STATE OF MICHIGAN
COUNTY OF MUSKEGON
RECEIVED FOR RECORD

1978 DEC 1 AM 10 03

John L. Hosko
REGISTER OF DEEDS

MASTER DEED

THE LAKESHORE HOUSE

(Act 59, Public Acts of 1978)
as amended

Muskegon County Condominium Subdivision Plan No. 3

(1) Master Deed establishing The Lakeshore House, a Condominium Project.

(2) Exhibit A to Master Deed: Condominium By-Laws of The Lakeshore House.

(3) Exhibit B to Master Deed: Condominium Subdivision Plans for The Lakeshore House.

(4) Exhibit C to Master Deed: Mortgagee's Consent to Submission to Condominium Ownership.

(5) Certificate of Approval of Master Deed by Michigan Department of Commerce.

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

This Instrument Drafted By:

William K. Van't Hof
700 Frey Building
Grand Rapids, Michigan 49503

$100

MASTER DEED

THE LAKESHORE HOUSE

(Act 59, Public Acts of 1978)
as amended

This Master Deed is made and executed on this 21st day of August, 1978, by LAKESHORE HOUSE, LTD., a Michigan limited partnership (the "Developer"), whose office is situated at 409-C Waters Building, Grand Rapids, Michigan, represented herein by its general partner who is fully empowered and qualified to act on behalf of said partnership.

W I T N E S S E T H :

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

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

ARTICLE I

NATURE OF PROJECT

The Project shall be known as The Lakeshore House, Muskegon County Condominium Subdivision Plan No. 3,

LIBER 1156 PAGE 794

the architectural plans for which were approved by the City of Muskegon, Muskegon County, Michigan. The Project is established in accordance with the Act, and the buildings and units comprising the Project, including the number, boundaries, dimensions, area and volume 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 Project. Each Co-owner in the Project shall have a particular and exclusive right to his Condominium Unit and shall have undivided and inseparable rights to share with other Co-owners the general common elements of the Project as designated by this Master Deed.

ARTICLE II

LEGAL DESCRIPTION

The land upon which the Project is situated, and which is hereby submitted to condominium ownership pursuant to the provisions of the Act, is situated in the City of Muskegon, Muskegon County, Michigan, and is described as follows:

> Part of Block 481 and Block 482 and part of vacated Grand Avenue, of the Revised Plat of 1903 of the City of Muskegon, Section 25, T10N, R17W, City of Muskegon, Muskegon County, Michigan, described as: Beginning at the most westerly corner of Lot 2, of said Block 482; thence N40°56'E 165.26 feet along the southeasterly line of Lakeshore Drive (66 feet wide); thence S84°23'E 239.78 feet along the southerly line of Washington Street (66 feet wide); thence S88°58'E 20.0 feet; thence S00°55'W 166.33 feet along a line which is 20 feet easterly of and parallel with the westerly line of Lot 9 of said Block 481; thence N89°15'W 20.0 feet to the SW corner of said Lot 9; thence S00°55'W 20.0 feet to the NW corner of Lot 10 of said Block 481; thence S89°15'E 54.75 feet to the NE corner of said Lot 10; thence S00°55'W 165.85 feet; thence N89°32'W 54.75 feet; thence S00°55'W 44.4 feet to the most southerly corner of Lot 1 of said Block 482; thence N49°03'W 450.90 feet to the place of beginning.

Muskegon, Mich: Dec 1 1978
"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."
No. 53 [signature] Co. Treas.

ARTICLE III

DEFINITIONS

Certain terms are utilized not only in this Master Deed but are or may be used in various other instruments such as, by way of example and not limitation, the Articles

LIBER 1156 PAGE 795

of Incorporation, Association By-laws and Rules and Regulations of the Lakeshore House Condominium Association, a Michigan non-profit corporation, and deeds, mortgages, liens, land contracts, easements and other instruments affecting the establishment of, or transfer of, interests in the Project. As used in such documents, unless the context otherwise requires:

(a) "Act" means the Michigan Condominium Act, being Act 59 of the Public Acts of 1978, as amended.

(b) "Association" means the non-profit corporation organized under the laws of Michigan of which all Co-owners shall be members, which corporation shall administer, operate, manage and maintain the Project. Any action required of or permitted to the Association shall be exercisable by its Board of Directors unless specifically reserved to the members by the Condominium Documents or the laws of the State of Michigan.

(c) "Association By-laws" means the corporate By-laws of the Association organized to manage, maintain and administer the Project.

(d) "Common Elements," where used without modification, means the portions of the Project other than the Condominium Units, including all general and limited common elements described in Article IV. A Common Element shall not be separable from the Condominium Unit to which it is appurtenant.

(e) "Condominium By-laws" means Exhibit "A" hereto, being the By-laws setting forth the substantive rights and obligations of the Co-owners, which form a part of this recorded instrument.

(f) "Condominium Documents" means and includes this Master Deed and Exhibits thereto, recorded pursuant to the Act, and any other instrument referred to therein which affects the rights and obligations of a Co-owner in the condominium.

(g) "Condominium Subdivision Plans" means Exhibit "B" hereto, being the site, survey and other plans showing the existing and proposed structures and improvements including the location thereof on the land, which form a part of this recorded instrument.

(h) "Condominium Unit" or "Unit" means that portion of the Project designed and intended for separate ownership and use, as described in this Master Deed.

(i) "Co-owner" means the person, firm, corporation, partnership, association, trust or other legal entity or any combination thereof who or which owns a Condominium Unit in the Project. The term

LIBER 1156 PAGE 796

"Owner," wherever used, shall be synonomous with the term "Co-owner."

(j) "Developer" means Lakeshore House, Ltd., a Michigan limited partnership which has made and executed this Master Deed, its successors and assigns.

(k) "General Common Elements" means those common elements of the Project described in Article IV(A) which are for the use and enjoyment of all Co-owners, subject to such charges as may be assessed to defray the cost of operation thereof.

(l) "Limited Common Elements" means those common elements of the Project described in Article IV(B), which are reserved for the exclusive use of the Co-owners of specified Units.

(m) "Master Deed" means this instrument, together with the exhibits attached hereto and all amendments hereof, by which the Project is submitted to condominium ownership.

(n) "Percentage of Value" means the percentage assigned to each Unit which is determinative of the value of a Co-owner's vote at meetings of the Association when voting by value or by number and value and of the proportionate share of each Co-owner in the common elements of the Project and the proceeds and expenses of administration.

(o) "Project" or "Condominium" means The Lakeshore House, an approved condominium development established in conformity with the provisions of the Act.

(p) "Transitional Control Date" means the date on which the Association board of directors 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 which may be cast by the Developer.

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

ARTICLE IV

COMMON ELEMENTS

The Common Elements of the Project as depicted in Exhibit "B," and the respective responsibilities for main-

LIBER 1156 PAGE 797

tenance, repair and replacement thereof are as follows:

A. The General Common Elements are:

(1) The land described in Article II hereof, including all easement interests of the Condominium in the land provided to it for ingress and egress;

(2) The garages, storage buildings, parking areas, roads, driveways, sidewalks, yards, trees, shrubs and other plantings;

(3) The electrical, telephone and/or television wiring networks throughout the Project, including those contained within common walls;

(4) The plumbing and gas line networks throughout the Project, including those contained within common walls;

(5) The heating and/or air-conditioning ductworks and conduits throughout the Project, including those contained within common walls, floors or ceilings;

(6) The water distribution system, sanitary sewer system and storm drainage system serving the Project;

(7) The foundations, roofs, perimeter walls, ceilings and floors (including windows, doors and chimneys therein), halls, lobbies, stairways, entrances and exits of the Project;

(8) The laundry rooms, storage areas and custodial storage rooms, except those that are within the boundaries of a Condominium Unit or within the boundaries of a Limited Common Element appurtenant to such a Unit; and

(9) All other Common Elements of the Project not herein designated as Limited Common Elements which are not enclosed within the boundaries of a Condominium Unit, and which are intended for common use or are necessary to the existence, upkeep or safety of the Project.

B. The Limited Common Elements are:

(1) The pipes, ducts, wiring and conduits located entirely within a Condominium Unit and servicing only such unit;

(2) The porch and/or balcony appurtenant to certain Units in the Project;

LIBER 1156 PAGE 798

(3) The furnace, water heater and/or air conditioning unit furnishing service to a particular Condominium Unit or group of Units; and

(4) The interior surfaces of Unit perimeter walls (including windows and doors therein), ceilings and floors contained within a Condominium Unit.

C. The costs of maintenance, repair and replacement of the Limited Common Elements described in Article IV(B)(1) and IV(B)(3) and the decoration and interior maintenance of the Limited Common Elements described in Article IV(B)(4) shall be borne by the Co-owner of the Condominium Unit to which such Limited Common Elements are appurtenant. The costs of maintenance, repair and replacement of all other General and Limited Common Elements described above shall be borne by the Association except to the extent of repair and replacement due to the act or neglect of a Co-owner or his agent, invitee, family member or pet.

D. Condominium Units and the Common Elements appurtenant thereto shall be used only for single-family residence, and shall not be used in any manner inconsistent with the purposes of the Project or in any other way which will interfere with or impair the rights of any other Co-owner in the use and enjoyment of his Unit or the common elements appurtenant thereto.

ARTICLE V

DESCRIPTION AND PERCENTAGE OF VALUE

A. A complete description of each Condominium Unit in the Project, with elevations therein referenced to an official bench mark of the United States coast and geodetic survey sufficient to relocate accurately the space enclosed by the description without reference to the structure itself, is set forth in the Condominium Subdivision Plans, as surveyed by Exxel Engineering, Inc., consulting engineers and surveyors, and building elevations are shown in detail on 35 millimeter microfilm cards on file with the Michigan Department of Commerce. Each Unit shall include all that space contained within certain horizontal planes and vertical planes designated by a heavy outline on the interior finished surface of the walls, floors and ceilings as depicted in the Condominium Subdivision Plans and as delineated by detailed dimensional descriptions of the same contained by said outline, less any Common Elements contained therein. In determining dimensions, each Unit shall be measured by interior finished unpainted surfaces of the walls and ceilings and from the interior surfaces of the finished subfloor.

B. The total value of the Project is 100, and the percentage thereof assigned to each Condominium Unit

LIBER 1156 PAGE 799

shall be as set forth in Paragraph C of this Article. The percentage of value has been determined under a formula by which a weight of 80% is assigned to the size of the Unit based on square footage, 10% to the location of the Unit in the building, and 10% to the market value of the Unit. Such percentage of value shall not be changed except with the unanimous consent of all Co-owners expressed in an amendment to this Master Deed, duly approved and recorded.

C. The number of each Condominium Unit in the Project as it appears on the Condominium Subdivision Plans and the percentage of value assigned to each such Unit are as follows:

Unit No.	Percentage of Value Assigned	Unit No.	Percentage of Value Assigned	Unit No.	Percentage of Value Assigned
1	2.80	15	2.25	29	5.30
2	2.80	16	3.10	30	3.50
3	2.80	17	3.10	31	3.50
4	2.80	18	3.50	32	2.60
5	2.40	19	3.50	33	2.60
6	2.40	20	2.60	34	2.25
7	2.60	21	2.60	35	2.25
8	2.60	22	2.25	36	2.25
9	2.25	23	2.25	37	1.35
10	2.25	24	2.25	38	2.60
11	2.25	25	1.35	39	1.35
12	1.35	26	2.60	40	2.25
13	2.60	27	1.35		
14	1.35	28	2.25		

ARTICLE VI

EASEMENTS

Every portion of a Condominium Unit which contributes to the structural support of a building shall be burdened with an easement of structural support for the benefit of the Common Elements. In the event that any portion of a Unit or Common Element encroaches upon another Unit or Common Element due to the 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 the maintenance thereof after rebuilding in the event of destruction. There shall also be permanent easements for the maintenance and repair of Common Elements, which easements shall be administered by the Association of Co-owners, and there shall be easements to, through and over those portions of the land, structures, buildings, improvements and walls (including interior Unit walls) as may be reasonable for the installation, maintenance and repair of all utility services furnished to the Project. Public utilities shall have access to the Common Elements and to the Units at such times as may be reasonable for the installation, repair or maintenance of such services, and any costs incurred in opening and repairing any wall of the Project to install, repair or maintain such services shall be an expense of administration assessed against all Co-owners in accordance with the Condominium By-laws.

Until the initial sale of all Condominium Units in the Project have been completed, the Developer reserves for the benefit of itself, its successors and assigns, easements for the unrestricted use of all roads, driveways and walkways in the Condominium for the purpose of ingress and egress to and from all or any portion of land described in Article II.

So long as the Developer owns one or more of the Units in the Project, it shall be subject to the provisions of this Master Deed; provided, that the Developer shall be exempt from all requirements relating to the approval of the initial sale or lease of any Unit in the Condominium as set forth in the Condominium By-laws.

ARTICLE VII

AMENDMENT AND TERMINATION

A. If there is no Co-owner other than the Developer, the Developer may unilaterally amend the Condominium Documents or, with the consent of any interested mortgagee, unilaterally terminate the Project. Such amendment or termination shall be approved by the administrator, and a copy thereof recorded in the public records of Muskegon County, Michigan.

B. If there is a Co-owner other than the Developer, the Condominium Documents may be amended for a proper purpose only as follows:

(1) The amendment may be made without the consent of any Co-owner, mortgagee or other interested party as long as the administrator determines that the amendment does not materially alter or change the rights of the Co-owners, mortgagees or other interested parties.

(2) The amendment may be made, even if it will materially alter or change the rights of the Co-owners, mortgagees or other interested parties, upon approval of the administrator and the consent of two-thirds of the votes of the Co-owners; provided, that a Co-owner's Unit dimensions or Limited Common Elements may not be modified without his consent. Co-owners and mortgagees of record shall be notified of proposed amendments under this sub-section before filing with the administrator.

LIBER 1156 PAGE 801

(3) 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 the prescribed majority of Co-owners or based upon the Advisory Committee's decision, the costs of which are expenses of administration.

C. If there is a Co-owner other than the Developer, the Project shall be terminated only by agreement of the Developer and unaffiliated Co-owners to which 80% of the votes of the Association appertain, as follows:

(1) Agreement of the required majority of Co-owners to termination of the Project shall be evidenced by their execution of the termination agreement or of ratifications thereof, and the termination shall become effective only when the agreement is so evidenced of record.

(2) Upon recordation of an instrument terminating the Project, the property constituting the condominium shall be owned by the Co-owners as tenants in common in proportion to their respective undivided interests in the common elements immediately before recordation. As long as the tenancy in common lasts, each Co-owner or the heirs, successors, or assigns thereof shall have an exclusive right of occupancy of that portion of the property which formerly constituted the Condominium Unit.

(3) Upon recordation of an instrument terminating the Project, any rights the Co-owners may have to the assets of the Association shall be in proportion to their respective undivided interests in the common elements immediately before recordation, except that common profits shall be distributed in accordance with the Condominium Documents and the Act.

(4) Notification of termination by first class mail shall be made to all parties interested in the Project, including escrow agents, land contract vendors, creditors, lien holders, and prospective purchasers who deposited funds. Proof of dissolution must be submitted to the Department of Commerce.

IN WITNESS WHEREOF, the Developer has duly executed this Master Deed on the day and year first above written.

Witnesses:

Julie S. Miller

Julie S. Miller

Carolyn M. Kirchgessner

Carolyn M. Kirchgessner

LAKESHORE HOUSE, LTD.

By Robert A. Kirchgessner

Robert A. Kirchgessner
Its General Partner

LIBER 1156 PAGE 802

STATE OF MICHIGAN)
) ss.
COUNTY OF KENT)

On this 21st day of August, 1978, before me, a Notary Public in and for said County, appeared Robert A. Kirchgessner, to me personally known, who being by me duly sworn, did say that he is the general partner of Lakeshore House, Ltd., a Michigan limited partnership, and that said instrument was signed and sealed in behalf of said partnership; and the said Robert A. Kirchgessner acknowledged said instrument to be the free act and deed of aid partnership.

Julie S. Miller
Julie S. Miller
Notary Public, Kent County, Michigan
My commission expires: March 23, 1981

LIBER 1156 PAGE 803

EXHIBIT A

CONDOMINIUM BY-LAWS

THE LAKESHORE HOUSE

ARTICLE I

CONDOMINIUM PROJECT

Section 1. Organization. The Lakeshore House, a residential condominium project located in the City of Muskegon, Muskegon County, Michigan (the "Project") shall be administered by an Association of Co-owners which shall be a non-profit corporation (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 Project.

Section 2. Compliance. All present and future Co-Owners mortgagees, lessees or other persons who may use the facilities of the Condominium in any manner shall be subject to and comply with the provisions of Act No. 59, P.A. 1978, as amended (the "Act"), the Master Deed and Condominium By-Laws, and the Articles of Incorporation, Corporate By-Laws, and duly adopted Rules and Regulations of the Association which pertain to the use and operation of the Condominium property, current copies of which shall be kept by the Association and available for inspection by all Co-owners; provided, that in the event of a conflict between the provisions of the Act and any other Condominium Documents referred to herein, the provisions of the Act shall govern. The acceptance of a deed or conveyance, the entering into of a lease or the act of occupancy of a Condominium Unit in the Project shall constitute an acceptance of the provisions of these instruments and an agreement to comply therewith.

ARTICLE II

MEMBERSHIP AND VOTING

Section 1. Membership. Each Co-Owner of a Unit in the Project, present and future, shall be a member of the Association and no other person or entity shall be entitled to membership. The share of a member in the funds and assets of the Association may be assigned, pledged or transferred only as an appurtenance to his Condominium Unit.

Section 2. Voting Rights. Except as limited in the Master Deed and in these By-Laws, each Co-Owner shall be entitled to one vote for each Unit owned when voting by number and one vote, the value of which shall equal the total of the percentages assigned to the Unit or Units owned by him as set forth in the Master Deed, when voting by value. Voting shall be by value, except in those instances where voting is specifically required to be in both value and in number, and no cumulation of votes shall be permitted.

Section 3. Members Entitled to Vote. No Co-Owner, other than the Developer, shall be entitled to vote at any meeting of the Association until he has presented written evidence of ownership of a Condominium Unit in the Project, nor shall he be entitled to vote prior to the Initial Meeting of Members held in accordance with Section 1 of Article III hereof. The Developer shall be entitled to vote only those Units for which it has obtained a certificate of occupancy, and which it still owns at the date on which the vote is cast.

The person entitled to cast the vote for the Unit and to receive all notices and other communications from the Association may be designated by a certificate signed by all the record owners of the Unit and filed with the Secretary of the Association. Such certificate shall state the name and address of the individual representative designated, the number or numbers of the Unit or Units owned, and the name and address of the person or persons, firm, corporation, partnership, association, trust or other legal entity who is the Co-Owner thereof. All certificates shall be valid until revoked, until superseded by a subsequent certificate or until a change in the ownership of the Unit concerned.

Section 4. Proxies. Votes may be cast in person or by proxy. Proxies may be made by any person entitled to vote. They shall be valid only for the particular meeting designated and must be filed with the Association before the appointed time of the meeting.

Section 5. Majority. At any meeting of members at which a quorum is present, 51% of the Co-Owners entitled to vote and present in person or by proxy, in accordance with the percentages allocated to each Condominium Unit in the Master Deed for the Project, shall constitute a majority for the approval of the matters presented to the meeting, except as otherwise required herein, by the Master Deed or by law.

ARTICLE III

MEETINGS AND QUORUM

Section 1. Initial Meeting of Members. The initial meeting of the members of the Association shall be convened within twelve (12) months after the date on which a Master Deed for the Project has first been recorded, at which

LIBER 1156 PAGE 805

meeting the eligible Co-Owners may vote for the election of directors of the Association. The Developer may call meetings of members of the Association for information or other appropriate purposes prior to the initial meeting of members, but no such meeting shall be construed as the initial meeting of members.

Section 2. Annual Meeting of Members. Thereafter, an annual meeting of the members shall be held in each year at the time and place specified in the Association By-Laws. At least 10 days prior to the date of an annual meeting, written notice of the time, place and purpose of such meeting shall be mailed to each member entitled to vote at the meeting.

Section 3. Advisory Committee. If the initial meeting of members has not occurred within one year after recording of the Master Deed, the Developer shall call a special meeting of members for the purpose of electing three persons from among the non-developer Co-Owners to serve on an Advisory Committee to the Board of Directors. The purpose of the Advisory Committee shall be to facilitate communication between the Board of Directors and the non-developer Co-Owners until the initial meeting of members has been held in accordance with the provisions hereof. The members of the Advisory Committee shall serve for one year, or until their successors are elected. The Advisory Committee shall cease to exist automatically upon the election of directors at the initial meeting of members. The Board of Directors and the Advisory Committee shall meet with each other at such times as may be requested by the Advisory Committee; provided, however, that there shall be no more than three such meetings every year unless both parties agree.

Section 4. Quorum of Members. The presence in person or by proxy of twenty (20%) percent in number and value of the Co-Owners entitled to vote shall constitute a quorum of members. 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.

ARTICLE IV

ADMINISTRATION

Section 1. Board of Directors. The business, property and affairs of the Association shall be managed and administered by a Board of Directors to be elected in the manner set forth in the Association By-Laws; provided, that the directors designated in the Articles of Incorporation shall serve until such time as their successors have been duly elected

LIBER 1156 PAGE 806

and qualified at a meeting of members called and held for such purpose. All actions of the first Board of Directors of the Association named in its Articles of Incorporation or any successors thereto elected by the Developer before the initial meeting of members shall be binding upon the Association in the same manner as though such actions had been authorized by a Board of Directors duly elected by the members of the Association at the initial meeting or at any subsequent annual meeting, so long as such actions are within the scope of the powers and duties which may be exercised by a Board of Directors as provided in the Condominium Documents.

Section 2. Powers and Duties. The Board shall have all powers and duties necessary for the administration of the affairs of the Association. The powers and duties to be exercised by the Board shall include, but shall not be limited to, the following:

(a) Care, upkeep and maintenance of the common elements;

(b) Determination, assessment and collection of amounts required for the operation and other affairs of the Condominium;

(c) Employment and dismissal of personnel as necessary for the efficient operation of the Condominium;

(d) Adoption and amendment of rules and regulations covering the details of the use of Condominium property;

(e) Opening of bank accounts on behalf of the Condominium and designating signatories required therefor;

(f) Obtaining insurance for Condominium property, the premiums of which shall be an expense of administration;

(g) Leasing or purchasing premises suitable for use by a managing agent and/or custodial personnel, upon such terms as the Board may approve;

(h) Leasing, or granting concessions and licenses for the use of portions of the common elements for purposes not inconsistent with the provisions of the Act or of the Condominium Documents;

(i) Making repairs, additions and improvements to, or alterations of, the Condominium property, and repairs to and restoration of the property in accordance

LIBER 1156 PAGE 807

with the other provisions of these By-Laws after damage or destruction by fire or other casualty, or as a result of condemnation or eminent domain proceedings;

(j) Asserting, defending or settling claims on behalf of all Co-Owners in connection with the common elements of the Project and, upon written notice to all Co-Owners, instituting actions on behalf of and against the Co-Owners in the name of the Association; and

(k) Such further duties as may be imposed by resolution of the members of the Association or which may be set forth in the Condominium Documents.

Section 3. Books of Account. The Association shall keep books and records containing a detailed account of the expenditures and receipts affecting the administration of the Condominium, 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 its Co-Owners. Such accounts shall be open for inspection by the Co-Owners during reasonable working hours at a place to be designated by the Association, and the Association shall prepare therefrom, and distribute to all Co-Owners at least 2 times per year, a financial statement, the contents of which shall be defined by the Association. The books and records shall be audited annually by qualified independent auditors (who need not be certified public accountants), and the cost of such audit shall be an expense of administration.

Section 4. Maintenance and Repair. All maintenance of and repair to a Condomimium Unit, other than maintenance of and repair to any general common element contained therein, shall be made by the Co-Owner of such Unit. Any Co-Owner who desires to make repairs or structural modifications to his Unit must first obtain the written consent of the Association, and shall be responsible for all damages to any other Units or to the common elements resulting from such repairs or from his failure to effect such maintenance and repairs.

All maintenance of and repair to the general common elements, whether located inside or outside the Units, and to limited common elements to the extent set forth in the Master Deed, shall be made by the Association and be charged to all the Co-Owners as a common expense unless necessitated by the negligence, misuse or neglect of a Co-Owner, in which case such expense shall be charged to such Co-Owner. The Association or its agent shall have access to each Unit from time to time during reasonable working hours, upon notice to the occupant thereof, for the purpose of maintenance, repair or replacement of any of the common elements located therein or accessible therefrom. The

LIBER 1156 PAGE 808

Association or its agents shall also have access to each Unit at all times without notice for making emergency repairs necessary to prevent damage to other Units, the common elements or both.

Section 5. Reserve Fund. The Association shall maintain a reserve fund, to be used only for major repairs and replacement of the common elements, as required by Section 105 of the Act. Such fund shall be established in the minimum amount hereinafter set forth on or before the Transitional Control Date, and shall, to the extent possible, be maintained at a level which is equal to or greater than 10% of the current annual budget of the Association on a noncumulative basis. The minimum reserve standard required by this Section may prove to be inadequate, and the Board shall carefully analyze the Project from time to time in order to determine if a greater amount should be set aside or if additional reserve funds shall be established for other purposes.

Section 6. Mechanics Liens. A mechanics lien arising as a result of work performed upon a Condominium Unit or limited common element shall attach only to the Unit upon which the work was performed, and a lien for work authorized by the Developer or principal contractor shall attach only to Condominium Units owned by the Developer at the time of recording the statement of account and lien. A mechanics lien for work authorized by the Association shall attach to each Unit only to the proportionate extent that the Co-Owner of such Unit is required to contribute to the expenses of administration. No mechanics lien shall arise or attach to a Condominium Unit for work performed on the common elements not contracted by the Association or the Developer.

Section 7. Managing Agent. The Board may employ for the Association a Managing Agent at a compensation established by the Board to perform such duties and services as the Board shall authorize, including, but not limited to, the powers and duties listed in Section 2 of this Article. The Developer or any person or entity related thereto may serve as Managing Agent if so appointed.

Section 8. Officers. The Corporate By-Laws of the Association shall provide the designation, number, terms of office, qualifications, manner of election, duties, removal and replacement of officers of the Association and may contain any other provisions pertinent to officers of the Association not inconsistent herewith. Officers may be compensated, but only upon the affirmative vote of more than sixty (60%) per cent of all Co-Owners in number and in value.

Section 9. Indemnification. All directors and officers of the Association shall be entitled to indemnification against costs and expenses incurred as a result of actions (other than wilful or wanton misconduct or gross negligence) taken or failed to be taken on behalf of the Association in such capacity, in the manner and to the extent provided by

LIBER 1156 PAGE 809

Article V of the Corporate By-Laws. In the event that no judicial determination as to indemnification has been made, an opinion of independent counsel as to the propriety of indemnification shall be obtained if a majority of Co-Owners vote to procure such an opinion.

ARTICLE V

ASSESSMENTS

Section 1. Administrative Expenses. The Association shall be assessed as the 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. All costs incurred by the Association in satisfaction of any liability arising within, caused by or connected with the common elements or the administration of the Project shall be expenses of administration, and all sums received as proceeds of, or pursuant to any policy of insurance securing the interests of the Co-Owners against liabilities or losses arising within, caused by or connected with the common elements or the administration thereof shall be receipts of administration.

Section 2. Determination of Assessments. The Board shall from time to time, and at least annually, adopt a budget for the Condominium which shall include the estimated funds required to defray common expenses, and shall allocate and assess such common charges against all Co-Owners according to their respective common interests on a monthly basis. Absent Co-Owner approval as herein provided, such assessment shall be increased only in accordance with the following:

(a) If the Board shall find the budget as originally adopted is insufficient to pay the costs of operation and maintenance of the common elements;

(b) To provide for the replacement of existing common elements;

(c) To provide for the purchase of additions to the common elements in an amount not exceeding $2,000 or $50 per unit annually; or

(d) In the event of emergency or unforeseen development.

Any increase in assessments other than or in addition to the foregoing, including assessments for the purchase or lease of a Unit pursuant to Article IX or the acquisition of a Unit for use of a resident manager shall be considered as a special assessment requiring approval by a vote of 60% or

LIBER 1156 PAGE 810

more of the Co-Owners in number and in value.

Section 3. Levy of Assessments. All assessments levied against the Co-Owners to cover expenses of administration shall be apportioned among and paid by the Co-Owners in accordance with the percentage of value allocated to each Unit by the Master Deed without increase or decrease for the existence of any rights to the use of limited common elements appurtenant thereto. The common expenses shall consist, among other things, of such amounts as the Board may deem proper for the operation and maintenance of the Condominium property under the powers and duties delegated to it hereunder, and may include, without limitation, amounts to be set aside for working capital of the Condominium, for a general operating reserve, for a reserve for replacement and for meeting any deficit in the common expense for any prior year; provided, that any reserves established by the Board prior to the initial meeting of members shall be subject to approval by such members at the initial meeting thereof. The Board shall advise each Co-Owner in writing of the amount of common charges payable by him and shall furnish copies of each budget on which such common charges are based to all Co-Owners and mortgagees.

Section 4. Collection of Assessments. Each Co-Owner shall be obligated for the payment of all assessments levied with regard to his Unit during the time that he is the Owner thereof, and no Co-Owner may exempt himself from liability for his contribution toward the expenses of administration by waiver of the use or enjoyment of any of the common elements, or by the abandonment of his Unit. In the event of default by any Co-Owner in paying the assessed common charges, the Board may impose reasonable fines or charge interest at the legal rate on such assessment from the due date thereof. Unpaid assessments shall constitute a lien on the Unit prior to all other liens except tax liens in favor of any state or federal taxing authority and sums unpaid upon a first mortgage of record recorded prior to the recording of any notice of lien by the Association, and the Association may enforce the collection thereof by suit at law for a money judgment or by foreclosure of the liens securing payment in the same manner that real estate mortgages may be foreclosed by action under Michigan law. In an action for foreclosure, a receiver may be appointed and reasonable rental for the Unit may be collected from the Co-Owner thereof or anyone claiming under him, and all expenses incurred in collection, including interest, costs and actual attorney's fees, and any advances for taxes or other liens paid by the Association to protect its lien, shall be chargeable to the Co-Owner in default.

Upon the sale or conveyance of a Condominium Unit, all unpaid assessments against the Unit shall be paid out of the sale price by

LIBER 1156 PAGE 811

the purchaser in preference over any other assessment or charge except as otherwise provided by the Condominium Documents or by the Act. A purchaser or grantee shall be entitled to a written statement from the Association setting forth the amount of unpaid assessments against the Seller or Grantor and such purchaser or grantee shall not be liable for, nor shall the Unit conveyed or granted be subject to a lien for any unpaid assessments against the seller or grantor in excess of the amount set forth in such written statement. Unless the purchaser or grantee requests a written statement from the Association at least 5 days before sale as provided in the Act, the purchaser or grantee shall be liable for any unpaid assessments against the Unit together with interest, costs, and attorneys fees incurred in the collection thereof.

The Association may also enter upon the common elements, limited or general, to remove and abate any condition, or may discontinue the furnishing of any services to a Co-Owner in default upon 7 days written notice to such Co-Owner of its intent to do so. A Co-Owner in default shall not be entitled to vote at any meeting of the Association so long as such default continues.

Section 5. Obligations of the Developer. During the period of development and sale, which shall be defined as a ten (10) day period following the issuance of a Permit to Sell, the Developer, even though a member of the Association, shall not be responsible for the payment of regular monthly assessments. In the event that a Unit has not been sold within ten (10) days after issuance of the Permit to Sell, the Developer shall pay the regular monthly assessment attributable to such Unit as the Co-Owner thereof.

Provided, that if such Unit is leased or otherwise occupied during the period of development and sale by a person holding under or through the Developer, and the Developer shall pay all regular monthly assessments with respect to such Apartment forthwith.

ARTICLE VI

TAXES, INSURANCE AND REPAIR

Section 1. Taxes. All special assessments and property taxes shall be assessed against the individual Units and not against the total property of the Project or any part thereof, except for the year in which the Project was established subsequent to the tax day. Taxes and special assessments which become a lien against the property in that year subsequent to the establishment of the Project shall be expenses of administration and shall be assessed against the Units in proportion to the number of votes in the Association appertaining to each Unit. Special assessments and property taxes in any year in which the property existed as an established Project on the tax day shall be assessed against the individual Unit

LIBER 1156 PAGE 812

notwithstanding any subsequent vacation of the Project.

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

Section 2. Insurance. The Association shall be appointed as Attorney-in-Fact for each Co-Owner to act in connection with insurance matters and shall be required to obtain and maintain, to the extent available and/or applicable, fire and extended coverage, vandalism and malicious mischief and liability insurance, and workmen's compensation insurance pertinent to the ownership, use and maintenance of the common elements of the Project. Such insurance, other than title insurance, shall be carried and administered in accordance with the following provisions:

(a) All such insurance shall be purchased by the Association for the benefit of the Association, 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 all mortgagees. Each Co-Owner may obtain insurance coverage at his own expense upon his Unit, and it shall be each Co-Owner's responsibility to obtain insurance coverage for the personal property located within his Unit or elsewhere in the Project and for personal liability for occurrences within his Unit or upon limited common elements appurtenant to his Unit, and the Association shall have no responsibility for obtaining such coverages. The Association and all Co-Owners shall use their best efforts to see that all property and liability insurance carried by the Association or any Co-Owner shall contain appropriate provisions whereby the insurer waives its right of subrogation as to any claims against any Co-Owner or the Association.

(b) All common elements of the Project shall be insured against fire and other perils covered by a standard extended coverage endorsement, in an amount equal to the maximum insurable replacement value, excluding land, foundation and excavation costs, as determined annually by the Board of Directors of the Association. Such coverage shall also include interior walls within any Unit and the pipes, wires, conduits and ducts contained therein and shall further include all fixtures, equipment and trim within a Unit which were furnished with the unit as standard items in accordance

LIBER 1156 PAGE 813

with plans and specifications thereof on file with the Association (or such replacements thereof as do not exceed the costs of such standard items). Any improvements made by a Co-Owner within his Unit shall be covered by insurance obtained by and at the expense of said Co-Owner; provided that, if the Association elects to include such improvements under its insurance coverage, any additional premium cost to the Association attributable thereto shall be assessed to and borne solely by said Co-Owner and collected as a part of the assessments against said Co-Owner as provided herein.

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

Section 3. Reconstruction and Repair. If the Condominium Project or any of its general common elements are destroyed or damaged, in whole or in part, a decision to reconstruct, rebuild or repair the property shall be made in the following manner:

(a) If the common elements destroyed or damaged render 50% or more of the Units in the Project untenantable, said property will not be reconstructed or repaired unless within 60 days thereafter the Co-Owners of at least 75% of the common elements in number and in value agree in writing to such reconstruction or repair.

(b) If the common elements destroyed or damaged do not render 50% or more of the Units in the Project untenantable, said property shall be reconstructed or repaired unless within 60 days thereafter the Co-Owners of at least 75% of the common elements in number and in value agree in writing that such construction or repair shall not be made.

(c) Any such reconstruction or repair shall be substantially in accordance with the plans and specifications for the original buildings forming a part of the Project, or if not, then in accordance with the plans and specifications approved by the Co-Owners of damaged Units, which approval shall not be unreasonably withheld. Upon completion of any such reconstruction or repair, the percentages of value assigned to each Unit may be adjusted as necessary to reflect the changes occasioned thereby.

The portion of insurance proceeds representing damage for which the responsibility of reconstruction or repair lies with an individual Co-Owner shall be paid to that Co-Owner unless there is a mortgage endorsement, in which event the payment shall be made to the Co-Owner and the mortgagee jointly, and such proceeds shall be used for reconstruction or repair when required by these By-Laws. If the proceeds of any insurance or award received by the Association in connection with such destruction are not sufficient to defray the estimated costs of reconstruction or repair by the Association, or if at any time during reconstruction or repair or upon completion of such reconstruction or repair the funds for payment of the cost thereof are insufficient, assessment shall be made against all Co-Owners in sufficient amount to provide funds to pay the estimated costs thereof.

Section 4. Eminent Domain. The following provisions shall control upon any taking by eminent domain:

(a) If any portion of the common elements is taken by eminent domain, the award therefore shall be allocated to the Co-Owners in proportion to their respective undivided interests in the common elements. The Association, acting through its Board of Directors, may negotiate on behalf of all Co-Owners for any taking of common elements and any negotiated settlement approved by more than two-thirds of Co-Owners based upon assigned voting rights shall be binding on all Co-Owners.

(b) If a Unit is taken by eminent domain, the undivided interest in the common elements appertaining to that Unit shall thenceforth appertain to the remaining Units, being allocated to them in proportion to their respective undivided interests in the common elements. The court shall enter a decree reflecting the re-allocation of undivided interests produced thereby, and the award shall include, without limitation, just compensation to the Co-Owner of the Unit taken for his undivided interest in the common elements as well as for the Units.

(c) If portions of a Unit are taken by eminent domain, the court shall determine the fair market value of the portions of the Unit not taken. The undivided interest for each Unit in the common elements appertaining to the condominium units shall be reduced in proportion to the diminution in the fair market value of the Unit resulting from the taking. The portions of undivided interest in the common elements thereby divested from the Co-Owners of a Unit shall be re-allocated among the other Units in the Project in proportion to their respective undivided interests in the common elements. A Unit partially taken shall receive the re-allocation in proportion to its undivided interest as reduced by court order under this subsection. The court shall enter a decree reflecting the re-allocation of undivided interest produced thereby, and the award shall include just compensation to the Co-Owner of the Unit partially taken for that portion of the undivided interest in the common elements divested from the Co-Owner and not revested in the Co-Owner pursuant to subsection (d), as well as for that portion of the Unit taken by eminent domain.

(d) If the taking of the portion of a Unit makes it impractical to use the remaining portion of that Unit for a lawful purpose permitted by the Condominium Documents, then the entire undivided interest in the common elements appertaining to that Unit shall thenceforth appertain to the remaining Units in the Project, being allocated to them in proportion to their respected undivided interest in the common elements. The remaining portion shall thenceforth be a common element. The court shall enter an order reflecting re-allocation of undivided interests produced thereby, and the award shall include just compensation to the Co-Owner of the Unit for the Co-Owners entire undivided interest in the common elements and for the entire condominium unit.

(e) Votes in the Association and liability for future expenses of administration appertaining to a Unit taken or partially taken by eminent domain shall thenceforth appertain to the remaining Units, being allocated to them in proportion to the relative voting strength in the Association. A Unit partially taken shall receive a re-allocation as though the voting strength in the Association was reduced in proportion to the deduction in the undivided interests in the common elements.

ARTICLE VII

USE AND OCCUPANCY RESTRICTIONS

Section 1. Residential Use. Condominium Units shall be used exclusively for residential occupancy, and no Unit or any common element appurtenant thereto shall be used for any purpose other than that of a single family residence or other purposes customarily incidental thereto, except that professional and quasi-professional Co-Owners may use their residence as an ancillary or secondary facility to an office established elsewhere. The foregoing restrictions as to use shall not, however, be construed in such manner as to prohibit a Co-Owner from: (a) maintaining his personal professional library; (b) keeping his personal business or professional records or accounts; or (c) handling his personal business or professional telephone calls or correspondence. Such uses are expressly declared customarily incidental to principal residential use and not in violation of said restrictions.

Section 2. Common Areas. The common areas shall be used only for the Co-Owners of Units in the condominium and by their agents, tenants, family members, invitees and licensees for access, ingress to and egress from the respective Units and for other purposes incidental to use of the Units;

LIBER 1156 PAGE 816

provided, however, that any recreational facilities, storage areas or other common areas designed for a specific use shall be used only for the purposes approved by the Board. The use, maintenance and operation of the common elements shall not be obstructed, damaged or unreasonably interferred with by any Co-Owner, and shall be subject to any lease, concession or easement, presently in existence or entered into by the Board at some future time, affecting any part of all of said common elements.

Section 3. Specific Prohibitions. Without limiting the generality of the foregoing provisions, use of the Project and all common elements by any Co-Owner shall be subject to the following restrictions:

(a) Units shall be used exclusively for the residence of adult single persons and married couples without children below the age of eighteen (18) years. In the event that a violation of this restriction by a family in occupancy of a Unit results from the birth or adoption of a child, this restriction shall be suspended as to such family for a period of one year to enable the family a reasonable time with which to vacate such Unit. No basement area shall be used as a place of habitation at any time.

(b) No portion of a Unit may be rented and no transient tenants may be accomodated therein; provided, that nothing herein shall prevent the rental or sublease of an entire Unit for residential purposes or of a limited common element appurtenant to such Unit.

(c) No Co-Owner shall make alterations in exterior appearance or structural modifications to his Unit without the written approval of the Association. The Association shall not approve any alterations or structural modifications which would jeopardize or impair the soundness, safety or appearance of the Project.

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

(e) No immoral, improper, offensive or unlawful use shall be made of the Condominium property or any part thereof, and nothing shall be done or kept in any Unit or on the Common Elements which will increase the rate of insurance for the Project without the prior written consent of the Board. No Co-Owner shall permit anything to be done or kept in his Unit or on the Common Elements which will result in the cancellation of insurance on any Unit, or any part of the common elements, or which would be in violation of any law.

(f) No signs or other advertising devices shall

LIBER 1156 PAGE 817

be displayed which are visible from the exterior of any Unit or upon the common elements, including "for sale" signs, without written permission from the Association or Managing Agent; provided, however, that such restriction shall not apply to the Developer in the initial sale of any Unit.

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

(h) No animal, including household pets, shall be kept without the prior written consent of the Association which consent, if given, shall be revocable at any time by the Board of Directors thereof. Pets permitted by the Association shall be kept under such care and restraint as not to be obnoxious on account of noise, odor or unsanitary conditions, and no savage or dangerous animals shall be kept. No animal shall be permitted to run loose upon the common elements, limited or general, and any person who causes or permits any animal to be brought or kept on the Condominium property shall idemnify and hold harmless the Association for any loss, damage or liability which the Association may sustain as a result or the presence of such animal on the Condominium property.

(i) No structure of a temporary character, trailer, tent, shack, garage, accessory building or outbuilding shall be used at any time as a residence, either temporary or permanent. No recreational vehicles, boats or trailers shall be parked or stored on the common drives or parking lots of the Condominium without the written approval of the Association. No commercial vehicles or trucks shall be parked in or about the Condominium except for the making of deliveries or pick-ups in the normal course of business.

(j) The common elements shall not be used for the storage of supplies, personal property, trash or refuse of any kind except for common trash receptables placed at the discretion of the Board of Directors. In general, no activity shall be carried on nor condition maintained

LIBER 1156 PAGE 818

by any Co-Owner either in his Unit or upon the Common Elements which despoil the appearance of the Condominium.

Section 4. Rules of Conduct. Rules and regulations concerning the use of Condominium Units and Common Elements, limited and general, may be promulgated and amended by the Board upon approval of a majority of the Co-Owners. Copies of such rules and regulations shall be furnished by the Board to each Co-Owner prior to their effective date.

Section 5. Remedies on Breach. A default by a Co-Owner shall entitle the Association to the following relief:

(a) Failure to comply with any of the terms or provisions of the Condominium Documents shall be grounds for relief, which may include without limitation, an action to recover sums due for damages, injunctive relief, foreclosure of lien if default in payment of assessment, or any other remedy as appropriate to the nature of the breach as set forth in condominium documents including, without limitation, the levying of fines against Co-Owners after notice and hearing thereon and the imposition of late charges for non-payment of assessments.

(b) In a proceeding arising because of an alleged default by a Co-Owner, the Association, if successful, may recover the cost of the proceeding and such reasonable attorneys fees as may be determined by the court.

(c) The failure of the Association to enforce any right, provision, covenant or condition which is granted by the Condominium Documents shall not constitute a waiver of the right of the Association to enforce such right, provision, covenant or condition in the future.

ARTICLE VIII

MORTGAGES

Section 1. Mortgage of Apartments. Any Co-Owner other than the Developer who mortgages a Condominium Unit shall notify the Association of the name and address of the mortgagee, and the Association shall maintain such information in a book entitled "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 thirty (30) days.

LIBER 1156 PAGE 819

Section 2. Notice of 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. Rights of Mortgagee. Notwithstanding any other provision of the Condominium Documents, except as otherwise required by mandatory law or regulation, with respect to any first mortgage of record of a Condominium Unit, unless the holder of such mortgage shall otherwise consent in writing:

(a) The holder of the mortgage is entitled to written notification from the Association at least thirty days prior to the effective date of: (i) any change in the Condominium Documents; and (ii) any change of manager (not including change in employees of corporate manager) of the condominium Project.

(b) The holder of the mortgage is entitled to written notification from the Association of any default by the mortgagor of such Condominium Unit in the performance of such mortgagor's obligations under the Condominium Documents which is not cured within thirty days.

(c) The holder of any first mortgage which comes into possession of a Condominium Unit pursuant to the remedies provided in the mortgage or deed (or assignment) in lieu of foreclosure, shall be exempt from any "right of first option" or other restriction on the sale or rental of the mortgaged Unit, including but not limited to, restrictions on the posting of signs pertaining to the sale or rental of the Unit.

(d) The holder of any first mortgage which comes into possession of a Condominium Unit pursuant to the remedies provided in the mortgage, or by deed (or assignment) in lieu of foreclosure, shall take the property free of any claims for unpaid assessments or charges against the mortgaged Unit which accrue prior to the time such holder comes into possession thereof (except for claims for a pro rata share of such assessments or charges resulting from a pro rata re-allocation of such assessments charged to all Units including the mortgaged unit).

(e) Unless all holders of first mortgage liens on individual Condominium Units have given their prior written approval, the Association shall not:

(i) fail to employ a competent manager for the condominium;

LIBER 1156 PAGE 820

(ii) change the pro rata interest or obligations of any Unit for purposes of levying assessments and charges and determining shares of the common elements and proceeds of the property;

(iii) partition or subdivide any Unit or the common elements of the Project; nor

(iv) by act or omission seek to abandon the condominium status of the Project except as provided by statute in case of substantial loss to the Units and common elements of the condominium Project.

ARTICLE IX

LEASES

Section 1. Notice of Lease. A Co-Owner, including the Developer, desiring to rent or lease a condominium Unit, shall disclose that fact in writing to the Association at least 21 days before leasing the Unit, and shall supply the Association with a copy of the exact lease form for its review for compliance with the Condominium Documents. A Developer proposing to rent condominium Units before the Transitional Control Date, shall notify either the advisory committee or each Co-Owner in writing.

Section 2. Terms of Lease. Tenants or non Co-Owner occupants shall comply with all the conditions of the Condominium Documents of the Project, and all lease and rental agreements shall so state.

Section 3. Remedies. If the Association determines that any tenant or non Co-Owner occupant has failed to comply with the conditions of the Condominium Documents, the Association may take the following action:

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

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

(c) If, after 15 days the Association believes that the alleged breach has not been cured or may be repeated, it may institute on its behalf or derivatively by the Co-Owners on behalf of the Association, if it is under the control of the Developer, an action for eviction against the tenant or non Co-Owner occupant and simultaneously for money damages in the same action

LIBER 1156 PAGE 821

against the Co-Owner and tenant or non Co-Owner occupant for breach of the conditions of the Condominium Documents. The relief set forth in this Section may be by summary proceeding. The Association may hold both the tenant and the Co-Owner liable for any damages caused by the Co-Owner or tenant in connection with the Condominium Unit.

Section 4. Assessments. When a Co-Owner is in arrearage to the Association for assessments, the Association may give written notice of the arrearage to a tenant occupying a Co-Owner's Unit under a lease or rental agreement and the tenant, after receiving such notice, shall deduct from rental payments due the Co-Owner the full arrearage and future assessments as they fall due and shall pay them to the Association. Such deductions shall not be a breach of the rental agreement or lease by the tenant.

ARTICLE X.

TRANSFER OF UNITS

Section 1. Unrestricted Transfers. A Co-Owner may, without restriction hereunder, sell, give, devise or otherwise transfer his Unit, or any interest therein, to his spouse or to his child, parent, brother, sister, grandchild or descendant, or to any one or more of them, or to any trustee of a trust, the sole beneficiary of which is the Co-Owner or his spouse, child, parent, brother, sister, grandchild or descendant or any one or more of them. Notice of any such unrestricted transfer shall be given to the Board within five (5) days following consummation of such transfer.

Section 2. Notice to Association. Whenever a Co-Owner shall propose to sell, give, devise or otherwise transfer his Unit, or any interest therein, to any person or entity other than a person or entity described in Section 1 above, said Co-Owner shall give the Association not less than thirty (30) days prior written notice of the proposed transfer, which notice shall briefly describe the type of transfer proposed by the Co-Owner and shall state the name, address and financial and character references of the proposed transferee. The notice shall also include a copy of the proposed contract for sale or other documents, if any, effecting said transfer.

Section 3. First Option of Association.

(a) If a Co-Owner proposes to sell his Unit or any interest therein to a person or entity other than a person or entity described in Section 1 above, for a period of thirty (30) days following the date notice of said proposed transfer is given to the Association, the Association shall have the right, at its option, to purchase such Unit or interest therein from said Co-Owner (the "transferring party") upon the terms described in said notice.

LIBER 1156 PAGE 822

(b) If a Co-Owner proposes to make a gift of his Unit or any interest therein to any person or entity other than a person or entity described in Section 1 above, for a period of thirty (30) days following the date notice of said proposed transfer is given to the Association, the Association shall have the first right, at its option, to purchase such Unit or interest therein. The price to be paid by the Association for said Apartment shall be agreed upon by the Co-Owner (the "transfering party") and the Association, or, if not promptly agreed upon, shall be determined in accordance with the procedure set forth in Section 4.

(c) If a Co-Owner dies and under applicable law his Unit or any interest therein is subject to a probate proceeding, then during a period of three (3) months after appointment of a personal representative of said deceased Co-Owner, the Association shall have the first right, at its option, to purchase said Unit or interest therein either from the devisee thereof named in the deceased Co-Owner's will, if any, or from the appointed personal representative of such deceased Co-Owner who is empowered or authorized to sell the Unit or interest therein (the "transferring party"). Provided, however, the foregoing option shall not apply to any transfer upon the death of a Co-Owner to a person or entity described in Section 1 above. The price to be paid by the Association for said Unit or interest therein shall be agreed upon by the Association and the transferring party, or, if not promptly agreed upon shall be determined in accordance with the procedure set forth in Section 4.

<u>Section 4</u>. <u>Determination of Purchase Price</u>. If the price to be paid by the Association for a Condominium Unit or interest therein pursuant to subparagraphs (b) or (c) above is not promptly agreed upon, said price shall be equal to the fair market value of the Unit or interest therein as determined by an MAI appraiser mutually agreed upon by the transferring party and the Association, and, in the event of no prompt agreement on said appraiser, by a majority decision of three (3) MAI appraisers, one chosen by the transferring party, one chosen by the Association and the third chosen by the other two appraisers. The cost of said appraiser or appraisers shall be paid one-half by the transferring party and one-half by the Association as a common expense.

<u>Section 5</u>. <u>Election Not to Exercise</u>. The Board shall have authority, on behalf of and in the name of the Association, to elect not to exercise the Association's first option hereunder, and shall promptly give written notice of said election to the transferring party. The Association shall be deemed to have elected not to exercise its first option if either (i) the Association notifies the transferring party that it has elected not to exercise its option, or (ii) the Association

fails to notify the tranferring party before the expiration of the applicable option period provided herein, that the Association elects to exercise its option.

(a) If the Association elects not be exercise its first option, in the case of a proposed sale or gift of a Unit or interest therein, the transferring party may proceed to close said proposed transfer any time within forty-five (45) days after said election. Thereafter, said transfer of the Unit, or any interest therein, shall again become subject to the Association's right of first option, as provided herein.

(b) A certificate executed by the President, Vice-President, Secretary or other duly authorized officer of the Association, certifying that the Association, by its Board, has elected not to exercise its first option, shall be conclusive evidence of such election. Such a certificate shall be furnished to a Co-Owner upon his complaince with the provisions hereof, provided the Co-Owner requests such certificate from the Association in writing and pays the Association a reasonable fee for said certificate.

<u>Section 6</u>. <u>Election to Exercise</u>. The Board shall have the authority to recommend to the Co-Owners that the Association elect to exercise its first option hereunder.

(a) In the event the Board shall decide to recommend to the Co-Owners that the Association elect to exercise its option, the Board shall call and hold a meeting of all the Co-Owners, within twenty (20) days following its determination to recommend such election, for the purpose of voting upon whether the Association will elect to exercise its option. If Co-Owners owning not less than sixty (60%) percent in number and in value, by affirmative vote at such meeting or by written proxy or consent, elect to exercise the Association's option, then the Board shall promptly give written notice of said election to the transferring party.

(b) The Association shall be deemed to have exercised its option hereunder if it tenders the required sum of money to the transferring party within the applicable option period provided herein.

<u>Section 7</u>. <u>Purchase at Judicial Sale</u>. The Board shall have the power and authority to bid and purchase, for and on behalf of the Association, any Condominium Unit or interest therein at a sale pursuant to a mortgage foreclosure, a foreclosure of the lien for common expenses under the Act, an order or direction of a court, or at any other involuntary sale, upon the consent or approval of the Co-Owners owning not less than sixty (60%) percent in number and in value. Such consent shall set forth a maximum price which the Board

or its duly authorized agent may bid and pay for said Unit or interest therein.

Section 8. Financing of Purchase. The Board shall have authority to make such mortgage arrangements and special assessments proportionately among the respective Co-Owners, and other such financing arrangements as the Board may deem desirable, in order to close and consummate the purchase of a Condominium Unit or interest therein by the Association. However, no such financing arrangement may be secured by an encumbrance on any interest in the Project other than the Unit or interest therein to be purchased and the limited common elements appurtenant thereto.

Section 9. Miscellaneous.

(a) A transfer of a Condominium Unit or interest therein by or to the Board, the Developer or the holder of any first mortgage on a Unit which comes into possession of the mortgaged Unit in the manner provided by Article VIII shall not be subject to the provisions of this Article X.

(b) The Association shall hold title to any Condominium Unit or interest therein acquired, pursuant to this Article in the name of the Association or a nominee thereof delegated by the Board, for the sole benefit of all Co-Owners. The Board shall have the authority at any time to sell, lease or sublease said Unit or any interest therein on behalf of the Association upon such terms as the Board shall deem desirable, but in no event shall a Unit or interest therein be sold for less than the amount paid by the Association to purchase said Unit unless Co-Owners owning not less than sixty (60%) percent in number and in value first authorize the sale for such lesser amount.

(c) The provisions of this Article X with respect to the Association's right of first option shall be and remain in full force and effect until the Project as a whole shall be sold or removed from the provisions of the Act, as provided therein, unless the provisions of this Article are sooner rescinded or amended by the Co-Owners.

(d) If any transfer of a Condominium Unit is made or attempted without complying with the provisions of this Article, such transfer shall be subject to each and all of the rights and options of and remedies and actions available to the Association hereunder and otherwise.

(e) Except otherwise provided in the Master Deed or in these By-Laws, in the event of any transfer of a Condominium Unit or any interest therein, the transferee

LIBER 1156 PAGE 825

shall be jointly and severally liable with the transferor for all unpaid assessments of the transferor accrued and payable prior to the date of transfer.

ARTICLE XI

ARBITRATION

Section 1. Submission to Arbitration. Any dispute, claim or grievance arising out of or relating to the interpretation or application of the Master Deed, By-Laws or Management Agreement, if any, or to any disputes, claims or grievances arising among or between the Co-Owners or between such owners and the Association may, upon the election and written consent of the parties to any such dispute, claim or grievance, and written notice to the Association, be submitted to arbitration and the parties thereto shall accept the Arbitrator's decision as final and binding. The Commercial Arbitration Rules of the American Arbitration Association as amended and in effect from time to time hereafter shall be applicable to such arbitration.

Section 2. Preservation of Rights. Election by any Co-Owner or by the Association to submit any such dispute, claim or grievance to arbitration shall preclude such party from litigating such dispute, claim or grievance in the courts. Provided, however, that no Co-Owner shall be precluded from petitioning the Courts to resolve any dispute, claim or grievance in the absence of an election to arbitrate.

ARTICLE XII

MISCELLANEOUS PROVISIONS

Section 1. Severability. In the event that any of the terms, provisions, or convenants of these By-Laws or any Condominium Document are held to be partially or wholly invalid or unenforceable for any reason whatsoever, such holding shall not affect, alter, modify or impair in any manner whatsoever any of the other terms, provisions or convenants of such documents or the remaining portions of any terms, provisions or covenants held to be partially invalid or unenforceable, and in such event the document shall be construed in all respects as if such invalid or unenforceable provisions were omitted.

Section 2. Notices. Notices provided for in the Act, Master Deed or By-Laws shall be in writing, and shall be addressed to the Association or Board, or to any Co-Owner, as the case may be, at 1249 Lakeshore Drive, Muskegon, Michigan, or at such other address as may hereinafter be provided. The Association or Board may designate a different address for notices to them, respectively, by giving written

LIBER 1156 PAGE 826

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

LIBER 1156 PAGE 827

MUSKEGON COUNTY CONDOMINIUM SUBDIVISION PLAN NO. ______

EXHIBIT "B" TO THE MASTER DEED OF:

THE LAKESHORE HOUSE

CITY OF MUSKEGON, MUSKEGON COUNTY, MICHIGAN.

ENGINEER: EXXEL ENGINEERING INC. 3959 CLAY AVE. SW. GRAND RAPIDS MI. 49508
DEVELOPER: LAKESHORE HOUSE LTD. 409-C WATERS BUILDING GRAND RAPIDS MI. 49503

ATTENTION COUNTY REGISTER 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 AND THE VARIOUS CERTIFICATES ON THIS SHEET.

LIBER 1156 PAGE 828

EXHIBIT B

STATE OF MICHIGAN
COUNTY OF MUSKEGON
RECEIVED FOR RECORD
1978 DEC 1 AM 10 09
John L. Wonka
REGISTER OF DEEDS

DESCRIPTION:
PART OF BLOCK 481 AND BLOCK 482 AND PART OF VACATED GRAND AVENUE, OF THE REVISED PLAT OF 1903 OF THE CITY OF MUSKEGON, SECTION 25, T10N, R17W, CITY OF MUSKEGON, MUSKEGON COUNTY, MICHIGAN, DESCRIBED AS: BEGINNING AT THE MOST WESTERLY CORNER OF LOT 2, OF SAID BLOCK 482; THENCE N40°56'E 165.26 FEET ALONG THE SOUTHEASTERLY LINE OF LAKESHORE DRIVE (66 FEET WIDE); THENCE S84°23'E 239.78 FEET ALONG THE SOUTHERLY LINE OF WASHINGTON STREET (66 FEET WIDE); THENCE S88°58'E 20.0 FEET; THENCE S00°55'W 166.33 FEET ALONG A LINE WHICH IS 20 FEET EASTERLY OF AND PARALLEL WITH THE WESTERLY LINE OF LOT 9 OF SAID BLOCK 481; THENCE N89°15'W 20.0 FEET TO THE SW CORNER OF SAID LOT 9; THENCE S00°55'W 20.0 FEET TO THE NW CORNER OF LOT 10 OF SAID BLOCK 481; THENCE S89°15'E 54.75 FEET TO THE NE CORNER OF SAID LOT 10; THENCE S00°55'W 165.85 FEET; THENCE N89°32'W 54.75 FEET; THENCE S00°55'W 44.4 FEET TO THE MOST SOUTHERLY CORNER OF LOT 1 OF SAID BLOCK 482; THENCE N49°03'W 450.90 FEET TO THE PLACE OF BEGINNING.

STATE OF MICHIGAN
DOUGLAS W. BONNEMA
LAND SURVEYOR
No. 12579
REGISTERED LAND SURVEYOR

STATE OF MICHIGAN
RICHARD JOHN VAN FAAR
ENGINEER
No. 12435
Registered Professional Engineer

Douglas W. Bonnema Richard J. Van Faar

SHEET INDEX

1. FACE SHEET
2. SITE, SURVEY, AND UTILITY PLAN
3. MAIN FLOOR PLAN
4. SECOND FLOOR PLAN
5. THIRD FLOOR PLAN
6. BUILDING CROSS SECTIONS

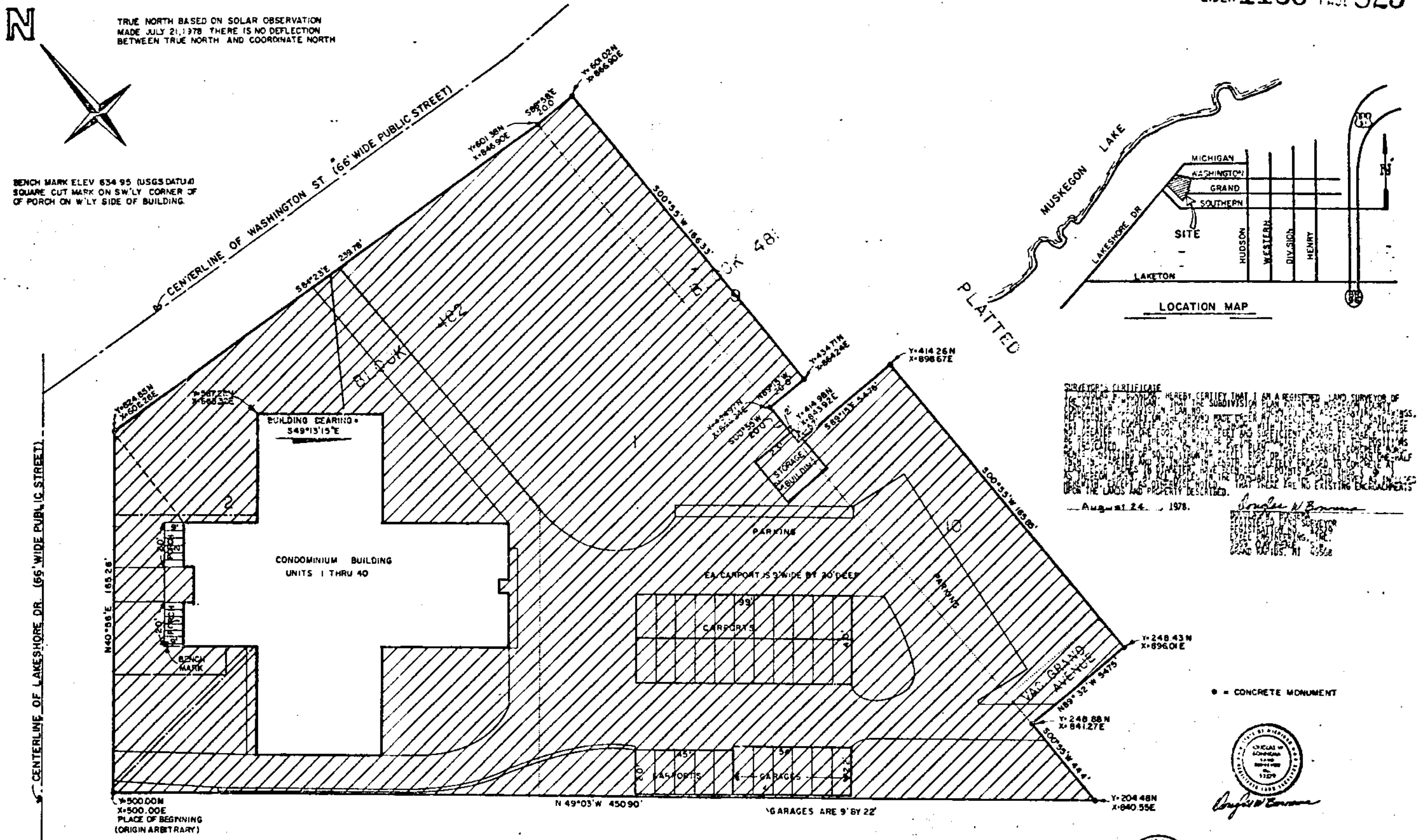
APPROVED
OCT 9 1978
MICHIGAN DEPARTMENT
OF COMMERCE [illegible]
CORPORATION & [illegible] BUREAU

NOTE: BUILDING ELEVATIONS ARE SHOWN IN DETAIL ON MICROFILMED ARCHITECTURAL WORKING DRAWINGS ON FILE WITH THE MICHIGAN DEPARTMENT OF COMMERCE, SECURITIES BUREAU

"AS-BUILT" AUGUST 15, 1978

SHEET 1

LIBER 1156 PAGE 829



PLATTED

2" GAS LINE	- MICH. CONS. GAS CO.
BURIED POWER & TELEPHONE LINES	- ON SITE INSPECTION
2" WATERLINE	- ON SITE INSPECTION
6" SANITARY SEWER LINE	- ON SITE INSPECTION
CABLE TELEVISION	- ON SITE INSPECTION

APPROVED
OCT 9

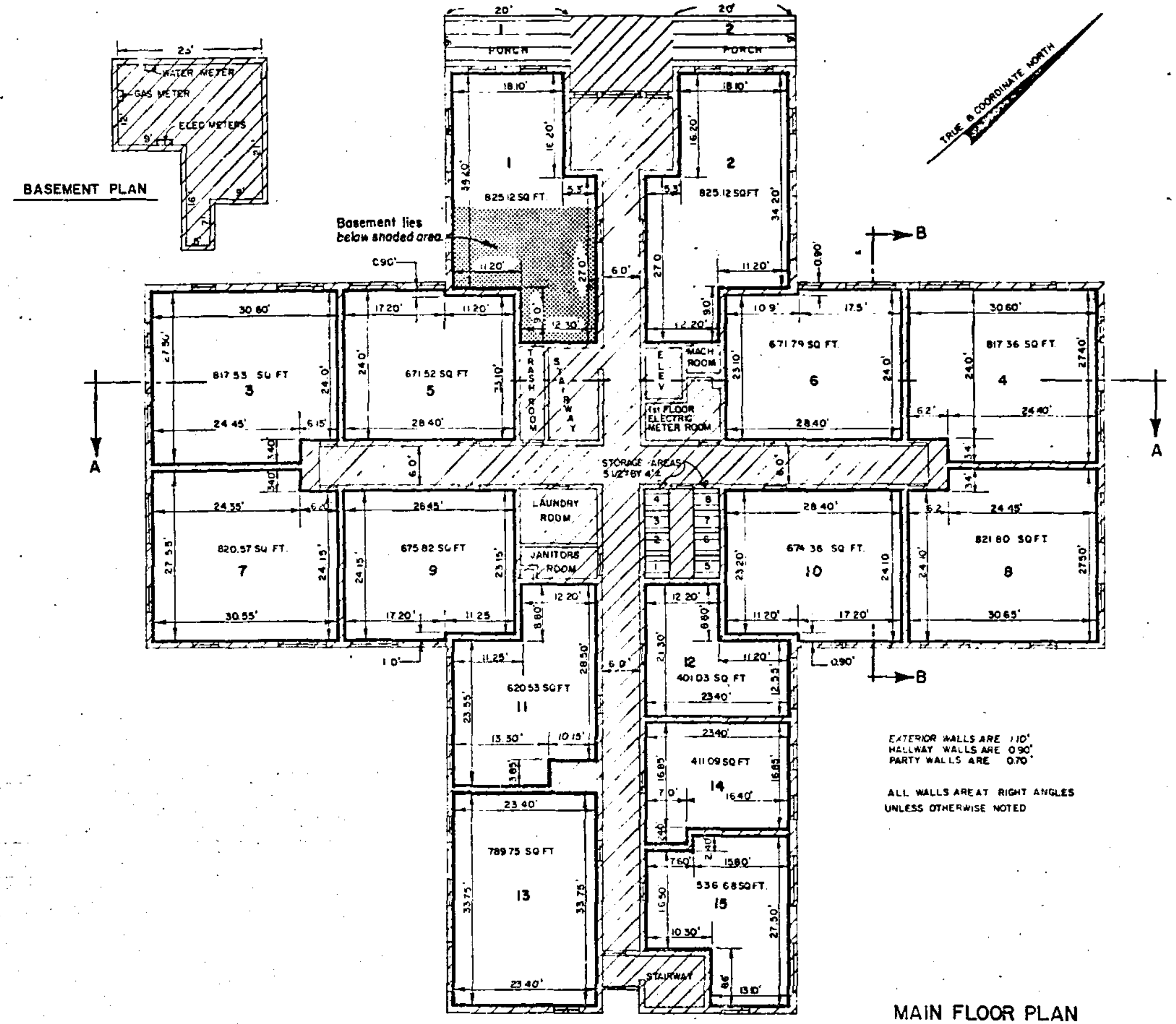
SHEET 2

SITE, SURVEY AND UTILITY PLAN
"AS-BUILT" AUGUST 15, 1978
THE LAKESHORE HOUSE
EXXEL ENGINEERING INC. 3959 CLAY AVE. S.W. GRAND RAPIDS MICH. 49508

LIMITED COMMON ELEMENT — GENERAL COMMON ELEMENT — LIMITS OF OWNERSHIP

LIBER 1156 PAGE 829

LIBER 1156 PAGE 830



EXTERIOR WALLS ARE 1.10'
HALLWAY WALLS ARE 0.90'
PARTY WALLS ARE 0.70'

ALL WALLS ARE AT RIGHT ANGLES
UNLESS OTHERWISE NOTED

SCALE 0' 5' 10' 20'

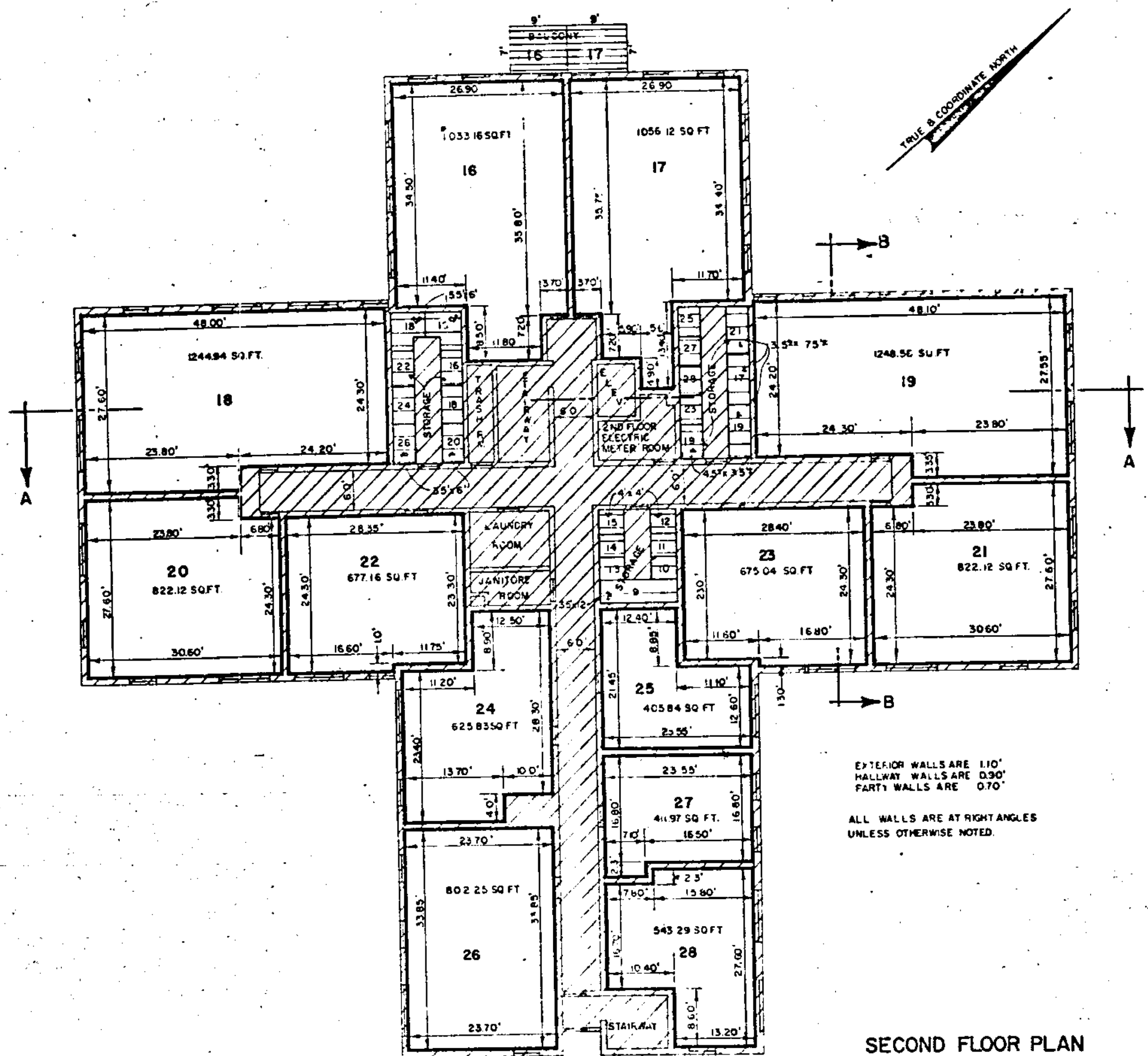
SHEET 3

AS-BUILT AUGUST 15, 1978

MAIN FLOOR PLAN
THE LAKESHORE HOUSE
EXXEL ENGINEERING INC. 3959 CLAY AVE. S.W. GRAND RAPIDS MICH. 49508

LIMITED COMMON ELEMENT GENERAL COMMON ELEMENT ——— LIMITS OF OWNERSHIP

LIBER 1156 PAGE 831



EXTERIOR WALLS ARE 1.10'
HALLWAY WALLS ARE 0.90'
PARTY WALLS ARE 0.70'

ALL WALLS ARE AT RIGHT ANGLES
UNLESS OTHERWISE NOTED.

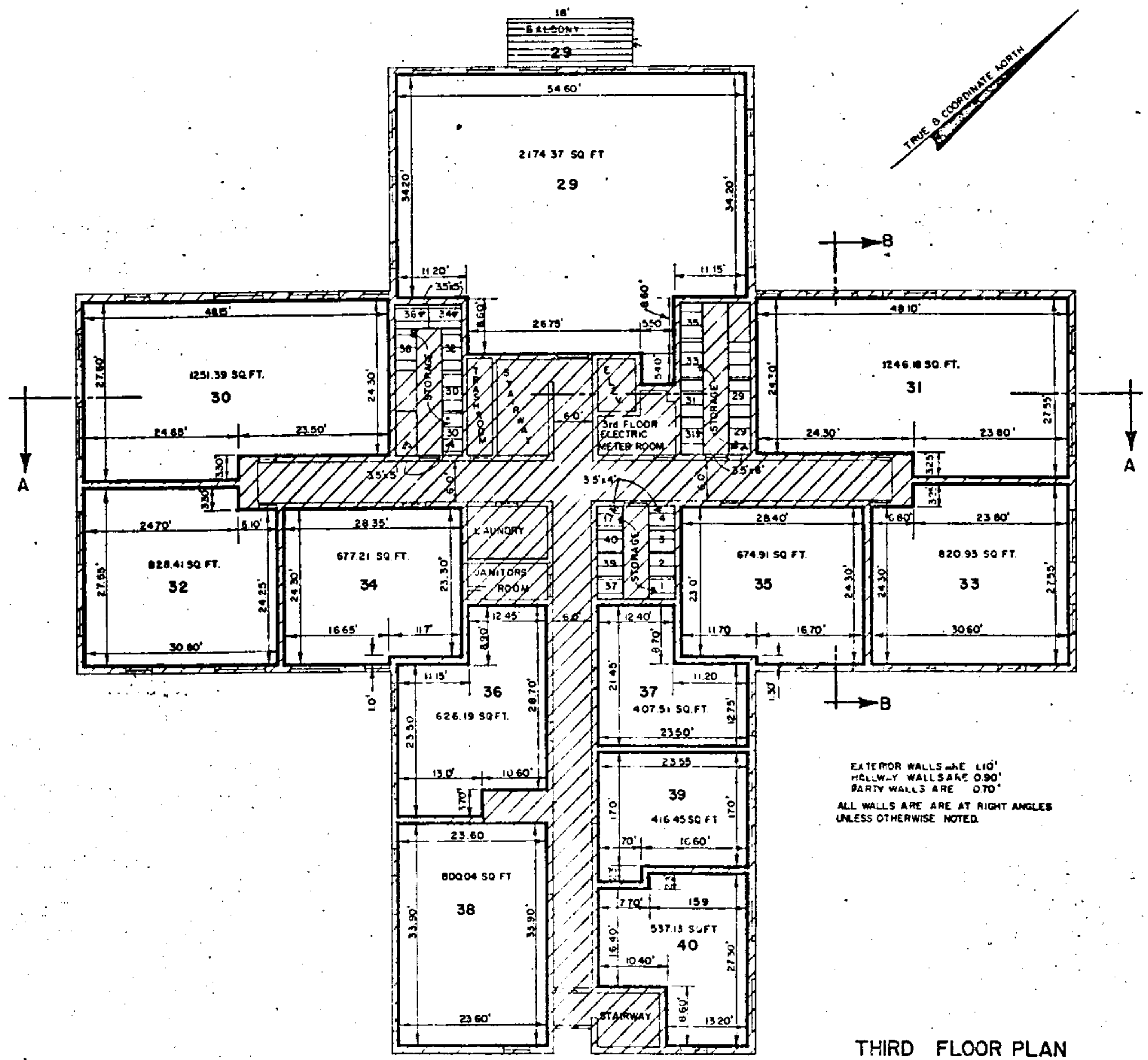
0' 5' 10' 20'
SCALE

SHEET 4

AS BUILT AUGUST 15, 1978

SECOND FLOOR PLAN
THE LAKESHORE HOUSE
EXXEL ENGINEERING INC. 3959 CLAY AVE. S.W. GRAND RAPIDS MICH. 49508

LIMITED COMMON ELEMENT — GENERAL COMMON ELEMENT — LIMITS OF OWNERSHIP



EXTERIOR WALLS ARE 1.10'
HALLWAY WALLS ARE 0.90'
PARTY WALLS ARE 0.70'
ALL WALLS ARE ARE AT RIGHT ANGLES
UNLESS OTHERWISE NOTED.

APPROVED
OCT.

SCALE

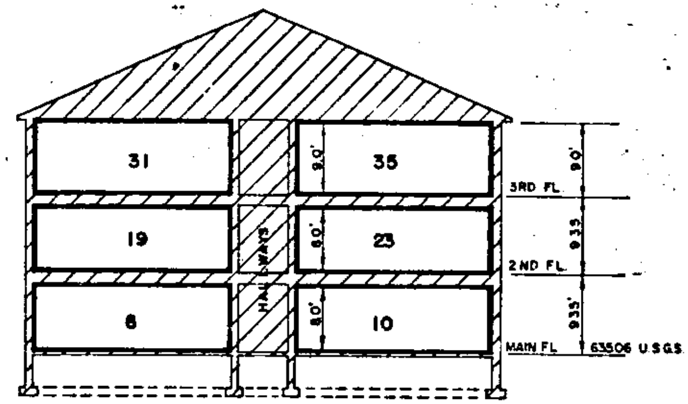
SHEET 5

AS BUILT AUGUST 15, 1978

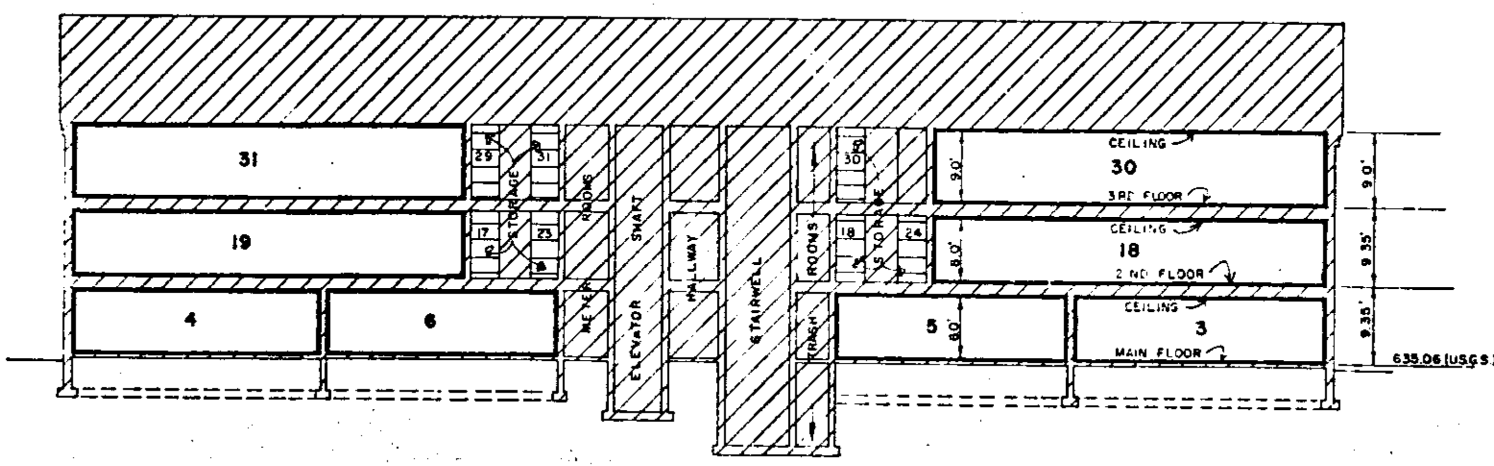
THIRD FLOOR PLAN
THE LAKESHORE HOUSE
EXXEL ENGINEERING INC. 3959 CLAY AVE. S.W. GRAND RAPIDS MICH. 49508

LIMITED COMMON ELEMENT — GENERAL COMMON ELEMENT — LIMITS OF OWNERSHIP

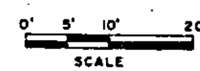
LIBER 1156 PAGE 833



SECTION "B-B"



SECTION "A-A"



SHEET 6

BUILDING CROSS SECTIONS
THE LAKESHORE HOUSE

AS BUILT AUGUST 15, 1978

EXXEL ENGINEERING INC. 3959 CLAY AVE. S.W. GRANDRAPIDS MICH. 49508

LIMITED COMMON ELEMENT GENERAL COMMON ELEMENT LIMITS OF OWNERSHIP

EXHIBIT C

CONSENT TO SUBMISSION OF REAL PROPERTY

TO CONDOMINIUM PROJECT

WHEREAS, Lakeshore House, Ltd., a Michigan co-partnership, as Developer, intends to establish The Lakeshore House as a condominium project by recordation in the Office of the Muskegon County Register of Deeds of a Master Deed of The Lakeshore House, covering the real property in the City of Muskegon, Muskegon County, Michigan, described therein; and

WHEREAS, Old Kent Bank and Trust Company, a Michigan banking corporation, is interested in the above-described premises as mortgagee under a certain Mortgage dated November 30, 1978, and recorded in Liber 1156, Pages 784-792, inclusive, of Muskegon County Records;

NOW THEREFORE, Old Kent Bank and Trust Company hereby consents to the submission of the aforesaid property to the condominium project described and set forth in said Master Deed as approved by the Michigan Department of Commerce, acknowledges that a program has been agreed upon with the developer for the release of individual Condominium Units from the mortgage described above at the time of closing on sale, and further consents to the recordation of said Master Deed in the Office of the Register of Deeds for Muskegon County, Michigan.

Dated: November 30, 1978

Witnesses:

D. M. Hoogerhyde

Kathleen A. Meeker

OLD KENT BANK AND TRUST COMPANY

John Erickson

Its Comm. Mtg. Officer

STATE OF MICHIGAN)
) ss.
COUNTY OF KENT)

The foregoing instrument was acknowledged before me this 30th day of November, 1978, by John Erickson the Commercial Loan Officer of Old Kent Bank and Trust Company on behalf of said corporation by authority of its Board of Directors.

Kathleen A. Meeker
Notary Public, Kent County, Mi.
My commission expires: June 16, 1980

DRAFTED BY:
William K. Van't Hof
700 Frey Building
Grand Rapids, Michigan 49503

LIBER 1156 PAGE 834

LIBER 1156 PAGE 835

Corporation & Securities Bureau
6546 Mercantile Way
Lansing, Michigan 48909

P.O. Box 30054
Corporation Division
General Information
(517) 373-0493
Record Information
(517) 373-0496
Annual Report
(517) 373-0488
Certification & Copies
(517) 373-2901

STATE OF MICHIGAN

WILLIAM G. MILLIKEN, Governor

DEPARTMENT OF COMMERCE

KEITH MOLIN, Director

P.O. Box 30222
Enforcement Division
(517) 374-9426
Examination Division
(517) 373-0485
Condominiums
(517) 373-8026
Mobile Homes
(517) 374-9588

ORDER

CERTIFICATE OF APPROVAL OF MASTER DEED

In re: Application of Lakeshore House, LTD., 409-C Waters Building, Grand Rapids, MI 49503, Developer, for a Certificate of Approval of Master Deed for THE LAKESHORE HOUSE CONDOMINIUM, 1249 Lakeshore Drive, Muskegon, Muskegon County, Michigan. (Our File #78-13.)

. . . . .

1. Application having been duly made and examined,
2. A Certificate of Approval of Master Deed for the above condominium is hereby given to the developer, pursuant to 1978 P.A. 59, subject to the following conditions:
   a) That consents to the submission of the real property to a condominium project or discharges of all mortgage liens be obtained from all mortgagees and recorded prior to the recordation of the Master Deed.
   b) That this order be recorded with the County Register of Deeds at the same time as the Master Deed itself is so recorded. A copy of such recorded documents shall be returned to the Michigan Department of Commerce, Corporation & Securities Bureau, prior to the issuance of a Permit To Sell.
   c) That the Master Deed shall not be recorded without a certification by the Treasurer collecting same that all property taxes and special assessments which have become a lien on the property involved in the project have been paid in full.
3. This Certificate of Approval of Master Deed becomes effective immediately.
4. Pursuant to Section 21(3) of the Condominium Act, all projects approved under the Horizontal Real Property Act, 1963 P.A. 229, as amended, shall comply with Sections 21(4) and (5) of the Condominium Act.

MICHIGAN DEPARTMENT OF COMMERCE
Keith Molin, Director

By E C Mackey
E. C. Mackey, Director
Corporation & Securities Bureau

DEPT. OF COMMERCE - CORP. & SEC.

Dated: November 27, 1978
Lansing, Michigan

MICHIGAN THE GREAT LAKE STATE

LIBER 1156 PAGE 835

Received & Sealed for Record
MARK F. FAIRCHILD REGISTER OF DEEDS
Muskegon County Michigan
10/20/2015 10:50 AM Liber: 4068 Page: 458

MARK F. FAIRCHILD Liber: 4068 Page: 458
REGISTER OF DEEDS PAGE: 1 of 5
Muskegon County Michigan 10/20/2015 10:50 AM
D11 5534304

FIRST AMENDMENT TO MASTER DEED

THE LAKESHORE HOUSE CONDOMINIUMS

(Act 59, Public Acts of 1978 as Amended)

Amendment No. 1 to The Lakeshore House Condominiums, Muskegon County Condominium Subdivision Plan No. 3.

1. First Amendment to Master Deed of Muskegon County Condominium Subdivision Plan No. 3;

2. Exhibit A to First Amendment to Master Deed:

    - Affidavit of Mailing of notice required under 90(5) of the Michigan Condominium Act.

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

Prepared by:

Mark A. Kleist, Esq.
SCHOLTEN FANT
100 N. Third Street
P.O. Box 454
Grand Haven, MI 49417-0454
(616) 842-3030

FIRST AMENDMENT TO MASTER DEED

THE LAKESHORE HOUSE CONDOMINIUMS

LAKESHORE HOUSE CONDOMINIUM ASSOCIATION, a Michigan nonprofit corporation (the "Association"), has executed this First Amendment to the Condominium By-Laws which is Exhibit A to the Master Deed of The Lakeshore House Condominiums, pursuant to the provisions of the Michigan Condominium Act, Act 59 of the Public Acts of 1978, as amended (the "Act), with reference to the following facts and circumstances:

A. A Master Deed (the "Master Deed") was recorded on December 1, 1978, at Liber 1156, Page 794, Muskegon County Records, whereby The Lakeshore House Condominium (the "Condominium Project") was established as a condominium project under the Act and was designated as Muskegon County Condominium Subdivision Plan No. 3. The Project is located in the City of Muskegon, Muskegon County, Michigan.

B. The Association is the entity responsible for administering the Condominium Project.

C. The Association has prepared and executed this Amendment to Master Deed in order to provide for the Co-Owner of a Unit to bear the expenses of replacing, but not repairing or maintaining the exterior wall windows and sliders appurtenant to that Apartment.

D. Pursuant to a vote conducted by a distributed written ballot concluded on September 13, 2013 the Association approved this Amendment of the Condominium Master Deed and By-Laws by the affirmative vote of not less than two-thirds (2/3) of all the Co-Owners and has provided the necessary notice to Co-Owners and mortgagees of Units in the Condominium Project.

NOW, THEREFORE, the Association amends the Master Deed in the following respects:

1. Subparagraph C of Article IV of the Master Deed is amended to provide in full as follows:

> "C. The costs of maintenance, repair and replacement of the Limited Common Elements described in Article IV(B)(1) and IV(B)(3) and the decoration and interior maintenance of the Limited Common Elements described in Article IV(B)(4) shall be borne by the Co-Owner of the Condominium Unit to which such Limited Common Elements are appurtenant. The cost of replacement, but not the costs of repair and general maintenance as set forth in Section 4 of Article IV of the Condominium By-Laws, of the exterior windows and sliding glass doors appurtenant to each Unit shall be borne by the Co-Owner of that Unit. The design, appearance, and manufacturer of any replacement shall be submitted in writing to and subject to the approval of the Board of the Association. The costs of maintenance, repair and replacement of all

MARK F. FAIRCHILD Liber: 4068 Page: 458
REGISTER OF DEEDS PAGE: 2 of 5
Muskegon County Michigan 10/20/2015 10:50 AM
D11 5534304

other General and Limited Common Elements described above shall be borne by the Association except to the extent of repair and replacement due to the act or neglect of a Co-Owner or his agent, invitee, family member or pet."

2. Section 4 of Article IV of the Condominium By-Laws is amended to provide in full as follows:

"Section 4. Maintenance and Repair. All maintenance of and repair to a Condominium Unit, other than maintenance of and repair to any general common element contained therein, shall be made by the Co-Owner of such Unit. Any Co-Owner who desires to make repairs or structural modifications to his Unit must first obtain the written consent of the Association, and shall be responsible for all damages to any other Units or to the common elements resulting from such repairs or from his failure to effect such maintenance and repairs.

All maintenance of and repair to the general common elements, whether located inside or outside the unit and to limited common elements, to the extent set forth in the Master Deed, with the exception of windows and sliding glass doors opening to each Lakeshore House Unit, shall be made by the Association and be charged to all the Co-Owners as a common expenses unless necessitated by negligence, misuse or neglect of a Co-Owner. In cases where it is possible, the Association will repair and pay for any repair, including parts, to currently installed windows and sliding glass doors. If the Association determines that repairs to windows or sliding glass doors are not appropriate as the outside appearance or energy requirements of the Condominium Project would be compromised, the Board will advise the unit Co-owner in writing that replacement is necessary and that the unit Co-owner is responsible for the replacement and the costs of replacement. In the event the Co-owner does not replace as directed, the Board may replace the windows and sliding glass doors for the Co-owner and charge the Co-owner for the same. Requests for any Unit Co-owner replacements of currently installed windows and sliding glass doors must be submitted to the Board, in writing, and must follow the style of all other windows within the building. Written approval from the Board must be received prior to proceeding with any installation."

3. By recording this First Amendment to Master Deed, the Association certifies that it has obtained the necessary consent hereto of the Co-Owners of Units in the Condominium Project.

[The rest of this page intentionally left blank. Signature page to follow.]

IN WITNESS WHEREOF, the Association has executed this First Amendment to Master Deed. For reference purposes this First Amendment to Master Deed is dated as of October 8th, 2015.

LAKESHORE HOUSE CONDOMINIUM ASSOCIATION, a Michigan nonprofit corporation

Ruth A. Osborn

By: Ruth Osborn
Its: President

STATE OF MICHIGAN)
) ss.
COUNTY OF Ottawa)

The foregoing instrument was acknowledged before me, a Notary Public, this 8th day of October, 2015, by Ruth Osborn, the President of Lakeshore House Condominium Association, a Michigan nonprofit corporation, on behalf of the corporation.

_______________, Notary Public
_______________ County, MI
Acting in Muskegon County, MI
My commission expires: _______________

Emalyn J. Graham
Notary Public, State of Michigan, County of Ottawa
My Commission Expires 10/15/2020
Acting in Ottawa County

Prepared by and after recording return to:
Mark A. Kleist, Esq.
SCHOLTEN FANT
100 N. Third Street
P.O. Box 454
Grand Haven, MI 49417-0454
(616) 842-3030

REI

MARK F. FAIRCHILD Liber: 4068 Page: 458
REGISTER OF DEEDS PAGE: 4 of 5
Muskegon County Michigan 10/20/2015 10:50 AM
D11 5534304

EXHIBIT A

TO

FIRST AMENDMENT TO MASTER DEED

AFFIDAVIT OF MAILING

STATE OF MICHIGAN)
) ss.
COUNTY OF MUSKEGON)

Ruth Osborn, being duly sworn, deposes and says that:

On or about October 10, 2015, she hand-delivered or mailed a copy of the First Amendment to Master Deed of The Lakeshore House Condominiums, Muskegon County Condominium Subdivision Plat No. 3 to all of the owners of all Units of The Lakeshore House Condominiums.

Service was made by hand delivery or first class mail, postage prepaid, with the envelope addressed to the addressee(s) stated above, and deposited in the United States mail.

Ruth Osborn

Ruth Osborn

Subscribed and sworn to before me this 10th day of October, 2015.

________________, Notary Public
________________ County, MI
Acting in Muskegon County, MI
My commission expires: ________

Emalyn J. Graham
Notary Public, State of Michigan, County of Ottawa
My Commission Expires 10/15/2020
Acting in Ottawa County

MARK F. FAIRCHILD Liber: 4068 Page: 458
REGISTER OF DEEDS PAGE: 5 of 5
Muskegon County Michigan 10/20/2015 10:50 AM
D11 5534304