable coverage, if so determined. Upon such annual re-evaluation and effectuation of coverage, the Association shall notify all Co-owners of the nature and extent of all changes in coverage. Such coverage shall also include interior walls within any Unit and the pipes, wire, 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 accord with the plans and specifications thereof as are on file with the Township of Grand Rapids (or such replacements thereof as do not exceed the cost of such standard items). It shall be each Co-owner's responsibility to determine the necessity for and to

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obtain insurance coverage for all fixtures, equipment, trim and other items or attachments within the Unit or any Limited Common Elements appurtenant thereto which were installed in addition to said standard items (or as replacements for such standard items to the extent that replacement cost exceeded the original cost of such standard items) whether installed originally by the Developer or subsequently by the Co-owner, and the Association shall have no responsibility whatsoever for obtaining such coverage unless agreed specifically and separately between the Association and the Co-owner in writing.

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

(d) **Proceeds of Insurance Policies**. Proceeds of all insurance policies owned by the Association shall be received by the Association, held in a separate account and distributed to the Association, 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.

(e) **Deductible**. When a claim is made on any of the insurance policies maintained by the Association for damage to a Unit or appurtenant Limited Common Element, the Co-owner of such Unit and/or appurtenant Limited Common Element shall be responsible for payment of any applicable deductible. In the case of damage to a General Common Element, the deductible shall be paid by the Association.

Section 2. Authority of Association to Settle Insurance Claims. 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 therefor, to collect proceeds and to distribute the same to the Association, the Co-owners and respective mortgagees, as their interests may appear (subject always to the Condominium Documents), to execute releases of liability and to execute all documents and to do all things on behalf of such Co-owner and the Condominium as shall be necessary or convenient to the accomplishment of the foregoing.

ARTICLE V
RECONSTRUCTION OR REPAIR

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

(a) **Partial Damage**. 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 an affirmative vote of 80% of the Co-owners in the Condominium that the Condominium shall be terminated.

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(b) **Total Destruction**. If the Condominium is so damaged that no Unit is tenantable, the damaged property shall not be rebuilt unless 80% or more of the Co-owners agree to reconstruction by vote or in writing within 90 days after the destruction.

Section 2. Repair in Accordance with Plans and Specifications. 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. Co-owner Responsibility for Repair.

(a) **Definition of Co-owner Responsibility**. If the damage is only to a part of a Unit which is the responsibility of a Co-owner to maintain and repair, it shall be the responsibility of the Co-owner to repair such damage in accordance with subsection (b) hereof. In all other cases, the responsibility for reconstruction and repair shall be that of the Association.

(b) **Damage to Interior of Unit**. 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, or to any fixtures, equipment and trim which are standard items within a Unit is covered by insurance held by the Association, then the reconstruction or repair shall be the responsibility of the Association in accordance with Section 4 of this Article V. If any other interior portion of a Unit is covered by insurance held by the Association for the benefit of the Co-owner, the Co-owner shall be entitled to receive the proceeds of insurance relative thereto, and if there is a mortgagee endorsement, the proceeds shall be payable to the Co-owner and the mortgagee 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 4. Association Responsibility for Repair. Except as provided in Section 3 hereof, the Association shall be responsible for the reconstruction, repair, and maintenance of the Common Elements. Immediately after the occurrence of a casualty causing damage to property for which the Association has the responsibility of maintenance, repair, and reconstruction, the Association shall obtain reliable and detailed estimates of the cost to place the damaged property in a condition as good as that existing before the damage. If the proceeds of insurance are not sufficient to defray the estimated cost of reconstruction or repair required to be performed by the Association, or if at any time during such reconstruction or repair, or upon completion of such reconstruction or repair, the funds for the payment of the cost thereof are insufficient, assessment 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. This provision shall not be construed to require replacement of mature trees and vegetation with equivalent trees or vegetation.

Section 5. Timely Reconstruction and Repair. If damage to Common Elements or a Unit adversely affects the appearance of the Project, the Association or Co-owner responsible for the reconstruction, repair and maintenance thereof shall proceed with replacement of the damaged property

without delay, and shall complete such replacement within 6 months after the date of the occurrence which caused damage to the property.

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

(a) **Taking of Unit**. In the event of any taking of an entire Unit by eminent domain, the award for such taking shall be paid to the Co-owner of such Unit and the mortgagee thereof, as their interests may appear. After acceptance of such award by the Co-owner and his mortgagee, they shall be divested of all interest in the Condominium Project. In the event that any condemnation award shall become payable to any Co-owner whose Unit is not wholly taken by eminent domain, then such award shall be paid by the condemning authority to the Co-owner and his mortgagee, as their interests may appear.

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

(c) **Continuation of Condominium After Taking**. In the event the Condominium Project continues after taking by eminent domain, then the remaining portion of the Condominium Project shall be resurveyed and the Master Deed amended accordingly, and, if any Unit shall have been taken, then Article V of the Master Deed shall also be amended to reflect such taking and to proportionately readjust the percentages of value of the remaining Co-owners based upon the continuing value of the Condominium of 100%. Such amendment may be effected by an officer of the Association duly authorized by the Association without the necessity of execution or specific approval thereof by any Co-owner.

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

Section 7. Notification of FHLMC and FNMA. In the event any mortgage in the Condominium is held by the Federal Home Loan Mortgage Corporation ("FHLMC") or by the Federal National Mortgage Association ("FNMA") then, upon request therefor by FHLMC, or FNMA, as the case may be, the Association shall give it 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 or FNMA exceeds $1,000.

Section 8. Priority of Mortgagee Interests. Nothing contained in the Condominium Documents shall be construed to give a Co-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 Co-owners of insurance proceeds or condemnation awards for losses to or a taking of Condominium Units and/or Common Elements.

ARTICLE VI

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RESTRICTIONS

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

Section 1. Residential Use. No Unit in the Condominium shall be used for other than residential purposes and the Common Elements shall be used only for purposes consistent with single-family residential use. Timesharing and/or interval ownership is prohibited. No Co-owner shall carry on any commercial activities anywhere on the Condominium, except to the extent that such activities comply with laws governing same and which activities are permitted by applicable zoning ordinances.

Section 2. Leasing and Rental.

(a) Right to Lease. 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 Association in the manner specified in subsection (b) below, and provided that written approval (which approval shall not be unreasonably withheld) of such transaction is obtained from the Association. With the exception of a lender in possession of a Unit following a default of a first mortgage, foreclosure or deed or other arrangement in lieu of foreclosure, no Co-owner shall lease less than an entire Unit in the Condominium and no tenant shall be permitted to occupy except under a lease the initial term of which is at least one year unless specifically approved in writing by the Association. The terms of all leases, occupancy agreements and occupancy arrangements shall incorporate, or be deemed to incorporate, all of the provisions of the Condominium Documents. The Developer may lease any number of Units for any term in the Condominium in its discretion.

(b) Leasing Procedures. The leasing of Units in the Project shall conform to the following provisions:

(1) A Co-owner, not including the Developer, desiring to rent or lease a Unit, shall disclose that fact in writing to the Association at least ten days before presenting a lease form to a potential lessee and, at the same time, shall supply the Association with a copy of the exact lease form for its review for its compliance with the Condominium Documents.

(2) Tenants and non-owner occupants shall comply with all of the conditions of the Condominium Documents and all leases and rental agreements shall so state.

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

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

(ii) The Co-owner shall have 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.

(iii) If after 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

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Developer, an action for eviction against the tenant or non-owner occupant and simultaneously for money damages in the same action against the Co-owner and tenant or non-owner occupant for breach of the conditions of the Condominium Documents. The relief provided for in this subparagraph may be by summary proceeding. The Association may hold both the tenant and the Co-owner liable for any damages to the Common Elements caused by the Co-owner or tenant in connection with the Unit or Condominium Project.

(4) When a Co-owner is in arrears to the Association for assessments, the Association may give written notice of the arrearage to a tenant occupying a Co-owner's Unit under a lease or rental agreement and the tenant, after receiving 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 constitute a breach of the rental agreement or lease by the tenant. If the tenant, after being notified, fails or refuses to remit rent otherwise due the Co-owner to the Association, then the Association may do the following: (a) issue a statutory notice to quit for non-payment of rent to the tenant and the Association shall have the right to enforce the notice by summary proceeding; (b) initiate proceedings on the Association's behalf or derivatively by the Co-owners on behalf of the Association, an action for both eviction against the tenant or non-Co-owner and, simultaneously, an action for money damages against the Co-owner and tenant or non-Co-owner occupant for breach of the conditions of the Condominium Documents.

Section 3. Alterations and Modifications.

(a) **Prohibited Alterations**. Except as otherwise provided herein, 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 without the express written approval of the Association, including without limitation exterior painting or the erection of antennas, lights, aerials, awnings, doors, shutters, newspaper holders, mailboxes, basketball backboards, or other exterior attachments or modifications. No Co-owner shall in any way restrict access to any plumbing, water line, water line valves, water meter, sprinkler system valves, or any other element that must be accessible to service the Common Elements or any element that affects an Association responsibility in any way. Should access to any facilities of any sort be required, the Association may remove any coverings or attachments of any nature that restrict such access and will have no responsibility for repairing, replacing, or reinstalling any materials, whether or not installation thereof has been approved hereunder, that are damaged in the course of gaining such access, nor shall the Association be responsible for monetary damages of any sort arising out of actions taken to gain necessary access.

(b) **Alterations for "persons with disabilities."** A Co-owner may make improvements or modifications to the Co-owner's Unit, including improvements or modifications to Common Elements and to the route from the public way to the door of the Co-owners Unit, at his or her expense, if the purpose of the improvement or modification is to facilitate access to or movement within the Unit for persons with disabilities who reside in or regularly vist the Unit, or to alleviate conditions that could be hazardous to persons with disabilities who reside in or regularly visit the Unit. The improvement or modification shall not impair the structural integrity of the structure or otherwise lessen the support of a portion of the Condominium Project. The Co-owner is liable for the cost

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of repairing any damage to a Common Element caused by building or maintaining the improvement or modification, unless the damage could reasonably be expected in the normal course of building or maintaining the improvement or modification. The improvement or modification may be made notwithstanding prohibitions and restrictions elsewhere in these Condominium documents, but shall comply with all applicable state and local building code requirements and health and safety laws and ordinances and shall be made as closely as reasonably possible in conformity with the intent of applicable prohibitions and restrictions regarding safety and aesthetics of the proposed modification.

An improvement or modification allowed by this Section that affects the exterior of the Condominium Unit shall not unreasonably prevent passage by other residents of the Condominium Project. A Co-owner who has made exterior improvements or modifications allowed by this Section shall notify the Association of Co-owners in writing of the Co-owner's intention to convey or lease his or her Unit to another at least 30 days before the conveyance or lease. Not more than 30 days after receiving a notice from a Co-owner under this Section, the Association may require the Co-owner to remove the improvement or modification at the Co-owner's expense. However, the Association may not remove or require the removal of an improvement or modification if a Co-owner intends to resume residing in the Unit within 12 months or a Co-owner conveys or leases his Unit to a person with disabilities who needs the same type of improvement or modification or who has a person residing with him who requires the same type of improvement or modification.

If a Co-owner makes an exterior improvement or modification allowed under this Section, the Co-owner shall maintain liability insurance, underwritten by an insurer authorized to do business in this state and naming the Association as an additional insured, in an amount adequate to compensate for personal injuries caused by the exterior improvement or modification. The Co-owner is not liable for acts or omissions of the Association with respect to the exterior improvement or modification and is not required to maintain liability insurance with respect to any Common Element. The Association is responsible for maintenance, repair, and replacement of the improvement or modification only to the extent of the cost currently incurred by the Association of Co-owners for maintenance, replacement, and repair of the Common Elements covered or replaced by the improvement or modification. All costs of maintenance, repair, and replacement of the improvement or modification exceeding that currently incurred by the Association for maintenance, repair, and replacement of the Common Elements covered or replaced by the improvement or modification shall be assessed to and paid by the Co-owner or the Unit serviced by the improvement or modification.

Before an improvement or modification allowed by this Section is made, the Co-owner shall submit plans and specifications for the improvements or modifications to the Association for review and approval. The Association shall determine whether the proposed improvement or modification substantially conforms to the requirements of this Section and shall not deny a proposed improvement or modification without good cause. If the Association denies a proposed improvement or modification, the Association shall list, in writing, the changes needed to make the proposed improvement or modification conform to the requirements of this Section and shall deliver that list to the Co-owner. The Association shall approve or deny the proposed improvement or modification not later than 60 days after the plans and specifications are submitted by the Co-owner proposing the improvement or modification to the Association. If the Association does not approve or deny submitted plans and specifications within the 60-day period, the Co-

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owner may make the proposed improvement or modification without the approval of the Association. A Co-owner may bring an action against the Association and the officers and directors to compel those persons to comply with this Section if the Co-owner disagrees with a denial by the Association of Co-owners of the Co-owner's proposed improvement or modification.

As used in this Section "person with disabilities" means that term as defined in section 2 of the state construction code act of 1972, 1972 PA 230, MCL 125.1502.

Section 4. Activities. No immoral, improper, unlawful, or offensive activity shall be carried on in any Unit or upon the Common Elements nor shall anything be done which may be or become an annoyance or a nuisance to the Co-owners of the Condominium. No unreasonably noisy activity shall occur in or on the Common Elements, or in any Unit at any time and disputes among Co-owners, arising as a result of this provision that cannot be amicably resolved, shall be arbitrated by the Association. 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 even if approved. Activities which are deemed offensive and are expressly prohibited include, but are not limited to, the following: Any activity involving the use of firearms, air rifles, pellet guns, B-B guns, bows and arrows, or other similar dangerous weapons, projectiles, or devices. No business activity shall be conducted on the Condominium Premises unless allowed by governmental regulations, rules, ordinances, or statute. No maintenance or repair of any vehicle, motorcycle, snowmobile, jet ski, boat, trailer, etc. is permitted anywhere in the Condominium except within the private garage attached to a Unit. The Common Elements shall be used only for passive recreation and for no other purpose. Golfing, basketball, baseball, soccer, and all other active sports are prohibited. No play structures or tents shall be allowed on any Common Element.

Section 5. Pets. No animal, including household pets, shall be maintained by any Co-owner unless specifically approved in writing by the Association, except that a Co-owner may maintain either one (1) domesticated dog or two (2) domesticated cats in his Condominium Unit. No animal may be kept or bred for any commercial purpose. Any animal 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 leashed and attended in person by a responsible person while on the Common Elements, Limited or General. The Board of Directors may, in its discretion, designate certain portions of the General Common Elements of the Project wherein such animals may be walked and/or exercised and the Board of Directors may, in its discretion, designate certain portions of the General Common Elements of the Condominium wherein dog runs may be constructed. Nothing herein contained shall be construed to require the Board of Directors to so designate a portion of the General Common Elements for the walking and/or exercising of animals and/or for the construction of dog runs. 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 (including costs and actual attorney fees) which the Association may sustain as a result of the presence of such animal on the premises, whether or not the Association has given its permission therefor, and the Association may assess and collect from the responsible Co-owner such losses and/or damages in the manner provided in Article II hereof. Each Co-owner shall be responsible for collection and disposition of all fecal matter deposited by any pet maintained by such Co-owner. No dog which barks and can be heard on any frequent or continuing basis shall be kept in any Unit or on the Common Elements. The Association may charge all Co-owners maintaining animals a reasonable additional assessment to be collected in the manner provided in Article II of these Bylaws in the event that the Association determines such assessment necessary to defray the

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maintenance cost of the Association of accommodating animals within the Condominium. The Association shall have the right 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. The Association may, after notice and hearing, 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 or by any applicable rules and regulations of the Association, although such hearing shall not be a condition precedent to the institution of legal proceedings to remove said animal. The Association may also assess fines for such violation of the restrictions imposed by this Section or by any applicable rules and regulations of the Association. The term "animal" or "pet" as used in this Section shall not include small domesticated animals which are constantly caged, such as small birds or fish.

Section 6. Aesthetics. The Common Elements shall not be used for storage of supplies, materials, personal property, trash, or refuse of any kind, except as provided in duly adopted rules and regulations of the Association. Garage doors shall be kept closed at all times except as may be reasonably necessary to gain access to or from any garage. No unsightly condition shall be maintained on any patio, porch, or deck and only furniture and equipment consistent with the normal and reasonable use of such areas shall be permitted to remain there during seasons when such areas are reasonably in use and no furniture or equipment of any kind shall be stored thereon during seasons when such areas are not reasonably in use. 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. Vehicles may only be washed in area approved by the Board of Directors. No solar panel, solar collector, or similar device shall be placed, constructed, altered, or maintained on any Common Element. No Co-owner shall leave personal property of any description (including by way of example and not limitation bicycles, chairs, and benches) unattended on or about the Common Elements. 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 is detrimental to the appearance of the Condominium. Use of all Common Elements may be limited to such times and in such manner as the Board of Directors shall determine by duly adopted regulations.

Section 7. Antennas, Cable Television Dish. No radio, television or other communication antennas or satellite dish of any type shall be installed on the General Common Elements or that is visible from the street or sidewalk in front of the residential structure. Co-owners may install any antenna designed to receive direct broadcast satellite service, including direct-to-home satellite services, that is one meter or less in diameter; or, an antenna designed to receive video programming services via multipoint distribution services, including multichannel multipoint distribution services, instructional television fixed services, and local multipoint distribution services, that is one meter or less in diameter or diagonal measurement; or an antenna that is designed to receive television broadcast signals that is one meter or less in diameter or diagonal measurement. The Board of Directors has the further reserved power to make reasonable modifications to the restriction of this paragraph to accommodate the use of technological innovations in the telecommunications field so long as it determines that the changes benefit the Condominium. This Section is intended to comply with the rules governing antennas adopted by the FCC effective October 14, 1996, and FCC Orders released September 25, 1998 and November 20, 1998 and is subject to review and revision to conform to any changes in the content of the FCC rules or the Telecommunications Act of 1996, as amended.

Section 8. Vehicles. No house trailers, commercial vehicles, boat trailers, boats, camping vehicles, camping trailers, motorcycles, jet skis, all terrain vehicles, RV's, junk cars, motor homes, snowmobiles, snowmobile trailers or vehicles, other than automobiles or vehicles used primarily for general personal transportation purposes, may be parked or stored upon the premises of the Condominium, unless parked in the garage with the garage door closed or unless parked in an area

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specifically designated therefor by the Association. Commercial vehicles and trucks shall not be parked in or about the Condominium (except as above provided) unless while making deliveries or pickups in the normal course of business. Each Co-owner shall park vehicles in the garage space(s) provided and shall park any additional vehicles, including guests vehicles in the Limited Common Element space assigned to the Co-owner immediately adjoining Unit's garage space. Co-owners shall, if the Association shall require, register with the Association all cars maintained on the Condominium Premises. Use of motorized vehicles anywhere on the Condominium Premises, other than passenger cars, authorized maintenance vehicles and commercial vehicles as provided in this Section, is absolutely prohibited. Overnight parking on any street in the Condominium is prohibited except as the Association may make reasonable exceptions thereto from time to time. A Co-owner may not have more than one guest car parked overnight on the Common Elements unless approved in writing in advance by the Association. If the Association deems it necessary to alleviate any parking shortage arising from maintenance of more than 2 cars by a number of Co-owners, the Association may temporarily or permanently prohibit the maintenance of more than 2 cars by all Co-owners or may construct additional parking facilities and assess those Co-owners maintaining more than 2 cars for the expense of such construction and use. Guest parking may be regulated by reasonable rules adopted by the Association. No inoperable vehicles of any type may be brought, stored, or parked upon the Condominium Premises either temporarily or permanently. The Association may issue a written notice describing the "abandoned or inoperable vehicle" and requesting its removal by Unit Co-owners. If such vehicle has not been removed within thirty-six (36) hours after such notice or other reasonable notice has been given, the Association shall have the right to remove the vehicle without liability, and the expense of removal, including towing, storage, and scrapping charges, shall be charged against the owner of the vehicle or the Co-owner of the Unit on which the vehicle was located.

Section 9. Signs and Advertising. No signs or other advertising devices of any kind shall be displayed which are visible from the exterior of a Unit or on the Common Elements, including "For Sale" signs, during the Construction and Sales Period, and, subsequent thereto, only with prior written permission from the Association.

Section 10. Barbecues. Charcoal grills may not be used in the Condominium, whether on a Limited Common Element deck or otherwise. Outdoor grills and cooking devices that use bottled or direct natural gas (including propane) may be used in areas designated by the Board of Directors.

Section 11. Landscaping. No Co-owner shall perform any landscaping or plant any trees, shrubs or flowers or place any ornamental materials upon the Common Elements without the prior written approval of the Association.

Section 12. Window Treatments. The portion of window treatments visible from the exterior of a Unit must be white or off-white unless otherwise approved by the Developer during the Construction and Sales period and thereafter by the Association.

Section 13. Hot Tubs Prohibited. Hot tubs are not allowed within Units or on Common Elements. Whirlpool style bathtubs may be installed within the Units in place of the standard bathroom bathtubs by licensed plumbers.

Section 14. Rules and Regulations. It is intended that the Association may make rules and regulations from time to time to reflect the needs and desires of the majority of the Co-owners in the Condominium. Reasonable regulations consistent with the Act, the Master Deed and these Bylaws concerning the use of the Common Elements may be made and amended from time to time by the Association, including the period of time prior to the Transitional Control Date. Copies of all such rules, regulations, and amendments thereto shall be furnished to all Co-owners.

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Section 15. Right of Access of Association. The Association or its duly authorized agents shall have access to each Unit and any Limited Common Elements appurtenant thereto from time to time, during reasonable working hours, upon notice to the Co-owner thereof, as may be necessary for the maintenance, repair or replacement of any of the Common Elements. The Association or its agents shall also have access to each Unit and any Limited Common Elements appurtenant thereto at all times without notice as may be necessary to make emergency repairs to prevent damage to the Common Elements or to another Unit. It shall be the responsibility of each Co-owner to provide the Association means of access to his Unit and any Limited Common Elements appurtenant thereto during all periods of absence, and in the event of the failure of such Co-owner to provide 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 16. Common Element Maintenance. Sidewalks, yards, landscaped areas, driveways and parking areas shall not be obstructed nor shall they be used for purposes other than that for which they are reasonably and obviously intended. No bicycles, vehicles, chairs or other obstructions may be left unattended on or about the Common Elements.

Section 17. Co-owner Maintenance. 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 Common 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 limited by virtue of a deductible provision, in which case the responsible Co-owner shall bear the expense to the extent of the deductible amount). Any costs or damages to the Association may be assessed to and collected from the responsible Co-owner in the manner provided in Article II hereof.

Section 18. Reserved Rights of Developer.

(a) Prior Approval by Developer. During the Construction and Sales Period, no buildings, fences, walls, retaining walls, drives, walks, or other structures or improvements shall be commenced, erected, maintained, nor shall any addition to, or change or alteration to any structure be made (including in color or design), except interior alterations which do not affect structural elements of any Unit, nor shall any hedges, trees or substantial plantings or landscaping modifications be made, until plans and specifications, acceptable to the Developer, showing the nature, kind, shape, height, materials, color scheme, location, and approximate cost of such structure or improvement and the grading or landscaping plan of the area to be affected shall have been submitted to and approved in writing by Developer, its successors or assigns, and a copy of said plans and specifications, as finally approved, lodged permanently with Developer. Developer shall have the right to refuse to approve any such plan or specifications, or grading or landscaping plans which are not suitable or desirable in its opinion for aesthetic or other reasons; and in passing upon such plans, specifications, grading or landscaping, it shall have the right to take into consideration the suitability of the proposed structure, improvement or modification, the site upon which it is proposed to effect the same, and the degree of harmony thereof with the Condominium as a whole and any adjoining properties under development or proposed to be developed by

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Developer. The purpose of this Section is to assure the continued maintenance of the Condominium as a beautiful and harmonious residential development, and shall be binding upon both the Association and upon all Co-owners.

(b) **Right to Receive Minutes**. After the transitional control date and prior to the expiration of the Construction and Sales Period, the Developer, or its successors and assigns, upon written request to the Board of Directors of the Association, shall have the right to be provided with copies of all minutes of annual, special or regular meetings of the Board of Directors and of the members of the Association.

(c) **Developer's Rights in Furtherance of Development and Sales**. None of the restrictions contained in this Article shall apply to the commercial activities or signs or billboards, if any, of the Developer or any entity that acquires title to one or more Units for the purpose of residential construction on those Units and subsequent resale, during the Construction and Sales Period or of the Association in furtherance of its powers and purposes set forth herein and in its Articles of Incorporation, as the same may be amended from time to time.

(d) **Sales – Business Office**. Notwithstanding anything to the contrary elsewhere herein contained, Developer or any entity that acquires title to one or more Units for the purpose of residential construction on those Units and subsequent resale shall have the right to maintain a sales office, a business office, a construction office, model units, storage areas and reasonable parking incident to the foregoing and such access to, from and over the Project as may be reasonable to facilitate the construction and sale of the entire Project. During the Construction and Sales Period the Developer or other entity shall be responsible for all costs related to sales and business offices as provided under this Section, including all costs related to Units and Common Elements used by the Developer or other entity in furtherance of the construction and sale of the Project. Developer may assign these rights during the Construction and Sales Period. Developer shall restore the areas so utilized under this Section, whether used by the Developer or by its assignee(s), to habitable status upon termination of use, or such costs required to restore same shall be chargeable to the Developer by the Association.

(e) **Commercial Use of Project**. The Developer shall have the exclusive right to grant permission for the Common Elements and exteriors of the structures of the Project which can be viewed from the Common Elements, streets, alleys, or the air, to be used as a motion picture set, background, stage, sound stage, studio, painting, photograph, image, or location for any commercial media production or use, without the consent of, or payment to, the Co-owners or the Association. The Developer may collect a fee for its consent to use such images or for providing support services to photographers or others. The exercise of this right shall not interfere with normal and customary rights of architects and design professionals who designed the Project. The consent of the Developer shall not be required for the use of the Project as set forth above in connection with any news or feature coverage, for educational purposes, for individual non-commercial use, or for any governmental agency purposes. The Developer reserves the right to use, and assign the right to use, the Project's name, images and other features unique to the Project. None of the above rights are intended to prevent a Unit Co-owner from granting independent permission for use of his individual Unit for such purposes provided such use is permitted elsewhere under these Bylaws.

(f) **Enforcement of Bylaws**. The Condominium Project shall at all times be maintained in a manner consistent with the highest standards of a beautiful, serene, private, residential community for the benefit of the Co-owners and all persons interested in the Condominium. If at any time the Association fails or refuses to carry out its obligation to maintain, repair, replace, and landscape in a manner consistent with the maintenance of such high standards, then Developer, or any entity to which it may assign this right, at its option, may elect to maintain, repair and/or replace any Common Elements and/or to do any landscaping required by these Bylaws and to charge the cost thereof to the Association as an expense of administration. The Developer shall have the right to enforce these Bylaws throughout the Construction and Sales Period notwithstanding that it may no longer own a Unit in the Condominium, which right of enforcement shall include (without limitation) an action to restrain the Association or any Co-owner from any activity prohibited by these Bylaws.

ARTICLE VII
MORTGAGES

Section 1. Notice to Association. 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 60 days.

Section 2. Insurance. 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. Notification of Meetings. 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 meeting.

ARTICLE VIII
VOTING

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

Section 2. Eligibility to Vote. No Co-owner, other than the Developer, shall be entitled to vote at any meeting of the Association until he has presented evidence of ownership of a Unit in the Condominium Project to the Association. Except as provided in Article XI, Section 2 of these Bylaws, no Co-owner, other than the Developer, shall be entitled to vote prior to the date of the First Annual Meeting of members held in accordance with Section 2 of Article XI. The vote of each Co-owner may be cast only by the individual representative designated by such Co-owner in the notice required in Section 3 of this Article VIII below or by a proxy given by such individual representative. The Developer shall be the only person entitled to vote at a meeting of the Association until the First Annual Meeting of members and shall be entitled to vote during such period notwithstanding the fact that the Developer may own no Units at some time or from time to time during such period. At and after the First Annual Meeting the Developer shall be entitled to one vote for each Unit that it owns. If, however, the Developer elects to

designate a director (or directors) pursuant to its rights under Article XI, Section 2 (c)(i) or (ii) hereof, it shall not then be entitled to also vote for the non-developer directors.

Section 3. Designation of Voting Representative. Each Co-owner shall file a written notice with the Association designating the individual representative who shall vote at meetings of the Association and receive all notices and other communications from the Association on behalf of such Co-owner. Such notice shall state the name and address of the individual representative designated, the number or numbers of the Condominium 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 Co-owner may change the individual representative designated at any time by filing a new notice in the manner herein provided.

Section 4. Quorum. The presence in person or by proxy of 35% 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 by the Condominium Documents to require a greater quorum. The written vote of any person furnished at or prior to any duly called meeting at which meeting said person is not otherwise present in person or by proxy shall be counted in determining the presence of a quorum with respect to the question upon which the vote is cast.

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

Section 6. Majority. A majority, except where otherwise provided herein, shall consist of more than 50% 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 of designated voting representatives present in person or by proxy, or by written vote, if applicable, at a given meeting of the members of the Association.

ARTICLE IX
MEETINGS

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

Section 2. First Annual Meeting. The First Annual Meeting of members of the Association may be convened only by Developer and may be called at any time after more than 50% of the Units that may be created in Grand Ridge Townhomes have been conveyed and the purchasers thereof qualified as members of the Association. In no event, however, shall such meeting be called later than 120 days after the conveyance of legal or equitable title to non-developer Co-owners of 75% of all Units that may be created or 54 months after the first conveyance of legal or equitable title to a non-developer Co-owner of a Unit in the Project, whichever first occurs. Developer may call meetings of members for informative or other appropriate purposes prior to the First Annual Meeting of members and no such meeting shall be construed as the First Annual Meeting of members. The date, time, and place of such meeting shall be set by the Association, and at least 10 days' written notice thereof shall be given to each Co-owner. The

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phrase "Units that may be created" as used in this paragraph and elsewhere in the Condominium Documents refers to the maximum number of Units that the Developer is permitted under the Condominium Documents to include in the Condominium.

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

Section 4. Special Meetings. It shall be the duty of the President to call a special meeting of the Co-owners as directed by resolution of the Association or a special meeting shall be called by the Secretary upon receipt of a petition signed by 1/3 of the Co-owners presented to the Secretary of the Association. Notice of any special meeting shall state the time and place of such meeting and the purposes thereof. Notice of any special meeting must be sent within 14 days of the President calling a special meeting or within 14 days of receipt by the Secretary of the Association of a petition signed by 1/3 of the Co-owners requesting a special meeting. No business shall be transacted at a special meeting except as stated in the notice. Special meetings shall be held within 30 days following issuance of the meeting notice.

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

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

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

Section 8. Action Without Meeting. Any action which may be taken at a meeting of the members (except for the election or removal of directors) may be taken without a meeting by written ballot of the members. Ballots shall be solicited in the same manner as provided in Section 5 for the giving of notice of meetings of members. Such solicitations shall specify (a) the number of responses

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needed to meet the quorum requirements; (b) the percentage of approvals necessary to approve the action; and (c) the time by which ballots must be received in order to be counted. The form of written ballot shall afford an opportunity to specify a choice between approval and disapproval of each matter and shall provide that, where the member specifies a choice, the vote shall be cast in accordance therewith. Approval by written ballot shall be constituted by receipt, within the time period specified in the solicitation, of (i) a number of ballots which equals or exceeds the quorum which would be required if the action were taken at a meeting; and (ii) a number of approvals which equals or exceeds the number of votes which would be required for approval if the action were taken at a meeting at which the total number of votes cast was the same as the total number of ballots cast.

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

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

ARTICLE X
ADVISORY COMMITTEE

Within 1 year after conveyance of legal or equitable title to the first Unit in the Condominium to a purchaser or within 120 days after conveyance to purchasers of 1/3 of the total number of Units that may be created, whichever first occurs, the Developer shall cause to be established an Advisory Committee consisting of at least three non-developer Co-owners. The Committee shall be established and perpetuated in any manner the Developer deems advisable. The advisory committee shall meet with the Board of Directors. The purpose of the Advisory Committee shall be to facilitate communications between the Association and the other Co-owners and to aid in the transition of control of the Association from the Developer to purchaser Co-owners. The Advisory Committee shall cease to exist automatically when the non-developer Co-owners have the voting strength to elect a majority of the board of directors of the Association. The Developer may remove and replace at its discretion at any time any member of the Advisory Committee who has not been elected thereto by the Co-owners.

ARTICLE XI
BOARD OF DIRECTORS

Section 1. Number and Qualification of Directors. The board of directors shall be comprised of three members, all of whom must be members of the Association or officers, partners, trustees, employees or agents of members of the Association, except for the first board of directors. Directors shall serve without compensation. After the First Annual Meeting, the number of directors may be increased or decreased by the action of the Board of Directors; however, the Board shall maintain a minimum of three directors.

Section 2. Election of Directors.

(a) **First Board of Directors.** The first board of directors, or its successors as selected by the Developer, shall manage the affairs of the Association until the appointment of the

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first non-developer director to the board. Thereafter, elections for non-developer Co-owner directors shall be held as provided in subsections (b) and (c) below.

(b) **Appointment of Non-developer Co-owners to Board Prior to First Annual Meeting**. Not later than 120 days after conveyance of legal or equitable title to non-developer Co-owners of 25% of the Units that may be created, one of the directors shall be selected by non-developer Co-owners. Not later than 120 days after conveyance of legal or equitable title to non-developer Co-owners of 50% of the Units that may be created, 33 1/3 % of the directors shall be elected by non-developer Co-owners. When the required percentage of conveyances has been reached, the Developer shall notify the non-developer Co-owners and convene a meeting so that the Co-owners can elect the required director or directors, as the case may be. Upon certification by the Co-owners to the Developer of the director or directors so elected, the Developer shall then immediately appoint such director or directors to the board to serve until the First Annual Meeting of members unless he is removed pursuant to Section 7 of this Article or he resigns or becomes incapacitated.

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

(1) Not later than 120 days after conveyance of legal or equitable title to non-developer Co-owners of 75% of the Units that may be created, the non-developer Co-owners shall elect all directors on the board, except that the Developer shall have the right to designate at least one director as long as the Units that remain to be created and conveyed equal at least 10% of all Units that may be created in the Project. Such Developer designee, if any, shall be one of the total number of directors referred to in Section 1 above and shall serve a one-year term pursuant to subsection (4) below. Whenever the 75% conveyance level is achieved, a meeting of Co-owners shall be promptly convened to effectuate this provision, even if the First Annual Meeting has already occurred.

(2) Regardless of the percentage of Units which have been conveyed, upon the expiration of 54 months after the first conveyance of legal or equitable title to a non-developer Co-owner of a Unit in the Project, the non-developer Co-owners have the right to elect a number of members of the board of directors equal to the percentage of Units they own, and the Developer has the right to elect a number of members of the board of directors equal to the percentage of Units which are owned by the Developer and for which maintenance expenses are payable by the Developer. This election may increase, but shall not reduce, the minimum election and designation rights otherwise established in subsection (1). Application of this subsection does not require a change in the size of the board of directors.

(3) If the calculation of the percentage of members of the board of directors that the non-developer Co-owners have the right to elect under subsection (2), or if the product of the number of members of the board of directors multiplied by the percentage of Units held by the non-developer Co-owners under subsection (b) results in a right of non-developer Co-owners to elect a fractional number of members of the board of directors, then a fractional election right of 0.5 or greater shall be rounded up to the nearest whole number, which number shall be the number of members of the board of directors that the non-developer Co-owners have the right to elect. After application of this formula the Developer shall have the right to elect the remaining members of the

board of directors. Application of this subsection shall not eliminate the right of the Developer to designate one director as provided in subsection (1).

(4) At the First Annual Meeting three directors shall be elected for a term of three years, two years, and one year. At such meeting all nominees shall stand for election as one slate and the person receiving the highest number of votes shall be elected for a term of three years, the person receiving the next highest number of votes shall be elected for a term of two years, and the person receiving the next highest number of votes shall be elected for a term of one year. At each annual meeting held thereafter, one or more directors shall be elected depending upon the number of directors whose terms expire or the number of vacancies on the board. After the First Annual Meeting, the term of office of each director shall be three years. The directors shall hold office until their successors have been elected and hold their first meeting.

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

Section 3. Powers and Duties. The board of directors shall have the powers and duties necessary for the administration of the affairs of the Association and may do all acts and things as are not prohibited by the Condominium Documents or required thereby to be exercised and done by the Co-owners. Any action required by the Condominium Documents to be done by the Association shall be performed by action of the board of directors unless specifically required to be done by, or with the approval of, the Co-owners.

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

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

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

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

(d) To rebuild improvements after casualty.

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

(f) To acquire, maintain and improve; and to buy, operate manage, sell, convey, assign, mortgage, or lease any real or personal property (including any 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.

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

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(h) To make rules and regulations in accordance with Article VI, Section 14 of these Bylaws.

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

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

(k) To collect from each Co-owner the annual assessment levied against him by the Association and to pay over all such assessments to said Community Association.

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

Section 6. Vacancies. Vacancies in the board of directors which occur after the Transitional Control Date caused by any reason other than the removal of a director by a vote of the members of the Association shall be filled by vote of the majority of the remaining directors, even though they may constitute less than a quorum, except that the Developer shall be solely entitled to fill the vacancy of any director whom it is permitted in the first instance to designate. Each person so elected shall be a director until a successor is elected at the next annual meeting of the members of the Association. Vacancies among non-developer Co-owner elected directors, which occur prior to the Transitional Control Date, may be filled only through election by non-developer Co-owners and shall be filled in the manner specified in Section 2(b) of this Article.

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

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

Section 9. Regular Meetings. Regular 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 days prior to the date named for such meeting.

Section 10. Special Meetings. Special meetings of the board of directors may be called by the president on three-day 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 two directors.

Section 11. Waiver of Notice. Before or at any meeting of the board of directors, any director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting 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 12. Quorum. At all meetings of the board of directors, a majority of the directors shall constitute a quorum for the transaction of business, and the acts of the majority of the directors present at a meeting at which a quorum is present shall be the acts of the board of directors. If, at any meeting of the board of directors, less than a quorum is present, the majority of those present may adjourn the meeting to a subsequent time upon 24-hour prior written notice delivered to all directors not present. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice. The joinder of a director in the action of a meeting by signing and concurring in the minutes thereof, shall constitute the presence of such director for purposes of determining a quorum.

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

Section 14. Fidelity Bonds. The Association 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 XII
OFFICERS

Section 1. Officers. The principal officers of the Association shall be a president, who shall be a member of the board of directors, a vice president, a secretary, and a treasurer. The directors may appoint an assistant treasurer, and an assistant secretary, and 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.

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

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

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

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

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

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

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

ARTICLE XIII
SEAL

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

ARTICLE XIV
FINANCE

Section 1. Records. The Association shall keep detailed books of account showing all expenditures and receipts of administration, and which shall specify the maintenance and repair expenses of the Common Elements and any other expenses incurred by or on behalf of the Association and the Co-owners. Such accounts and all other Association records shall be open for inspection by the Co-owners and their mortgagees during reasonable working hours. The Association shall prepare and distribute to each Co-owner at least once a year a financial statement, the contents of which shall be defined by the Association. The books of account shall be audited at least annually by qualified independent auditors; provided, however, that such auditors need not be certified public accountants nor does such audit need to

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be a certified audit. Any institutional holder of a first mortgage lien on any Unit in the Condominium shall be entitled to receive a copy of such annual audited financial statement within 90 days following the end of the Association's fiscal year upon request therefor. The costs of any such audit and any accounting expenses shall be expenses of administration.

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

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

ARTICLE XV
INDEMNIFICATION OF OFFICERS AND DIRECTORS

Every director and officer of the Association shall be indemnified by the Association against all expenses and liabilities, including actual and reasonable counsel fees and amounts paid in settlement, incurred by or imposed upon him in connection with any threatened, pending or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative and whether formal or informal, to which he may be a party or in which he may become involved by reason of his being or having been a director or officer of the Association, whether or not he is a director or officer at the time such expenses are incurred, except for willful and wanton misconduct and for gross negligence, or as otherwise prohibited by law; provided that, in the event of any claim for reimbursement or indemnification hereunder based upon a settlement by the director or officer seeking such reimbursement or indemnification, the indemnification herein shall apply only if the Association (with the director seeking reimbursement abstaining) approves such settlement and reimbursement as being in the best interest of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled. At least ten days prior to payment of any indemnification which it has approved, the Association shall notify all Co-owners thereof. Further, the Association is authorized to carry officers' and directors' liability insurance covering acts of the officers and directors of the Association in such amounts as it shall deem appropriate.

ARTICLE XVI
AMENDMENTS

These Bylaws may be amended as provided under the Master Deed with the consent of the Co-owners and mortgages, except as hereinafter set forth:

Section 1. Proposal. Amendments to these Bylaws may be proposed by the Association acting upon the vote of the majority of the directors or may be proposed by 1/3 or more of the Co-owners by instrument in writing signed by them. A person causing or requesting an amendment to the Bylaws shall be responsible for costs and expenses of the amendment, except for amendments based upon a vote of a prescribed majority of Co-owners and mortgagees or based upon the advisory committee's decision, the costs of which are expenses of administration.

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

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Kent County MI Register SEAL

Section 3. Voting. These Bylaws may be amended by the Co-owners at any regular annual meeting or a special meeting called for such purpose by an affirmative vote of not less than 2/3 vote of all Co-owners. No consent of mortgagees shall be required to amend these Bylaws unless such amendment would materially alter or change the rights of such mortgagees, in which event the approval of 2/3 vote of the mortgagees shall be required, with each mortgagee to have one vote for each first mortgage held. Mortgagees need not appear at any meeting of Co-owner's, except that their approval shall be solicited through written ballots. To the extent that a vote of mortgagees of Units is required for the amendment of these Bylaws, the procedure described in Section 90a of the Act, MCL 559.190a shall be followed.

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

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

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

ARTICLE XVII
COMPLIANCE

The Association and all present or future Co-owners, tenants, future tenants, or any other persons acquiring an interest in or using 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 utilization of or entry upon the Condominium Premises shall signify that the Condominium Documents are accepted and ratified. In the event the Condominium Documents conflict with the provisions of the Act, the Act shall govern.

ARTICLE XVIII
DEFINITIONS

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

ARTICLE XIX
REMEDIES FOR DEFAULT

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

Section 1. Legal Action. Failure to comply with any of the terms or provisions of the Condominium Documents 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.

Section 2. Recovery of Costs. In any proceeding arising because of an alleged default by any Co-owner, the Association, if successful, shall be entitled to recover the costs of the proceeding and such

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reasonable attorney's 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 attorney's fees.

Section 3. Removal and Abatement. The violation of any of the provisions of the Condominium Documents shall also give the Association or its duly authorized agents the right, in addition to the rights set forth above, to enter upon the Common Elements 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. The Association shall have no liability to any Co-owner arising out of the exercise of its removal and abatement power authorized herein.

Section 4. Assessment of Fines. The violation of any of the provisions of the Condominium Documents by any Co-owner shall be grounds for assessment by the Association of monetary fines for such violations in accordance with Article XX of these Bylaws.

Section 5. Non-waiver of Right. 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, provision, covenant, or condition in the future.

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

Section 7. Enforcement of Provisions of Condominium Documents. A Co-owner may maintain an action against the Association and its officers and directors to compel such persons to enforce the terms and provisions of the Condominium Documents. A Co-owner may maintain an action against any other Co-owner for injunctive relief or for damages or any combination thereof for noncompliance with the terms and provisions of the Condominium Documents or the Act. In any proceeding brought by a Co-owner against the Association, or its officers and directors under this Section, the Association, or its officers and directors, if successful, shall be entitled to recover the costs of the proceeding and such reasonable attorney's fees (not limited to statutory fees) as may be determined by the court, but in no event shall any Co-owner be entitled to recover such attorney's fees.

ARTICLE XX
ASSESSMENT OF FINES

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

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

(a) **Notice**. Notice of the violation, including the Condominium Document provision violated, together with a description of the factual nature of the alleged offense set forth

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with such reasonable specificity as will place the Co-owner on notice as to the violation, shall be sent by first class mail, postage prepaid, or personally delivered to the representative of said Co-owner at the address as shown in the notice required to be filed with the Association pursuant to Article VIII, Section 3 of these Bylaws.

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

(c) **Default**. Failure to respond to the notice of violation constitutes a default.

(d) **Hearing and Decision**. Upon appearance by the Co-owner before the Board and presentation of evidence of defense, or, in the event of the Co-owner's default, the Association shall, by majority vote of a quorum of the board, decide whether a violation has occurred. The Association's decision is final.

Section 3. Amounts. Upon violation of any of the provisions of the Condominium Documents and after default of the offending Co-owner or upon the decision of the Association as recited above, the following fines shall be levied:

(a) **First Violation**. No fine shall be levied.

(b) **Second Violation**. Twenty-Five Dollar ($25.00) fine.

(c) **Third Violation**. Fifty Dollar ($50.00) fine.

(d) **Fourth Violation and Subsequent Violations**. One Hundred Dollar ($100.00) fine.

Section 4. Collection. The fines levied pursuant to Section 3 above shall be assessed against the Co-owner and shall be due and payable together with the regular Condominium assessment on the first of the next following month. Failure to pay the fine will subject the Co-owner to all liabilities set forth in the Condominium Document including, without limitations, those described in Article II and Article XIX of the Bylaws.

ARTICLE XXI
RIGHTS RESERVED TO DEVELOPER

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

hereunder and which shall be governed only in accordance with the terms of their creation or reservation and not hereby).

ARTICLE XXII
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.

KENT COUNTY CONDOMINIUM
SUBDIVISION PLAN NO. 736

EXHIBIT B TO THE MASTER DEED FOR

GRAND RIDGE TOWNHOMES

GRAND RAPIDS TOWNSHIP,
KENT COUNTY, MICHIGAN

DEVELOPER:

ADA PLACE TOWNHOMES, L.L.C.
255 EAST BROWN ST., SUITE 105
BIRMINGHAM, MICHIGAN 48009

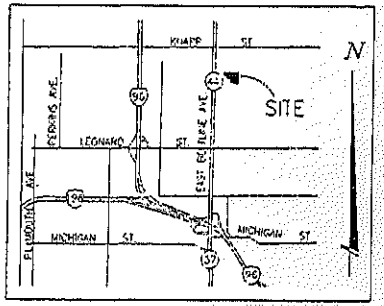
SURVEYOR:

CHETTLEBURGH & ASSOCIATES
1680 EAST PARIS AVENUE, SE
GRAND RAPIDS, MICHIGAN 49546

ATTENTION: COUNTY REGISTRAR OF DEEDS

THE CONDOMINIUM SUBDIVISION PLAN NUMBER MUST BE ASSIGNED IN CONSECUTIVE SEQUENCE. WHEN A NUMBER HAS BEEN ASSIGNED TO THIS PROJECT, IT MUST BE PROPERLY SHOWN IN THE TITLE ON THIS SHEET AND IN THE SURVEYOR'S CERTIFICATE ON SHEET 1.

INDEX OF SHEETS



LOCATION MAP
NO SCALE

LEGAL DESCRIPTION

A PARCEL OF LAND LOCATED IN THE NORTHWEST 1/4 OF SECTION 14, TOWN 7 NORTH, RANGE 11 WEST, GRAND RAPIDS TOWNSHIP, KENT COUNTY, MICHIGAN, DESCRIBED AS: COMMENCING AT THE WEST 1/4 CORNER OF SECTION 14; THENCE N 01°42'06"E 329.49 FEET ALONG THE WEST LINE OF SECTION 14; THENCE N 89°51'52"E 1,326.15 FEET ALONG THE SOUTH LINE OF THE NORTH 1/2 OF THE SOUTH 1/2 OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION TO THE EAST LINE OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 14; THENCE N 01°49'20"E 985.07 FEET ALONG THE EAST LINE OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 14 TO THE NORTHEAST CORNER OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SAID SECTION AND THE POINT OF BEGINNING OF THE FOLLOWING DESCRIBED PARCEL: THENCE S 01°49'20"W 614.78 FEET ALONG THE EAST LINE OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 14; THENCE THE FOLLOWING EIGHT COURSES ALONG THE BOUNDARY OF GRAND RIDGE COMMUNITY, KENT COUNTY CONDOMINIUM SUBDIVISION PLAN NUMBER 347:: S 68°36'12"W 108.40 FEET (RECORDED AS N 68°35'55"E 108.41 FEET); N 71°37'58"W 365.09 FEET; N 03°53'43"E 121.69 FEET; N 64°51'49"W 68.84 FEET; S 87°34'28"W 75.10 FEET; N 35°45'33"W 240.48 FEET; N 58°27'39"W 84.72 FEET; AND N 02°52'34"E 152.44 FEET TO THE NORTH LINE OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 14;: THENCE S 89°59'07"E 301.15 FEET ALONG THE NORTH LINE OF THE SOUTHWEST 1/4 OF THE NORTHWEST 1/4 OF SECTION 14 TO THE POINT OF BEGINNING. TOGETHER WITH AN EASEMENT FOR INGRESS AND EGRESS AS RECORDED IN LIBER 3905, PAGE 205, KENT COUNTY RECORDS. THIS PARCEL CONTAINS 8.74 ACRES.

SURVEYOR'S CERTIFICATE

I, THOMAS W. CHETTLEBURGH, PROFESSIONAL SURVEYOR OF THE STATE OF MICHIGAN, HEREBY CERTIFY:

THAT THE SUBDIVISION PLAN KNOWN AS KENT COUNTY CONDOMINIUM SUBDIVISION PLAN NO. 736, AS SHOWN ON THE ACCOMPANYING DRAWINGS, REPRESENTS A SURVEY ON THE GROUND MADE UNDER MY DIRECTION, AND THAT THERE ARE NO EXISTING ENCROACHMENTS UPON THE LANDS AND PROPERTY HEREIN DESCRIBED;

THAT THE REQUIRED MONUMENTS AND IRON MARKERS HAVE BEEN LOCATED IN THE GROUND AS REQUIRED BY RULES PROMULGATED UNDER SECTION 142 OF ACT NO. 59 OF THE PUBLIC ACTS OF 1978, AS AMENDED;

THAT THE ACCURACY OF THIS SURVEY IS WITHIN THE LIMITS REQUIRED BY THE RULES PROMULGATED UNDER SECTION 142 OF ACT NO. 59 OF THE PUBLIC ACTS OF 1978, AS AMENDED;

THAT THE BEARINGS, AS SHOWN, ARE NOTED ON THE SURVEY PLAN AS REQUIRED BY THE RULES PROMULGATED UNDER SECTION 142 OF ACT NO. 59 OF THE PUBLIC ACTS OF 1978, AS AMENDED.

Thomas W. Chettleburgh

THOMAS W. CHETTLEBURGH
PROFESSIONAL SURVEYOR NO. 16036
CHETTLEBURGH & ASSOCIATES
1680 EAST PARIS AVENUE, SE
GRAND RAPIDS, MICHIGAN 49546

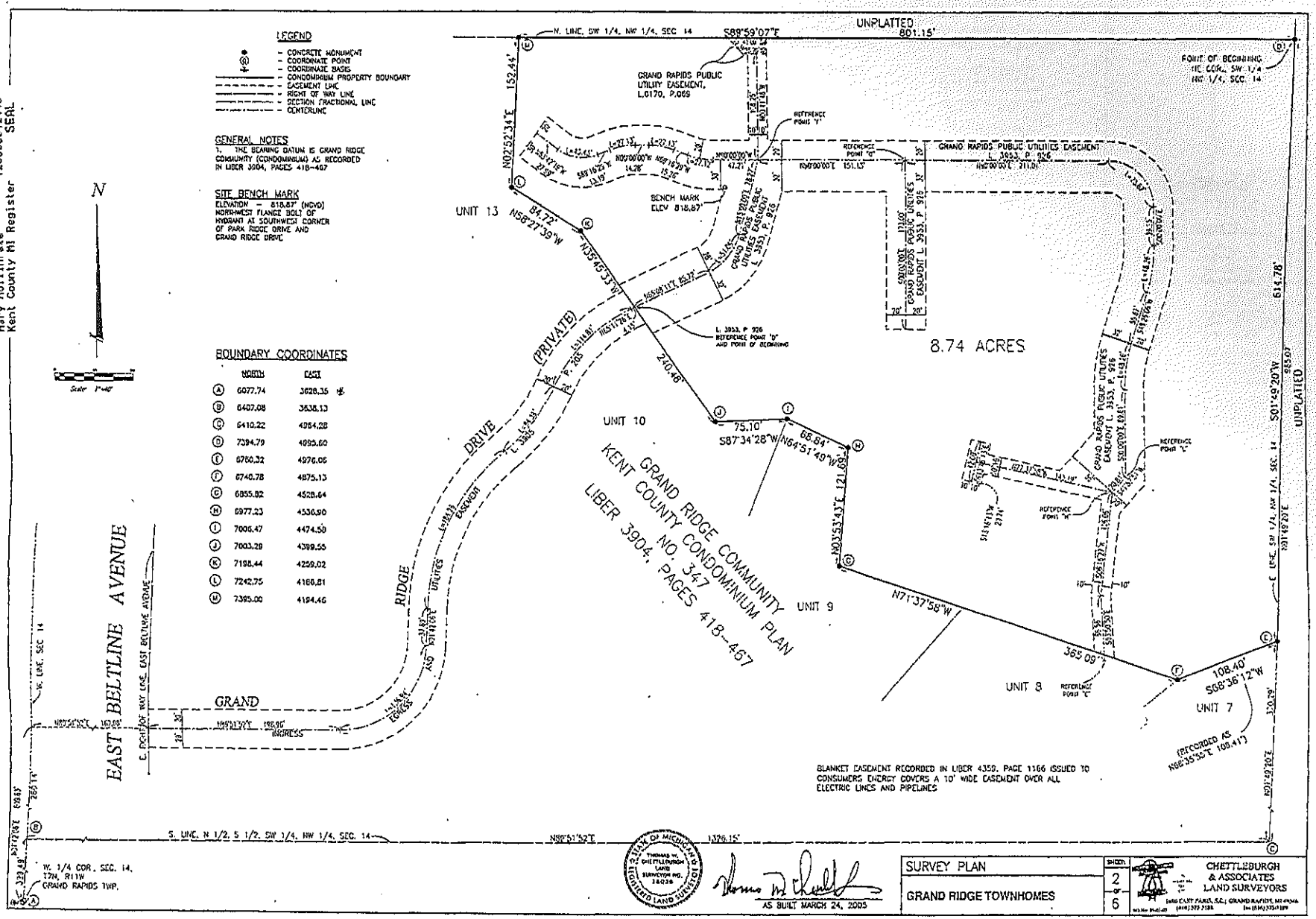
Thomas W. Chettleburgh
AS BUILT MARCH 24, 2005

TITLE SHEET

GRAND RIDGE TOWNHOMES

SHEET 1 OF 6

CHETTLEBURGH & ASSOCIATES
LAND SURVEYORS
1680 EAST PARIS, S.E., GRAND RAPIDS, MICHIGAN
(616) 771-7100 fax (616) 957-5109



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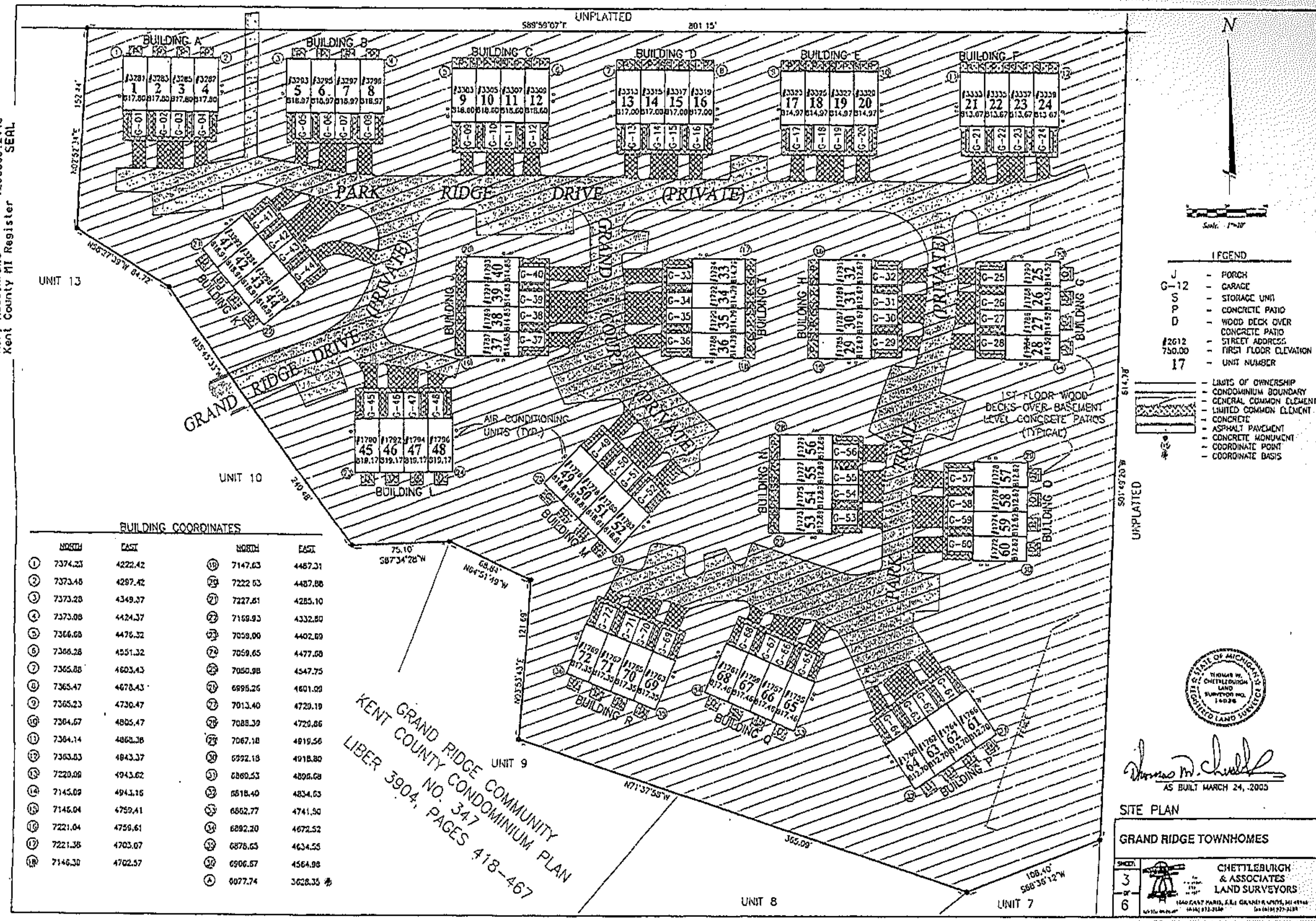

BUILDING COORDINATES

	NORTH	EAST		NORTH	EAST
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2	7373.48	4297.42	20	7222.63	4487.88
3	7373.28	4349.37	21	7227.61	4285.10
4	7373.08	4424.37	22	7169.93	4332.80
5	7366.08	4476.32	23	7059.00	4402.69
6	7366.28	4551.32	24	7059.65	4477.68
7	7365.88	4603.43	25	7050.98	4547.75
8	7365.47	4678.43	26	6998.26	4601.09
9	7365.23	4730.47	27	7013.40	4720.19
10	7364.67	4805.47	28	7088.39	4720.86
11	7364.14	4868.38	29	7067.18	4919.56
12	7363.83	4843.37	30	6992.18	4918.80
13	7220.09	4943.62	31	6860.53	4898.08
14	7145.09	4943.16	32	6818.40	4834.63
15	7146.04	4759.41	33	6862.77	4741.90
16	7221.04	4759.61	34	6892.20	4672.52
17	7221.38	4703.07	35	6878.65	4634.55
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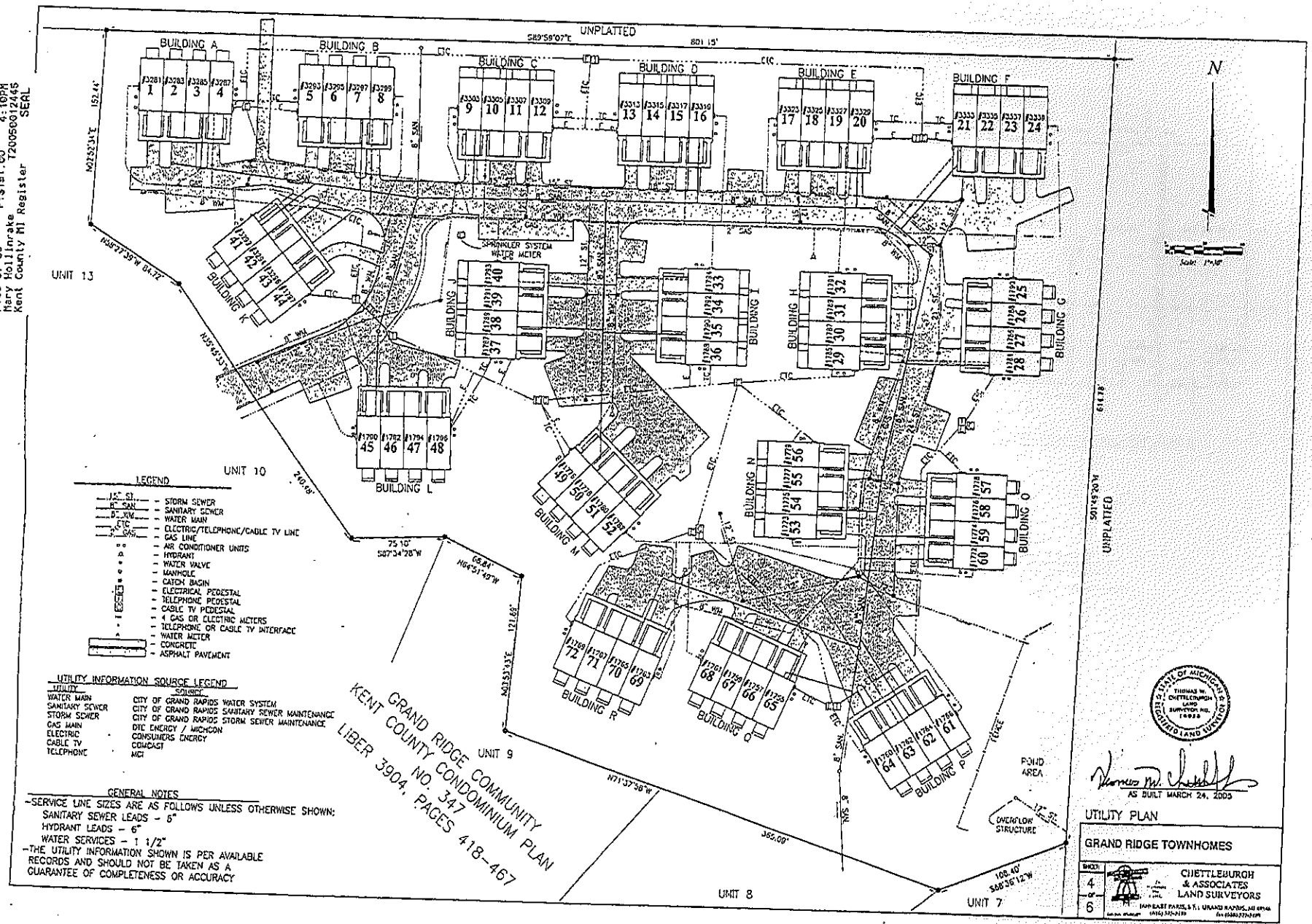
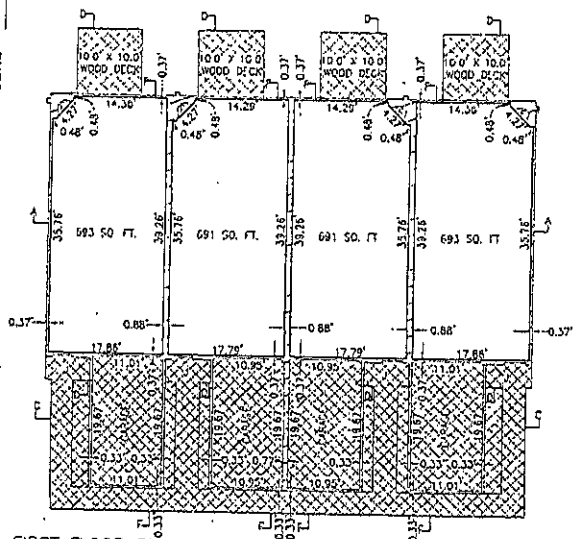
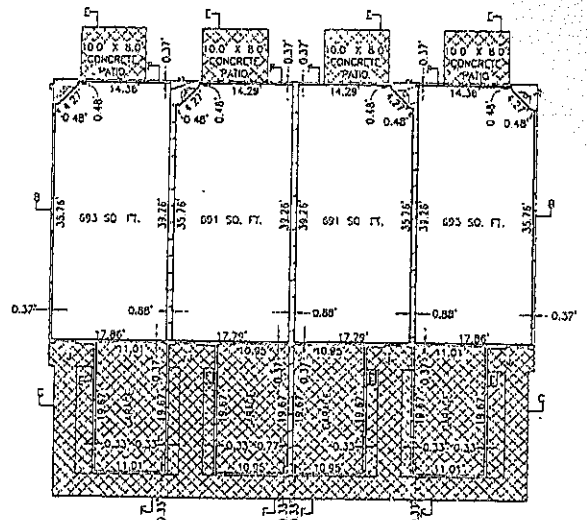
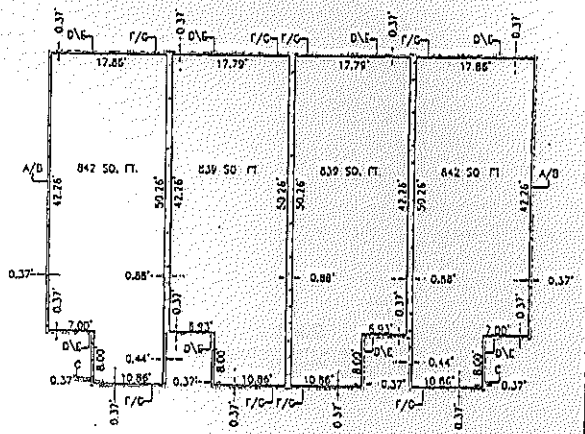




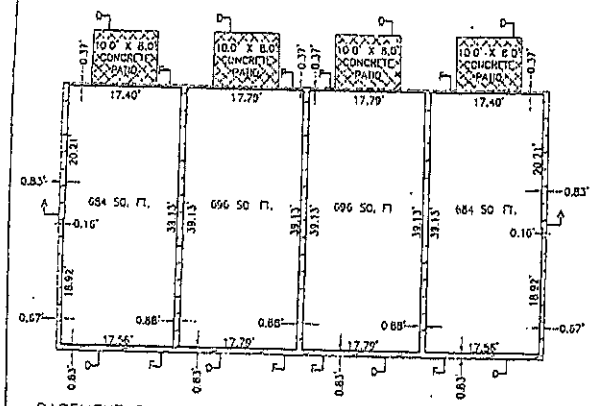
FIRST FLOOR PLAN – BUILDINGS G, K, L, M, O, P, Q, & R



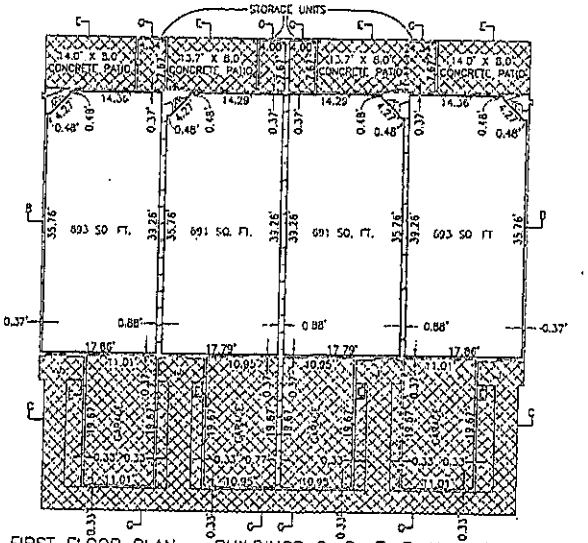
FIRST FLOOR PLAN – BUILDINGS A & B



UPPER FLOOR PLAN – ALL BUILDINGS



BASEMENT PLAN – BUILDINGS G, K, L, M, O, P, Q, & R



FIRST FLOOR PLAN – BUILDINGS C, D, E, F, H, I, J, & N

LEGEND

- LIMITS OF OWNERSHIP
- GENERAL COMMON ELEMENT
- LIMITED COMMON ELEMENT
- CONCRETE
- FIRE PLACE, COMBUSTION CHAMBER
- PORCH

Scale: 1"=8'

STATE OF MICHIGAN
THOMAS W. CHETTLEBURGH
LAND SURVEYOR NO. 14016
REGISTERED LAND SURVEYOR

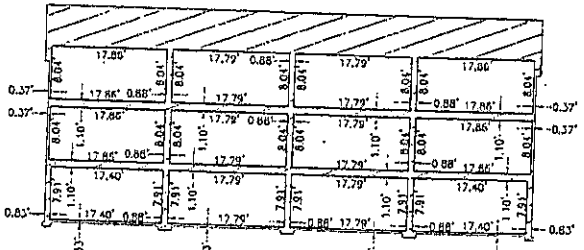
AS BUILT MARCH 24, 2005

FLOOR PLAN

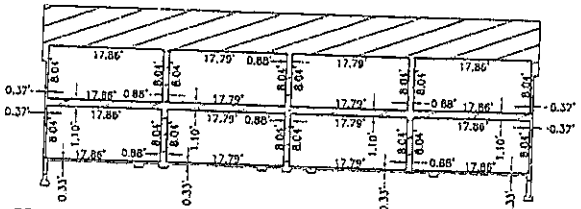
GRAND RIDGE TOWNHOMES

SHEET 5 OF 6

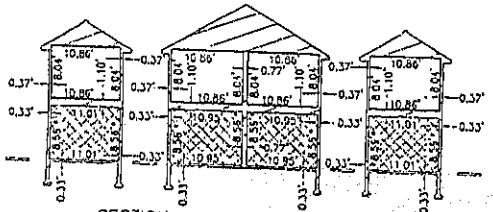
CHETTLEBURGH & ASSOCIATES LAND SURVEYORS



SECTION A-A – BUILDINGS G, K, L, M, O, P, Q, & R

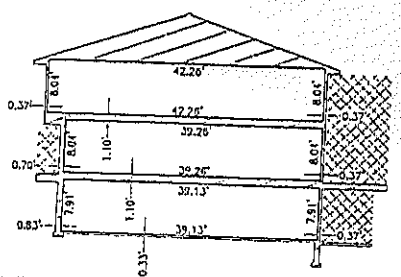


SECTION B-B – BUILDINGS A, B, C, D, E, F, H, I, J, & N

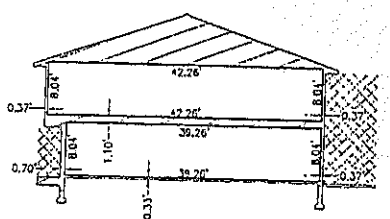


SECTION C-C – ALL BUILDINGS

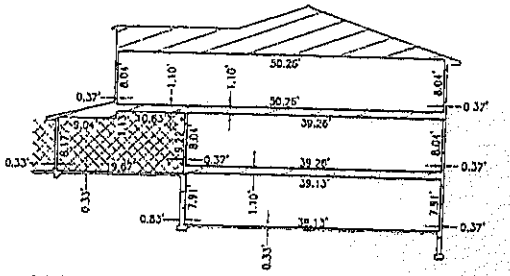
*FOR BUILDINGS C, K, L, H, O, P, Q, & R, FLOOR TO CEILING HEIGHT = 8.14'



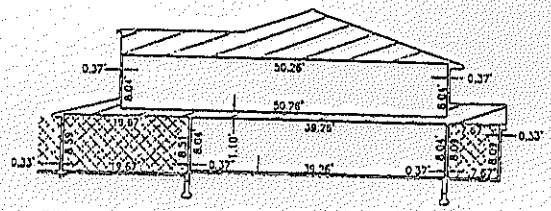
SECTION D-D – BUILDINGS G, K, L, M, O, P, Q, & R



SECTION E-E – BUILDINGS A, B, C, D, E, F, H, I, J, & N



SECTION F-F – BUILDINGS G, K, L, M, O, P, Q, & R



SECTION G-G – BUILDINGS C, D, E, F, H, I, J, & N

LEGEND

- LIMITS OF OWNERSHIP
- GENERAL COMMON ELEMENT
- LIMITED COMMON ELEMENT

AS BUILT MARCH 24, 2005

SECTION PLAN

GRAND RIDGE TOWNHOMES

SHEET 6 OF 6

CHETTLEBURGH & ASSOCIATES LAND SURVEYORS

Michigan Department of Labor & Economic Growth

Filing Endorsement

This is to Certify that the ARTICLES OF INCORPORATION - NONPROFIT

for

GRAND RIDGE TOWNHOMES ASSOCIATION

ID NUMBER: 793242

received by facsimile transmission on May 9, 2005 is hereby endorsed filed on May 10, 2005 by the Administrator. The document is effective on the date filed, unless a subsequent effective date within 90 days after received date is stated in the document.

In testimony whereof, I have hereunto set my hand and affixed the Seal of the Department, in the City of Lansing, this 10th day of May, 2005.

, Director

Bureau of Commercial Services

Sent by Facsimile Transmission 05130

GRAND RIDGE TOWNHOMES ASSOCIATION

NON-PROFIT

ARTICLES OF INCORPORATION

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

ARTICLE I
NAME

The name of the corporation is GRAND RIDGE TOWNHOMES ASSOCIATION.

ARTICLE II
PURPOSES

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

(a) To manage and administer the affairs of and to maintain Grand Ridge Townhomes, a condominium established under the laws of the State of Michigan (hereinafter called "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 the Condominium;

(f) To make and enforce reasonable regulations concerning the use and enjoyment of the 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, any easements or licenses 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 grant easements, rights-of-way, and licenses to, over, under, through, and across the Association property and/or the Common Elements of the Condominium on behalf of the members of the Corporation, without limitation and to dedicate to the public any portion of the Common Elements of the Condominium.

(i) 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;

(j) 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 hereinafter be adopted;

(k) To do anything required of or permitted to it as administrator of the Condominium by the Condominium Master Deed or Bylaws or by Act No. 59 of Public Acts of 1978, as amended; and

(l) In general, to enter into any kind of activity in connection with the foregoing purposes, 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
ADDRESSES

Address of the first registered office is 255 East Brown Street, Suite 105, Birmingham, MI 48009.

ARTICLE IV
RESIDENT AGENT

The name of the first resident agent is James O'Malley.

ARTICLE V
BASIS OF ORGANIZATION AND ASSETS

The corporation is organized upon a non-stock, membership basis.

The value of assets which said corporation possesses is:

Real Property:	None
Personal Property:	None

The corporation is to be financed under the following general plan: Assessment of members.

ARTICLE VI
INCORPORATOR

The name of the incorporator is Brian P. Henry and his place of business is 33 Bloomfield Hills Parkway, Suite 100, Bloomfield Hills, Michigan 48304.

ARTICLE VII
FIRST BOARD OF DIRECTORS

The name and address of the first Board of Directors is as follows: James O'Malley, president, 255 East Brown Street, Suite 105, Birmingham, MI 48009.

ARTICLE VIII
EXISTENCE

The term of corporate existence is perpetual.

ARTICLE IX
MEMBERSHIP AND VOTING

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) The Developer of the Condominium and each Co-owner of a Unit in the Condominium shall be members of the corporation, and no other person or entity shall be entitled to membership; except that the president of the First Board of Directors shall be a member of the corporation until such time as any Unit owner qualifies as a member, provided that such directors termination as a member shall not affect his or her status as a director.

(b) Membership in the corporation (except with respect to the incorporator, who shall cease to be a member upon the recording of the Master Deed) shall be established by acquisition of fee simple title to a Unit in the Condominium and by recording with the Register of Deeds of Oakland County, Michigan, a deed or other instrument establishing a change of record title to such Unit and the furnishing of evidence of same satisfactory to the corporation (except that the Developer of the Condominium shall become a member immediately upon establishment of the Condominium) the new Co-owner thereby becoming a member of the corporation, and the membership of the prior Co-owner thereby being terminated. The Developer's membership shall continue until no Units remain to be created in the Condominium and until the Developer no longer owns any Unit in the Condominium.

(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.

ARTICLE X
LIMITATION OF LIABILITY OF DIRECTORS

No volunteer director, as that term is defined in Act 162, Public Acts of 1982, as amended ("Act"), shall be personally liable to the corporation or its members for monetary damages for breach of fiduciary duty as a director or officer, provided that the foregoing shall not eliminate the liability of a director or officer for any of the following: (i) breach of the director's or officer's duty of loyalty to the corporation or its members; (ii) acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law; (iii) a violation of Section 551(1) of the Act, as amended; (iv) a transaction from which the director derived an improper personal benefit; or (v) an act or omission that is grossly negligent.

The Corporation assumes the liability for all acts or omissions of a volunteer director, officer, or other volunteer if all of the following are met: (i) the volunteer was acting or reasonably believed he or she was acting within the scope of his or her authority; (ii) the volunteer was acting in good faith; (iii) the volunteer's conduct did not amount to gross negligence, or willful and wanton misconduct; (iv) the volunteer's conduct was not an intentional tort; and (v) the volunteers conduction was not a tort arising out of the ownership, maintenance, or use of a motor vehicle for which tort liability may be imposed as provided in Section 3135 of the Insurance Code or 1956, Act No. 218 of the Public Acts of 1956, being Section 500.3135 of the Michigan Compiled Laws, as amended.

If the Act hereafter is amended to authorize the further elimination or limitation of the liability of directors or officers, then the liability of a director or officer of the corporation, in addition to the limitation on personal liability contained herein, shall be limited to the fullest extent permitted by the amended Act. No amendment or repeal of this Article X shall apply to or have any effect on the liability of any director or officer of the corporation for or with respect to any acts or omissions of such director

occurring prior to such amendment or repeal. The invalidity or unenforceability of any provision of this Article shall not affect the validity or enforceability of the remaining provisions of this Article.

ARTICLE XI
AMENDMENT

These Articles of Incorporation may only be amended by the consent of sixty-six and two-thirds (66 2/3%) percent of all members.

Signed this 9th day of May, 2005.

Brian P. Henry, Incorporator

When filed, return to:

Brian P. Henry, Esq.
FREEMAN, COTTON & NORRIS, P.C.
33 Bloomfield Hills Parkway, Suite 100
Bloomfield Hills, Michigan 48304
(248) 642-2255

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8/15/96

ROAD AND UTILITY EASEMENT AND MAINTENANCE AGREEMENT

THIS ROAD EASEMENT AND MAINTENANCE AGREEMENT ("Agreement") made and entered into this 16 day of August, 1996, by and between WIELAND-MCMASTER ASSOCIATES LIMITED PARTNERSHIP, a Michigan limited partnership, whose address is 416 N. Cedar Street, Lansing, Michigan 48912 ("Grantor"), and TOWNHOUSE 72, L.L.C., a Michigan limited liability company, whose address is 8185 Graphic Drive N.E., Belmont, Michigan 49306 ("Grantee").

PRELIMINARY STATEMENT

Grantor is the owner of certain real property located in Grand Rapids Township, Kent County, Michigan as described in Exhibit "A", attached hereto and made a part hereof by reference thereto ("Grantor's Property"). Grantee is the owner of certain real property located in Grand Rapids Township, Kent County, Michigan as described in Exhibit "B", attached hereto and made a part hereof by reference thereto ("Grantee's Property"). Grantee's Property does not have frontage on a public road and Grantee desires to have access to a public road. Grantor desires to convey to Grantee an easement for ingress and egress across a portion of Grantor's Property as described in Exhibit "C", attached hereto and made a part hereof by reference thereto ("Road Easement") and for utilities therein upon the terms and conditions contained herein.

NOW, THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration, receipt whereof is hereby severally acknowledged, Grantor and Grantee hereby agree as follows:

1. Grantor hereby grants to Grantee a perpetual non-exclusive easement for ingress and egress and installation, maintenance, repair and replacement of utilities over and across the Road Easement to and from Grantee's Property and to and from East Beltline Avenue, N.E. In addition, Grantor hereby grants to Grantee a perpetual non-exclusive easement, jointly with Grantor, to locate a project identification sign ("Sign") in the location described and shown on Exhibit "D", attached hereto and made a part hereof, generally in accordance with the conceptual sign drawing attached hereto as Exhibit "E" and made a part hereof by reference thereto, as well as a perpetual non-exclusive easement to locate directional signs ("Directional Signs") to Grantee's Property in the locations shown on Exhibit "D" ("Sign Easement"). The Sign shall be landscaped as designated by Grantor, subject to the approval of Grantee, which approval shall not be unreasonably withheld, delayed or conditioned.

2. At its sole cost, on or before ninety (90) days after the date hereof, Grantor shall construct an asphalt paved road with curb, gutter and storm sewers to the top of the ravine on the southwest side of Grantee's Property ("Improvements") over the Road Easement in accordance with the plans and specifications prepared by Lady Design

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Service dated November 7, 1995 (latest revision date), Project No. 101.004 ("Plans"). In addition, within such ninety (90) day period, at its sole cost, Grantor shall construct a watermain to the hydrant shown on the Plans in front of Building 18 and a sanitary sewer to manhole S-2G shown on the Plans ("Utilities"). The Improvements and Utilities shall be constructed in accordance with the Plans, in a good and workmanlike manner and applicable laws, statutes, ordinances, rules and regulations, and shall be free of all construction liens. During the course of construction of the Improvements Grantor shall provide Grantee temporary construction access to Grantee's Property.

3. Grantor shall maintain, repair and replace the Sign, Directional Signs and Sign Easements in good condition and repair, repairing and replacing the Sign and Directional Signs and replacing the landscaping as reasonably necessary, and shall maintain, repair and replace the Improvements, remove snow, ice, sweep debris, and salt and/or sand, all as reasonably necessary to keep the Road Easement passable and in good condition and repair for ingress and egress for vehicular traffic ("Work"). The costs incurred by Grantor in performing the Work and the cost of general commercial liability insurance maintained by Grantor for the Directional Signs, Sign, Sign Easement and Road Easement and the cost of real estate taxes, general and special assessments attributable to the Sign, Directional Signs, Sign Easement and Road Easement are herein referred to as "Costs".

4. Grantee shall reimburse Grantor for a pro rata share of the Costs based upon a fraction, the numerator of which is 8.74 and the denominator of which is the total acreage of Grantor's Property and Grantee's Property, exclusive of Road Easement, times the Costs. Commencing on the date that Grantee commences construction on the Grantee's Property and continuing on the first day of each and every month thereafter, Grantee shall pay to Grantor, without any deduction or setoff, a sum equal to one-twelfth (1/12th) of the Costs which will be estimated by Grantor to be Grantee's share of such Costs for the following twelve (12) month period. From time to time, Grantor may adjust the estimate of Grantee's share of such Costs by written notice to Grantee and, thereafter, Grantee shall pay monthly such adjusted amount. Within ninety (90) days after the end of each calendar year, Grantor shall submit a report to Grantee showing the Costs for the preceding calendar year, Grantee's share of such Costs and the payments made by Grantee during such calendar year period. If the report indicates that Grantee owes an additional amount, Grantee shall make such payment within fifteen (15) days after receipt of such report. If Grantee has overpaid its share of such Costs, such excess shall be applied to the next monthly payment of Costs due Grantor from Grantee.

5. If Grantee shall fail to timely pay any payment due under this Agreement, such payment shall bear interest at the lesser of: (i) the prime rate of interest announced by Old Kent Bank or its successor from time to time plus six (6%) percent per annum from the date due until paid in immediately available funds; or (ii) the highest rate permitted by applicable law.

6. In the event Grantor records a Master Deed for Grantor's Property, at such time as control of the Board of Directors of the Condominium Association transfers from Grantor to the Unit owners in the condominium, Grantor shall be relieved of any and all

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liabilities accruing under this Agreement from and after such date and the Association shall be responsible for the performance of the obligations of Grantor under this Agreement from and after such date. In the event Grantee records a Master Deed for Grantee's Property, at such time as control of the Board of Directors of the Condominium Association transfers from Grantee to the Unit owners in the condominium, Grantee shall be relieved of any and all liabilities accruing under this Agreement from and after such date and the Association shall be responsible for performance of the obligations of Grantee under this Agreement from and after such date.

7. In the event of litigation between Grantor and Grantee arising out of this Agreement, the prevailing party in such litigation shall be awarded its costs, expenses and reasonable attorneys' fees by the judge in such litigation.

8. Whenever under this Agreement a provision is made for a notice of any kind, it shall be deemed sufficient notice and service thereof if such notice is sent to either party at the addresses set forth above by registered or certified mail with postage prepaid, return receipt requested, or overnight delivery service requiring a signed receipt for delivery. Either party may, from time to time, change its address (other than to a post office box) for written notice delivered in the manner provided above. Any such notice shall be deemed delivered on the date deposited with the United States post office or on the date delivered to the overnight delivery service, notwithstanding the failure of the recipient to receive such notice by virtue of its failure to comply with this Agreement in the change or address provision or by the recipient's failure or refusal to accept delivery of such notice.

9. This Agreement sets forth the entire understanding between Grantor and Grantee concerning the content hereof, all prior negotiations, understandings, and promises are merged herein, and there are no other understandings, either oral or written, between them other than as set forth herein. No amendment to this Agreement shall be binding upon Grantor or Grantee unless reduced to writing and signed by each party.

10. This Agreement shall be governed by and construed in accordance with the laws of the State of Michigan.

11. This Agreement shall inure to the benefit of and shall be binding upon the parties hereto and their respective successors and assigns.

12. This Agreement may be executed in counterparts, which when taken together shall constitute one and the same instrument.

IN WITNESS WHEREOF, Grantor and Grantee have executed this Agreement the day and year first above written.

[SIGNATURES ON NEXT PAGE]

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SIGNATURE PAGE OF GRANTOR TO
ROAD AND UTILITY EASEMENT AND MAINTENANCE AGREEMENT

WITNESSES:

Printed Name: Kelly R. Kravitz

Printed Name: Scott D Wieland

GRANTOR:

WIELAND-MCMASTER ASSOCIATES LIMITED PARTNERSHIP,
a Michigan limited partnership

By: Wieland-McMaster Corporation,
a Michigan corporation,
General Partner

By: _____
Craig D. Wieland, President

STATE OF MICHIGAN)
) ss.
COUNTY OF INGHAM)

The foregoing instrument was acknowledged before me this 10th day of August, 1998, by Craig D. Wieland who is the President of Wieland-McMaster Corporation, a Michigan corporation, General Partner of Wieland-McMaster Associates Limited Partnership, a Michigan limited partnership, on behalf of Wieland-McMaster Associates Limited Partnership.

CAROLYN J. HAGGIE
Notary Public, Ingham County, MI
My Commission Expires June 4, 1999

Printed Name: _____
Notary Public, Ingham County, MI
My Commission Expires: _____

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SIGNATURE PAGE OF GRANTEE TO
ROAD AND UTILITY EASEMENT AND MAINTENANCE AGREEMENT

WITNESSES:

Printed Name: Sharon L. Broussard

Printed Name: Lynn R. Woodward

GRANTEE:

TOWNHOUSE 72, L.L.C.,
a Michigan limited liability company

By:
Printed Name: John J. Wheeler
Its: Member

STATE OF MICHIGAN)
) ss.
COUNTY OF KENT)

The foregoing instrument was acknowledged before me this 16th day of August, 1996, by John J. Wheeler who is a member of Townhouse 72 L.L.C., a Michigan limited liability company, on behalf of Townhouse 72, L.L.C.

Printed Name: Sharon L. Broussard
Notary Public, Kent County, MI
My Commission Expires: 11/05/99

DRAFTED BY AND WHEN RECORDED RETURN TO:
Jeffrey R. Kravitz, Esq.
Honigman Miller Schwartz and Cohn
2290 First National Building
Detroit, Michigan 48226

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EXHIBIT "A"

GRANTOR'S PROPERTY

A parcel of land located in the Northwest 1/4 of Section 14, T7N, R11W, Grand Rapids Township, Kent County, Michigan, described as: commencing at the West 1/4 corner of Section 14; thence N01°42'08"E, 328.49 feet along the West line of Section 14 to the South line of the North 1/2 of the South 1/2 of the Southwest 1/4 of the Northwest 1/4 of Section 14; thence N89°51'52"E, 167.09 feet along the South line of the North 1/2 of the South 1/2 of the Southwest 1/4 of the Northwest 1/4 of Section 14 to the East right of way line of East Beltline Avenue (M-44) and the point of beginning of the following described parcel; thence N01°42'08"E, 488.12 feet along the East right of way line of East Beltline Avenue (M-44); thence S88°17'54"E, 20.00 feet; thence N01°42'08"E, 500.51 feet, continuing along the East right of way line of East Beltline Avenue (M-44), to the North line of the Southwest 1/4 of the Northwest 1/4 of Section 14; thence S88°58'07"E, 339.88 feet along the North line of the Southwest 1/4 of the Northwest 1/4 of Section 14; thence S02°52'34"W, 152.44 feet; thence S58°27'39"E, 84.72 feet; thence S35°45'33"E, 240.48; thence N87°34'28"E, 75.10 feet; thence S64°51'48"E, 66.84 feet; thence S03°53'43"W, 121.69 feet; thence S71°37'58"E, 385.09 feet; thence N88°35'55"E, 108.41 feet to the East line of the Southwest 1/4 of the Northwest 1/4 of Section 14; thence S01°49'20"W, 370.29 feet along the East line of the Southwest 1/4 of the Northwest 1/4 of Section 14; thence S89°51'52"W, 1159.08 feet along the south line of the north 1/2 of the south 1/2 of the southwest 1/4 of the Northwest 1/4 of Section 14 to the point of beginning.

Also known as Units 1 through 13 of Grand Ridge Community, Kent County Condominium Subdivision Plan Number 347.

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EXHIBIT "B"

GRANTEE'S PROPERTY

A parcel of land located in the Northwest 1/4 of Section 14, T7N, R11W, Grand Rapids Township, Kent County, Michigan, described as: Commencing at the West 1/4 corner of Section 14, thence N01°42'06"E, 329.49 feet along the West line of Section 14; thence N89°51'52"E, 1326.15 feet to the East line of the Southwest 1/4, of the Northwest 1/4 of Section 14; thence N01°48'20"E, 885.07 feet along the East line of the Southwest 1/4, of the Northwest 1/4 of Section 14 to the Northeast corner of the Southwest 1/4, of the Northwest 1/4 of said section and the point of beginning of the following described parcel; thence S01°49'20"W, 614.78 feet along the East line of the Southwest 1/4, of the Northwest 1/4 of Section 14; thence S68°36'12"W, 108.40 feet; thence N71°37'58"W, 365.09 feet; thence N03°53'43"E, 121.69 feet; thence N84°51'48"W, 66.84 feet; thence S87°34'28"W, 75.10 feet; thence N35°45'33"W, 240.48 feet; thence N58°27'39"W, 84.72 feet; thence N02°52'34"E, 152.44 feet to the North line of the Southwest 1/4, of the Northwest 1/4 of Section 14; thence S89°59'07"E, 801.15 feet along the North line of the Southwest 1/4, of the Northwest 1/4 of Section 14 to the point of beginning.

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EXHIBIT "C"

ROAD EASEMENT

An easement 40 feet in width, over and across that part of the Northwest 1/4 of Section 14, T7N, R11W, Grand Rapids Township, Kent County, Michigan described as: Commencing at the West 1/4 corner of Section 14, T7N, R11W; thence N01°42'08"E, 609.63 feet along the West line of Section 14, T7N, R11W; thence N89°51'52"E, 167.09 feet to the Point of Beginning of an easement lying 20 feet Northerly and 20 feet Southerly of the following described centerline; thence continuing N89°51'52"E, 198.99 feet; thence 136.94 feet along a curve to the left, said curve having a radius of 89.00 feet a central angle of 88°09'46" and a long chord of 123.83 feet bearing N45°46'59"E; thence N01°42'06"E, 37.89 feet; thence 184.26 feet along a curve to the right, said curve having a radius of 216.00 feet, a central angle of 48°52'35" and a long chord of 178.72 feet bearing N26°08'23"E; thence 84.38 feet along a curve to the left, said curve having a radius of 186.00 feet, a central angle of 25°59'37" and a long chord of 83.66 feet bearing N37°34'52"E; thence 114.81 feet along a curve to the right, said curve having a radius of 162.00 feet, a central angle of 40°36'23" and a long chord of 112.42 feet bearing N44°53'15"E; thence N65°11'28"E, 4.15 feet to the point of ending of this centerline.

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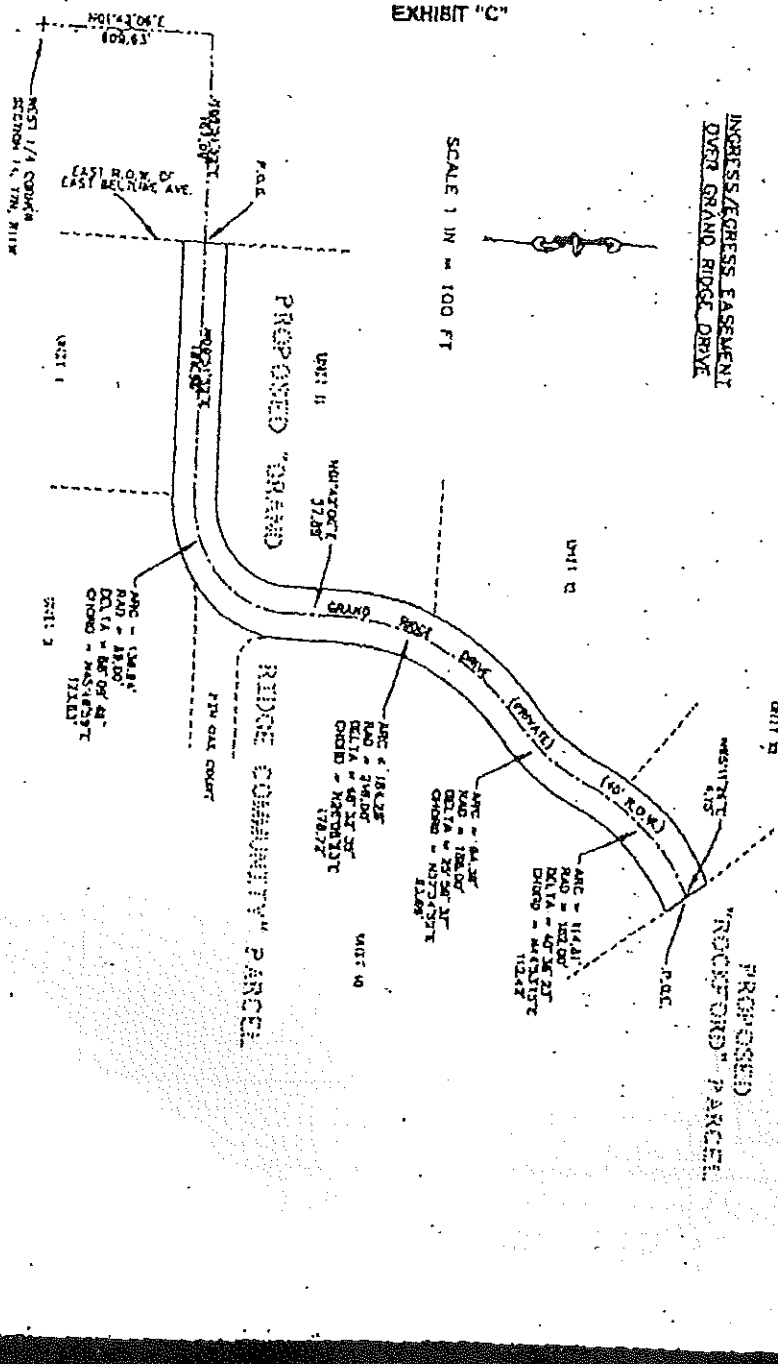
EXHIBIT "C"



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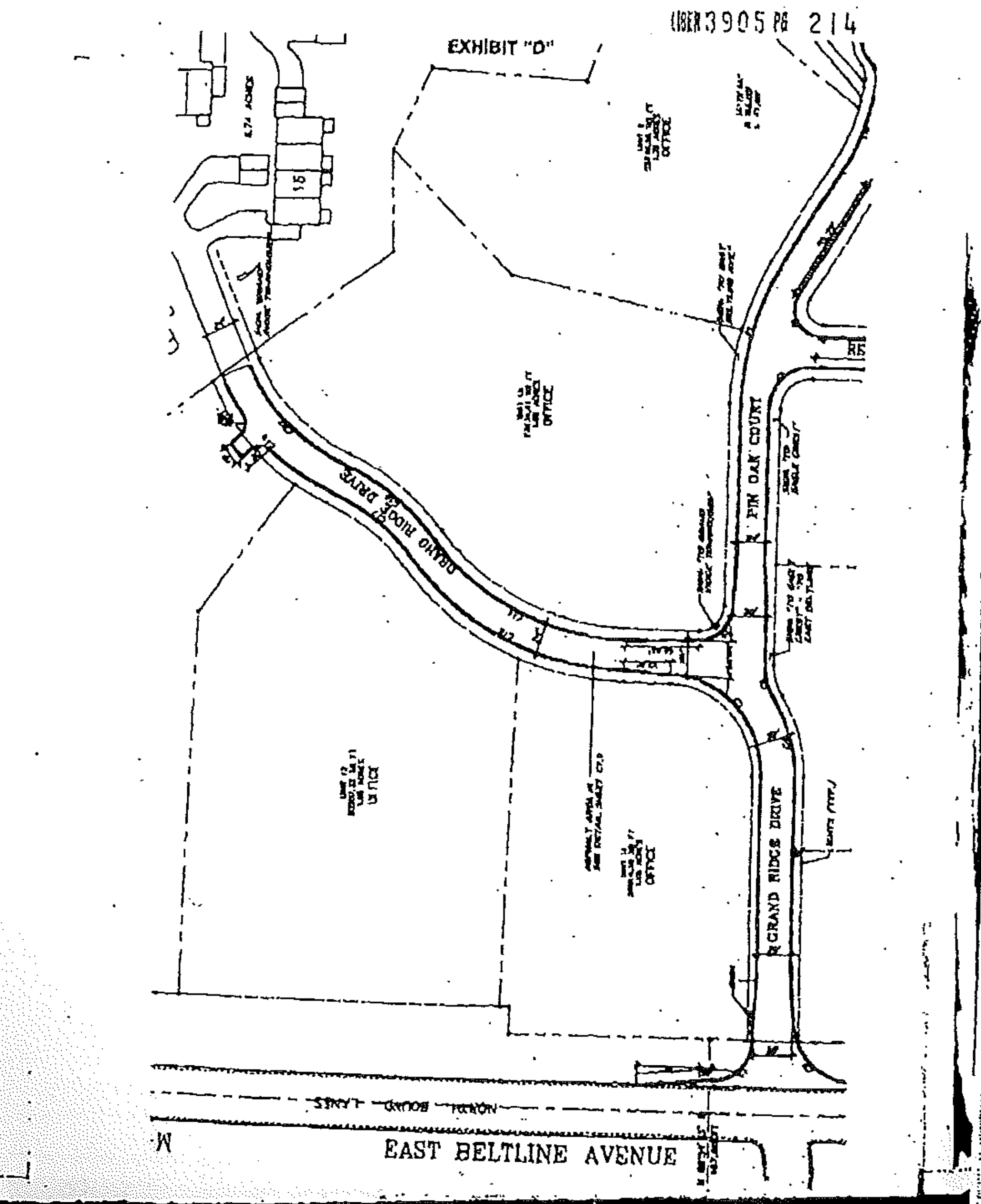
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EXHIBIT "D"
PIN OAK COURT
GRAND RIDGE DRIVE
NORTH BOUND LANES
EAST BELTLINE AVENUE

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LIBER 3905 PG 215

EXHIBIT "E"