

FOR REFERENCE ONLY
Registered Copy is Master

PURCHASER INFORMATION BOOKLET

FOR

**CEDAR SHORES CAMPGROUND
5600 East Townline Lake Road
Harrison, Michigan 48625**

A Condominium Project

in

Hayes and Hamilton Townships, Clare County, Michigan

**Developed by:
Cedar Shores, Ltd.
426 N. First Street
Harrison, Michigan 48625**

CEDAR SHORES CAMPGROUND

TABLE OF CONTENTS

Permit to Sell (Units 1 through 378)

Certificate of Approval of Consolidating Master Deed

Corrected Certificate Approval of Consolidating Master Deed

Consolidating Master Deed

Condominium Bylaws

Cedar Shores Condominium Association Certificate of Incorporation

Cedar Shores Condominium Association Articles of Incorporation

Cedar Shores Condominium Association Bylaws

STATE OF MICHIGAN
DEPARTMENT OF COMMERCE
CORPORATION & SECURITIES BUREAU

In the Matter of:

Cedar Shores, Ltd
East Townline Lake Road
Harrison, MI 48625
(Developer)

Our File No. 80-109

CEDAR SHORES CAMPGROUND
5600 East Townline Lake Road
Harrison
Hayes and Hamilton Township
Clare County, MI
(Project)

CONDITIONAL PERMIT TO SELL - CAMPGROUNDS

An Application having been duly made and examined, and

A Certificate of Approval of Consolidating Master Deed, entered on February 12, 1982 and recorded on February 16, 1982, in Liber 408, pages 350 and 351; and in the Consolidating Master Deed, recorded February 16, 1982, in Liber 408, pages 352 through 410, in the Clare County Register of Deeds Office.

Therefore, a Conditional Permit to Sell units is hereby granted to the developer, pursuant to 1978 P.A. 59, subject to the following conditions:

1. That each purchaser of a unit be given, before or at the time of purchase, a copy of the recorded Master Deed reduced to 8-1/2 x 14 inches, including the bylaws and plans which are a part thereof, the association bylaws, and a disclosure statement beginning October 1, 1978.
2. That this Bureau be furnished with a copy of all advertisements and sales literature to be used in the sale of units within 5 days after use.
3. That no unit be conveyed until an occupancy permit has been received.
4. That until conveyance of title, or at such other time designated by the Bureau, all deposits shall be placed and remain in the escrow account.
5. That notice of a change in mortgagee be submitted to the Corporation & Securities Bureau.
6. That the developer or its successor submit to the Bureau an affidavit indicating the date upon which the last unit in the project is sold.

CONDITIONAL PERMIT TO SELL - CAMPGROUND

Page Two

7. That notice of a successor developer or a successor mortgagee which acquires title to the project, or a portion of the project, be submitted to the Bureau.
8. That a developer of an expandable or convertible project; or its successor, which intends to avail itself of Section 88(2) of the Act, provide notice to the Bureau of the date the expansion or conversion is begun and the estimated date of completion.
9. That the developer obtain an annual campground license from the Michigan Department of Public Health and submit evidence thereof to the administrator within 10 days after issuance.
10. This permit is valid for the sale of units 1 through 378, only.

MICHIGAN DEPARTMENT OF COMMERCE

(SEE REGISTERED COPY FOR SIGNATURE)

E. C. Mackey, Director
Corporation & Securities Bureau
6546 Mercantile Way
P.O. Box 30222
Lansing, Michigan 48909

Dated: February 17, 1982
Lansing, Michigan

STATE OF MICHIGAN
DEPARTMENT OF COMMERCE
CORPORATION & SECURITIES BUREAU

In the Matter of:

Cedar Shores, Ltd
East Townline Lake Road
Harrison, MI 48625
(Developer)

Our File No. 80-109

CEDAR SHORES CAMPGROUND
CONSOLIDATING MASTER DEED
5600 East Townline Lake Road
Harrison
Hayes and Hamilton Township
Clare County, MI
(Project)

CORRECTED
CERTIFICATE OF APPROVAL OF CONSOLIDATING MASTER DEED

An Application having been duly made and examined, and

1. A Certificate of Approval of Master Deed, entered on October 7, 1980 and recorded on October 8, 1980, in Liber 385, page 248; and in the Master Deed, recorded on October 8, 1980, in Liber 385, pages 249 through 288, in the Clare County Register of Deeds Office.

A Conditional Permit to Sell having been entered on October 9, 1980, and

2. A Certificate of Approval of Amended Master Deed-First Amendment, entered on July 24, 1981, and recorded July 24, 1981, in Liber 399, page 377; and in the Amended Master Deed, recorded July 24, 1981, in Liber 399, pages 378 through 402, in the Clare County Register of Deeds Office.

A Conditional Permit to Sell having been entered on July 27, 1981, and

Therefore, a Certificate of Approval of Consolidating Master Deed for the above condominium is hereby given to the developer, pursuant to Act 59, Public Acts of 1978, as amended, subject to the following conditions:

1. That all existing and future co-owners in the above condominium be supplied with copies of the Consolidating Master Deed.
2. That this order be recorded with the County Register of Deeds at the same time as the Consolidated Master Deed itself is so recorded. A copy of such recorded documents shall be returned to the Michigan Department of Commerce, Corporation & Securities Bureau, prior to the issuance of a Permit to Sell.

CORRECTED ORDER
CONSOLIDATING MASTER DEED
Page Two

3. That this Consolidating Master Deed supersede all previously recorded Master Deeds.

This Certificate of Approval of Consolidating Master Deed becomes effective immediately upon recording.

MICHIGAN DEPARTMENT OF COMMERCE

(SEE REGISTERED COPY FOR SIGNATURE)

E. C. Mackey, Director
Corporation & Securities Bureau
6546 Mercantile Way
P.O. Box 30222
Lansing, Michigan 48909

Dated: February 12, 1982
Lansing, Michigan

STATE OF MICHIGAN
DEPARTMENT OF COMMERCE
CORPORATION & SECURITIES BUREAU

In the Matter of:

Cedar Shores, Ltd
East Townline Lake Road
Harrison, MI 48625
(Developer)

Our File No. 80-109

CEDAR SHORES CAMPGROUND
CONSOLIDATING MASTER DEED
5600 East Townline Lake Road
Harrison
Hayes and Hamilton Township
Clare County, MI
(Project)

CERTIFICATE OF APPROVAL OF CONSOLIDATING MASTER DEED

An Application having been duly made and examined, and

1. A Certificate of Approval of Master Deed, entered on October 7, 1980 and recorded on October 8, 1980, in Liber 385, page 248; and in the Master Deed, recorded on October 8, 1980, in Liber 385, pages 249 through 288, in the Clare County Register of Deeds Office.

A Conditional Permit to Sell having been entered on October 9, 1980, and

2. A Certificate of Approval of Amended Master Deed-First Amendment, entered on July 24, 1981, and recorded July 24, 1981, in Liber 399, page 377; and in the Amended Master Deed, recorded July 24, 1981, in Liber 399, pages 378 through 402, in the Clare County Register of Deeds Office.

A Conditional Permit to Sell having been entered on July 27, 1981, and

Therefore, a Certificate of Approval of Consolidating Master Deed for the above condominium is hereby given to the developer, pursuant to Act 59, Public Acts of 1978, as amended, subject to the following conditions:

1. That all existing and future co-owners in the above condominium be supplied with copies of the Consolidating Master Deed.
2. That this order be recorded with the County Register of Deeds at the same time as the Consolidated Master Deed itself is so recorded. A copy of such recorded documents shall be returned to the Michigan Department of Commerce, Corporation & Securities Bureau, prior to the issuance of a Permit to Sell.

CONSOLIDATING MASTER DEED

Page Two

3. That this Consolidating Master Deed supersede all previously recorded Master Deeds.

This Certificate of Approval of Consolidating Master Deed becomes effective immediately upon recording.

MICHIGAN DEPARTMENT OF COMMERCE

(SEE REGISTERED COPY FOR SIGNATURE)

E. C. Mackey, Director
Corporation & Securities Bureau
6546 Mercantile Way
P.O. Box 30222
Lansing, Michigan 48909

Dated: February 12, 1982
Lansing, Michigan

CONSOLIDATING MASTER DEED

CEDAR SHORES CAMPGROUND

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

Consisting of

- 1. Consolidating Master Deed
- 2. Condominium By-Laws attached in their entirety hereto as Exhibit "A".
- 3. Consolidating Condominium Subdivision Plans consisting of Pages 1 through 16 and entitled: Replat No. 2 of Clare County Condominium Subdivision Plan No. 1, which shall be in full substitution for the Condominium Subdivision Plan filed with the original Master Deed, and also Replat No. 1 thereof filed with Amendment No. 1 to Master Deed.

CLARE COUNTY CONDOMINIUM SUBDIVISION PLAN NUMBER 1

No interest in real estate is being conveyed hereby, therefore no revenue stamps are required. No additional lands are being included in the project as a result of this recording.

This Instrument Drafted By:

Remo Mark Grua
 ANDERSON, CARR & STREET
 2401 E. Grand River Avenue
 Lansing, Michigan 48912
 (517) 487-8300

After recording, please return to drafter.

CONSOLIDATING MASTER DEED

CEDAR SHORES CAMPGROUND

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

This Consolidating Master Deed is made and executed on this 30th day of January, A.D., 1982, by Cedar Shores, Ltd., a Michigan Corporation (hereinafter referred to as "Developer"), whose office is situated at 426 N. First Street, Harrison, Michigan, 48625, represented herein by Rumsey Swallow, it's President, who is fully empowered and qualified to act on behalf of the Corporation, in pursuance of the provisions of the Michigan Condominium Act (being Act 59 of the Public Acts of 1978), hereinafter referred to as the "Act".

WITNESSETH:

WHEREAS, the Developer originally established CEDAR SHORES CAMPGROUND CONDOMINIUM, a Michigan Convertible Condominium Project under the Act (hereinafter referred to as the "Condominium", "Project", or the "Condominium Project") by the recordation of the Master Deed dated October 8, 1980, and recorded on October 8, 1980, as Clare County Condominium Subdivision Plan No. 1 in Liber 385, commencing at Page 249 and running through Page 288, Clare County Records; and

WHEREAS, the Developer added a second phase to CEDAR SHORES CAMPGROUND CONDOMINIUM by the recordation of Amendment No. 1 to Master Deed, together with Replat No. 1 of Clare County Condominium Subdivision Plan No. 1 attached thereto as Exhibit "B", dated June 18, 1981, and recorded July 24, 1981, in Liber 399 commencing at Page 378 and running through Page 402, Clare County Records; and

WHEREAS, for the purpose of consolidating the provisions of the original Master Deed and all amendments thereto, to the date hereof, together with the therewith, and the Condominium Subdivision Plans which were attached thereto and recorded therewith and which were also amended by Replat No. 1 thereof; and for the further purpose of changing the name of the Project from CEDAR SHORES CAMPGROUND CONDOMINIUM to CEDAR SHORES CAMPGROUND, and for the further purpose of correcting typographical and clerical errors in the original Master Deed and all amendments and exhibits thereto, and for the further purpose of adding a third phase to CEDAR SHORES CAMPGROUND, which third phase shall consist of Condominium Campsite Units 308 through 378, thereby making a total of 378 Condominium Campsite Units in the Condominium Project upon the recording of this Consolidating Master Deed, all as permitted in the original Master Deed and Amendment No. 1 thereto and pursuant to the Michigan Condominium Act;

NOW, THEREFORE, the Developer does, upon the recording of this Consolidating Master Deed, and Exhibits "A" and "B" attached hereto, which shall supersede the original Master Deed and all amendments thereto and exhibits attached to each of them and the same shall cease to have force and effect, except as provided in the Michigan Condominium Act, establish CEDAR SHORES CAMPGROUND as a Condominium Project under the Act and does declare that CEDAR SHORES CAMPGROUND shall after the recording of this consolidating Master Deed, be held, conveyed, hypothecate, encumbered, leased, rented, occupied, improved, or in any other manner utilized, subject to the provisions of the Act, and to the covenants, conditions, restrictions, uses, limitations and affirmative obligations set forth in this Consolidating Master Deed, and Exhibits "A" and "B" hereto, all of which shall be deemed to run with the land,

and shall be a burden and a benefit to any persons acquiring or owning an interest in the Project, their grantees, successors, heirs, personal representatives, and assigns. In furtherance hereof, it is provided as follows:

ARTICLE I

TITLE AND NATURE

The Condominium Project shall be known as CEDAR SHORES CAMPGROUND, Replat No. 2, Clare County Condominium Subdivision Plan No. 1. The Condominium Project was established as a convertible Condominium Project subject to §31 consisting of 133 Units numbered 1 through 133. The Developer created and established a second phase, or the first addition to CEDAR SHORES CAMPGROUND, pursuant to §31 of the Act and Article III of the original Master Deed, thereby converting a portion of the Common Elements of the Project into, and by the addition of, 174 more campsite Units, numbered 134 through 307, and certain limited Common Elements appurtenant thereto, to the Project, described and set forth in Amendment No. 1 to Master Deed and Replat No. 1 of Clare County Subdivision Plan No. 1, referred to above. The Developer hereby creates and establishes a third phase, or the second addition to the Project now known as CEDAR SHORES CAMPGROUND, pursuant to §31 of the Act and Article III of Amendment No. 1 to Master Deed, hereby converting a portion of the Common Elements of the Project into, and by the addition of, 71 more campsite Units, numbered 308 through 378, and certain limited Common Elements appurtenant thereto, to the Project, described and set forth in Replat No. 2 of Clare County Subdivision Plan No. 1, Exhibit "B" to this Consolidating Master Deed. Each Unit comprises an individual site for campsite purposes and each unit is capable of individual utilization on account of having its own access to a Common Element of the Condominium Project. Each co-owner in the Condominium Project shall have an exclusive right to his Unit and to have undivided and inseparable right to share with co-owners the Common Elements of the Condominium Project as are designated by this Consolidating Master Deed.

ARTICLE II

LEGAL DESCRIPTION

The corrected legal description of all of the land constituting the Condominium Project is particularly described as follows:

Part of the NE 1/4 of Section 24, T19N-R4W, Hayes Township and part of the NW fractional 1/4 of Section 19, and part of the SW fractional 1/4 of Section 19, T19N-R3W, Hamilton Township, Clare County, Michigan, more particularly described as beginning at the 1/4 corner common to Section 24, T19N-R4W, and Section 19, T19N-R3W; thence along the East and West 1/4 line of said Section 24, S89°-19'02"W, 1317.72 feet to a point on the East 1/8th line of said Section 24; thence along said 1/8th line N00°-29'-50"W, 1576.68 Feet; thence N89°-28'38"E, 38.91 feet; thence N39°-04'-57"W, 420.58 feet to a point of curvature; thence on a curve to the right (Radius = 325.32 feet, Delta = 38°-28'-53", chord bearing and distance of N19°-50'-30"W, 214.41 feet) 281.49 feet; thence N00°-36'-04"W, 86.70 feet to a point of curvature; thence on a curve to the right (Radius = 241.02 feet, Delta = 35°-10'-49", chord bearing and distance N16°-59'-21"E, 145.68 feet) 147.99 feet; thence N34°-34'-45"E, 220.90 feet to a point of curvature; thence along a curve to the left (Radius = 120.51 feet, Delta = 28°-44'-40", chord bearing and distance N20°-12'-25"E, 59.83 feet) 60.46 feet; thence N5°-50'-05"E, 96.09 feet to a point on the North line of said Section 24, thence along said North line N89°-28'-38"E, 96.68 feet;

thence S00°-36'-04"E, 60.00 feet along the West line of the recorded plat of "Townline Wilds, No. 2" thence continuing along the West line of said recorded plat S00°-36'-04"E, 626.63 feet, (Recorded as S00°-28'E, 628.00 feet) to the Southwest corner of Lot 310 of said recorded plat; thence along the South line of said Lot 310, N89°-27'-56"E, (Recorded as N89°-36'-E) 60.00 feet; thence S00°-36'-04"E, 315.00 feet; thence S50°-55'-03"W, 10.02 feet; thence S39°-04'-57"E, 184.88 feet; Thence S6°-40'-41"E, 96.00 feet; thence N89°-31'-17"E, 696.56 feet to a point on a traverse line of Townline Lake; thence along said traverse line S2°-15'-45"E, 76.59 feet, and S22°-35'-39"E, 197.81 feet and S67°-00'-11"E, 380.34 feet and S78°-35'-15"E, 408.29 feet and N59°-03'-07"E, 251.86 feet and N21°-20'-24"E, 173.40 feet and N15°-47'-04"W, 195.24 feet and N64°-38'-07"W, 146.67 feet and N6°-37'-10"E, 127.78 feet and N63°-46'-12"E, 200.28 feet and N42°-52'-06"E, 255.87 feet and S89°-01'-15"E, 155.08 feet to a traverse line of Boat House Lake and along said traverse line S04°-55'-47"E, 837.95 feet and S9°-48'-31"W, 338.93 feet and S7°-53'-56"E, 241.22 feet and S00°-59'-07"W, 155.25 feet and S20°-45'-55"W, 185.17 feet and S11°-32'-39"E, 198.58 feet and S28°-25'-09"E, 125.93 feet and S53°-29'-13"E, 326.98 feet to the terminus of said traverse line; thence West 621.86 feet; thence S47°-49'-35"W, 392.71 feet to a point of curvature; thence on a curve to the right (Radius = 254.45, Delta = 40°-45'-25", chord bearing and distance S69°-12'-18"W, 177.21 feet) 181.00 feet; thence S88°-35'-00"W, 250.26 feet to a point on the West line of said Section 19, Hamilton Township; thence along said West line N00°-48'-26"W, 705.76 feet to the Point of Beginning. Containing 90.5 acres more or less and subject to the use of the Northerly 60.0 feet thereof as Townline Lake Road.

Subject to easements and restrictions of record, including those easements, Restrictions and conditions of record referred to, and to the extent therein Stated, imposed hereon.

ARTICLE III

CEDAR SHORES CAMPGROUND IS A CONVERTIBLE CONDOMINIUM

CEDAR SHORES CAMPGROUND is a Convertible Condominium under §31 of the Michigan Condominium Act. The Developer has exercised its rights to convert A portion of the Common Elements of the Project into 71 additional Condominium Campsite Units numbered 308 through 378 and the limited common Elements Appurtenant thereto, as shown by Replat No. 2 of Clare county Subdivision Plan No. 1, attached hereto as Exhibit "B". As hereby finally constituted, CEDAR SHORES CAMPGROUND consists of 378 Condominium Units numbered from 1 through 378 as shown on such consolidating condominium plans attached hereto as Exhibit "B" entitled "Replat No. 2 of Clare County Subdivision Plan No. 1". The Developer shall not have any further right to expand the Condominium Project By adding Units hereto.

ARTICLE IV

DEFINITIONS

Certain terms are utilized not only in this Consolidating 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 Corporate By-Laws and Rules and Regulations of the CEDAR

SHORES CAMPGROUND CONDOMINIUM ASSOCIATION, a Michigan non-profit corporation, and deeds, mortgages, liens, land contracts, easements and other instruments affecting the establishment of, or transfer of, interests in CEDAR SHORES CAMPGROUND as a Condominium. Wherever used in such documents or any other pertinent instruments, the terms set forth below shall be defined as follows:

A. The “Act” means the Michigan Condominium Act, being Act 59 of the Public Acts of 1978, as amended.

B. “Association” shall mean 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. Any action required of or permitted to the Association shall be exercisable by its Board of Directors unless specifically reserved to its members by the Condominium Documents or the laws of the State of Michigan.

C. “Association By-Laws” means the corporate By-Laws of CEDAR SHORES CAMPGROUND CONDOMINIUM ASSOCIATION, the Michigan non-profit Corporation organized to manage, maintain and administer the Condominium.

D. “Common Elements” means the portions of the Condominium Project other than the Condominium Units and where used without modification, shall mean both the General and Limited Common Elements described in Article V hereof.

E. “Condominium By-Laws” means Exhibit “A” hereto, being the By-Laws setting forth the substantive rights and obligations of the co-owners and required by Section 3 (4) of the Act to be recorded as part of the Master Deed and Section 43 of the Act to be recorded as part of the Consolidating Master Deed.

F. “Condominium Documents” wherever used means and includes this Consolidating Master Deed and Exhibits “A” and “B” hereto, the Articles of Incorporation, By-Laws and Rules and Regulations, if any, of the Association.

G. “Condominium Premises” means and includes the land and the buildings, all improvements and structures thereon, and all easements, rights and appurtenances belonging to CEDAR SHORES CAMPGROUND as described above.

H. “Condominium Project”, “Condominium”, or “Project”, means CEDAR SHORES CAMPGROUND as an approved Condominium Project, established in conformity with the provisions of the Act.

I. “Condominium Subdivision Plan” means Exhibit “B” hereto.

J. “Co-owner” means a person, firm, corporation, partnership, association, trust or other legal entity or any combination thereof, who, or which, own one or more Units in the Condominium Project. The term “owner”, wherever used, shall be synonymous with the term “co-owner”.

K. “Developer” shall mean CEDAR SHORES, LTD., a Michigan corporation, which has made and executed this Consolidating Master Deed, and its successors and assigns.

L. “Unit”, “Condominium Unit”, or “Campsite” each mean the area or space constituting a single complete Unit in CEDAR SHORES CAMPGROUND as such area or space may be described on Exhibit “B” hereto, and shall have the same meaning as the term “Condominium Unit” as defined in the Act.

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

ARTICLE V

COMMON ELEMENTS

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

A. The General Common Elements are:

1. The land described in Article II hereof, including roads;
2. The electrical wiring network throughout the Project up to the point of connection with a Condominium Unit within the Project;
3. The telephone wiring network throughout the Project;
4. The water distribution system, including well house and storage tank, throughout the Project up to the point of connection with any Condominium Unit;
5. The bath houses and toilet facilities;
6. The "commons", beaches, walkways, storage areas, tile areas, reserve areas, recreation hall, recreation area, ponds, baseball field, and basketball court.
7. The utility building as set forth within Exhibit "B" attached hereto.
8. Such other elements of the Project not herein designated as General or Limited Common Elements which are not enclosed within the boundaries of a Unit and which are intended for common use or are necessary to the existence, upkeep and safety of the Project, or which are designed as such on Exhibit "B" attached hereto.

B. The Limited Common Elements are:

1. The water and electric hook-up stations shall be respectively appurtenant to each Unit serviced thereby.
2. Permanent improvements, if any, permitted by the Association and constructed or installed by a co-owner within his Unit.

C. The respective responsibility for the maintenance, decoration, repair and replacement are as follows:

1. The costs of maintenance, repair and replacement of each water and electric hook-up station described in Article V B1 above shall be borne by the co-owner and co-owners of the Unit(s) to which such Limited Common Element appertains.
2. The cost of electricity during the months of May through October shall be borne by the Association. During the months of November through April, the cost of electricity shall be borne by the co-owner of the Unit as billed to the co-owner by the Association at the prevailing daily rate established by the Association.
3. The cost of maintenance, repair and replacement or any permanent improvement described in Article V B2, and of any landscaping within the campsite, including trees and shrubs planted by co-owners in accordance with any applicable Association approval, shall be borne by the co-owner of the Unit to which such Limited Common Element appertains.

4. The costs of maintenance, repair and replacement of all General and Limited Common Elements other than as described above shall be borne by the Association.

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 VI

UNIT DESCRIPTION AND PERCENTAGE OF VALUE

A. Each Unit in the Project is described in this Article with reference to the Condominium Subdivision Plan of CEDAR SHORES CAMPGROUND as surveyed by Rowe Engineering and attached hereto as Exhibit "B" and denominated Replat No. 2 of Clare County Condominium Subdivision Plan No. 1. The Condominium Subdivision Plans create CEDAR SHORES CAMPGROUND consisting of 378 Condominium Campsite Units numbered 1 through 378. Each Unit shall include all that area above the ground contained within the boundaries shown in the Condominium Subdivision Plans in Exhibit "B" hereto.

B. The percentage of value assigned to each Unit is set forth in full in subparagraph C below. The vote of each co-owner, however, shall be equal. Percentages of value are based upon comparative base sales prices of Units. The base sales prices of Units are, in part, based upon the location and size of the Units. The key factor insofar as location is concerned is whether the Units are water (lake) front or non-water front. All water (lake) front Units have been assigned the same percentages of value (based upon the base sales prices of the original water [lake] front Units) and non-water front Units have been basically allocated the same percentage of value (based upon the base sales prices of the original non-water front Units), with minor adjustments in the percentage of value assigned to non-water front Units based upon the size of the Unit so as to have the total percentage of value assigned to the aggregate of the Condominium Units equal to 100 percent. Inflationary differentials in sales prices on Units added to the Project by conversion (expansion) have been ignored.

C. Set forth below are:

- (a) Each Unit number as it appears on Replat No. 2 of Clare County Condominium Subdivision Plan No. 1
- (b) The percentage of value assigned to each Unit:

The 101 Units each having a percentage of value of .3606557 are: Units number 1 through 67, 136 through 151, 361 through 378.

The 275 Units each having a percentage of value of .2295081 are: Units number 68 through 135, 152 through 323, 325 through 359.

The 2 Units each having a percentage of value of .2295241 are: Units number 324 and 360.

D. The proceeds and expenses of administration and the value of such co-owner's vote at meetings of co-owners shall be equally allocated among all co-owners.

E. The percentage of value assigned to each Unit above shall be determinative of the proportionate undivided interest of each respective co-owner in the Common Elements of the Condominium.

ARTICLE VII

EASEMENTS

A. There shall be easements to, through and over all Units for the continuing maintenance and repair of all utilities of the Condominium.

B. There shall be easements to, through and over all Units for access to the Common Elements by personnel designated by the Association of Co-Owners to carry out any maintenance of or repair of any Common Element as may be necessary during reasonable hours, upon reasonable advance notice, to any co-owner to be disturbed thereby for the installation, repair, or maintenance of such Common Elements and any costs incurred to install, repair or maintain the same and to repair all damages to property resulting therefrom shall be an expense of administration to be assessed in accordance with the Condominium By-Laws, attached hereto as Exhibit "A".

C. In the event any portion of a Unit or Common Element encroaches Upon another Unit or Common Element due to shifting, settling or moving of a building, or due to survey errors, or construction deviations, reciprocal easements shall exist for the maintenance of such encroachment for so long as such encroachment exists, and for maintenance thereof after rebuilding in the event of any destruction. There shall be easements to, through and over those portions of the land, structures, buildings, improvements and walls contained therein for the continuing maintenance and repair of all utilities in the Condominium.

ARTICLE VIII

RECREATIONAL AREA AND UTILITY BUILDING

Developer has constructed upon a portion of the land described in Article II a recreational building, and certain recreational facilities and amenities, which include a baseball field, basketball court, picnic and play area, and a utility building, which facilities are included within the Condominium Project as general Common Elements and are subject to administration by the Association and to such Rules and Regulations and uses as may be directed by the said Association.

ARTICLE IX

AMENDMENT

This Consolidating Master Deed and the Condominium Subdivision Plan (Exhibit "B" to this Consolidating Master Deed) may be amended with the consent of sixty-six and two-thirds (66 2/3%) percent of the Co-Owners and of the Unit mortgagees (allowing one vote for each mortgage held) except as hereinafter set forth:

A. No Unit dimensions may be modified 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 without the written consent of the co-owner of any Unit to which the same are appurtenant.

B. The Condominium documents may be amended for a proper purpose without consent of co-owners, mortgagees, and other interested parties as long as the Michigan Department of Commerce determines that the amendments do not materially alter or change the rights of the co-owners, mortgagees, or other interested parties.

C. The Developer may not, except as may be specifically authorized by the Michigan Condominium Act and with the prior consent of the Michigan Department of Commerce, make any unilateral amendment to this Consolidating Master Deed or Exhibit "A" or Exhibit "B" hereto.

D. 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 by this Consolidating Master Deed be modified without like consent.

E. Any amendment to this Consolidating Master Deed or any Exhibit hereto shall comply with the standards prescribed in the Michigan Condominium Act for preparation of original Condominium documents of such nature. This Consolidating Master Deed need only be executed as provided in said Act with the approval of the Michigan Department of Commerce.

ARTICLE X

TERMINATION

1. If there is a co-owner other than the Developer, then the Condominium Project shall be terminated only by the agreement of the Developer and unaffiliated co-owners of Condominium Units to which 4/5 of the votes in the Association of Co-Owners appertain, or a larger majority as the Condominium documents may specify (as set forth in Subparagraph 6 hereof).

2. If none of the Condominium Units in the Condominium Project are restricted exclusively to residential use, then the condominium documents may specify voting majorities less than the minimums specified by subsection . (1) hereof.

3. Agreement of the required majority of co-owners to termination of the Condominium shall be evidenced by their execution of the termination agreement or of ratifications thereof, and the termination shall become effective only when the agreement is so evidenced of record.

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

5. Upon recordation of an instrument terminating a Condominium Project, any rights the co-owners may have to the assets of the Association of Co-Owners shall be in proportion to their respective undivided interests in the Common Elements immediately before recordation, except that common profits shall be distributed in accordance with the Condominium documents and Act 59, PA 1978, as amended.

6. The Condominium Project may not be terminated, vacated, revoked or abandoned without the written consent of ninety-five (95%) percent of all co-owners and all mortgagees (allocating one vote for each mortgage held).

IN WITNESS WHEREOF, the Developer has caused this Consolidating Master Deed to be executed the day and year first above written.

CEDAR SHORES, LTD.
A Michigan Corporation

By: **(SEE REGISTERED COPY FOR SIGNATURE)**
RUMSEY SWALLOW, President

WITNESSES:

(SEE REGISTERED COPY FOR SIGNATURE)
Lisa Solomon Weissman

(SEE REGISTERED COPY FOR SIGNATURE)
Linda L Wonderly

STATE OF NEVADA)
) SS.
COUNTY OF CLARK)

On this 30th day of January, A.D., 1982, the foregoing Consolidating Master Deed was acknowledged before me by RUMSEY SWALLOW, President of CEDAR SHORES, LTD., A Michigan Corporation, on behalf of the Corporation.

(SEE REGISTERED COPY FOR NOTARY SIGNATURE AND SEAL)

Lisa Solomon Weissman
Notary Public, Clark County, NEVADA
My Commission Expires: June 11, 1984

CONSOLIDATING MASTER DEED
DRAFTED BY:

Mr. Remo Mark Grua
Attorney at Law
BUSINESS ADDRESS:
2401 E. Grand River Avenue
Lansing, Michigan 48912
1-517-487-8300

WHEN RECORDED, RETURN TO DRAFTER

EXHIBIT A

CONDOMINIUM BYLAWS

CEDAR SHORES CAMPGROUND

ARTICLE I

ASSOCIATION OF CO-OWNERS

Section 1. Cedar Shores Campground, a campsite condominium project located in Hayes and Hamilton Townships, Clare 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 Consolidating Master Deed, these Bylaws, the Articles of Incorporation, ByLaws and duly adopted Rules and Regulations of the Association, and the laws of the State of Michigan. All Co-owners in the Condominium Project and all persons using or entering upon or acquiring an 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.

Section 2. Cedar Shores Campground shall be governed by these Bylaws and the provisions of the Master Deed to which they are appended, and any amendment to each of them. These Bylaws shall be inoperative until approved by the Department of Commerce and recorded with the Clare County Register of Deeds, as an Exhibit to the Master Deed, establishing the Condominium. In addition to said Master Deed and these Bylaws, and any amendments thereto, Cedar Shores Campground Condominium Association may adopt corporation Bylaws in accordance with standard Michigan practice and procedure governing non-profit corporations, which may contain provisions regarding activities of the Directors or the corporation and which corporation Bylaws may be revoked, amended or repealed as provided therein, and as provided in the non-profit provisions of the Michigan General Corporation Laws applicable thereto.

Section 3. Membership in the Association and voting by members of the Association shall be in accordance with the following provisions:

- (a) Each Co-owner shall be a Member of the Association and no other person or entity shall be entitled to membership.
- (b) 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 in the Condominium.
- (c) Each Co-owner purchaser shall be entitled to one vote for each Condominium Unit owned. The Developer shall be entitled to the number of votes represented by the lesser of: (i) the number of Units owned by it; or, (ii) the number of Units owned by Co-owner purchasers minus one.
- (d) No Co-owner, other than the Developer, shall be entitled to vote at any meeting of the Association until he has presented evidence of ownership of a Unit in the Condominium Project to the Association. No Co-owner, other than

the Developer, shall be entitled to vote prior to the First Annual Meeting of Members held in accordance with Section 8 of this Article I. The vote of each Co-owner may only be cast by the individual representative designated by such Co-owner in the notice required in subparagraph “(e)” below, or by a proxy given by such individual representative. The Developer shall be entitled to vote for each Unit which it owns and with respect to which it is paying full monthly assessments, except as limited in Section 3 (c) above.

(e) Each Co-owner shall file a written notice with the Association designating the individual representative who shall vote at meetings of the Association and receive all notices and other communications from the Association on behalf of such Co-owner. Such notice shall state the name and address of the individual representative designated, the number or numbers of the Condominium Unit or Units owned by the Co-owner, and the name and address of each person, firm, corporation, partnership, association, trust or other entity who is the Co-owner. Such notice shall be signed and dated by the Co-owner. The individual representative designated may be changed by the Co-owner at any time by filing a new notice in the manner herein provided.

(f) There shall be an annual meeting of the Members of the Association Commencing with the First Annual Meeting held as provided in Section 8 of this Article. Other meetings may be provided for in the Bylaws of the Association. Notice of time, place and subject matter of all meetings as provided in the corporate Bylaws of the Association, shall be given to each Co-owner by mailing the same to each individual representative designated by the respective Co-owners.

(g) The presence in person or by proxy of thirty-five (35%) percent 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 herein 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.

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

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

(j) Other provisions as to voting by Members, not inconsistent with the provisions herein contained, may be set forth in the Association Bylaws.

Section 4. The Association shall keep detailed books of account showing; 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 two (2) times 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 audited financial statement within ninety (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. The Association also shall maintain on file current copies of the Master Deed for the Project, and amendments thereto and all other Condominium documents and shall permit all co-owners, prospective purchasers and prospective mortgagees interested in the project to inspect the same during reasonable hours.

Section 5. The affairs of the Association shall be governed by a Board of Directors, all of whom shall serve without compensation and who must be Member of the Association except for the First Board of Directors designated in the Articles of Incorporation of the Association and any successors thereto elected by the Developer prior to the First Annual Meeting of Members held pursuant to Section 8 of this Article I. The number, terms of office, manner of election, removal and replacement, meetings, quorum and voting requirements, and other duties or provisions of or relating to Directors, not inconsistent with the following, shall be provided by the Association Bylaws.

(a) The Board of Directors shall have all 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. In addition to the foregoing general duties imposed by these Bylaws, or any further duties which may be imposed by resolution of the members of the Association or which may be set forth in the Association Bylaws, the Board of Directors shall be responsible specifically for the following:

- (1) Management and administration of the affairs of and Maintenance of the Condominium Project and the Common Elements thereof.
- (2) To collect assessments from the members of the Association and to use the proceeds thereof for the purposes of the Association.
- (3) To carry insurance and collect and allocate the proceeds thereof.
- (4) To rebuild improvements after casualty.
- (5) To contract for and employ persons, firms, corporations or other agents to assist in the management, operation, maintenance and administration of the Condominium Project.
- (6) 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.
- (7) To borrow money and issue evidences of indebtedness in furtherance of any and all of the purposes of the business 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 more than sixty (60%) percent of all of the members of the Association qualified to vote.
- (8) To make rules and regulations in accordance with Article VI, Section 11 of these Bylaws.
- (9) 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.

(10) To make rules and regulations and/or to enter into agreements with institutional lenders the purposes of which are to obtain mortgage financing for Unit Co-owners which is acceptable for purchase by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Government National Mortgage Association and/or any other agency of the Federal Government of the State of Michigan.

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

(12) To establish an Annual Budget and oversee the Treasurer in keeping detailed books of account showing all expenditures and receipts of administration which shall specify the maintenance and repair expenses of Common Elements, and any other expenses incurred by or on behalf of the Association and the Co-owners.

(b) The Board of Directors may employ for the Association a professional management agent (which may include the Developer or any person or entity related thereto) at reasonable compensation established by the Board to perform such duties and services as the Board shall authorize, including, but not limited to, the duties listed in Section 5 (a) of this Article I, 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 the event the Board does employ a professional management agent for the Association, the Board shall secure the written approval of each institutional holder of a first mortgage lien on any Unit in the Condominium prior to terminating such professional management agent (or any successor thereto) and assuming self-management. 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 one (1) year or which is not terminable by the Association upon 30 days written notice thereof to the other party. Any such contract shall comply with the provisions of Section 55 of the Act.

(c) All of the actions (including, without limitation, the adoption of these Bylaws and any Rules and Regulations for the corporation, and any undertakings or contracts entered into with others on behalf of the corporation) Incorporation or any successors thereto elected by the Developer before the First Annual Meeting of Members shall be binding upon the Association in the same manner as though such actions had been authorized by a Board of Directors duly elected by the members of the Association at the first or any subsequent Annual Meeting of Members so long as such actions are within the scope of the powers and duties which may be exercised by any Board of Directors as provided in the Condominium Documents.

Section 6. The Association Bylaws shall provide the designation, number, terms of office, qualifications, manner of election, duties, removal and replacement of the officers of the Association and may contain any other provisions pertinent to officers of the Association in furtherance of the provisions and purposes of the Condominium Documents and not inconsistent therewith. Officers may be compensated but only upon the affirmative vote of more than sixty (60%) percent of all Co-owners qualified to vote.

Section 7. Every director and every officer of the corporation shall be indemnified by the corporation 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 corporation, except in such cases wherein the director or officer is adjudged guilty of willful and 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 in the best interest of such corporation. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled. At least ten (10) days prior to payment of any indemnification which it has approved, the Board of Directors shall notify all Co-owners thereof.

Section 8. The First Annual Meeting of the Members of the Association may be convened only by Developer and may be called, in Developer's discretion, at any time after fifty (50%) percent of all Units in the Condominium have been sold and the purchasers thereof qualified as Members of the Association. In no event, however, shall said First Annual Meeting be held later than one hundred twenty (120) days after eighty (80%) percent of all Units in the Condominium have been sold and the purchasers thereof qualified as members of the Association, or twelve (12) months after the recording of the Master Deed of the Project, whichever first occurs. Developer may call meetings of members of the Association for informative or other appropriate purposes prior to the First Annual Meeting of Members, and no such meeting shall be construed as the First Annual Meeting of Members. The date, time and notice thereof shall be given to each Co-owner. Thereafter, an Annual Meeting shall be held each year on such date as is specified in the Association By-Laws. The First Annual Meeting of the Members of the Association as required above was held on September 26, , 1981.

ARTICLE II

ASSESSMENTS

Section 1. 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 2. All costs incurred by the Association in satisfaction of any liability arising within, caused by, or connected with the Common Elements or the administration of the Condominium Project shall constitute expenditures affecting the administration of the Project, and all sums received as the proceeds of, or pursuant to, a policy of insurance securing the interest of the Co-owners against liability or losses arising within, caused by, or connected with the Common Elements or the administration of the Condominium Project shall constitute receipts affecting the administration of the Condominium Project, within the meaning of Section 54 (4) of the Act.

Section 3. Assessments shall be determined in accordance with the following provisions:

(a) The Board of Directors of the Association shall establish an Annual Budget in advance of 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 Common Elements that must be replaced on a periodic basis must be established in the budget and must be funded by regular monthly payments as set forth in Section 4 below rather than by special assessments. At a minimum, the reserve fund shall be equal to ten (10%) percent of the Association's current Annual Budget on a non-cumulative basis. Periodic analysis should occur to determine if a greater amount should be set aside, or if additional reserve funds should be established for other purposes. Upon adoption of an Annual Budget by the Board of Directors, copies of said budget shall be delivered to each Co-owner and the assessment for said year shall be established based upon said budget, although the delivery of a copy of the budget to each Co-owner shall not affect the liability of any Co-owner for any existing or future assessments. Should the Board of Directors, at any time determine, in the sole discretion of the Board of Directors: (1) that the assessments levied are or may prove to be insufficient to pay the costs of operation and management of the Condominium, (2) to provide replacements of existing Common Elements, (3) to provide additions to the Common Elements not exceeding \$1,000.00 annually, 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.

(b) Special assessments, in addition to those required in (a) above may be made by the Board of Directors from time to time and approved by the Co-owners as hereinafter provided to meet other needs or requirements of the Association, including, but not limited to (1) assessments for capital improvements for additions of a cost exceeding \$1,000.00 per year, or (2) 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 3 (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 sixty (60%) percent of all Co-owners.

Section 4. All assessments levied against the Co-owners to cover expenses of administration shall be equally apportioned among and paid by the Co-owners without increase or decrease for the existence of any rights to the use of limited Common Elements appurtenant to a Unit. Assessments shall be due and payable at such times as the Association shall determine. Annual assessments as determined in accordance with Article II, Section 3 (a) above shall be payable to Co-owners in one annual installment, commencing with acceptance of a deed to a Unit, or with acquisition of fee simple title to any Unit by any other means, including a land contract vendee's interest. 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. Assessments in default shall bear interest the rate of seven (7%) percent per annum until paid in full. Each Co-owner (whether one or more persons) shall be, and remain, personally liable for the payment of all assessments pertinent to his Unit which may be levied while such Co-owner is the owner thereof.

Section 5. No Co-owner may exempt himself from liability for his contribution toward the expenses of administration by waiver of the use of enjoyment of any of the Common Elements or by the abandonment of his Unit.

Section 6. 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. 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 such lien 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 purpose 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 Section and that he voluntarily, intelligently and knowingly waived notice of any proceedings brought by the Association to foreclose by advertisement the lien by nonpayment of assessments and a hearing on the same prior to the sale of the subject Unit. Notwithstanding the foregoing, neither a judicial foreclosure action nor a suit at law for a money judgment shall be commenced, nor shall any notice of foreclosure by advertisement be published, until the expiration of ten (10) days after mailing, by first class mail, postage prepaid, addressed to the delinquent Co-owner(s) at his or their last known address of a written notice that one or more installments of the annual assessment levied against the pertinent. Unit is or are delinquent and that the Association may invoke any of its remedies hereunder if the default is not cured within ten (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 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 the commencement of any foreclosure proceeding, but it need not have been recorded as of the date of mailing as aforesaid. If the delinquency is not cured within the ten (10) day period, the Association may take such remedial action as may be available to it hereunder or under Michigan law. In the event the Association elects to foreclose the lien by advertisement, the Association shall so notify the representative designated above and shall inform such representative that he may request a judicial hearing by bringing suit against the Association. The expenses incurred in collecting unpaid assessments, including interest, costs, actual attorneys' 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. In the event of default by any Co-owner in the payment of any installment of the annual assessment levied against his Unit, the Association shall have the right to declare all unpaid installments of the annual assessment for the pertinent fiscal year immediately due and payable. The Association also may discontinue the furnishing of any utilities or other services to a Co-owner in default upon seven (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. 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.

Section 7. 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 8. From the date of the closing of the first sale of a Unit to a purchaser, Developer shall be responsible for payment of the Association assessment with respect to each unit owned by it on the same basis as all other Co-owners and shall pay such assessment with respect to each Unit owned by it as long as such ownership continues.

Section 9. All property taxes and special assessments levied by any public taxing authority shall be assessed in accordance with §131 of the Act.

Section 10. A mechanic's lien otherwise arising under Act No. 179 of the Michigan Public Acts of 1891, as amended, or its successor, Act 497 of Michigan Public Acts of 1980, shall be subject to §132 of the Act, as the same may be amended from time to time.

Section 11. Pursuant to provisions of the Act, the Purchaser of any Condominium Unit may request a statement of the Association as to the outstanding amount of any unpaid Association assessments thereon, whether regular or special. Upon written request to the Association, accompanied by a copy of the executed purchase agreement pursuant to which the Purchaser holds 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 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

ACTIONS AND ARBITRATION

Section 1. Actions on behalf and against the Co-owners, as such, shall be brought in the name of the Association. The Association may assert, defend, or settle same on behalf of all Co-owners, on behalf of the Association, or on behalf of both of them in connection with the Common Elements of the Condominium Project, or other common right or liability.

Section 2. 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 Co-owners and the Association, shall, upon the election and written consent of the parties to any such disputes, claims or grievances, and written notice to the Association, be submitted to arbitration and the parties thereto shall accept the arbitrators' decision as final and binding. The Commercial Arbitration Rules of the American Arbitration Association as amended and in effect from time to time hereafter shall be applicable to any such arbitration.

Section 3. No Co-owner of the Association shall be precluded from petitioning the courts to resolve any such disputes, claims or grievances.

Section 4. Election 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. The Association shall carry insurance for fire and extended coverage, vandalism and malicious mischief, and, if applicable, liability worker's disability compensation, pertinent to the ownership, use and maintenance of the premises and that all premiums for insurance carried by the Association shall be an expense of administration. The Association may carry other insurance coverage, including cross-coverage for damages done by one Co-owner to another. The insurance, other than title insurance, shall be carried and administered in accordance with the following provisions:

(a) All such insurance shall be purchased by the Association for the benefit of the Association, and the Co-owners and their mortgagees, as their interests may appear, and provision shall be made for the issuance of certificates of mortgagee endorsements to the mortgagees of Co-owners. Each Co-owner may obtain insurance coverage at his own expense upon his Unit. It shall be each Co-owner's responsibility to obtain insurance coverage for his personal property located within or upon his Unit or elsewhere on the Condominium and for his personal liability for occurrences within or upon his Unit or upon limited Common Elements appurtenant to his Unit. The Association and all Co-owners shall use their best efforts to see that all property and liability insurance carried by the Association or any Co-owner shall contain appropriate provisions whereby the insurer waives its right of subrogation as to any claims against any Co-owner or the Association.

(b) Any improvements made by a Co-owner within or upon his Unit shall be covered by insurance obtained by and at the expense of said Co-owner; provided that, if the Association elects to include such improvements under its insurance coverage, any additional premium cost to the Association attributable thereto shall be assessed to and borne solely by said Co-owner and collected as a part of the assessments against said Co-owner under Article II hereof.

(c) All Common Elements of the Condominium Project shall be insured against fire and other perils covered by a standard extended coverage endorsement, in an amount equal to the maximum insurable replacement value, excluding foundation and excavation costs, as determined annually by the Board of Directors of the Association.

(d) 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. 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 the fire and extended coverage, vandalism and malicious mischief, liability insurance and worker's disability compensation insurance, if applicable, pertinent to the Condominium Project, his Unit and the Common Elements appurtenant thereto with such insurer as may, from time to time, provide such insurance for the Condominium Project. Without limitations 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 therefore, to collect proceeds and to distribute the same to the Association, the Co-owners, and respective mortgagees, as their interests may appear (subject always to the Condominium Documents), to execute releases of liability, and to execute all documents and to do all things on behalf of such Co-owner and the Condominium as shall be necessary or convenient to the accomplishment of the foregoing.

ARTICLE V

RECONSTRUCTION OR REPAIR

Section 1. If any Common Element shall be damaged, the property shall be rebuilt or repaired.

Section 2. Any such reconstruction or repair shall be substantially in accordance with the Master Deed and the plans and specifications for the Project to a condition as comparable as possible to the condition existing prior to damage unless the Co-owners shall unanimously decide otherwise.

Section 3. The Association shall be responsible for the reconstruction, repair and maintenance of the Common Elements and any incidental damage to a Unit caused by such Common Elements or the reconstruction, repair or maintenance thereof. Immediately after 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 replace the damaged property in a condition as good as that existing before the damage. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction or repair required to be performed by the Association, or if at any time during such reconstruction or repair, or upon completion of such reconstruction or repair, the funds for the payment of the costs thereof are insufficient, assessments 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 or repair.

Section 4. Section 133 of the Act and the following provisions shall control upon any taking by eminent domain:

- (a) In the event of any taking of an entire Unit by eminent domain, the award for such taking shall be paid to the owner of such Unit and the mortgagee thereof, as their interests may appear. After acceptance of such award by the owner and his mortgagee, they shall be divested of all interest in the Condominium Project. In the event that any condemnation award shall become payable to any Co-owner whose Unit is not wholly taken by eminent domain, then such award shall be paid by the condemning authority to the Co-owner and his mortgagee, as their interests may appear.
- (b) If there is any taking of any portion of the Condominium other than any Unit the condemnation proceeds relative to such taking shall be paid to the Co-owners and their mortgagees in proportion to their respective interests in the Common Elements and the Affirmative vote of more than fifty (50%) percent 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) In the event the Condominium Project continues after taking by eminent domain, then the remaining portion of the Condominium Project shall be re-surveyed and the Master Deed amended accordingly, and, if any Unit shall have been taken, then Article VI 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 affected by an officer of the Association duly authorized by the Board of Directors without the necessity of execution or specific approval thereof by any Co-owner, but only with the prior written approval of all holders of first mortgage liens on individual Units in the Project.

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

Section 5. Nothing contained in the Condominium Documents shall be construed to give a Condominium Unit 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 Condominium Unit Co-owners of insurance proceeds or condemnation awards for losses to or a taking of Condominium Units and/or Common Elements.

ARTICLE VI

RESTRICTIONS

Section 1. No Unit in the Condominium shall be used for any purpose other than the placement or parking or “recreational units” as defined in Section 12.501 (1) (c) of the Michigan Public Health Code, P.A., 1978, No. 368. Further, all Units and Common Elements of the Condominium are governed by the above Act. The Condominium Association is also responsible for, and must comply with, all rules and regulations pertaining to the campground, including obtaining annually a campground license from the Michigan Department of Public Health.

Section 2. A Co-owner may rent or lease his Unit for the same purposes set forth in Section 1 of this Article VI; provided that written disclosure of such lease transaction is submitted to the Board of Directors or the Association in the same manner as specified in Section 13 of this Article VI. The Association may also permit the usage of the Common Elements on a fee basis by persons other than Co-owners on such conditions as may be determined from time to time by the Board of Directors or the Co-owners. The terms of all leases, occupancy agreements and occupancy arrangements shall incorporate, or be deemed to incorporate, all of the provisions of the Condominium Documents. The Developer may rent or lease any number of the Units in the Condominium in its discretion. Renters shall be entitled to use the Condominium facilities on the same basis as Co-owners so long as they abide by the terms of the Condominium Documents.

Section 3. No Co-owner shall make alterations, changes or improvements to his Unit or make changes in any of the Common Elements, limited or general, without the express written approval of the Board of Directors including (but not by way of limitation) the erection of antennas, lights, aerials, or other exterior attachments or modifications. The Board of Directors may approve only such modifications as do not impair the soundness, safety, utility or appearance of the Condominium.

Section 4. No immoral, improper, unlawful or offensive activity shall be carried on in any Unit or upon the Common Elements, limited or general, nor shall anything be done which may be or become an annoyance or a nuisance

to the Co-owners of the Condominium, nor shall any unreasonably noisy activity be carried on in any Unit or on the Common Elements. No Co-owner shall do or permit anything to be done or keep or permit to be kept in his Unit or on the Common Elements anything that will increase the rate of insurance on the Condominium without the written approval of the Association and each Co-owner shall pay to the Association the increased cost of insurance premiums resulting from any such activity or the maintenance of any such condition.

Section 5. Only domesticated pets may be permitted on the Condominium premises. All such pets shall be maintained in accordance with the Rules and Regulations of the Association and the Association may, in its discretion, exclude pets which are not maintained in conformity therewith. No animal may be kept or bred for any commercial purpose and shall have such care and restraint so as not to be obnoxious as offensive on account of noise, odor or unsanitary conditions. No animal may be permitted to run loose at any time upon the Common Elements and any animal shall at all times be attended by some responsible person while on the Common Elements, limited or general. No savage or dangerous animal shall be kept and any Co-owner who causes any animal to be brought or kept upon the premises of the Condominium shall indemnify and hold harmless the Association for any loss, damage or liability which the Association may sustain as the result of the presence of such animal on the premises, whether or not the Association has given its permission therefore.

Section 6. The Common Elements, limited or general, shall not be used for storage of supplies, materials, personal property or trash or refuse of any kind, except as provided in duly adopted Rules and Regulations of the Association. Trash receptacles shall be maintained in areas designated therefore at all times and shall not be permitted to remain elsewhere on the Common Elements except for such short periods of time as may be reasonably necessary to permit periodic collection of trash. The Common Elements shall not be used in any way for the drying, shaking or airing of clothing or other fabrics. Automobiles may only be washed in areas approved by the Association. In general, no activity shall be carried on nor condition maintained by a Co-owner either in his Unit or upon the Common Elements, which spoils the appearance of the Condominium.

Section 7. Sidewalks, yards, landscaped areas, driveways, roads and parking areas shall not be obstructed in any way nor shall they be used for purposes other than for which they are reasonably and obviously intended. No bicycles, vehicles, chairs or benches may be left unattended on or about the Common Elements. Use of any recreational facilities in the Condominium by children may be limited to such times and in such manner as the Association shall determine by duly adopted regulations.

Section 8. No commercial vehicles, boat trailers, boats, camping vehicles, camping trailers, snowmobiles, snowmobile trailers or vehicles other than automobiles and recreational units may be parked or stored upon the Common Elements of the Condominium, unless parked in an area specifically designated therefore by the Association. Commercial vehicles and trucks shall not be parked in or about the Condominium (except as above provided) unless while making deliveries or pickups in the normal course of business. In the event that there arises a shortage of parking spaces, the association may allocate or assign parking spaces from time to time on an equitable basis.

Section 9. No Co-owner shall use, or permit the use by any occupant, agent, employee, invitee, guest or member of his family of any firearms, pellet guns, B-B guns, bows and arrows or other similar dangerous weapons, projectiles or devices anywhere on or about the Condominium premises, except in such locations as may be approved by the Association.

Section 10. No signs or other advertising devices shall be displayed upon any Unit or on any portion of the Common Elements, including "For Sale" signs, without written permission from the Association.

Section 11. Reasonable regulations consistent with the Act, the Master Deed and these Bylaws, concerning the use of the Common Elements may be made and amended from time to time by any Board of Directors of the Association, including the First Board of Directors (or its successors elected by the Developer) prior to the First Annual Meeting or the entire Association held as provided in Article I, Section 8 of these Bylaws. All regulations made by the First Board of Directors shall not be effective until approved by the Michigan Department of Commerce. Copies of all such regulations and amendments thereto shall be furnished to all Co-owners and shall become effective thirty (30) days after mailing or delivery thereof to the designated voting representative of each Co-owner. Any such regulation or amendment may be revoked at any time by the affirmative vote of more than fifty (50%) percent of all Co-owners qualified to vote except that the Co-owners may not revoke any regulation or amendment prior to said First Annual Meeting of the entire Association.

Section 12. The Association or its duly authorized agents shall have access to each Unit and any limited Common Elements appurtenant; thereto from time to time, during reasonable working hours, upon notice to the Co-owner thereof, as may be necessary for the maintenance, repair or replacement of any of the Common Elements. It shall be the responsibility of each Co-owner to provide the Association means of access to his Unit and any limited Common Elements appurtenant thereto during all periods of absence and in the event of the failure of such Co-owner to provide means of access the association may gain access in such manner as may be reasonable under the circumstances and shall not be liable to such Co-owner for any necessary damage to his Unit and any limited Common Elements appurtenant thereto caused thereby or for repair or replacement of any doors or windows damaged in gaining such access.

Section 13. (a) A Co-owner, including the Developer, desiring to rent or lease a Condominium Unit, shall disclose that fact in writing to the Association at least twenty-one (21) days before leasing the Condominium Unit and shall supply the Association with a copy of the exact lease form for its review for its compliance with the Condominium Documents. If Developer desires to rent Condominium Units before the transitional control date, it shall notify either the advisory committee or each Co-owner in writing.

(b) Tenants or non-Co-owner occupants shall comply with all of the Condominium Documents of the Condominium Project and all leases and rental agreements shall so state.

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

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

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

(3) If, after fifteen (15) days, the Association believes that the alleged breach is not cured or may be repeated, it may institute on his behalf or derivatively by the Co-owners on behalf of the Association, if it is under the control of the Developer, an action

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

(d) When a Co-owner is in arrearage to the Association for assessments, the Association may give written notice of the arrearage to a tenant occupying a Co-owner's Condominium Unit under a lease or rental agreement and the tenant, after receiving the notice, shall deduct from rental payments due the Co-owner the arrearage and future assessments as they fall due and pay them to the Association. The deductions shall not be a breach of the rental agreement or lease by the tenant.

Section 14. No Co-owner shall perform any landscaping or plant any trees, shrubs, or flowers or place any ornamental materials upon the Common Elements unless approved by the Association in writing. No fences or enclosures of any nature shall be constructed or placed upon any individual Unit or upon the Common Elements.

Section 15. No well or open pit shall be dug by any Co-owner upon any Unit nor within any of the Common Elements unless approval is first obtained in writing from the Association.

Section 16. The Association shall preserve all natural cover and vegetative growth within the Condominium in a manner consistent with the intended use of the Project. All existing natural cover (wild flowers, ground cover, shrubs and trees) shall be preserved wherever possible and practical. No trees shall be cut down without the written consent of the Association.

Section 17. No portable swimming pool shall be erected upon any Unit or any of the Common Elements located within the Condominium.

Section 18. No gasoline engine-powered generators or other portable power units may be operated within the boundaries of the Project unless the written permission of the Association is first obtained.

Section 19. Each Co-owner shall maintain his Unit and any limited Common Elements appurtenant thereto for which he has maintenance responsibility in a safe, clean and sanitary condition. Each Co-owner shall also use due care to avoid damaging any of the Common Elements including, but not limited to, the telephone, water, gas, plumbing, electrical or other utility conduits and systems and any other elements in any Unit which are appurtenant to or which may affect any other Unit. Each Co-owner shall be responsible for damages or costs to the Association resulting from negligent damage to or misuse of any of the Common Elements by him, or his family, guests, agents or invitees, unless such damages or costs are covered by insurance carried by the Association in which case there shall be no such responsibility (unless reimbursement to the Association is excluded by virtue of a deductible provision, in which case the responsible Co-owner shall bear the expense to the extent of the deductible amount). Any costs or damages to the Association may be assessed to and collected from the responsible Co-owner in the manner provided in Article II hereof.

Section 20. 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 as defined hereinafter, or of the Association in furtherance of its powers and purposes set forth herein and in its Articles of Association and Bylaws as the same may be amended from time to time.

For the purposes of this Section, the development and sales period shall be deemed to continue so long as Developer owns any Unit which he offers for sale; until all Units in the entire Condominium Project (including the initial stage and any successive stages) are sold by Developer, Developer shall have the right to maintain a sales office, a business office, reasonable parking incident to the foregoing and such access to, from and over the Project as may be reasonable to enable development and sale of the entire Project by Developer. Developer shall restore the areas so utilized to habitable status upon termination of use.

ARTICLE VII

MORTGAGES

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

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

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

ARTICLE VIII

AMENDMENTS

Section 1. Amendments to these By-laws may be proposed by the Board of Directors of the Association acting upon the vote of the majority of the Directors or by one-third (1/3) or more in number of the Members or by instrument in writing signed by them.

Section 2. Upon any such amendment being proposed, a meeting for consideration of the same shall be duly called in accordance with the provisions of the Association By-laws.

Section 3. Except as expressly limited in Section 5 of this Article VIII, these By-laws may be amended by the Association at any regular Annual Meeting or a special meeting called for such purpose, by an affirmative vote of not less than sixty-six and two-thirds (66 2/3%) percent of all Co-owners.

Section 4. The Consolidating Master Deed, Condominium By-laws, Condominium Subdivision Plans and such other documents as may be designated "Condominium Documents" by the Michigan Condominium Act or by duly adopted rule of the Administrator may be amended in accordance with §90 of Michigan Condominium Act which provides as follows:

(a) The condominium documents may be amended for a proper purpose, without consent of the Co-owners, mortgagees and other interested parties, including the modification of the types and sizes of unsold condominium units and their appurtenant limited common elements as long as the administrator determines that the amendments do not materially alter or change the rights of the Co-owners, mortgagees, or other interested parties.

(b) The condominium documents may be amended for a proper purpose, even if the amendment will materially alter or change the rights of the Co-owners, mortgagees, or other interested parties with the approval of the administrator and the consent of two-thirds of the votes of the Co-owners. A Co-owner's Condominium Unit dimensions or appurtenant limited common elements may not be modified without his consent. Co-owners and mortgagees or record shall be notified of proposed amendments, under this subsection, before filing with the administrator.

(c) A person causing or requesting an amendment to the condominium documents shall be responsible for costs and expenses of the amendment except for amendments based upon a vote of a prescribed majority of Co-owners or based upon the advisory committee's decision, the costs of which are expenses of administration.

(d) A Master Deed Amendment, including the Consolidating Master Deed, dealing with the addition, withdrawal, or modification of units or other physical characteristics of the Project shall comply with the standards prescribed in this Act for preparation of an original Condominium Subdivision Plan for the project.

Section 5. Any amendment to these By-laws (but not the Association By-laws) shall become effective upon approval of the same by the State of Michigan and recording of such amendment in the office of the Register of Deeds in the county where the Condominium is located. Without the prior written approval of all institutional holders of first mortgage liens on any Unit in the Condominium, no amendment to these By-laws shall become effective which involves any change, direct or indirect, in Article I, Sections 3 and 4 (b), Article II, Sections 3 (a), 4 and 7, Article IV, Section 1 (d), Article V, Sections 1, 4, 6, 7 and 8, Article VII, Section 1, Article VIII, Sections 3 and 5, or Article XI, Section 1, or to any other provision thereof that increases or decreases the benefits or obligations, or materially affects the rights of any member of the Association.

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

ARTICLE IX

COMPLIANCE

The Association of Co-owners and all present or future Co-owners, tenants, future 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 Condominium premises shall signify that the Condominium Documents are accepted and ratified. In the event the Condominium Documents conflict with the provisions of the Statute, the Statute shall govern.

ARTICLE X

DEFINITIONS

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

ARTICLE XI

REMEDIES FOR DEFAULT

Section 1. Any default by a Co-owner shall entitle the Association or another Co-owner or Co-owners to the following relief:

(a) Failure to comply with any of the terms or provisions of the Condominium Documents or the Act 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.

(b) If 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 attorneys' fees (not limited to statutory fees) as may be determined by the Court, but in not event shall any Co-owner be entitled to recover such attorneys' fees.

(c) 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, where reasonably necessary, and summarily remove and abate, at the expense of the Co-owner in violation, any structure, thing or condition existing or maintained contrary to the provisions of the Condominium Documents.

(d) 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 Rules and Regulations establishing such fine have first been duly adopted by the Board of Directors of the Association and notice thereof given to all Co-owners in the same manner as prescribed in Article II, Section 4 of the Association By-laws. Thereafter, fines may be assessed only upon notice to the offending Co-owners as prescribed in said Article II, Section 4, and an opportunity for such Co-owner to appear before the Board no less than seven (7) days from the date of the notice and offer evidence in defense of the alleged violation. All fines duly assessed may be collected in the same manner as provided in Article II of these By-laws. No fine shall be levied for the first violation. No fine shall exceed Twenty-Five (\$25.00) Dollars for the second violation, Fifty (\$50.00) Dollars for the third violation, or One Hundred (\$100.00) Dollars for any subsequent violation.

Section 2. The failure of the Association or of any Co-owner to enforce any right, provision, covenant or condition which may be granted by the Condominium Documents shall not constitute a waiver of the right of the Association or of any such Co-owners to enforce such right, provisions, covenant or condition in the future.

Section 3. All rights, remedies and privileges granted to the Association or any Co-owner or Co-owners pursuant to any terms, provisions, covenants, or conditionals of the aforesaid Condominium Documents shall be deemed to be cumulative and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be available to such party, at law or in equity.

ARTICLE XII

SEVERABILITY

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

**CEDAR SHORES CAMPGROUND CONDOMINIUM
ASSOCIATION BYLAWS**

ARTICLE I

ADOPTION OF CAMPGROUND CONDOMINIUM BYLAWS

The Bylaws of Cedar Shores Campground Condominium, a campsite Condominium, as attached to the Master Deed and recorded in Liber 385, Pages 249 through 288, Clare County Records, are hereby incorporated by reference and adopted in their entirety as part of the Bylaws of this corporation (hereinafter known as the "Corporate Bylaws" or the "Association Bylaws").

ARTICLE II

MEETINGS

Section 1. 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. Voting shall be as provided in the Condominium Bylaws, Meetings of the Association shall be conducted in accordance with Sturgis' Code of parliamentary procedure, Roberts Rules of Order or some other generally recognized manual of parliamentary procedure, when not otherwise in conflict with the Articles of incorporation, the Bylaws of the corporation, the Master Deed or the law of the State of Michigan.

Section 2. The first annual meeting of members of the corporation shall be held in accordance with Article I, Section 8 of the Condominium Bylaws. The date, time and place of the First Annual meeting shall be set by the Board of Directors, and at least fifteen (15) days' written notice thereof shall be given to each co-owner. Thereafter, the annual meetings of members of the Association shall be held on the third Tuesday of march each succeeding year at such time and place as shall be determined by the Board of Directors. At such meetings, there shall be elected by ballot of the co-owners a Board of Directors in accordance with the requirements of Article III of these Corporate Bylaws. The co-owners may also transact at annual meetings such other business of the corporation as may properly come before them.

Section 3. It shall be the duty of the President to call a special meeting of the co-owners as directed by resolution of the Board of Directors or upon a petition signed by one-third (1/3) of the co-owners presented to the Secretary of the Association. Notice of any special meeting 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 4. It shall be the duty of the Secretary (or other Association officer in the Secretary's absence) to serve a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, upon each co-owner of record, at least ten (10) days but not more than sixty (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 I, Section 2 (e) of the Condominium 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 5. In any meeting of owners cannot be held because a quorum is not in attendance, the owners who are present may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

ARTICLE III

BOARD OF DIRECTORS

Section 1. The affairs of the corporation shall be governed by a Board of Directors all of whom must be members of the corporation or officers, partners, trustees, employees or agents of members of the corporation except for the first Board of Directors, designated in the Articles of Incorporation of the Association. Directors shall serve without compensation.

Section 2. The First Board of Directors designated in the Articles of Incorporation shall be composed of three (3) persons and such first Board of Directors shall manage the affairs of the corporation until a successor Board of Directors is elected at the First Meeting of Members of the corporation convened at the time required by Article II, Section 2 of these Corporate Bylaws. At the First Meeting of Members of the corporation, the Board of Directors shall be increased in size from three (3) persons to seven (7) persons. At such First Meeting, four (4) Directors shall be elected for a term of two (2) years, and three (3) Directors shall be elected for a term of one (1) year. At such first meeting, all nominees shall stand for election as one slate and the four (4) persons receiving the highest number of votes shall be elected for a term or two (2) years and the three (3) persons receiving the next highest number of votes shall be elected for a term of one (1) year. At each Annual Meeting of the corporation held thereafter, either three (3) or four (4) Directors shall be elected, depending upon the number of Directors whose terms expire. The term of office (except for the original Board of Directors and three (3) of the Directors elected at the First Annual Meeting of Members, if the First Annual Meeting is held on any day other than the third Tuesday of March) of each Director shall be two (2) years. The Directors shall hold office until their successors have been elected and hold their first meeting.

Section 3. The Board of Directors shall have the powers and duties set forth in the Condominium Bylaws.

Section 4. Vacancies in the Board of Directors (including the First Board of Directors named in the Articles of Incorporation) 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. Each person so elected shall be a Director until a successor is elected at the next annual meeting of the Association. Prior to the First Annual Meeting of Members, the Developer may remove and replace any or all of the Directors from time to time at its sole discretion.

Section 5. At any regular or special meeting of the Association duly called, any one or more of the Directors may be removed with or without cause by a majority of the co-owners, and a successor may then and there be elected to fill the vacancy thus created. Any Director whose removal has been proposed by the co-owners shall be given an opportunity to be heard at the meeting. This provision, however, shall not apply to the initial Board of Directors, or their appointed successors.

Section 6. The first meeting of a newly elected Board of Directors shall be held within ten (10) days of election at such place as shall be fixed by the Directors at the meeting at which such Directors were elected, and no

notice shall be necessary to the newly elected Directors in order, legally, to constitute such meeting, providing a majority of the whole Board shall be present.

Section 7. Regular meetings of the Board of Directors may be held at such times and places as shall be determined from time to time by a majority of the Directors, but at least two such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director, personally, by mail, telephone or telegraph, at least ten (10) days prior to the date named for such meeting.

Section 8. Special meetings of the Board of Directors may be called by the President on three (3) days' notice to each Director, given personally, by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be written request of one (1) Director.

Section 9. Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be deemed a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 10. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there is less than a quorum present, the majority of those present may adjourn the meeting from time to time. 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 presents of such Director for purposes of determining a quorum.

Section 11. All officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be expenses of administration.

Section 12. The Board of Directors may make and amend reasonable regulations respecting the use and enjoyment of the Units and common elements in the Condominium, and such other regulations as are necessary for the maintenance and control of the Condominium. The Board of Directors may establish a Committee on Rules and Regulations to prepare and submit proposed rules and regulations for adoption by the Board of Directors.

ARTICLE IV

OFFICERS

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

Section 2. 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. 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.

Section 4. The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of the President of an association, including, but not limited to, the power to appoint committees from among the members of the Association from time to time as he may, in his discretion, deem appropriate to assist in the conduct of the affairs of the Association.

Section 5. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board to 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.

Section 6. 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 and of such books and papers as the Board of Directors may direct; and he shall, in general, perform all duties incident to the office of the Secretary.

Section 7. The Treasurer shall have responsibility for the Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall be responsible for the deposit of all monies and other valuable effects in the name, and to the credit, of the Association, and in such depositories as may, from time to time be designated by the Board of Directors.

Section 8. The officers shall have such other duties, powers and Responsibilities as shall, from time to time, be authorized by the Board of Directors.

ARTICLE V

SEAL

Section 1. The corporation may, but need not have, a seal, which shall have inscribed thereon "CEDAR SHORES CAMPGROUND CONDOMINIUM ASSOCIATION", the words "CORPORATE SEAL", and "MICHIGAN".

ARTICLE VI

FINANCE

Section 1. The finances of the corporation shall be handled in accordance With the Condominium Bylaws.

Section 2. The fiscal year of the corporation 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. The funds of the corporation shall be deposited in such bank 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.

ARTICLE VII

AMENDMENTS

Section 1. Amendments to these Corporate Bylaws may be proposed by the Board of Directors of the Association acting upon the vote of the majority of the Directors or by one-third (1/3) or more in number of the members or by instrument in writing signed by them.

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

Section 3. These Bylaws may be amended by the Association at any regular annual meeting or a special meeting called for such purpose, by an affirmative vote of not less than sixty-six and two-thirds (66 2/3%) percent of all co-owners.

Section 4. Prior to the First Annual Meeting of members, these Bylaws may be amended by the first Board of Directors upon proposal of amendments by Developer without approval from any person to make amendments as shall not increase or decrease the benefits or obligations, or materially affect the rights of any member of the Association.

Section 5. A copy of each amendment to the Bylaws shall be furnished to every member of the Association after adoption; PROVIDED, HOWEVER, that any amendment to these Bylaws that is adopted in accordance with this Article shall be binding upon all persons who have an interest in the Project irrespective of whether such persons actually receive a copy of the amendment.

ARTICLE VIII

COMPLIANCE

Section 1. These Bylaws are set forth to comply with the requirements of Act No. 327 of the Public Acts of Michigan of 1931, as amended, Act No. 59 of the Public Acts of Michigan of 1978, and with the only recorded Master Deed of the Condominium and Exhibits A & B attached thereto. In case any of these Bylaws conflict with the provisions of said statute or with the provisions of said Master Deed or the Exhibits thereto, the provisions of the statute and the said Master Deed shall be controlling.