

STATE OF MICHIGAN
EMMET COUNTY
RECORDED

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Alma L. Sipe
REGISTER OF DEEDS

MASTER DEED
OF
COURTYARDS
AT EAGLE BEACH CONDOMINIUM

A RESIDENTIAL SITE CONDOMINIUM
EMMET COUNTY CONDOMINIUM
SUBDIVISION PLAN NO. 206 687

This Master Deed is made and executed this 3rd day of June, 1999, by Lakeforest Land Company, a Michigan corporation, whose address is 974 W. Conway Road, Suite 1000, Harbor Springs, MI 49740 (hereinafter referred to as the "Developer").

13111

WITNESSETH:

WHEREAS, Developer is the fee simple owner of the real property located in Emmet County, Michigan, described in Article II, below;

WHEREAS, Developer desires, by recording this Master Deed, together with the Condominium By-Laws attached hereto as Exhibit A and the Condominium Subdivision Plan attached hereto as Exhibit B (both of which are hereby incorporated by reference and made a part hereof), to establish the real property described in Article II below, together with the improvements located thereon, and the appurtenances thereto, as a condominium under the provisions of the Michigan Condominium Act (being MCLA 559.101 et. seq.).

NOW THEREFORE, upon the recording hereof, Developer establishes Courtyards at Eagle Beach as a condominium under the Condominium Act and declares that the Condominium shall be held, conveyed, hypothecated, encumbered, leased, rented, occupied, improved, or in any other manner utilized, subject to the provisions of said Act, and to the covenants, conditions, restrictions, uses, limitations, easements and affirmative obligations set forth in this Master Deed and the Exhibits hereto; all of which shall be deemed to run with the land and shall be a burden and a benefit to the Developer, its successors and assigns, and any persons acquiring or owning an interest in the said real property, their grantees, successors, heirs, executors, administrators and assigns.

ARTICLE I
TITLE AND NATURE

The Condominium Project shall be known as Courtyards at Eagle Beach, Emmet County Condominium Subdivision Plan No. 206. The Condominium Project is established in accordance with the Act. The Units contained in the Condominium, including the number, boundaries, dimensions and area of each, are set forth completely in the Condominium Subdivision Plan attached as

TAX PARCEL # 09-17-22-100-018

OFFICE OF
Treasurer of Emmet County Petoskey, Mich. 6-4-99
I hereby certify that I have examined the records in my office and it appears that the taxes on the within description have been paid for the past five years and that there are no tax liens or titles held by the State or any individual for the past five years. Prior to date of deed.
Alma L. Sipe
County Treasurer

7pp.

Exhibit B hereto. Each Unit is capable of individual utilization on account of having its own entrance from and exit to a private Roadway Easement as referenced herein, which all owners of the Condominium Project shall have the right to use. Each Co-owner in the Condominium Project shall have an exclusive right to his or her Unit and shall have undivided and inseparable rights to share with other Co-owners the General Common Elements, if any, of the Condominium Project.

ARTICLE II LEGAL DESCRIPTION

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

Land located in the Township of Littlefield, County of Emmet, State of Michigan, described as:

Part of the Northwest 1/4 of Section 22, Township 35 North, Range 4 West, described as follows: Commencing at the North 1/4 corner of Section 22, Town 35 North, Range 4 West; thence North 87deg. 10'09" West along the North line of said Section 22 660.00 feet; thence South 00deg. 03'43" West 239.55 feet to the point of beginning of the parcel to be described, said Point of Beginning being on the Westerly right of way line of a private road easement; thence southerly along said R.O.W. line the following four (4) courses, (1) South 00deg. 03'43" West 172.91 feet; (2) thence along an arc left, said arc having a length of 154.27 feet, a radius of 333.00 feet, a central angle of 26deg. 32'39", and a chord that bears South 07deg. 51'10" West 152.90 feet; (3) thence South 05deg. 25'09" East 217.00 feet; (4) South 00deg. 03'43" West 139.58 feet; thence South 84deg. 34'51" West 186.67 feet; thence North 05deg. 25'09" West 388.99 feet; thence North 01deg. 40'44" East 198.90 feet; thence North 70deg. 03'25" West 128.66 feet; thence North 88deg. 56'14" West 272.75 feet; thence South 49deg. 48'41" West 180.17 feet; thence South 32deg. 21'36" West 926.41 feet; thence North 60deg. 02'22" West 199.80 feet to the Easterly right-of-way line of a private road easement; thence Northeasterly along said Easterly R.O.W. line the following seven (7) courses, (1) Northeasterly along an arc right, said arc having a length of 8.38 feet, a radius of 94.52 feet, a central angle of 05deg. 04'40", and a chord that bears North 29deg. 49'16" East 8.37 feet; (2) thence North 32deg. 21' 36" East 851.83 feet; (3) thence North 31deg. 55' 16" East 139.37 feet; (4) thence along an arc right, said arc having a length of 502.10 feet, a radius of 347.00 feet, a central angle of 82deg. 54'23", and a chord that bears North 73deg. 22'27" East 459.43 feet; (5) thence along an arc left, said arc having a length of 222.64 feet, a radius of 366.00 feet, a central angle of 34deg. 51'11", and a chord that bears South 82deg. 35'57" East 219.22 feet; (6) thence along an arc right, said arc having a length of 236.05 feet, a radius of 234.00 feet, a central angle of 57deg. 47'50", and a chord that bears South 71deg. 07'37" East 226.17 feet; (7) thence South 42deg. 13'42" East 18.29 feet to the point of beginning.

ARTICLE III DEFINITIONS

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

Section 1. Act. The "Act" means the Michigan Condominium

Act, being Act 59 of the Public Acts of 1978, as amended.

Section 2. Association. "Association" means Courtyards at Eagle Beach Condominium Association, which is the non-profit corporation organized under Michigan law of which all Co-owners shall be members, which corporation shall administer, operate, manage and maintain the Condominium.

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

Section 4. Common Elements. "Common Elements," where used without modification, means both the General and Limited Common Elements described in Article IV hereof.

Section 5. Condominium Documents. "Condominium Documents" means and includes this Master Deed and Exhibits A and B hereto, and the Articles of Incorporation, Bylaws and rules and regulations, if any, of the Association, as all of the same may be amended from time to time.

Section 6. Condominium Premises. "Condominium Premises" means and includes the land described in Article II above, all improvements and structures thereon, and all easements, rights and appurtenances belonging to Courtyards at Eagle Beach as described above.

Section 7. Condominium Project, Condominium or Project. "Condominium Project," "Condominium" or "Project" means Courtyards at Eagle Beach, as a Condominium Project established in conformity with the Act.

Section 8. Condominium Subdivision Plan. "Condominium Subdivision Plan" means Exhibit B hereto.

Section 9. Contractible Area. "Contractible Area" means the area of the Condominium Project which Developer has reserved the right to withdraw from the Condominium Project, as more fully set forth in Article VII(B), below.

Section 10. Co-owner or Owner. "Co-owner" means a person, firm, corporation, partnership, Limited Liability Company, association, trust or other legal entity or any combination thereof whom or which owns one or more Units in the Condominium Project. The term "Owner," wherever used, shall be synonymous with the term "Co-owner."

Section 11. Developer. "Developer" means Lakeforest Land Company, a Michigan corporation, which has made and executed this Master Deed, on its behalf and on behalf of its successors and assigns, all of whom shall always be deemed to be included within the term "Developer" whenever, however and wherever such terms are used in the Condominium Documents.

Section 12. Development and Sales Period. "Development and Sales Period," for the purposes of the Condominium Documents and the rights reserved to Developer thereunder, shall be deemed to continue for so long as Developer continues to own any Unit in the Project, including any Units created within the Future Expansion Areas described in Article VII(A) below.

Section 13. First Annual Meeting. "First Annual Meeting" means the initial meeting at which non-developer Co-owners are permitted to vote for the election of all Directors and upon all other matters 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 are sold, or (b) mandatorily within (i) 54 months from the date of the first Unit conveyance, or (ii) 120 days after 75% of the Units are sold, whichever first occurs.

Section 14. Future Expansion Areas. "Future Expansion Area" means the property upon which the Developer has reserved the right to add to the project as more fully set forth in Article VII (A), below. Said areas are identified on the Condominium Subdivision Plan as Expandable Area.

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

Section 16. Limited Common Elements. "Limited Common Elements" means a portion of the Common Elements reserved in this Master Deed for the exclusive use of less than all of the Co-Owners.

Section 17. Master Deed. "Master Deed" means this document to which the Condominium By-Laws and Condominium Subdivision Plan are attached as exhibits.

Section 18. Mortgagee. "Mortgagee" means the named mortgagee or owner of any mortgage on all or any portion of this Condominium.

Section 19. Percentage of Value. "Percentage of Value" means the percentage assigned to each Condominium Unit in this Master Deed. The Percentages of Value of all Units shall total one hundred (100%) percent. Percentages of Value shall be determinative only with respect to those matters to which they are specifically deemed to relate either in the Condominium Documents or in the Act.

Section 20. Person. "Person" means an individual, firm, corporation, partnership, limited liability corporation, association, trust, the state or an agency of the state or the state of other legal entity, or any combination thereof.

Section 21. Residence. "Residence" means a residential dwelling together with an attached or detached garage constructed within the perimeter of a Unit in accordance with the architectural specifications and building and use restrictions set forth or referenced in this Master Deed. Wherever the term Residence, Residential Unit, Single Family Residence, or Single Family Residential is used herein, it shall also mean single family resort and may include multi-family, rental, resort and transient lodging. Such units may be leased or rented in whole or in part, and be considered in compliance of the single family residential and single family resort use if rented for no less than two (2) days at a time.

Section 22. Structure. "Structure" means any Residence, Building, driveway, parking area, Structure, dwelling, garage, shed, outbuilding, fence, wall, wells, gazebo, hedge, in ground swimming pool, or any other improvement of a permanent or substantial nature constructed within the perimeter of a Unit.

Section 23. Transitional Control Date. "Transitional Control Date" means the date on which a Board of Directors of the Association takes office pursuant to an election in which the votes which may be cast by eligible Co-owners unaffiliated with the Developer exceed the votes which may be cast by the Developer.

Section 24. Unit or Condominium Unit. "Unit" or "Condominium Unit" each mean a single Unit in Courtyards at Eagle Beach, as such space may be described in Article V, Section 1 hereof and on Exhibit B hereto, and shall have the same meaning as the term "Condominium Unit" as defined in the Act. All structures and improvements now or hereafter located within the boundaries of a Unit shall be owned in their entirety by the Co-Owner of the Unit within which they are located and shall not, unless otherwise expressly provided in the Condominium Documents, constitute

Common Elements. The Developer does not intend to and is not obligated to install any structures whatsoever within the Units or their appurtenant Limited Common Elements.

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

ARTICLE IV COMMON ELEMENTS

The Common Elements of the Project, and the respective responsibilities for maintenance, decoration, repair or replacement thereof, are as follows:

Section 1. General Common Elements. The General Common Elements, if any, are:

(a) Land. The Land described in Article II hereof, and other common areas, if any, not identified as Limited Common Elements or Units.

(b) Electrical. The electrical transmission lines and transformers throughout the Project, up to the point at which service leads leave the transformer to provide connections for service of Units and Residences, to the extent not owned by the local utility company, public authority, municipality, or a private company that is providing the pertinent service.

(c) Telephone. The telephone system throughout the Project up to the point of lateral connections for Unit service, to the extent not owned by the local utility company, public authority, municipality, or by a private company that is providing the pertinent service.

(d) Gas. The gas distribution systems throughout the Project up to the point of lateral connections for Unit service, to the extent not owned by the local utility company, public authority, municipality, or by a private company that is providing the pertinent service.

(e) Telecommunications. The telecommunications system, if any and when any may be installed, up to the point of lateral connections for Unit service, to the extent not owned by the local telecommunication cable company or other local public authority, municipality, or by a private company that is providing the pertinent service.

(f) Storm Drainage System. Any storm water drainage system throughout the Project, including the portions located within individual Units, as shown on the attached Exhibit "B" drawings.

(g) Entrance Areas and Roadway Landscaping. The entrance area(s) to the Condominium and landscaping adjacent to the private road in the Project which is not otherwise located within the boundaries of a Unit. If the entrance area(s) is/are located on or within property comprising an easement granted to the Condominium, said entrance area(s) shall, for all purposes, be treated in the same manner as a General Common Element.

(h) Sprinkler System. Any sprinkler system(s) installed by the Developer to serve general common lawn areas shall be General Common Elements to be maintained, repaired and replaced by the Association.

(i) Beneficial Easements. All beneficial easements referred to in the legal description hereof or otherwise set forth in this Master Deed.

(j) Other. Such other elements of the Project not herein designated as General or Limited Common Elements which are

not enclosed within the boundaries of a Unit, and which are intended for common use or are necessary to the existence, upkeep, appearance, utility or safety of the Project.

Section 2. Limited Common Elements. Limited Common Elements, if any, shall be subject to the exclusive use and enjoyment of the owner of the Unit or Units to which the Limited Common Elements are appurtenant. The Limited Common Elements are:

(a) The portions of the private sewer system (including, but not limited to, collection/holding tank grinder pumps, flow meters and connecting lines) which lie within the boundaries of a Unit.

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

(a) Co-owner Responsibilities

(i) Units and Limited Common Elements. It is anticipated that separate residential dwellings will be constructed within the Units depicted on Exhibit "B" hereto. Except as otherwise expressly provided, the responsibility for, and the costs of maintenance, decoration, repair and replacement of any dwelling and appurtenances to each dwelling and all areas contained within the boundaries of a Unit shall be borne by the Co-owner of the Unit which is served thereby; provided, however, that the exterior appearance of such Units and the improvements thereon, shall be subject at all times to the approval of the Developer during the Development and Sales Period and to the Association upon the expiration of the Development and Sales Period, unless turned over earlier to the Courtyards at Eagle Beach Association by the Developer. Likewise, it shall be the responsibility of each Co-owner to install and maintain the lawn and other landscaping materials which he installs within the Unit boundaries as depicted on the Condominium Subdivision Plan.

(ii) Utility Services. All costs of electricity, gas and any other utility services, except as otherwise specifically provided, shall be borne by the Co-owner of the Unit to which such services are furnished. Additionally, each Co-owner will be responsible for installing and maintaining a well within the Unit to provide potable water to the dwelling (such well to be constructed in accordance with all applicable laws and ordinances and applicable restrictions as to location and depth). Additionally, each Co-owner is responsible for sewer equipment installation and maintenance as outlined below in subparagraph (iv).

(iii) Landscaping. Each Co-owner shall be responsible for and bear the cost of the initial installation and continuing maintenance, repair and replacement of landscaping in his or her Unit. General Common Element landscaping installed by the Developer shall be maintained, repaired and replaced by the Association.

(iv) Sewer System and Grinder Pumps. Each Co-owner shall be responsible for installing, maintaining and repairing the collection/holding tank grinder pumps, sewer line and flow meter, lights and bells, which will be connected to the sewer system connecting lines located within his or her Unit. In addition, each Co-owner shall be responsible for the portion of the sewer system located within each Co-owner's Unit and running from the Residence to each Unit boundary line, including, but not limited to, the individual collection/holding tank grinder pump, sewer line, flow meter, lights and bells, located within such Unit. Each Co-owner shall comply with the terms and conditions of the sewer system Declaration of Covenants, Conditions and Restrictions, which is recorded in Liber 662, Page 148, Emmet County Records. Developer expressly reserves the right to assign all rights and obligations under said sewer system Declaration.

(b) Association Responsibility for Units. The Association shall not be responsible for performing any maintenance, repair or replacement with respect to Residences and their appurtenances, and any other portion of the Condominium Units, except as otherwise provided herein. The Developer, in the initial maintenance budget for the Association, shall be entitled to determine the nature and extent of any such services to be provided by the Association and reasonable rules and regulations may be promulgated in connection therewith.

(c) Private Roads. The private roads described in Article IV, Section 1(g), above, will be maintained (including, without limitation, snow removal), replaced, repaired and resurfaced as necessary according to the terms of the Road Easement as recorded in Liber 662, Page 141, Emmet County Records. It is Developer's (or its successors or assigns) responsibility to inspect and to perform preventative maintenance of the private road running throughout the Condominium Project on a regular basis in order to maximize their useful life and to minimize repair and replacement costs. The Association shall not be responsible for the maintenance, repair or replacement of the driveways which serve the Units, as this is the Co-owners' responsibility.

(d) Common Elements. The cost of maintenance, repair and replacement of all General Common Elements, if any, shall be borne by the Association, subject to any provision of the Condominium Documents expressly to the contrary. Except as otherwise provided in this Master Deed, the maintenance, repair and replacement of the Limited Common Elements and the expenses incurred shall be charges to the Co-owners serviced by the Limited Common Elements on a pro rata basis and collected in accordance with the assessment procedures established under Article II of the Bylaws. If any emergency work is performed upon Limited Common Elements by the Association, the Co-owners serviced by that Limited Common Element shall reimburse the Association for all costs thereof within fifteen (15) days of billing or the Association shall have the right to recover its expenses in the same manner as established for the collection of assessments in Article II of the Bylaws.

(e) Sprinkling Systems for Entrance Ways and Common Elements. The Association shall be responsible for the repair, replacement and maintenance of any sprinkler systems installed within the entrance way(s) and General Common Elements.

Section 4. Utility Systems. Some or all of the utility lines, systems (including mains and service leads) and equipment and the telecommunications, described above may be owned by the local public authority, municipality or by the private company that is providing the pertinent service, including, without limitation, cable TV lines. Accordingly, such utility lines, systems and equipment, and the telecommunications, shall be General Common Elements only to the extent of the Co-owners' interest therein, if any, and Developer makes no warranty whatever with respect to the nature or extent of such interest, if any. The extent of the Developer's responsibility will be to see that telephone and electric are installed within reasonable proximity to, but not within, the Units. Each Co-owner will be entirely responsible for arranging for and paying all costs in connection with extension of such utilities by laterals from the mains to any structures and fixtures located within the Units.

Section 5. Use of Units and Common Elements. No Co-owner shall use his Unit or the Common Elements in any manner inconsistent with the purposes of the Project or in any manner which will interfere with or impair the rights of any other Co-owner in the use and enjoyment of his Unit or the Common Elements.

ARTICLE V
UNIT DESCRIPTIONS, PERCENTAGES OF VALUE AND
CO-OWNER RESPONSIBILITIES

Section 1. Description of Units. Each Unit in the Condominium Project is described in this paragraph with reference to the Condominium Subdivision Plan of Courtyards at Eagle Beach as prepared by Boss Engineering & Surveying, and attached hereto as Exhibit B. Each Unit shall consist of the space located within Unit boundaries as shown on Exhibit B hereto and delineated with heavy outlines together with all appurtenances thereto. The plans and specifications for the Project have been filed with the Township of Littlefield and/or Emmet County. All Residences must be constructed within the Units in accordance with all applicable zoning ordinances and setback requirements established by the Township of Littlefield and/or Emmet County.

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

ARTICLE VI
SUBDIVISION, CONSOLIDATION
AND OTHER MODIFICATIONS OF UNITS

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

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

(a) Subdivide Units. Subdivide or re-subdivide any Units which it owns and in connection therewith to install utility conduits and connections and any other improvements reasonably necessary to effect the subdivision, any or all of which may be designated by the Developer as General or Limited Common Elements; such installation shall not disturb any utility connections serving Units other than temporarily. Such subdivision or re-subdivision of Units shall be given effect by an appropriate amendment or amendments to this Master Deed in the manner provided by law, which amendment or amendments shall be prepared by and at the sole discretion of Developer, its successors or assigns.

(b) Consolidate Continuous Units. Consolidate under single ownership two or more adjoining Units owned by the Developer. Such consolidation of Units shall be given effect by an appropriate amendment or amendments to this Master Deed in the manner provided by Law, which amendment or amendments shall be prepared by and at the sole discretion of the Developer, its successors or assigns.

(c) Relocate Boundaries. Relocate any boundaries between adjoining Units owned by the Developer, separated only by

Unit perimeters or other Common Elements not necessary for the reasonable use of Units other than those subject to the relocation. Such relocation may encroach into General Common Elements. The relocation of such boundaries shall be given effect by an appropriate amendment or amendments to this Master Deed in the manner provided by law, which amendment or amendments shall be prepared by and at the sole discretion of the Developer, its successors or assigns.

(d) Amend to Effectuate Modifications. In any amendment or amendments resulting from the exercise of the rights reserved to Developer above, each portion of the Unit or Units resulting from such subdivision, consolidation or relocation of boundaries shall be separately identified by number. Such amendment or amendments to the Master Deed shall also contain such further definitions of General or Limited Common Elements as may be necessary to adequately describe the Units in the Condominium Project as so modified. All of the Co-owners and mortgagees of Units and other persons interested or to become interested in the Project from time to time shall be deemed to have irrevocably and unanimously consented to such amendment or amendments of this Master Deed to effectuate the foregoing.

Section 2. Limited Common Elements. Limited Common Elements shall be subject to assignment and reassignment in accordance with Section 39 of the Act and in furtherance of the rights to subdivide, consolidate or relocate boundaries described in this Article.

ARTICLE VII

(A) EXPANSION OF PROJECT

The Condominium is established as an expandable Condominium in accordance with the provisions of this Article.

Section 1. Developer (on behalf of itself and on behalf of its successors and assigns, and no other third party, unless assigned in writing by the Developer), reserves the right, but does not undertake any obligation, to expand the Condominium. Except as set forth herein, no other person or entity may exercise the right to expand the Condominium.

Section 2. There are not restrictions or limitations on Developer's right to expand the Condominium except as stated in this Article VII. The consent of any Co-owner shall not be required to expand the Condominium. All of the Co-owners and Mortgagees of Units and persons interested or to become interested in the Condominium from time to time shall be deemed to have irrevocably and unanimously consented to such expansion of the Condominium and any amendment or amendments to this Master Deed to effectuate the expansion and to any reallocation of Percentages of Value of existing Units which Developer may determine necessary in conjunction with such amendment or amendments. All such interested persons irrevocably appoint Developer or its successors as agent and attorney for the purpose of executing such amendment or amendments to the Master Deed and all other documents necessary to effectuate the foregoing. Such amendments may be made without the necessity of re-recording an entire Master Deed or the Exhibits thereto and may incorporate by reference all or any pertinent portions of this Master Deed or the Exhibits hereto. Nothing herein contained, however, shall in any way obligate Developer to enlarge the Condominium and Developer may, in its discretion, establish all or a portion of the Future Expansion Area described below as a rental development, a separate condominium, or any other form of development. These provisions give notice to all persons acquiring interests in the Condominium that such amendments of this Master Deed may be made and recorded, and no further notice of amendment shall be required.

Section 3. The Developer's right to expand the Condominium shall expire six (6) years after the initial recording of this Master Deed. However, if permitted by state law, Developer shall

have the right to extend the expansion period for an additional six (6) year period.

Section 4. The land which may be added to the Condominium (herein referred to as the "Future Expansion Area" or "Expandable Area") is referred to in the Subdivision Plan as Expandable Area. The aforesaid Future Expansion Area is legally described as follows:

A part of Section 22, Town 35 North, Range 4 West, Littlefield Township, Emmet County, Michigan, described as follows: Beginning at the North 1/4 corner of said Section 22; thence South 86deg. 57'55" East along the North line of said Section 22, which is also the centerline of Burley Road, 1158.88 feet; thence South 02deg. 29'52" East 660 feet; thence South 86deg. 57'55" East 1320 feet to the east line of said Sec. 22, which is also the centerline of Lakeview Road; thence South 02deg. 29'52" East along said East line 1883.94 feet; thence continuing along the East line of said Sec. 22, South 02deg. 28'20" East 765.0 feet; thence North 89deg. 33'20" West 174.14 feet; thence South 02deg. 28'20" East 253.00 feet; thence South 89deg. 33'20" East 174.14 feet to the said East Section line; thence South 02deg. 28'20" East along said East line 251.90 feet to the North line of Gov't Lot 4 of said Section 22; thence North 89deg. 33'20" West 624.11 feet along said North line of Gov't Lot 4; thence South 02deg. 28'20" East, 407.62 feet; thence South 13deg. 11'20" East 820.57 feet; thence North 89deg. 55'20" East 471.0 feet to the said East line of Sec. 22; thence South 02deg. 28'20" East along said East line 66.06 feet to the SE Corner of said Sec. 22; thence South 89deg. 55'20" West along the South line of said Sec. 22, 1296.88 feet to a traverse line of Pickerel Lake; thence North 25deg. 13'25" West along said traverse line, 57.39 feet; thence North 37deg. 43'52" East 181.74 feet; thence North 07deg. 44'56" East 204.41 feet; thence North 89deg. 59'49" West 47.13 feet; thence along an arc left, said arc having a length of 174.29 feet, a radius of 75.00 feet, a central angle of 133deg. 09'04" and a chord that bears North 48deg. 45'17" West 137.64 feet; thence along an arc right, said arc having a length of 42.23 feet, a radius of 50.00 feet, a central angle of 48deg. 23'40" and a chord that bears South 88deg. 52'01" West 40.99 feet; thence North 66deg. 56'09" West 356.63 feet; thence along an arc right, said arc having a length of 271.99 feet, a radius of 357.31 feet, a central angle of 43deg. 36'52" and a chord that bears North 45deg. 07' 43" West 265.47 feet; thence along an arc right, said arc having a length of 181.72 feet, a radius of 183.00 feet, a central angle of 56deg. 53'47" and a chord that bears North 05deg. 07'37" East 174.35 feet; thence along an arc left, said arc having a length of 349.61 feet, a radius of 138.00 feet, a central angle of 145deg. 09'05" and a chord that bears North 39deg. 00'02" West 263.34 feet; thence along an arc right, said arc having a length of 47.04 feet, a radius of 117.00 feet, a central angle of 23deg. 02'02" and a chord that bears South 79deg. 56'26" West 46.72 feet; thence North 88deg. 32'33" West 271.89 feet; thence along an arc right, said arc having a length of 110.40 feet, a radius of 184.00 feet, a central angle of 34deg. 22'39" and a chord that bears North 71deg. 21'13" West 108.75 feet; thence North 54deg. 09'54" West 169.91 feet; thence along an arc left, said arc having a length of 71.32 feet, a radius of 133.00 feet, a central angle of 30deg. 43'24" and a chord that bears North 69deg. 31'36" West 70.47 feet to the North & South 1/4 line of said Sec. 22, which is also the East line of the unrecorded plat of "Ab's Valley"; thence North 00deg. 02'44" East along said North & South 1/4 line, 41.97 feet; thence along the North line of a private road for said Ab's Valley on an arc left, said arc having a length of 77.03 feet, a radius of 75.00 feet, a central angle of 58deg. 50'47" and a chord that bears South 60deg. 37'21" West 73.69 feet; thence continuing along said North line North 84deg. 54'17" West 1671.81 feet; thence along an arc left, said arc having a length of 346.60 feet, a radius of 75.00 feet, a central angle of 264deg. 47'08" and a chord that bears South 26deg. 35'55" West, 110.78 feet; thence South 15deg. 47'39" East 477.67 feet to a point on the bank of Pickerel Lake; thence northerly along the shore of Pickerel and Crooked lakes 4341 feet, more or

less, to a point on the bank of Crooked Lake; thence south 83deg. 18'18" East 219 feet, more or less, to the South line of "Expandable Area #2" of "Eagle Beach Shores at Eagle Beach" a site condominium; thence South 41deg. 57'45" East along said South line 106.66 feet; thence North 79deg. 59'01" East 69.41 feet to the southeasterly right of way line of Beach Drive, henceforth referred to as "Reference Point A"; thence along said right of way line the following 5 courses the first being along an arc left, said arc having a length of 265.37 feet, a radius of 85.00 feet, a central angle of 178deg. 52'30" and a chord that bears North 80deg. 32'46" East 169.99 feet; thence along an arc right, said arc having a length of 54.42 feet, a radius of 50.00 feet, a central angle of 62deg. 21'34" and a chord that bears North 22deg. 17'18" East 51.77 feet; thence North 53deg. 28'05" East 375.74 feet; thence along an arc left, said arc having a length of 269.44 feet, a radius of 183.00 feet, a central angle of 84deg. 21'30" and a chord that bears North 11deg. 17'20" East 245.75 feet; thence along an arc right, said arc having a length of 95.96 feet, a radius of 94.52 feet, a central angle of 58deg. 10'22" and a chord that bears North 01deg. 48'14" West 91.89 feet; thence South 60deg. 02'22" East 199.80 feet; thence North 32deg. 21'36" East 926.41 feet; thence North 49deg. 48'41" East 180.17 feet; thence South 88deg. 56'14" East 272.75 feet; thence South 70deg. 03'25" East 128.66 feet; thence South 01deg. 40'44" West 198.90 feet; thence South 05deg. 25'09" East 388.99 feet; thence North 84deg. 34'51" East 186.67 feet; thence South 00deg. 03'43" West 176.57 feet; thence South 73deg. 16'35" West 178.32 feet; thence South 25deg. 15'43" West 111.04 feet; thence South 00deg. 03'43" West 457.61 feet; thence South 32deg. 53'01" East 49.99 feet; thence South 12deg. 13'44" West 128.99 feet; thence South 00deg. 03'43" West 202.00 feet; thence South 34deg. 50'29" West 377.93 feet; thence south 56deg. 13'09" East 298.25 feet; thence along an arc right, said arc having a length of 59.66 feet, a radius of 633.00 feet, a central angle of 05deg. 23'59" and a chord that bears North 32deg. 37'02" East 59.63 feet; thence along an arc left, said arc having a length of 366.72 feet, a radius of 967.00 feet, a central angle of 21deg. 43'43", and a chord that bears North 24deg. 27'10" East 364.53 feet; thence North 13deg. 35'18" East 12.31 feet; thence North 00deg. 03'43" East 1377.52 feet; thence North 05deg. 25' 09" West 217.00 feet; thence along an arc right, said arc having a length of 154.27 feet, a radius of 333.00 feet, a central angle of 26deg. 32'39" and a chord that bears North 07deg. 51'10" East, 152.90 feet; thence North 00deg. 03'43" East 264.83 feet; thence along an arc left, said arc having a length of 252.69 feet, a radius of 300.00 feet, a central angle of 48deg. 15'35" and a chord that bears North 75deg. 53'45" West 245.28 feet; thence along an arc right, said arc having a length of 182.49 feet, a radius of 300.00 feet, a central angle of 34deg. 51'11" and a chord that bears North 82deg. 35'57" West 179.69 feet; thence along an arc left, said arc having a length of 360.89 feet, a radius of 413.00 feet, a central angle of 50deg. 04'01" and a chord that bears South 89deg. 47'38" West, 349.52 feet; thence North 31deg. 55'16" East 118.68 feet to the North line of said Sec. 22; thence South 87deg. 10'09" East along said North line, 1363.86 feet to the point of beginning.

All or any portion of this Future Expansion Area may be added to Courtyards at Eagle Beach Condominium as a general common element, which may be shared by the Co-owners of the Units of Courtyards at Eagle Beach as well as owners of future developments/condominiums created by Developer, in Developer's sole discretion.

Section 5. All or any portion the Future Expansion Area may be added to the Condominium in its entirety or in parcels, in one amendment to this Master Deed or in separate amendments, at the same time or at different times, all in Developer's discretion. There are no restrictions upon the order in which portions of the Future Expansion Area may be added to the Condominium. Until all or a specific portion of the Future Expansion Area is added to Courtyards at Eagle Beach Condominium, Developer shall have the right to identify the Future Expansion Area described

herein, as Future Expansion Area in other condominium developments which may be created by Developer in connection with the entire Eagle Beach project. Once a portion or all of said Future Expansion Area is added to Courtyards at Eagle Beach, that portion as described cannot be added to any other condominium project.

Section 6. There are no restrictions upon the locations of any improvements that may be made on any portions of the Future Expansion Areas, and Developer reserves the right to locate such improvements in Developer's sole discretion subject only to such applicable laws and ordinances which may affect the Condominium, and the approved site plan for the Project, as the same may be amended.

Section 7. The number of Units which Developer reserves the right to construct, all or in part, upon the Future Expansion Areas is up to one hundred forty (140) Units, for a maximum of up to one hundred sixty two (162) Units which may be included in the Condominium. Local building ordinances and regulations may permit a different number of Units to be created upon the Future Expansion Areas. This Master Deed imposes no restrictions upon the number of Units to be created on individual portions of the Future Expansion Areas, provided that the maximum number of Units as described herein for the Courtyards shall not be exceeded.

Section 8. All land and improvements added to the Courtyards shall be restricted to residential units, as described herein and to such Common Elements as may be consistent and compatible with such use. There are no other restrictions upon such improvements except those which are imposed by state law, local ordinances or building authorities.

Section 9. The extent to which any structure erected on any portion of the Future Expansion Area added to the Condominium are compatible with structures on land included in the original Master Deed is solely within the discretion of the Developer, subject only to the requirements of local ordinances and building authorities, and is not limited by this Master Deed.

Section 10. The Units created upon the Future Expansion Area, if any, shall comprise sites for the construction of single-family, multi-family, resort, rental, or transient lodging, detached residences and such Units must comply with state law, local ordinances and the requirements of building authorities. Developer may, but shall not be obligated to develop trails, golf courses, and other amenities on said Future Expansion Area. However, if Developer does such, the land upon which said amenities are developed shall not be made a part of the Courtyards, unless it is added as a Common Element.

Section 11. Developer may create General Common Elements or Limited Common Elements upon the Future Expansion Areas and designate Common Elements thereon which may be subsequently assigned as Limited Common Elements. The nature of any such General Common Elements or Limited Common Elements to be added to the Condominium is exclusively within the discretion of the Developer.

Section 12. If the Condominium is expanded, it shall be expanded by an amendment to the Master Deed or by a series of successive amendments to the Master Deed, each adding parts of the Future Expansion Area and/or improvements to the Condominium.

Section 13. Any amendment to the Master Deed which alters the number of Units in the Condominium shall proportionately readjust the existing Percentages of Value of Condominium Units to preserve a total of one hundred (100%) percent for the entire Condominium. Percentages of Value shall be readjusted and determined in accordance with the method and formula described in Article VI of this Master Deed.

Section 14. Any expansion shall be deemed to have occurred

at the time of the recording of an amendment to this Master Deed embodying all essential elements of the expansion. At the conclusion of expansion of the Condominium, not later than one hundred eighty (180) days after completion of construction, a Consolidating Master Deed and plans showing the Condominium "as built" shall be prepared and recorded by the Developer. A copy of the recorded Consolidating Master Deed shall be provided to the Association.

(B) CONTRACTION OF PROJECT

The Developer, on its own behalf and on behalf of its successors, hereby expressly reserves the right to contract the Condominium Project by deleting any of the Units which are located on property owned by Developer or its successors, or Common Elements from the Project, from time to time, within a period ending no later than six (6) years from the date of recording of this Master Deed; provided, however, that after such withdrawal, the Condominium Project must have access to utilities, Crooked Lake and to a private road. Other than as set forth in the preceding sentence, there are no restrictions on Developer's (or its successors') right to elect to contract the Condominium Project, and the prior consent of the Co-owners shall not be required. This right of contraction relates to any and all unsold Units which are located on property owned by Developer or its successors, and the common elements, from time to time, and there is no particular order in which the property is required to be withdrawn from the Condominium Project.

Such contraction of the Condominium Project shall be given effect by an appropriate amendment or amendments to this Master Deed in this Master Deed in the manner provided by law, which amendment or amendments shall be prepared by and at the discretion of Developer and its successors and in which the percentages of value set forth in Article V hereof shall be proportionately readjusted in order to preserve a total value of one hundred (100%) percent for the entire Project resulting from such amendment or amendments to this Master Deed. The precise determination of the readjustments in percentages of value shall be within the sole judgment of Developer, and its successors. Such readjustments, however, shall reflect a continuing reasonable relationship among percentages of value based upon the relative value of the various units. All of the Co-owners and mortgagees of units and other persons interested or to become interested in the Project from time to time shall be deemed to have irrevocably and unanimously consented to such amendment or amendments of this Master Deed to effectuate the foregoing and, subject to the limitations set forth herein, to any proportionate reallocation of percentages of value of existing units which Developer may determine necessary in connection with such amendment or amendments. All such interested persons irrevocably appoint Developer and its successors as agent and attorney for the purpose of execution of such amendment or amendments to the Master Deed and all other documents necessary to effectuate the foregoing. Such amendments may be in effect without the necessity of re-recording the entire Master Deed or the Exhibits thereto and may incorporate by reference all or any pertinent portion of this Master Deed or the Exhibits thereto and may incorporate by reference all or any pertinent portions of this Master Deed and the Exhibits hereto. Nothing contained in this Article VII(B) shall obligate Developer to withdraw any property from the Condominium Project or to exercise its right of contraction as set forth herein.

ARTICLE VIII
EASEMENTS

Section 1. Easement for Maintenance of Encroachments and Utilities. In the event of any encroachments due to shifting, settling or moving of a building, or due to survey errors, or construction deviations, reciprocal easements shall exist for the maintenance of such encroachment for so long as such encroachment exists, and for maintenance thereof after rebuilding in the event of any destruction; provided, however, that no Co-owner shall be

permitted to construct or maintain any building (or portion thereof) outside of the minimum required setback area as set forth in the Township of Littlefield or Emmet County zoning ordinance. There shall be easements as necessary to, through and over those portions of the land, structures, buildings and improvements for the continuing maintenance, repair, replacement, enlargement of or tapping into all utilities in the Condominium. The Developer also hereby reserves easements within the Common Elements for the purpose of construction and maintenance of entry markers or signs identifying the Condominium by name. The size, design and precise location of such markers or signs shall be at the sole discretion of the Developer and the Association shall be responsible for the maintenance, repair and replacement thereof.

Section 2. Easements and Right to Dedicate Retained by Developer. The Developer reserves the right at any time during the Development and Sales Period to dedicate to the public a right of way of such width as may be required by the local public authority over any or all of the roadways (if any) and or sidewalks (if any) in the Condominium Project, shown as General Common Elements, if any, in the Condominium Subdivision Plan. Any such right-of-way dedication may be made by the Developer without the consent of any Co-owner, mortgagee or other person and shall be evidenced by an appropriate amendment to this Master Deed and to the Condominium Subdivision Plan hereto, recorded in the Emmet County Register of Deeds. All of the Co-owners and mortgagees of Units and other persons interested or to become interested in the Project from time to time shall be deemed to have irrevocably and unanimously consented to such amendment or amendments of this Master Deed to effectuate the foregoing right-of-way dedication.

The Developer reserves the right at any time during the Development and Sales Period to grant easements for utilities over, under and across the Condominium to appropriate governmental agencies or public or private utility companies and to transfer title of utilities to governmental agencies or to utility companies. Any such easement or transfer of title may be conveyed by the Developer without the consent of any Co-owner, mortgagee or other person and shall be evidenced by an appropriate amendment to this Master deed and to Exhibit B hereto, recorded in the Emmet County Register of Deeds. All of the Co-owners and mortgagees of Units and other persons interested or to become interested in the Project from time to time shall be deemed to have irrevocably and unanimously consented to such amendments to this Master Deed as may be required to effectuate the foregoing grant of easement or transfer of title.

Section 3. Grant of Easements By Association. The Association, acting through its lawfully constituted Board of Directors (including any Board of Directors acting prior to the Transitional Control Date) shall be empowered and obligated to grant such reasonable easements, licenses, rights-of-entry and rights-of-way over, under and across the Condominium Premises for utility purposes or other lawful purposes, as may be necessary for the benefit of the Condominium subject, however, to the approval of the Developer so long as the Development and Sales Period has not expired. No easements created under the Condominium Documents may be modified, nor may any of the obligations with respect thereto be varied, without the consent of each person benefitted or burdened thereby.

Section 4. Association Right to Dedicate Public Rights-of-Way and Act Upon Special Assessment Proceedings. The Association, upon expiration of the Development and Sales Period, acting through its lawfully constituted Board of Directors shall be empowered to dedicate to the public a right of way of such width as may be required by the local public authority over any or all of the roadways or sidewalks in the Condominium Project, shown as General Common Elements, if any, in the Condominium Subdivision Plan. Any such right-of-way dedication shall be evidenced by an appropriate amendment to the Master Deed and to Exhibit "B" hereto, recorded in Emmet County Register of Deeds. The Associa-

tion shall further be empowered, at any time, to execute petitions for and to act on behalf of all Co-owners in any statutory proceedings regarding special assessment improvements of the roadways in the Condominium. All of the Co-owners and mortgagees of Units and other persons interested or to become interested in the Project from time to time shall be deemed to have irrevocably and unanimously consented to such amendment or amendments of this Master Deed to effectuate the foregoing right-of-way dedication.

Section 5. Association Easements For Maintenance Repair and Replacement.

(a) The Developer, the Association and all public or private utilities shall have such easements over, under, across and through the Condominium Premises, including all Units and Common Elements, as may be necessary to fulfill any responsibilities of maintenance, repair, decoration, replacement or upkeep which they or any of them are required or permitted to perform under the Condominium Documents or by law or to respond to any emergency or common need of the Condominium including without limitation an easement over all Limited Common Elements and Units for maintenance, repair and replacement of lawn sprinkling systems, if any, which service the General Common Elements and related controls, clocks, meters and valves; provided, however, that the easements granted hereunder shall not entitle any person other than the Co-owner thereof to gain entrance to the interior of any Residence or garage located within a Unit. While it is intended that each Co-owner shall be solely responsible for the performance and costs of all maintenance, repair and replacement of and decoration of the residence and all other appurtenances and improvements constructed or otherwise located within his or her Unit unless otherwise provided herein, it is nevertheless a matter of concern that a Co-owner may fail to properly maintain the exterior of his Unit or any Limited Common Elements appurtenant thereto in a proper manner and in accordance with the standards set forth in this Master Deed, the Bylaws and any rules and regulations promulgated by the Association. Therefore, in the event a Co-owner fails, as required by this Master Deed, the Bylaws or any rules and regulations of the Association, to properly and adequately maintain, decorate, repair, replace or otherwise keep his or her Unit or any improvements or appurtenances located therein or any Limited Common Elements appurtenant thereto, the Association (and/or the Developer during the Development and Sales Period) shall have the right, and all necessary easements in furtherance thereof, (but not the obligation) to take whatever action or actions it deems desirable to so maintain, decorate, repair or replace the Unit (including the exteriors of any structures located therein), its appurtenances or any of its Limited Common Elements, all at the expense of the Co-owner of the Unit. Neither the Developer nor the Association shall be liable to the Owner of any Unit or any other person, in trespass or in any other firm of action, for the exercise of rights pursuant to the provisions hereof or any other provision of the Condominium Documents which grant such easements, rights of entry or other means of access. Failure of the Association (or the Developer) to take any such action shall not be deemed a waiver of the Association's (or the Developer's) right to take any such action at a future time. All costs incurred by the Association or the Developer in performing any responsibilities which are required, in the first instance to be borne by any Co-owner, shall be assessed against such Co-owner and shall be due and payable with his monthly assessment next falling due; further, the lien for non-payment shall attach as in all cases of regular assessments and such assessments may be enforced by the use of all means available to the Association under the Condominium Documents and by law for the collection of regular assessments including, without limitation, legal action, foreclosure of the lien securing payment and imposition of fines.

(b) The Developer and the Association shall have an easement over, under, across and through any portion of the Units which are located adjacent to the private road where Developer

has installed landscaping for the purpose of installing, maintaining and replacing such landscaping.

(c) Easements for access, the installation, maintenance, repair, replacement, modification and/or removal of utilities, underground television cable, sanitary and storm sewer lines, water mains, drainage lines, surface drainage swales and any other improvements which would serve the Units, the Association, and the Developer are reserved to the Developer, its successors and assigns and to the Association, if Developer has transferred control to the Association, as shown on the Condominium Subdivision Plan which is Exhibit B hereto. Developer also reserves an easement in, on, under and over a strip of land twenty (20) feet in width on each side of the private road which provides access to each Unit. The use of all or part of such easements may at any time, or times hereafter, be granted or assigned by the Developer, its successor or assigns, to any person, firm, corporation, governmental unit or agency which furnishes such services or utilities.

No building may be constructed or maintained over or on any easements; provided however, that after the aforementioned utilities have been installed, planting, fencing, driveways, parking surfaces, or side walks or similar improvements which will not adversely affect such utilities (where permitted) shall be allowed, so long as they do not violate the provisions of this Master Deed and/or the Condominium Bylaws, and do not interfere with, obstruct, hinder or impair the drainage plan of the Condominium, and so long as access be granted without charge or liability for damages, for the installation, maintenance, repair, replacement, modification and/or removal of the utilities, drainage lines and/or additional facilities.

Section 6. Telecommunications Agreements. The Association, acting through its duly constituted Board of Directors and subject to the Developer's approval during the Development and Sales Period, shall have the power to grant such easements, licenses and other rights of entry, use and access and to enter into any contract or agreement, including wiring agreements, right-of-way agreements, access agreements and multi-unit agreements and, to the extent allowed by law, contracts for sharing of any installation or periodic subscriber service fees as may be necessary, convenient or desirable to provide for telecommunications, videotext, broad band cable, satellite dish, earth antenna and similar services (collectively "Telecommunications") to the Project or any Unit therein. Notwithstanding the foregoing, in no event shall the Board of Directors enter into any contract or agreement or grant any easement, license or right of entry or do any other act or thing which will violate any provision of any federal, state or local law or ordinance. 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, shall be receipts affecting the administration of the Condominium Project within the meaning of the Act and shall be paid over to and shall be the property of the Developer or the Association, as the case may be.

Section 7. Emergency Vehicle Access Easement. There shall exist for the benefit of the Township of Littlefield or any emergency service agency, an easement over all roads and driveways in the Condominium for use by the City and/or emergency vehicles. Said easement shall be for purposes of ingress and egress to provide, without limitation, fire and police protection, ambulance and rescue services and other lawful governmental or private emergency services to the Condominium Project and Co-owners thereof. This grant of easement shall in no way be construed as a dedication of any streets, roads or driveways to the public.

Section 8. Pedestrian Easement. Developer has heretofore granted a non-exclusive pedestrian easement for ingress and egress to the shore of Crooked Lake in a Grant of Reciprocal

Pedestrian Easement and Operating Agreement recorded in Liber ~~689~~, Page ~~607~~, Emmet County Records ("Pedestrian Easement"). Said Pedestrian Easement shall be for the use and benefit of all of the Co-owners of the Courtyards at Eagle Beach, as well as other lands as designated by Developer in its sole discretion. Said Pedestrian Easement and Operating Agreement sets forth the lands benefited by the Pedestrian Easement and sets forth provisions regarding the rights and obligations of the lands benefited therein.

The Pedestrian Easement allows Co-owners of the Courtyards ingress and egress over a portion of the existing beachfront property on Crooked Lake as well as certain use rights relative to Crooked Lake. The Pedestrian Easement allows water use rights to the high water mark of Crooked Lake. The Co-owners of the Courtyards and other benefited parties shall have the right to swim, bathe, fish, water ski and perform other activities consistent with the foregoing. No co-owner shall have the right to place anything of a permanent nature, including but not limited to a dock, in Crooked Lake appurtenant to the Pedestrian Easement. Developer has reserved the right to place permanent or temporary docks in Crooked Lake and has reserved the right to lease said docks to co-owners of the Courtyards at Eagle Beach Condominium and to the co-owners of units in the other condominium developments benefited by the Pedestrian Easement as designated by Developer. Developer shall not be mandated to build or place docks and shall have the right to do so in its sole discretion.

The Pedestrian Easement also allows Co-owners of the Courtyards the right to use the pedestrian easement area for activities such as sunbathing, picnic, volleyball, etc....

Section 9. Road Easement. The private road which provides access for the Condominium to and from Burley Road, a public road, is located outside of the Condominium Project. Developer has created an easement for the purpose of providing ingress and egress to and from Burley Road (the "Road Easement"). Each co-owner shall have the right to use said easement. Although not actually a general common element, the portion of the private road which is located within the Road Easement shall be treated in all respects in the same manner as if it was a General Common Element, in so far as shared use and shared expenses. The responsibility for maintenance of and contribution of monies toward said Roadway Easement is fully set forth in Grant and Declaration of Roadway Easement Agreement (hereinafter also referred to as "Roadway Easement" or "Road Easement") recorded in Liber 662, Page 141, Emmet County Records.

Section 10. Easements Retained and/or Reserved By Developer.

(a) Road and Utility Easements to Benefit the Future Expansion Areas. Although Developer currently owns the road, should Developer later sell, assign or convey title to the road, or should need by due to additional roads being created within the project, Developer (on its behalf and on behalf of its successors or assigns) hereby reserves permanent easements for ingress and egress over all of the roads and walks in the Condominium and permanent easements to use, tap into, enlarge or extend all roads, walks and utility lines in the Condominium, including, without limitation, all telecommunications, water, gas, electric, storm and sanitary sewer lines, and any pumps, sprinklers or water retention or detention areas, all of which easements shall be for the benefit of the Future Expansion Areas described herein and for the benefit of any other land adjoining the Condominium (or any expansion thereof) if now owned or hereafter acquired by Developer or its successors or assigns or for the benefit of any other land designated by Developer. The easement reserved herein shall benefit the Proposed Future Expansion Area or any portion thereof whether or not the Future Expansion Area or any portion thereof is hereafter added to the Condominium, and shall survive the six (6) year period for adding the

Future Expansion Area to the Condominium (plus additional six (6) year period, if allowed by state law). Developer has no financial obligation to support such easements, except that any dwelling unit using the roads, if such unit is constructed upon a part of a Future Expansion Area not included within the Condominium, shall pay a pro rata share of the expense of maintenance, repair, or replacement of the portion of the road which is used, which share shall be determined pro rata according to the total number of dwelling units using such portion of the road. The Road Easement and the road constructed therein are subject to use and enjoyment by such Co-owners of property located adjacent to the property traversed and burdened by the Road Easement, or any other properties as designated by Developer in Developer's sole discretion, said additional benefited properties to be evidenced by separate easement agreement or amendment to the easement which is recorded in the Register of Deeds for Emmet County, as referenced herein. The Road Easement and Utilities are addressed in greater detail herein.

(b) Pedestrian Easement. Developer hereby reserves permanent easements for ingress and egress over the Pedestrian Easement as it is defined in the Grant of Reciprocal Pedestrian Easement and Operating Agreement. Developer also reserves the right to grant ingress and egress and all other rights associated with said Pedestrian Easement to other future developments created by Developer or other parcels designated by Developer in its sole discretion. The easement reserved herein shall benefit the Proposed Future Expansion Area or any portion thereof whether or not the Future Expansion Area or any portion thereof is hereafter added to the Condominium, and shall survive the six (6) year period for adding the Future Expansion Area to the Condominium (plus the additional six (6) year period if allowed by state law).

Developer has no financial obligation to support such easement, except that any dwelling unit using the Pedestrian Easement, if such unit is constructed upon a part of a Future Expansion Area or other parcel not included within the Condominium, shall pay a pro rata share of the expense of maintenance, repair, or replacement of the portion of the Pedestrian Easement which is used, which share shall be determined pro rata according to the total number of dwelling units using such portion of the Pedestrian Easement.

The rights created over and across this Pedestrian Easement are evidenced in the Grant of Reciprocal Pedestrian Easement and Operating Agreement, as referenced herein, which discloses the current property benefited by this Pedestrian Easement and the obligations of the parties benefited by said Pedestrian Easement. Developer may add other benefited lands in its sole discretion by recording an Amendment to said Grant of Reciprocal Pedestrian Easement and Operating Agreement, recorded at the Office of the Register of Deeds for Emmet County.

(c) Docks. Developer further hereby reserves the right to place permanent or temporary docks adjacent to or over (including winter storage) the Pedestrian Easement and to lease said dock space to co-owners of the Courtyards at Eagle Beach or to the co-owners of any future developments/condominiums created by Developer. Said reservation shall run in perpetuity and shall survive the six (6) year period for adding Future Expansion Area to the Condominium (plus an additional six (6) years if allowed by state law). Developer shall have the right to turn over or assign all of its rights and obligations created by this reservation to a corporation, or other individual or entity, which (who) shall continue the operation, maintenance and leasing of said dock space, or whom may assign the obligations for operation, maintenance and leasing to a "Super-Board" as such is described herein.

Section 11. The Road Easement. The Developer has granted a permanent, non-exclusive easement for the benefit of the Condominium and the Co-owners of Units therein for ingress and egress

over the areas identified on the Condominium Subdivision Plan as "Summerside Drive" or "Common Road Easement".

The easement, which is generally 66 feet in width, is legally described as follows:

A part of the Northwest 1/4 and of the Northeast 1/4 of Section 22, Town 35 North, Range 4 West, Littlefield Township, Emmet County, Michigan, described as follows: Beginning at the North 1/4 corner of said Section 22; thence South 87deg. 03'56" East 60.08 feet along the North line of said Section 22, which is also the centerline of Burley Road; thence South 00deg. 02'44" West 236.02 feet; thence North 89deg. 07'26" West 404.78 feet; thence along an arc left, said arc having a length of 216.27 feet, a radius of 267.00 feet, a central angle of 46deg. 24'36" and a chord that bears South 67deg. 40'16" West 210.41 feet; thence South 00deg. 03'43" West 1830.93 feet; thence North 66deg. 47'46" West 55.85 feet; thence South 13deg. 35'18" West 31.45 feet; thence along an arc right, said arc having a length of 391.75 feet, a radius of 1033.00 feet, a central angle of 21deg. 43'43" and a chord that bears South 24deg. 27'10" West 389.41 feet; thence along an arc left, said arc having a length of 59.68 feet, a radius of 567.00 feet, a central angle of 06deg. 01'50" and a chord that bears South 32deg. 18'07" West 59.65 feet; thence North 54deg. 40'54" West 66.33 feet; thence along an arc right, said arc having a length of 59.66 feet, a radius of 633.00 feet, a central angle of 05deg. 23'59" and a chord that bears North 32deg. 37'02" East 59.63 feet; thence along an arc left, said arc having a length of 366.72 feet, a radius of 967.00 feet, a central angle of 21deg. 43'43", and a chord that bears North 24deg. 27'10" East 364.53 feet; thence North 13deg. 35'18" East 12.31 feet; thence North 00deg. 03'43" East 1377.52 feet; thence North 05deg. 25'09" West 217.00 feet; thence along an arc right, said arc having a length of 154.27 feet, a radius of 333.00 feet, a central angle of 26deg. 32'39" and a chord that bears North 07deg. 51'10" East 152.90 feet; thence North 00deg. 03'43" East 172.91 feet; thence North 42deg. 13'42" West 18.29 feet; thence along an arc left, said arc having a length of 236.05 feet, a radius of 234.00 feet, a central angle of 57deg. 47'50" and a chord that bears North 71deg. 07'37" West 226.17 feet; thence along an arc right, said arc having a length of 222.64 feet, a radius of 366.00 feet, a central angle of 34deg. 51'11" and a chord that bears North 82deg. 35'57" West 219.22 feet; thence along an arc left, said arc having a length of 502.10 feet, a radius of 347.00 feet, a central angle of 82deg. 54'23" and a chord that bears South 73deg. 22'27" West 459.43 feet; thence South 31deg. 55'16" West 139.37 feet; thence South 32deg. 21'36" West 851.83 feet; thence along an arc left, said arc having a length of 104.34 feet, a radius of 94.52 feet, a central angle of 63deg. 15'01" and a chord that bears South 00deg. 44'06" West 99.12 feet; thence along an arc right, said arc having a length of 269.44 feet, a radius of 183.00 feet, a central angle of 84deg. 21'30" and a chord that bears South 11deg. 17'20" West 245.75 feet; thence South 53deg. 28'05" West 375.74 feet; thence along an arc left, said arc having a length of 54.42 feet, a radius of 50.00 feet, a central angle of 62deg. 21'34" and a chord that bears South 22deg. 17'18" West 51.77 feet; thence along an arc right, said arc having a length of 418.93 feet, a radius of 85.00 feet, a central angle of 282deg. 23'22" and a chord that bears North 47deg. 41'48" West 106.53 feet; thence along an arc left, said arc having a length of 34.93 feet, a radius of 50.00 feet, a central angle of 40deg. 01'48" and a chord that bears North 73deg. 28'59" East 34.23 feet; thence North 53deg. 28'05" East 408.50 feet; thence along an arc left, said arc having a length of 172.26 feet, a radius of 117.00 feet, a central angle of 84deg. 21'30" and a chord that bears North 11deg. 17'20" East 157.12 feet; thence along an arc right, said arc having a length of 177.20 feet, a radius of 160.52 feet, a central angle of 63deg. 15'01" and a chord that bears North 00deg. 44'06" East 168.34 feet; thence North 32deg. 21'36" East 851.58 feet; thence North 31deg. 55'16" East 297.17 feet; thence South 86deg. 38'45" East 47.42 feet; thence along an arc right, said arc having a length of 410.55 feet, a radius of 413.00 feet,

a central angle of 56deg. 57'20" and a chord that bears North 86deg. 20'59" East 393.85 feet; thence along an arc left, said arc having a length of 182.49 feet, a radius of 300.00 feet, a central angle of 34deg. 51'11" and a chord that bears South 82deg. 35'57" East 179.69 feet; thence along an arc right, said arc having a length of 302.63 feet, a radius of 300.00 feet, a central angle of 57deg. 47'50" and a chord that bears South 71deg. 07'37" East 289.96 feet; thence South 42deg. 13'42" East 82.17 feet; thence along an arc left, said arc having a length of 48.47 feet, a radius of 35.00 feet, a central angle of 79deg. 21'06" and a chord that bears South 81deg. 54'15" East 44.69 feet; thence along an arc right, said arc having a length of 188.63 feet, a radius of 333.00 feet, a central angle of 32deg. 27'21" and a chord that bears North 74deg. 38'53" East 186.12 feet; thence South 89deg. 07'26" East 253.38 feet; thence along an arc left, said arc having a length of 47.56 feet, a radius of 30.00 feet, a central angle of 90deg. 49'49" and a chord that bears North 45deg. 27'39" East 42.73 feet; thence North 00deg. 02'44" East 143.78 feet to the North line of said Section 22; thence South 87deg. 10'09" East along said North line 60.07 feet to the point of beginning.

Sec. 10. Utility Easements. Developer has reserved the right to grant utility easements to the Co-owners of Courtyards, as well as to other lands as designated by Developer. The proposed utility easement is as shown on Exhibit "B" attached hereto and made a part hereof. Said Utility Easements shall not extend on to any Unit more than the 20' shown on Exhibit "B", and therefore shall be located within said 20' Utility Easement or within the Road Easement. Developer shall have the sole right to grant easements for utilities over and across the Private Road as described herein and within the 20' Utility Easement, so long as Developer owns said Road or one Unit in the Development, whichever is later. The Association may have the right to grant easements for utilities upon said 20' easement only upon prior written approval from Developer, which may be withheld for any reason so long as Developer owns the Road. The utilities that may be installed within the Road Easement include, but are not limited to, sanitary sewer pipelines, electric, gas, telephone and cable television lines.

ARTICLE IX AMENDMENT

This Master Deed and the Condominium Subdivision Plan may be amended with the consent of 66 - 2/3% of the Co-owners, except as hereinafter set forth:

Section 1. Modification of Units or Common Elements. No Unit dimension may be modified in any material way without the consent of the Co-owner of such Unit nor may the nature or extent of Limited Common Elements or the responsibility for maintenance, repair or replacement thereof be modified in any material way without the written consent of the Co-owner of any Unit to which the same are appurtenant.

Section 2. Mortgagee, Mortgagee Insurer and Mortgage Guarantor Consent. Whenever a proposed amendment would materially alter or change the rights of mortgagees generally, mortgagee insurers or mortgage guarantors, then such amendments shall require the approval of 66 - 2/3% of all first mortgagees, insurers of the first mortgagee and guarantors of the first mortgages of record allocating only one vote for each mortgage held. No more than one vote may be cast per first mortgage, regardless of the number of the mortgagees, insurers and guarantors having such an interest in the first mortgage.

Section 3. By Developer. Prior to two years after expiration of the Development and Sales Period, the Developer may, without the consent of any Co-owner or any other person, amend this Master Deed and the Condominium Subdivision Plan attached as

Exhibit B in order to correct survey or other errors made in such documents and to make such other amendments to such instruments and to the Bylaws attached hereto as Exhibit A as do not materially affect any rights of any Co-owners or mortgagees in the Project.

Section 4. Change in Percentage of Value. The value of the vote of any Co-owner and the corresponding proportion of common expenses assessed against such Co-owner shall not be modified without the written consent of such Co-owner and his mortgagee, nor shall the percentage of value assigned to any Unit be modified without like consent, except as permitted under Article VII hereof; thus any change in such matters shall require unanimity of action of all Co-owners.

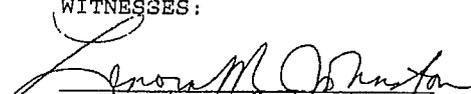
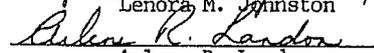
Section 5. Termination, Vacation, Revocation or Abandonment. The Condominium Project may not be terminated, vacated, revoked or abandoned without the written consent of the Developer and 80% of non-Developer Co-owners and mortgagees, allocating one vote for each unit on which a mortgage is held.

Section 6. Developer Approval. During the Development and Sales Period, the Condominium Documents shall not be amended nor shall the provisions thereof be modified in any way without the written consent of the Developer.

ARTICLE X
ASSIGNMENT

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

WITNESSES:

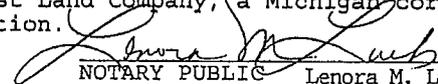

Lenora M. Johnston

Arlene R. Landon

LAKEFOREST LAND COMPANY, A
MICHIGAN CORPORATION


By: Robert L. Shorter
Its: President

STATE OF MICHIGAN) ss
COUNTY OF Emmet)

On this 3rd day of June, 1999, the foregoing Master Deed was acknowledged before me by Robert L. Shorter, President of Lakeforest Land Company, (a Michigan corporation, on behalf of said corporation.


NOTARY PUBLIC Lenora M. Lueb

My Commission Expires: 6/27/01 County of * Emmet State of Michigan
* Charlevoix acting in

MASTER DEED DRAFTED BY AND WHEN
RECORDED RETURN TO: Maura A. Snabes, Esq./POB 175/Charlevoix, MI

EXHIBIT A

BYLAWS

ARTICLE I
ASSOCIATION OF CO-OWNERS

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

ARTICLE II
ASSESSMENTS

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

Section 1. Assessments for Common Elements. All costs incurred by the Association in satisfaction of any liability arising within, caused by, or connected with the General Common Elements or the administration of the Condominium Project shall constitute expenditures affecting the administration of the Project, and all sums received as the proceeds of, or pursuant to, any policy of insurance securing the interest of the Co-owners against liabilities or losses arising within, caused by, or connected with the General Common Elements or the administration of the Condominium Project shall constitute receipts affecting the administration of the Condominium Project, within the meaning of Section 54(4) of the Act.

Section 2. Determination of Assessments. Assessments shall be determined in accordance with the following provisions:

(a) Budget. The Board of Directors of the Association shall establish an annual budget in advance for each fiscal year and such budget shall project all expenses for the forthcoming year which may be required for the proper operation, management and maintenance of the Condominium Project, including a reasonable allowance for contingencies and reserves. An adequate reserve fund for maintenance, repairs and replacement of those General Common Elements that must be repaired or replaced on a periodic basis shall be established in the budget and must be funded by regular payments as set forth in Section 3 below rather than by special assessments. At a minimum, the reserve fund

shall be equal to 10% of the Association's current annual budget on a noncumulative basis. Since the minimum standard required by this subparagraph may prove to be inadequate for this particular project, the Association of Co-owners should carefully analyze the Condominium Project to determine if a greater amount should be set aside or if additional reserve funds should be established for other purposes from time to time. Upon adoption of an annual budget by the Board of Directors, copies of the budget shall be delivered to each Co-owner and the assessment for said year shall be established based upon said budget, although failure to deliver a copy of the budget to each Co-owner shall 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 decide, 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 repairs or replacements of existing General Common Elements, (3) to provide additions to the General Common Elements not exceeding \$2,000.00 annually for the entire Condominium Project, or (4) in the event of emergencies, the Board of Directors shall have the authority to increase the general assessment or to levy such additional assessment or assessments as it shall deem to be necessary. The Board of Directors also shall have the authority, without Co-owner consent, to levy assessments pursuant to the provisions of Article V, Section 3 hereof. The discretionary authority of the Board of Directors to levy assessments pursuant to this subparagraph shall rest solely with the Board of Directors for the benefit of the Association and the members thereof, and shall not be enforceable by any creditors of the Association or of the members thereof.

(b) Special Assessments. Special assessments, in addition to those required in subparagraph (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 requirements of the Association, including, but not limited to: (1) assessments for additions to the General Common Elements of a cost exceeding \$2,000.00 for the entire Condominium Project per year, (2) assessments to purchase a Unit upon foreclosure of the lien for assessments described in Section 5 hereof, or (3) assessments for any other appropriate purpose not elsewhere herein described. Special assessments referred to in this subparagraph (b) (but not including those assessments referred to in subparagraph 2(a) above, which shall be levied in the sole discretion of the Board of Directors) shall not be levied without the prior approval of more than 60% of all Co-owners. The authority to levy assessments pursuant to this subparagraph is solely for the benefit of the Association and the members thereof and shall not be enforceable by any creditors of the Association or of the members thereof.

Section 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 shall be apportioned among and paid by the Co-owners in accordance with the percentage of value allocated to each Unit in Article V of the Master Deed, without increase or decrease for the existence of any rights to the use of Limited Common Elements appurtenant to a Unit. Annual assessments as determined in accordance with Article II, Section 2(a) above shall be payable by Co-owners either in twelve equal monthly installments or quarterly, in the discretion of the Board of Directors, subject to Section 7 below commencing with acceptance of a deed to or a land contract vendee's interest in a Unit, or with the acquisition of fee simple title to a Unit by any other means. The payment of an assessment shall be in default if such assessment, or any part thereof, is not paid to the Association in full on or before the due date for such payment. Each installment in default for 10 or more days may bear interest from the initial due date thereof at the rate of 11% per annum (or the maximum rate of interest allowed by law, not to exceed 11%) until each installment is paid in full. The Association may assess reasonable automatic late charges or may, pursuant to Article XX

hereof, levy fines for late payment of assessments in addition to such interest. Each Co-owner (whether 1 or more persons) shall be, and remain, personally liable for the payment of all assessments (including fines for late payment and costs of collection and enforcement of payment) pertinent to his Unit which may be levied while such Co-owner is the owner thereof, except a land contract purchaser from any Co-owner including Developer shall be so personally liable and such land contract seller shall not be personally liable for all such assessment levied up to and including the date upon which such land contract seller actually takes possession of the Unit following extinguishment of all rights of the land contract purchaser in the Unit. Payments on account of installments of assessments in default shall be applied as follows: first, to costs of collection and enforcement of payment, including reasonable attorney's fees; second, to any interest charges and fines for late payment on such installments; and third, to installments in default in order of their due dates.

Section 4. Waiver of Use or Abandonment of Unit. No Co-owner may exempt himself from liability for his contribution toward the expenses of administration by waiver of the use or enjoyment of any of the Common Elements or by the abandonment of his Unit.

Section 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 shall have the right to declare all unpaid installments of the annual assessment for the pertinent fiscal year immediately due and payable. The Association also may discontinue the furnishing of services to a Co-owner in default upon 7 days written notice to such Co-owner of its intention to do so. A Co-owner in default shall not be entitled to utilize any of the General Common Elements of the Project and shall not be entitled to vote at any meeting of the Association so long as such default continues; provided, however, this provision shall not be entitled to vote at any meeting of the Association so long as such default continues; provided, however, this provision shall not operate to deprive any Co-owner of ingress or egress to and from his Unit. In a judicial foreclosure action, a receiver may be appointed to collect a reasonable rental for the Unit from the Co-owner thereof or any persons claiming under him. The Association may also assess fines for late payment or non-payment of assessments in accordance with the provisions of Article XX of these Bylaws. All of these remedies shall be cumulative and not alternative.

(b) Foreclosure Proceedings. Each Co-owner, and every other person who from time to time has any interest in the Project, shall be deemed to have granted to the Association the unqualified right to elect to foreclose the lien securing payment of assessments either by judicial action or by advertisement. The 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 shall be deemed to have authorized and empowered the Association to sell or to cause to be sold the Unit with respect to which the assessment(s) is or are delinquent and to receive, hold and distribute the proceeds of such sale in accordance with the priorities established by applicable law. Each Co-owner of a Unit in the project acknowledges that at the time of acquiring title to such Unit, he was

notified of the provisions of this subparagraph and that he voluntarily, intelligently and knowingly waived notice of any proceedings brought by the Association to foreclose by advertisement the lien for nonpayment of assessments and a hearing on the same prior to the sale of the subject Unit.

(c) Notice of Action. Notwithstanding the foregoing, neither a judicial foreclosure action nor a suit at law for a money judgment shall be commenced, nor shall any notice of foreclosure by advertisement be published until the expiration of 10 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 (1) or more installments of the annual assessment levied against the pertinent Unit is or are delinquent and that the Association may invoke any of its remedies hereunder if the default is not cured within 10 days after the date of mailing. Such written notice shall be accompanied by a written affidavit of an authorized representative of the Association that sets forth: (i) the affiant's capacity to make the affidavit; (ii) the statutory and other authority for the lien; (iii) the amount outstanding (exclusive of interest, costs, attorney's fees and future assessments); (iv) the legal description of the subject Unit(s); and (v) the name(s) of the Co-owner(s) of record. Such affidavit shall be recorded in the office of the Register of Deeds in the county in which the Project is located prior to commencement of any foreclosure proceedings, but it need not have been recorded as of the date of mailing as aforesaid. If the delinquency is not cured within the 10-day period, the Association may take such remedial action as may be available to it thereunder Michigan law. In the event the Association elects to foreclose the lien by advertisement, the Association shall so notify the delinquent Co-owner and shall inform him that he may request a Judicial hearing by bringing suit against the Association.

(d) Expenses of Collection. The expenses incurred in collecting unpaid assessments including interest, costs, actual attorney's fees (not limited to statutory fees) and advances for taxes or other liens paid by the Association to protect its lien, shall be chargeable to the Co-owner in default and shall be secured by the lien on his Unit.

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

Section 7. Developer's Responsibility for Assessments. The Developer and/or any successor developers, if any, of the Condominium, although a member of the Association, shall not be responsible at any time for payment of the regular Association assessments. The Developer and/or any successor developers, however, shall at all times pay all expenses of maintaining the Units that they own, including the 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 improvements constructed within or appurtenant to the Units that are not owned by Developer. For purposes of the foregoing sentence, the Developer's (or successor developer's, as the case may be) proportionate share of such expenses shall 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 shall the Developer or successor 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 residential dwelling is located. For instance, the only expenses presently contemplated that the Developer or successor developers might be expected to pay are a pro rata share of snow removal and other road maintenance from time to time as well as pro rata share of any liability insurance and other administrative costs which the Association might incur from time to time. Any assessments levied by the Association against the Developer or successor developers for other purposes shall be void without Developer's or successor developer's consent. Further, the Developer shall in no event be liable for any assessment levied in whole or in part to purchase any Unit from the Developer or successor developers or to finance any litigation or other claims against the Developer or successor developers, any cost of investigating and preparing such litigation or claim or any similar or related costs. A "completed residential dwelling" shall mean a residential dwelling with respect to which a final certificate of occupancy has been issued by the Township of Littlefield or Emmet County.

Section 8. Property Taxes and Special Assessments. All property taxes and special assessments levied by any public taxing authority shall be assessed in accordance with Section 131 of the Act.

Section 9. Personal Property Tax Assessment of Association Property. The Association shall be assessed as the person or entity in possession of any tangible personal property of the Condominium owned or possessed in common by the Co-owners, and personal property taxes based thereon shall be treated as expenses of administration.

Section 10. Construction Lien. A construction lien otherwise arising under Act No. 497 of the Michigan Public Acts of 1980, as amended, shall be subject to Section 132 of the Act.

Section 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 requests to the Association accompanied by a copy of the executed purchase agreement pursuant to which the purchaser holds the right to acquire a Unit, the Association shall provide a written statement of such unpaid assessments as may exist or a statement that none exist, which statement shall be binding upon the Association for the period stated therein. Upon the payment of that sum within the period stated, the Association's lien for assessments as to such Unit shall be deemed satisfied; provided, however, that the failure of a purchaser to request such statement at least five (5) days prior to the closing of the purchase of such Unit shall render any unpaid assessments and the lien securing the same fully enforceable against such purchaser and the Unit itself, to the extent provided by the Act. 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

Section 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 shall 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, shall be submitted to arbitration and the parties thereof shall 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 shall be applicable to any such arbitration.

Section 2. Judicial Relief. In the absence of the election and written consent of the parties pursuant to Section 1 above, no Co-owner or the Association shall be precluded from petitioning the courts to resolve any such disputes, claims or grievances.

Section 3. Election of Remedies. Such election and written consent by Co-owners or the Association to submit any such dispute, claim or grievance to arbitration shall preclude such parties from litigating such dispute, claim or grievance in the courts.

ARTICLE IV INSURANCE

Section 1. Extent of Coverage. The Association shall, to the extent appropriate in light of the nature of the General Common Elements of the Project, carry fire and extended coverage, vandalism and malicious mischief and liability insurance (in a minimum amount to be determined by the Developer or the Association in its discretion, but in no event less than One Million (\$1,000,000) Dollars per occurrence), officers' and directors' liability insurance, and workmen's compensation insurance, if applicable, and any other insurance the Association may deem applicable, desirable or necessary, pertinent to the ownership, use and maintenance of the General Common Elements and such insurance shall be carried and administered in accordance with the following provisions:

(a) Responsibilities of Association. All such insurance shall be purchased by the Association for the benefit of the Association, the Developer and the Co-owners and their mortgagees, as their interests may appear, and provision shall be made for the issuance of certificates of mortgagee endorsements to the mortgagees of Co-owners.

(b) Insurance of Common Elements. All General Common Elements of the Condominium Project shall be insured against fire (if appropriate) and other perils covered by a standard extended coverage endorsement, if applicable and appropriate, in an amount equal to the current insurable replacement value, excluding foundation and excavation costs, as determined annually by the Board of Directors of the Association. All insurance policies carried by the Association shall be written as primary policies, not contributing with any insurance that Co-owners may carry. The Association shall maintain appropriate liability insurance on the General Common Element and such improvements as may be constructed thereon. The Association shall not be responsible, in any way, for maintaining insurance with respect to Limited Common Elements.

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

(d) Proceeds of Insurance Policies. Proceeds of all insurance policies owned by the Association shall be received by the Association, held in a separate account and distributed to the Association and the Co-owners and their mortgagees, as their interests may appear; provided, however, whenever repair or reconstruction of the Condominium shall be required as provided in Article V of these Bylaws, the proceeds of any insurance received by the Association as a result of any loss requiring repair or reconstruction shall be applied for such repair or reconstruction and in no event shall hazard insurance proceeds be used for any purpose other than for repair, replacement or reconstruction of the Project unless all of the institutional holders of first mortgages on Units in the Project have given their prior written approval.

Section 2. Authority of Association to Settle Insurance Claims. Each Co-owner, by ownership of a Unit in the Condominium Project, shall be deemed to appoint the Association as his true and lawful attorney-in-fact to act in connection with all matters concerning the maintenance of fire and extended coverage, vandalism and malicious mischief, liability insurance and workmen's compensation insurance, if applicable, pertinent to the Condominium Project and the General Common Elements appurtenant thereto, with such insurer as may, from time to time, provide such insurance for the Condominium Project. Without limitation on the generality of the foregoing, the Association as said attorney shall have full power and authority to purchase and maintain such insurance, to collect and remit premiums therefor, to collect proceeds and to distribute the same to the Association, the Co-owners and respective mortgagees, as their interests may appear (subject always to the Condominium Documents), to execute releases of liability and to execute all documents and to do all things on behalf of such Co-owner and the Condominium as shall be necessary or convenient to the accomplishment of the foregoing.

Section 3. Responsibility of Co-owners. Each Co-owner shall be obligated and responsible for obtaining fire and extended coverage and vandalism and malicious mischief insurance with respect to the building and all other improvements constructed or to be constructed within the perimeter of his Condominium Unit and for his personal property located therein or thereon or elsewhere on the Condominium Project. There is no responsibility on the part of the Association to insure any of such improvements whatsoever. All such insurance shall be carried by each Co-owner in an amount equal to the maximum insurable replacement value, excluding foundation and excavation costs. Each Co-owner shall deliver certificates of insurance to the Association not less than annually to evidence the continued existence of all insurance required to be maintained by the Co-owner hereunder. In the event of the failure of a Co-owner to obtain such insurance or to provide evidence thereof to the Association, the Association may obtain such insurance on behalf of such Co-owner and the premiums therefor shall constitute a lien against the Co-owner's Unit which may be collected from the Co-owner in the same manner that Association assessments may be collected in accordance with Article II hereof. Each Co-owner also shall be obligated to obtain insurance coverage for his personal liability for occurrences within the perimeter of his Unit or the improvements located thereon (naming the Association and the Developer, so long as the Developer owns any Unit in the Project, as additional named insureds), and also for any other personal insurance coverage that the Co-owner wishes to carry. Such insurance shall be carried in such minimum amounts as may be specified by the Association (and as specified by the Developer during the Development and Sales Period) and each Co-owner shall furnish evidence of such coverage to the Association and the Developer annually.

The Association shall under no circumstances have any obligation to obtain any of the insurance coverage described in this Section 3 or any liability to any person for failure to do so. The Association may elect, however, through its Board of Directors, to undertake the responsibility for obtaining the insurance described in this Section 3, or any portion thereof, exclusive of insurance covering the contents located within a Co-owner's residence, and the cost of the insurance shall be included as an expense item in the Association budget. All Co-owners shall be notified of the Board's election to obtain the insurance at least sixty (60) days prior to its effective date which notification shall include a description of the coverage and the name and address of the insurer. Each Co-owner shall also be provided a certificate of insurance as soon as it is available from the insurer. Co-owners may obtain supplementary insurance but in no event shall any such insurance coverage undertaken by a Co-owner permit a Co-owner to withhold payment of the share of the Association assessment that relates to the equivalent insurance carried by the Association. The Association also shall not reimburse Co-owners for the cost of premiums resulting from the early cancellation of an insurance policy. To the extent a Co-owner does or

permits anything to be done or kept on his Unit (and/or any Common Element) that will increase the rate of insurance each Co-owner shall pay to the Association, the increased cost of insurance premiums resulting from any such activity or the maintenance of any such condition shall be charged to the Co-owner(s) responsible for such activity or condition.

Section 4. Waiver of Right of Subrogation. The Association and all Co-owners shall use their best efforts to cause all property and liability insurance carried by the Association or any Co-owner to contain appropriate provisions whereby the insurer waives its right of subrogation as to any claims against any Co-owner or the Association.

Section 5. Indemnification. Each individual Co-owner shall indemnify and hold harmless every other Co-owner, the Developer and the Association for all damages and costs, including attorneys' fees, which such other Co-owners, the Developer or the Association may suffer as a result of defending any claim arising out of an occurrence on or within such individual Co-owner's Unit, and shall carry insurance to secure this indemnity if so required by the Association (and/or the Developer during the Development and Sales Period). This Section 5 shall not be construed to give any insurer any subrogation right or other right or claim against any individual Co-owner, however.

ARTICLE V RECONSTRUCTION OR REPAIR

Section 1. Responsibility for Reconstruction or Repair. If any part of the Condominium Premises shall be damaged, the determination of whether or not it shall be reconstructed or repaired, and the responsibility therefor, shall be as follows:

(a) General Common Elements. If the damaged property is a General Common Element the damaged property shall be rebuilt or repaired to its condition prior to such damage unless all of the Co-owners and all of the institutional holders of mortgages on any Unit in the Project unanimously agree to the contrary.

(b) Unit or Improvements Thereon. If the damaged property is a Unit or any improvements thereon, the Co-owner of such Unit along shall determine whether to rebuild or repair the damaged property, subject to the rights of any mortgagee or other person or entity having an interest in such property, and such Co-owner shall be responsible for any reconstruction or repair that he elects to make. The Co-owner shall in any event remove all debris and restore his Unit and the improvements thereon to a clean and slightly condition satisfactory to the Association and in accordance with the provisions of Article VI hereof as soon as reasonably possible following the occurrence of the damage. In the event that a Co-owner has failed to repair, restore, demolish or remove the improvements on the Co-owner's Unit under this Section, the Association shall have the right (but not the obligation) to undertake reasonable repair, restoration, demolition or removal and shall have the right to place a lien on the Unit for the amounts expended by the Association for that purpose which may be foreclosed as provided for in these Bylaws.

Section 2. Repair in Accordance with Master Deed, Etc. Any such reconstruction or repair shall be substantially in accordance with the Master Deed and the original plans and specifications for any damaged improvements located within the Unit unless the Co-owners shall unanimously decide otherwise.

Section 3. Association Responsibility for Repair. Immediately after the occurrence of a casualty causing damage to property for which the Association has the responsibility of maintenance, repair and reconstruction, the Association shall obtain reliable and detailed estimates of the cost to place the damaged property in a condition as good as that existing before the damage. If the proceeds of insurance are not sufficient to

defray the estimated cost of reconstruction or repair required to be performed by the Association, or if at any time during such reconstruction or repair, or upon completion of such reconstruction or repair, the funds for the payment of the cost thereof are insufficient, assessment shall be made against all Co-owners for the cost of reconstruction or repair of the damaged property in sufficient amounts to provide funds to pay the estimated or actual cost of repair. This provision shall not be construed to require replacement of mature trees and vegetation with equivalent trees or vegetation.

Section 4. Timely Reconstruction and Repair. If damage to the General Common Elements adversely affects the appearance of the Project, the Association shall proceed with replacement of the damaged property without delay.

Section 5. Eminent Domain. The following provisions shall control upon any taking by eminent domain:

(a) Taking of Unit or Improvements Thereon. In the event of any taking of all or any portion of a Unit or any improvements thereon by eminent domain, the award for such taking shall be paid to the Co-owner of such Unit and the mortgagee thereof, as their interests may appear, notwithstanding any provision of the Act to the contrary. If a Co-owner's entire Unit is taken by eminent domain, such Co-owner and his mortgagee shall, after acceptance of the condemnation award therefor, be divested of all interest in the Condominium Project.

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

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

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

(e) Applicability of the Act. To the extent not inconsistent with the foregoing provisions, Section 133 of the Act shall control upon any taking by eminent domain.

Section 6. Priority of Mortgagee Interests. Nothing contained in the Condominium Documents shall be construed to give a Co-owner or any other party priority over any rights of first mortgagees of Condominium Units pursuant to their mortgages in the case of a distribution to Co-owners of insurance proceeds or condemnation awards for losses to or a taking of Condominium Units and/or Common Elements.

Section 7. Notification of FHLMC, FNMA, Etc. In the event any mortgage in the Condominium is held by the Federal Home Loan

Mortgage Corporation ("FHLMC"), Federal National Mortgage Association ("FNMA"), Government National Mortgage Association ("GNMA"), the Michigan State Housing Development Authority ("MSHDA"), or insured by the Veterans Administration ("VA"), Department of Housing and Urban Development ("HUD"), Federal Housing Association ("FHA"), or any private or public mortgage insurance program, then the Association shall give the aforementioned parties written notice, at such address as they 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 and 00/100 (\$10,000.00) Dollars in amount or damage to a Condominium Unit or dwelling covered by a mortgage purchased, held or insured by them exceeds One Thousand and 00/100 (\$1,000.00) Dollars.

ARTICLE VI
RESTRICTIONS

A. Architectural Control

Section 1. Architectural Control shall be initially exercised by the Developer of this project. (To the extent that the word "Board" or "Association" is used in these Architectural Control provisions, they shall only apply where Developer's rights have been extinguished. Developer's rights will be extinguished only upon the sale and improvement by construction of a dwelling on all units in this project, including those constructed on the Future Development Area).

The Developer of the Project intends that there shall be a residential dwelling 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.

Section 2. The master plan for Courtyards at Eagle Beach utilizes a Victorian theme with modifications, that is predominant in the surrounding Petoskey/Harbor Springs community. The goal is to protect the landscape with its open spaces and views, and to have improvements to the units within the development coordinate with these goals. No building shall be erected, placed or altered; no land graded, no existing trees cut and no improvements made on any lot without first obtaining the written approval of the Courtyards at Eagle Beach Architectural Control Committee. Detailed construction plans and specifications, together with a site plan showing the proposed location of all improvements, including but no limited to dwellings, garages, accessory building, fences, roofs, carports, rubbish containers, land cuts, dog runs, flow meters for sewer systems and the like, shall be submitted to the Architectural Committee, which shall review such plans and specifications to assure that the proposed improvements satisfy the requirements set forth in the Restrictions set forth herein, and that the exterior design and materials are in compliance with the restrictions herein and are harmonious with other improvements in the Courtyards at Eagle Beach project. Prior to final drawings being submitted, it is recommended that a co-owner submit drawings of any improvements in 1/8 inch scale to the Architectural Control Committee for tentative approval first, to avoid unnecessary expense on the actual drawings.

Section 3. The Courtyards at Eagle Beach Architectural Control Committee agrees to use its reasonable best efforts to review as promptly as circumstances permit, within 30 days, the owner's plans and specifications set forth in reasonable detail, for all proposed improvements. A scale of 1' to 1/4" for buildings plans or 1' to 1" for site plans may be used. Plans shall include the type and quality of materials, a plot plan showing the location of all improvements on the lot with drainage specifications, locations of driveways, dog kennels, walks, culverts, garages, sewage flow meter, accessory buildings, locations of all trees and bushes, and future landscaping plans, showing the exterior appearances of the project when completed, grading and site rearrangements and such other details that may be reasonably

requested by the Courtyards at Eagle Beach Condominium Architectural Control Committee.

Section 4. All plans required to be submitted pursuant hereto shall be prepared by a licensed architect or other persons satisfactory to the Review Board, and shall be prepared in form as determined from time to time by the Architectural Control Committee.

Section 5. Prior to submitting final plans required hereby, persons wishing to make improvements within the Condominium shall submit preliminary plans to the Architectural Control Committee for preliminary approval, in such scale and detail as required by the Architectural Control Committee.

B. Restrictions and Land Use

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

1. All Units in Courtyards at Eagle Beach shall be used for single family residential and single family resort purposes only. Said Units may be leased or rented in whole or in part, and for purposes of these restrictions, any resort home or cottage will be considered in compliance of the single family residential and single family resort use if rented for no less than two (2) days at a time.

2. At such time as the residential structure is complete, the Co-owner shall provide off-street parking for at least two vehicles.

3. All propane fuel tanks shall be concealed from view by a device or enclosure approved by the Courtyards at Eagle Beach Architectural Control Committee. No storage shall be allowed for any other type of fuel.

4. No Unit shall be further subdivided. The Developer hereby reserves unto itself, its successors and assigns, an easement 20' wide along the roadside of each lot for utilities. Within these easements, no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may change the direction or flow of water through drainage channels and the easements. The easement area of each Unit and all improvements in it shall be maintained continuously by the Co-owner of each Unit unless otherwise noted in the Condominium documents as General Common Elements which would be maintained by the Association.

5. No sign of any kind shall be displayed to the public view on any lot except signs used by the Developer to advertise the properties, unless approved by the Association. Developer shall have the right to display said advertisement signs for the six (6) year period described herein (or 6 years plus an additional 6 years if allowed by State law). Other "For Sale" signs may be displayed, but such signs must be approved by the Courtyards at Eagle Beach Architectural Control Committee. Further, no signs shall be displayed for rental or sale purposes in the window(s) of any residence.

6. No animals, horses, livestock, or poultry of any kind shall be raised, bred or kept on any unit except for dogs and cat which are not kept, bred or maintained for commercial purposes. Any exterior dog run or kennel must be concealed from view by a device, enclosure, or landscaping and attached to the side of a garage or house and approved by Courtyards at Eagle Beach Architectural Control Committee. Dogs or cats outside of the home must be kenneled in a fence enclosure attached to the home or garage. All dogs or cats accompanied by the Co-owner on a walk are recommended to be on a leash. Co-owners shall clean up after their dogs and cats when the animals are off their Unit area.

7. No lot shall be used or maintained as a dumping ground for any rubbish, trash or garbage. All rubbish, trash or garbage shall be kept in sanitary containers behind an enclosed area or garage until disposed of off the premises at the Emmet County Transfer Station or by trash pick up service. No waste materials shall be disposed of on any portion of the Condominium premises by burning or burying.

8. No noxious or offensive activities shall be carried on upon any lot, nor shall anything be done thereon which may be or may become an annoyance or nuisance to the other Co-owners. Trail bikes, snowmobiles, motor bikes and similar land recreational vehicles may be operated only for ingress and egress from the unit and in such a manner as to not create a nuisance to other Co-owners. The Co-owners shall abide by the Road Easement Agreement and any amendments thereto that may be made to said ingress and egress agreement from time to time. All motorized recreational land or water vehicles shall be housed in an enclosed garage when not being used. However, a recreational vehicle may be used for temporary lodging on the Unit site during construction, but must be removed between work periods and the Co-owner must have approval from the Architectural Control Committee.

9. No fence or hedge shall be erected or maintained on any Unit which shall unreasonably restrict or block the view from an adjoining unit or which shall materially impair the continuity of the general landscaping. For this purpose, a hedge or fence shall not be maintained at any greater height than four feet and no wall or fence shall be erected or placed between the Residence and the Lake or between the Residence and the (proposed) Golf Course. Dog runs shall be permitted, provided they are attached alongside of a garage or home and said design and location is approved by the Architectural Control Committee. Fences between the Units are discouraged. However, if a fence appears necessary or desirable, the design and location of such fence shall be decorative and must be submitted to and approved by the Architectural Control Committee.

10. All satellite television dishes or television antennas shall be permitted only with approval by the Architectural Control Committee, and will only be approved if placed in the most concealed location on the Unit. The Architectural Control Committee can disapprove all such devices if it deems the size or location is not in the best interest of the project.

11. No firearms, guns or weapons of any type shall be allowed to be discharged or used on any Unit by any Co-owner, guest, lessee or invitee.

12. Large vehicles, such as dump trucks, tractors with front end loaders and/or back hoes, tractor trailer rigs, flat bed trailers and other similar equipment shall not be kept on any Unit except during construction of the residence and/or garage upon the Unit. There shall be no storage of boats, snowmobiles, recreational vehicles, trailers or junk cars, except in an enclosed garage.

13. All utilities shall be buried underground including, but not limited to, cable television, telephone and electric. No overhead wires are allowed.

14. All wells shall be drilled to a minimum depth of 220 feet, unless approved otherwise by the Architectural Control Committee and Developer (so long as Developer owns any land or unit in the entire Eagle Beach project). Each Co-owner shall be solely responsible for the installation, maintenance, repair and replacement of the well/water supply system on his or her Unit and the Association shall have absolutely no financial responsibility or other duty with respect thereto. All wells installed for private water supply must, except as set forth herein, penetrate an adequate protective clay overburden, and prospective Co-owners are hereby advised of and agree to this requirement. When

an adequate safe aquifer cannot be demonstrated, additional safeguards in the form of increased distances and/or depth requirements may be required. The Michigan Department of Health or the Emmet County Health Department will determine the necessary depth of water wells in order to penetrate into a safe aquifer.

No Unit owner shall allow any water from artesian wells, roof gutters and down spouts, rainfall, or snow melt to enter into the sewer septic system. All Co-owners who anticipate discharges from Artesian wells must receive discharge instructions as part of the site plan approval from the Architectural Control Committee.

15. No outside lighting shall be allowed from sunset to sunrise is allowed upon any Unit that is continuous and whose radiant light is not contained in a downward deflection. All lighting used for paths, walkways and entrances must be 4' or less above the natural ground level, unless approved by the Architectural Control Committee.

16. All roadways shall be maintained and assessed pursuant to the Grant and Declaration of Roadway Easement as referenced herein.

17. No mobile homes shall be placed, stored, occupied, constructed or maintained upon any Unit.

18. Improvements over Easements. No dwellings, improvements or structures may be constructed or maintained over or on any easements; provided, however, that after the aforementioned utilities have been installed, such areas may be sodded; and provided further, that the Developer shall have the right to install a hedge adjacent to the road. All other planting or improvements within a Unit or upon General or Limited Common Elements over or on said easements, shall be allowed only upon prior written approval of the Architectural Control Committee and only so long as they do not interfere with, obstruct, hinder or impair the drainage plan of the Condominium Project, and so long as access is granted, without charge or liability for damages, for the maintenance of the utilities and underground drainage lines so installed, surface drainage and/or for the installation of additional facilities.

19. Public Health Requirement. Permits for the installation of wells and the Community Septic System and component parts thereof shall be obtained from the Emmet County Health Department prior to any construction on the individual Units.

20. Pedestrian Easement. Developer has heretofore granted a non-exclusive pedestrian easement for ingress and egress to the shore of Crooked Lake in a Grant of Reciprocal Pedestrian Easement and Operating Agreement recorded in Liber _____, Page _____, Emmet County Records ("Pedestrian Easement"). Said Pedestrian Easement shall be for the use and benefit of all of the Co-owners of the Courtyards at Eagle Beach, as well as other lands as designated by Developer in its sole discretion. Said Pedestrian Easement and Operating Agreement sets forth the lands benefited by the Pedestrian Easement and sets forth provisions regarding the rights and obligations of the lands benefited therein.

The Pedestrian Easement allows Co-owners of the Courtyards ingress and egress over a portion of the existing beachfront property on Crooked Lake as well as certain use rights relative to Crooked Lake. The Pedestrian Easement allows water use rights to the high water mark of Crooked Lake. The Co-owners of the Courtyards and other benefited parties shall have the right to swim, bathe, fish, water ski and perform other activities consistent with the foregoing. No co-owner shall have the right to place anything of a permanent nature, including but not limited to a dock, in Crooked Lake appurtenant to the Pedestrian Easement. Developer has reserved the right to place permanent or temporary docks in Crooked Lake and has reserved the right to lease said docks to co-owners of the Courtyards at Eagle Beach

Condominium and to the co-owners of units in the other condominium developments benefited by the Pedestrian Easement as designated by Developer. Developer shall not be mandated to build or place docks and shall have the right to do so in its sole discretion.

The Pedestrian Easement also allows Co-owners of the Courtyards the right to use the pedestrian easement area for activities such as sunbathing, picnic, volleyball, etc....

In the event Developer ever transfers, conveys or assigns said Pedestrian Easement, Developer shall reserve a permanent easement in perpetuity for ingress and egress over the Pedestrian Easement as it is defined in the Grant of Reciprocal Easement and Operating Agreement. Developer has already reserved the right to grant ingress and egress and the right to use said Pedestrian Easement to other future developments created by Developer or other parcels designated by Developer in its sole discretion. The easement reserved herein shall benefit the Proposed Future Expansion Area or any portion thereof whether or not the Future Expansion Area or any portion thereof is hereafter added to the Condominium, and shall survive the six (6) year period for adding the Future Expansion Area to the Condominium (plus the additional six (6) year period if allowed by state law).

Developer reserves the right to place buildings, boardwalks, showers, flagpoles, playground equipment, etc... on any portion of the Pedestrian Easement, in Developer's sole discretion.

Initially, Developer shall bear the cost of any maintenance associated with said Pedestrian Easement. However, Developer reserves the right to charge each parcel benefited by said Easement a maintenance fee which shall be split equally between all benefited parcels on a pro rata basis, if Developer so desires.

As noted, Developer may add benefited lands in its sole discretion by an Amendment to said Reciprocal Pedestrian Easement Agreement to be recorded in the Office of the Register of Deeds for Emmet County.

21. Docks. Developer further has reserved the right to place permanent or temporary docks adjacent to, on or over (including winter storage) the Pedestrian Easement and to lease said dock space to co-owners of the Courtyards at Eagle Beach or to the co-owners of any future developments/condominiums created by Developer. Said reservation shall run in perpetuity and shall survive the six (6) year period for adding Future Expansion Area to the Condominium. Developer shall have the right to turn over or assign all of its rights and obligations created by this reservation to a corporation, or other entity, which (who) shall continue the operation, maintenance and leasing of said dock space, or which may assign the obligations for operation, maintenance and leasing to a "Super-Board" as such is described herein. Developer shall have no obligation to create a corporation or other entity nor shall it be obligated to create said "Super-Board".

22. Amenity Club. Courtyards at Eagle Beach is part of an overall development scheme of Developer. Developer plans on creating a residential community comprised of five or more separate condominium projects. Pursuant to this scheme, Developer may form an Amenity Club, which would entitle a co-owner of any condominium located within the residential community to join. The membership fees and annual dues collected from the co-owners for an Amenity Club Membership would go solely toward the operation, upkeep and maintenance of the amenities. Developer would have the right, but not the obligation to form a non-profit corporation or other entity which could then form or appoint a "Super-Board" comprised of one or two members of each condominium association board. Said corporation or other entity shall be formed in order to run the Amenity Club and would be responsible for collecting the membership fees and annual dues, contracting for the opera-

tion, maintenance and upkeep, and disbursement of monies for said operation, maintenance and upkeep. As noted, the corporation may, but shall have no obligation to, assign all of its obligations regarding the Amenity Club to a "Super-Board", nor does the Developer have any obligation to even create said "Super-Board".

It is Developer's desire to have a Driving Range, Walking Trails, Swimming Hole, Par "3" Golf Course, Beach Area, and possible boat docks as amenities in said club. However, Developer has no obligation to create an Amenity Club or create any of the amenities described herein and no co-owner shall have any cause of action against Developer for the non-creation thereof.

C. Residence Design

1. Architectural Style. The architecture of all residences must respect the well-crafted tradition of the Petoskey/Harbor Springs areas using Victorian or modified Victorian building shapes and detailing incorporated into the design of each home and the profile or perceived height be kept as low as possible. Every effort should be made to break down the mass of the residence with offsets in plane or architectural components in order to avoid long, unarticulated walls. The perceived massing of any proposed residence must feature structural spans which are not greater than those that can be achieved by dimensional lumber and traditional structural framing.

2. Area. All residences must contain 1,350 gross square feet excluding garage, unfinished basement or unfinished lower level, open decks, and covered porches.

3. Height. No residence shall exceed two stories in height and must conform to all County height requirements.

4. Garages and Garage Doors. Each residence shall have a garage or carport which is enclosed on a minimum of one side and a minimum capacity for one and one-half (1 1/2) cars.

5. Exterior Finishes. All exterior color schemes and finishes shall be approved by the Architectural Control Committee. Preferred exterior color schemes shall feature neutral or natural hue colors such as warm gray, buff, cream or white exteriors. Accent trim colors shall also be approved by the Architectural Control Committee. All structures are restricted to wood siding materials with natural wood hue colors as approved by the Architectural Control Committee. Exceptions to wood siding, if approved, include: 3" vinyl siding (commonly known as 3 x 3). If vinyl siding is used, the complete residence must have an approved trim plan for around doors, windows, gables, over hangs, corners and ban joist. Unless otherwise approved by the Architectural Control Committee, trim must be a minimum of 6" wide for all areas except ban joist trim which must be a minimum of 10", and it shall be required to use the rough sawn surface exposed to the weather. All "J" channel trims necessary for vinyl siding used must be covered or hidden by wood trim.

When repainting of a residential home or accessory building is necessary, the original color scheme shall be repeated or a new color scheme shall be approved by the Architectural Control Committee.

Exterior cladding materials may consist of any of the following:

- a) Smooth cedar or redwood clapboard, dutch lap or similar horizontal lap siding.
- b) Smooth cedar or redwood board and batten vertical siding in 8" or 12" widths.
- c) Machine cut white or red cedar shingles; fishscale, diamond, or other fancy cuts may be used as accent courses.

- d) Split face, round face and cobblestone veneer fieldstone may be used with natural color mortar.
- e) Vinyl siding and trim-Wolverine Industries restoration or classic styles used in a traditional manner.
- f) Brick or cultured stone made from the range of pre-selected acceptable types available for review at the office of the Association. Brick or cultured stone cannot exceed 25% of one side of a residence OR 25% of the total exterior of a residence.
- g) Alternative materials and patterns may be submitted to the Architectural Control Committee and may be approved if they meet the design criteria for the project.

No unpainted wood shall be permitted except for decks, porch floors, or porch ceiling surfaces. Pressure treated trim, porch rails or ballusters shall be painted or stained with a solid color finish.

6. Roof Pitches. All structures are to have a minimum of an 8/12 roof pitch except covered porch areas which can be less than the minimum, if approved by the Architectural Control Committee. One story structures must maintain a minimum of a 10/12 roof pitch.

7. Accessory Buildings. All accessory buildings shall be placed or located to the rear or road side of the main residence. The height of the accessory building shall not exceed the height of the main residence. The accessory building shall have the same exterior building materials, architectural design, overhangs and trim style as the main residential home and have a minimum of 8/12 roof pitch. Covered porches may have less than an 8/12 pitch if approved by the Architectural Control Committee. The maximum side walls are not to exceed 12'0". The accessory building shall not be smaller than 24' x 36' unless approved by the Architectural Control Committee. Location, size and design must also be approved by the Architectural Control Committee.

8. Prior to site clearing, placement of culverts for driveways or excavation, building development permits for water well must be obtained from local Health Department. A sewage tap in fee must be paid to Littefield Township clerk or the Developer if already prepaid by Developer. Other permits might be required by County, State or Federal regulations and are the responsibility of the Co-owners to comply with such.

9. Lower Pressure Sewer. Each property owner will be granted the right to install a pump back sewage system and attach to the Developer's low pressure sewer system. A use capacity for effluent (sewage) of 91,250 gallons per year which is approximately 250 gallons/day, per unit, pursuant to the Developer's agreement with the Township. Unless otherwise agreed to by Developer or Architectural Control Committee, as the case may be, upon construction of a residence, a Co-owner shall install and maintain a pump back sewage system which consists of a holding/collection tank with a grinder pump which will take all effluent from the home, store the effluent in the holding tank for a short period, then the grinder pump takes the effluent out of the holding tank pumping into the low pressure sewer lines. The owner shall install a flow meter in the sewer line between the holding/collection pumping systems and the low pressure sewer line at the street. The flow meter is to measure the amount of effluent entering the low pressure sewer line from the residence. A fee will be charged each Co-owner using the system to cover maintenance and replacement reserve of the low pressure sewer system, in addition to the normal fees charged by the Township for processing the sewage. The meter is to be located in such a place outside of the residence as to be read and monitored by the

Developer. The Co-owner is responsible for the maintenance of the sewer line from the low pressure sewer line at the street/roadway to the residence including the flow meter. The Developer reserves the right to enter lands for the purpose of reading the flow meter should the Co-owner fail to do so. The Developer reserves the right to repair any non-working flow meters and invoice the Co-owner for the cost of said repairs. When exceeding the allowable gallonage, the Township shall increase the cost to the Developer. Such increase in cost will be prorated to those residences that exceed the allowable residential usage

Notwithstanding anything above to the contrary, a Co-owner may use a flow meter which does not meet the requirements described above, upon the written approval of Developer.

10. All plumbing fixtures and hardware is to be consistent in the use of water saving devices to minimize and save water.

11. Upon commencement of construction of any structure in this development, said construction shall be pursued diligently to completion with the exterior completed within 6 months and the interior within 12 months from the date of commencement. The Architectural Control Committee for unusual circumstances may modify these requirements.

12. Right of Access of Association. The Association or its duly authorized agents shall have access to each Unit and any Limited Common Elements appurtenant thereto and from time to time, during reasonable business hours, upon notice to the Co-owner thereof, as may be necessary to carry out any responsibilities imposed on the Association by the Condominium documents. The Association or its agents shall also have access to Units and Limited Common Elements appurtenant thereto as may be necessary to respond to emergencies. The Association may gain access in such manner as may be reasonable under the circumstances and shall not be liable to such Co-owner for trespass or for any necessary damages to his Unit and any Limited Common Elements appurtenant thereto caused thereby. This provision, in and of itself, shall not be construed to permit access to the interiors of residences or other structures upon any Unit.

Section 13. Reserved Rights of Developer.

(a) The Developer reserves the right to direct artesian flows or capture flows and direct them in a particular direction or to a particular source (i.e. pond or lake, etc.). This right shall be in perpetuity and shall be for the benefit of developer, its successors and assigns.

(b) For any undeveloped Units, the Developer reserves a right of first refusal. This reservation shall apply only to properties being sold outside of an immediate family and only for those which are vacant or unimproved.

(c) None of the restrictions contained in this Article VI shall apply to the commercial activities or signs or billboards, if any, of the Developer during the Development and Sales Period or of the Association in furtherance of its powers and purposes set forth herein and in its Articles of Incorporation, as the same may be amended from time to time. Notwithstanding anything to the contrary elsewhere contained herein, Developer shall have the right throughout the entire Development and Sales Period to maintain sales offices, business offices, construction offices, areas for storage purposes and reasonable parking to enable development and sales of the entire Condominium Project by the Developer. The Developer shall restore the areas utilized to habitable status upon termination of use.

(d) The Condominium Project shall at all times be maintained in a manner consistent with the highest standards of a beautiful, serene, private residential community for the benefit of the Co-owners and all persons interested in the Condominium Project. If at any time during the Development and Sales Period the Associa-

tion 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, the Developer, or any entity to which the Developer may assign this right, may elect to maintain, repair and/or replace any Common Elements and/or do any landscaping required by these Bylaws and to charge the cost thereof to the Association as an expense of administration. The Developer shall have the right to enforce these Bylaws throughout the Development and Sales Period, 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

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

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

Section 3. Notification of Meetings. Upon request submitted to the Association, any institutional holder of a first mortgage lien on any Unit in the Condominium shall be entitled to receive written notification of every meeting of the members of the Association and to designate a representative to attend such meeting.

Section 4. Applicability to Mortgage Insurers and Guarantors. Any of the rights in the condominium document which are granted to first mortgagees shall also be extended to insurers and guarantors of such mortgages, provided that they have given the Association notice of their interests. However, when voting rights are attributed to a mortgagee, only one vote may be cast per mortgage as to the mortgage in questions regardless of the number of mortgagees, assignees, insurers and guarantors interested in the mortgage.

Section 5. All holders of first mortgages and insurers and guarantors thereof who have requested notice, are entitled to timely written notice of: (a) any amendment materially affecting a unit in which they have an interest; (b) any amendment affecting a material change in the general common elements or limited common elements appurtenant to a unit in which they have an interest; (c) a material change in the voting rights or use of a unit in which they have an interest; (d) any proposed termination of the condominium; (e) any condemnation or casualty loss which affects a material portion of the condominium or a unit in which they have an interest; or (f) any lapse, cancellation or material modification of any insurance policy maintained by the Association.

ARTICLE VIII

VOTING

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

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

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

Section 4. Quorum. The presence in person or by proxy of 35% of the Co-owners qualified to vote shall constitute a quorum for holding a meeting of the members of the Association, except for voting on questions specifically required by the Condominium Documents to require a greater quorum. The written vote of any person furnished at or prior to any duly called meeting at which meeting said person is not otherwise present in person or by proxy shall be counted in determining the presence of a quorum with respect to the question upon which the vote is cast.

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

Section 6. Majority. A majority, except where otherwise provided herein, shall consist of more than 50% of those qualified to vote and present in person or by proxy (or written vote, if applicable) at a given meeting of the members of the Association. Whenever provided specifically herein, a majority may be required to exceed the simple majority hereinabove set forth if designated voting representatives present in person, or by proxy, or by written vote, if applicable, at a given meeting of the members of the Association.

ARTICLE IX

MEETINGS

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

Section 2. First Annual Meeting. The First Annual Meeting

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

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

Section 4. Special Meetings. It shall be the duty of the President to call a special meeting of the Co-owners as directed by the resolution of the Board of Directors or upon a petition signed by 1/3 of the Co-owners presented to the Secretary of the Association. Notice of any special meeting shall state the time and place of such meeting and the purposes thereof. No business shall be transacted at a special meeting except as stated in the notice.

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

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

Section 7. Order of Business. The order of business at all meetings of the members shall be as follows: (a) roll call to determine the voting power represented at the meeting; (b) proof of notice of meeting or waiver of notice; (c) reading of minutes of proceeding meeting; (d) reports of officers; (e) reports of committees; (f) appointment of inspector of elections (at annual meetings or special meetings held for the 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. Meetings of members shall be chaired by the most senior officer of the Association present at such meeting. For purposes of this Section, the order of seniority of officers shall be President, Vice President, Secre-

Section 8. Action Without Meeting. Any action which may be taken at a meeting of the members (except for the election or removal of Directors) may be taken without a meeting by written ballot of the members. Ballots shall be solicited in the same manner as provided in Section 5 for the giving of notice of meetings of members. Such solicitations shall specify (a) the number of responses needed to meet the quorum requirements; (b) the percentage of approvals necessary to approve the action; and (c) the time by which ballots must be received in order to be counted. The form of written ballot shall afford an opportunity to specify a choice between approval and disapproval of each matter and shall provide that, where the member specifies a choice, the vote shall be cast in accordance therewith. Approval by written ballot shall be constituted by a 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 of the action were taken at a meeting; and (ii) a number of approvals which equals or exceeds the number of votes which would be required for approval if the action were taken at a meeting at which the total number of votes cast was the same as the total number of ballots cast.

Section 9. Consent of Absentees. The transactions at any meeting of members, either annual or special, however called and noticed, shall be as valid as though made at a meeting duly held after regular call and notice, if a quorum 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 of notice, or a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

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

ARTICLE X

ADVISORY COMMITTEE

Within 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 occurs first, the Developer shall cause to be established and perpetuated in any manner an Advisory Committee consisting of at least three non-developer Co-owners. The Committee shall be established and perpetuated in any manner the Developer deems advisable, except to select the Advisory Committee, then an election for such purpose shall be held. The purpose of the Advisory Committee shall 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 shall cease to exist automatically when the non-developer Co-owners have the voting strength to elect a majority of the Board of Directors of the Association. The Developer may remove and replace at its discretion at any time any member of the Advisory Committee who has not been elected thereto by the Co-owners.

ARTICLE XI

BOARD OF DIRECTORS

Section 1. Number and Qualifications of Directors. The Board of Directors shall be comprised of at least five (5) members, all of whom must be members of the Association or officers, partners, trustees, employees or agents of members of the Association. Directors shall serve without compensation.

Section 2. Election of Directors.

a. First Board of Directors. The First Board of Directors shall be composed of three persons and such first Board of Directors or its successors as selected by the Developer shall 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 shall be held as provided in subsection (b) and (c) below.

b. Appointment of Non-Developer Co-owners to Board Prior to First Annual Meeting. Not later than 120 days after conveyance of legal or equitable title to non-developer Co-owners of 25% of the Units that may be created, one of the five Directors shall be selected by the non-developer Co-owners. Not later than 120 days after the conveyance of legal or equitable title to non-developer Co-owners of 50% of the Units, two of five Directors shall be elected by non-developer Co-owners. When the required number of conveyances has been reached, the Developer shall 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 to be elected, the Developer shall then immediately appoint such Director to the Board to serve until the First Annual meeting unless he is removed pursuant to Section 7 of this Article or he resigns or becomes incapacitated.

c. Election of Directors at and After First Annual Meeting.

(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 shall elect all Directors on the Board, except that the Developer shall have the right to designate at least one Director as long as the Units that remain to be created and 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 shall be promptly convened to effectuate this provision, even if the First Annual 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 for which all assessments are payable by the Developer. This election may increase, but shall not reduce, the minimum election and designation rights otherwise established in 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 shall be rounded up to the nearest Board of Directors that the non-developer Co-owners have the right to elect. After application of this formula the Developer shall have the right to elect the remaining members of the Board of Directors. Application of this subsection shall not eliminate the right of the Developer to designate one member as provided in subsection (i).

(iv) At the First Annual Meeting three Directors shall be elected for a term of two years and two Directors shall be elected for a term of one year. At such meeting all nominees shall stand for election as one slate and the three persons receiving the highest number of votes shall be elected for a term of one year. At each annual meeting held thereafter, either three or two Directors shall be elected depending upon the number of Directors whose terms expire. After the First Annual Meeting, the term of office (except for two of the Directors elected at the First Annual Meetings of each Director shall be two years. The Directors shall 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 shall be held in accordance with the provisions of Article X, Section 3 hereof.

Section 3. Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and may do all acts and things as are not prohibited by the Condominium Documents or required thereby to be exercised and done by the Co-owners.

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

a. To manage and administer the affairs of and to maintain the Site 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 of all of the purposes of the Association, and to secure the same by mortgage, pledge, or other lien on property owned by the Association; provided, however, that any such action shall also be approved by affirmative vote of 75% of all of the members of the Association.

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 Docu-

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

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

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

Section 8. First Meeting. The first Meeting of a newly elected Board of Directors shall be held within 10 days of election at such place as shall be fixed by the Directors at the meeting at which meeting such Directors were elected and no notice shall be necessary to the newly elected Directors in order legally to constitute such a meeting, providing a majority of the whole board shall be present.

Section 9. Regular Meetings. Regular meetings of the Board of Directors may be held at such times and places as shall be determined from time to time by a majority of the Directors, but at least two such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director, personally, by mail, telephone or telegraph at least 10 days prior to the date named for such meeting.

Section 10. Special Meetings. Special meetings of the Board of Directors may be called by the President with three (3) day's notice to each Director, given personally, by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Direc-

tors shall be called by the President or Secretary in like manner and on like notice on the written request of two Directors.

Section 11. Waiver of Notice. Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 12. Adjournment. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meetings 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 shall constitute the presence of such Director for purposes of determining a quorum.

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

Section 14. Fidelity Bonds. The Board of Directors shall require that all officers and employees of the Association handling or responsible for the Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be expenses of administration.

Section 15. Litigation Against the Developer. Notwithstanding any other provision of the Condominium Documents, the Board of Directors shall not commence any litigation against the Developer unless and until commencement of the litigation has been approved by an affirmative vote of seventy-five (75%) per cent of all Members of the Association in number and in value attained after a Special Meeting held specifically for the purpose of approving such action.

ARTICLE XIII

OFFICERS

Section 1. Officers. The principal officers of the Association shall be a President, who shall be a member of the Board of Directors, a Vice President, a Secretary and a Treasurer. The Directors may appoint an Assistant Treasurer, and Assistant Secretary, and such other officers as in their judgment may be necessary. Any two offices except that of President and Vice President may be held by one person.

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

(b) Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent. In the event the Vice President is unable to act, then the Board of Directors shall appoint some other member of the Board to be able to act, if neither the President nor the Vice President is able to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors.

(c) Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the members of the Association; he shall have charge of the corporate seal, if any, and he shall, in general, perform all duties incident to the office of the Secretary.

(d) Treasurer. The Treasurer shall have full responsibility for the Association funds and securities and shall be responsible for books belonging to the Association. He shall be responsible for the deposit of all monies and other valuable effects in the name and to the credit of the Association, and in such depositories as may from time to time be designated by the Board of Directors.

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

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

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

ARTICLE XIV

SEAL

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

ARTICLE XV

FINANCE

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

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

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

Section 3. Bank. Funds of the Association shall be initially deposited in such bank or savings association as may be designated by the Directors and shall be withdrawn only upon the check or order of such officers, employees or agents as are designated by resolution of the 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 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 XVI

INDEMNIFICATION OF OFFICERS AND DIRECTORS

Every director and officer of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party or in which he may become involved by reason of his being or having been a Director or officer of the 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 shall apply only if the Board of Directors (with the Director seeking reimbursement abstaining) approves such settlement and reimbursement as being the best interest of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such Director or officer may be entitled. At least 10 days prior to payment of any indemnification which it has approved, the Board of Directors shall notify all Co-owners thereof. Further, the Board of Directors is authorized to carry Directors' and officers' liability insurance covering acts of the Directors and officers of the Association in such amounts as it shall deem appropriate.

ARTICLE XVII

AMENDMENTS

Section 1. Proposal. Amendments to these Bylaws may be proposed by the Board of Directors of the Association acting upon the vote of the majority of the Directors or may be proposed by 1/3 or more of the Co-owners by instrument in writing signed by them.

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

Section 3. Voting. These Bylaws may be amended by the Co-owners at any regular annual meeting or a special meeting called for such purpose by an affirmative vote of not less than 66-2/3% of all Co-owners. No consent of mortgagees shall be required to

amend these Bylaws unless such amendment would materially alter or change the rights of such mortgagees, in which event the approval of 66-2/3% of first mortgagees shall be required with each mortgagee to have one vote for each first mortgage held.

Section 4. By Developer. Pursuant to Section 90(1) of the Act, the Developer hereby reserves the right, on behalf of itself and on behalf of the Association, to amend these Bylaws without approval of any Co-owner or mortgagee unless the amendment would materially alter or change the rights of a Co-owner or Mortgagee, in which event mortgagee consent shall be required as provided in Section 3 above.

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

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

ARTICLE XVIII

COMPLIANCE

The Association of the 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 shall comply with the Act, as amended, and the mere acquisition, occupancy or rental of any Unit or an interest therein or the utilization of or entry upon the Site Condominium Premises shall signify that the Condominium Documents are accepted and ratified. In the event the Condominium Documents conflict with the provisions of the Act, the Act shall govern.

ARTICLE XIX

DEFINITIONS

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

ARTICLE XX

REMEDIES FOR DEFAULT

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

Section 1. Legal Action. Failure to comply with any of the terms or provisions of the Condominium Documents shall be grounds for relief, which may include, without intending to limit the same, an action to recover sums due for damages, injunctive relief, foreclosure of lien (if default in payment of assessment) or any combination thereof, and such relief may be sought by the Association or, if appropriate, by an aggrieved Co-owner or Co-owners.

Section 2. Recovery of Costs. In any proceeding arising because of an alleged default by any Co-owner, the Association, if successful, shall be entitled to recover the costs of the proceeding and such reasonable attorney's fees (not limited to statutory fees) as may be determined by the court but in no event shall any Co-owner be entitled to recover such attorney's fees.

Section 3. Removal and Abatement. The violation of any of the provisions of the Condominium Documents shall also give the

Association or its duly authorized agents the right, in addition to the rights set forth above, to enter upon the Common Elements, 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, and structure, thing or condition existing or maintained contrary to the provisions of the Condominium Documents. The Association shall have no liability to any Co-owner arising out of the exercise of its removal and abatement power authorized herein.

Section 4. Assessment of Fines. The violation of any of the provisions of the Condominium Documents by any Co-owner shall be grounds for assessment by the Association, acting through its duly constituted Board of Directors, of monetary fines for such violations. No fine may be assessed unless in accordance with the provisions of Article XXI below.

Section 5. Non-Waiver of Right. The failure of the Association or of any Co-owner to enforce any right, provision, covenant or condition which may be granted by the Condominium shall not constitute a waiver of the right of the Association or of any such Co-owner to enforce such right, provision, covenant or condition in the future.

Section 6. Cumulative Rights, Remedies and Privileges. All rights, remedies and privileges granted to the Association or any Co-owner or Co-owners pursuant to any terms, provisions, covenants or conditions of the Condominium Documents shall be deemed to be cumulative and the exercise of any one or more shall not be deemed to constitute an election of remedies nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be available to such party at law or in equity.

Section 7. Enforcement of Provisions of Condominium Documents. A Co-owner may maintain an action against the Association and its officers and Directors to compel such persons to enforce the terms and provisions of the Condominium Documents. A Co-owner may maintain an action against any other Co-owner for injunctive relief or for damages or any combination thereof for noncompliance with the terms and provisions of the Condominium Documents or the Act.

ARTICLE XXI

ASSESSMENT OF FINES

Section 1. Assessment of Fines. The violation of any of the provisions of the Condominium Documents by any Co-owner, occupant or guest shall be grounds for assessment by the Association, acting through its duly constituted Board of Directors, of monetary fines for such violations. Such Co-owner shall be deemed responsible for such violations whether they occur as a result of his personal actions or the actions of his family, guests, tenants or any other person admitted through such Co-owner to the Condominium Premises.

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

(a) Notice. Notice of the violation, including the Condominium Document provision violated, together with a description of the factual nature of the alleged offense set forth with such reasonable specificity as will place the Co-owner on notice as to the violation, shall be sent by first class mail, postage prepaid, or personally delivered to the representative of said Co-owner at the address as shown in the notice required to be filed with the Association pursuant to Article IX, Section 3 of these Bylaws.

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

(c) Default. Failure to respond to the Notice of Violation constitutes a default.

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

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

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

(b) Second Violation. Seventy-Five Dollars (\$75.00) fine.

(c) Third Violation. One Hundred Dollars (\$100.00) fine.

(d) Fourth Violation and Subsequent Violations. One Hundred and Fifty Dollars (\$150.00) fine.

The Association, acting through its Board of Directors, may increase or decrease the fine schedule set forth above by Board resolution after giving proper written notice to the Co-owners of the proposed change. The resolution and a proof of notice shall then be recorded in the Emmet County Records and the new schedule shall be effective upon recording.

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

ARTICLE XXII

RIGHTS RESERVED TO DEVELOPER

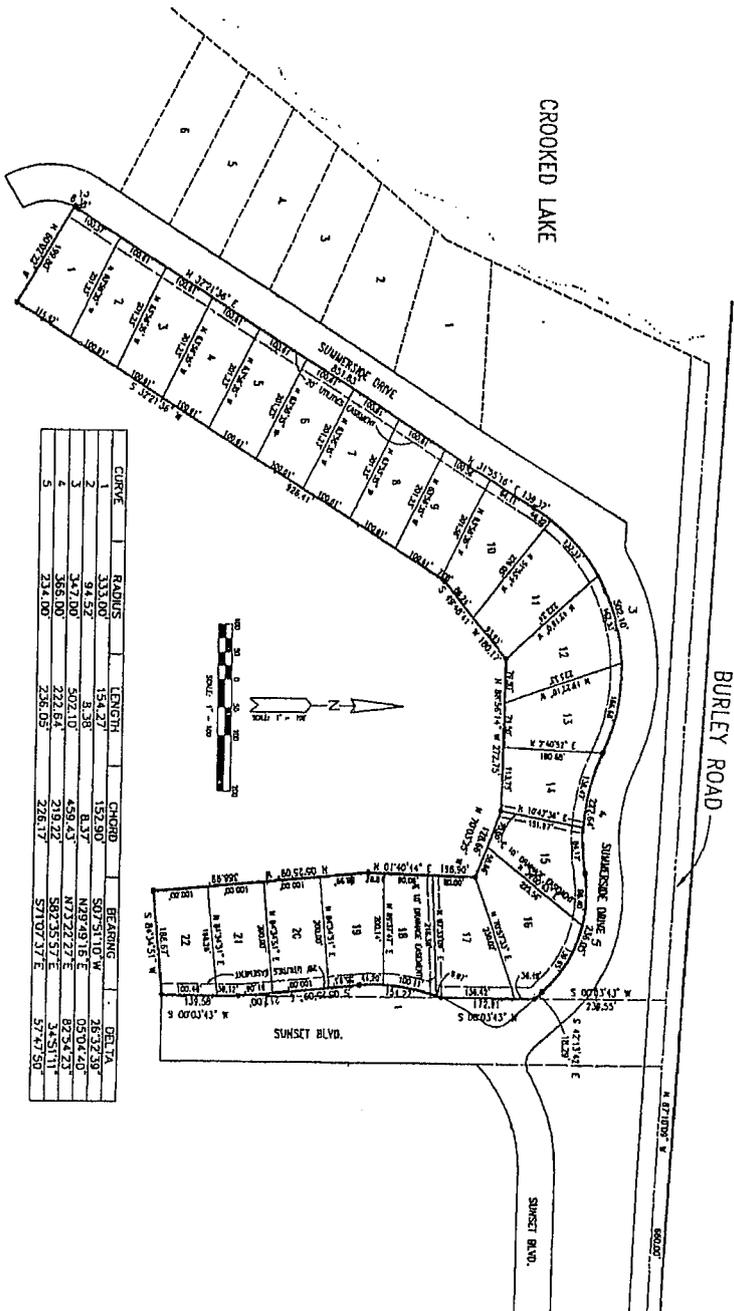
Any and all of the rights and powers granted or reserved to the Developer in the Condominium Documents or by law, including the right and power to approve or disapprove any act, use, or proposed action or any other matter or thing, may be assigned by it to any other entity or to the Association. Any such assignment or transfer shall be made by appropriate instrument in writing in which the assignee or transferee shall join for the purpose of evidencing its consent to the acceptance of such powers and rights and such assignee or transferee shall thereupon have the same rights and powers as herein given and reserved to the Developer. Any rights and powers reserved or retained by Developer or its successors shall expire and terminate, if not sooner assigned to the Association, at the conclusion of the Construction and Sales Period as defined in Article III of the Master Deed. The immediately preceding sentence dealing with the 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 shall 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 shall not be terminable in any manner hereunder and which shall be governed only in accordance with the terms of their creation or reservation and not hereby).

ARTICLE XXIII

SEVERABILITY

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



CURVE	RADIUS	LENGTH	CHORD	BEARING	DELTA
1	333.00'	154.27'	152.90'	S07°51'10" W	26°32'39"
2	314.52'	8.38'	8.37'	N49°49'16" E	0°50'44"
3	366.00'	202.10'	459.43'	N73°22'27" E	82°34'23"
4	366.00'	222.84'	219.22'	S82°35'57" E	3°45'11"
5	234.00'	238.09'	228.17'	S71°07'37" E	57°47'50"

LAKTIDEST LAND COMPANY
P.O. BOX 199
CONWAY, MI. 49722

SURVEY PLAN

BOSS ENGINEERING & SURVEYING

221 BOND STREET
CALUMET, MI. 49730
TEL. 1-810-515-5282

HAS BEEN REVIEWED BY:
BOSS ENGINEERING & SURVEYING

"COURTYARDS AT EAGLE BEACH A SITE CONDOMINIUM"

WAYNE E. BOSS
PROFESSIONAL SURVEYOR
NO. 00703

STATE OF MICHIGAN
MAY 17 1976

SCALE: 1" = 100'

DATE: 2/20/76

BY: [Signature]

1. WORK DONE: MONITORING AND SURVEYING OF THE SITE OF A PROPOSED CONDOMINIUM DEVELOPMENT.

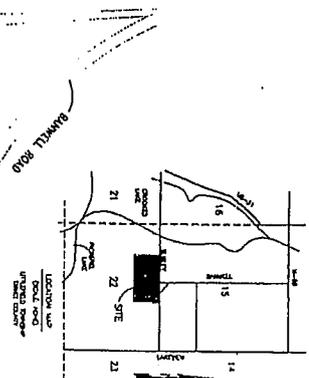
2. THE SURVEYING WAS CONDUCTED IN ACCORDANCE WITH THE MICHIGAN SURVEYING ACT AND THE MICHIGAN PROFESSIONAL SURVEYOR BOARD RULES AND REGULATIONS.

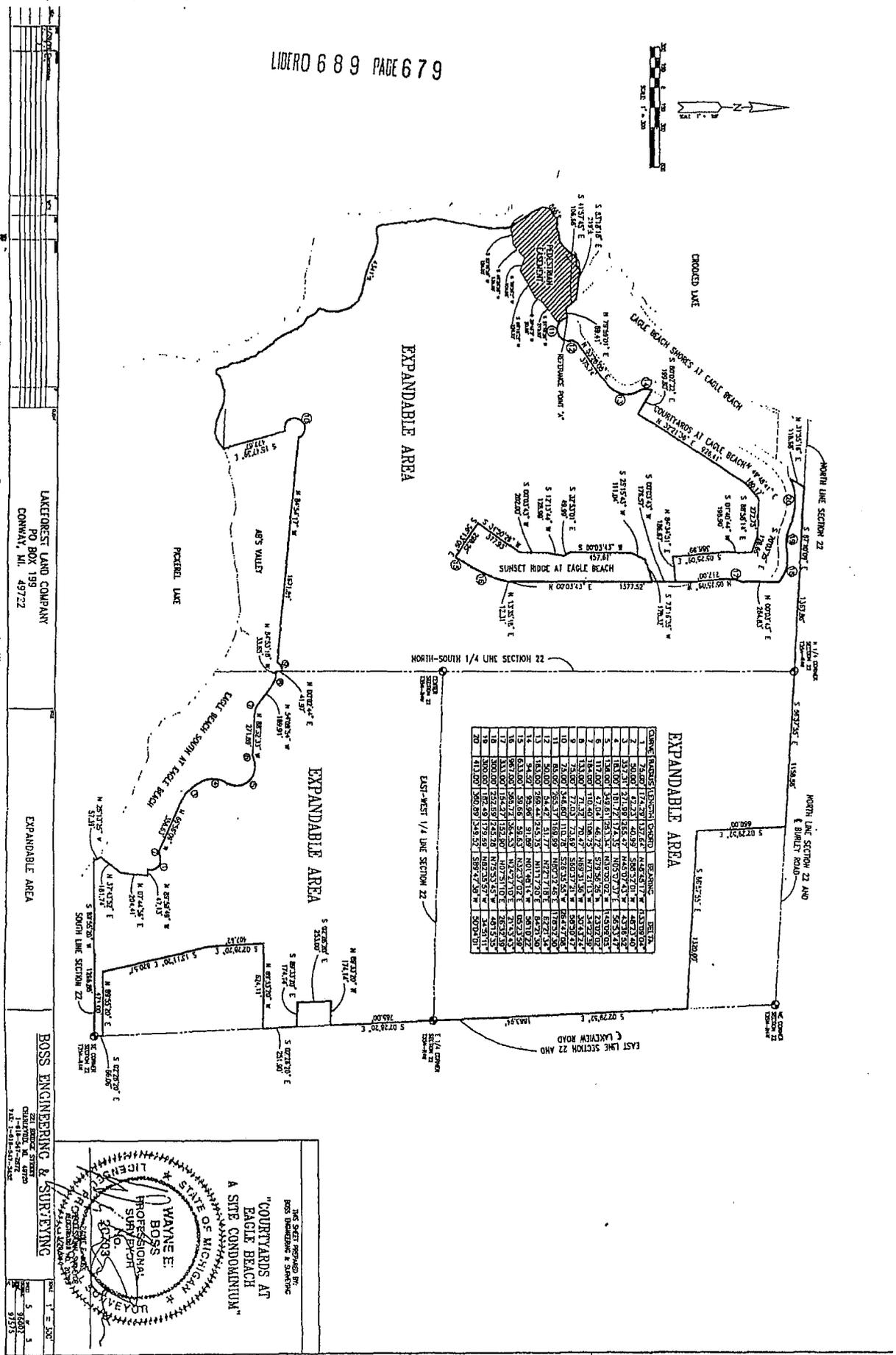
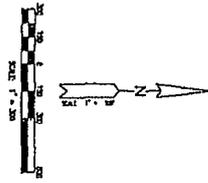
3. THE SURVEYING WAS CONDUCTED IN ACCORDANCE WITH THE MICHIGAN SURVEYING ACT AND THE MICHIGAN PROFESSIONAL SURVEYOR BOARD RULES AND REGULATIONS.

4. THE SURVEYING WAS CONDUCTED IN ACCORDANCE WITH THE MICHIGAN SURVEYING ACT AND THE MICHIGAN PROFESSIONAL SURVEYOR BOARD RULES AND REGULATIONS.

5. THE SURVEYING WAS CONDUCTED IN ACCORDANCE WITH THE MICHIGAN SURVEYING ACT AND THE MICHIGAN PROFESSIONAL SURVEYOR BOARD RULES AND REGULATIONS.

6/2/76





EXPANDABLE AREA

CHANGES (NORTH/SOUTH) (EAST/WEST)	BEARING	LENGTH
1	75.00'	174.28'
2	30.00'	174.28'
3	30.00'	174.28'
4	181.00'	181.00'
5	181.00'	181.00'
6	117.00'	117.00'
7	117.00'	117.00'
8	75.00'	174.28'
9	75.00'	174.28'
10	75.00'	174.28'
11	75.00'	174.28'
12	75.00'	174.28'
13	75.00'	174.28'
14	75.00'	174.28'
15	75.00'	174.28'
16	75.00'	174.28'
17	75.00'	174.28'
18	75.00'	174.28'
19	75.00'	174.28'
20	75.00'	174.28'

LAKETREE LAND COMPANY
PO BOX 199
CONWAY, MI. 49722

EXPANDABLE AREA

BOSS ENGINEERING & SURVEYING
221 BOSS STREET
CONWAY, MI. 49722
TEL: 531-541-5400 FAX: 531-541-5400

THE STATE OF MICHIGAN
WAYNE E. BOSS
PROFESSIONAL SURVEYOR
NO. 10000
EXPIRES 12/31/2000

"COURTYARDS AT EAGLE BEACH" A SITE CONDOMINIUM

BOSS ENGINEERING & SURVEYING

DATE: 11-13-00

SCALE: 1" = 500'

FILE NO: 536001-3

DATE: 11/13/00