

GEORGETOWN

OF GRAND RAPIDS

Securities Division
Corporation & Securities Bureau
5511 Edinburg Drive
Lansing, Michigan 48213

HUGH H. MAKENS, DIRECTOR

STATE OF MICHIGAN



WILLIAM G. MILLIKEN, Governor

DEPARTMENT OF COMMERCE

RICHARD K. HELMBRECHT, Director

Securities Division
(517) 373-0485
Corporation Division
(517) 373-0466
Condominium Section
(517) 373-6026

ORDER


CERTIFICATE OF APPROVAL OF MASTER DEED

In re: Application of Georgetown of Grand Rapids, 2488 Village Drive, S.E., Grand Rapids, Michigan, 49506, Developer, for a Certificate of Approval of Master Deed for GEORGETOWN OF GRAND RAPIDS, Village Drive, S.E., Grand Rapids, Kent County, Michigan.
(Our File #77-20.)

1. Application having been duly made and examined.
2. A Certificate of Approval of the Master Deed for the above condominium is hereby given to the developer, pursuant to Act 229, Public Acts of 1963, as amended, 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 and 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 the Master Deed becomes effective immediately.

MICHIGAN DEPARTMENT OF COMMERCE
Richard K. Helmbrecht, Director

By


Hugh H. Makens, Director
Corporation & Securities Bureau

Dated: October 14, 1977
Lansing, Michigan



WVH:kw 7/12/77

LIBER 2253 PAGE 1213

STATE OF MICHIGAN
COUNTY OF KENT
RECEIVED FOR RECORD

1977 OCT 17 AM 10 25

MASTER DEED

GEORGETOWN OF GRAND RAPIDS

(Act 229, Public Acts of 1963)
as amended

James E. Van't Hof
REGISTER OF DEEDS

Kent County Condominium Subdivision Plan, No. 43

- (1) Master Deed establishing Georgetown of Grand Rapids, a Condominium Project.
- (2) Exhibit A to Master Deed: Condominium By-Laws of Georgetown of Grand Rapids.
- (3) Exhibit B to Master Deed: Condominium Subdivision Plans for Georgetown of Grand Rapids.
- (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.

P.P. No. 41-18-09-326-001

Verified by P D & M BC.

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

MASTER DEED

GEORGETOWN OF GRAND RAPIDS

(Act 229, Public Acts of 1963)
as amended

This Master Deed is made and executed on this 25th day of July, 1977, by GEORGETOWN OF GRAND RAPIDS, an Illinois limited partnership (the "Developer"), whose office is situated at 2488 Village Drive, S.E., Grand Rapids, Michigan, represented herein by an officer of 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 hereto as Exhibit "B" (both of which are hereby incorporated by reference and made a part hereof), to establish the real property described in Article II below, together with the improvements located and to be located thereon and the appurtenances thereto, as a condominium project under the provisions of the Michigan Horizontal Real Property Act (the "Act").

NOW, THEREFORE, the Developer does, upon the recording hereof, establish Georgetown of Grand Rapids as a condominium project under the Act and does declare that Georgetown of Grand Rapids (hereinafter referred to as 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 real property, their grantees, successors, heirs, executors, administrators and assigns. In furtherance of the establishment of said Project, it is provided as follows:

ARTICLE I

TITLE AND NATURE

The Project shall be known as Georgetown of Grand Rapids, Kent County Condominium Subdivision Plan No. 43, the architectural plans for which were approved by the City of Grand Rapids, Kent County, Michigan. The Project is established in accordance with the Act, and the buildings and units contained in 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 an exclusive right to his Apartment and shall have undivided and inseparable rights to share with other Co-owners the Common Elements of the Project as designated by this Master Deed.

ARTICLE II

LEGAL DESCRIPTIONP.P. No. 41-18-09-326-001Verified by PD & M B.C.

The land upon which the Project is situated, and which is hereby submitted to condominium ownership, is located in the City of Grand Rapids, Kent County, Michigan, and is described as follows:

Part of the Northwest one-quarter, part of the Southwest one-quarter, and part of the Southeast one-quarter of Section 9, Town 6 North, Range 11 West, described as: commencing at the Northeast corner of the Southwest one-quarter of said Section 9; thence North 87°13'31" West 41.91 feet along the East-West one-quarter line; thence North 45°00'00" West 111.87 feet to the true place of beginning of this description; thence South 25°59'09" East 283.62 feet; thence South 45°33'46" East 110.34'; thence South 37°34'48" West 160.00 feet; thence South 45°33'46" East 0.64 feet; thence South 44°26'14" West 60.00 feet; thence South 45°33'46" East 97.22 feet; thence South 37°34'48" West 322.85 feet; thence Southwesterly 32.17 feet on a 50.00 foot radius curve to the right, the long chord of which bears South 56°00'54" West 31.62 feet; thence Southwesterly 85.28 feet on a 50.00 foot radius curve to the left, the long chord of which bears South 25°35'25" West 75.31 feet; thence North 47°50'20" West 290.89 feet; thence North 42°09'40" East 40.00 feet; thence North 47°50'20" West 660.33 feet; thence South 89°50'30" West 58.99 feet; thence North 0°09'30" West 211.09 feet; thence North 46°26'38" East 788.47 feet; thence South 37°16'10" East 250.56 feet; thence South 54°41'17" East 183.04 feet; thence South 3°26'50" West 205.72 feet to the place of beginning.

Tax Certificates as required by Sec. 135
Act No. 154, Public Acts of 1895 and
Act No. 437, Local Acts 1903 duly presented
JACK BRONKEMA, Registrar

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 of Incorporation, Corporate By-laws and Rules and Regulations of the

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 the years previous to the date of this instrument, as appears by the records in my office. This certificate does not apply to current taxes, if any, now in process of collection.

Date

Oct 17 1977

Deputy, Kent County Treasurer, Grand Rapids, Michigan

Georgetown of Grand Rapids 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 Horizontal Real Property Act, being Act 229 of the Public Act of 1963, as amended.

(b) "Apartment" means the enclosed space constituting a single complete residential unit in the Project, as such space may be described on Exhibit "B" hereto, and shall have the same meaning as the term "apartment" as defined in the Act.

(c) "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 its members by the Condominium Documents or the laws of the State of Michigan.

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

(e) "Common Elements," where used without modification, means both the general and limited common elements described in Article IV hereof, and includes the land, buildings and other improvements to the Project.

(f) "Condominium By-laws" means Exhibit "A" hereto, being the By-laws setting forth the substantive rights and obligations of the Co-owners as required by Section 2(k)(7) of the Act to be recorded as part of the Master Deed.

(g) "Condominium Documents" means and includes this Master Deed and Exhibits "A" and "B" hereto, the Articles of Incorporation, By-laws and the Rules and Regulations, if any, of the Association.

(h) "Condominium Subdivision Plan" means Exhibit "B" hereto.

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

(j) "Developer" means Georgetown of Grand Rapids, an Illinois limited partnership, which has made and executed this Master Deed, and its successors and assigns.

Provided, that such successors and assigns are designated by the Developer as successors and assigns of the rights of Developer as set forth herein.

(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 Apartments.

(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) "Project" or "Condominium" means Georgetown of Grand Rapids, as an approved condominium development established in conformity with the provisions of the Act.

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

ARTICLE IV

COMMON ELEMENTS

The Common Elements of the Project described in Exhibit "B," and the respective responsibilities for maintenance, 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 carports, roads, driveways, parking spaces, sidewalks, yards, gardens, 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 duct-works 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 storage areas, except those that are within the boundaries of an Apartment or within the boundaries of a Limited Common Element appurtenant to an Apartment;

(9) The swimming pool, guest house, community building and other recreational areas constructed on the land described in Article II; and

(10) All other Common Elements of the Project not herein designated as Limited Common Elements which are not enclosed within the boundaries of an Apartment, 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 patio and/or balcony appurtenant to each Apartment in the Project, and the vestibule appurtenant to certain of the Apartments;

(2) The separate furnace, air-conditioner and/or water heater located within or adjacent to each Apartment in the Project; and

(3) The pipes, ducts, wiring and conduits located entirely within an Apartment and serving only such Apartment.

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

C. The costs of decoration and interior maintenance of the Limited Common Elements described in Article IV(B)(4) shall be borne by the Co-owner of the Apartment 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. Apartments and the Common Elements appurtenant thereto shall be used only for residential occupancy, 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 Apartment or the Common Elements appurtenant thereto.

ARTICLE V

APARTMENT DESCRIPTION AND PERCENTAGE OF VALUE

A. A complete description of each Apartment 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 Plan, as surveyed by Moore and Bruggink, consulting engineers and surveyors. Each Apartment 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 Plan and as delineated by detailed dimensional descriptions of the same contained by said outline, less any Common Elements contained therein. In determining dimensions, each Apartment 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 Apartment shall be determinative of the proportionate share of each respective Co-owner in the Common Elements of the Project, the proceeds and expenses of administration and the value of such Co-owner's vote at meetings of the Association. 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 Apartment in the Project as it appears on the Condominium Subdivision Plan and the percentage of value assigned to each Apartment are as follows:

<u>Apt. No.</u>	<u>Percentage of Value Assigned</u>	<u>Apt. No.</u>	<u>Percentage of Value Assigned</u>	<u>Apt. No.</u>	<u>Percentage of Value Assigned</u>
1	.527	85	.420	169	.420
2	.527	86	.406	170	.420
3	.527	87	.406	171	.375
4	.527	88	.375	172	.375
5	.500	89	.375	173	.406

6	.500	90	.406	174	.406
7	.500	91	.406	175	.406
8	.500	92	.406	176	.406
9	.406	93	.406	177	.375
10	.406	94	.375	178	.375
11	.375	95	.375	179	.375
12	.375	96	.406	180	.375
13	.375	97	.406	181	.406
14	.375	98	.406	182	.406
15	.406	99	.406	183	.375
16	.406	100	.406	184	.375
17	.318	101	.406	185	.406
18	.318	102	.375	186	.406
19	.318	103	.375	187	.375
20	.318	104	.358	188	.375
21	.318	105	.375	189	.406
22	.318	106	.375	190	.406
23	.318	107	.406	191	.375
24	.318	108	.406	192	.375
25	.312	109	.406	193	.375
26	.312	110	.406	194	.375
27	.312	111	.447	195	.406
28	.312	112	.447	196	.406
29	.312	113	.447	197	.406
30	.312	114	.447	198	.406
31	.312	115	.420	199	.375
32	.312	116	.420	200	.375
33	.375	117	.420	201	.375
34	.375	118	.420	202	.375
35	.406	119	.447	203	.406
36	.406	120	.447	204	.406
37	.375	121	.447	205	.375
38	.375	122	.447	206	.375
39	.406	123	.420	207	.406
40	.406	124	.420	208	.406
41	.375	125	.420	209	.406
42	.375	126	.420	210	.406
43	.375	127	.447	211	.375
44	.375	128	.447	212	.375
45	.375	129	.447	213	.375
46	.375	130	.447	214	.375
47	.386	131	.420	215	.406
48	.386	132	.420	216	.406
49	.363	133	.420	217	.406
50	.386	134	.420	218	.406
51	.386	135	.375	219	.375
52	.375	136	.375	220	.375
53	.375	137	.406	221	.406
54	.375	138	.406	222	.406
55	.375	139	.406	223	.375
56	.406	140	.406	224	.375
57	.406	141	.375	225	.375
58	.375	142	.375	226	.375
59	.375	143	.406	227	.406
60	.375	144	.406	228	.406

61	.375	145	.375	229	.375
62	.406	146	.375	230	.375
63	.406	147	.375	231	.375
64	.406	148	.375	232	.375
65	.406	149	.406	233	.386
66	.375	150	.406	234	.386
67	.375	151	.375	235	.363
68	.375	152	.375	236	.386
69	.375	153	.375	237	.386
70	.375	154	.375	238	.375
71	.375	155	.527	239	.375
72	.406	156	.527	240	.375
73	.406	157	.527	241	.375
74	.375	158	.527	242	.406
75	.375	159	.500	243	.406
76	.375	160	.500	244	.375
77	.375	161	.500	245	.375
78	.447	162	.500	246	.375
79	.447	163	.447	247	.375
80	.447	164	.447	248	.375
81	.447	165	.447	249	.375
82	.420	166	.447	250	.406
83	.420	167	.420	251	.406
84	.420	168	.420		

ARTICLE VI

EASEMENTS

Every portion of an Apartment 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 an Apartment or Common Element encroaches upon another Apartment 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 Apartment 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 Apartments 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.

Developer reserves for the benefit of itself, its successors and assigns, perpetual easements for the unrestricted

use of all roads, driveways and walkways in the Condominium for the purposes of ingress and egress to and from all or any portion of the land described in Article II.

So long as the Developer owns one or more of the Apartments 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 in the initial sale or lease of any Apartments in the Condominium as set forth in the Condominium By-laws.

ARTICLE VII

AMENDMENT

Except as otherwise provided herein, the Project shall not be terminated, vacated or revoked, nor shall any of the provisions of this Master Deed be amended (except Exhibit "A" hereto which may be amended as therein provided), unless all of the Co-owners and the mortgagees of all of mortgages encumbering Apartments unanimously agree to such termination, vacation, revocation or amendment by instruments duly approved and recorded; provided, however, that prior to the initial meeting of members of the Association, the Developer may with the approval of the Michigan Department of Commerce (but without the consent of any Co-owner or any other person) amend this Master Deed and the Condominium Subdivision Plans in order to correct survey or other errors made in such documents, and to make such other amendments to the Condominium Documents as do not materially affect the rights of any Co-owner in the Project.

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

Witnesses:

GEORGETOWN OF GRAND RAPIDS

By: Georgetown of Grand Rapids, Inc.
Its general partner

Amelia Campos
Amelia Campos

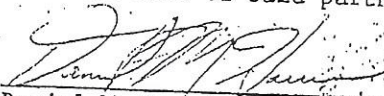
By

Judy P. Thornber
Judy P. Thornber, Vice President

Shirley P. DeRoo
Shirley P. DeRoo

STATE OF ILLINOIS)
) ss.
COUNTY OF COOK)

On this 25th day of July, 1977, before me, a Notary Public in and for said County, appeared Judy P. Thornber, to me personally known, who being by me duly sworn, did say that she is the Vice President of Georgetown of Grand Rapids, Inc., sole general partner of Geortown of Grand Rapids, an Illinois limited partnership; that said instrument was signed and sealed in behalf of said partnership by authority of its general partner; and the said Judy P. Thornber acknowledged said instrument to be the free act and deed of said partnership.


Daniel M. Harris
Notary Public, Cook County, Illinois
My commission expires: April 28, 1981

WVH:jn 3/27/79

LIBER 2296 PAGE 802

FIRST AMENDMENT
TO MASTER DEED OF
GEORGETOWN OF GRAND RAPIDS
(Act 59, Public Acts of 1978)
as amended

STATE OF MICHIGAN
COUNTY OF KENT
RECORD

APR 5 3 23 PM '79

Paul Christensen
REG. OF DEEDS

Amendment No. 1 to Kent County Condominium Subdivision Plan No. 43

- (1) First Amendment to Master Deed
- (2) Certificate of Approval of Amendment
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
Union Bank Plaza
Grand Rapids, Michigan 49503

FIRST AMENDMENT

TO MASTER DEED OF

GEORGETOWN OF GRAND RAPIDS

(Act 59, Public Acts of 1978)
as amended

In the City of Grand Rapids, County of Kent and State of Michigan, on this 30th day of March, 1979, GEORGETOWN OF GRAND RAPIDS, an Illinois limited partnership whose office is situated at 2488 Village Drive, S.E., Grand Rapids, Michigan (the "Developer"), represented herein by an officer of its general partner who is fully empowered and qualified to execute this First Amendment on behalf of said partnership, acting pursuant to the powers reserved to the Developer under the provisions of Article VII of said Master Deed, does hereby state:

1. Article VI of the Master Deed is hereby amended by the deletion of the word "perpetual" from the second full paragraph thereof, and the addition of the following to the end of said paragraph: ". . . in order to insure a complete sellout of all units owned by it."

2. Article III, Section 3 of the Condominium By-Laws (Exhibit "A" to said Master Deed) is hereby amended by adding at the end thereof the following sentence:

"While the Developer maintains any control over the Association the number of Directors shall be limited to six (6). Developer shall not use its control to obtain any residual rights in the common elements nor shall said control be onerous, unreasonable or non-beneficial to the unit owners."

3. Article V, Section 5 of the Condominium By-Laws (Exhibit "A" to said Master Deed) is hereby amended to read as follows:

"During the period of development and sale, which shall be defined as the period ending December 31, 1979, the Developer shall be responsible for the payment of basic monthly assessments with respect to all unsold Apartments which are owned by it. At the expiration of said period of development and sale, the Developer shall pay to the Association an additional sum of money toward the establishment of reserves amounting to three (3) times the initial monthly assessment (based upon the first budget of the Association) with respect to each unsold Apartment then owned by it, and shall thereafter pay all regular monthly assessments imposed with respect to each unsold Apartment, including reserves.

4. Article VI, Section 2 of the Condominium By-Laws is hereby amended by the addition of the following subsection:

"(d) The Association shall maintain adequate fidelity coverage to protect against dishonest acts by its officers, directors, trustees and employees and all others who are responsible for handling funds of the Association. Such fidelity bonds shall meet the following requirements:

(i) The Association shall be named as an obligee;

(ii) The policy shall be written in an amount equal to at least one hundred and fifty (150%) percent of the estimated annual operating expenses of the Condominium Project including reserves;

(iii) The policy shall contain waivers of any defense based upon the exclusion of persons who serve without compensation from any definition of "an employee" or similar expression;

(iv) The policy shall provide that it may not be canceled or substantially modified, including cancellation for non-payment of premium, without at least thirty (30) days' prior written notice to all Mortgagees of Record."

5. Article VI, Section 4 of the Condominium By-Laws
is hereby amended as follows:

(a) Section 4 (a) is amended to read:

"(a) In the event of any taking of an entire Apartment by eminent domain, the Co-Owner of such Apartment and mortgagee, if any, as their interests may appear, shall be entitled to receive the award for such taking and after acceptance thereof, he and his mortgagee shall be divested of all interest in the Condominium Project. In the event that any condemnation award shall become payable to any Co-Owner and mortgagee whose Apartment is not wholly taken by eminent domain and whose security is not wholly eliminated, then such award shall be paid by the condemning authority to the Association on behalf of such Co-Owner and mortgagee as their interests may appear. If only a part of any Apartment is taken, the Association shall rebuild the same as is necessary to make it habitable and remit the balance of the condemnation proceeds pertinent to such Apartment owner and mortgagee, if any as their interests appear.

(b) The last sentence of Section 4 (b) is amended to read:

"(b) . . . If no such affirmative vote is obtained, such condemnation proceeds shall be remitted to the Co-Owners and respective mortgagees, if any, as their interests may appear, in accordance with the Co-Owners' respective percentages of value."

(c) The following is added as Section 4 (d):

"(d) Prompt written notice of any and all proceedings of Eminent Domain shall be given to each holder of a First Mortgage Lien on Apartments in the Project."

6. Article VIII of said Condominium By-Laws is hereby amended in its entirety to read as follows:

"Section 1. Mortgage of Apartments. Each Co-Owner shall have the right, subject to the provisions hereof, to make separate mortgages for his respective Apartment together with his respective ownership interest in the common elements. No Co-Owner shall have the right or authority to make or cause to be made any mortgage or other lien on or affecting the condominium

property or any part thereof, except to the extent of his own Apartment and the respective percentage interest in the common elements appurtenant thereto.

Section 2. Notice of Mortgage. Any Co-Owner other than the Developer who mortgages an Apartment 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 Apartments." The Association may, at the written request of a mortgagee of any such Apartment, report any unpaid assessments due from the Co-Owner of such Apartment.

Section 3. Rights of Mortgagees. 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 Apartment, unless the holder of such mortgage shall otherwise consent in writing:

(a) The Association shall notify each mortgagee appearing in said book of mortgages 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, and of any loss to the Common Elements that exceeds the sum of Ten Thousand (\$10,000.00) Dollars, and of any loss to an Apartment which exceeds the sum of One Thousand (\$1,000.00) Dollars.

(b) The Association shall give each mortgagee written notice of all meetings of the Association and its right to designate a representative to attend such meetings.

(c) The Association shall give to the holder of any first mortgage covering any Apartment in the project prompt written notification of any default by the mortgagor of such Apartment in the performance of such mortgagor's obligations under the Condominium Documents which is not cured within thirty (30) days.

(d) The holder of any first mortgage shall first give its written consent to the Association prior to the effectuation of any material amendment to the Master Deed, By-Laws or Articles of Incorporation.

(e) The holder of any first mortgage shall, upon written request, have the right to examine the books and records of the Association at rea-

sonable times during the normal business hours, and to receive, within ninety (90) days following the end of any fiscal year, annual reports and other financial data.

(f) The holder of any first mortgage which comes into possession of an Apartment pursuant to the remedies provided in the mortgage or by 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 Apartment.

(g) The holder of any first mortgage which comes into possession of an Apartment 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 Apartment which accrue prior to the time such holder comes into possession thereof (except for claims for a pro-rata share of assessments or charges resulting from pro-rata reallocation of assessments charged to all Apartments, including the mortgaged unit).

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

(i) Terminate professional management and assume self-management of the Project or enter into any management contract providing for service by the Developer for a term of more than three (3) years which does not provide for termination by either party upon ninety (90) days' written notice;

(ii) Change the percentage interest or obligations of any Apartment for purposes of levying assessments or charges and determining shares or ownership of the common elements and proceeds of the property;

(iii) Partition or subdivide any Apartment 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 Apartments and common elements of the Project."

7. Article IX, Section 2 of said Condominium By-Laws is hereby amended to read as follows:

"Section 2. Leases. With the exception of a lender in possession of an Apartment following a default in a first mortgage, a foreclosure proceeding or any deed or other arrangement in lieu of foreclosure, no Apartment or interest therein shall be leased for a term greater than two (2) years, nor shall it be leased for transient or hotel purposes. No Owner shall lease less than the entire Apartment. Any lease agreement shall be in writing, and a copy thereof shall be furnished to the Board. The Lessee under every such lease shall be bound by and subject to the terms and conditions of the Master Deed, any amendments thereto and the By-Laws, and failure to comply with the terms of such documents shall be a default under the lease."

8. Article XI, Section 1 of said Condominium By-Laws is hereby amended to read as follows:

"These By-Laws may be amended, altered, changed, added to or repealed by either:

(i) the affirmative vote of not less than seventy-five (75%) percent of the Co-Owners in value and in number; or

(ii) until the initial meeting of members, only by all of the Directors; provided that no amendment shall change any provision of the Master Deed unless made in accordance with the provisions thereof and approval by the Securities Bureau of the Michigan Department of Commerce, nor shall it eliminate any of the mandatory provisions required by the Michigan Condominium Act.

A copy of each amendment shall be certified by the President and Secretary as having been duly adopted, shall be furnished to Co-Owners of all Apartments and shall be effective when recorded in the Public Records of Kent County, Michigan."

9. Article XII of said Condominium By-Laws is hereby amended by the addition of the following section:

"Section 4. Parking. Each Apartment Owner shall be entitled to the use of at least one (1) automobile parking space per unit owned.

10. In all other respects the provisions of the Master Deed of said condominium project dated July 25, 1977, and recorded in the office of the Register of Deeds for Kent County, Michigan in Liber 2253 at Pages 1213-1262, are hereby ratified and confirmed.

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

Signed, Sealed & Delivered
in the Presence of:

GEORGETOWN OF GRAND RAPIDS
By: Georgetown of Grand Rapids, Inc.
Its General Partner

By

Conrad C. Neumann
PRESIDENT

ILLINOIS
STATE OF MICHIGAN)
COUNTY OF COOK) ss.

On this 30th day of March, 1979, before me a Notary Public in and for said County, appeared Conrad C. Neumann to me personally known, who, being by me duly sworn, did say that he is the President of Georgetown of Grand Rapids, Inc., sole general partner of Georgetown of Grand Rapids, an Illinois limited partnership; that said instrument was signed and sealed on behalf of said partnership by authority of its general partner, and further acknowledge said instrument to be the free act and deed of said partnership.

David L. Kuren
Notary Public, Cook County Illinois
My commission expires: 3/22/82

Corporation & Securities Bureau
8548 Mercantile Way
Lansing, Michigan 48909

P.O. Box 30054
Corporation Division
General Information
(517) 373-0493
Record Information
(517) 373-0498
Annual Report
(517) 373-0488
Certification & Copies
(517) 373-2901

STATE OF MICHIGAN



LIBER 2296 PAGE 810

WILLIAM G. MILLIKEN, Governor

DEPARTMENT OF COMMERCE
William F. McLaughlin, Director

P.O. Box 30222
Enforcement Division
(517) 374-9428
Examination Division
(517) 373-0485
Condominiums
(517) 373-8028
Mobile Homes
(517) 374-9588

ORDER

APPROVAL OF AMENDMENT TO MASTER DEED

In re: Application of Georgetown of Grand Rapids, 2488 Village Drive, S.E., Grand Rapids, MI, Developer, for an Approval of Amendment to Master Deed, for GEORGETOWN OF GRAND RAPIDS - FIRST AMENDMENT, Village Drive, S.E., Grand Rapids, Kent County, Michigan. (Our File #77-20.)

-
1. Application having been duly made and examined, and
 2. A Certificate of Approval of Master Deed and a Conditional Permit To Sell having been entered on October 14, 1977 and October 20, 1978, respectively, and
 3. The developer having petitioned for an Amendment to Master Deed for the purpose of amending the Condominium Bylaws to provide for FNMA financing, and
 4. INASMUCH as this Bureau has determined that the proposed amendment is for a proper and stated purpose,
 5. THEREFORE, the proposed Amendment to Master Deed for the above named condominium is hereby approved and shall take effect immediately upon recording.

MICHIGAN DEPARTMENT OF COMMERCE
William F. McLaughlin, Director

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

Dated: April 5, 1979
Lansing, Michigan



STATE OF MICHIGAN
COUNTY OF KENT
RECEIVED FOR RECORD

2000 MAR 23 PM 2:53


REG. OF DEEDS

**SECOND AMENDMENT TO MASTER DEED OF
GEORGETOWN OF GRAND RAPIDS**

(Act 59, Public Acts of 1978 as amended)

Amendment No. 2 to Kent County Condominium Subdivision Plan No. 43

- 1) Second Amendment to Master Deed.
- (2) Exhibit A to Second Amendment to Master Deed: Affidavit of Service as to Notices required by Section 90(5).
- (3) Exhibit B to Second Amendment to Master Deed: Certification by President and Secretary of Co-Owner and Mortgagee Consent to Amendment.

No interest in real estate being conveyed by this Second Amendment to Master Deed, no revenue stamps are required.

This Instrument Drafted By and
After Recording Return To:
Mark C. Hanisch
Charron & Hanisch, P.L.C.
5242 Plainfield Avenue, N.E.
Grand Rapids, Michigan 49525
(616) 363-0300

SECOND AMENDMENT TO MASTER DEED OF GEORGETOWN OF GRAND RAPIDS

(Act 59, Public Acts of 1978, as amended)

THIS SECOND AMENDMENT TO MASTER DEED OF GEORGETOWN OF GRAND RAPIDS is made this 8th day of MARCH, 2000 by Georgetown of Grand Rapids Condominium Association, a Michigan non-profit corporation, of 2436 Village Drive, SE, Grand Rapids, MI 49506 (the "Association").

Recitals

A. Georgetown of Grand Rapids is a residential condominium project (the "Project") consisting of 251 Apartments (now referred to as "Units" in the Condominium Act) which was established by Master Deed dated July 25, 1977 and recorded on October 17, 1977 in the office of the Kent County Register of Deeds at Liber 2253, Page 1213, *et seq.*, which Master Deed was amended by a First Amendment to Master Deed dated March 30, 1979 and recorded April 5, 1979 in the office of the Kent County Register of Deeds at Liber 2296, Page 802, *et seq.* The Master Deed as previously amended is referred to in this document as the "Master Deed."

B. The Master Deed provides that except in those instances where voting is specifically required to be in both value and in number, voting shall be by value and that 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 Apartment.

C. Although the Project consists of two hundred eighteen (218) two-bedroom Apartments, seventeen (17) one-bedroom Apartments and sixteen (16) three-bedroom Apartments, the Master Deed assigns eleven different percentages of value to the various Apartments in the Project, resulting in eleven different levels of assessments and eleven different values attributable to the Co-Owners' votes.

D. The Association and its Co-Owners have found that the current use of percentages of value with respect to voting and levying assessments is cumbersome, inefficient and difficult for the Association to implement and is unfair to the Co-Owners. The Co-Owners have determined that they strongly believe that each Co-Owner should be entitled to an equal vote regardless of the size of the Co-Owner's Apartment and that assessments should be leveled equally against all Co-Owners except that as to the "Regular Assessments" for common expenses (as defined below), there will be a "surcharge" against the Co-Owners of three-bedroom Apartments and a corresponding "credit charge" against the Co-Owners of one-bedroom Apartments.

E. Pursuant to the provisions of the Condominium Act (the "Act"), the Master Deed, By-Laws and Condominium Subdivision Plan may be amended, even if the amendment will materially

alter or change the rights of the Co-Owners or Mortgagees, with the consent of not less than two-thirds (2/3) of the votes of the Co-Owners and Mortgagees.

F. As evidenced by the certification attached as Exhibit B to this Second Amendment, at least two-thirds (2/3) of the Co-Owners and Mortgagees have consented to this Second Amendment.

Provisions

The Master Deed is amended as follows:

1. Purpose for Percentage of Value. Article V, Section B of the Master Deed is amended to provide as follows:

B. The total value of the Project is 100 and the percentage thereof assigned to each Apartment shall be determinative of the proportionate share of each respective Co-Owner in the Common Elements of the Project and the value of each Co-Owner's vote in those instances, if any, where voting by value is required. Such percentage of value shall not be changed except with the unanimous consent of all affected Co-Owners expressed in an amendment to this Master Deed, duly approved and recorded.

2. Voting Rights. Article II, Section 2 of the Condominium By-Laws is amended to provide as follows:

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 Apartment owned when voting by number and one vote, the value of which shall equal the total of the percentages assigned to the Apartment or Apartments owned by him as set forth in the Master Deed, when voting by value. Voting shall be by number, except in those instances where voting is specifically required to be both in value and in number, and no cumulation of votes shall be permitted.

3. Majority. Article II, Section 5 of the Condominium By-Laws is amended to provide as follows:

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 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.

4. Quorum. Article III, Section 4 of the Condominium By-Laws is amended to provide as follows:

Section 4. Quorum of Members. The presence in person or by proxy of twenty (20%) percent in number 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.

5. Assessments. Article V of the Condominium By-Laws is deleted in its entirety and is replaced with the following six sections:

Section 1. Administrative Assessments. 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 out of, 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 carried by the Association securing the interests of the Co-Owners against liabilities or losses arising out of, caused by or connected with the common elements or the administration thereof shall be receipts of administration. 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.

Section 2. Determination of Regular Assessments. The Board of Directors shall, from time to time, and at least annually, adopt a budget for the Association which shall include the estimated funds required to defray the expenses of administration for which the Association has responsibility for the next ensuing fiscal year, including a reasonable allowance for contingencies and reserves, and the Board shall allocate and assess such common charges ("Regular Assessments") against all Co-Owners as set forth in Section 5 of this Article.

Section 3. Increase in Regular Assessments During Fiscal Year. Absent Co-Owner approval as provided in these Condominium By-Laws, Regular Assessments shall only be increased by the Board during a given fiscal year of the Association 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; or
- b. To provide for the replacement of existing common elements; or
- c. To provide for the purchase of additions to the common elements in an amount not exceeding \$7,500 per improvement or \$30 per Unit annually, whichever is less; or
- d. In the event of emergency or unforeseen development.

Any increase in Regular Assessments for a given fiscal year other than or in addition to the foregoing shall require approval by a vote of 60% or more of all Co-Owners.

Section 4. Determination of Special Assessments. The Board has the power to levy special assessments against all Co-Owners and their Apartments and/or against those Co-Owner(s) and Apartment(s) of Co-Owner(s) that, in the Board's opinion, either will benefit from the expenditure for which the special assessment is to be levied or which are likely to cause, or will cause, the Association to incur any expense that will not benefit the entire Association. All special assessments levied against an Apartment or Apartments shall be established by the Board after written notice to the affected Co-Owner(s) of such proposed special assessment (the "Special Assessment Notice"). The Board shall, by resolution, determine the terms of payment of any special assessment, and, where an assessment involves more than one Co-Owner, equitably apportion the special assessment among the affected Co-Owners. Special assessments levied against Apartments to cover the expenses of administration of general or limited common element areas shall be apportioned among the affected Co-Owners equally or according to such other formula as may be determined by the Board to be equitable under the circumstances. If more than ten percent (10%) of the affected Co-Owners object to the special assessment as proposed by the Board in written notice(s) served on the Board no later than thirty (30) days after service of the Special

Assessment Notice, then the Board promptly shall schedule a meeting on the issue and the proposed special assessment shall be set aside if at the meeting forty percent (40%) or more of all affected Co-Owners vote to do so. Failure to serve the Special Assessment Notice on any Co-Owner shall not invalidate the proposed special assessment.

Section 5. Levy of Assessments. All Regular Assessments shall be apportioned among and paid by the Co-Owners on an equal basis; provided, however, that the Co-Owners of three (3) bedroom Apartments shall be assessed a surcharge of not less than ten percent (10%) or more than fifteen percent (15%) of the Regular Assessment and the Co-Owners of one (1) bedroom Apartments each shall be given a credit in the same amount of the surcharge for the three (3) bedroom Apartments. Each Co-Owner's Regular Assessments for a fiscal year shall be paid in equal monthly installments, in advance, unless otherwise determined by the Board. For the fiscal year following the adoption of this Second Amendment, the amount of the monthly installments shall be One Hundred Forty-Five Dollars (\$145.00), with monthly surcharges and credits of Twenty Dollars (\$20.00) for three (3) and one (1) bedroom Apartments, respectively. The Board shall advise each Co-Owner in writing of the amount payable by the Co-Owner and shall furnish to all Co-Owners copies of each budget upon which such common charges are based. Failure to deliver a copy of the budget to each member shall not affect any member's liability for any existing or future assessment.

Section 6. Collection of Assessments. Each Co-Owner shall be obligated for the payment of all assessments (Regular and Special) levied with regard to his Apartment 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 Apartment. In the event of default by any Co-Owner in paying the assessed common charges, interest at the legal rate shall be charged on such assessment from the due date thereof. Unpaid assessments shall constitute a lien on the Apartment prior to all other liens except tax liens and sums unpaid on the first mortgage of record, 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 reasonable rental for the Apartment 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. The Association may enter upon the common elements, limited or general, to remove and abate any conditions, or may discontinue the furnishing of any services to a Co-Owner in default upon seven (7) days written notice to such Co-Owner of its intent to do so. A Co-Owner in default shall not be entitled to vote at any meeting of the Association so long as such default continues and, to the extent permitted by law, the Co-Owner's potential vote shall not be counted when calculating the number of votes needed to achieve a percentage of the votes of all Co-Owners.

6. Amendment. Article XI, Section 1 of the Condominium By-Laws is amended to provide as follows:

Section 1. Amendment. These By-Laws may be amended, altered, changed, added to or repealed by the affirmative vote of not less than two-thirds (2/3) of the Co-Owners in number (and the vote of two-thirds of the holders of first mortgages on Apartments if required by law). A copy of each amendment shall be certified by the President and Secretary as having been duly adopted, shall be furnished to all Co-Owners and shall be effective when recorded in the public records of Kent County, Michigan.

7. Continuing Effect. The provisions of the Master Deed which are not affected by this Second Amendment are ratified and affirmed.

The Association duly executed this Second Amendment to Master Deed as of the date set forth in the opening paragraph.

WITNESSES:

GEORGETOWN OF GRAND RAPIDS
CONDOMINIUM ASSOCIATION

Angie Hoffman
* Angie Hoffman
Sonya Koperski
* Sonya Koperski

By: Jeffrey A. Bouwer
* Jeffrey A. Bouwer
Its: PRESIDENT

LIBER 5005 PG 1003

STATE OF MICHIGAN)
) ss.
COUNTY OF KENT)

Acknowledged before me in Kent County, Michigan on March 21, 2000, by Jeffrey A. Brouwer, President of Georgetown of Grand Rapids Condominium Association, a Michigan non-profit corporation, for the non-profit corporation.

ANNE HOFFMAN
Notary Public, Kent County, MI
My Commission Expires Nov. 8, 2003

* Anne Hoffman
Notary Public, Kent County, MI
My Commission Expires: Nov. 8, 2003

*Please print or type name beneath signature line

EXHIBIT A TO SECOND AMENDMENT TO MASTER DEED
OF GEORGETOWN OF GRAND RAPIDS

AFFIDAVIT OF SERVICE

STATE OF MICHIGAN)
) ss.
COUNTY OF KENT)

Linda Riksen ("Affiant"), being duly sworn, deposes and says that:

1. Affiant is the Manager of Georgetown of Grand Rapids Condominium Association.

2. On Friday, March 10, 2000 and Saturday, March 11, 2000, notices were served on all co-owners and mortgagees of record in the Georgetown of Grand Rapids condominium project as required by Section 90(5) of the Michigan Condominium Act, pursuant to the list of co-owners and mortgagees maintained by the Association. Some of the notices were hand delivered and others were served by first class mail, postage fully prepaid.

Dated: March 21, 2000

Linda Riksen
Linda Riksen

Subscribed and sworn to before me this 21 day of March, 2000.

ANGIE HOFFMAN
Notary Public, Kent County, MI
My Commission Expires Nov. 8, 2003

Angie Hoffman
*
Notary Public, Kent County, MI
My commission expires: NOV 8 2003

EXHIBIT B TO SECOND AMENDMENT TO MASTER DEED
OF GEORGETOWN OF GRAND RAPIDS

CERTIFICATION

STATE OF MICHIGAN)
COUNTY OF KENT) ss.

Jeffrey A. Brouwer and Helen C. Stanley, after being duly sworn, depose and state as follows:

1. Jeffrey A. Brouwer and Helen C. Stanley are the President and Secretary, respectively, of Georgetown of Grand Rapids Condominium Association (the "Association").
2. At the meeting of the Association held on January 25, 2000 and the adjournment(s) of the meeting, the attached Second Amendment to Master Deed of Georgetown of Grand Rapids received the consent of more than two-thirds (2/3) of the votes of the co-owners and mortgagees eligible to vote as reflected on the records of the Association.

Dated: March 21, 2000

Jeffrey A. Brouwer
Jeffrey A. Brouwer

Helen C. Stanley
Helen C. Stanley

Subscribed and sworn to before me this 21 day of March, 2000 by Jeffrey A. Brouwer and Helen C. Stanley.

ANGIE HOFFMAN
Notary Public, Kent County, MI
My Commission Expires Nov. 8, 2003

Angie Hoffman
Notary Public, Kent County, MI
My commission expires: Nov 8 2003

EXHIBIT A

CONDOMINIUM BY-LAWS

GEORGETOWN OF GRAND RAPIDS

ARTICLE I

ASSOCIATION OF CO-OWNERS

Section 1. Georgetown of Grand Rapids, a condominium project located in the City of Grand Rapids, Kent 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. 229, P.A. 1963, as amended (the "Act"), the Master Deed and Condominium By-Laws, and the Articles of Incorporation, Association By-Laws, and duly adopted Rules and Regulations of the Association which pertain to the use and operation of the Condominium property; 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 an Apartment 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 an Apartment 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 Apartment in the Condominium.

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 Apartment owned when voting by number and one vote, the value of which shall equal the total of the percentages assigned to the Apartment or Apartments 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 an Apartment in the Project to the Association. No Co-Owner, other than the Developer, shall be entitled to vote prior to the Initial Meeting of Members held in accordance with Section 1 of Article III.

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 Apartment 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 may be convened only by the Developer and may be called, in Developer's discretion, at any time after more than fifty (50%) percent in value of all Apartments in the Condominium (determined with reference to the recorded Master Deed) have been sold and the Purchasers thereof qualified as members of the Association, but in no event shall be convened later than thirty (30) months after issuance of a Permit to Sell by the Michigan Department of Commerce. 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. Non-Developer Directors. Within six months after recording of the Master Deed, the Developer shall call a special meeting of members for the purpose of electing two persons from among the non-developer Co-Owners to serve as members of the Board of Directors, and within twelve months thereafter shall call a second special meeting for the purpose of electing two additional non-developer Co-owners as directors. The purpose of electing such non-developer Co-owners shall be to facilitate communication between the Developer and the non-developer Co-Owners until the initial meeting of members has been held in accordance with the provisions hereof.

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 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 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 first or any subsequent annual meeting, so long as such actions are within the scope of the powers and duties which may be exercised by any Board of Directors as provided in the Condominium Documents.

Section 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) Development of an annual budget, and the 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 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; and
- (j) 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 detailed books of account showing all expenditures and receipts affecting 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 shall be audited annually by qualified independent auditors who need not be certified public accountants. The cost of such audit shall be an expense of administration.

Section 4. Maintenance and Repair. All maintenance of and repair to any Apartment, other than maintenance of and repair to any general common element contained therein, shall be made by the Co-Owner of such Apartment. Any Co-Owner who desires to make repairs or structural modifications to his Apartment must first obtain the written consent of the Association, and shall be responsible for all damages to any other Apartments 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 Apartments, 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 Apartment from time to time during reasonable working hours, upon notice to the occupant thereof, for the purpose of maintenance, repair or replacement of any of the common elements located therein or accessible therefrom. The Association or its agents shall also have access to each Apartment at all times without notice for making emergency repairs necessary to prevent damage to other Apartments, the common elements or both.

Section 5. 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 6. Officers. The Association By-Laws 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.

- 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 out of, 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 carried by the Association securing the interests of the Co-Owners against liabilities or losses arising out of, 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 \$7,500 or \$30 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 an Apartment shall be considered as a special assessment requiring approval by a vote of 60% or more of the Co-Owners.

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 Apartment 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 Apartment 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 Apartment. In the event of default by any Co-Owner in paying the assessed common charges, interest at the legal rate shall be charged on such assessment from the due date thereof. Unpaid assessments shall constitute a lien on the Apartment prior to all other liens except tax liens and sums unpaid on a first mortgage of record, 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 reasonable rental for the Apartment 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. The Association may 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 the period ending December 31, 1979, the Developer shall be responsible for the payment of basic monthly assessments with respect to all unsold Apartments which are owned by it, but shall not be required to contribute to any reserves established under the Condominium Documents. At the expiration of said period of development and sale, the Developer shall pay to the Association an additional sum of money toward the establishment of reserves amounting to three (3) times the initial monthly assessment (based upon the first budget of the

Association) with respect to each unsold Apartment then owned by it, and shall thereafter pay all regular monthly assessments imposed with respect to each such unsold Apartment, including reserves.

ARTICLE VI

TAXES, INSURANCE AND REPAIR

Section 1. Taxes. All special assessments and property taxes shall be assessed against the individual Apartments and not against the total property of the Project or any part thereof in accordance with the provisions of the Act, except for the year in which the Project was established subsequent to the tax day. In the event that any special assessment or property tax shall be assessed against the total property of the Project, it shall be treated as an expense of administration and paid by the Co-Owners as provided in Article V.

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

(b) All common elements of the 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 Apartment and the pipes, wires, conduits and ducts contained therein and shall further include all fixtures, equipment and trim within an Apartment which were furnished with the unit as standard items in accord with plans and specifications thereof as are 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 Apartment 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 Apartments in the Project untenable, 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 Apartments in the Project untenable, 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 Apartments, which approval shall not be unreasonably withheld. Upon completion of any such reconstruction or repair, the percentages of value assigned to each Apartment 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) In the event of any taking of an entire Apartment by eminent domain, the Co-Owner of such Apartment shall be entitled to receive the award for such taking and after acceptance thereof, he and his mortgagee shall be divested of all interest in the Condominium Project. In the event that any condemnation award shall become payable to any Co-Owner whose Apartment is not wholly taken by eminent domain, then such award shall be paid by the condemning authority to the Association on behalf of such Co-Owner. If only a part of any Apartment is taken, the Association shall rebuild the same as is necessary to make it habitable and remit the balance of the condemnation proceeds pertinent to such Apartment to the owner thereof.

(b) If there is any taking of any portion of the Project other than an Apartment, the condemnation proceeds relative to such taking shall be paid to the Association and the affirmative vote of more than fifty (50%) percent of the Co-Owners in number and in value shall determine whether to rebuild, repair or replace the portion so taken or to take such other action as they deem appropriate. If no such affirmative vote is obtained, such condemnation proceeds shall be remitted to the Co-Owners in accordance with their respective percentages of value.

(c) In the event the Condominium Project continues after taking by eminent domain, then the remaining portion of the Project shall be re-surveyed and the Master Deed amended accordingly, and, if any Apartment shall have been taken, then the Master Deed shall also be amended to reflect such taking and to proportionately readjust the percentages of value of the remaining Co-Owners. Such amendment may be effected by an officer of the Association duly authorized by the Board of Directors

without the necessity of execution or specific approval thereof by any Co-Owner, but only with the prior written approval of all holders of first mortgage liens on individual Apartments in the Project.

ARTICLE VII

USE AND OCCUPANCY RESTRICTIONS.

Section 1. Residential Use. Apartments shall be used exclusively for residential occupancy, and no Apartment 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 Apartments in the condominium and by their agents, tenants, family members, invitees and licensees for access, ingress to and egress from the respective Apartments and for other purposes incidental to use of the Apartments; provided, however, the carports, the laundry rooms, clubhouse, guest room, storage areas, swimming pool and other common areas designed for a specific use shall be used for the purposes approved by the Board. The use, maintenance and operation of the common elements shall not be obstructed, damaged or unreasonably interfered with by any Co-Owner, and shall be subject to any lease, concession or 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) No portion of an Apartment may be rented and no transient tenants may be accommodated therein; provided, that nothing herein shall prevent the rental or sublease of an entire Apartment for residential purposes or of a limited common element appurtenant to such Apartment.

(b) No Co-Owner shall make alterations in exterior appearance or structural modifications to his

Apartment 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.

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

(d) No immoral, improper, offensive or unlawful use shall be made of the Condominium property or any part thereof, and nothing shall be done or kept in any Apartment 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 Apartment or on the Common Elements which will result in the cancellation of insurance on any Apartment, or any part of the common elements, or which would be in violation of any law.

(e) No signs or other advertising devices shall be displayed which are visible from the exterior of any Apartment 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 Apartment.

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

(g) No animal shall be kept except household pets, which shall be subject to such rules and regulations as may be imposed by the Board of Directors relating to household pets. No animal may be kept or bred for any commercial purpose and shall have such care and restraint so as not to be obnoxious or offensive on

account of noise, odor or unsanitary conditions. No animal shall be permitted to run loose upon the common elements, and any person who causes or permits any animal to be brought or kept on the Condominium property shall indemnify and hold harmless the Association for any loss, damage or liability which the Association may sustain as a result of the presence of such animal on the Condominium property.

(h) No structure of a temporary character, 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.

(i) The common elements shall not be used for the storage of supplies, personal property, trash or refuse of any kind except for common trash receptacles placed at the discretion of the Board of Directors. In general, no activity shall be carried on nor condition maintained by any Co-Owner either in his Apartment or upon the Common Elements which despoil the appearance of the Condominium.

Section 4. Rules of Conduct. Rules and regulations concerning the use of Apartments and common elements, limited and general, may be promulgated and amended by the Board. Copies of such rules and regulations shall be furnished by the Board to each Apartment owner prior to their effective date.

Section 5. Remedies on Breach. Failure to comply with any of the terms of the Master Deed, these By-Laws, the Articles of Incorporation, By-Laws or duly adopted Rules and Regulations of the Association, shall be grounds for relief, which may include without intending to limit the same, an action to recover sums due for such damages, injunctive relief or any of those remedies as appropriate to the nature of such breach which are set forth in Section 4 of Article V hereof. 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 an Apartment 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 Apartments." The Association may, at the written request of a mortgagee of any such Apartment, report any unpaid assessments due from the Co-Owner of such Apartment. The Association shall give to the holder of any first mortgage covering any Apartment in the Project written notification of any default in the performance of the obligations of the Co-Owner of such Apartment that is not cured within thirty (30) days.

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 Apartment, unless the holder of such mortgagee shall otherwise consent in writing:

(a) The holder of any first mortgage which comes into possession of an Apartment pursuant to the remedies provided in the mortgage or by 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 Apartment; and

(b) The holder of any first mortgage which comes into possession of an Apartment 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 Apartment which accrue prior to the time such holder comes into possession thereof (except for claims for a pro rata share of assessments or charges resulting from a pro rata re-allocation of assessments charged to all Apartments including the mortgaged unit).

ARTICLE IX

TRANSFER OF APARTMENTS

Section 1. Unrestricted Transfers. Subject to Section 2 below, a Co-Owner may, without restriction hereunder, sell,

give, devise, lease or otherwise transfer his Apartment, 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. Term of Lease. No Apartment or interest therein shall be leased by a Co-Owner for a term greater than two (2) years. A copy of any lease of an Apartment or interest therein, as and when executed, shall be furnished to the Board. The lessee under every such lease shall be bound by and subject to all of the obligations under the Master Deed and By-Laws of the Co-Owner making such lease and the lease shall expressly so provide. The Co-Owner making such lease shall not be relieved thereby from any of said obligations. Upon the expiration or termination of such lease, or in the event of any attempted subleasing thereunder, the provisions below with respect to the Association's right of first option shall again apply to said Apartment or interest therein.

Section 3. Notice to Association. Whenever a Co-Owner shall propose to sell, give, lease, devise or otherwise transfer his Apartment, 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 lease, contract for sale or other documents, if any, effecting said transfer.

Section 4. First Option of Association.

(a) If a Co-Owner proposes to sell or lease his Apartment 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 or lease such Apartment or interest therein from said Co-Owner (the "transferring party") upon the terms described in said notice.

(b) If a Co-Owner proposes to make a gift of his Apartment 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 Apartment or interest therein. The price to be paid by the Association for said Apartment shall be agreed upon by the Co-Owner (the "transferring party") and the Association, or, if not promptly agreed upon, shall be determined in accordance with the procedure set forth in Section 5.

(c) If a Co-Owner dies and under applicable law his Apartment 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 Apartment 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 Apartment or interest therein (the "transferring party"). Provided, however, the foregoing option shall not apply to any such 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 Apartment 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 5.

Section 5. Determination of Purchase Price. If the price to be paid by the Association for an Apartment 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 Apartment 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.

Section 6. Election Not to Exercise. 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. Upon receipt of notice of a proposed transfer, the Board shall, within ten (10) days thereafter, hold a meeting of its members or poll all members for the purpose of voting upon whether the Board shall elect not to exercise the Association's first option hereunder. 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 transferring 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 to exercise its first option, in the case of a proposed sale, lease or gift of an Apartment 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 Apartment, 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 and of a Co-Owner's compliance with the provisions hereof. Such a certificate shall be furnished to a Co-Owner upon his compliance 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.

Section 7. Election to Exercise. The Board shall have the authority to recommend to the Co-Owners that the Association elect to exercise its first option hereunder. Upon receipt of notice of a proposed transfer, the Board shall, within ten (10) days thereafter, hold a meeting of its members or poll all members for the purpose of voting upon whether the Board should make such recommendation. In the event the Board decides not to recommend that the Association elect to exercise its option, then notice of the Board's decision shall be promptly given to the transferring party.

(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 seventy-five (75%) 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.

Section 8. Purchase at Judicial Sale. The Board shall have the power and authority to bid and purchase, for and on behalf of the Association, any Apartment 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 seventy-five (75%) 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 Apartment or interest therein.

Section 9. 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 or lease of an Apartment 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 Apartment or interest therein to be purchased or leased, and the limited common elements appurtenant thereto.

Section 10. Miscellaneous.

(a) A transfer or lease of an Apartment or interest therein by or to the Board, the Developer or the holder of any first mortgage on an Apartment which comes into possession of the mortgaged Apartment in the manner provided by Article VIII, shall not be subject to the provisions of this Article IX, and the Developer reserves the right to rent or lease all unsold Apartments owned by it under such terms and conditions as it shall deem proper.

(b) The Association shall hold title to or lease any Apartment or interest therein, pursuant to the terms hereof, 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 Apartment or any interest therein on behalf of the Association upon such terms as the Board shall deem desirable, but in no event shall an Apartment or interest therein be sold for less than the amount paid by the Association to purchase said Apartment unless Co-Owners owning not less than seventy-five (75%) percent in number and in value first authorize the sale for such lesser amount.

(c) The provisions of this Article IX 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) The Board may from time to time adopt rules and regulations not inconsistent with the provisions of this Article for the purpose of implementing and effectuating said provisions.

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

(f) Except otherwise provided in the Master Deed or in these By-Laws, in the event of any transfer of an Apartment or any interest therein, the transferee 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 X

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 XI

AMENDMENT AND TERMINATION

Section 1. Amendment. These By-Laws may be amended, altered, changed, added to or repealed by either (i) the affirmative vote of not less than 75% of the Co-Owners in

value and in number; or (ii) until the initial meeting of members, only by all of the Directors; provided, that no amendment shall change any provision of the Master Deed unless made in accordance with Article X thereof and approved by the Securities Bureau of the Michigan Department of Commerce, nor shall it eliminate any of the mandatory provisions required by the Michigan Horizontal Real Property Act. A copy of each amendment shall be certified by the President and Secretary as having been duly adopted, shall be furnished to Co-Owners of all Apartments, and shall be effective when recorded in the public records of Kent County, Michigan.

Section 2. Termination. The Condominium may be terminated at any time by the written approval of the Co-Owners of all Apartments and all record owners of liens thereon, in the manner provided by law; provided that:

(a) A termination of the Condominium shall be evidenced by a certificate of the Association executed by the President and Secretary certifying as to facts representing the termination, which certificate shall become effective upon being recorded in the public records of Kent County, Michigan.

(b) After termination of the Condominium, the remaining Co-Owners shall own the Condominium property and all assets of the Association as tenants in common in undivided shares, and the respective mortgagees and lienors shall have mortgages and liens upon their undivided shares of said Apartment owners. Such undivided shares shall be the same as the undivided shares in the common elements appurtenant to each Co-Owner's Apartment prior to termination.

ARTICLE XII

MISCELLANEOUS PROVISIONS

Section 1. Severability. In the event that any of the terms, provisions, or covenants of these By-Laws or the Condominium Documents are held to be partially or wholly invalid or unenforceable for any reason whatsoever, such holding shall not affect, alter, modify or impair in any manner whatsoever any of the other terms, provisions or covenants of such documents or the remaining portions of any terms, provisions or covenants held to be partially invalid or unenforceable, 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 2488 Village Drive, S.E., Grand Rapids, Michigan 49506, or at such other address as hereinafter provided. The Association or Board may designate a different address for notices to them, respectively, by giving written notice of such change of address to all Co-Owners. Any Co-Owner may designate a different address for notices to him by giving written notice to the Association. Notices addressed as above shall be deemed delivered when mailed by United States mail with postage prepaid, or when delivered in person.

Section 3. Perpetuities. If any of the options, privileges, covenants or rights created by this Master Deed shall be unlawful, void or voidable for violation of the rule against perpetuities, then such provision shall continue only until twenty-one (21) years after the death of the survivor of the now living descendants of the President of the United States, Jimmy Carter, and Governor of Michigan, William Milliken.

CONSENT TO SUBMISSION OF REAL PROPERTY
TO CONDOMINIUM PROJECT

WHEREAS, Georgetown of Grand Rapids, an Illinois Limited partnership, as Developer intends to establish Georgetown of Grand Rapids as a Condominium project by recordation in the Office of the Kent County Register of Deeds of a Master Deed of Georgetown of Grand Rapids, covering the real property in the City of Grand Rapids, Kent County, Michigan, described therein; and

WHEREAS, B. B. Cohen Mortgage Co., a Delaware Corporation, is Mortgagee by Assignment of that certain Michigan Mortgage dated September 6, 1977, and recorded September 15, 1977 in Liber 1883, Pages 988 to 1020 of Kent County Records.

NOW, THEREFORE, B. B. Cohen Mortgage Co. hereby consents to the submission of the aforesaid property to the condominium project Department of Commerce, and further consents to the recordation of said Master Deed in the Office of the Register of Deeds for Kent County, Michigan.

Dated: October 13, 1977

B. B. COHEN MORTGAGE CO.

Witnesses:

Darlene Szablewska
Darlene Szablewska

By Jay J. Strauss
Jay J. Strauss
Its Vice President

Diane L. Mendoza
Diane L. Mendoza
STATE OF ILLINOIS
COUNTY OF COOK

ATTEST: Michael I. Freeman
Michael I. Freeman Secretary

Lake

I, RICHARD FREDRICK KOHN, a Notary Public in and for Lake County, in the State of Illinois, DO HEREBY CERTIFY, that JAY J. STRAUSS

personally known to me to be the President of B. B. COHEN MORTGAGE CO.,
a corporation of the State of Delaware

and MICHAEL I. FREEMAN, personally known to me to be the Secretary of said Corporation, whose names are subscribed to the within instrument, appeared before me this day in person and severally acknowledged that as such President and Secretary, they signed

and delivered the said Instrument of writing as President and Secretary of said Corporation as their free and voluntary act and as the free and voluntary act and deed of said Corporation, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this 13th day of October, A.D. 1977

Richard Frederick Kohn
Notary Public
Richard Frederick Kohn

My Commission Expires:

4/22/79

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

Form C&S- 273

STATE OF MICHIGAN
DEPARTMENT OF COMMERCE
CORPORATION AND SECURITIES BUREAU
CORPORATION DIVISION
LANSING, MICHIGAN

(THIS IS A PART OF THE ATTACHED CORPORATE DOCUMENT AND SHOULD NOT BE DETACHED)

DO NOT WRITE IN SPACES BELOW - FOR DEPARTMENT USE	
Date Received:	<p>FILED</p> <p>Michigan Department of Commerce</p> <p>JUN 24 1977</p> <p><i>Richard W. Schubert</i> DIRECTOR</p>
JUN 20 1977	
NAME OF CORPORATION: Georgetown of Grand Rapids Condominium Association	
CORPORATE DOCUMENT: Articles of Incorporation	

**ARTICLES OF INCORPORATION
OF
GEORGETOWN OF GRAND RAPIDS CONDOMINIUM ASSOCIATION**

These Articles of Incorporation are signed and acknowledged by the incorporators for the purpose of forming a corporation not for profit under the provisions of Act No. 327 of the Public Acts of 1931, as amended, and of Act No. 284 of the Public Acts of 1972, as follows:

ARTICLE I.

The name of this corporation is:

GEORGETOWN OF GRAND RAPIDS CONDOMINIUM ASSOCIATION

ARTICLE II.

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

To provide an entity pursuant to Act No. 229 of the Public Acts of 1963, as amended, hereinafter called the "Horizontal Real Property Act", for the operation of condominium properties in the City of Grand Rapids, Kent County, Michigan, and, in furtherance thereof:

- (a) To maintain, operate and manage the condominium buildings and improvements;
- (b) To levy and collect assessments from members to defray the costs, expenses and losses of the condominium;
- (c) To employ personnel and to contract for the maintenance, administration and management of the condominium, and to delegate to said persons such powers and duties as are necessary therefor;
- (d) To purchase insurance upon the condominium property and to collect and allocate the proceeds thereof;
- (e) To make and enforce reasonable regulations concerning the use of the condominium property in furtherance of the master deed and by-laws;
- (f) To approve or disapprove the conveyance, mortgage and/or lease of apartments; and
- (g) In general, to carry on any other business in connection with and incident to the foregoing purposes not forbidden, and with all the powers conferred upon non-profit corporations by the laws of the State of Michigan.

All funds and the titles to all properties acquired by the corporation and proceeds thereof shall be held in trust for the members in accordance with the provisions of the by-laws of the Association.

ARTICLE III.

The location of the first registered office is:

Suite 700, 300 Ottawa, N.W.
Grand Rapids, Kent County, Michigan

The post office address of the first registered office is:

700 Frey Building
Grand Rapids, Michigan 49503

The name of the first resident agent at the registered office is:

William K. Van't Hof

ARTICLE IV.

This corporation is organized upon a non-stock basis.

The amount of assets which this corporation possesses at the time of its incorporation is: Real Property: None; Personal Property: None.

This corporation is to be financed under the following general plan: by assessment of members to defray the costs, expenses and losses of the condominium.

ARTICLE V.

The names and addresses of each of the Incorporators are as follows:

<u>Name</u>	<u>Residence or Business Address</u>
Robert D. Kullgren	525 Overbrook Lane, S.E. Grand Rapids, Michigan 49506
Larry J. Titley	833 Rosewood, S.E. Grand Rapids, Michigan 49506
William K. Van't Hof	3160 Hall, S.E. East Grand Rapids, Michigan 49506

ARTICLE VI.

The names and addresses of the first Board of Directors are as follows:

<u>Name</u>	<u>Residence or Business Address</u>
Bernard J. Ackerman	2532 Abbington Drive Grand Rapids, Michigan
Daniel M. Harris	122 South LaSalle Street Chicago, Illinois
A. Richard Heberly	2532 Abbington Drive Grand Rapids, Michigan
Thomas E. Schmitt	122 South LaSalle Street Chicago, Illinois
Judy P. Thornber	122 South LaSalle Street Chicago, Illinois
William K. Van't Hof	700 Frey Building Grand Rapids, Michigan

ARTICLE VII.

The term of this corporation shall be perpetual.

ARTICLE VIII.

Each co-owner of record of an Apartment in the condominium, including the Developer thereof until all such units have been sold, shall be a member of the corporation and such membership shall not be assigned, pledged, encumbered or transferred in any manner except as an appurtenance to such Apartment. The subscribers hereto shall also be members of the corporation until such time as their membership shall terminate as hereinafter provided.

Each member of the corporation shall be entitled to one vote, the value of which and the manner of exercise of which are to be determined in accordance with the By-Laws of this corporation.

ARTICLE IX.

No contract or other transaction between this corporation and any other corporation, firm or association shall be voidable by the fact that any one or more of the directors or officers of this corporation are interested in or are directors or officers of such other corporation, firm or association, and any director or officer individually may be a party to or may be interested in any contract or transaction of the corporation; provided, that the contract or other transaction is fair and reasonable to the corporation when it is authorized, approved or ratified and that the material facts as to such relationship or interest are disclosed or known to the board or committee at the time it authorized, approved or ratified the contract or transaction by a vote sufficient for the purpose without counting the vote of such interested director or officer, and each and every person who may become a director or officer of the corporation is hereby relieved from any liability which might otherwise exist from contracting with the corporation for the benefit of himself or any firm, association or corporation in which he may be otherwise interested as set forth herein.

ARTICLE X.

These Articles may be amended only by the affirmative vote of not less than sixty percent (60%) of the entire membership of the corporation; provided, that in no event shall any amendment make changes in the qualifications for membership nor the voting rights of members without the unanimous consent of the membership.

ARTICLE XI.

In the event the existence of this corporation shall be terminated for any reason, all funds of the corporation shall be distributed among the members in the same proportion in which each member's interest in his condominium unit bears to the entire valuation involved in the condominium project.

We, the incorporators, sign our names this 16th day of June, A.D., 1977.

ROBERT D. KULLGREN

Robert D. Kullgren

LARRY J. TITLEY

Larry J. Titley

W. K. VAN'T HOF

W. K. Van't Hof

STATE OF MICHIGAN }
COUNTY OF KENT }

ss.:

On this 16th day of June, A.D., 1977, before me personally appeared Robert D. Kullgren, Larry J. Titley, and W. K. Van't Hof, to me known to be the persons described in and who executed the foregoing instrument and acknowledged that they executed the same as their free act and deed.

DIANE KANIE

Notary Public, Kent County, Michigan

My commission expires: 11-3-80

ASSOCIATION BY-LAWS
OF
GEORGETOWN OF GRAND RAPIDS CONDOMINIUM ASSOCIATION

ARTICLE I.

CONDOMINIUM BY-LAWS

The Condominium By-Laws of Georgetown of Grand Rapids, a Condominium Project, as approved by the Michigan Department of Commerce as a part of the Master Deed pertaining to said Condominium Project, and as recorded in the Office of the Register of Deeds of Kent County, Michigan, are hereby incorporated by reference and adopted in their entirety as a part of the By-Laws of this corporation.

ARTICLE II.

MEETINGS AND QUORUM

Section 1. Membership Meetings. The initial meeting of the members, absent a special call by the Board of Directors, shall be held on call of the Developer at or before the time required for such meeting by the Condominium By-Laws. At such meeting, the directors elected at the First Meeting of Incorporators shall resign and a new Board of Directors shall be elected by the members as herein provided.

Section 2. Annual Meeting of Members. Thereafter, the annual meeting of members shall be held in each year at the principal office of the Association or at such other convenient place as may be designated by the Board of Directors, on a date within fifteen (15) days of the anniversary date of the initial meeting. Notice of all annual meetings shall be as provided in the Condominium By-Laws.

Section 3. Delayed Annual Meeting of Members. If, for any reason, the annual meeting shall not be held on the day so designated, such meeting may be called and held as a special meeting with the same proceedings as at an annual meeting.

Section 4. Special Meetings of Members. Special meetings of the members may be called by the President or by a majority of the directors of the Board, or by Co-Owners having at least forty percent (40%) of the votes entitled to notice of the meeting. Notice of special meetings shall be provided in the same manner as for annual meetings.

Section 5. Organizational Meeting of Board. At the place of holding, and immediately following the annual meeting of members, the Board as constituted upon final adjournment of such annual meeting shall convene for the purpose of electing officers and transacting any other business properly proposed; provided, that the organizational meeting in any year may be held at a different time and place by consent of a majority of the Directors.

Section 6. Regular Meetings of the Board. In addition to its organizational meeting, the Board may hold regular meetings at such other times and places as it shall from time to time determine. Notice of regular meetings shall be given to each director personally or by mail, telephone or telegraph at least three (3) days prior to the date of such meeting.

Section 7. Special Meetings of Board. Special meetings of the Board may be called by the President or by any two Directors at any time by means of such oral or written notice to each Director of the time, place and purpose of such meeting as the Secretary in his discretion shall deem sufficient.

Section 8. Notice and Mailing. All written notices required to be given by any provision of these By-Laws shall state the authority pursuant to which they are issued (as, "by order of the President," or "by order of the Board of Directors", as the case may be) and shall bear the written, printed or typed signature

of the secretary. Each such notice shall be deemed duly served when it has been deposited in the United States mail, with postage fully prepaid, plainly addressed to the addressee at his, her or its last address appearing upon the membership records of the Corporation.

Section 9. Waiver of Notice. Notice of the time, place and purpose of any meeting of the members or of the Board may be waived by telegram, cablegram or other writing, either before or after such meeting has been held. Attendance at any meeting of the Board constitutes a waiver of notice, except where a Director attends for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 10. Quorum. A quorum of the members shall be as set forth in the Condominium By-Laws. A majority of the directors then in office, or of the members of any Committee thereof, shall constitute a quorum for the transaction of business, and the acts of a majority of the directors present at any meeting at which there is a quorum shall be the acts of the Board except as otherwise required by statute or by the Condominium Documents.

ARTICLE III.

BOARD OF DIRECTORS

Section 1. Number and Term. The business, property and affairs of the Corporation shall be managed by a Board of Directors composed of not less than three (3) not more than nine (9) members. Every Director, except for members of the first Board, shall hold office for the term of three (3) years and until his successor is elected and qualified, or until his resignation or removal. At least one-third of the entire membership of the Board shall be elected each year at the annual meeting of members; provided, that until the initial meeting of members as required by the Condominium By-Laws, the Directors named in the Articles of Incorporation and their successors shall serve.

Section 2. Qualification. Except for members of the first Board, each Director shall be a Co-Owner or the spouse of a Co-Owner (or, if a Co-Owner is a trustee of a trust, a Director may be a beneficiary of such trust, and if a Co-Owner or such a beneficiary is a corporation or a partnership, a Director may be an officer, partner or employee of such Co-Owner or beneficiary). If a Director shall cease to meet such qualifications during his term, he shall thereupon cease to be a Director and his place on the Board shall be deemed vacant.

Section 3. Vacancies. Vacancies in the Board may be filled by the affirmative vote of a majority of the remaining Director or Directors, even though less than a quorum of the Board. Each person elected to fill a vacancy shall remain a Director until his successor has been duly elected and qualified, which election shall be for a term equal to that remaining of the Director whose death or resignation has created the vacancy.

Section 4. Resignation and Removal. A Director may resign at any time and such resignation shall take effect upon receipt of written notice by the Association, or at such subsequent time as may be set forth in the notice of resignation. Any or all the Directors may be removed, with or without cause, by the vote of sixty percent (60%) of the Co-Owners in number and in value.

Section 5. Action by Written Consent. If and when all the Directors shall severally or collectively consent in writing to any action to be taken by the Corporation, either before or after the action, such action shall be as valid corporate action as though it had been authorized at a meeting of the Board.

Section 6. Powers and Duties. In addition to the powers and duties imposed or permitted by law, by these By-Laws or by resolution of the members of the Association, the Board of Directors shall have all powers and duties necessary for the administration of the affairs of the Condominium as set forth in the Condominium By-Laws.

Section 7. Rules and Regulations. The Board of Directors shall propose regulations respecting the use and enjoyment of the Apartments and common elements of the Condominium and such other rules and

regulations as may be necessary for the maintenance and operation of the Condominium. All regulations imposed by the first Board of Directors prior to the initial meeting of members shall be binding upon all subsequent members unless duly amended as provided herein.

Section 8. Compensation. Directors shall receive no compensation for their services as directors, unless expressly provided for in resolutions duly adopted by the members.

ARTICLE IV.

OFFICERS

Section 1. Designation and Term. The Board shall elect a President, a Secretary and a Treasurer, and may also elect one or more Vice-Presidents, Assistant Secretaries and Assistant Treasurers, as the needs of the business may require. Each officer shall hold office for the term of one year and until his successor is elected and qualified; provided, that any officer shall be subject to removal by a majority vote of the directors, with or without cause. No officer shall receive any compensation from the Corporation for acting as such.

Section 2. The President. The President shall be the chief executive officer of the Corporation. He shall preside over all meetings of the members and of the Board, shall be ex officio a member of all standing committees, and shall be the chief executive officer of the Association.

Section 3. The Secretary. The Secretary shall attend all meetings of the members, of the Board, and of the executive committee, and shall preserve in books of the Corporation true minutes of the proceedings of all such meetings. He shall safely keep in his custody the seal of the Corporation and shall have authority to affix the seal to all instruments where its use is required. He shall give all notices required by statute, By-Law or resolution and shall perform such other duties as may be delegated to him by the Board or by the executive committee.

Section 4. The Treasurer. The Treasurer shall have custody of all corporate funds and securities and shall keep in books belonging to the Corporation full and accurate accounts of all receipts and disbursements; he shall deposit all monies, securities and other valuable effects in the name of the Corporation in such depositories as may be designated for that purpose by the Board. He shall disburse such funds of the corporation as may be ordered by the Board, taking proper vouchers for such disbursements, and shall render to the President and Directors at regular meetings of the Board, and whenever requested by them, an account of all his transactions as Treasurer and of the financial condition of the Corporation.

Section 5. Vacancies. Vacancies in any office may be filled by the affirmative vote of a majority of the remaining members of the Board at any regular or special meeting. Each person appointed to fill the vacancy shall remain an officer for a term equal to that remaining of the officer whose death or resignation has created the vacancy, and until his successor has been duly elected and qualified.

ARTICLE V.

INDEMNIFICATION

Section 1. Indemnification Other Than in Action by or in the Right of the Corporation. Any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative (other than an action by or in the right of the corporation) by reason of the fact that he is or was a director, officer, employee, or agent of the corporation or is or was serving at the request of the corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, shall be indemnified by the corporation against expenses (including attorneys' fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit, or proceeding if he

acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interest of the corporation, or its shareholders, and, with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the corporation, or its shareholders, or, with respect to any criminal action or proceeding, that he had reasonable cause to believe that his conduct was unlawful.

SECTION 2. *Indemnification in Actions by or in the Right of the Corporation.* Any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that he is or was a director, officer, employee, or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise shall be indemnified by the corporation against expenses (including attorneys' fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the corporation, or its shareholders, except that no indemnification shall be made in respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the corporation unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper.

Section 3. *Expenses.* To the extent that a director, officer, employee, or agent of the corporation has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Sections 1 or 2 of this Article, or in defense of any claim, issue, or matter therein, he shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by him in connection therewith.

Section 4. *Authorization of Indemnification.* Indemnification under Sections 1 or 2 of this Article (unless ordered by a court) shall be made only after ten days prior written notice has been given to all Co-Owners, as authorized in the specific case upon a determination that indemnification of the director, officer, employee, or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in this Article. Such determination shall be made (1) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or (2) if such a quorum is not obtainable, or, even if obtainable, if a quorum of disinterested directors so directs, by independent legal counsel (who may be the regular counsel of the corporation) in a written opinion, or (3) by the shareholders.

Section 5. *Advancing of Expenses.* Expenses incurred in defending a civil or criminal action, suit, or proceeding described in Section 1 or 2 of this Article may be paid by the corporation in advance of the final disposition of such action, suit, or proceeding as authorized by the Board of Directors in the manner provided in Section 3 upon receipt of an undertaking by or on behalf of the director, officer, employee, or agent to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the corporation as authorized in this Article.

Section 6. *Indemnification Hereunder Not Exclusive.* The indemnification provided by this Article shall not be deemed exclusive of any other rights to which a party seeking indemnification may be entitled under any by-law, agreement, vote of stockholders or disinterested directors, or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee, or agent, and shall inure to the benefit of the heirs, executors, and administrators of such a person.

Section 7. *Insurance.* The corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture,

trust, or other enterprise against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the corporation would have the power to indemnify him against such liability under the provisions of this Article.

Section 8. Mergers. For the purposes of this Article, references to the "corporation" include all constituent corporations absorbed in a consolidation or merger, as well as the resulting or surviving corporation, so that any person who is or was a director, officer, employee, or agent of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, shall stand in the same position under the provisions of this Article with respect to the resulting or surviving corporation as he would if he had served the resulting or surviving corporation in the same capacity.

ARTICLE VI.

GENERAL PROVISIONS

Section 1. Assessments. The Association and the Board shall have the power to raise and the responsibility for raising, by special assessment or otherwise, any sums required to discharge its obligations under these By-Laws; provided, however, that the liability of any Co-Owner arising out of any contract made by or other acts of the Directors, officers or committee, or out of the aforesaid indemnity provisions, shall be limited to such proportion of the total liability hereunder as said Co-Owner's percentage of value in the common elements bears to the total percentage interest of all Co-Owners in the common elements. Every agreement made by the Directors, officers, committees or managing agent on behalf of the Co-Owners shall provide that the persons executing the same are acting only as agents for the Co-Owners and shall have no personal liability thereunder (except as a Co-Owner), and that each Co-Owner's liability thereunder shall be limited to such proportion of the total liability incurred as his percentage of interest in the common elements bears to the total percentage interest of all Co-Owners in the common elements.

Section 2. Execution of Instruments. All checks, drafts, and orders for payment of money shall be signed in the name of the Corporation by such officer or officers or agent or agents as the Board shall from time to time designate for that purpose. When the execution of any contract, conveyance or other instrument of title has been authorized without specification of the executing officers, the President, or a Vice-President, if any, may undertake the execution in the name or on behalf of this Corporation without attestation, acknowledgment or seal.

Section 3. Seal. The seal of the Corporation shall have inscribed thereon the name of the Corporation and the words "Corporate Seal, Michigan". The seal may be used by causing it or a facsimile thereof to be impressed or affixed or in any manner reproduced.

Section 4. Fiscal Year. The fiscal year of the Corporation shall be fixed by resolution of the Board.

ARTICLE VIII.

AMENDMENT OF BY-LAWS

Section 1. Amendment Procedures. These By-Laws may be amended, altered, changed, added to or repealed by the affirmative vote of a majority of the members of the Association in number and in value or by the affirmative vote of a majority, or by the written consent of all, of the Board; provided, that any amendment made by the Board prior to the initial meeting of members as set forth herein shall be subject to the approval by the Michigan Department of Commerce, and that the Condominium By-Laws incorporated herein by reference may be amended only in accordance with the provisions of Article XI, Section 1 thereof.