#### MASTER DEED

#### FOUNTAIN VIEW VILLAS

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

Kent County Condominium Subdivision Plan No. 153

- (1) Master Deed establishing Fountain View Villas, a Condominium Project.
- (2) Exhibit "A" to Master Deed: Condominium Bylaws of Fountain View Villas.
- (3) Exhibit "B" to Master Deed: Condominium Subdivision Plan for Fountain View Villas.
- (4) Exhibit "C" to Master Deed: Mortgagees' Consent to Submission to Condominium Ownership.
- (5) Exhibit "D" to Master Deed: Proof of Service of Notice of Intention to Establish Condominium.

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

#### MASTER DEED

#### FOUNTAIN VIEW VILLAS

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

This Master Deed is made and executed on this 13th day of July , 1988, by Crystal Springs Development Corporation, a Michigan corporation of P.O. Box 8308, Grand Rapids, Michigan 49518 (the "Developer").

## WITNESSETH:

WHEREAS, the Developer is engaged in the construction of a residential condominium project to be known as Fountain View Villas (the "Project"), pursuant to plans approved by Gaines Township, Kent County, Michigan on the parcel of land described in Article II; and

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

NOW, THEREFORE, the Developer does, upon the recording hereof, establish Fountain View Villas as a condominium project under the Act and does declare that the Project will 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 will be deemed to run with the land and will be a burden and a benefit to the Developer, its successors and assigns, and to any persons acquiring or owning an interest in the Project, their grantees, successors, heirs, personal representatives, administrators and assigns. In furtherance of the establishment of the Project, it is provided as follows:

## ARTICLE I

## NATURE OF PROJECT

- 1.1 Nature of Projects. The Units which comprise the first phase of the Project, including the number, boundaries, dimensions and area of each Condominium Unit therein, are set forth completely in the Condominium Subdivision Plan, and each Unit is capable of individual utilization by having its own access to the Common Elements of the Project. Until the recording of "as built" Subdivision Plan, the Developer reserves the exclusive right to change or modify the size and/or location of any Unit and/or Common Element without the consent of any Coowner so long as such changes do not unreasonably impair or diminish the appearance of the Project or the view, privacy or other significant attribute of any Unit which adjoins or is proximate to the modified Unit or Common Element.
- 1.2 <u>Co-owner Rights</u>. Each Co-owner in the Project will have a particular and exclusive property right to his Unit and the Limited Common Elements appurtenant thereto, and will have an undivided and inseparable right to share with other Co-owners the General Common Elements of the Project as designated by this Master Deed.

#### ARTICLE II

#### LEGAL DESCRIPTION

2.1 <u>Legal</u> <u>Description</u>. The land which is hereby submitted to condominium ownership pursuant to the provisions of the Act is described as follows:

North Portion:

That part of the W 1/2, Section 9, T5N, R11W, Gaines. Township, Kent County, Michigan, described BEGINNING at a point on the E-W 1/4 line of Section 9, which is N89°40'43"E 634.24 feet from the W 1/4 corner of Section 9; thence N27°18'W 85.0 thence N00°03'43"E feet; 130.16 feet; N43°17'22"E 134.84 feet; thence N88°30'E 129.96 S80°14'13"E thence 46.32 feet; thence feet; N34°06'W 62.02 feet ; thence N14°22'E 61.46 feet; thence N28°18'E 95.00 feet; thence N45°05'E 180.0 feet; thence N58°00'E 392.87 feet; thence N80°30'E 107.80 feet; thence S60°30'E 153.07 feet; thence S22°00'E, 150.0 feet; thence S68°00'W 302.00 feet the Northerly line of Crystal Springs Boulevard (66 feet wide); thence Southwesterly on a 283.0 foot radius curve to the ₹251.90 feet the chord of which bears S42°30'00" W 243.67 thence Southwesterly 181.79 feet on a 217.0 radius curve to the right, the chord of which ್ತ foot abears S41°00'00"W 176.52 feet; thence S65°00'W feet; thence Southwesterly 151.07 feet on a ≥350.0 贤283.0 foot radius curve to the left, the chord of which bears S49°42'28"W 149.28 feet (the last four being along said Northerly line of Crystal calls Springs Boulevard); thence N27°18'00"W 42.66 feet to the place of beginning. This parcel contains 7.570 Acres.

and

P.P. 11-22-09-100-016 AND - 300-005 Verified 23 13 2 13 15 Spect

South Portion:

That part of the W 1/2, Section 9, T5N, R11W, Gaines Township, Kent County, Michigan, described Commencing at the W 1/4 corner of Section 9; as: thence S00°02'31"E 330.0 feet along the West line Section 9; thence N89°40'43"E 896.0 feet parallel with the E-W 1/4 line of Section 9 to the PLACE OF BEGINNING of 'this description; thence NO0°02'31"W 121.77 feet; thence Northeasterly 57.84 feet along the Southerly line of the East-bound lane of Crystal Springs Boulevard on a 283.0 foot radius curve to the left, the chord of which bears N34°21'18"E 57.74 feet; thence N28°30'E 267.56 feet; thence Northeasterly 117.32 feet on a 217.0 foot radius curve to the right, the chord of which bears N43°59'20"E 115.90 feet; thence Northeasterly 209.81 feet on a 283.0 foot radius curve to the left, the chord of which bears N38°14'20"E 205.04 feet; thence Northeasterly 193.16 feet on a 217.0 foot radius curve to the right, the chord of which bears N42°30'00"E 186.84 feet; thence N68°00'E 95.0 feet (the last five calls being along said Southerly line of Crystal Springs Boulevard); thence S6°55'03"E 106.39 feet; thence S15°05'W 131.94 feet; thence S57°00'W 150.03 feet; thence S2°25'E 120.10 feet; thence S8°10'50"W 92.72 feet;

I HEREBY CERTIFY that there are No fax Liens or fitles held by the State or any Individual against the within description and all Taxes on same are paid for five years previous to the date of this instrument as appears by the records in my office. This certificate does not apply to current taxes, if any now in process of collection.

thence S22°28'10"W 92.73 feet; thence S33°00'W 143.18 feet; thence S23°45'W 94.0 feet; thence S71'02'01E 112.28 feet; thence S33°47'31"E 70.23 feet; thence S10°29'23E 70.04 feet; thence S10°24'21"W 70.04 feet; thence S35°59'54"W 112.68 feet; thence S36°23'01"E 111.88 feet; S11°17'31"E 70.23 feet; thence S11°12'29"W 70.23 feet; thence S33°10'32"W 131.98 feet; thence S89°40'43"W 348.0 feet parallel with the North line of the SW 1/4, Section 9; thence N00°02'31"W 660.0 feet parallel with and 896.0 feet East of the West line of Section 9 to the place of beginning. This parcel contains 10.791 Acres.

Together with an easement for ingress and egress over proposed Crystal Springs Boulevard described as follows:

That part of the W 1/2, Section 9, T5N, R11W, Gaines Township, Kent County, Michigan, described Commencing at the W 1/4 corner of Section 9; as: thence S00°02'31"E 152.0 feet along the West line of Section 9; thence N89°57'29"E 60.0 feet to the East line of Kalamazoo Avenue and the PLACE OF BEGINNING of this description; thence N89°57'29"E 400.0 feet; thence Northeasterly 222.22 feet on a 217.0 foot radius curve to the left, the chord of which bears 'N60°37'14"E 212.64 feet; thence Northeasterly 166.54 feet on a 283.0 foot radius curve to the right, the chord of which bears N48°08'30"E 164.14 feet; thence N65°00'E 350.0 feet; thence Northeasterly 181.79 feet on a 217.0 foot radius curve to the left, the chord of which bears N41°00'E 176.52 feet; thence Northeasterly 251.90 feet on a 283.0 foot radius curve to the right, the chord of which bears N42°30'E 243.67 feet; thence N68°00'E 302.0 feet; thence S22°00'E 66.0 feet; thence S68°00'W 302.0 feet; thence Southwesterly 193.16 feet on a 217.0 foot radius curve to the left, the chord of which bears S42°30'00"W 186.84 feet; thence Southwesterly 209.81 feet on a 283.0 foot radius curve to the right, the chord of which bears S38°14'20"W 205.04 feet; thence Southwesterly 117.32 feet on a 217.0 foot radius curve to the left, the chord of which bears S43°59'20"W 115.90 feet; thence S28°30'00" 267.56 feet; thence Southwesterly 303.56 feet on a 283.0 foot radius curve to the right, the chord of which bears S59°13'44"W 289.21 feet; thence S89°57'29'W 620.0 feet; thence N00°02'31"W 152.0 feet along the East line of Kalamazoo Avenue to the place of beginning. Except that portion described as: Commencing at the W 1/4 corner of Section 9; thence, S00°02'31"E 152.0 feet along the West line of Section 9; thence N89°57'29"E 275.0 feet; thence S00°02'31"E 77.82 feet to the PLACE OF BEGINNING of the exception; thence N84°17'E 119.50 feet; thence N89°57'29"E 66.08 feet; thence Northeasterly 289.81 feet on a 283.0 foot radius curve to the left, the chord of which bears N60°37'14"E 277.31 feet; thence Northeasterly 127.70 feet on a 217.0 foot radius curve to the right, the chord of which bears N48°08'30"E 125.86 feet; thence N65°00'E 212.47 feet; thence S28°30'W 246.02 feet; thence Southwesterly 232.76 feet on a 217.0 foot radius curve to the right, the chord of which bears S59°13'44"W 221.76 feet; thence S89°57'29"W 405.0 feet; thence N00°02'31"W 8.18 feet to the place of beginning of the exception.

The Developer reserves the right, at its sole option, to dedicate as a public street all or part of the lands subject to the aforesaid proposed Crystal Springs Boulevard easement for ingress and egress and upon such dedication providing ingress and egress by public street to the General Common Elements the aforesaid easement for ingress and egress will automatically terminate and thenceforth be null and void.

Together with and subject to all easements and restrictions of record, including the recorded Crystal Springs Residential Use Restrictions, and all governmental limitations.

## ARTICLE III

#### **DEFINITIONS**

- 3.1 <u>Definitions</u>. 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, Association By-laws and Rules and Regulations of the Fountain View Villas 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) <u>Act</u>. "Act" or "Michigan Condominium Act" means the Michigan Condominium Act, being Act 59 of the Public Acts of 1978, as amended.
  - (b) <u>Administrator</u>. "Administrator" means the Michigan Department of Commerce, designated to serve in such capacity by the Act.
  - Association. "Association" means (C) View Villas Association, the Michigan non-profit corporation organized under the laws of Michigan, of which all Co- owners will be members, which corporation will administer, operate, manage and maintain the Project. Any action required of or permitted to the Association will be exercisable by its Board of Directors (including any Board of Directors acting prior to the Transitional Control Date) unless specifically reserved to its members by the Condominium Documents or the laws of the State of Michigan. The Co-owners may by a two-thirds (2/3) vote after the Development Period has expired designate a different Michigan non-profit corporation or unincorporated association as the "Association",
  - (d) <u>Bylaws</u>. "Bylaws" means Exhibit "A" attached hereto which forms a part of this Master Deed. The Bylaws also constitute the corporate bylaws of the Association as provided under the Michigan Nonprofit Corporation Act.
  - (e) <u>Common Elements</u>. "Common Elements" where used without modification, means the portions of the Project other than the Condominium Units, including all General and Limited Common Elements described in Article IV. A Common Element will not be separable from the Condominium Unit or Units to which it is appurtenant.
  - (f) <u>Condominium</u> <u>Documents</u>. "Condominium Documents" means and includes this Master Deed and Exhibits "A" and "B" attached hereto, and the Articles of Incorporation and rules and regulations, if any, of the Association, all as amended from time to time.

- (g) <u>Condominium Property</u>. "Condominium Property" means the land described in Article II, as amended, together with all easements, rights and appurtenances.
- (h) <u>Condominium</u> <u>Subdivision</u> <u>Plan</u>. "Condominium Subdivision Plan" means Exhibit "B" attached hereto.
  - (i) <u>Condominium</u> <u>Unit</u>. "Condominium Unit" or "Unit" means that portion of the Project designed and intended for separate ownership and use, as described in this Master Deed.
- (j) <u>Co-owner</u>. "Co-owner" means the person, firm, corporation, partnership, association, trust or other legal entity or any combination thereof who or which owns a Condominium Unit in the Project. The term "Owner," wherever used, will be synonymous with the term "Co-owner". If a Unit is sold pursuant to a land contract that grants possession of the Unit to the vendee, the land contract vendee will be the Co-owner of that Unit so long as such land contract is executory, except as otherwise provided in the land contract if a copy of the land contract is, filed with the Association and except that the land contract vendor and vendee will have joint and several responsibility for assessments by the Association.
- (k) <u>Developer</u>. "Developer" means Crystal Springs Development Corporation, a Michigan corporation, which has made and executed this Master Deed, its successors and assigns. Both successors and assigns will always be deemed to be included within the term "Developer" whenever, however and wherever used in the Condominium Documents, unless specifically stated otherwise.
- (1) <u>Development Period</u>. "Development Period" means the period commencing with the recording of the Master Deed and continuing as long as the Developer owns any Unit which it offers for sale, or for so long as the Developer is entitled to expand the Project as provided in Article VI hereof, or until the Developer has sold the 323 condominium units in the Project and/or in the area of future development contemplated by Article VI (whether or not added to the Project or developed as separate condominium project(s)), whichever is longer, provided the period will in no event exceed ten (10) years.
- (m) First Annual Meeting. "First Annual Meeting" means the initial meeting at which non-developer Coowners are permitted to vote for the election of all Directors and upon all other matters which properly may be brought before the meeting. Such meeting is to be held (a) in the Developer's sole discretion after 50% of the Units which may be created are sold, or (b) mandatorily within (i) 54 months from the date of the first Unit conveyance, or (ii) 120 days after 75% of all Units which may be created are sold, whichever first occurs. The maximum number of Units that may be added to the Project pursuant to Article VI hereof will be included in the calculation of the number of Units which may be created.
- (n) <u>General Common Elements</u>. "General Common Elements" means those Common Elements of the Project described in Section 6.1 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.

- (o) <u>Limited Common Elements</u>. "Limited Common Elements" means those Common Elements of the Project described in Section 6.2 which are reserved for the exclusive use of the Co-owners of a specified Unit or Units.
  - (p) <u>Master Deed</u>. "Master Deed" means this instrument, together with the exhibits attached hereto and all amendments thereof, by which the Project is submitted to condominium ownership.
- (q) <u>Percentage</u> of <u>Value</u>. "Percentage of Value" means the percentage assigned to each Unit which is determinative of the value of a Co-owner's vote at meetings of the Association when voting by value or by number and value, and the proportionate share of each Co-owner in the Common Elements of the Project and the proceeds and expenses of administration.
- (r) <u>Project</u>. "Project" or "Condominium" means Fountain View Villas, a condominium development established in accordance with the provisions of the Act.
- (s) <u>Transitional</u> <u>Control</u> <u>Date</u>. "Transitional Control Date" means the date on which a Board of Directors of the Association takes office pursuant to an election in which the votes that may be cast by eligible Co-owners unaffiliated with the Developer exceed the votes which may be cast by the Developer.

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

## ARTICLE IV

### COMMON ELEMENTS

- 4.1 <u>General Common Elements</u>. The General Common Elements are:
  - (a) Land. The land described in Article II hereof (other than that portion described in Section 5.1 and in Exhibit "B" as constituting the Condominium Units), including easement interests of the Condominium in the land provided to it for ingress and egress, if any;
  - (b) <u>Improvements</u>. All roads and other surface improvements not located within the boundaries of a Condominium Unit. Those structures and improvements that now or hereafter are located within the boundaries of a Condominium Unit will be owned in their entirety by the Co-owner of the Unit in which they are located and will not, unless otherwise expressly provided in the Condominium Documents, constitute Common Elements;
  - (c) <u>Electrical</u>. The electrical transmission system throughout the Project up to, but not including, the electric meter for each residence that now or hereafter is constructed within the boundaries of a Unit;

- (d) <u>Telephone</u>. The telephone system and any other telecommunications system throughout the Project up to the point of connection with each residence that now or hereafter is constructed within the boundaries of a Unit;
- (e) <u>Gas</u>. The gas distribution system throughout the Project up to the point where the service is stubbed for connection with each residence that now or hereafter is constructed within the boundaries of a Unit;
- (f) <u>Water</u>. The water distribution system throughout the Project up to the point where the service is stubbed for connection with each residence that now or hereafter is constructed within the boundaries of a Unit;
- (g) <u>Sanitary</u> <u>Sewer</u>. The sanitary sewer system throughout the Project up to the point where the service is stubbed for connection with each residence that now or hereafter is constructed within the boundaries of a Unit;
- (h) <u>Storm Sewer</u>. The storm sewer system throughout the Project;
- (i) <u>Telecommunications</u>. The telecommunications system, if and when it may be installed, up to, but not including, connections to provide service to each residence that now or hereafter is constructed within the boundaries of a Unit; and
- (j) <u>Miscellaneous</u>. All other Common Elements of the Project not herein designated as Common Elements which are not enclosed within the boundaries of a Condominium Unit, and which are intended for common use or are necessary to the existence, upkeep or safety of the Project.
- Some or all of the utility lines, systems (including mains and service leads) and equipment and the telecommunications system described above may be owned by the local public authority or by the company that is providing the pertinent service. Accordingly, such utility lines, systems and equipment, and the telecommunications system, will be General Common Elements only to the extent of the Co-owners' interest therein, if any, and Developer makes no warranty whatever with respect to the nature or extent of such interest, if any.
- 4.2 <u>Limited Common Elements</u>. Limited Common Elements will be subject to the exclusive use and enjoyment of the Coowners of the Unit or Units to which the Limited Common Elements are appurtenant. The Limited Common Elements are driveways and sidewalks serving the residence constructed within the Unit or Units, to the extent located outside the boundaries of the Condominium Unit, and any other improvements constructed by the Developer and designated Limited Common Elements appurtenant to a particular Unit or Units in an amendment to the Master Deed made by Developer.
- 4.3 <u>Maintenance</u>. The costs of maintenance, repair and replacement of all improvements within the boundaries of a Unit will be borne by the Co-owner of the Unit, except for maintenance performed by the Association as provided in Section 7.1. The appearance of all buildings, garages, patios, decks, open porches, screened porches and other improvements within a Unit will at 'all times be subject to the approval of the Association, except the Association may not disapprove the appearance of an

improvement so long as maintained as constructed by Developer or constructed with the Developer's approval. In the event that the maintenance, cleaning and decoration of such improvements by the Co-owner does not conform to the reasonable standards established by the Association, the Association will have the right to take such action as may be necessary to bring the improvements up to required standards and to charge the cost thereof to the Co-owner responsible for the cleaning, decoration and/or maintenance.

If any Co-owner elects, with the prior written consent of the Association, to construct or install any improvements within the Co-owner's Unit or on the Common Elements which increase the costs of maintenance, repair or replacement for which the Association is responsible, such increased costs or expenses, at the option of the Association, may be specially assessed against such Unit or Units.

The costs of maintenance, repair and replacement of all General Common Elements described above will 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.

- 4.4 Power of Attorney. All of the Co-owners and mortgagees of Units and other persons interested or to become interested in the Project from time to time by acceptance of a deed,
  mortgage, land contract or other conveyance do thereby irrevocably appoint the Developer during the Development Period, and
  thereafter the Association, as agent and attorney in connection
  with all matters concerning the General Common Elements and their
  respective interests in the General Common Elements. Without
  limitation on the generality of the foregoing, the Developer or
  the Association as the case may be, will have full power and
  authority to grant easements over or convey title to the land
  constituting the General Common Elements or any part thereof, and
  to execute all documents and to do all things on behalf of the
  Co-owners, mortgagees and other interested persons as are
  necessary or convenient in the exercise of such powers.
- 4.5 Condominium Unit Use. Except as set forth herein, Condominium Units will not be separable from the Common Elements appurtenant thereto, and will 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 Coowner in the use and enjoyment of his Unit or the Common Elements appurtenant thereto.

## ARTICLE V

## DESCRIPTION AND PERCENTAGE OF VALUE

- 5.1 <u>Description of Units</u>. A complete description of each Condominium Unit in the Project, with elevations therein referenced to an official bench mark of the United States Geological Survey sufficient to relocate accurately the space enclosed by the description without reference to the Unit itself, is set forth in the Condominium Subdivision Plan as surveyed by Exxel Engineering, Inc., consulting engineers and surveyors. Each Unit will consist of the land contained within the Unit boundaries as shown in Exhibit "B" and delineated with heavy outlines, together with all appurtenances thereto. The architectural plans and specifications for the Project will be filed with Gaines Township, Michigan.
- 5.2 Percentage of Value. The percentage of value assigned to each Unit will be equal. The determination that percentages of value should be equal was made after reviewing the comparative characteristics of each Unit in the Project which would affect maintenance costs and value and concluding that there are not material differences among the Units insofar as the

allocation of percentages of value is concerned. The percentage of value assigned to each Unit will be determinative of each Co-owner's respective share of the Common Elements of the Condominium Project, the proportionate share of each respective Co-owner in the proceeds and the expenses of administration and the value of such Co-owner's vote at meetings of the Association. The total value of the Project is one hundred percent (100%).

#### ARTICLE VI

#### EXPANSION OF CONDOMINIUM

Project established pursuant to the initial Master Deed consists of 69 Units and may, at the election of Developer, be treated as the first phase of an expandable condominium under the Act to contain in its entirety a maximum of three hundred twenty-three (323) Units. Additional Units, if any, will be established upon all or some portion or portions of the following described land not included in the Project:

West one-half of Section 9, Town 5 North, Range 11 West, Gaines Township, Kent County, Michigan.

(hereinafter referred to as "area of future development").

- 6.2 <u>Increase</u> in <u>Number of Units</u>. Any other provisions of this Master Deed notwithstanding, the number of Units in the Project may, at the option of the Developer from time to time, within a period ending no later than six years after initial recording of this Master Deed, be increased by the addition to this Condominium of all or any portion of the area of future development and the establishment of Units thereon. The location, nature, appearance, design (interior and exterior) and structural components of the residences and other improvements to be constructed within the area of future development will be determined by Developer in its sole discretion, but all such improvements will be reasonably compatible with the existing structures in the Project, as determined by Developer in its sole discretion. No Unit will be created within any part of the area of future development which is added to the Condominium that is not restricted exclusively to residential use.
- will in any way obligate Developer to enlarge the Condominium Project beyond the phase established by this Master Deed and Developer may, in its discretion, establish all or a portion of the area of future development as a separate condominium project (or projects) or any other form of development. There are no restrictions on the election of the Developer to expand the Project other than as explicitly set forth herein. There is no obligation on the part of the Developer to add to the Condominium Project all or any portion of the area of future development described in this Article VI nor is there any obligation to add portions thereof in any particular order nor to construct particular improvements thereon in any specific locations.
- 6.4 Amendment to Master Deed and Modification of Percentages of Value. An increase in size of this Condominium Project by the Developer will be given effect by an appropriate amendment or amendments to this Master Deed in the manner provided by law, which amendment or amendments will be prepared by and at the discretion of the Developer and in which the percentages of value set forth in Article V hereof will be proportionately readjusted in order to preserve a total value of one hundred percent (100%) for the entire Project resulting from such amendment or amendments to the Master Deed. The precise determination of the readjustments in percentages of value will

be made within the sole judgment of Developer. Such readjustments, however, will reflect a continuing reasonable relationship among percentages of value based upon the original method of determining percentages of value for the Project.

- 6.5 Redefinition of Common Elements. The amendment or amendments to the Master Deed by the Developer to expand the Condominium may also contain such further definitions and redefinitions of General or Limited Common Elements as Developer may determine necessary or desirable to adequately describe, serve and provide access to the additional parcel or parcels being added to the Project by the amendment. In connection with any such amendment(s). Developer will have the right to change the nature of any Common Element previously included in the Project for any purpose reasonably necessary to achieve the purposes of this Article, including, but not limited to, the connection of roadways in the Project to any roadways that may be located on or planned for the area of future development, and to provide access to any Unit that is located on or planned for the area of future development from the roadways located in the Project.
- 6.6 Additional Provisions. The amendment or amendments to the Master Deed by the Developer to expand the Condominium will also contain such provisions as Developer may determine necessary or desirable (i) to make the Project contractable and/or convertible as to portions or all of the parcel or parcels being added to the Project, (ii) to create easements burdening or benefitting portions or all of the parcel or parcels being added to the Project, and/or (iii) to create or change restrictions or other terms and provisions affecting the additional parcel or parcels being added to the Project or affecting the balance of the Project as reasonably necessary in the Developer's judgment to enhance the value or desirability of the Units to be located within the additional parcel or parcels being added to the Project.
- 6.7 Consolidating Master Deed. A Consolidating Master Deed will be recorded pursuant to the Act when the Project is finally concluded as determined by Developer in order to incorporate into one set of documents all successive stages of development. The Consolidating Master Deed, when recorded, will supersede the previously recorded Master Deed and all amendments thereto. The Consolidating Master Deed may incorporate by reference all or any pertinent portions of this Master Deed, as amended, and the Exhibits hereto, or, at the election of the Developer, may restate any or all of the provisions of this Master Deed, as amended, and the Exhibits hereto, deleting provisions or parts of provisions that have been superseded, or whose effectiveness has expired, or which benefit the Developer. If no expansion of the Condominium Project occurs, no Consolidating Master Deed need be recorded.
- 6.8 Consent of Interested Parties. All of the Coowners and mortgagees of Units and other persons interested or to
  become interested in the Project from time to time by acceptance
  of a deed, mortgage, land contract or other conveyance do hereby
  irrevocably and unanimously consent to such amendment or amendments to this Master Deed to effectuate the purpose and intent of
  this Article VI and to any proportionate reallocation of percentages of value of existing Units which Developer may determine
  necessary in conjunction with such amendment or amendments. All
  such interested persons by acceptance of a deed, mortgage, land
  contract or other conveyance do thereby irrevocably appoint
  Developer as agent and attorney for the purpose of execution of
  such amendment or amendments to the Master Deed and all other
  documents necessary to effectuate the foregoing. Such amendment
  may be effected without the necessity of rerecording the entire

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

#### ARTICLE VII

## EASEMENTS

- 7.1 Easement for Maintenance of Residence Exteriors, There are hereby created easements to and in favor of the Association, and its officers, directors, agents and designees, in, on and over all Units and Common Elements in the Project, for access to the Units and the exterior of each of the residences that is constructed within the Project to permit the maintenance, repair and replacement thereof in accordance with the terms hereof. Except as otherwise expressly provided herein, the Association will be responsible for the routine painting and/or staining of the exteriors of all residences constructed in the Project and all fences enclosing or partially enclosing courtyards and patio areas and for the routine mowing and groundskeeping of any portion of a Unit that consists primarily of grass and that is not enclosed by a fence or is otherwise inaccessible to lawn maintenance equipment. The Co-owners will be individually responsible for all other costs of maintenance, repair and replacement of all residence and other improvements within the Unit, including roofs, windows, window walls, sliding glass doors, garage doors and front entry doors of each residence, regardless of the cause of such maintenance, repair and replacement. In no event will the Association be liable for the decoration, maintenance, repair or replacement of any portion of the interior of any residence. There also will exist easements to and in favor of the Association, and its officers, directors, agents and designees, in, on and over all Units and Common Elements of the Project for access to and maintenance of those Common Elements of the Project for which the Association may from time to time be responsible. The Association will in no event be obligated to repair any residence or other improvement located within or appurtenant to a Unit to the extent repair is necessitated on account of an occurrence with respect to which a Coowner is required under the Condominium Documents to maintain insurance coverage, nor will the Association be obligated to make any capital expenditures of any type whatever with respect to such residences or improvements or to perform any maintenance or repair thereon other than routine maintenance and repair of a type generally required on an ongoing basis throughout the Project.
- 7.2 Grant of Easements by Association. The Association is empowered to grant such easements, licenses, rights-of-entry and rights-of-ways over, under and across the Condominium Property for utility purposes, access purposes or other lawful purposes as may be necessary for the benefit of the Condominium or other lands described in Section 6.1, subject, however, to the approval of the Developer so long as the Development Period has not expired. No easements created under the Condominium Documents may be modified or obligations with respect thereto varied without the consent of each person benefitted thereby.
- 7.3 Easements for Maintenance, Repair and Replacement.
  The Developer, the Association and all public or private utilities providing utility service to the Condominium Project will have such easements as may be necessary over the Condominium Property, including all Units and Common Elements, to fulfill any responsibilities of maintenance, repair, decoration, inspection or replacement which they or any of them are required or permitted to perform under the Condominium Documents.

7.4 Utility Easements. Developer hereby reserves for the benefit of itself, its successors and assigns perpetual easements to enter upon and cross the Condominium Property and lay pipes and cables and do all other things reasonably necessary to utilize, tap, tie into, extend and enlarge all utility mains located on the Condominium Property, including, but not limited to, water, gas, storm and sanitary sewer mains, without regard to whether the utilization is in connection with the Condominium Project. In the event Developer, its successors or assigns, thus utilizes, taps, ties into, extends or enlarges any utilities located on the Condominium Property it will be obligated to pay all of the expenses reasonably necessary to restore the Condominium Property to its state immediately prior to such utilization, tapping, tying-in, extension or enlargement. The cost's of maintenance, repair and replacement of all utilities shared by the Co-owners and the owner or owners of any land adjoining the Condominium Property will be borne by all such persons proportionately based upon the ratio of the number of residences located upon the adjoining land to the total number of residences sharing the utilities.

Developer reserves the right during the Development Period to grant easements for utilities over, under and across the Condominium Property to appropriate governmental agencies or public utility companies and to transfer title to state, county or local governments. Any such easement or transfer of title may be conveyed by Developer without the consent of any Co-owner, mortgagee or other person and may be evidenced by either a separate easement or document transferring title or by an appropriate amendment to the Master Deed. All of the Co-owners and mortgagees of Units and other persons interested or to become interested in the Project from time to time by acceptance of a deed, mortgage, land contract or other conveyance do thereby irrevocably and unanimously consent to such amendment or amendments of this Master Deed to effectuate the foregoing easement or transfer of title.

- 7.5 Telecommunications Agreements. The Association, subject to the Developer's approval during the Development - Period, will have the power to grant such easements, licenses and 'other rights of entry, use and access and to enter into any contract or agreement, including wiring agreements, right-of-way agreements, access agreements and multi-unit agreements and, to the extent allowed by law, contracts for sharing of any installation or periodic subscriber service fees as may be necessary, convenient or desirable to provide for telecommunications, videotext, broad band cable, satellite dish, earth antenna and similar services (collectively "Telecommunications") to the Project or any Unit therein. Notwithstanding the foregoing, in no event will the Association enter into any contract or agreement or grant any easement, license or right of entry or do any other act or thing which will violate any provision of any federal, state or local law or ordinance. Any and all sums paid by any Telecommunications or other company or entity in connection with such service, including fees, if any, for the privilege of installing same or sharing periodic subscriber service fees, will be receipts affecting the administration of the Condominium Project within the meaning of the Act and will be paid over to and will be the property of the Association.
  - 7.6 Roadway Easement. Developer hereby reserves for the benefit of itself, its agents, employees, guests, invitees, independent contractors, successors and assigns, a perpetual easement for the unrestricted use of all roads and walkways now or hereafter located in the Condominium Project for the purpose of ingress and egress from all or any portion of the Condominium Property in furtherance of any legitimate purpose, including development and operation of adjoining property.

7.7 Termination of Easements. Developer reserves to itself, and its successors and assigns, the right to terminate and revoke any utility or other easement granted in this Master Deed at such time as the particular easement has become unnecessary. This may occur, by way of example but not limitation, when water or sewer systems are connected to municipal systems or when a water or sewer system or other utility easement is relocated to coordinate further and future development of the Project or other development within the area of future development. No utility easement may be terminated or revoked unless and until all Units served by it are adequately served by an appropriate substitute or replacement utility on a shared maintenance basis. Any termination or revocation of any such easement will be effected by recording an appropriate amendment to this Master Deed.

#### ARTICLE VIII

## UNIT IMPROVEMENTS OR ALTERATIONS

improvements permitted to be constructed within a Unit by any Coowner other than the Developer is a single family residence and associated improvements as contemplated and permitted by the recorded Crystal Springs Declaration of Residential Use Restrictions. A Co-owner may make improvements or alterations to the residence within a Condominium Unit that do not impair or diminish the appearance of the Project or the view, privacy or other significant attribute of any Unit which adjoins or is proximate to the Unit, subject to the approval of the Developer as provided in Section 6.3 of the Bylaws during the Development Period, and thereafter subject to the approval of the Association.

#### ARTICLE IX

## UNIT BOUNDARY RELOCATIONS

- 9.1 Unit Boundary Relocation. If the Developer is the owner of adjoining Condominium Units and desires to relocate the boundaries between those Units, then the Developer may, without the consent of other Co-owners or the Association, amend this Master Deed to relocate such boundaries as desired by the Developer. If non-developer Co-owners owning adjoining Units, or a non-developer Co-owner and Developer owning adjoining Condominium Units desire to relocate the boundaries between those Units, then the Board of Directors of the Association shall, upon written application of the Co-owners, accompanied by the written approval of all mortgagees of record of the adjoining Units, forthwith prepare or cause to be prepared an amendment to this Master Deed duly relocating the boundaries.
- 9.2 Master Deed Amendment. An amendment to this Master Deed relocating Unit boundaries will identify the Condominium Units involved; will state that the boundaries between those Condominium Units are being relocated by agreement of the Coowners thereof; will contain conveyancing between those Coowners; will reassign the aggregate percentage of value assigned to those Condominium Units in Article V between those Condominium Units if necessary to reflect a continuing reasonable relationship among percentages of value based upon the original method of determining percentages of value for the Project; and will be executed by the Co-owners of the Units involved. The Association will execute and record any amendment by the Association relocating Unit boundaries after notice given pursuant to Section 11.1(h) and payment of the costs and expenses of the amendment by the Co-owners requesting the amendment as required by Section 11.1(i).

#### ARTICLE X

## SUBDIVISION OF UNITS

10.1 <u>Unit</u> <u>Subdivision</u>. If the Developer desires to subdivide any Condominium Unit owned by Developer, then the Developer may amend this Master Deed duly subdividing the Condominium Unit.

Deed subdividing a Unit will identify the Condominium Unit being subdivided; will state that the Condominium Unit is being subdivided at the request of its Co-owner; will assign new identifying numbers to the new Condominium Units created by the subdivision; will assign to those Condominium Units a percentage of value determined in accordance with Article V; and will be executed by the Co-owner of the Unit being subdivided. The new Condominium Units will jointly share all rights, and will be equally liable, jointly and severally, for all obligations with regard to any Limited Common Elements assigned to the subdivided Condominium Unit except to the extent that an amendment will provide that portions of any Limited Common Element assigned to the subdivided Condominium Unit exclusively should be assigned to any, but less than all, of the new Condominium Units.

## ARTICLE XI

#### **AMENDMENT**

- 11.1 Amendment. Except as otherwise expressly provided in this Master Deed, the Condominium Project will not be terminated, vacated, revoked or abandoned except as provided in the Act, nor may any of the provisions of this Master Deed, including Exhibits A and B be amended, except as follows:
  - (a) No Material Change. Amendments may be made without the consent of Co-owners or mortgagees by the Developer during the Development Period, and thereafter by the Association, as long as the amendment does not materially alter or change the rights of a Coowner or mortgagee, including, but not limited to, amendments for the purpose of (i) a modification of the types and sizes of unsold Units and their appurtenant Limited Common Elements, (ii) correcting survey or other errors, (iii) making minor changes to the boundaries of the Project and/or (iv) facilitating mortgage loan financing for existing or prospective Co-owners and to enable or facilitate the purchase or insurance of such mortgage loans by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Government National Mortgage Association, the Veteran's Administration, the Department of Housing and Urban Development, any other agency of the federal government or the State of Michigan and/or any other institutional participant in the secondary mortgage market which purchases or insures mortgages.
  - (b) <u>Material Change</u>. Amendments may be made by the Developer during the Development Period, and thereafter by the Association, even if it will materially alter or change the rights of the Co-owners or mortgagees, with the consent of not less than two-thirds of the votes of the Co-owners and mortgagees. A Co-owner will have one (1) vote for each Unit owned (including, as to the Developer, all Units created by the Master Deed not yet conveyed). A mortgagee will have one (1) vote for each Unit mortgaged to the

mortgagee. The required two-thirds (2/3) vote will be two-thirds (2/3) of the number of Units increased by the number of Units subject to mortgages. The required votes may be achieved by written consent of the required two-thirds (2/3) of the Co-owners and mortgagees or, as to non-Developer Co-owners, by consent established by the vote of the Co-owner by any voting method described in Article IX of the Bylaws.

- (c) <u>Legal Compliance</u>. Amendments may be made without the consent of Co-owners or mortgagees by the Developer, even if such amendment will materially alter or change the rights of the Co-owners or mortgagees, to achieve compliance with the Act or with rules, interpretations or orders promulgated by the Administrator pursuant to the Act, or with other federal, state or local laws, ordinances or regulations affecting the Project.
- (d) Required Co-owner Consents. The method or formula used to determine the percentage of value of Units in the Project for other than voting purposes, and any provisions relating to the ability or terms under which a Co-owner may rent a Unit, may not be modified without the consent of each affected Co-owner and mortgagee. A Co-owner's Condominium Unit dimensions or appurtenant Limited Common Elements may not be modified without the Co-owner's consent.
  - (e) <u>Developer Rights to Amend</u>. The restrictions contained in this Article XI on amendments will not in any way affect the rights of Developer as set forth elsewhere in this Master Deed, such as in Section 4.2 and Articles VI, VIII, IX and X.
  - Power of Attorney. All of the Co-owners and mortgagees of Units and other persons interested or to become interested in the Project from time to time by acceptance of a deed, mortgage, land contract or other conveyance do thereby irrevocably and unanimously consent to the Developer and/or the Association making any amendment or amendments authorized by this Master Deed to be made by the Developer or the Association respectively. All such interested persons by acceptance of a deed, mortgage, land contract or other conveyance do thereby irrevocably appoint the Developer and/or the Association as agent and attorney for the purpose of execution of such amendment or amendments to the Master Deed authorized to be made by the Developer or the Association respectively, and all ancillary documents necessary to effectuate such amendments.
  - (g) <u>Developer</u> <u>Consent</u>. This Master Deed may not be modified during the Development Period without the written consent of the Developer.
  - (h) <u>Notice</u>. Co-owners and mortgagees of record in Kent County, Michigan will be notified of proposed amendments not less than ten (10) days before the amendment is recorded.
- (i) <u>Costs</u>. A person causing or requesting an amendment to the Condominium Documents will be responsible for costs and expenses of the amendment, except for amendments based upon a vote of the prescribed majority of Co-owners and mortgagees or based upon the Advisory Committee's decision, the costs of which are expenses of administration.

- (j) <u>Recording</u>. All amendments will be effective upon recording in the office of the Kent County Register of Deeds.
- (k) <u>Binding</u>. A copy of each amendment to the Master Deed will be furnished to every Co-owner. However, any amendment to the Master Deed that is adopted in accordance with this Article will be binding upon all persons who have an interest in the Project irrespective of whether such persons actually receive a copy of the amendment.

#### ARTICLE XII

## ASSIGNMENT

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

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

WITNESSES: Crystal Springs Development Corporation Walker Its dresident Linda J. Tilma And By: Walker Keith P.) E. Leroy/Yoder It's Secretary Linda J. Tilma STATE OF MICHIGAN SS. COUNTY OF KENT

On this 13th day of the property, appeared ERNEST C. SCHROCK and E. LEROY YODER, to me personally known, who being by me duly sworn, did say that they are the President and Secretary, respectively, of Crystal Springs Development Corporation, a Michigan corporation, which executed the within instrument; that said instrument was signed and sealed in behalf of said corporation by authority of its Board of Directors, and further acknowledged said instrument to be the free act and deed of said corporation.

Linda J. Milma
Notary Public, Kent County, MI
My Commission Expires: 11/21/90

This Master Deed Drafted By:
KEITH P. WALKER
MCSHANE & BOWIE
540 Old Kent Building
Grand Rapids, MI 49503

Return to Draftsman after recording. 110,124.490/kas 07/11/88

## FOUNTAIN VIEW VILLAS

#### EXHIBIT A

#### BYLAWS

# ARTICLE I ASSOCIATION OF CO-OWNERS

Association of Co-owners. Fountain View Villas, a residential Condominium Project located in Gaines Township, Kent County, Michigan, will be administered by an Association of Coowners which will be a non-profit corporation, hereinafter called the "Association", organized under the applicable laws of the State of Michigan, and responsible for the management, maintenance, operation and administration of the Common Elements, easements and affairs of the Condominium Project in accordance with the Condominium Documents and the laws of the State of Michigan. These Bylaws will constitute both the Bylaws referred to in the Master Deed as required by the Act and the Bylaws provided for under the Michigan Non-profit Corporation Act. Each Co-owner will be entitled to membership and no other person or entity will be entitled to membership. The share of a Co-owner in the funds and assets of the Association cannot be assigned, pledged or transferred in any manner except as an appurtenance to his Unit. The Association will keep current copies of the Master Deed, all amendments to the Master Deed, and other Condominium Documents for the Condominium Project available at reasonable hours to Coowners, prospective purchasers and prospective mortgagees of Units in the Condominium Project. All Co-owners in the Condominium Project and all persons using or entering upon or acquiring any interest in any Unit therein or the Common Elements thereof will be subject to the provisions and terms set forth in the Condominium Documents.

### ARTICLE II ASSESSMENTS

- All expenses arising from the management, administration and operation of the Association in pursuance of its authorizations and responsibilities as set forth in the Condominium Documents and the Act will be levied by the Association against the Units and the Co-owners thereof in accordance with the following provisions:
- 2.1 Assessments for Common Elements. All costs incurred by the Association in satisfaction of any liability arising within, caused by, or connected with the Common Elements, or the improvements constructed or to be constructed within the boundaries of the Condominium Units for which the Association has maintenance responsibility, or the administration of the Condominium Project, will constitute expenditures affecting the administration of the Project, and all sums received as the proceeds of, or pursuant to, any policy of insurance securing the interest of the Common securing the interest of the Common connected with the Common Elements or the administration of the Condominium Project will constitute receipts affecting the administration of the Condominium Project, within the meaning of Section 54(4) of the Act.
- 2.2 <u>Determination of Assessments</u>. Assessments will be determined in accordance with the following provisions:
- (a) <u>Budget</u>. The Board of Directors of the Association will establish an annual budget in advance for each fiscal year and such budget will project all expenses for the forthcoming year which may be required for the proper operation, management and maintenance of the Condominium Project, including a

reasonable allowance for contingencies and reserves. An adequate reserve fund for maintenance, repairs and replacement of those Common Elements that must be replaced on a periodic basis will be established in the budget and must be funded by regular monthly payments as set forth in Section 2.3 below rather than by special assessments. At a minimum, the reserve fund will be equal to 10% of the Association's current annual budget on a noncumulative basis. The minimum standard required by this section may prove to be inadequate for this particular Project. The Association should carefully analyze the Condominium Project to determine if a greater amount should be set aside, or if additional reserve funds should be established for other purposes. Upon adoption of an annual budget by the Board of Directors, copies of the budget will be delivered to each Co-owner and the assessment for the year will be established based upon the budget, although the failure to deliver a copy of the budget to each Co-owner will not affect or in any way diminish the liability of any Co-owner for any existing or future assessments. Should the Board of Directors at any time determine, in the sole discretion of the Board of Directors: (1) that the assessments levied are or may prove to be insufficient to pay the costs of operation and management of the Condominium, (2) to provide replacements of existing Common Elements, (3) to provide additions to the Common Elements not exceeding \$5,000 annually for the entire Condominium Project, or (4) that an event of emergency exists, the Board of Directors will have the authority to increase the general assessment or to levy such additional assessment or assessments as it will deem to be necessary. The Board of Directors also will have the authority, without Co-owner consent, to levy assessments pursuant to the provisions of Section 5.4 hereof. The discretionary authority of the Board of Directors to levy assessments pursuant to this subsection will rest solely with the Board of Directors for the benefit of the Association and the members thereof; and will not be enforceable by any creditors of the Association or the members thereof.

- (b) Special Assessments. Special assessments, in addition to those required in subsection (a) above, may be made by the Board of Directors from time to time and approved by the Co-owners as hereinafter provided to meet other needs or requirements of the Association, including, but not limited to: (1) assessments for additions to the Common Elements of a cost exceeding \$5,000 for the entire Condominium Project per year, (2) assessments to purchase a Unit upon foreclosure of the lien for assessments described in Section 2.5 hereof, (3) assessments to purchase a Unit for use as a resident manager's Unit, or (4) assessments for any other appropriate purpose not elsewhere herein described. Special assessments referred to in this subsection (b) (but not including those assessments referred to in subsection (a) above, which will be levied in the sole discretion of the Board of Directors) will not be levied without the prior approval of more than 60% of all Co-owners. The authority to levy assessments pursuant to this subsection is solely for the benefit of the Association and the members thereof and will not be enforceable by any creditors of the Association or the members thereof.
- 2.3 Apportionment of Assessments and Penalty for Default.
  Unless otherwise provided herein or in the Master Deed, all assessments levied against the Co-owners to cover expenses of administration will be apportioned among and paid by the Co-owners in accordance with the percentage of value allocated to each Unit in Article V of the Master Deed, without increase or decrease for the existence of any rights to the use of Limited Common Elements appurtenant to a Unit. Annual assessments as determined in accordance with Section 2.2(a) above will be payable by Co-owners in 12 equal monthly installments, commencing with acceptance of a deed to or a land contract vendee's interest

in a Unit, or with the acquisition of title to a Unit by any other means. The payment of an assessment will be in default if such assessment, or any part thereof, is not paid to the Association in full on or before the due date for such payment.

Each installment in default for ten or more days will bear interest from the initial due date thereof at the rate of 7% per annum until each installment is paid in full. The Association may, pursuant to Section 16.4 hereof, levy fines for the late payment in addition to such interest. Each Co-owner (whether one or more persons) will be, and remain, personally liable for the payment of all assessments (including fines for late payment and costs of collection and enforcement of payment) pertinent to his Unit which may be levied while such Co-owner is the owner thereof. Each Co-owner (whether one or more persons) will be, and remain, personally liable for the payment of all assessments pertinent to his Unit which may be levied while such Co-owner is the owner thereof. Payments on account of installments of assessments in default will be applied as follows: first, to costs of collection and enforcement of payment, including reasonable attorneys' fees; second, to any interest charges and fines for late payment on such installments; and third, to installments in default in order of their due dates.

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

### 2.5 Enforcement.

- (a) Remedies. In addition to any other remedies available to the Association, the Association may enforce collection of delinquent assessments by a suit at law for a money judgment or by foreclosure of the statutory lien that secures payment of assessments. In the event of default by any Co-owner in the payment of any installment of the annual assessment levied against his Unit, the Association will have the right to declare all unpaid installments of the annual assessment for the pertinent fiscal year immediately due and payable. The Association also may discontinue the furnishing of any utilities or other services to a Co-owner in default upon seven days' written notice to such Co-owner of its intention to do so. A Co-owner in default will not be entitled to utilize any of the General Common Elements of the Project and will not be entitled to vote at any meeting of the Association so long as such default continues; provided, however, this provision will not operate to deprive any Co-owner of ingress or egress to and from his Unit. In a judicial foreclosure action, a receiver may be appointed to collect a reasonable rental for the Unit from the Co-owner thereof or any persons claiming under him. All of these remedies will be cumulative and not alternative and will not preclude the Association from exercising such other remedies as may be available at law or in equity.
- other person who from time to time has any interest in the Project, will be deemed to have granted to the Association the unqualified right to elect to foreclose the lien securing payment of assessments either by judicial action or by advertisement. The provisions of Michigan law pertaining to foreclosure of mortgages by judicial action and by advertisement, as the same may be amended from time to time, are incorporated herein by reference for the purposes of establishing the alternative procedures to be followed in lien foreclosure actions and the rights and obligations of the parties to such actions. Further, each Co-owner and every other person who from time to time has any interest in the Project will be deemed to have authorized and

empowered the Association to sell or to cause to be sold the Unit with respect to which the assessment(s) is or are delinquent and to receive, hold and distribute the proceeds of such sale in accordance with the priorities established by applicable law. Each Co-owner of a Unit in the Project acknowledges that at the time of acquiring title to the Unit he was notified of the provisions of this subsection and that he voluntarily, intelligently and knowingly waived notice of any proceedings brought by the Association to foreclose by advertisement the lien for nonpayment of assessments and a hearing on the same prior to the sale of the subject Unit.

- (c) Notice of Action. Notwithstanding the foregoing, neither a judicial foreclosure action nor a suit at law for a money judgment will be commenced, nor will any notice of foreclosure by advertisement be published, until the expiration of ten days after mailing, by first class mail, postage prepaid, addressed to the delinquent Co-owner(s) at his or their last known address, a written notice that one or more installments of the annual assessments levied against the pertinent Unit is or are delinquent and that the Association may invoke any of its remedies hereunder if the default is not cured within ten days after the date of mailing. Such written notice will be accompanied by a written affidavit of an authorized representative of the Association that sets forth (i) the affiant's capacity to make the affidavit, (ii) the statutory and other authority for the lien, (iii) the amount outstanding (exclusive of interest, costs, attorneys' fees and future assessments), (iv) the legal description of the subject Unit(s) and (v) the name(s) of the Coowner(s) of record. Such affidavit will be recorded in the office of the Register of Deeds of Kent County prior to commencement of any foreclosure proceeding, but it need not have been recorded as of the date of mailing as aforesaid. If the delinquency is not cured within the ten day period, the Association may take such remedial action as may be available to it hereunder or under Michigan law. In the event the Association elects to foreclose the lien by advertisement, the Association will so notify the delinquent Co-owner and will inform him that he may judicial hearing by bringing suit against the Association.
- (d) Expenses of Collection. The expenses incurred in collecting unpaid assessments, including interest, costs, actual attorneys' fee (not limited to statutory fees) and advances for taxes or other liens paid by the Association to protect its lien, will be chargeable to the Co-owner in default and will be secured by the lien on his Unit.
- 2.6 Liability of Mortgagee. Notwithstanding any other provisions of the Condominium Documents, the holder of any first mortgage covering any Unit in the Project which comes into possession of the Unit pursuant to the remedies provided in the mortgagor by deed (or assignment) in lieu of foreclosure, or any purchaser at a foreclosure sale, will take the property free of any claims for unpaid assessments or charges against the mortgaged Unit which accrue prior to the time such holder comes into possession of the Unit (except for claims for a pro rata share of such assessments or charges resulting from a pro rata allocation of such assessments or charges to all Units including the mortgaged Unit.)
- 2.7 <u>Developer's Responsibility for Assessments</u>. The Developer of the Condominium, although a member of the Association, will not be responsible at any time for payment of the monthly Association assessments. Developer, however, will at all times pay all expenses of maintaining the Units that it owns, including the residences and other improvements located thereon, together with a proportionate share of all current expenses of

administration actually incurred by the Association from time to time, except expenses related to maintenance and use of the Units in the Project and of the residences and other improvements constructed within or appurtenant to the Units that are not owned by Developer. For purposes of the foregoing sentence, the Developer's proportionate share of such expenses will be based upon the ratio of all Units owned by the Developer at the time the expense is incurred to the total number of Units then in the Project. In no event will Developer be responsible for payment of any assessments for deferred maintenance, reserves for replacement, for capital improvements or other special assessments, except with respect to Units owned by it on which a completed residence is located. A "completed residence" will mean a residence with respect to which a certificate of occupancy has been issued by Gaines Township.

- 2.8 Property Taxes and Special Assessments. All property taxes and special assessments levied by any public taxing authority will be assessed in accordance with Section 131 of the Act.
- Property. The Association will be assessed as the person or entity in possession of any tangible personal property of the Condominium owned or possessed in common by the Co-owners, and personal property taxes based thereon will be treated as expenses of administration.
- 2.10 Construction Lien. A construction lien otherwise arising under Act No. 497 of the Michigan Public Acts of 1980, as amended, will be subject to Section 132 of the Act.
- 2.11 Statement as to Unpaid Assessments. The purchaser of any Unit may request a statement of the Association as to the amount of any unpaid Association assessments thereon, whether regular or special. Upon written request to the Association accompanied by a copy of the executed purchase agreement pursuant to which the purchaser holds the right to acquire a Unit, the Association will provide a written statement of such unpaid assessments as may exist or a statement that none exist, which statement will be binding upon the Association for the period stated therein. Upon the payment of that sum within the period stated, the Association's lien for assessments as to such Unit will be deemed satisfied; provided, however, that the failure of a purchaser to request such statement at least five days prior to the closing of the purchase of such Unit will render any unpaid assessments and the lien securing same fully enforceable against such purchaser and the Unit itself, to the extent provided by the Act. Under the Act, unpaid assessments constitute a lien upon the Unit and the proceeds of sale thereof prior to all claims except real property taxes and first mortgages of record.

# ARTICLE III ARBITRATION,

3.1 Scope and Election. Disputes, claims or grievances arising out of or relating to the interpretation or the application of the Condominium Documents, or any disputes, claims or grievances arising among or between the Co-owners and the Association, upon the election and written consent of the parties to any such disputes, claims or grievances (which consent will include an agreement of the parties that the judgment of any circuit court of the State of Michigan may be rendered upon any award pursuant to such arbitration), and upon written notice to the Association, will be submitted to arbitration and the parties thereto will accept the arbitrator's decision as final and binding, provided that no question affecting the claim of title of any person to any fee or life estate in real estate is

- involved. The Commercial Arbitration Rules of the American Arbitration Association as amended and in effect from time to time hereafter will be applicable to any such arbitration.
- 3.2 <u>Judicial</u> <u>Relief</u>. In the absence of the election and written consent of the parties pursuant to Section 3.1 above, no Co-owner or the Association will be precluded from petitioning the courts to resolve any such disputes, claims or grievances.
- 3.3 <u>Election of Remedies</u>. Such election and written consent by Co-owners or the Association to submit any such dispute, claim or grievance to arbitration will preclude such parties from litigating such dispute, claim or grievance in the courts.

### ARTICLE IV INSURANCE

- 4.1 Extent of Coverage. The Association shall, to the extent appropriate given the nature of the Common Elements of the Project, carry fire and extended coverage, vandalism and malicious mischief and liability insurance, and worker's compensation insurance, if applicable, pertinent to the ownership, use and maintenance of the General Common Elements of the Condominium Project and such insurance will be carried and administered in accordance with the following provisions:
- (a) Responsibilities of Association. All such insurance will be purchased by the Association for the benefit of the Association, and the Co-owners and their mortgagees, as their interests may appear, and provision will be made for the issuance of certificates of mortgagee endorsements to the mortgagees of Co-owners.
- (b) <u>Insurance of Common Elements</u>. All General Common Elements of the Condominium Project will be insured against fire and other perils covered by a standard extended coverage endorsement, if appropriate, in an amount equal to the maximum insurable replacement value, excluding foundation and excavation costs, as determined annually by the Board of Directors of the Association.
- (c) <u>Premium Expenses</u>. All premiums upon insurance purchased by the Association pursuant to these Bylaws will be expenses of administration.
- insurance policies owned by the Association will be received by the Association, held in a separate account and distributed to the Association, and the Co-owners and their mortgagees, as their interests may appear; provided, however, whenever repair or reconstruction of the Condominium will be required as provided in Article V of these Bylaws, the proceeds of any insurance received by the Association as a result of any loss requiring repair or reconstruction will be applied for such repair or reconstruction and in no event will hazard insurance proceeds be used for any purpose other than for repair, replacement or reconstruction of the Project unless all of the institutional holders of first mortgages on Units in the Project have given their prior written approval.
  - 4.2 <u>Authority of Association to Settle Insurance Claims</u>. Each Co-owner, by acceptance of a deed, land contract, or other conveyance, does thereby appoint the Association as his true and lawful attorney-in-fact to act in connection with all matters concerning the maintenance of fire and extended coverage, vandalism and malicious mischief, liability insurance and worker's compensation insurance, if applicable, pertinent to the Condomin-

ium Project and the General Common Elements thereof, and such insurer as may, from time to time, provide such insurance for the Condominium Project. Without limitation on the generality of the foregoing, the Association as said attorney will have full power and authority to purchase and maintain such insurance, to collect and remit premiums therefor, to collect proceeds and to distribute the same to the Association, the Co-owners and respective mortgagees, as their interests may appear (subject always to the Condominium Documents), to execute releases of liability and to execute all documents and to do all things on behalf of such Co-owner and the Condominium as are necessary or convenient to the accomplishment of the foregoing.

- 4.3 Responsibilities of Co-owners. Each Co-owner will be responsible for obtaining fire and extended coverage and vandalism and malicious mischief insurance with respect to his residence and all other improvements constructed or to be constructed within the boundaries of his Condominium Unit, together with all Limited Common Elements appurtenant to his Unit, whether located within or outside the boundaries of his Unit, and for his personal property located therein or elsewhere on the Condominium Project. All such insurance will be carried by each Co-owner in an amount equal to the maximum insurable replacement value, excluding foundation and excavation costs, and evidenced to the Association in a manner acceptable to the Association. In the event of the failure of a Co-owner to obtain such insurance, the Association may obtain such insurance on behalf of such Co-owner and the premiums therefor will constitute a lien against the Coowner's Unit which may be collected from the Co-owner in the same manner that Association assessments are collected in accordance with Article II. Each Co-owner also will be obligated to obtain insurance coverage for his personal liability for occurrences within the boundaries of his Condominium Unit or within the residence located thereon and on the Limited Common Elements appurtenant thereto (regardless of where located), and also for alternative living expense in the event of fire. The Association will under no circumstances have any obligation to obtain any of the insurance coverage described in this Section 4.3 or any liability to any person for failure to do so.
- 4.4 <u>Waiver of Right of Subrogation</u>. The Association and all Co-owners will use their best efforts to cause all property and liability insurance carried by the Association or any Co-owners to contain appropriate provisions whereby the insurer waives its right of subrogation as to any claims against any Co-owner or the Association.
- 4.5 Officers' and Directors' Insurance. The Association may carry officers' and directors' liability insurance covering acts of the officers and Directors of the Association in such amounts as the Board deems appropriate.

# ARTICLE V RECONSTRUCTION OR REPAIR

- 5.1 <u>Determination to Reconstruct or Repair</u>. If any part of the Condominium Property is damaged, the determination of whether or not it will be reconstructed or repaired will be made in the following manner:
  - (a) <u>Partial</u> <u>Damage</u>. If the damaged property is a Common Element or the residence constructed within the boundaries of a Unit, the property will be rebuilt or repaired if any Unit in the Condominium is tenantable, unless it is determined by a unanimous vote of all of the Co-owners in the Condominium that the Condominium will be terminated.

- (b) <u>Total</u> <u>Destruction</u>. If the Condominium is so damaged that no Unit is tenantable, the damaged property will not be rebuilt unless eighty percent (80%) or more the the Co-owners agree to reconstruction by vote or in writing within ninety (90) days after the destruction.
  - 5.2 Repair in Accordance with Plans and Specifications. Any such reconstruction or repair will be substantially in accordance with the Master Deed and the plans and specifications for each residence in the Project to a condition as comparable as possible to the condition existing prior to damage unless the Co-owners unanimously decide otherwise.

## 5.3 Co-owner Responsibility for Repair.

- (a) <u>Definition of Co-owner Responsibility</u>. If the damage is only to the residence or other improvement constructed within the boundaries of a Unit, or to a Limited Common Element appurtenant thereto which is the responsibility of a Co-owner to maintain and repair, it will be the responsibility of the Co-owner to repair such damage. In all other cases, the responsibility for reconstruction and repair will be that of the Association.
- Damage to Interior of Residence. Each Co-owner (b) will be responsible for the reconstruction, repair and maintenance of the interior of the residence constructed within the boundaries of his Unit, including, but not limited to, floor coverings, wall coverings, window shades, draperies, interior walls, interior trim, furniture, light fixtures and all appliances, whether free-standing or built-in. In the event damage to a residence or to any Limited Common Elements appurtenant thereto is covered by insurance held by the Association, then the reconstruction or repair will be the responsibility of the Association in accordance with Section 5.4. If and to the extent that any residence is covered by insurance held by the Association for the benefit of the Co-owner, the Co-owner will be entitled to receive the proceeds of insurance relative thereto, and if there is a mortgagee endorsement, the proceeds will be payable to the Coowner and the mortgagee jointly. In the event of substantial damage to or destruction of any Unit or any improvements located thereon or any part of the Common Elements, the Association will promptly so notify each institutional holder of a first mortgage lien on any of the Units in the Condominium.
- Association Responsibility for Repair. Except as otherwise provided in Section 5.3 above and in the Master Deed, the Association will be responsible for the reconstruction, repair and maintenance of the Common Elements. Immediately after a casualty causing damage to property for which the Association has the responsibility of maintenance, repair and reconstruction, the Association will obtain reliable and detailed estimates of the cost to replace the damaged property in a condition as good as that existing before the damage. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction or repair required to be performed by the Association, or if at any time during such reconstruction or repair, or upon completion of such reconstruction or repair, the funds for the payment of the cost thereof are insufficient, assessment will be made against all Co-owners for the cost of reconstruction or repair of ' the damaged property in sufficient amounts to provide funds to pay the estimated or actual cost of repair.
- 5.5 <u>Timely Reconstruction and Repair</u>. If damage to Common Elements or the residence or other improvements constructed within the boundaries of a Unit adversely affects the appearance of the Project, the Association or Co-owner responsible for the reconstruction, repair and maintenance thereof will proceed with

replacement of the damaged property without delay, and will complete such replacement within six (6) months after the date of the occurrence which caused damage to the property.

- 5.6 <u>Eminent Domain</u>. Section 133 of the Act and the following provisions will control upon any taking by eminent domain:
  - (a) Taking of Unit. In the event of any taking of an entire Unit (or of all the improvements located within the boundaries thereof) by eminent domain, the award for such taking will be paid to the Co-owner of such Unit and the mortgagee thereof, as their interests may appear. After acceptance of such award by the Co-owner and his mortgagee, they will be divested of all interest in the Condominium Project. In the event that any condemnation award will become payable to any Co-owner whose Unit is not wholly taken by eminent domain, then such award will be paid by the condemning authority to the Co-owner and his mortgagee, as their interests may appear.
  - (b) Taking of Common Elements. If there is any taking of any portion of the Condominium other than any Unit, the condemnation proceeds relative to such taking will be paid to the Co-owners and their mortgagees in proportion to their respective interests in the Common Elements and the affirmative vote of more than fifty percent (50%) of the Co-owners will determine whether to rebuild, repair or replace the portion so taken or to take such other action as they deem appropriate.
  - (c) Continuation of Condominium After Taking. In the event the Condominium Project continues after taking by eminent domain, then the remaining portion of the Condominium Project will be re-surveyed and the Master Deed amended accordingly, and, if any Unit will have been taken, then Article V of the Master Deed will also be amended to reflect such taking and to proportionately readjust the percentages of value of the remaining Co-owners based upon the continuing value of the Condominium by one hundred percent (100%). Such amendment may be effected by an officer of the Association duly authorized by the Board of Directors without the necessity of execution or specific approval thereof by a Co-owner or other person having any interest whatever in the Project, as mortgagee or otherwise.
- (d) Notification of Mortgagees. In the event any Unit (or improvements located within the boundaries thereof) in the Condominium, or any portion thereof, or the Common Elements or any portion thereof, is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, the Association promptly will so notify each institutional holder of a first mortgage lien on any of the Units in the Condominium.
- 5.7 Notification of FHLMC. In the event any mortgage in the Condominium is held by the Federal Home Loan Mortgage Corporation ("FHLMC") then, upon request therefor by FHLMC, the Assocation will give it written notice at such address as it may, from time to time, direct of any loss to or taking of the Common Elements of the Condominium if the loss or taking exceeds Ten Thousand Dollars (\$10,000) in amount or damage to a Condominium Unit covered by a mortgage purchased in whole or in part by FHLMC exceeds One Thousand Dollars (\$1,000).
- 5.8 Priority of Mortgagee Interests. Nothing contained in the Condominium Documents will be construed to give a Condominium Unit Owner, or any other party, priority over any rights of first mortgagees of Condominium Units pursuant to their mortgages in the case of a distribution to Condominium Unit Owners of

insurance proceeds or condemnation awards for losses to or a taking of Condominium Units and/or Common Elements.

## ARTICLE VI RESTRICTIONS

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

6.1 Residential Use. No Unit in the Condominium will be used for other than single-family residence purposes as contemplated and permitted by the Crystal Springs Declaration of Residential Use Restrictions recorded by Developer, as amended, and the Common Elements will be used only for purposes consistent with such use. The conditions, reservations, restrictions, covenants, terms and provisions burdening the Units contained in the recorded Crystal Springs Declaration of Residential Use Restrictions (excluding Article IV thereof) are hereby incorporated by reference and any breach thereof by a Co-owner will be a breach of these Bylaws, and may be treated by the Association as a breach of these Bylaws.

#### 6.2 Leasing and Rental.

- (a) Right to Lease. A Co-owner may lease his Unit for the same purposes set forth in Section 6.1; provided that written disclosure of such lease transaction is submitted to the Association in the manner specified in subsection (b) below. With the exception of a lender in possession of a Unit following default of a first mortgage, foreclosure or deed or other arrangement in lieu of foreclosure, no Co-owner will lease less than an entire Unit in the Condominium and no tenant will be permitted to occupy except under a lease the initial term of which is at least one (1) year unless specifically approved in writing by the Association. The terms of all leases, occupancy agreements and occupancy arrangements will incorporate, or be deemed to incorporate, all of the provisions of the Condominium Documents. The Developer may lease any number of Units in the Condominium at its discretion for such term or terms as Developer determines.
- (b) <u>Leasing</u> <u>Procedures</u>. The leasing of Units in the Project will conform to the following provisions:
- (1) A Co-owner, including the Developer, desiring to rent or lease a Unit, will disclose that fact in writing to the Association at least ten (10) days before presenting a lease form to a potential tenant of that Unit and, at the same time, will supply the Association with a copy of the exact lease form for its review for its compliance with the Condominium Documents. If Developer desires to rent Units before the Transitional Control Date, it will notify either the Advisory Committee or each Co-owner in writing.
  - (2) Tenants or nonco-owner occupants will comply with all of the conditions of the Condominium Documents of the Condominium Project and all leases and rental agreements will so state.
  - (3) If the Association determines that the tenant or nonco-owner occupant has failed to comply with the conditions of the Condominium Documents, the Association will take the following action:
    - (i) The Association will notify the Co-owner by certified mail advising of the alleged violation by the tenant.

- (ii) The Co-owner will have fifteen (15) days after receipt of such notice to investigate and correct the alleged breach by the tenant or advise the Association that a violation has not occurred.
- (iii) If after fifteen (15) days the Association believes that the alleged breach is not cured or may be repeated, it may institute on its behalf or derivatively by the Co-owners on behalf of the Association, if it is under the control of the Developer, an action for eviction against the tenant or nonco-owner occupant and simultaneously for money damages in the same action against the Co-owner and tenant or nonco-owner occupant for breach of the conditions of the Condominium Documents. The relief provided for in this subsection may be by summary proceedings. The Association may hold both the tenant and the Co-owner liable for any damages to the Common Elements caused by the Co-owner or tenant in connection with the Unit or Condominium Project.
- (4) When a Co-owner is in arrears to the Association for assessments, the Association may give written notice of the arrearage to a tenant occupying a Co-owner's Unit under a lease or rental agreement and the tenant, after receiving the notice, will deduct from rental payments due the Co-owner the arrearage and future assessments as they fall due and pay them to the Association. The deductions will not constitute a breach of the rental agreement or lease by the tenant.
- 6.3 Architectural Control. The Developer of the Project intends that there will be a residence and certain other improvements within the boundaries of each of the Condominium Units in the Project in conjunction with the sale of such Units to individual Co-owners. With prior written consent by the Developer, which may be withheld or conditioned as Developer may determine in its sole discretion, a Co-owner may engage the services of a licensed builder other than the Developer to construct improvements (including the residence) within the boundaries of or appurtenant to a Condominium Unit. In such event, Developer will be entitled to require that such builder or Co-owner furnish to the Association adequate security, in Developer's discretion, to protect the Association against costs and expenses which it might incur in connection with the failure to complete construction in a timely and diligent manner in accordance with the approved plans and specifications for the residence and its appurtenances. No one other than the Developer will be entitled to alter the nature or appearance of any improvements constructed within the boundaries of a Condominium Unit or the Limited Common Elements appurtenant thereto without the prior written consent of the Developer, which consent may be withheld by the Developer in its absolute discretion. No building, wall, road, sidewalk or other structure or improvements will be placed on the Condominium Property unless and until the plans and specifications therefor showing the nature, kind, shape, height, color, materials and location of the improvements (including floor plan and exterior colors) and— the plot plan including elevations have the prior written approval of the Developer and no changes or deviations in or from such plans and specifications as approved will be made without the prior written consent of the Developer. Two sets of complete plans and specifications must be submitted; one will be retained by the Developer and one will be returned to the applicant. Any such plans for construction or alteration referred to above will include a plan for restoration of the Condominium Property after construction or alteration to a condition satisfactory to the the Developer. Each such building, wall, or structure will be placed on a Lot only in accordance with the plans and specifications and plot plan as approved by the Developer. Construction of any residence must also receive any

necessary approvals from the local public authorities. Refusal of approval of plans and specifications by the Developer may be based on any ground, including purely aesthetic grounds, which in the sole and uncontrolled discretion of the Developer seem sufficient; and in passing upon such plans and specifications, Developer will have the right to take into consideration the suitability of the proposed structure, improvement or modification, the site upon which it is proposed to construct the same, and the degree of harmony thereof with the Condominium as a whole and the area of future development described in the Master Deed. No alteration in the exterior appearance of the buildings or structures' constructed with such approval will be made without like approval of the Developer. The Developer will not be responsible for any defects in such plans or specifications or in any building or structure erected according to such plans and specifications or in any changes in drainage resulting from such construction. Developer may also, in its discretion, require as a condition of approval of any plans, an agreement for special assessment of increased maintenance charges from any Co-owner whose proposed residence and appurtenances and related improvements will cause the Association abnormal expenses in carrying out its responsibilities with respect thereto under the Master Deed. The purpose of this Section is to assure the continued maintenance of the Condominium as a beautiful and harmonious residential development, and will be binding upon both the Association and upon all Co-owners. Further, the restrictions hereby placed upon the Condominium Property will not be construed or deemed to create negative reciprocal covenants, easements or any restrictions upon the use of the area of future development described in the Master Deed or any portion thereof unless, until and only to the extent such land is included in this Project by Master Deed amendment. Developer's rights under this Section may, in Developer's discretion, be assigned to the Association or other successor to Developer. Developer may construct any improvements upon the Condominium Property that it may, in its sole discretion, elect to make without the necessity of prior consent from the Association or any other person or entity, subject only limitations contained in the Condominium to the express Documents.

- 6.4 Changes in Common Elements. Except as provided in Section 6.3 above with respect to the Developer, no Co-owner will make changes in any of the Common Elements, Limited or General, without the express written approval of the Association.
- 6.5 Activities. No immoral, improper, unlawful or offensive activity will be carried on in any Unit or upon the Common Elements, Limited or General, nor will anything be done which may be or become an annoyance or a nuisance to the Co-owners of the Condominium. No unreasonably noisy activity will occur in or on the Common Elements or on any Unit at any time and specifically between the hours of 10:00 p.m. and 8:00 a.m., Monday thru Saturday at 10:00 p.m. and noon on Sunday, no one shall operate, play, or cause to be operated or played, on or within the Condominium Property any radio, phonograph, television, appliance, lawnmower, machine, instrument or motor which makes any music, noise or vibration, in such a manner as to be heard beyond a distance of twenty-five (25) feet therefrom or which is otherwise an annoyance or nuisance. No basketball hoops or goals will be permitted on the Condominium Property. No Co-owner will do or permit anything to be done or keep or permit to be kept on his Unit or on the Common Elements anything that will increase the rate of insurance on the Condominium without the written approval of the Association, and each Co-owner will pay to the Association the increased cost of insurance premiums resulting from any such activity or the maintenance of any such condition even if approved. Activities which are deemed offensive and are expressly prohibited include, but are not limited to, any activ-

ity involving the use of firearms, air rifles, pellet guns, B-B guns, bows and arrows, or other similar dangerous weapons, projectiles or devices.

- 6.6 Pets. In addition to the restrictions on pets in the Crystal Springs Declaration of Residential Use Restrictions, any Co-owner who causes any animal to be brought or kept upon the Condominium Property will indemnify and hold harmless the Association and other Co-owners for any loss, damage or liability which the Association and/or other Co-owners may sustain as a result of the presence of such animal to the Property. The Association may charge all Co-owners maintaining animals a reasonable additional assessment to be collected in the manner provided in Article II of these Bylaws in the event that the Association determines such assessment necessary to defray the maintenance cost to the Association of accommodating animals within the Condominium. The Association may, without liability to the owner thereof, remove or cause to be removed any animal from the Condominium which it determines to be in violation of the restrictions imposed concerning pets. The Association will have the right to require that any pets be registered with it and may adopt such additional reasonable rules and regulations with respect to animals as it may deem proper. In the event of any violation of this Section, the Board of Directors of the Association may assess fines for such violation in accordance with these Bylaws and in accordance with duly adopted rules and regulations.
  - 6.7 Aesthetics. The Common Elements, Limited or General, will not be used for storage of supplies, materials, personal property or trash or refuse of any kind, except as provided in duly adopted rules and regulations of the Association. No unsightly condition will be maintained on any patio, porch or deck and only furniture and equipment consistent with the normal and reasonable use of such areas will be permitted to remain there during seasons when such areas are reasonably in use and no furniture or equipment of any kind will be stored thereon during seasons when such areas are not reasonably in use. Any firewood stored within a Unit will be in limited and reasonable quantities and kept in a neat and orderly manner, all as may be further specified by the Association. The Common Elements will not be used in any way for the drying, shaking or airing of clothing or other fabrics. In general, no activity will be carried on nor condition maintained by a Co-owner in his residence, elsewhere on his Unit or upon the Common Elements which is detrimental to the appearance of the Condominium.
  - 6.8 <u>Vehicles</u>. In addition to the restrictions on vehicles contained in the Crystal Springs Declaration of Residential Use Restrictions, Co-owners will, if the Association requires, register with the Association all vehicles maintained on the Condominium Property. Use of motorized vehicles anywhere on the Condominium Property, other than passenger cars, authorized maintenance vehicles and commercial vehicles as provided in this Section, is absolutely prohibited. Parking on any street in the Condominium is subject to rules and regulations the Association may adopt from time to time. A Co-owner may not have more than one guest car parked overnight on the Common Elements unless approved in writing in advance by the Association.
  - 6.9 Advertising. In addition to the sign restrictions in the Crystal Springs Declaration of Residential Use Restrictions, no signs or other advertising devices of any kind will be displayed which are visible from the exterior of a Unit or on the Common Elements, including "For Sale" signs, without the written permission from the Association and, during the Development Period, from the Developer, except that one "For Sale" sign referring only to the Unit on which displayed and not exceeding five (5) square feet in size may be displayed without approval.
  - 6.10 Rules and Regulations. It is intended that the Board of Directors of the Association may make rules and regulations from

time to time to reflect the needs and desires of the majority of the Co-owners in the Condominium. Reasonable regulations consistent with the Act, the Master Deed and these Bylaws concerning the use of the Common Elements may be made and amended from time to time by any Board of Directors of the Association. Copies of all such rules, regulations and amendments thereto will be furnished to all Co-owners.

- 6.11 Right of Access to Association. The Association or its duly authorized agents will have access to each Unit and any improvements thereon and Limited Common Elements appurtenant thereto from time to time, during reasonable working hours, upon notice to the Co-owner thereof, as may be necessary for the maintenance, repair or replacement of any of the Common Elements. The Association or its agent will also have access to each Unit and any improvements thereon and Limited Common Elements appurtenant thereto at all times without notice as may be necessary to make emergency repairs to prevent damage to the Common Elements or to another Unit or to the improvements thereon. In the event of emergency, the Association may gain access in such manner as may be reasonable under the circumstances to any Unit and/or any residence or other improvement within a Unit and will not be liable to such Co-owner for any necessary damage to his Unit or any improvements thereon and any Limited Common Elements appurtenant thereto caused thereby or for repair or replacement of any doors or windows damaged in gaining such access.
- 6.12 Landscaping. No Co-owner will perform any landscaping or plant any trees, shrubs or flowers or place any ornamental materials on the Condominium Property without the prior written approval of the Association unless in accordance with rules and regulations adopted by the Association.
- 6.13 Common Element Maintenance. Yards, landscaped areas, driveways, roads and parking areas will not be obstructed nor will they be used for purposes other than for which they are reasonably and obviously intended. No bicycles, vehicles, chairs or other obstructions may be left unattended on or about the Common Elements.
- 6.14 Co-owner Maintenance. Each Co-owner will maintain his Unit and the improvements theron and any Limited Common Elements appurtenant thereto for which he has maintenance responsibility in a safe, clean and sanitary condition. Each Co-owner will also use due care to avoid damaging any of the Common Elements including, but not limited to, the telephone, water, gas, plumbing, electrical or other utility conduits and systems which are appurtenant to or which may affect any other Unit. Each Co-owner will be responsible for damages or costs to the Association resulting from negligent damage to or misuse of any of the Common Elements by him, or his family, guests, agents or invitees, unless such damages or costs are covered by insurance carried by the Association (in which case there will be no such responsibility, unless reimbursement to the Association is limited by virtue of a deductible provision, in which case the responsible Co-owner will bear the expense to the extent of the deductible amount). Any costs or damages to the Assocation may be assessed to and collected from the responsible Co-owner in the manner provided in Article II hereof.

## 6.15 Reserved Rights of Developer.

(a) <u>Developer's Rights in Furtherance of Development of Sales</u>. None of the restrictions contained in this Article VI will apply to the commercial activities or signs or billboards, if any, of the Developer during the Development Period or of the Association in furtherance of its powers and purposes set forth

herein and in its Articles of Incorporaption, as the same may be amended from time to time. Notwithstanding anything to the contrary elsewhere herein contained, Developer will have the right throughout the entire Development Period to maintain a sales office, a business office, a construction office, model units, storage areas and reasonable parking incident to the foregoing and such access to, from and over the Project as may be reasonable to enable development and sale of the entire Project by Developer. Developer will restore the areas so utilized to habitable status upon termination of use.

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

## ARTICLE VII MORTGAGES

- 7.1 Notice to Association. Any Co-owner who mortgages his Unit will notify the Association of the name and address of the mortgagee, and the Association will maintain such information in a book entitled "Mortgages of Units". The Association may, at the written request of a mortgagee of any such Unit, report any unpaid assessments due from the Co-owner of such Unit. The Association may give to the holder of any mortgage covering any Unit in the project written notification of any default in the performance of the obligations of the Co-owner of such Unit.
- 7.2 Insurance. The Association will 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.
- 7.3 Notification of Meetings. Upon request submitted to the Association, any institutional holder of a first mortgage lien on any Unit in the Condominium will be entitled to receive written notification of every meeting of the members of the Association and to designate a representative to attend such meeting.

# ARTICLE VIII VOTING

- 8.1 <u>Vote</u>. Except as limited in these Bylaws, each Co-owner will be entitled to one vote for each Condominium Unit owned.
- 8.2 Eligibility to Vote. No Co-owner, other than the Developer, will be entitled to vote at any meeting of the Association until he has presented evidence of ownership of a Unit in the Condominium Project to the Association. Except as provided in Section 11.2 of these Bylaws, no Co-owner, other than the Developer, will be entitled to vote prior to the date of the First Annual Meeting held in accordance with Section 9.2. The vote of each Co-owner may be cast only by the individual repre-

sentative designated by such Co-owner in the notice required in Section 8.3 or by a proxy given by such individual representative. The Developer will be the only person entitled to vote at a meeting of the Association until the First Annual Meeting and will be entitled to vote during such period notwithstanding the fact that the Developer may own no Units at some time or from time to time during such period. At and after the First Annual Meeting the Developer will be entitled to vote for each Unit which the Developer owns.

- must file a written notice with the Association designating one individual representative who will vote at meetings of the Association and receive all notices and other communications from the Association on behalf of such Co-owner. Such notice will state the name and address of the individual representative designated, the number or numbers of the Condominium Unit or Units owned by the Co-owner, and the name and address of each person, firm, corporation, partnership, association, trust or other entity who is the Co-owner. Such notice will be signed and dated by the Co-owner. The individual representative designated may be changed by the Co-owner at any time by filing a new notice in the manner herein provided.
- 8.4 Quorum. The presence in person or by proxy of 35% of the Co-owners qualified to vote will constitute a quorum for holding a meeting of the members of the Association, except for voting on questions specifically required by the Condominium Documents to require a greater quorum. The written vote of any person furnished at or prior to any duly called meeting at which meeting said person is not otherwise present in person or by proxy will be counted in determining the presence of a quorum with respect to the question upon which the vote is cast.
- 8.5 <u>Voting</u>. Votes may be cast only in person or by a writing duly signed by the designated voting representative not present at a given meeting in person or by proxy. Proxies and any written votes must be filed with the Secretary of the Association at or before the appointed time of each meeting of the members of the Association. Cumulative voting will not be permitted.
- 8.6 <u>Majority</u>. A majority, except where otherwise provided herein, will consist of more than 50% of those qualified to vote and present in person or by proxy (or written vote, if applicable) at a given meeting of the members of the Association. Whenever provided specifically herein, a majority may be required to exceed the simple majority hereinabove set forth of designated voting representatives present in person or by proxy, or by written vote, if applicable, at a given meeting of the members of the Association.

# ARTICLE IX MEETINGS

- 9.1 Place of Meeting. Meetings of the Association will be held at the principal office of the Association or at such other suitable place convenient to the Co-owners as may be designated by the Board of Directors. Meetings of the Association will be conducted in accordance with Sturgis' Code of Parliamentary Procedure, Roberts Rules of Order or some other generally recognized manual of parliamentary procedure, when not otherwise in conflict with the Condominium Documents (as defined in the Master Deed) or the laws of the State of Michigan.
- 9.2 <u>First Annual Meeting</u>. The First Annual Meeting may be convened only by Developer and may be called at any time after more than 50% of the Units in Fountain View Villas that may be

created are sold and the purchasers thereof qualified as members of the Association. In no event, however, will such meeting be called later than 120 days after the conveyance of legal or equitable title to non-developer Co-owners of 75% in number of all Units that may be created or 54 months after the first conveyance of legal or equitable title to a non-developer Coowner of a Unit in the project, whichever first occurs. The Developer may call meetings of members for information or other appropriate purposes prior to the First Annual Meeting and no such meeting will be construed as the First Annual Meeting. The date, time and place of such meeting will be set by the Board of Directors, and at least ten days' written notice thereof will be given to each Co-owner. The phrase "Units that may be created" as used in this Section and elsewhere in the Condominium Documents refers to the maximum number of Units which the Developer is permitted, under the Condominium Documents as may be amended, to include in the Condominium.

- 9.3 Annual Meetings. Annual meetings of the Association will be held on the last Thursday of September of each succeeding year after the year in which the First Annual Meeting is held at such time and place as will be determined by the Board of Directors; provided, however, that a second annual meeting will not be held sooner than 8 months after the date of the First Annual meeting. At such meetings there will be elected by ballot of the Co-owners a Board of Directors in accordance with the requirements of Article XI of these Bylaws. The Co-owners may also transact at annual meetings such other business of the Association as may properly come before them.
- 9.4 <u>Special Meetings</u>. It will be the duty of the President to call a special meeting of the Co-owners as directed by resolution of the Board of Directors or upon a petition signed by one-third (1/3) of the Co-owners presented to the Secretary of the Association. Notice of any special meeting will state the time and place of such meeting and the purposes thereof. No business will be transacted at a special meeting except as stated in the notice.
- 9.5 Notice of Meetings. It will be the duty of the Secretary (or other Association officer in the Secretary's absence) to serve a notice of each annual or special meeting, stating the purpose thereof as well as of the time and place where it is to be held, upon each Co-owner of record, at least ten days but not more than sixty days prior to such meeting. The mailing, postage prepaid, of a notice to the representative of each Co-owner at the address shown in the notice required to be filed with the Association by Section 8.3 of these Bylaws will be deemed notice served. Any member may, by written waiver of notice signed by each member, waive such notice, and such waiver, when filed in the records of the Association, will be deemed due notice.
  - 9.6 Adjournment. If any meeting of Co-owners cannot be held because a quorum is not in attendance, the Co-owners who are present may adjourn the meeting to a time not less than 48 hours from the time the original meeting was called.
- meetings of the members will be as follows: (a) roll call to determine the voting power represented at the meeting; (b) proof of notice of meeting or waiver of notice; (c) reading of minutes of preceding meeting; (d) reports of officers; (e) reports of committees; (f) appointment of inspector of elections (at annual meeting or special meeting held for purpose of election of Directors or officers); (g) election of Directors (at annual meeting or special meetings held for such purpose); (h) unfinished business; and (i) new business. Meeting of members

will be chaired by the most senior officer of the Association present at such meeting. For purposes of this Section, the order of seniority of officers will be President, Vice President, Secretary and Treasurer.

- 9.8 Action Without Meeting. Any action which may be taken at a meeting of the members (except for the election or removal of Directors) may be taken without a meeting by written ballot of the members. Ballots will be solicited in the same manner as provided in Section 9.5 for the giving of notice of meetings of members. Such solicitations will specify (a) the number of responses needed to meet the quorum requirements; (b) the percentage of approvals necessary to approve the action; and (c) the time by which ballots must be received in order to be counted. The form of written ballot will afford an opportunity to specify a choice between approval and disapproval of each matter and will provide that, where the member specifies a choice, the vote will be cast in accordance therewith. Approval by written ballot will be constituted by receipt within the time period specified in the solicitation of (i) a number of ballots which equals or exceeds the quorum which would be required if the action were taken at a meeting; and (ii) a number of approvals which equals or exceeds the number of votes which would be required for approval if the action were taken at a meeting at which the total number of votes cast was the same as the total number of ballots cast.
  - of members, either annual or special, however called and noticed, will be as valid as though made at a meeting duly held after regular call and notice, if a quorum be present either in person or by proxy; and if, either before or after the meeting, each of the members not present in person or by proxy, signs a written waiver or notice, or a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals will be filed with the corporate records or made a part of the minutes of the meeting.
  - 9.10 Minutes, Presumption of Notice. Minutes or a similar record of the proceedings of meetings of members, when signed by the President or Secretary, will be presumed truthfully to evidence the matters set forth therein. A recitation in the minutes of any such meeting that notice of the meeting was properly given will be prima facie evidence that such notice was given.

## ARTICLE X ADVISORY COMMITTEE

Within one year after conveyance of legal or equitable title to the first Unit in the Condominium to a purchaser or within 120 days after conveyance to purchasers of 1/3 of the total number of Units that may be created, whichever first occurs, the Developer will cause to be established an Advisory Committee consisting of at least three non-developer Co-owners. The Committee will be established and perpetuated in any manner the Developer deems advisable, except that if more than 50% of the non-developer Coowners petition the Board of Directors for an election to select the Advisory Committee, then an election for such purpose will be held. The purpose of the Advisory Comittee will be to facilitate communications between the temporary Board of Directors and the non-developer Co-owners and to aid the transition of control of the Association from the Developer to purchaser Co-owners. The Advisory Committee will cease to exist automatically when the non-developer Co-owners have the voting strength to elect a majority of the Board of Directors of the Association. The Developer may remove and replace at its discretion at any time any member of the Advisory Committee who has not been elected thereto by the Co-owners.

# ARTICLE XI BOARD OF DIRECTORS

Number and Qualification of Directors. The Board of Directors will be comprised of three members all of whom must be members of the Association or officers, partners, trustees, employees or agents of members of the Association. Directors will serve without compensation.

## 11.2 <u>Election of Directors</u>.

- (a) First Board of Directors. The first Board of Directors will be composed of the three persons designated in the Articles of Incorporation of the Association and such first Board of Directors or its successors as selected by the Developer will manage the affairs of the Association until the appointment of the first non-developer Co-owners to the Board. Elections for non-developer Co-owner Directors will be held as provided in subsections (b) and (c) below.
- Prior to First Annual Meeting. Not later than 120 days after conveyance of legal or equitable title to non-developer Co-owners of 25% of the Units that may be created, one of the three Directors will be selected by non-developer Co-owners. When the required percentage level of conveyance has been reached, the Developer will notify the non-developer Co-owners and request that they hold a meeting and elect the required Director. Upon certification to the Developer by the Co-owners of the Director so elected, the Developer will then immediately appoint such Director to the Board to serve until the First Annual Meeting unless he is removed pursuant to Section 11.7 or he resigns or becomes incapacitated.
- (i) Not later than 120 days after conveyance of legal or equitable title to non-developer Co-owners of 75% of the Units that may be created, and before conveyance of 90% of such Units, the non-developer Co-owners will elect all Directors on the Board, except that the Developer will have the right to designate at least 1 Director as long as the Units that remain to be created and sold equal at least 10% of all Units that may be created in the Project. Whenever the 75% conveyance level is achieved, a meeting of Co-owners will be promptly convened to effectuate this provision, even if the First Meeting has already occurred.
- (ii) Regardless of the percentage of Units which have been conveyed, upon the expiration of 54 months after the first conveyance of legal or equitable title to a non-developer Co-owner of a Unit in the Project, the non-developer Co-owners have the right to elect a number of members of the Board of Directors equal to the percentage of Units they own, and the Developer has the right to elect a number of members of the Board of Directors equal to the percentage of Units which are owned by the Developer and for which all assessments are payable by the Developer. This election may increase, but will not reduce, the minimum election and designation rights otherwise established in subsection (i). Application of this subsection does not require a change in the size of the Board of Directors.
- (iii) If the calculation of the percentage of members of the Board of Directors that the non-developer Co-owners have the right to elect under subsection (ii), or if the product of the number of members of the Board of Directors multiplied by the percentage of Units held by the non-developer

Co-owners under subsection (b) results in a right of non-developer Co-owners to elect a fractional number of members of the Board of Directors, then a fractional election right of 0.5 or greater will be rounded up to the nearest whole number, which number will be the number of members of the Board of Directors that the non-developer Co-owners have the right to elect. After application of this formula the Developer will have the right to elect the remaining members of the Board of Directors. Application of this subsection will not eliminate the right of the Developer to designate 1 member as provided in subsection (i).

- (iv) At the First Annual Meeting 2 Directors will be elected for a term of 2 years and 1 Director will be elected for a term of 1 year. At such meeting all nominees will stand for election as 1 slate and the 2 persons receiving the highest number of votes will be elected for a term of 2 years and the 1 person receiving the next highest number of votes will be elected for a term of 1 year. At each annual meeting held thereafter, either 1 or 2 Directors will be elected depending upon the number of Directors whose terms expire. After the First Annual Meeting, the term of office (except for 1 of the Directors elected at the First Annual Meeting) of each Director will be 2 years. The Directors will hold office until their successors have been elected and hold their first meeting.
- (v) Once the Co-owners have acquired the right hereunder to elect a majority of the Board of Directors, annual meetings of Co-owners to elect Directors and conduct other business will be held in accordance with the provisions of Section 9.3 hereof.
- 11.3 <u>Power and Duties</u>. The Board of Directors will have the powers and duties necessary for the administration of the affairs of the Association and may do all acts and things as are not prohibited by the Condominium Documents or required thereby to be exercised and done by Co-owners.
- 11.4 Other Duties. In addition to the foregoing duties imposed by these Bylaws or any further duties which may be imposed by resolution of the members of the Association, the Board of Directors will be responsible specifically for the following:
- (a) To manage and administer the affairs of and to maintain the Condominium Project and the Common Elements thereof.
- (b) To levy and collect assessments from the members of the Association and to use the proceeds thereof for the purposes of the Association.
- (c) To carry insurance and collect and allocate the proceeds thereof.
  - (d) To rebuild improvements after casualty.
- (e) To contract for and employ persons, firms, corporations or other agents to assist in the management, operation, maintenance and administration of the Condominium Project.
- (f) To acquire, maintain and improve, and to buy, operate, manage, sell, convey, assign, mortgage or lease any real or personal property (including any Unit in the Condominium and easements, rights-of-way and licenses) on behalf of the Association in furtherance of any of the purposes of the Association.

- (g) To borrow money and issue evidences of indebtedness in furtherance of any or all of the purposes of the Association, and to secure the same by mortgage, pledge, or other lien on property owned by the Association; provided, however, that any such action will also be approved by affirmative vote of 75% of all of the members of the Association.
- (h) To make rules and regulations in accordance with Article VI, Section 10 of these Bylaws.
  - (i) To establish such committees as it deems necessary, convenient or desirable and to appoint persons thereto for the purpose of implementing the administration of the Condominium and to delegate to such committees any functions or responsibilities which are not by law or the Condominium Documents required to be performed by the Board.
  - (j) To enforce the provisions of the Condominium Documents.
  - Management Agent. The Board of Directors may employ. for the Association a professional management agent (which may include the Developer or any person or entity related thereto) at reasonable compensation established by the Board to perform such duties and services as the Board will authorize, including, but not limited to, the duties listed in Sections 11.3 and 11.4, and the Board may delegate to such management agent any other duties . or powers which are not by law or by the Condominium Documents required to be performed by or have the approval of the Board of Directors or the members of the Association. In no event will the Board be authorized to enter into any contract with a professional management agent, or any other contract providing for services by the Developer, sponsor or builder, in which the maximum term is greater than 3 years or which is not terminable by the Association upon 90 days' written notice thereof to the other party and no such contract will violate the provisions of Section 55 of the Act.
  - 11.6 <u>Vacancies</u>. Vacancies in the Board of Directors which occur after the Transitional Control Date caused by any reason other than the removal of a Director by a vote of the members of the Association will be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum, except that the Developer will be solely entitled to fill the vacancy of any Director whom it is permitted in the first instance to designate. Each person so elected will be a Director until a successor is elected at the next annual meeting of the Association. Vacancies among non-developer Co-owner elected Directors which occur prior to the Transitional Control Date may be filled only through election by non-developer Co-owners and will be filled in the manner specified in Section 2(b) of this Article.
  - Association duly called with due notice of the removal action proposed to be taken, any one or more of the Directors may be removed with or without cause by the affirmative vote of more than 50% of all of the Co-owners and a successor may then and there be elected to fill any vacancy thus created. The quorum requirement for the purpose of filling such vacancy will be the normal 35% requirement set forth in Article VIII, Section 4. Any Director whose removal has been proposed by the Co-owners will be given an opportunity to be heard at the meeting. The Developer may remove and replace any or all of the Directors selected by it at any time or from time to time in its sole discretion. Likewise, any Director selected by the non-developer Co-owners to serve before the First Annual Meeting may be removed before the

First Annual Meeting in the same manner set forth in this paragraph for removal of Directors generally.

- 11.8 First Meeting. The first meeting of a newly elected Board of Directors will be held within 10 days of election at such place as will be fixed by the Directors at the meeting at which such Directors were elected, and no notice will be necessary to the newly elected Directors in order legally to constitute such meeting, providing a majority of the whole Board will be present.
- 11.9 Regular Meetings. Regular meetings of the Board of Directors may be held at such times and places as will be determined from time to time by a majority of the Directors, but at least two such meetings will be held during each fiscal year. Notice of regular meetings of the Board of Directors will be given to each Driector, personally, by mail, telephone or telegraph at least 10 days prior to the date named for such meeting.
- 11.10 <u>Special Meetings</u>. Special meetings of the Board of Directors may be called by the President on 3 days' notice to each Director, given personally, by mail, telephone or telegraph, which notice will state the time, place and purpose of the meeting. Special meetings of the Board of Directors will be called by the President or Secretary in like manner and on like notice on the written request of two Directors.
- 11.11 <u>Waiver of Notice</u>. Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver will be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board will be deemed a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice will be required and any business may be transacted at such meeting.
- 11.12 Adjournment. At all meetings of the Board of Directors, a majority of the Directors will constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present will be the acts of the Board of Directors. If, at any meeting of the Board of Directors, less than a quorum is present, the majority of those present may adjourn the meeting to a subsequent time upon 24 hours' prior written notice delivered to all Directors not present. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice. The joinder of a Director in the action of a meeting by signing and concurring in the minutes thereof will constitute the presence of such Director for purposes of determining a quorum.
- 11.13 First Board of Directors. The actions of the first Board of Directors of the Association or any successors thereto selected or elected before the Transitional Control Date will be binding upon the Association so long as such actions are within the scope of the powers and duties which may be exercised generally by the Board of Directors as provided in the Condominium Documents.
- 11.14 <u>Fidelity Bonds</u>. The Board of Directors may require that all officers and employees of the Association handling or responsible for Association funds will furnish adequate fidelity bonds. The premiums on such bonds will be expenses of administration.

### ARTICLE XII OFFICERS

- 12.1 Officers. The principal officers of the Association will be a President, who will be a member of the Board of Directors, a Vice President, a Secretary and a Treasurer. The Directors may appoint an Assistant Treasurer, and an Assistant Secretary, and such other officers as in their judgment may be necessary. Any two offices except that of President and Vice President may be held by one person.
  - (a) <u>President</u>. The President will be the chief executive officer of the Association. He will preside at all meetings of the Association and of the Board of Directors. He will have all of the general powers and duties which are usually vested in the office of the President of an association, including, but not limited to, the power to appoint committees from among the members of the Association from time to time as he may in his discretion deem appropriate to assist in the conduct of the affairs of the Association.
  - (b) <u>Vice President</u>. The Vice President will take the place of the President and perform his duties whenever the President will be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors will appoint some other member of the Board to so do on an interim basis. The Vice President will also perform such other duties as will from time to time be imposed upon him by the Board of Directors.
  - (c) <u>Secretary</u>. The Secretary will keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the members of the Association; he will have charge of the corporation seal, if any, and of such books and papers as the Board of Directors may direct; and he shall, in general, perform all duties incident to the office of the Secretary.
  - (d) <u>Treasurer</u>. The Treasurer will have responsibility for the Association funds and securities and will be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He will be responsible for the deposit of all monies and other valuable effects in the name and to the credit of the Association, and in such depositories as may, from time to time, be designated by the Board of Directors.
  - 12.2 Election. The officers of the Association will be elected annually by the Board of Directors at the organizational meeting of each new Board and will hold office at the pleasure of the Board.
  - 12.3 Removal. Upon affirmative vote of a majority of the members of the Board of Directors, any officer may be removed either with or without cause, and his successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board called for such purpose. No such removal action may be taken, however, unless the matter will have been included in the notice of such meeting. The officer who is proposed to be removed will be given an opportunity to be heard at the meeting.
  - 12.4 <u>Duties</u>. The officers will have such other duties, powers and responsibilities as shall, from time to time, be authorized by the Board of Directors.

### ARTICLE XIII FINANCE

- 13.1 Records. The Association will keep detailed books of account showing all expenditures and receipts of administration which will specify the maintenance and repair expenses of the Common Elements and any other expenses incurred by or on behalf of the Association and the Co-owners. Such accounts and all other Association records will be open for inspection by the Coowners and their mortgagees during reasonable working hours. The Association will prepare and distribute to each Co-owner at least once a year a financial statement, the contents of which will be defined by the Association. The books of account will be audited at least annually by qualified independent auditors; provided, that such auditors need not be certified public however, accountants nor does such audit need to be a certified audit. Any institutional holder of a first mortgage lien on any Unit in the Condominium will be entitled to receive a copy of such annual audited financial statement within 90 days following the end of the Association's fiscal year upon request therefor. The costs of any such audit and any accounting expenses will be expenses of administration.
- 13.2 Fiscal Year. The fiscal year of the Association will be an annual period commencing on such date as may be initially determined by the Directors. The commencement date of the fiscal year will be subject to change by the Directors for accounting reasons or other good cause.
  - 13.3 Bank. Funds of the Association will be initially deposited in such bank or savings association as may be designated by the Directors and will be withdrawn only upon the check or order of such officers, employees or agents as are designated by resolution of the Board of Directors from time to time. The funds may be invested from time to time in accounts or deposit certificates of such bank or savings association as are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation and may also be invested in interest-bearing obligations of the United States Government.

# ARTICLE XIV INDEMNIFICATION OF OFFICERS AND DIRECTORS

Every director and officer of the Association will be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceedings to which he may be a party or in which he may become involved by reason of his being or having been a director or officer of the Association, whether or not he is a director or officer at the time such expenses are incurred, except in such cases wherein the director or officer is adjudged guilty of willful or wanton misconduct or gross negligence in the performance of his duties; provided that, in the event of any claim for reimbursement or indemnification hereunder based upon a settlement by the director or officer seeking such reimbursement or indemnification, the indemnification herein will apply only if the Board of Directors (with the director seeking reimbursement abstaining) approves such settlement and reimbursement as being in the best interest of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled, including indemnification under the Articles of Incorporation of the Association. At least 10 days prior to payment of any indemnification, whether under this section or under the Articles of Incorporation of the Association, the Board of Directors shall notify all Co-owners of the payment.

### ARTICLE XV SEAL

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

### ARTICLE XVI

The Association of Co-owners and all present or future Co-owners, tenants, or any other persons acquiring an interest in or using the facilities of the Project in any manner are subject to and will comply with the Act, as amended, and the mere acquisition, occupancy or rental of any Unit or an interest therein or the utilization of or entry upon the Condominium Property will signify that the Condominium Documents are accepted and ratified.

### ARTICLE XVII REMEDIES FOR DEFAULT

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

- 17.1 Legal Action. Failure to comply with any of the terms or provisions of the Condominium Documents will be grounds for relief, which may include, without intending to limit the same, an action to recover sums due for damages, injunctive relief, foreclosure of lien (if default in payment of assessment) or any combination thereof, and such relief may be sought by the Association or, if appropriate, by an aggrieved Co-owner or Co-owners.
- 17.2 Recovery of Costs. In any proceeding arising because of an alleged default by any Co-owner, the Association, if successful, will be entitled to recover the costs of the proceeding and such reasonable attorneys' fees (not limited to statutory fees) as may be determined by the court, but in no event will any Co-owner be entitled to recover such attorneys' fees.
- 17.3 Removal and Abatement. The violation of any of the provisions of the Condominium Documents will also give the Association or its duly authorized agents the right, in addition to the rights set forth above, to enter upon the Common Elements, Limited or General, or into any Unit and the improvements thereon, where reasonably necessary, and summarily remove and abate, at the expense of the Co-owner in violation, any structure, thing or condition existing or maintained contrary to the provisions of the Condominium Documents. The Association will have no liability to any Co-owner arising out of the exercise of its removal and abatement power authorized herein.
- 17.4 Assessment of Fines. The violation of any of the provisions of the Condominium Documents by any Co-owner will be grounds for assessment by the Association, acting through its duly constituted Board of Directors, of monetary fines for such violations. No fine may be assessed unless rules and regulations establishing such fine have first been duly adopted by the Board of Directors of the Association and notice thereof given to all Co-owners in the same manner as prescribed in Article IX, Section 5 of these Bylaws. Thereafter, fines may be assessed only upon notice to the offending Co-owners as prescribed in said Article IX, Section 5, and an opportunity for such Co-owner to appear before the Board no less than 7 days from the date of the notice

and offer evidence in defense of the alleged violation. All fines duly assessed may be collected in the same manner as provided in Article II of these Bylaws. No fine will be levied for the first violation. No fine will exceed \$25 for the second violation, \$50 for the third violation or \$100 for any subsequent violation.

- 17.5 Non-waiver of Right. The failure of the Association or of any Co-owner to enforce any right, provision, covenant or condition which may be granted by the Condominium Documents will not constitute a waiver of the right of the Association or of any such Co-owner to enforce such right, provision, covenant or condition in the future.
- 17.6 <u>Cumulative Rights</u>, <u>Remedies and Privileges</u>. All rights, remedies and privileges granted to the Association or any Coowner or Co-owners pursuant to any terms, provisions, covenants or conditions of the Condominium Documents will be deemed to be cumulative and the exercise of any one or more will not be deemed to constitute an election of remedies, nor will it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be available to such party at law or in equity.
- 17.7 Enforcement of Provisions of Condominium Documents. A Co-owner may maintain an action against the Association and its officers and Directors to compel such persons to enforce the terms and provisions of the Condominium Documents. A Co-owner may maintain an action against any other Co-owner for injunctive relief or for damages or any combination thereof for noncompliance with the terms and provisions of the Condominium Documents or the Act.

# ARTICLE XVIII RIGHTS RESERVED TO DEVELOPER

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

### ARTICLE XIX MISCELLANEOUS PROVISIONS

- "19.1 <u>Definitions</u>. All terms used herein will have the same meaning as set forth in the Master Deed to which these Bylaws are attached as an Exhibit or as set forth in the Act.
- 19.2 Severability. In the event that any of the terms, provisions or covenants of these Bylaws or the Condominium Documents are held to be partially or wholly invalid or unenforceable for any reason whatsoever, such holding will not affect, alter, modify or impair in any manner whatsoever any of the other terms, provisions or covenants of such Condominium Documents or the remaining portions of any terms, provisions or covenants held to be partially invalid or unenforceable.
- 19.3 Notices. Notices provided for in the Act, Master Deed or Bylaws 'must be in writing, and are to be addressed to the Association at P.O. Box 8308, Grand Rapids, Michigan 49518, or to any Co-owner at the address set forth in the deed of conveyance, or at such other address as may hereinafter be provided.

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

- 19.3 Amendment. These Bylaws may be amended, altered, changed, added to or repealed only in the manner set forth in Article XI of the Master Deed.
- 19.4 <u>Conflicting Provisions</u>. In the event of a conflict between the provisions of the Act (or other laws of the State of Michigan) and any Condominium Document, the Act (or other laws of the State of Michigan) shall govern; in the event of any conflict between the provisions of any one or more Condominium Documents, the following order of priority shall prevail and the provisions of the Condominium Document having the highest priority shall govern:
  - (1) the Master Deed, including the Condominium Subdivision Plan but excluding these Bylaws;
  - (2) these Bylaws;
  - (3) the Articles of Incorporation of the Association; and
  - (4) the Rules and Regulations of the Association.

110,124.491/kas/dft 7/12/88

#### EXHIBIT "C-1"

# CONSENT TO SUBMISSION OF REAL PROPERTY TO CONDOMINIUM

WHEREAS, Crystal Springs Development Corporation, a Michigan corporation of P.O. Box 8308, Grand Rapids, Michigan 49518, as Developer, intends to establish Fountain View Villas as a condominium project by recording in the office of the Kent County Register of Deeds a Master Deed of Fountain View Villas, covering real property in Gaines Township, Kent County, Michigan, described therein; and

WHEREAS, Michigan National Bank, a Michigan banking corporation of 77 Monroe Center, P.O. Box 1707, Grand Rapids, Michigan 49501, Michigan ("Mortgagee") is the holder of a mortgage lien on the aforesaid property under a certain mortgage dated May 24, 1988 and recorded in Liber 2377, Page 1307, Kent County, Michigan records.

NOW, THEREFORE, Mortgagee, as mortgagee, hereby consents to the submission of the aforesaid property to the condominium project described and set forth in the Master Deed to which this Consent is attached and further acknowledges and agrees that a program has been agreed upon with the Developer for the release of individual Condominium Units at the time of closing on sale, and consents to the recordation of the Master Deed of Fountain View Villas in the office of the Register of Deeds for Kent County, Michigan.

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BANK, a	Mic	higan	bankin	g c	corporation, on behalf of the
•					Notary Public, Kent County, MI
This Inst Keith P. McSHANE &	Walker	· ·	d By:	•	My Commission Expires:

540 Old Kent Building

Grand Rapids, MI 49503

110,124.504/deb

### CONSENT TO SUBMISSION OF REAL PROPERTY TO CONDOMINIUM

WHEREAS, Crystal Springs Development Corporation, a Michigan corporation of P.O. Box 8308, Grand Rapids, Michigan 49518 ("Crystal Springs Development Corporation"), as Developer, intends to establish Fountain View Villas as a condominium project by recording in the office of the Kent County Register of Deeds a Master Deed of Fountain View Villas, covering real property in Gaines Township, Kent County, Michigan, described therein; and

WHEREAS, Grand Rapids Invest Corp., a Michigan corporation of 500 Trade Center, 50 Louis, N.W., Grand Rapids, Michigan 49503, ("Mortgagee") is the holder of a mortgage lien on the aforesaid property under a certain mortgage dated May 24, 1988 and recorded in Liber 2377, Page 1336, Kent County, Michigan records.

NOW, THEREFORE, Mortgagee, as mortgagee, hereby consents to the submission of the aforesaid property to the condominium project described and set forth in the Master Deed to which this Consent is attached and further acknowledges and agrees that a program has been agreed upon with the Developer for the release of individual Condominium Units at the time of closing on sale, and consents to the recordation of the Master Deed of Fountain View Villas in the office of the Register of Deeds for Kent County, Michigan.

By:

Robert A. VanderWeide

Its President

And

By:

Robert E. Schermer, Jr.

Its' Secretary

STATE OF MICHIGAN )

The foregoing instrument was acknowledged before me this day of \_\_\_\_\_\_, 1988 by ROBERT A. VANDERWEIDE and ROBERT E. SCHERMER, JR., the President and Secretary respectively of GRAND RAPIDS INVEST CORP., a Michigan corporation, on behalf of the corporation.

Notary Public, Kent County, MI My Commission Expires:

This Instrument Drafted By:
KEITH P. WALKER
McSHANE & BOWIE
540 Old Kent Building
Grand Rapids, MI 49503

110,124.513/deb 07/13/88

COUNTY OF KENT

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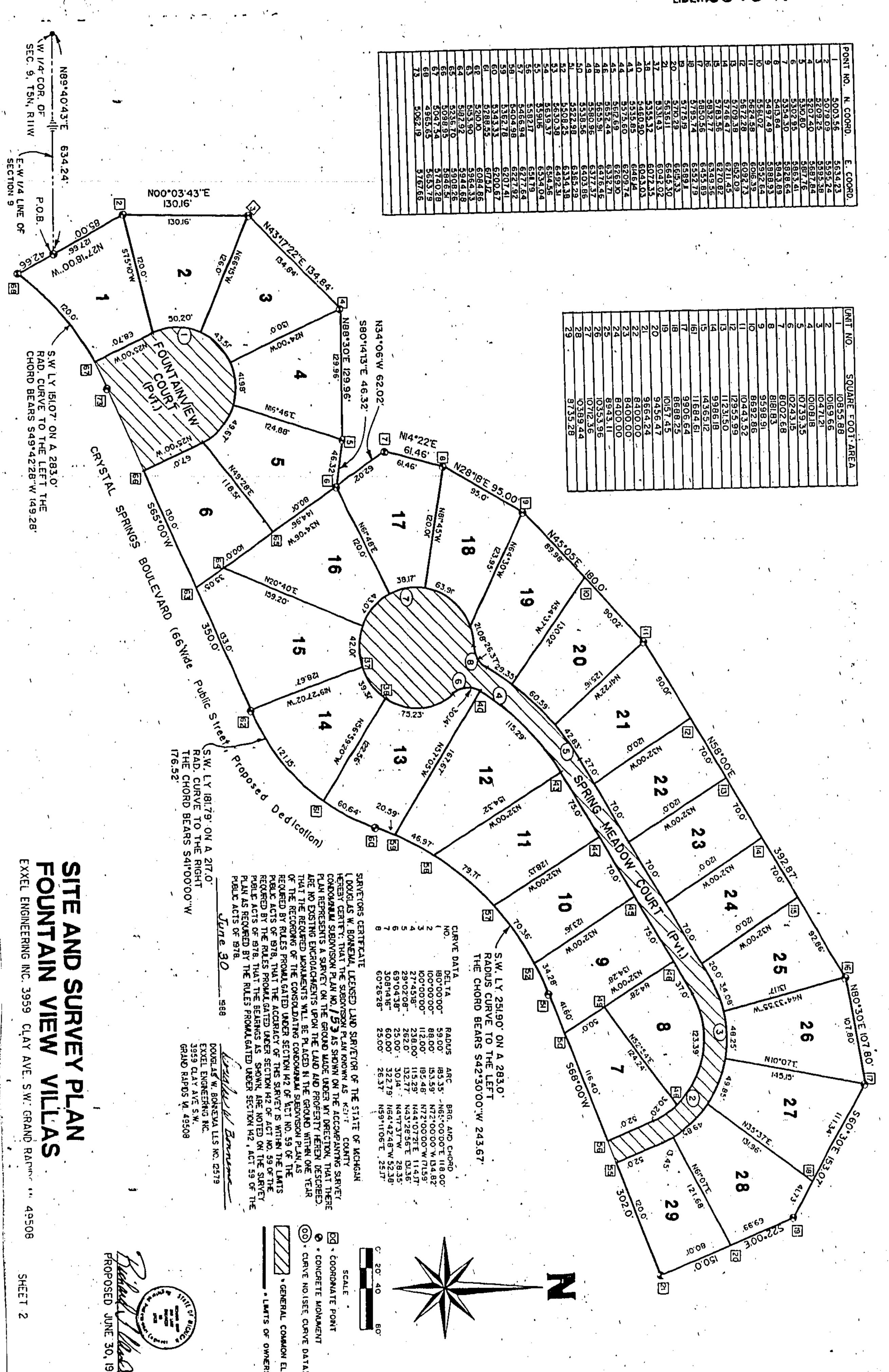
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EXPANSION AREA

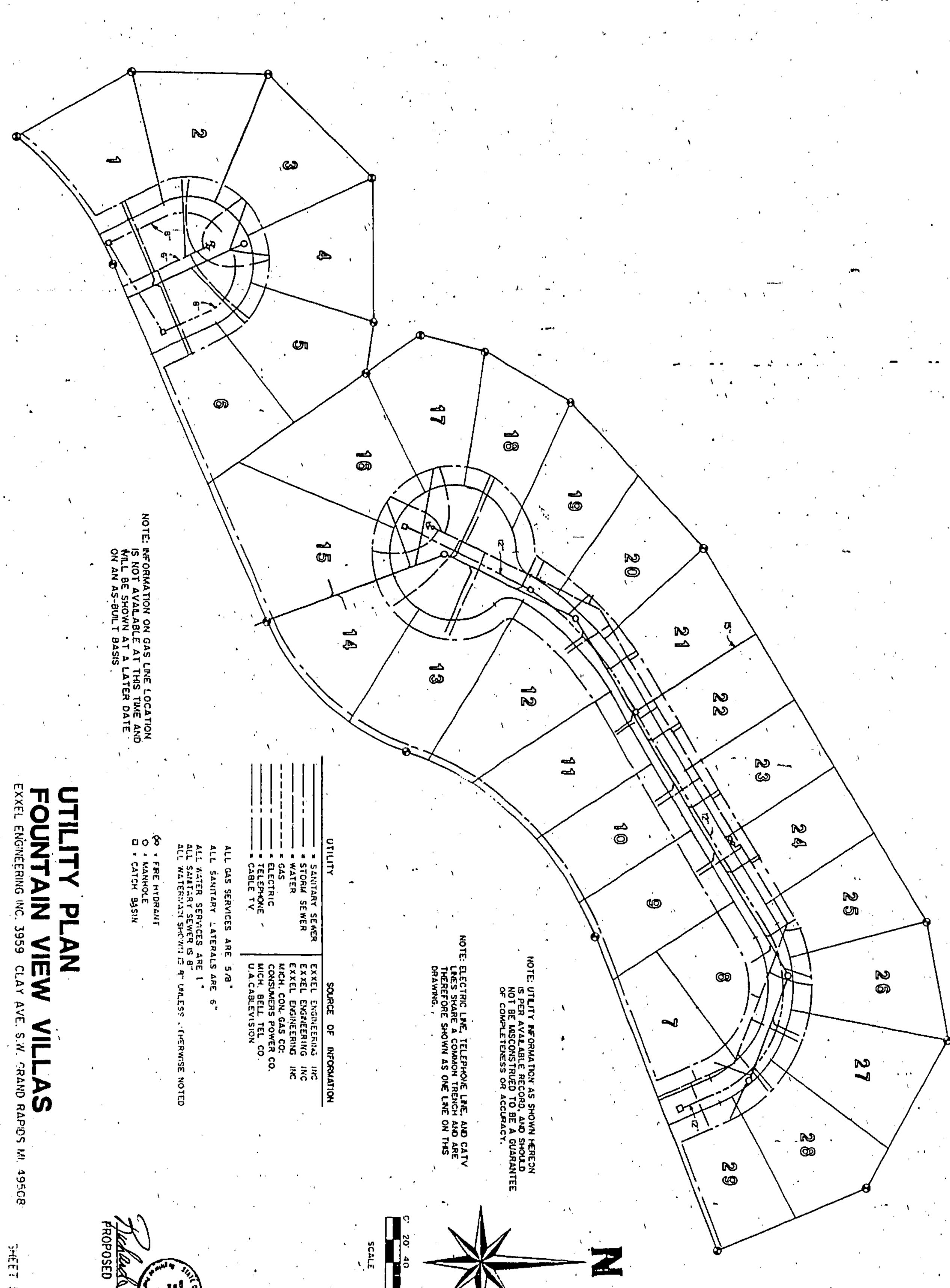
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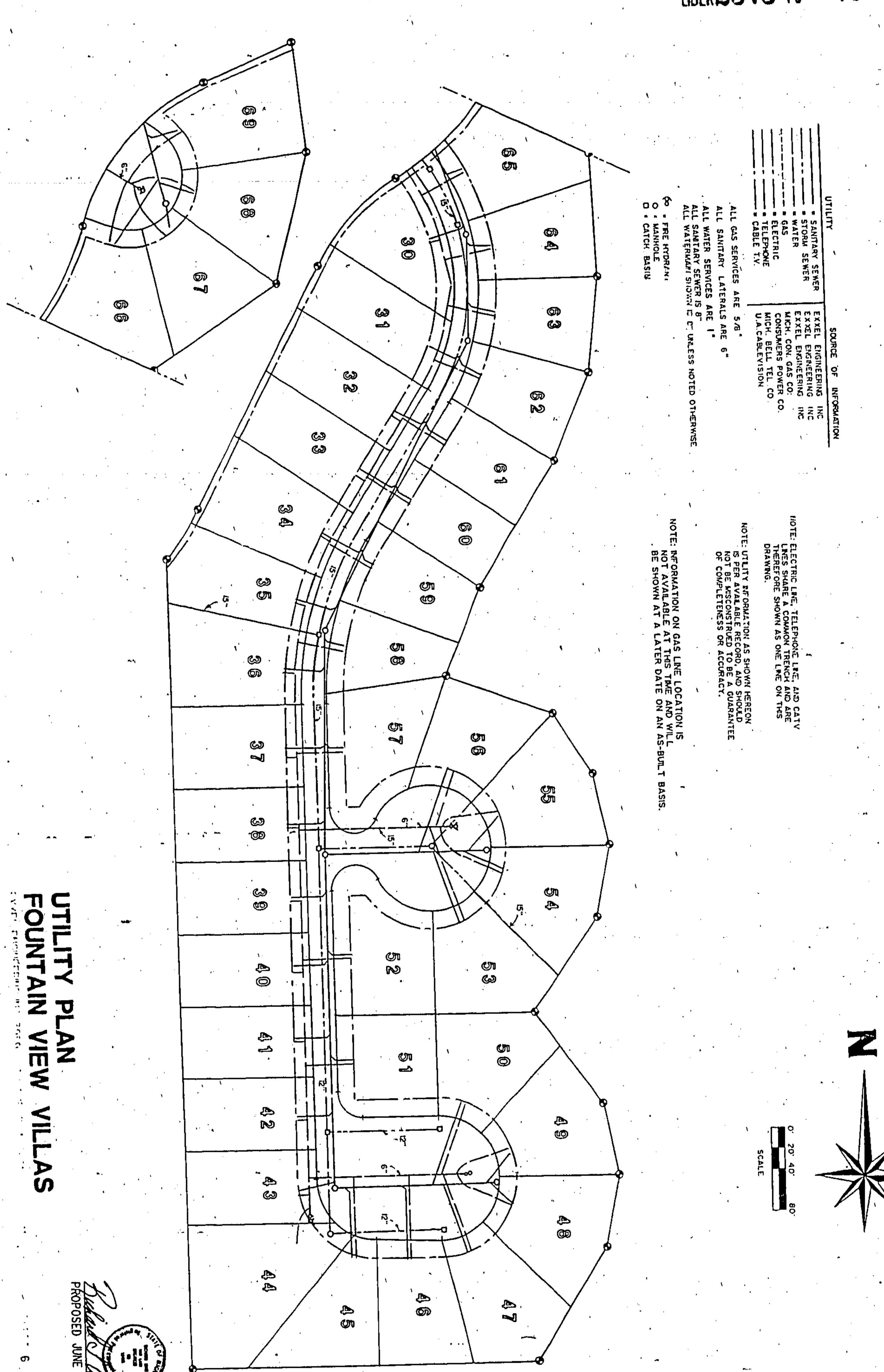
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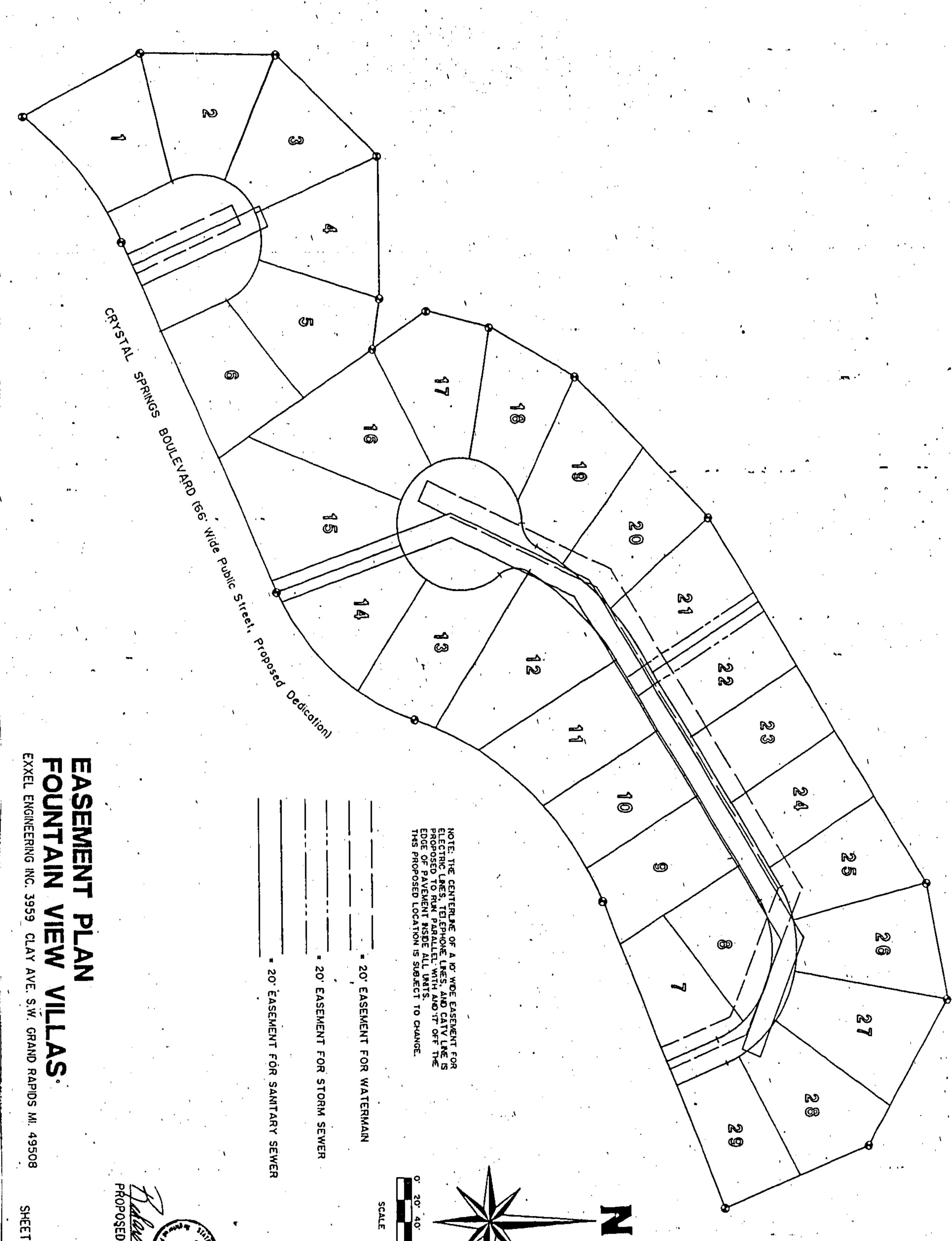
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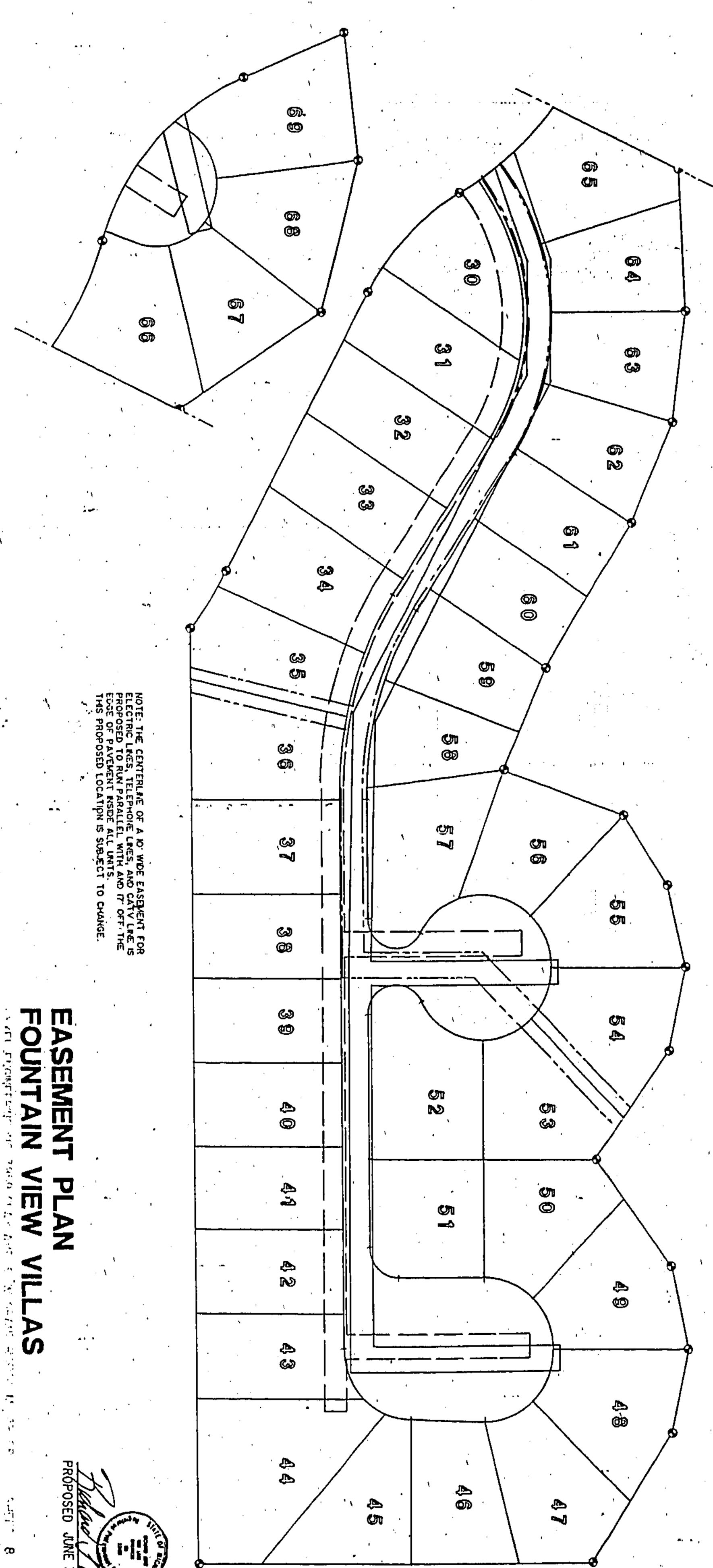
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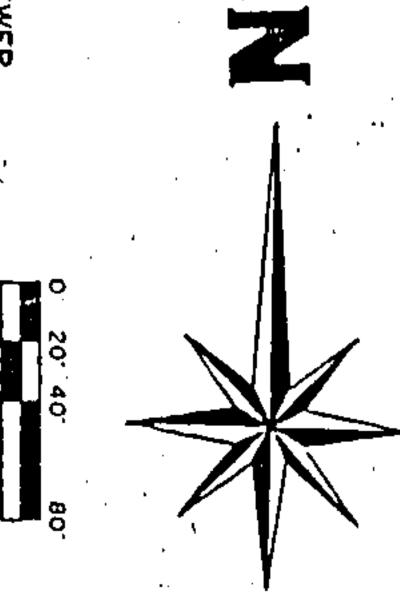












### EXHIBIT "C-1"

### CONSENT TO SUBMISSION OF REAL PROPERTY TO CONDOMINIUM

WHEREAS, Crystal Springs Development Corporation, a Michigan corporation of P.O. Box 8308, Grand Rapids, Michigan 49518, as Developer, intends to establish Fountain View Villas as a condominium project by recording in the office of the Kent County Register of Deeds a Master Deed of Fountain View Villas, covering real property in Gaines Township, Kent County, Michigan, described therein; and

WHEREAS, Michigan National Bank, a Michigan banking corporation of 77 Monroe Center, P.O. Box 1707, Grand Rapids, Michigan 49501, Michigan ("Mortgagee") is the holder of a mortgage lien on the aforesaid property under a certain mortgage dated May 24, 1988 and recorded in Liber 2377, Page 1307, Kent County, Michigan records.

NOW, THEREFORE, Mortgagee, as mortgagee, hereby consents to the submission of the aforesaid property to the condominium project described and set forth in the Master Deed to which this Consent is attached and further acknowledges and agrees that a program has been agreed upon with the Developer for the release of individual Condominium Units at the time of closing on sale, and consents to the recordation of the Master Deed of Fountain View Villas in the office of the Register of Deeds for Kent County, Michigan.

County, Michigan.	
	MICHIGAN MATIONAL BANK
Susan Van Kooten	By:
Subati vati kooteti	THOMAS M. CLCSWCLL
Margaret a. Muly	Its: <u>Assistant Vice President</u>
Margaret A. Deitz	And
rusan and slaw	By: William II Conson
Susan Van Kooten	William H. Green
Margaret 9. Dut	Its: Assistant Vice President
Margaret A. Deitz STATE OF MICHIGAN )	
COUNTY OF KENT ) ss.	
The foregoing instrument	t was acknowledged before me this
8th day of Aug.	1988 by <u>Thomas A. Creswell</u> and
	he <u>Assistant Vice President</u> and
	pectively of MICHIGAN NATIONAL
BANK, a Michigan banking	corporation, on behalf of the
SUSAN VAN KOOTEN Notary Public, Kent County, Michigan	Juan Van Rodan.
My Commission Expires June 4, 1990	Susan Van Kooten
My Commission Expires sum of asset	Notary Public, Kent County, MI
Which Thetamont Dwaftod Dees	My Commission Expires: 6-04-90
This Instrument Drafted By: Keith P. Walker	
MCSHANE & BOWIE	
540 Old Kent Building	
Grand Rapids, MI 49503	
110,124.504/deb	

#### EXHIBIT "C-2"

### CONSENT TO SUBMISSION OF REAL PROPERTY TO CONDOMINIUM

WHEREAS, Crystal Springs Development Corporation, a Michigan corporation of P.O. Box 8308, Grand Rapids, Michigan 49518 ("Crystal Springs Development Corporation"), as Developer, intends to establish Fountain View Villas as a condominium project by recording in the office of the Kent County Register of Deeds a Master Deed of Fountain View Villas, covering real property in Gaines Township, Kent County, Michigan, described therein; and

WHEREAS, Grand Rapids Invest Corp., a Michigan corporation of 500 Trade Center, 50 Louis, N.W., Grand Rapids, Michigan 49503, ("Mortgagee") is the holder of a mortgage lien on the aforesaid property under a certain mortgage dated May 24, 1988 and recorded in Liber 2377, Page 1336, Kent County, Michigan records.

NOW, THEREFORE, Mortgagee, as mortgagee, hereby consents to the submission of the aforesaid property to the condominium project described and set forth in the Master Deed to which this Consent is attached and further acknowledges and agrees that a program has been agreed upon with the Developer for the release of individual Condominium Units at the time of closing on sale, and consents to the recordation of the Master Deed of Fountain View Villas in the office of the Register of Deeds for Kent County, Michigan.

GRAND RAPIDS INVEST CORP.

By:

Richard A. Durell

Robert A. VanderWeide

Its President

And

Richard A. Durell

Robert E. Schermer, J.

Lisa A. Wiersma

STATE OF MICHIGAN

SS.

The foregoing instrument was acknowledged before me this 19th day of July , 1988 by ROBERT A. VANDERWEIDE and ROBERT E. SCHERMER, JR., the President and Secretary respectively of GRAND RAPIDS INVEST CORP., a Michigan corporation, on behalf of the corporation.

Notary Public, Kent County, MI
My Commission Expires: 2/19/92

This Instrument Drafted By:
KEITH P. WALKER
McSHANE & BOWIE
540 Old Kent Building
Grand Rapids, MI 49503

110,124.513/deb 07/13/88

COUNTY OF KENT

#### EXHIBIT "D"

### PROOF OF SERVICE OF NOTICE OF INTENTION TO ESTABLISH CONDOMINIUM

STATE OF MICHIGAN )
) ss.
COUNTY OF KENT )

RE: CRYSTAL SPRINGS VILLAS

The undersigned, Linda J. Tilma, hereby certifies that she sent on April 8, 1988 a Notice of Intention to Establish Condominium to the appropriate City, Village, Township or County, the appropriate County Road Commissioner and County Drain Commissioner, the Department of Commerce, the Department of Natural Resources, the Department of Public Health and the State Transportation Department and all of said Notices were sent by certified mail, postage prepaid and addressed to the parties at the addresses reflected on Schedule 1 attached hereto, consisting of copies of the return receipts reflecting delivery of each of the notices on April 9, 11 and 13, 1988.

Dated: April 25, 1988

Linda J. Tilma

The foregoing instrument was acknowledged before me this day of April, 1988 by LINDA J. TILMA.

Anne M. DeVries, Ottawa acting in Kent County

Notary Public, Kent County, MI

My Comm. Exp.

110,124.400/kas 04/19/88

Always obtain signature

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Express Mail

Insured

Type of Service:
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RECEIPT addressee e name of the RETURN complete Insured COD ğ signature 9 DOMESTIC Express Mail obtain Registered agent and Cartified Article ö ditional Deli Signature

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You. The return receipt fee w	Casiled, and complete items of
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7. Date of Delivery Post Office Box BU:25	
Lansing, Michigan 48909	

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reverse side. Failure to do this will prevent this fee will provide you the name of the person ess the following services are available. Consult vice(s) requested.  3dress. 2.   1(Extra charge)†	4. Article Number P 343 304 599	Type of Service:    Registered   Insured   COD	Always obtain signature of addressee or agent and DATE DELIVERED.	8. Addressee's Address (ONLY if requested and fee paid)		
SENDER: Complete Items 1 and 2 when additional services and 4.  Put your address in the "RETURN TO" Space on the reverse side card from being returned to you. The return receipt fee will pudelivered to and the date of delivery. For additional fees the followster for fees and check box(es) for additional service(s) required to whom delivered, date, and addressee's address. 2.	3. Article Addressed to: Kent County Road Commission	Scribner, N.Wd Rapids, MI		5. Stanfaurie - Addressee	6. Signature – Agent	7. Date of Delivery Ol

itional services are desired, and complete items 3 the reverse side. Fallure to do this will prevent this elpt fee will provide you the name of the person al fees the following services are available. Consult is service(s) requested.  's address. 2.     Restricted Delivery	4. Article Number	Type of Service:	☐ Registered ☐ Insured ☐ CoD	Vail	Always obtain signature of addressee or agent and DATE DELIVERED.	8. Addressee's Address (ONLY if requested and fee paid)	•	
te items 1 and 2 when add  "RETURN TO" Space on  ned to you. The return recite of delivery. For addition  check box(es) for additiona elivered, date, and addresses	3. Article Addressed to:	Michigan Dept of Public Health	3500 North Logan P.O. Box 30035	Lansing, MI 48909		0,870,7	6. Signature - Agent JMJCH, DEPT, OF HEALTH	7. Date of Delivery APR 1988

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TO:

Register of Deeds. Kent County. Michigan

FROM:

Fountain View Villa Association

REG. OF DEEDS

SUBJECT: By-Law Amendments

Fountain View Villas is a Condominium according to the Master Deed recorded in Liber 2573. Pages 28 through 86. Kent County Records and designated as Kent County Condominium Sub-division Plan No. 153.

This condominium is administered by an Association of Co-owners in accordance with the Condominium Documents and the laws of the State of Michigan.

The Association herewith advises that its co-owners have agreed to change several of its by-laws. All conditions required in its Master Deed to effect by-law amendments have been fulfilled. The following are four paragraphs that were changed and the amended content of each.

#### 1. LIBER 2573 PAGE 57. to read

6.9 Advertising. No signs or other advertising devices of any kind will be displayed which are visible from the exterior of a Unit or on the Common Elements, except that one FOR SALE sign may be displayed but only when the Unit for sale has scheduled an 'open house', and that the sign displayed must not exceed 5 square feet in size.

#### 2. LIBER 2573 PAGE 61, to read

9.3 Annual Meetings. Annual meetings of the Association will be held on the first Thursday of December of each year at such time and place as will be determined by the Board of Directors. At such meetings there will be elected by ballot of the Co-owners a Board of Directors in accordance with the requirements of Article XI of these Bylaws. The Co-owners may also transact at annual meetings such other business of the Association as may properly come before them.

#### 3. LIBER 2573 PAGE 63. to read

11.1 Number and Qualifications of Board Members. The Board of Directors will be comprised of five members all of whom must be members of the Association. Directors will serve without compensation.

### 4. LIBER 2573 PAGE 64. to read

(iv) At each annual meeting, either 2 or 3 Directors will be elected depending upon the number of Directors whose term expires. The term of each Director will be 2 years. The Directors will hold office until their successors have been elected and hold their first meeting.

IN WITNESS WHEREOF, the Fountain View Villa Association has duly executed provisions of its Master Deed in effecting amendments to the aforementioned By-Laws.

Fountain View Villa Association

Dated: December . 1993

WITNESSES:

Robert Joldersma

ester DeHaan

Succop

Sandra Fridley

STATE OF MICHIGAN

SS.

COUNTY OF KENT

The foregoing instrument was acknowledged before me this day of December, 1993 by Robert Succept and Sandra Fridley, the President and Secretary respectively of the Fountain View Villa Association, a Michigan non-profit corporation, on behalf of the corporation.

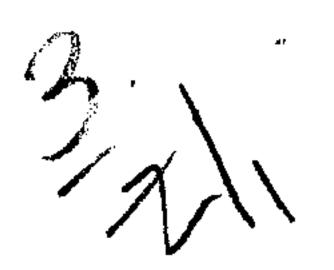
Bonnie Huyser

BONNIE LOU HUYSER
NOTARY PUBLIC - KENT COUNTY, MICH.
MY COMMISSION EXPIRES 03-11-86

Notary Public, Kent County, MI

My Commission Expires

Drafted by and Return To: Fountain View Villa Association 7275 Bridge Town Lane Caledonia MI 49316





# AMENDMENT TO MASTER DEED FOUNTAIN VIEW VILLAS (ACT 59 PUBLIC ACTS OF 1978, AS AMENDED)

This Amendment to Master Deed of Fountain View Villas is made and executed on this 28th day of August, 2003, by the Fountain View Villas Association, a Michigan non-profit corporation, of 7200 Kalamazoo Avenue, Caledonia, Michigan 49316 (the "Association"), and with the consent of more than two-thirds (2/3) of the units and mortgagees of record in Fountain View Villas.

#### **RECITALS**

- A. Fountain View Villas (the "Project") was established by recording the Master Deed of Fountain View Villas dated the 13th day of July, 1988, and recorded in Liber 2573, commencing on Page 28, Kent County, Michigan records (the "Master Deed") establishing the real property described in Article II of the Master Deed, together with the improvements located and to be located thereon, and the appurtenances thereto, as a condominium project under the provisions of Act 59 of the Michigan Public Act of 1978, as amended (the "Act"). On or about December 20, 1993, the Bylaws attached as Exhibit A to the Master Deed were amended in accordance with the instrument recorded in Liber 3404, Pages 1928 1329, Kent County, Michigan records. The Master Deed is hereby amended pursuant to Article XII of the Master Deed.
- B. The Association desires to amend the Master Deed to permit one "For Sale" sign as provided for below.

### **AMENDMENT**

The Fountain View Villas Bylaws attached as Exhibit A to Master Deed is hereby amended as follows:

1. Section 6.9 of the Bylaws is replaced in its entirety with the following:

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RFC'D SEP 18 2003

- 6.9 Advertising. No signs or other advertising devices of any kind will be displayed including "For Sale" signs, except that one "For Sale" sign referring only to the Unit on which displayed and not exceeding six (6) square feet in size may be displayed without approval.
- 2. Capitalized terms not defined in this Amendment shall have the meanings assigned to such terms in the Master Deed of Fountain View Villas.
- 3. Except as specifically amended herein, all provisions of the Master Deed of Fountain View Villas, as amended, shall remain in full force and effect.

FOUNTAIN VIEW VILLAS ASSOCIATION, a Michigan non-profit corporation

By: Ron Shippy
Its: President

STATE OF MICHIGAN
)

Ss

COUNTY OF Lend

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U:\51\51206\001\Agr\Amendment.Doc:jlc

161 Ottawa Avenue, N.W., Suite 600

Todd A. Hendricks

(616) 235-3500

RHOADES McKEE

Grand Rapids, MI 49503

Prepared by and Return to After Recording:

### 20030930-0195967 09/30/2003 P:3 of 3 F:\$20.00 4:10PM Mary Hollinrake T20030018417 Kent County MI Register SEAL

#### **EXHIBIT A**

### **AFFIDAVIT OF MAILING**

STATE OF MICHIGAN )
s
COUNTY OF KENT )

Ron Shippy, being duly sworn, deposes and says that:

- 1. He is the President of the Fountain View Villas Association (the "Association").
- 2. On <u>Jeptember 3</u>, 2003, a copy of the Amendment to Fountain View Villas was sent to all Co-owners and mortgagees of record in the Fountain View Villas condominium project as required by Section 90(5) of the Michigan Condominium Act, pursuant to the owners roster maintained by the Association. Such notices were sent by first class mail, postage fully prepaid.

Further deponent saith not.

Ron Shippy

Subscribed and sworn to before me this  $28^{th}$  day of August, 2003.

Notary Public, <u>Kert</u> County, Michigan My commission expires: 2/8/05

DRAFTED BY:
Todd A. Hendricks
Rhoades McKee
161 Ottawa Avenue, N.W., Suite 600
Grand Rapids, MI 49503-2793

DOMMA IA. VICEO NOTARY PUBLIC - MICHIGAN KENT COUNTY MY COMMISSION EXPIRES FEB. 8, 2005

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