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MASTER DEED

STARR VALLEY RANCH CONDOMINIUM

(Act 59, Public Acts of 1978)
as amended

Bernie Trechew
REGISTER OF DEEDS
BERRIEN COUNTY MICHIGAN

Berrien County Condominium Subdivision Plan No. 65

- (1) Master Deed establishing Starr Valley Ranch Condominiums, a Condominium Project.
- (2) Exhibit A to Master Deed: Condominium By-Laws of Starr Valley Ranch Condominiums.
- (3) Exhibit B to Master Deed: Condominium Subdivision Plan for Starr Valley Ranch Condominiums.
- (4) Exhibit C to Master Deed: Legal Description.
- (5) Exhibit D to Master Deed: Affidavit of Mailing as to Notices required by Section 71 of the Michigan Condominium Act.

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

I HEREBY CERTIFY, that there are no Tax (State or Local) due by the State or any individual against the within described, and all Taxes on same are paid for five years previous to the date of this instrument, as appears by the records in my office. This certificate does not apply on taxes, if any, now in process of collection. Also except Deferred Special Assessments, if any, under Act No. 225, Public Acts of 1978, as amended.
Berrien County Treasurer

Carol Stockman

MAR 29 1990
No. 7576

11-06-0029-0007-01-4

MASTER DEED

STARR VALLEY RANCH

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

THIS MASTER DEED, is made and executed this 22 day of March, 1990, by Starr Valley Ranch, Inc., a Michigan Corporation, hereinafter referred to as "Developer", whose office is located at 1478 E. Warren Woods Road, Buchanan, MI 49107, in pursuance of the provisions of the Michigan Condominium Act as amended, (being Section 559.10 of the Compiled Laws of 1948 and Act 59 of the Public Acts of 1978 as amended), hereinafter referred to as the "Act".

WITNESSETH

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

NOW, THEREFORE, the Developer does, upon the recording hereof, establish Starr Valley Ranch as a Condominium Project under the Act and does declare that Starr Valley Ranch (hereinafter referred to as the "Condominium", "Condominium Project", or, the "Project") shall, after such establishment, be held, conveyed, hypothecated, encumbered, leased, rented, occupied, improved, or any other manner utilized, subject to the provisions of the Act, and to the covenants, conditions, restrictions, uses, limitations and affirmative obligations set forth in this Master Deed 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 the Developer, its successors and assigns, and any persons acquiring or owning an interest in the said real property, their grantees, successors, heirs, executors, administrators and assigns. In furtherance of the establishment of said Condominium Project, it is provided as follows:

ARTICLE I

TITLE AND NATURE

This Residential Site Condominium Project shall be known as Starr Valley Ranch, Berrien County Condominium Subdivision Plan No. 65. The project is being constructed in a single phase so as to comprise a maximum of 42 residential building sites. The Condominium Project is established in accordance with the Act. The architectural plans for all dwellings and other improvements to be constructed with the Project must be approved by the Township of Buchanan and thereafter will be filed with the Township of Buchanan. The Units contained in the Condominium, including the number, boundaries, dimensions and area of each Unit therein, are set forth completely in the Condominium Subdivision Plan attached as Exhibit B hereto. The term "unit" is defined in Article III (k) and in Article V, paragraph A below. Each individual Unit has been created for residential purposes and each Unit is capable of an 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 shall have undivided and inseparable rights to share with other Co-Owners of the Common Elements of the Condominium Project as are designated by the Master Deed.

The Developer and its successors specifically reserve the right to elect, on or before the expiration of six (6) years after the initial recording of this Master Deed for the Project, to contract the Project by withdrawal of all or any portion of the land described in Article II hereof by an amendment or series of successive amendments to the Master Deed, each withdrawing land from the Project as then constituted, without the consent of any Co-Owner, mortgagee, or other person, other than as set forth herein, no restrictions or limitations on such election exists as to the portion or portions of land which may be withdrawn, the time or order of such withdrawal, or the number of Units which may be withdrawn, provided, however, that the number of remaining Units in the Project shall not be reduced to less than ten (10), nor the land constituting a Project to less than that which is reasonably necessary to accomodate said ten (10) Units, with adequate ingress, egress, lake access and utility service therefore.

ARTICLE II

LEGAL DESCRIPTION

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

(See attached Exhibit C)

ARTICLE III

DEFINITIONS

Certain terms are utilized not only in this Master Deed and Exhibits A and B hereto, but are or may be used in various other instruments such as, by way of example and not limitation, the Articles of Incorporation, and corporate By-laws and Rules and Regulations of Starr Valley Ranch Condominium Association, a Michigan non-profit corporation, and deeds, mortgages, liens, land contracts, easements and other instruments affecting the establishment of, interests in Starr Valley Ranch 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) "Administrator" - shall mean the Michigan Department of Commerce which is responsible for the administration of the Act.

(c) "Association" - shall mean Starr Valley Ranch Condominium Association 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.

(d) "Association By-Laws" - means the corporate By-Laws of Starr Valley Ranch Condominium Association, the Michigan non-profit corporation organized to manage, maintain and administer the Condominium.

(e) "Board" - shall mean the Board of Directors of the Association. The Board will initially be those individuals selected by Developer and later it will be elected by unit owners as provided herein.

(f) "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 8 of the Act to be recorded as part of the Master Deed.

(g) "Condominium Documents" - wherever used means and includes this Master Deed and Exhibits A and Exhibit B hereto, the Articles of Incorporation, By-Laws, and the

Rules and Regulations, if any of the Association.

(h) "Condominium Premises" - means and includes the land and the buildings, all improvements and structures thereof, and all easements, rights and appurtenances belonging to the Starr Valley Ranch Condominium.

(i) "Condominium Project" - "Condominium" or "Project" means Starr Valley Ranch as an approved Condominium Project established in conformity with the provisions of the Act.

(j) "Condominium Subdivision Plan" - means Exhibit B hereto.

(k) "Condominium Unit", "Site Unit" or "Unit" - means a single residential building site designed and intended for separate ownership and use, as described in this Master Deed. All structures and improvements, utility lines and facilities, water wells, septic tanks, roads and driveways, now or hereafter located within the boundaries of a Unit shall be owned in their entirety by the co-owner of the Unit within which they are located and shall not, unless expressly provided in the Condominium Documents, constitute common or limited elements.

(l) "Consolidating Master Deed" - means the final amended Master Deed which shall describe the condominium as a completed condominium project and shall reflect the entire land area added to the condominium from time to time, and all units and common elements therein, which shall express percentages of value pertinent to each unit as finally readjusted. Such Consolidating Master Deed, when recorded in the Office of the Berrien County Register of Deeds, shall supersede the previously recorded Master Deed and all amendments thereto for the condominium.

(m) "Convertible Area" - means a unit or a portion of the Common Elements of the Condominium within which additional units or General or Limited Common Elements may be created as defined elsewhere in the Master Deed.

(n) "Co-Owner" - means a person, firm, corporation, partnership, association, trust or other legal entity or any combination thereof who or which owns one or more units in the Condominium Project. The term "Co-Owner" shall include a land contract vendee. The term "Owner" wherever used, shall be synonymous with the term "Co-owner".

(o) "Common Elements" - where used without modification, shall mean both the General and Limited Common Elements described in Article IV hereof.

(p) "Developer" - shall mean Starr Valley Ranch, Inc. which has made and executed the Master Deed, and its successors and assigns.

(q) "Limited Common Elements" - means those common elements of the Project described in Article IV (B) hereof which are reserved for the exclusive use of the co-owners of a specified unit or units.

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

(s) "Percentage of Value" - means the percentage assigned to each unit by this Master Deed which is determinative of the value of a Co-owners' vote at meetings of the Association when voting by value or by number and value, and the proportionate share of each Co-owner in the common elements of the Project.

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

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

ARTICLE IV

COMMON ELEMENTS

The Common Elements of the Condominium described in Exhibit B attached hereto and the respective responsibilities for maintenance, decoration, repair, restoration, renovation or replacement thereof are as follows:

GENERAL COMMON ELEMENTS: The General Common Elements are:

1. **LAND:** The land described in Article II hereof (other than that portion described in Article V below and in Exhibit B hereto as constituting the Condominium Units).
2. **IMPROVEMENTS:** All roads, unassigned parking spaces, if any, and other surface improvements

not identified as Limited Common Elements and not located within the boundaries of a Condominium Unit. Those structures and improvements that now or hereafter are located within the boundaries of a Condominium Unit shall be owned in their entirety by the Co-owner of the Unit in which they are located and shall not, unless otherwise expressly provided in the Condominium Documents, constitute Common Elements.

3. **ELECTRICAL/TELEPHONE:** The electrical, telephone and/or future cable television wiring networks, if any, throughout the common areas of the Project, up to the point of lateral connection for Unit service.
4. **GAS:** The gas distribution system throughout the Project up to the point of lateral connection for Unit service, that now or hereafter is constructed within the Project.
5. **WATER:** The water distribution system throughout the Project up to the point of lateral connection for Unit service, that now or hereafter is constructed within the Project.
6. **ON-SITE SEPTIC:** The sewage disposal, septic and/or storm drainage systems (including drainage easements, if any) servicing the Units and/or Project, up to the point of lateral connection for Unit service, that now or hereafter is constructed within the Project

Some or all of the utility lines, systems (including mains and service leads) and equipment and the telecommunications system described above may be owned by the local public authority or by the company that is providing the pertinent service. Accordingly, such utility lines, systems and equipment, and the telecommunications systems, shall be General Common Elements only to the extent of Co-Owners' interest therein, and Developer makes no warranty whatever with respect to the nature or extent of such interest, if any. The development has been approved for septic systems on individual owners' unit.

B. **LIMITED COMMON ELEMENTS:** Limited Common Elements shall be subject to the exclusive use and enjoyment of the Co-owner of the Unit or Units to which the Limited Common Elements are appurtenant. The Limited Common Elements are further identified on Exhibit B which is attached hereto.

C. RESPONSIBILITIES: The respective responsibilities for the maintenance, decoration, repair and replacement of the Common Elements are as follows:

1. Co-Owner Responsibilities: The responsibility for, and the costs of maintenance, decoration, repair and replacement of any curi area appurtenant to each Unit as Limited Common Elements, shall be borne by the Co-Owner of the Unit which is served thereby, provided however, that the exterior appearance of the patio areas and courtyards, to the extent visible from any General Common Element in the Project, shall be subject at all times to the approval of the Association. In connection with any amendment made by Developer pursuant to Article VI hereof, Developer may designate additional Limited Common Elements that are to be maintained, decorated, repaired and replaced at Co-Owner expense. The Co-Owners shall also have the responsibility of maintaining any landscaping which is designated as a common element for utilities on Exhibit B insofar as it lies within the boundary of the Co-Owners' unit and would be a part of the Co-Owners' unit had it not been designated as a common element.
2. Association Responsibilities: The costs of maintenance, repair and replacement of all General and Limited Common Elements other than as described above or in Article VIII hereof shall be borne by the Association, subject to any provision of the Condominium Documents expressly to the contrary.

The respective decoration, maintenance and replacement responsibilities set forth above shall be in addition to all such responsibilities set forth in Article VIII hereof or elsewhere in the Condominium Documents.

Each Co-Owner shall be responsible for the performance and cost of the maintenance, decoration, and repair of his Unit and all other appurtenances and improvements constructed or otherwise located within his Unit.

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.

D. A Limited Common Element may be re-assigned, upon notice to any affected mortgagee, by written application to the Board of Directors of the Association by the Co-Owners whose interest will be affected thereby. Upon receipt of such application the Board shall promptly prepare or cause to be prepared and executed an amendment to this Master Deed reassigning all rights and obligations with respect to the Limited Common Elements involved, and shall deliver such amendment to the co-owners of the units affected upon payment by them of all reasonable costs for the preparation and approval thereof. All affected owners must consent to such reassignment of a Limited Common Element.

E. Until it has conveyed title to the last unsold Unit owned by Developer, Developer has the irrevocable right:

1. To use the Common Elements for sales, administrative, rental, or storage purposes.
2. To use any of the unsold Units for sales (including model Units and sales office), administrative or management purposes.
3. To place signs on the Common Elements for sales and promotional purposes.

F. The utilities as depicted on Exhibit B to the Master Deed have yet to be installed and completed by the respective utility company. The utilities as designated on Exhibit B constitute items that "must be built" by the Developer.

ARTICLE V

UNIT DESCRIPTIONS AND PERCENTAGE OF VALUE

A. DESCRIPTION OF UNITS: Each Unit in the Condominium Project is described in this paragraph with reference to the Condominium Subdivision of Starr Valley Ranch as surveyed by Wightman and Associates, Inc., and attached hereto as Exhibit B. Each Unit shall include the land area located within the Unit boundaries to a depth of 12 feet below grade level and a height of 200 feet above grade level, as shown on Exhibit B hereto and delineated with heavy outlines, together with all appurtenances thereto.

B. PERCENT OF VALUE: The percentage of value assigned to each Unit shall be equal. The determination that percentages of value should be equal was made after reviewing the comparative

characteristics of each Unit in the Project which would affect maintenance costs and value and concluding that there are not material differences among the Units insofar as the allocation of percentages of value is concerned. The percentage of value assigned to each Unit shall be determinative of each Co-Owner's respective share in the proceeds and the expenses of administration and the value of such Co-Owner's vote at meetings of the Association. The total value of the Project is 100%.

ARTICLE VI

IMPROVEMENTS/CONVERTIBLE AREA

A. **IMPROVEMENTS TO BE SHOWN:** No garages, driveways, sidewalks, porches, courtyards, patio area, fences or other accessory improvements ancillary in nature or use to the residential dwellings to be constructed within the Units have been shown on the original Condominium Subdivision Plan because it is impossible to identify and locate such accessory improvements until the architectural plans for the dwelling have been completed and the actual location of the various dwellings has been established within the perimeter of each Unit. Furthermore, Developer may install an underground irrigation system, an exterior lighting system, a security system, architectural walls, fences and ornamentation and other similar systems and improvements designated and intended to benefit the entire Project, although Developer shall in no event be obligated to construct any such improvements. Until a decision is made as to the nature and extent of any such common systems and improvements as may be installed by developer, it is impossible to identify and locate them on the Condominium Subdivision Plan. Developer therefore reserves the right to construct, install and locate any and all of the improvements identified above, and such other improvements as may be similar thereto in nature, regardless of whether intended to serve one Unit, or more than one Unit, anywhere in a Unit or on the Common Elements.

B. **DESIGNATION OF CONVERTIBLE AREA:** The land depicted as a General Common Element on Exhibit B hereto also has been designated as a Convertible Area within which may be constructed improvements of the type specified in Article VI. Such improvements, if and to the extent constructed, may be designated as Limited Common Elements appurtenant to one or more Units or General Common Elements, as determined by the Developer in its discretion in light of the nature and intended use of the improvements. This option to convert common area to limited common elements must be exercised within six (6) years after the initial Master Deed has been recorded.

C. **COMPATIBILITY OF IMPROVEMENTS:** All improvements constructed within the Convertible Area shall be reasonably compatible with the structures on other portions of the Condominium Project, as determined by Developer in its discretion. No additional Units and no improvements, other than

as indicated above, may be created on the Convertible Area.

D. AMENDMENT OF MASTER DEED: Developer shall be obligated to amend the Condominium Subdivision Plan to show all improvements constructed with the Convertible Area pursuant to this Article VI. In the case of those improvements serving only one residential dwelling, the amendment shall be recorded within 120 days after completion of construction of such residential dwellings, and in the case of those improvements serving more than one residential dwelling, the amendment shall be recorded within 120 days after the later to occur of completion of construction of the dwellings served by the improvements or completion of the construction of the improvement itself. Such amendment to this Master Deed shall be made from time to time as provided herein by law, which amendments shall be prepared by and at the discretion of Developer and shall contain such further definitions and redefinitions of General or Limited Common Elements as may be necessary to adequately describe and service the dwelling and Common Elements being added to the Project by such amendments. In connection with any such amendments, Developer shall have the right to change the nature of any Common Element previously included in the Project for any purpose reasonably necessary to achieve the purposes of this Article.

E. CONSENT OF INTERESTED PARTIES: All of the Co-Owners and mortgagees of the Units and other persons interested in the Project from time to time shall be deemed to have irrevocably and unanimously consented to such amendments to this Master Deed as may be made pursuant to this Article VI. All such interested persons irrevocably appoint Developer as agent and attorney for the purpose of execution of such amendment to the Master Deed and all other documents necessary to effectuate the foregoing. Such amendment may be effected without the necessity or recording an entire Master Deed or the Exhibits hereto and may incorporate by reference all or any pertinent portions of this Master Deed and the Exhibits hereto.

ARTICLE VII

EASEMENTS

A. EASEMENT FOR MAINTENANCE OF ENCROACHMENTS AND UTILITIES: In the event any portion of a Unit or Common Element encroaches upon another Unit 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. One of the purposes of this Section is to clarify the right of the Co-Owners to maintain structural elements and fixtures which project into the Common

Elements surrounding each Unit notwithstanding their projection beyond the Unit perimeters.

B. GRANT OF EASEMENTS BY ASSOCIATION: The Association, acting through its lawfully constituted Board of Directors (including any Board of Directors acting prior to the Transitional Control Date) shall be empowered and obligated to grant such easements, licenses, rights-of-entry and rights-of-way over, under and across the Condominium Premises for utility purposes, access purposes or other lawful purposes as may be necessary for the benefit of the Condominium, subject however to the approval of the Developer so long as the Construction and Sales Period has not expired. No easement created under the Condominium Documents may be modified or obligations with respect thereto varied, without the consent of each person benefited thereby.

C. EASEMENTS FOR MAINTENANCE, REPAIR OR REPLACEMENT: The Developer, the Association and all public or private utilities shall have such easements as may be necessary over the Condominium Premises, including all Units and Common Elements to fulfill any responsibilities of maintenance, repair, decoration or replacement which they or any of them are required or permitted to perform under the Condominium Documents. These easements include, without any implication or limitation, the right of the Association to obtain access during reasonable hours and upon reasonable notice, to water meters, sprinkler control and valves and other Common Elements located within any dwelling on any Unit or its appurtenant Limited Common Elements.

D. UTILITY EASEMENT: Developer also hereby reserves the right for benefit of itself, its successors and assigns, and all future owners of any land adjoining the Condominium or any portion or portions thereof perpetual easements to utilize, tap, tie into, extend and enlarge all utility mains located on the Condominium Premises, including, but not limited to, water, gas, storm and sanitary sewer mains. In the event Developer, its successors or assigns, taps into or otherwise ties into, extends or enlarge any utilities located on the Condominium Premises, it shall be obligated to pay all of the expenses reasonably necessary to restore the Condominium Premises to their state immediately prior to such utilization, tapping, tying in, extension or enlargement. The costs of maintenance, repair and replacement of all utilities shared by the Co-Owners and the owner or owners of any land adjoining the Condominium Premises shall be borne by all such persons proportionately based upon the ratio of the number of residential dwellings located upon the adjoining land to the total number of residential dwellings sharing the utilities.

Developer reserves the right at any time prior to the Transitional Control Date to grant easements for utilities over, under and across the Condominium to public utility companies, agencies or to such developer or developer's agents or agents of adjacent properties, or to public utility companies and

transfer title of utilities to state, county or local governments. Any such assignments or transfer of title may be conveyed by Developer without the consent of any Co-Owner, mortgagee or other person and shall be evidenced by an appropriate amendment to this Master Deed and to Exhibit B hereto, recorded in the Berrien County Records. All of the Co-Owners and mortgagees of Units and other persons interested or to become interested in the Project from time to time shall be deemed to have irrevocably and unanimously consented to such amendment or amendments to this Master Deed to effectuate the foregoing easement or transfer of title.

E. TELECOMMUNICATIONS AGREEMENTS: The Developer, during the Construction and Sale Period, shall have the power to grant such easements, licenses and other rights of entry, use and access and to enter into any contract or agreement, including wiring agreements, right-of-way agreements, access agreements and multi-unit agreements, and to the extent allowed by law, contracts for sharing of any installation or periodic subscriber service fees as may be necessary, convenient, or desirable to provide for telecommunications, video text, broad band cable, satellite dish, earth antenna and similar services (collectively "Telecommunications") to the Project or any Unit therein. Notwithstanding the foregoing in no event shall the Board of Directors enter into any contract or agreement or grant any easement, license of right of entry or do any other act or thing which will violate any provision of any federal, state or local law or ordinance. Any and all sums paid by any Telecommunications or other company or entity in connection with such services, including fees, if any for the privilege of installing same or sharing periodic subscriber service fees, which shall be received, will, to the extent allowed by law, be paid over to and shall become the property of the developer.

F. ROADWAY EASEMENTS: Developer reserves for the benefit of itself, its successors and assigns, an easement for the unrestricted use of all roads and walkways in the condominium for the purpose of ingress and egress to and from all or any portion of the parcel described in Article VII and the area described in Exhibit B. All expenses of maintenance, repair, replacement resurfacing of any road referred to in this Article shall be shared by the Owners of this Condominium and the Owners of any developed portions of the contiguous land described in Article VII and the area described in Exhibit B. This reservation of easement shall be conditioned upon use being made of such parts of the property described in Article VII and the area described in Exhibit B, which are used for residential purposes or uses complimentary thereto. The Co-Owners of this Condominium shall be responsible from time to time for payment of a proportionate share of said expenses which share shall be determined by multiplying such expenses times a fraction, the numerator of which is the number of Units owned in this Condominium and the denominator of which is composed of the number of said Units in the Development.

ARTICLE VIII

AMENDMENT OF MASTER DEED

A. The condominium documents may be amended by the Developer or the Association of Co-Owners without the consent of Co-Owners or mortgagees if the amendment does not materially alter or change the rights of a Co-Owner or mortgagee. An amendment which does not materially change the right of a Co-owner or mortgagee includes, without limitation, a modification of the types and sizes of unsold condominium units and their appurtenant Limited Common Elements.

B. Except as provided in this Article IX, the Master Deed, By-Laws and Condominium Subdivision Plan may be amended, even if the amendment will materially alter or change the rights of the Co-Owners or mortgagees, with the consent of not less than 2/3 of the votes of Co-Owners and mortgagees. A mortgagee will have one vote for each mortgage held.

C. The Developer reserves the right to materially amend the Condominium Documents to contract the condominium as set forth herein without the consent of Co-Owners or mortgagees.

D. The method used to determine the percentage of value of units in the Project for other than voting purposes, and any provisions relating to the ability or terms under which a Co-Owner may rent a unit, may not be modified without the consent of each affected Co-Owner and mortgagee. A Co-Owner's condominium may not be modified without the Co-Owner's consent.

E. Co-Owners and mortgagees of record shall be notified of proposed amendments under this Article not less than ten days before the amendment is recorded.

F. The party 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 and mortgagees or based upon the advisory committee's decision, the cost of which are expenses of administration.

G. 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 Section 66 of the Act for preparation of an original condominium subdivision plan for the project.

H. If there is no co-owner other than the Developer, the Developer, with the consent of any interested mortgagee, may

unilaterally terminate the condominium project or amend the Master Deed. A termination or amendment under this section shall become effective upon the recordation thereof if executed by the Developer.

I. 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 four-fifths (4/5) of the votes in the association of Co-Owners appertain.

J. 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.

K. 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 interest 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.

L. Upon recordation of an instrument terminating a condominium project, any rights the co-owners may have to the assets of the association shall be in proportion to their respective undivided interests and the common profits shall be distributed in accordance with the condominium documents and the Act.

ARTICLE IX

ASSIGNMENT

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

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

Signed, Sealed and Delivered
In The Presence Of:

George P. Andrews
George P. Andrews
Andre D. Andrews

STARR VALLEY RANCH, INC.

BY Vincent A. Solano
Vincent A. Solano
ITS President

BY Ronald L. Burns
Ronald L. Burns
ITS Vice-President

STATE OF ^{Illinois} ~~MICHIGAN~~)
COUNTY OF ^{DePage} ~~BERRIEN~~) SS.

This foregoing instrument was acknowledged before me, a Notary Public, this 22nd day of March, 1990, by Vincent A. Solano and Ronald L. Burns, to me known, who being duly sworn, did say that they are the President and Vice President respectively of Starr Valley Ranch, Inc., the corporation named in and which executed the within instrument, and that said instrument was signed in behalf of said corporation by authority of its Board of Directors, and acknowledged said instrument to be the free act and deed of said corporation.

Becky R. McDuffee

Notary Public,
Berrien County, Michigan
My commission expires:

DePage County, Illinois

PREPARED BY:
Rocco M. De Francesco
Frank J. De Francesco
DE FRANCESCO & DE FRANCESCO
903 Main St., P.O. Box 769
St. Joseph, MI 49085



EXHIBIT A
CONDOMINIUM BYLAWS
STARR VALLEY RANCH

ARTICLE I

ASSOCIATION OF CO-OWNERS

Section 1. Starr Valley Ranch, a Residential Site Condominium Project, located in the Township of Buchanan, County of Berrien, State of 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 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 any interest in any Unit therein or the Common Elements thereof shall be subject to the provisions and terms set forth in the aforesaid Condominium Documents.

Section 2. 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) Except as limited in these Bylaws, each unit shall be entitled to one vote for each Unit owned when voting by number and one vote, the value of which shall equal the total of the percentages of value allocated to the Units owned by such Co-Owner as set forth in Article V of the Master Deed, when voting by value. Voting shall be by value except in those instances when voting is specifically required to be both in value and in number.

(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. 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 "a" below or by a proxy given by such

individual representative.

(e) Each Co-Owner may 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 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. 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 7 of this Article I. At least ten (10) days written notice of the time, place and subject matter of the meeting shall be given to each Co-Owner by mailing the same to each individual representative designated by the respective Co-Owners at the address indicated in the notice designating such individual representative. 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 (30%) percent in value 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 or by proxy shall be counted in determining the presence of a quorum with respect to the questions upon which said 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 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 in value 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 and may require such majority to be one of both number and value of designated voting representatives 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 3. The Association shall keep detailed books of account in accordance with the Act, showing all expenditures and receipts of administration which shall specify the maintenance and repair expenses of the Common Elements and any other expenses of the Common Elements and other expenses incurred by or on behalf of the Association and the Co-Owners. Such accounts shall be open for inspection by the Co-Owners during reasonable working hours, and income, expense and position statements, the contents of which shall be defined by the Association of Co-Owners, shall be prepared at least semi-annually by qualified accountants and distributed to each Co-Owner. The books may be audited by an independent accountant at least once a year. Such audit may not be certified. The cost of such professional accounting assistance shall be an expense of administration. The Association shall keep current copies of the Master Deed, Bylaws and all other Condominium Documents available for inspection by Co-Owners, prospective mortgagees and their representatives during business hours at the address of the Association's resident Agent. Any holder of a first mortgage lien on any Unit in the condominium shall be entitled to receive a copy of the annual financial statement within ninety (90) days following the end of the Association's fiscal year upon request therefor. The costs of the audit shall be an expense of administration. The financial reports and statements provided for in this section are not required to be certified.

Section 4. The affairs of the Association shall be governed by a Board of Directors, all of whom shall serve without compensation and who must be members 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 7 of this Article I. The number, term of office, manner of election, removal and replacement, meetings, quorum and voting requirements, and other duties or provisions 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 contract for and employ personnel, forms, corporation or other agents to assist in the management, operation, maintenance, administration and security of the Condominium Project.
3. To collect assessments from the members of the Association and to use the proceeds thereof for the purposes of the Association.
4. To carry insurance and collect and allocate the proceeds thereof.
5. To rebuild improvements after casualty.
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 evidence of indebtedness in furtherance of any and all of the purposes of the Association, including but not limited to borrowing for equipment to maintain the premises, 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 affirmative vote of more than sixty (60%) of all of the members of the Association in value.
8. To make rules and regulations in accordance with Article VI 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 lenders, the purposes of which are to obtain mortgage financing for unit Co-Owners.
11. To enforce the provisions of the Condominium

Documents.

12. To deliver at least twice a year semi-annual financial statements to the Co-Owners.

(b) The Board of Directors may employ for the Association one or more professional management agents (which may include the Developer or any person or entity related thereto provided that pursuant to Section 55 of the "Act" it is voidable by the Association on the transitional control date or within ninety (90) days thereafter and on thirty (30) days notice at any time thereafter for cause. Also, to the extent any such management contract extends beyond one year after the transitional control date, the excess period under the contract may be voided by the Association by notice at least thirty (30) days before the expiration of the one year) 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 4(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. Nothing herein shall be deemed to prevent a Co-Owner from hiring the Management Agent or any third party to manage his Unit.

(c) All of the actions (including, without limitation, the adoption of the Bylaws and any Rules and Regulations for the Corporation, and any undertakings or contracts entered into with others on behalf of the Corporation) of the first Board of Directors of the Association named in its Articles of Incorporation or any successors thereto elected by the Developer before the 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.

(d) Every director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of his being or having been a director or officer of the Association, whether or not he is a director or officer at the time such expenses are incurred, except in such cases wherein the director or officer is adjudged guilty of willful and wanton misfeasance or malfeasance or gross negligence in the performance of his duties; provided, however, 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 the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled. Before any payment is made under this subparagraph (d), the Board of Directors shall give each Co-Owner ten (10) days prior written notice. Any expenses incurred by the Association under this subparagraph (d) shall be expenses of administration.

Section 5. 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 provision 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%) of all Co-Owners in number and value.

Section 6. 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, whether or not he is a director or officer at the time such expenses are incurred, except in such cases wherein the director or officer is adjudged guilty of willful or wanton misconduct or gross negligence in the performance of his duties; provided that, in the event of any claim for reimbursement or indemnification hereunder based upon a settlement by the director or officer seeking such reimbursement or indemnification, the indemnification herein shall apply only if the Board of Directors (with the director seeking reimbursement abstaining) approves such settlement and reimbursement as being in the best interest of the 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 7. The First Annual Meeting of the Members of the Association convened not later than 120 days after conveyance of legal or equitable title to nondeveloper co-owners of twenty-five (25%) percent of the units that may be created. The Association shall comply with Section 52 of the Act which provides, in part, as follows:

- (a) An advisory committee of nondeveloper co-owners shall be

established either 120 days after conveyance of legal or equitable title to nondeveloper co-owners of 1/3 of the units that may be created, or one year after the initial conveyance of legal or equitable title to a nondeveloper co-owner of a unit in the project, whichever occurs first. The advisory committee shall meet with the condominium project board of directors for the purpose of facilitating communication and aiding the transition of control to the Association of Co-Owners. The advisory committee shall cease to exist when a majority of the Board of Directors of the Association of Co-Owners is elected by the nondeveloper co-owners.

(b) Not later than 120 days after conveyance of legal or equitable title to nondeveloper co-owners of 25% of the units that may be created, at least one director and not less than 25% of the Board of Directors of the Association of Co-Owners shall be elected by nondeveloper co-owners. Not later than 120 days after conveyance of legal or equitable title to nondeveloper co-owners of 50% of the units that may be created not less than 30 1/3% of the Board of Directors shall be elected by nondeveloper co-owners. Not later than 120 days after conveyance of legal or equitable title to nondeveloper co-owners of 75% of the units that may be created, and before conveyance of 90% of such units, the nondeveloper co-owners shall elect all directors on the board, except that the Developer shall have the right to designate at least one director as long as the Developer owns and offers for sale at least 10% of the units in the project or as long as 10% of the units remain that may be created.

(c) Notwithstanding the formula provided in subsection (b), 54 months after the first conveyance of legal or equitable title to a nondeveloper co-owner of a unit in the project, if title to not less than 75% of the units that may be created has not been conveyed, the nondeveloper co-owners have the right to elect as provided in the condominium documents, a number of members of the Board of Directors of the Association of Co-Owners equal to the percentage of units they hold, and the Developer has the right to elect as provided in the condominium documents, a number of members of the board equal to the percentage of units which are owned by the Developer and for which all assessments are payable by the Developer. This election may increase, but shall not reduce, the minimum election and designation rights otherwise established in subsection (b). Application of this subsection does not require a change in the size of the board as determined in the condominium documents.

(d) If the calculation of the percentage of members of the board that the nondeveloper co-owners have the right to elect under subsection (b), or if the product of the number of members of the board multiplied by the percentage of units held by the nondeveloper co-owners under subsection

(c) results in a right of nondeveloper co-owners to elect a fractional number of members of the board, then a fractional election right of 0.5 or greater shall be rounded up to the nearest whole number, which number shall be the number of members of the board that the nondeveloper co-owners have the right to elect. After application of this formula the Developer shall have the right to elect the remaining members of the board. Application of this subsection shall not eliminate the right of the Developer to designate one member as provided in subsection (b).

The date, time and place of such First Annual Meeting shall be set by the Board of Directors, and at least fifteen days written notice shall be given to each co-owner. Thereafter, an annual meeting shall be held each year on such date as specified in the Association Bylaws.

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 expenditures affecting the administration of the project shall include costs incurred in the satisfaction of any liability arising within, caused by, or connected with the common elements or the administration of the condominium project shall include all sums received as the proceeds of or pursuant to a policy of insurance securing the interest of the co-owners against liabilities or losses arising within, caused by, or connected with the common elements or the administration of the condominium project.

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 for each fiscal year and such budget shall project all expenses for the forthcoming year which may be required for the proper operation, management and maintenance of the Condominium Project, including a reasonable allowance for contingencies and reserves. An adequate reserve fund for maintenance, repairs and replacement of those 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 5 below rather than by special assessments. 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 per unit 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 unit annually, (2) assessment to purchase a Unit upon foreclosure of the lien for assessment described in Section 6 hereof, or (3) assessment 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 in value and in number.

(c) Notwithstanding anything herein to the contrary, in the event that any unusual expenses are incurred by the Association which benefit less than all of the Units, or any expenses are incurred by the Association as a result of the conduct of less than all those entitled to occupy the Units in the Condominium or by their lessees, licensees or invitees, then such expenses shall be specially assessed against the Unit involved, or if more than one Unit is involved, against all such Units, pro rata as to their percentages of value so that the total of such expenses equal the total of such assessments.

(d) All assessments, whether general or special, shall be due and payable at such times as the Board of Directors shall determine, commencing with acceptance of a deed to a Unit or with acquisition of fee simple title to a Unit by any other means. The payment of an assessment shall be in default if such assessment, or any part thereof, is not paid to the Association in full on or before the due date for such payment. Assessments in default shall bear interest at the greater of 7% or the highest legal annual interest rate permitted by the laws of the State of Michigan until paid in

full. Each Co-Owner (whether one or more person or entities) shall be, and remain, personally liable (jointly and severally if the Co-Owner consists of more than one person or entity) for the payment of all assessments pertinent to his Unit which may be levied while such Co-Owner is the owner thereof.

Section 4. No Co-Owner shall be exempt from any assessment levied pursuant to this Article II by reason of his nonuse or waiver of use of any of the Common Elements or by the abandonment of his Unit.

Section 5. The Association shall maintain a reserve fund for major repairs and replacements of Common Elements as required by Section 105 of the Act. The reserve fund shall be at least ten (10%) of the Association's annual budget on a noncumulative basis and may be increased by the Board of Directors. Funds contained in the reserve fund shall be used only for major repairs and replacement of Common Elements. There shall be set aside by the Association by the time of the transitional control date, as defined in Section 10(4) of the Act, an amount equal to at least ten (10%) percent of the assessments levied by the Association prior to the Transitional Control Date. The minimum standard required by this Section may prove to be inadequate for a particular project. The Association of Co-Owners should carefully analyze their Condominium Project to determine if a greater amount should be set aside or if additional reserve funds should be established for other purposes.

Section 6. Pursuant to Section 131 of the Act, special assessments by governmental authorities and real property taxes are to be assessed against the Units identified as such in the Condominium Subdivision Plan and not on the Condominium Premises or any part thereof, except for the year in which the Condominium was established subsequent to the tax day for that year. Real property taxes and special assessments which become a lien against the Condominium premises, or any part thereof, in that year shall be expenses of administration to be assessed against, apportioned among and paid by the Co-Owners in the manner provided in this Article II.

Section 7. Section 132 of the Act provides with respect to mechanic's lien that a construction lien otherwise arising under Act No. 179 of the Public Acts of 1891, being sections 570.1 to 570.30 of the Michigan Compiled Laws, shall be subject to the following limitation set forth below. Act No. 179 of the Public Acts of 1891 has been replaced by the Construction Lien Act P.A. 497 of 1980 as amended, but construction liens remain subject to the following limitations:

"(a) Except as provided in this section a mechanic's (construction) lien for work performed upon a condominium Unit or upon a limited Common Element may attach only to the condominium Unit upon which the work was performed.

"(b) A mechanic's (construction) lien for work authorized by the developer or principal contractor and performed upon the Common Elements may attach only to condominium Units owned by the Developer at the time of recording of the statement of account and lien.

"(c) A mechanic's (construction) lien for work authorized by the Association of Co-Owners may attach to each condominium Unit only to the proportionate extent that the Co-Owner of the condominium Unit is required to contribute to the expenses of administration as provided by the Condominium Documents.

"(d) A mechanic's (construction) lien may not arise or attach to a condominium Unit for work performed on the Common Elements not contracted by the developer or the Association of the Co-Owners."

In the event that a construction lien attaches a Unit or a Common Element with respect to work or materials furnished and contracted for by the Association, the Association shall either cause the mechanic's lien to be removed by bonding, payment, compromise or settlement, or commence a judicial action to contest such lien. Any costs incurred by the Association in connection therewith shall be expenses of administration.

Section 8. All sums assessed by the Association under this Article II shall be subject to, and the Association shall have all rights conferred by, Section 108 and 111 of the Act which provide as follows:

"Sec. 108 (1) Sums assessed to a Co-Owner by the Association of Co-Owners which are unpaid constitute a lien upon the Unit or Units in the project owned by the Co-Owner at the time of the assessment before other liens except tax liens on the condominium Unit in favor of any state or federal taxing authority and sums unpaid on a first mortgage of record except that past due assessments which are evidenced by a notice of lien, recorded as set forth in subsection (3), have priority over a first mortgage recorded subsequent to the recording of the notice of lien. The lien upon each condominium Unit owned by the Co-Owner shall be in the amount assessed against the condominium Unit, plus a proportionate share of the total of all other unpaid assessments attributable to condominium Units no longer owned by the Co-Owner but which became due while the Co-Owner had title to the condominium Units. The lien may be foreclosed by an action or by advertisement by the Association of Co-Owners in the name of the Condominium Project on behalf of the other Co-Owners.

"(2) A foreclosure shall be in the same manner as a foreclosure under the laws relating to foreclosures of real estate mortgages by advertisement or judicial action.

"(3) A foreclosure proceeding may not be commenced without recordation and service of notice of lien in accordance with the following:

"(a) Notice of lien shall set forth:

"(i) The legal description of the condominium Unit of condominium Units to which the lien attaches.

"(ii) The name of the Co-Owner of record thereof.

"(iii) The amounts due the Association of Co-Owners at the date of the notice, exclusive of interest, costs, attorney fees and future assessments.

"(b) The notice of lien shall be in recordable form, executed by an authorized representative of the Association of Co-Owners and may contain other information as the Association of Co-Owners may deem appropriate.

"(c) The notice of lien shall be recorded in the office of register of deeds in the county in which the Condominium Project is located and shall be served upon the delinquent Co-Owner by first class mail, postage prepaid, addressed to the last known address of the Co-Owner at least 10 days in advance of commencement of the foreclosure proceeding.

"(4) The Association of Co-Owners, acting on behalf of all Co-Owners, unless prohibited by the Master Deed or Bylaws, may bid in at the foreclosure sale, and acquire hold, lease, mortgage, or convey the condominium Unit.

"(5) An action to recover money judgments for unpaid assessments may be maintained without foreclosing or waiving the lien.

"(6) An action for money damages and foreclosure may be combined in one action.

"(7) A receiver may be appointed in an action for foreclosure of the assessment lien and may be empowered to take possession of the condominium Unit, if not occupied by the Co-Owner and to lease the condominium Unit and collect and apply the rental therefrom."

"Sec. 111 (1) Upon the sale or conveyance of a condominium Unit, all unpaid assessments against a condominium Unit shall be paid out of the sale price or by the purchaser in preference over any other assessments or charges of whatever nature except the following:

"(a) Amounts due the state, or any subdivision thereof, or any municipality for taxes and special

assessments due and unpaid on the condominium Unit.

"(b) Payments due under a first mortgage having priority thereto.

"(2) A purchaser or grantee is entitled to a written statement from the Association of Co-Owners setting forth the amount of unpaid assessments against the seller or grantor and the purchaser or grantee is not liable for, nor is the condominium Unit conveyed or granted subject to a lien for any unpaid assessments against the seller or grantor in excess of the amount set forth in the written statement. Unless the purchaser or grantee requests a written statement from the Association of Co-Owners as provided in this act, at least 5 days before sale, the purchaser or grantee shall be liable for any unpaid assessments against the condominium Unit together with interests, costs, and attorney fees incurred in the collection thereof."

Any expenses incurred by the Association in collecting unpaid assessments, including interest, costs and attorney's fees and advances for taxes or other liens paid by the Association to protect the Association's lien, shall be chargeable to the Co-Owner in default, and shall be secured by the lien on his Unit.

The Association may also discontinue the furnishing of any services to a Co-Owner in default upon seven (7) days prior written notice to such Co-Owner of its intent to do so. A Co-Owner in default shall not be entitled to a vote at any meeting of the Association so long as such default continues.

Section 9. The Developer shall be deemed to be a Co-Owner with respect to any units owned by the Developer after the date of the recording of the Master Deed and shall be responsible for payment of assessments in accordance with this article, except that prior to the first annual meeting of the condominium Association Developer shall not be required to pay full Association assessments. Instead, the Developer must contribute only its proportionate share of the association's actual expenses.

Section 10. Section 58 of the Act provides that if a mortgagee of a first mortgage of record or other purchaser obtains title to the Condominium Unit as a result of foreclosure of the first mortgage, such person, its successors and assigns, is not liable for Association assessments chargeable to that Unit which became due prior to the acquisition of title to the Unit by such person. The unpaid assessments are deemed to be common expenses collectible from all Co-Owners including such person, its successors and assigns.

ARTICLE III

RESOLUTION OF DISPUTES, CLAIMS OR GRIEVANCE: COMPLIANCE: AND REMEDIES

Section 1. 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 arbitrator's decision as final and binding. The Commercial Arbitration Rules of the American Arbitration Association as amended and in effect from time to time hereafter shall be applicable to such arbitration. At the exclusive option of a purchaser, Co-Owner, or person occupying a restricted unit under section 104b of the Act, a contract to settle by arbitration shall be executed by the developer with respect to any claim that might be the subject of a civil action against the developer, which claim involves an amount less than \$2,500.00, and arises out of or relates to a purchase agreement, condominium unit, or project.

At the exclusive option of the Association of Co-Owners, a contract to settle by arbitration shall be executed by the developer with respect to any claim that might be the subject of a civil action against the developer, which claim arises out of or relates to the common elements of a condominium project, if the amount of the claim is \$10,000.00 or less.

Section 2. No Co-Owners or the Association shall be precluded from petitioning the courts to resolve any such disputes, claims or grievances; provided, however, that election by the parties involved to submit any dispute, claim or grievance to arbitration shall preclude the parties from litigating the dispute, claim or grievance in the courts.

Section 3. All present and future Co-Owners, tenants of a Co-Owner or non-Co-Owner occupant of a Unit or any other persons acquiring an interest in or using the facilities of the Condominium in any manner, shall be subject to, and shall comply with, the Act, the Master Deed, these Condominium Bylaws, and the Article of Incorporation, Corporate Bylaws and Rules and Regulations of the Association. In the event of a conflict between the Act and the Condominium Documents, the Act shall govern and control.

Section 4. In the event of a default by a Co-Owner, the Association shall have all the rights, powers (including the power to make Rules and Regulations implementing Section 105(c) of the Act) and remedies conferred by Section 106 of the Act which provides as follows:

"Sec. 106. A default by a Co-Owner shall entitle the

Association of Co-Owners to the following relief:

"(a) Failure to comply with any of the terms or provisions of the Condominium Documents shall be grounds for relief, which may include without limitations, an action to recover sums due for damages, injunctive relief, foreclosure of lien if default in payment of assessment, or any combination thereof.

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

"(c) Such other reasonable remedies the Condominium Documents may provide including but without limitation the levying of fines against Co-Owners after notice and hearing thereon and the imposition of late charges for non-payment of assessments as provided in the Condominium Bylaws or rules and regulations of the condominium."

Section 5. In addition to the rights, powers and remedies of the Association set forth in Section 106 of the Act, 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; provided, however, that prior to the entry into a Unit the Association shall give the affected Co-Owner at least two (2) days prior written notice of its intent to enter and, if the Co-Owner within the two (2) day period fails to correct such violation, the Association shall thereupon have the right to enter the Unit in accordance with the preceding clause.

Section 6. A Co-Owner shall have the rights and remedies conferred by Section 107 of the Act; provided, however, that in no event shall a Co-Owner in an action commenced by him against the Association or against him by the Association be entitled to recover attorneys' fees. Section 107 provides as follows:

"Sec. 107. A Co-Owner may maintain an action against the Association of Co-Owners and its officers and directors to compel these persons to enforce the terms and provisions of the Condominium Documents. A Co-Owner may maintain an action against any other Co-Owner for injunctive relief or for damages or any combination thereof for noncompliance with the terms and provisions of the Condominium Documents or this act."

Section 7. 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 or the Act shall not constitute a waiver of the right of the Association or any such Co-Owner to enforce such right, provisions, covenant or condition in the future.

Section 8. All rights, remedies and privileges granted to the Association or any Co-Owners pursuant to any terms, provisions, covenants or conditions of the Condominium Documents shall be deemed to be cumulative and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be available to such party at law or in equity.

ARTICLE IV

INSURANCE

Section 1. The Association shall carry fire and extended coverage, vandalism and malicious mischief and liability insurance, and workmen's compensation insurance, if applicable, pertinent to the ownership, use and maintenance of the Common Elements of the Condominium. The Association, at the election of the Board of Directors, may carry other insurance, including cross coverage for damages done by one Co-Owner to another.

Section 2. Insurance carried by the Association pursuant to Section 1 of this Article IV 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 interest may appear, and provision shall be made for the issuance of certificates of mortgagees 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 fixtures, real and personal property located within his Unit or elsewhere on the Condominium and for his personal liability for occurrences within his Unit or upon Limited Common Elements appurtenant to his Unit, and also for alternative living expense in event of fire, and the Association shall have absolutely no responsibility for obtaining such coverages. The Association and all Co-Owners shall use their best efforts to see that all property and liability insurance carried by the Association or any Co-Owner shall contain appropriate provisions whereby the insurer waives its right of subrogation as to any claims against any Co-Owner or the Association.

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

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

(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 of the Project.

Section 3. Each Co-Owner, by ownership of a Unit in the Condominium, shall be deemed to appoint the Association as his true and lawful attorney-in-fact to act in connection with all matters concerning the maintenance of fire and extended coverage, vandalism and malicious mischief, liability insurance and workmen's compensation insurance, if applicable, pertinent to the Condominium, his Unit and the Common Elements appurtenant thereto with such insurer as may, from time to time, provide such insurance for the Condominium. Without limitation on the generality of the foregoing, the Association as said attorney shall have full power and authority to purchase and maintain such insurance, to collect and remit premiums therefor, to collect the proceeds and to distribute the same to the Association, the Co-Owner 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 AND EMINENT DOMAIN

Section 1. If any part of the Condominium property shall be damaged, the determination of whether or not it shall be reconstructed or repaired shall be made in the following manner:

(a) If the damaged property is a Common Element or a Unit, the property shall be rebuilt or repaired if any Unit in the Condominium is tenantable, unless it is determined that the Condominium shall be terminated.

(b) If the Condominium is so damaged that no Unit is tenantable, the damaged property shall not be rebuilt unless seventy-five (75%) percent or more of the Co-Owners in value and in number agree to reconstruct by vote or in writing within ninety (90) days after the destruction.

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 CoOwners shall unanimously decide otherwise.

Section 3. If the damage is only to a part of a Unit which is the responsibility of a Co-Owner to maintain and repair, it shall be the responsibility of a Co-Owner to repair such damage in accordance with Section 4 hereof. In all other cases, the responsibility for reconstruction and repair shall be that of the Association.

Section 4. Each Co-Owner shall be responsible for the reconstruction, repair and maintenance of his Unit. In the event of substantial damage to or destruction of any Unit or any part of the Common Elements, the Association promptly shall so notify each holder of a first mortgage lien on any of the Units in the Condominium.

Section 5. 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 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, assessment shall be made against all Co-Owners for the cost of reconstruction or repair of the damaged property in sufficient amounts to provide funds to pay the estimated or actual cost of repair. The Association shall maintain a reserve fund which, at a minimum, shall be equal to ten (10%) percent of the Association's current annual budget on a non-cumulative basis. The funds contained in the reserve fund shall only be used for major repairs and replacement of Common Elements. The minimum standard required by this section may prove to be inadequate for a particular project. The Association of co-owners should carefully analyze their Condominium Project to determine if a greater amount should be set aside, or if additional funds should be established for other purposes. On the Transitional Control Date as defined in the Act, the reserve account shall be fully

funded and Developer shall be liable for any deficiency in the same as of that date.

Section 6 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 Co-Owner of such Unit shall be entitled to receive the award for such taking and after acceptance thereof, he and his mortgagee shall thereupon be divested of all interest in the Condominium. In addition, the provisions of Section 133(2) of the Act shall control. Section 133(2) of the Act provides as follows:

"(2) If a Condominium Unit is taken by eminent domain, the undivided interest in the Common Elements appertaining to the Condominium Unit shall thenceforth appertain to the remaining Condominium Units, being allocated to them in proportion to their respective undivided interests in the Common Elements. The court shall enter a decree reflecting the reallocation of undivided interests produced thereby, and the award shall include, without limitation, just compensation to the Co-Owner of the condominium Unit taken for his undivided interest in the Common Element as well as for the condominium Unit."

(b) 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 Association on behalf of such Co-Owner unless it is impractical to rebuild or repair such Unit as hereinafter provided, in which event the award shall be paid to the Co-Owner and, upon such payment, the Co-Owner and his mortgagee shall thereupon be divested of all interest in the Condominium. If only a part of a Unit is taken and it is practical to rebuild or repair such Unit and use the same for a lawful purpose permitted by the Condominium Documents, the Association shall rebuild the same as is necessary to make it habitable and remit the balance, if any, of the condemnation proceeds pertinent to such Unit to the Co-Owner thereof. In the event that the award is insufficient to repair or rebuild the Unit, assessments shall be made against all Co-Owners for such repair or rebuilding in amounts sufficient to pay the actual or estimated cost thereof; provided, however, that if the Limited Common Elements specified in the Master Deed must be repaired or rebuilt, the cost of such repair or rebuilding in excess of the condemnation proceeds therefor shall be directly assessable against the Co-Owners of the Unit to which such Limited Common Elements appertain. In addition, the provisions of Sections 133(3) and (4) of the act, as applicable, shall control. Sections 133(3) and (4) of the act provide as follows:

"(3) If portions of a condominium Unit are taken by

eminent domain, the court shall determine the fair market value of the portions of the condominium Unit not taken. The undivided interest for each condominium Unit in the Common Elements appertaining to the condominium Units shall be reduced in proportion to the diminution in the fair market value of the condominium Unit resulting from the taking. The portions of undivided interest in the Common Elements thereby divested from the Co-Owners of a condominium Unit shall be reallocated among the other condominium Units in the Condominium Project in proportion to their respective undivided interests in the common elements. A condominium Unit partially taken shall receive the reallocation in proportion to its undivided interest as reduced by the court under this subsection. The court shall enter a decree reflecting the reallocation of undivided interests produced thereby, and the award shall include just compensation to the Co-Owner of the condominium Unit partially taken for that portion of the undivided interest in the Common Elements divested from the Co-Owner and not reinvested in the Co-Owner pursuant to subsection (4) as well as for that portion of the condominium Unit taken by eminent domain."

"(4) If the taking of a portion of a condominium Unit makes it impractical to use the remaining portion of that condominium Unit for a lawful purpose permitted by the Condominium Documents, then the entire undivided interest in the Common Elements appertaining to the condominium Unit shall thenceforth appertain to the remaining condominium Units, being allocated to them in proportion to their respective undivided interests in the Common Elements. The remaining portion of that condominium Unit shall thenceforth be a Common Element. The court shall enter an order reflecting the reallocation of undivided interests produced thereby, and the award shall include just compensation to the Co-Owner of the condominium Unit for the Co-Owner's entire undivided interest in the Common Elements and for the entire condominium Unit."

(c) Upon the partial or complete taking of a Unit, the provisions of Section 133(5) of the Act shall control, as applicable. Section 133(5) provides as follows:

"(5) Votes in the Association of Co-Owners and liability for future expenses of administration appertaining to a condominium Unit taken or partially taken by eminent domain shall thenceforth appertain to the remaining condominium Units, being allocated to them in proportion to the relative voting strength in the Association of Co-Owners. A condominium Unit partially taken shall receive a reallocation as though the voting strength of the Association of Co-Owners was reduced in proportion to the reduction in the undivided interests in the Common Elements."

(d) If any portion of the Common Elements is taken by eminent domain, the Board of Directors shall determine whether to repair, rebuild or replace the portion so taken or to take such action as is deemed appropriate. Any award for such taking shall be paid to the Association for the benefit of the Co-Owners. In the event that no such affirmative vote is so obtained, the award therefore shall be allocated to the Co-Owners in proportion to their respective undivided interests in the Common Elements. In accordance with Section 133(1) of the Act, the Association, through the Board of Directors, may negotiate on behalf of all Co-Owners for any taking of Common Elements and any negotiated settlement shall be binding on all Co-Owners.

Section 7. The Association shall give any person or institution holding a first mortgage written notice, at such address as it may direct, from time to time, of any loss to or taking of the Common Elements of the Condominium if the loss or taking exceeds \$10,000 in amount.

Section 8. Nothing contained in the Condominium Documents shall be construed to give a Condominium Unit Owner, or any other party, priority over any rights of first mortgagees of Condominium Units pursuant to their mortgages in the case of a distribution to Condominium Unit Owners of insurance proceeds or condemnation awards for losses to or a taking of Condominium Units and/or Common Elements.

ARTICLE VI

RESTRICTIONS

Section 1. No unit in the Condominium shall be used for other than residence purposes and the Common Elements shall be used only for purposes consistent with the use of residences.

Section 2. A Co-Owner may lease his dwelling unit for the same purposes set forth in Section 1 of this Article VI, provided that written approval of such lease transaction is obtained from the Board of Directors of the Association in the same manner required in sales transactions as specified in Section 14 of this Article VI. No rooms in any unit may be rented and no tenant shall be permitted to occupy except under a lease, the initial term of which is at least six (6) months, unless specifically approved in writing by the Association.

Section 3. No improper, unlawful or offensive activity shall be carried on in any dwelling 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.

Section 4. 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 in garages and as provided in duly adopted rules and regulations of the Association. Trash receptacles shall be maintained in areas designated therefor 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.

Section 5. Sidewalks, paths, yards, landscaped areas, driveways, roads, parking areas, balconies and terraces, 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 may be limited to such times and in such manner as the Association shall determine by duly adopted regulations.

Section 6. No house trailers, commercial vehicles, boat trailers, boats, camping trailers, snowmobiles, snowmobile trailers or vehicles used other than for personal transportation may be parked or stored upon the premises of the Condominium unless parked in garages, and then only if such use of a garage does not result in the displacement of automobiles from any garage to other parking places in the Condominium property, or upon such other designated areas set aside for same by the developer. No motorcycles, motorbikes, motor scooter or snowmobiles shall be used on the Condominium premises (except as used for transport to and from the premises), provided, however, that this Section shall in no way limit the Association in the operation of any vehicles necessary to the performance of its responsibilities. 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). No vehicle shall be parked on any part of the condominium premises, except on paved streets, paved driveways and in garages. No vehicles may be parked on paved streets overnight. No Co-Owner and/or their relatives or guests shall be allowed to have and/or use motorized boats on Clear Lake or Round Lake.

Section 7. No Co-Owner shall use, or permit the use by any occupant, agent, employee, invitee, guest or member of his family of any firearms, air rifles, pellet guns, B-B guns, bows and arrows or other similar dangerous weapons, projectiles or devices anywhere on or about the Condominium premises.

Section 8. No advertising shall be displayed which is visible from the exterior of a dwelling unit or on the Common Elements, including but not limited to, "For Rent" or "For Sale" signs, nor shall any advertising sticker, sign, light or any other device of any nature whatever be attached to the glass

surface of any door or window of any dwelling unit.

Section 9. Each Co-Owner shall maintain his dwelling unit and any limited Common Elements appurtenant thereto, in a safe, clean and sanitary condition. Each Co-Owner shall also use due care to avoid damaging any of the Common Elements. 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. Any costs or damages to the Association may be assessed to and collected from the Co-Owner in the manner provided in Article II hereof. No Co-Owner shall be allowed to cut, destroy or trim underbrush or trees which are situated on the common areas.

Section 10. Owners and occupants of dwelling units shall exercise extreme care to minimize noises and in the use of musical instruments, radios, television sets and amplifiers, so as not to disturb the other persons occupying dwelling units.

Section 11. Garage doors shall be kept closed at all times except when necessary for ingress or egress into garages and during times of repair or work in garages.

Section 12. The Association or its duly authorized agents, shall have access to each unit from time to time during reasonable working hours, upon notice to the Co-Owner thereof, as may be necessary for the maintenance, repair or replacements of any of the Common Elements.

Section 13. Reasonable regulations consistent with the Act, the Master Deed and these By-Laws, 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 of the entire Association held as provided in Article I of these By-Laws. All copies of 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 percent (50%) of all Co-Owners in number and in value.

Section 14. Except for a transfer by gift or inheritance to a member of a Co-Owner's household, no Co-Owner may dispose of a dwelling unit or any interest therein by sale or lease without written approval of the Association, which approval shall be obtained in the manner hereinafter provided:

- (a) In the event a Co-Owner desires to sell, rent or lease his dwelling unit, the Association shall have the option to purchase, rent, or lease said unit upon the same conditions

as are offered by the Co-Owner to any third person.

(b) Should the Co-Owner wish to sell, lease or rent his dwelling unit, he shall, before accepting any offer to purchase, sell, lease or rent his dwelling unit, deliver to the Board of Directors of the Association a written notice containing the terms of the offer he has received or which he wishes to accept, name and address of the person(s) to whom the proposed sale, lease or transfer is to be made, and such other information (to be requested within five (5) days from receipt of such notice) as may be required by the Board of Directors.

(c) The Board of Directors, within seven (7) days after receiving such notice, and such supplemental information as is required by the Board of Directors, shall either consent to the transaction specified in said notice, or, by written notice to be delivered to the Co-Owner's dwelling unit (or mailed to the place designated by the dwelling unit owner in his notice), designate the Association, one or more persons who are then Co-Owners, or any person or persons satisfactory to the Board of Directors, who is willing to purchase, lease or rent upon the same terms as those specified in the Co-Owner's notice. The stated designee of the Board of Directors shall have five (5) days from the date of the notice sent by the Board of Directors to make a binding offer to buy, lease, or rent upon the same terms specified in the dwelling unit owner's notice. Thereupon, the dwelling unit owner shall accept such offer. Failure of the Board of Directors to designate such person or persons within said seven (7) day period, or failure of such person or persons to make such an offer within said five (5) day period, shall be deemed as a consent by the Board of Directors to the transaction specified in the dwelling unit owner's notice, and the dwelling unit owner shall be free to make or accept the offer specified in his notice, and sell, lease or rent said interest pursuant thereto to the prospective purchaser or tenant named therein within thirty (30) days after his notice was given.

(d) In the event any sale or lease transaction is consummated between a Co-Owner and any proposed purchaser or lessee upon any basis other than as disclosed to the Association, the Association shall then have the same rights to disapprove the transaction and to furnish a purchaser or lessee (notice of its rights are as expressed immediately above in subsections (a) and (b) of this Section 14), and such right to disapprove and furnish a purchaser shall expire twenty (20) days after the Directors of the Association receive knowledge at a Director's Meeting of the actual terms of the transaction, or one (1) year after consummation of the original transaction, whichever occurs first.

(e) The liability of a Co-Owner under these covenants shall continue, notwithstanding the fact that he may have leased or rented said dwelling unit as provided herein. Every purchaser, tenant, or lessee shall take subject to these By-Laws, the By-Laws of the Association, the Master Deed, as well as the provisions of the "Act".

(f) This section shall not apply to a public or private sale held pursuant to foreclosure of a first mortgage on any dwelling unit; nor shall this section apply to a subsequent sale by the holder of a first mortgage who has acquired title to a dwelling unit by purchase at a sale pursuant to foreclosure of the first mortgage held by it on such dwelling unit.

Section 15. A Co-Owner, including the Developer, desiring to rent or lease a condominium unit, shall disclose that fact in writing to the Association of Co-Owners at least twenty-one (21) days before leasing the condominium unit and shall supply the Association of Co-Owners with a copy of the exact lease form for its review for its compliance with the condominium documents. If Developer proposes to rent condominium units before the transitional control date, it shall notify each Co-Owner in writing. Tenants or non-Co-Owner occupants shall comply with all of the conditions of the condominium documents of the condominium project, and all leases and rental agreements shall so state.

If the Association of Co-Owners determines that the tenant or non-Co-Owner occupant failed to comply with the conditions of the condominium documents, the Association of Co-Owners shall take the following action:

(a) The Association of Co-Owners shall notify the co-owner by certified mail, advising of the alleged violation by the tenant.

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

(c) If, after fifteen (15) days, the Association of Co-Owners believes that the alleged breach is not cured or may be repeated, it may institute on its behalf or derivatively by the Co-Owners on behalf of the Association, an action for eviction against the tenant or non-Co-Owner occupant and simultaneously for money damages in the same action against the Co-Owner and tenant or non-Co-Owner occupant for breach of the conditions of the condominium documents. The relief set forth herein may be by summary proceeding or otherwise. The Association of Co-Owners 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.

When a Co-Owner is in arrearage to the Association of Co-

Owners for assessments, the Association of Co-Owners 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 of Co-Owners. The deductions shall not be a breach of the rental agreement or lease by the tenant.

Section 16. 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 construction and sales period as hereinafter defined, or of the Association in furtherance of its powers and purposes set forth herein and in its Articles of Association and By-Laws as the same may be amended from time to time. During the construction and sales period, the Developer or its agents, are irrevocably authorized permitted and empowered to sell, lease or rent dwelling units to any purchaser or lessee on any terms and conditions as it shall deem appropriate. For the purposes of this Section, the construction and sales period shall be deemed to continue so long as Developer owns any dwelling unit which he offers for sale. Until all dwelling 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, a construction office, model dwelling unit, storage area, reasonable parking incident to the foregoing, and such access to, from and over the project as may be reasonable to enable construction and sale of the entire project by Developer. During the construction and sales period, Developer shall have full right to utilize all or any portion of any dwelling unit for office and sales purposes or any other purposes reasonably incident to the development and sale of the project.

Section 17. No electrical machinery, devices or apparatus of any sort shall be used or maintained in any Unit which causes interference with normal television or radio reception of any other Co-Owners.

Section 18. The Co-Owner of each Unit shall, at his or her own expense, keep such Unit free of tall grass, undergrowth, dead trees, dangerous and/or dead tree limbs, weeds, trash and rubbish, and shall keep such Unit at all times in a neat and attractive condition. In the event the Co-Owner fails to comply with the preceding sentence of this Section, the Association shall have the right, but not the obligation, to go upon such lot and to cut and remove tall grass, undergrowth and weeds, and to remove rubbish and any unsightly or undesirable things and objects therefrom, and to do any other things and perform and furnish any labor necessary or desirable in its judgment to maintain the property in a neat and attractive condition, all at the expense of the Co-Owner of such Unit, which expense shall be payable by such Co-Owner to the Association on demand.

Section 19. In the event a Dwelling or any part thereof is damaged or destroyed by fire, casualty or otherwise, or in the event any improvements upon the Common Elements are damaged or destroyed by casualty or otherwise, the Co-Owner thereof or the Association, as the case may be, shall promptly clear all debris resulting therefrom and commence either to rebuild or repair the damaged improvements or in the case of the Common Elements, to grass over and landscape the land previously underlying the improvements in a manner consistent with the surrounding area.

Section 20. Any repair, rebuilding or reconstruction on account of casualty or other damage to any Unit or Common Element, or any part or parts thereof, shall be substantially in accordance with the plans and specifications for such property and areas as originally constructed or with new plans and specifications approved by the Architectural Review Board.

Section 21. No more than one (1) detached single-family residential Dwelling shall be erected in a Unit. Any accessory structure must be approved by the Architectural Review Board and must be constructed within the Unit. No temporary building, trailer or other structure shall be permitted on any Lot, except the trailers, temporary buildings or barricades which may be permitted during construction of a Dwelling. They shall be removed no later than fourteen (14) days after completion of construction of the Dwelling for which a temporary structure or trailer was intended and shall be permitted for no longer than six (6) months, unless an extension of time is granted by the Architectural Review Board.

Section 22. Notwithstanding any provisions of these restrictions to the contrary, the Developer, its successors, designates, and assigns, reserves the right, until such time as the Developer relinquishes control of the Architectural Review Board as provided hereafter, to amend, modify or grant exceptions or variances from any of the restrictions set forth in this Article II without notice or approval by any Lot Owners of the Development or the Association.

Section 23. Trash shall always be kept in proper receptacles. The receptacles shall not be put out for pickup until the night before pickup is scheduled. The receptacles for trash shall be promptly brought in after pickup is made.

ARTICLE VIII

MORTGAGES

Section 1. Any Co-Owner who mortgages his Unit shall notify the Association of the name and address of the mortgagee, and the Association shall maintain such information in a book entitled "Mortgages of Units." The Association may, at the written request of a mortgagee of any such Unit, report any unpaid assessments due from the Co-Owner of any 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 written request submitted to the Association, any holder of a first mortgage lien on any Unit in the condominium shall be entitled to receive written notification of every meeting of the members of the Association and to designate a representative to attend such meeting.

Section 4. The Association shall give written notification to each mortgagee appearing in said book at least thirty (30) days prior to the effective date of any change in the Condominium Documents of the Condominium Project.

ARTICLE IX

AMENDMENTS

Section 1. These Condominium Bylaws may be amended in the same manner and by the same procedures as the Master Deed may be amended as set forth in Article IX of the Master Deed.

ARTICLE X

COMPLIANCE AND LIABILITY FOR NEGLIGENCE

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 Act, the Act shall govern.

Each Unit Owner is liable for the expense of any maintenance, repair or replacement rendered necessary by his negligence or by that of any member of his family or his or their guests, employees, agents or lessees, but only to the extent that expense is not met by the proceeds of insurance carried by the Association.

If any Unit Owner fails to maintain or repair any part of

his Unit or the Limited Common Elements required to be maintained and repaired by such Unit Owner, or if a Unit Owner becomes liable for maintenance, repair or replacement due to negligent conduct as provided in the foregoing paragraph, and if such maintenance or repair is necessary, in the sole discretion of the Association, to protect the Common Elements, or any other portion of the Condominium Property, and such failure of the Unit owner to maintain or repair continues for a reasonable time after written notice of the necessity of such maintenance or repair has been delivered by the Association to the Unit owner, the Association may levy a special assessment against such Unit Owner for the cost of said maintenance or repair and cause such repairs or maintenance to be made.

ARTICLE XI

DEFINITIONS

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

ARTICLE XII

SEVERABILITY

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

ARTICLE XIII

RIGHTS RESERVED TO DEVELOPER

Any or all of the rights and powers granted or reserved to the Developer in the Condominium Documents or by law, including the right and power to approve or disapprove any act, use, or proposed action or any other matter or thing, may be assigned by it to the Association or any other entity. Any such assignment or transfer shall be made by appropriate instrument in writing in which the assignee or transferee shall join for the purpose of evidencing its consent to the acceptance of such powers and rights and such assignee or transferee shall thereupon have the same rights and powers as herein given and reserved to the Developer.

PREPARED BY:
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St. Joseph, MI 49085
Ph: (616) 983-7712

A FURTHER: COUNTY REGISTER OF DEEDS
THE COMMISSIONER, SUBDIVISION PLAN NUMBER MUST
BE ASSIGNED IN CONSECUTIVE SEQUENCE WHEN A
NUMBER HAS BEEN ASSIGNED TO THE PROJECT. IT
MUST BE PROPERLY SHOWN IN THE TITLE ON THIS
SHEET, THE SURVEYOR'S CERTIFICATE ON SHEET 2,
AND IN THE MASTER DEED.

STARR VALLEY RANCH CONDOMINIUMS

DEVELOPER
STARR VALLEY RANCH, INC.
478 E. WARREN WOODS ROAD
BUCHANAN, MICHIGAN 49107

SURVEYOR & DOCUMENTS
WRIGHTMAN & ASSOCIATES, INC.
920 BROAD STREET
DET. JOSEPH, MICHIGAN 48085

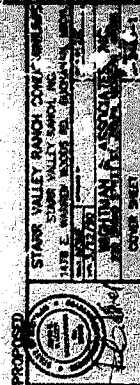
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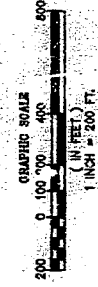
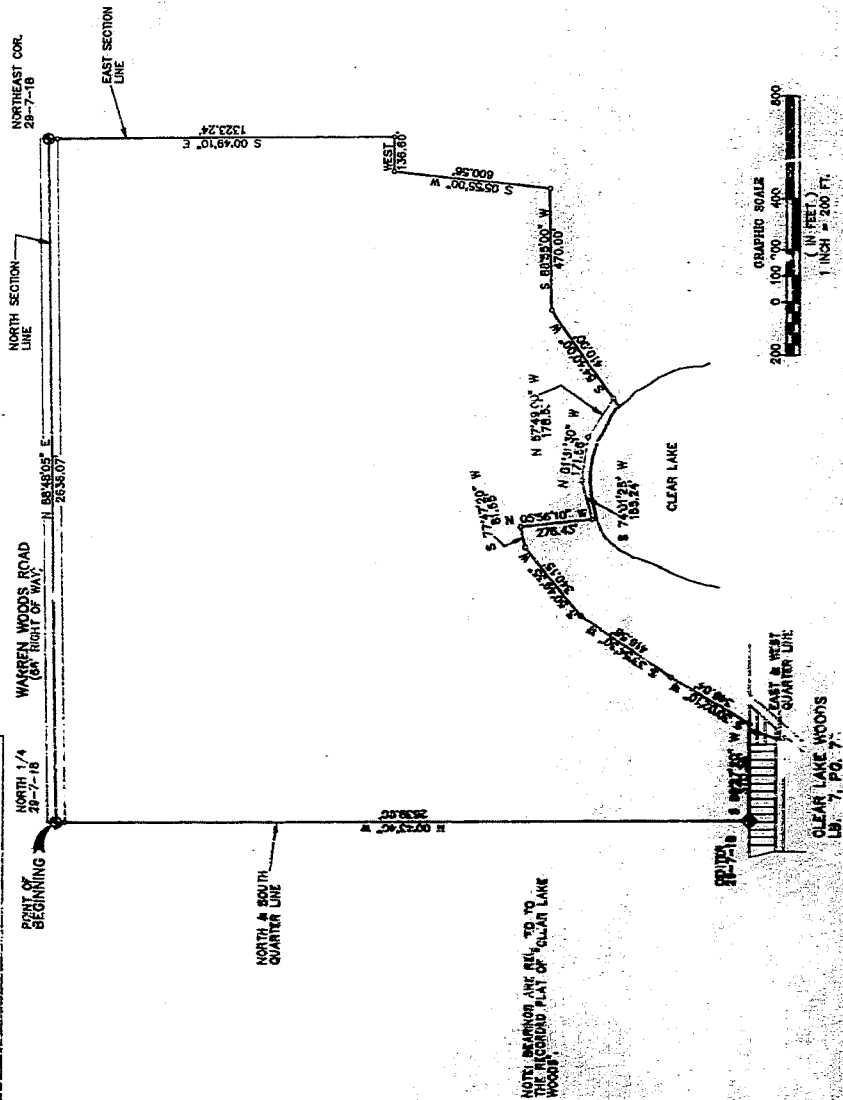
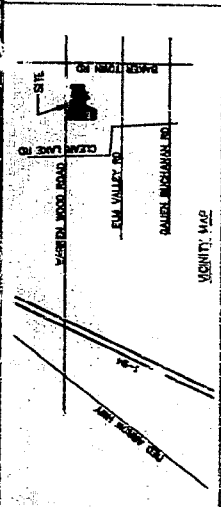
- | | |
|--------------------|----------|
| 1. OVER BIDDY | X-2458-1 |
| 2. SURVEY PLAN | X-2458-2 |
| 3. SITE PLAN | X-2458-3 |
| 4. UTILITY PLAN | X-2458-4 |
| 5. FLOODPLAIN PLAN | X-2458-5 |

PROPERTY DESCRIPTION

[illegible]

SUBJECT TO ANY AND ALL EASEMENTS OF RECORD.





o = MONUMENT

CERTIFICATE

I, JOHN G. KAMER, REGISTERED LAND SURVEYOR OF THE STATE OF MICHIGAN, HEREBY CERTIFY THAT THE SUBDIVISION PLAN KNOWN AS BERRY CREEK SUBDIVISION, BEING A SURVEY, ON THE GROUND MADE UNDER MY SUPERVISION, THAT THERE ARE NO EXISTING ENCROACHMENTS UPON THE LANDS AND PROPERTY HEREIN DESCRIBED; THAT THE FOUR MONUMENTS AND IRON MARKERS HAVE BEEN LOCATED IN THE GROUND AS REQUIRED BY THE RULES PROMULGATED UNDER SECTION 142 OF ACT NO. 59 OF THE PUBLIC ACTS OF 1974; THAT THE ACCURACY OF THIS SURVEY IS WITHIN THE LIMITS REQUIRED BY THE RULES PROMULGATED UNDER SECTION 142 OF ACT NO. 59 OF THE PUBLIC ACTS OF 1974; THAT THE BEARINGS AS SHOWN ARE NOTED ON SURVEY PLAN AS REQUIRED BY THE RULES PROMULGATED UNDER SECTION 142 OF ACT NO. 59 OF THE PUBLIC ACTS OF 1974.

DATE 2-28-90

JOHN G. KAMER, TREASURER
R.L.S. 27449
WIGHTMAN & ASSOCIATES, INC.
3100 GRAND AVENUE, SUITE 100
ST. JOSEPH, MICH. 49085

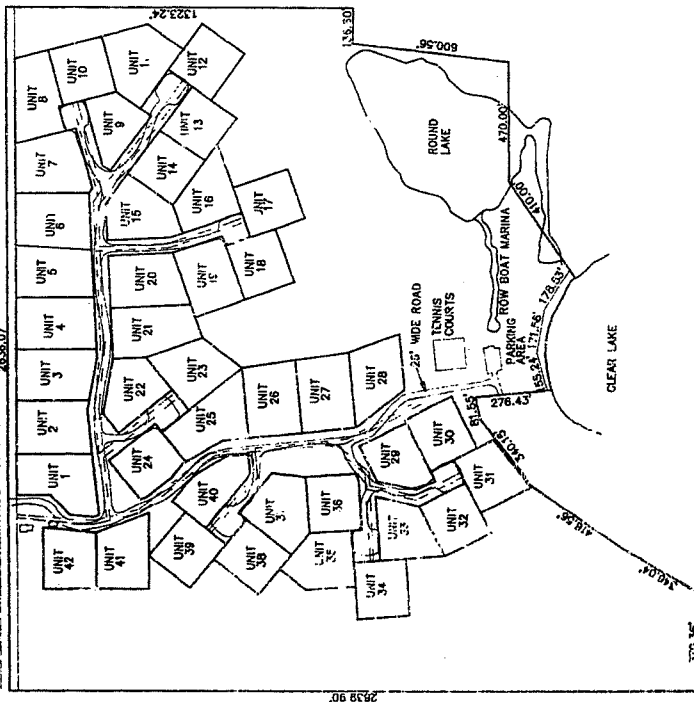


PROPOSED

STAR VALLEY RANCH CO. HOLDINGS
STAR VALLEY RANCH, INC.
1478 E. WARREN WOODS RD.
ST. JOSEPH, MICH. 49085

WIGHTMAN & ASSOCIATES, INC.
3100 GRAND AVENUE, SUITE 100
ST. JOSEPH, MICH. 49085

WARREN WOOD ROAD
2335.07



GENERAL NOTATIONS FOR ALL UNITS

UTILITIES AS SHOWN, INDICATE PROPOSED LOCATION OF FACILITIES.

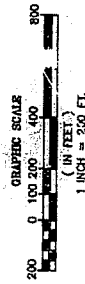
ALL UNITS SHALL BE SERVED WITH WATER BY INDIVIDUAL WELLS ON SITE.

ALL UNITS SHALL BE SERVED WITH SANITARY SEWER BY INDIVIDUAL SEPTIC SYSTEMS ON SITE.

ALL UNITS SHALL BE SERVED WITH POWER BY INDIANA & MICHIGAN POWER COMPANY.

THERE IS NO CABLE TELEVISION AT PRESENT.

THERE IS NO GAS SERVICE TO UNITS



UTILITY LEGEND SOURCE OF LOCATION

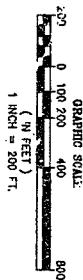
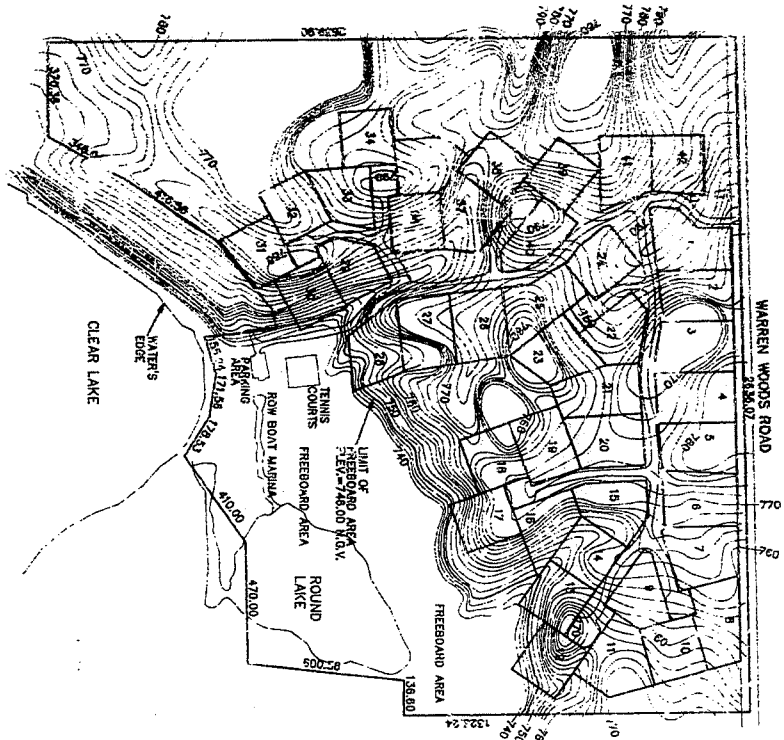
PLANS PREPARED BY THIS OFFICE OR AS INDICATED BY DEVELOPER
PLANS PREPARED BY THIS OFFICE OR AS INDICATED BY DEVELOPER

NOTE: ACCESS AND TRUNK LINES FOR ELECTRICAL AND TELEPHONE MUST BE BUILT.

PROPOSED



STARR VALLEY RANCH CONDOMINIUMS
STARR VALLEY RANCH, INC.
1479 E. WARREN WOODS RD. - BUSHNELL, MO.
10/1/81
MICHIGAN & ASSOCIATES, INC.
600 GRAND STREET, SUITE 200
ANN ARBOR, MI 48106
UTILITY PLAN



BUCHANAN TOWNSHIP DOES NOT PARTICIPATE IN THE FLOOD INSURANCE RATE MAP. NATIONAL FLOOD INSURANCE PROGRAM, THE NATIONAL DEPARTMENT OF NATURAL RESOURCES, U.S. GEOLOGICAL SURVEY, BUREAU OF GEOGRAPHIC NAMES, AND THE U.S. ARMY CORPS OF ENGINEERS, DISTRICT OF COLUMBIA, D.C. 20540, HAVE BEEN USED TO DETERMINE THE FLOOD INSURANCE RATE MAP. AN ESTIMATED FREEDOM LINE BASED ON BEST AVAILABLE INFORMATION IS INDICATED AS 746.00 N.G.V. DATUM.

PROPOSED

STARR VALLEY RANCH CONDOMINIUMS

STARR VALLEY RANCH, INC.
1770 E. WARREN WOODS RD., BUCHANAN, MO. 64601

DESIGNED BY
STARR VALLEY RANCH, INC.

PREPARED BY
STARR VALLEY RANCH, INC.

DATE
12-1-84

SCALE
1" = 200'

EXHIBIT C

Customer Reference: #15223

DESCRIPTION:

The Northeast fractional Quarter of Section 29, Township 7 South, Range 18 West, Buchanan Township, Berrien County, Michigan.

EXCEPTING THEREFROM Commencing 375.9 feet East of the center of said Section 29; thence North $30^{\circ} 40'$ East 346.4 feet; thence North $34^{\circ} 45'$ East 416.4 feet; thence North $51^{\circ} 45'$ East 340.0 feet; thence North $78^{\circ} 43'$ East 203.5 feet; thence South $26^{\circ} 00'$ feet to Clear Lake; thence Southerly, along said Lake, to a point 265.0 feet East of the place of beginning; thence West 265.0 feet; to the place of beginning.

ALSO EXCEPTING THEREFROM Commencing at the East Quarter post of said Section 29; thence West 699.4 feet; thence North $27^{\circ} 30'$ West 286.0 feet; thence North $39^{\circ} 30'$ West 303.0 feet; thence North $54^{\circ} 40'$ East, 410.0 feet; thence North $88^{\circ} 55'$ East 470.0 feet; thence North $5^{\circ} 55'$ East 620.0 feet; thence East 175.0 feet; thence South 1229.0 feet to the place of beginning.

ALSO Commencing 375.9 feet East of the center of said Section 29; thence North $30^{\circ} 40'$ East 346.4 feet; thence North $34^{\circ} 45'$ East 416.4 feet; thence North $51^{\circ} 45'$ East 340.0 feet; thence North $78^{\circ} 43'$ East 82.0 feet to the place of beginning of the parcel of land herein described; thence North $78^{\circ} 43'$ East 121.5 feet; thence South $3^{\circ} 14'$ East to Clear Lake; thence Westerly, along said Lake, to a point that is South $4^{\circ} 07'$ East from the place of beginning; thence North $4^{\circ} 07'$ West to the place of beginning.

EXHIBIT D

AFFIDAVIT OF MAILING

STATE OF MICHIGAN)
)SS
COUNTY OF BERRIEN)

Karen Duymovic, being duly sworn, deposes and says that:

1. She is employed by the legal firm of DeFrancesco & DeFrancesco and acts as secretary to Frank J. DeFrancesco and Rocco M. DeFrancesco, who has performed legal services for the developer of the Starr Valley Ranch Condominiums, Buchanan Township, Berrien County, Michigan.

2. On March 9, 1990, notices were mailed to seven (7) governmental agencies as required by Section 71 of the Michigan Condominium Act. Such notices were sent by First Class Certified Mail, Return Receipt Requested, with postage prepaid. Copies of the cover letters to said agencies are attached hereto.

Further affiant saith not.


Karen Duymovic

Subscribed and sworn to before me this 9th day of March, 1990.


Notary Public, Margaret O'Neill
Berrien County, Michigan
My commission expires: 01-04-93

ROCCY M. DE FRANCESCO
FRANK J. DE FRANCESCO

LAW OFFICES
OF
DE FRANCESCO & DE FRANCESCO

903 MAIN STREET
P.O. BOX 769
ST. JOSEPH, MICHIGAN 49085
TELEPHONE 616-983-7712
FAX (616) 983-6901

NEW BUFFALO OFFICE
139 N. THITTAKER ST.
NEW BUFFALO, MI 49117
TELEPHONE 616-469-0537
FAX 616-469-4603

March 8, 1990

TO: Michigan Department of Commerce, Corporation
and Securities Bureau
Michigan Department of Natural Resources
Michigan Department of Public Health
Donna Newson, Buchanan Township Clerk
Berrien County Road Commission
Berrien County Drain Commissioner
County of Berrien
Michigan Department of Transportation

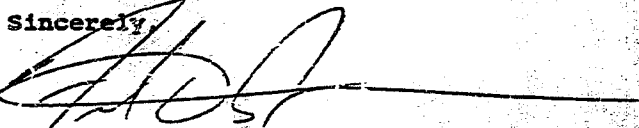
Re: Starr Valley Ranch Condominium; Notice of Proposed Action

Dear Gentlemen/Ladies:

Enclosed for filing, please find the Starr Valley Ranch Condominium Notice of Proposed Action, pursuant to the required notice to governmental agencies governed by Section 71 of the Michigan Condominium Act.

If you require any further information, please contact me at the above address or telephone number or Ronald Berns at 1275 E. Butterfield Road, Ste. 200, Wheaton, IL 60187 (708/690-1800).

Sincerely,



Frank J. DeFrancesco

kd
Enclosures

cc: Ronald Berns
Vincent Solano, Jr.

Notice to Governmental Agencies Pursuant to Section 71
of the Michigan Condominium Act

STARR VALLEY RANCH CONDOMINIUMS
NOTICE OF PROPOSED ACTION

TO: Michigan Department of
Commerce
Corporation and Securities
Bureau
Condominium Division
P.O. Box 30222
Lansing, MI 48909

Michigan Department of
Natural Resources
Steven T. Mason Building
P.O. Box 30028
Lansing, MI 48909

Michigan Department of
Public Health
3500 North Logan Street
P.O. Box 30035
Lansing, MI 48909

Donna Newsom, Clerk
Township of Buchanan
15235 Main Street
Buchanan, MI 49107

Berrien County Road
Commission
2860 E. Napier
Benton Harbor, MI 49022

Berrien County Drain
Commissioner
Berrien County Courthouse
811 Port Street
St. Joseph, MI 49085

County of Berrien
811 Port Street
St. Joseph, MI 49085

Michigan Department of Transportation
P.O. Box 30050
Lansing, MI 48909

Gentlemen:

YOU ARE HEREBY ADVISED AS FOLLOWS:

1. Vincent Solano and Ronald Berns are forming a corporation to develop and sell units in Starr Valley Ranch Condominiums, a site condominium project to be established in the Township of Buchanan, Berrien County, Michigan, upon all or a portion of the following described real estate:

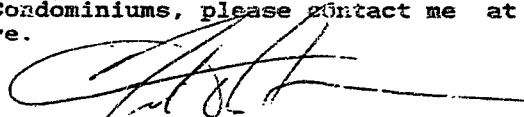
(See attached Exhibit A)

2. This Notice is sent to you pursuant to Section 71 of Act 535 of the Public Acts of 1962. Vincent Solano and Ronald Berns through a development company which shall be formed, will commence taking reservations under preliminary reservation agreements for units in Starr Valley Ranch Condominiums not less than ten (10) days from the date of this letter.

Thereafter, said development company will be recording a Master Deed and beginning construction of Starr Valley Ranch Condominiums.

If you have any questions about the project, desire any additional information, or need to make any communications with respect to Starr Valley Ranch Condominiums, please contact me at the address beneath my signature.

Dated: March 8, 1990



Frank J. DeFrancesco
Roccy M. DeFrancesco
DeFRANCESCO & DeFRANCESCO
Attorneys for Starr Valley
Ranch Development Company
903 Main St., P.O. Box 763
St. Joseph, MI 49085
Ph: (616) 983-7712

Customer Reference: #15223

DESCRIPTION:

The Northeast fractional Quarter of Section 29, Township 7 South, Range 12 West, Buchanan Township, Berrien County, Michigan.

EXCEPTING THEREFROM Commencing 375.9 feet East of the center of said Section 29; thence North 30° 40' East 346.4 feet; thence North 34° 45' East 416.4 feet; thence North 51° 45' East 340.0 feet; thence North 78° 43' East 203.5 feet; thence South 265.0 feet to Clear Lake; thence Southerly, along said Lake, to a point 265.0 feet East of the place of beginning; thence West 265.0 feet; to the place of beginning.

ALSO EXCEPTING THEREFROM Commencing at the East Quarter post of said Section 29; thence West 699.4 feet; thence North 27° West 286.0 feet; thence North 39° 30' West 303.0 feet; thence North 54° 40' East, 410.0 feet; thence North 88° 55' East 470.0 feet; thence North 5° 55' East 620.0 feet; thence East 175.0 feet; thence South 1329.0 feet to the place of beginning.

ALSO Commencing 375.9 feet East of the center of said Section 29; thence North 30° 40' East 346.4 feet; thence North 34° 45' East 416.4 feet; thence North 51° 45' East 340.0 feet; thence North 78° 43' East 82.0 feet to the place of beginning of the parcel of land herein described; thence North 78° 43' East 121.5 feet; thence South 3° 14' East to Clear Lake; thence Westerly, along said Lake, to a point that is South 4° 07' East from the place of beginning; thence North 4° 07' West to the place of beginning.

EXHIBIT A

LAW OFFICES
OF
DE FRANCESCO & DE FRANCESCO

903 MAIN STREET

P.O. BOX 789

ST. JOSEPH, MICHIGAN 49085

TELEPHONE 616-983-7712

FAX (616) 983-6901

ROCCY M. DE FRANCESCO
FRANK J. DE FRANCESCO

NEW BUFFALO OFFICE
136 N. WHITTAKER ST.
NEW BUFFALO, MI 49117
TELEPHONE 810-460-0507
FAX 810-460-4603

March 8, 1990

State of Michigan
Department of Commerce
Corporation and Securities Bureau
6546 Mercantile Way
P.O. Box 30222
Lansing, MI 48909

Re: Starr Valley Ranch Condominiums

Gentlemen:

Enclosed for filing with the Department of Commerce, Corporation and Securities Bureau, please find the Notice of Intent to Establish Condominium Project. If there is any other information you require, please let me know.

Sincerely,



Frank J. DeFrancesco

kd
Enclosures

cc: Ronald Berns
Vincent Solano, Jr.

NOTICE OF INTENT TO ESTABLISH CONDOMINIUM PROJECT

Under Act 1978 P.A. 53, as Amended, Section 71

"Sec. 71. Not less than 10 days before taking reservations under a preliminary reservation agreement for a unit in a condominium project, recording a master deed for a project, or beginning construction of a project which is intended to be a condominium project at the time construction is begun, whichever is earliest, a written notice of the proposed action shall be provided to each of the following:

- (a) The appropriate city, village, township, or county.
- (b) The appropriate county road commission and county drain commission.
- (c) The administrator.
- (d) The department of natural resources.
- (e) The department of public health.
- (f) The state transportation department."

1. Project Name: Starr Valley Ranch Condominiums
2. Maximum number of units proposed: 54 (fifty-four)
3. Name and address of Developer:

Vincent Solano and Ronald Berns
1275 E. Butterfield Rd.,
Suite 200
Wheaton, IL 60187
4. Names and address of Condominium Subdivision Plan Preparation Firm:

Wightman & Assoc., Inc.
920 Broad Street
St. Joseph, MI 49085
5. Provide a sketch or drawing showing the location of your project, and its proximity to floodplains of lakes, rivers, streams or drains. (Be sure to include the names of all streets which would aid someone who is not familiar with the area in locating the project.)

(See attached copy of the Vicinity Map and proposed Site Plan)

6. Provide legal Description of Property:

(See attached Exhibit A)

7. State whether developer is a corporation, partnership, proprietorship or joint venture:

The owners of the property, Ronald Berns and Vincent Solano, Jr. are in the process of establishing a development company.

State name and address of the principal corporate officer, general partner, or proprietor of the developer, responsible for the administration of this project:

Ronald Berns
1275 E. Butterfield Road
Suite 200
Wheaton, IL 60187

Vincent Solano, Jr.
1275 E. Butterfield Road
Suite 200
Wheaton, IL 60187

8. Nature of the Project:

New Construction ☒ Conversion ☐ Rehabilitation ☐

(For this purpose, "Rehabilitation" is defined as a project in which there is to be a substantial renovation of the structure for the purpose of adapting to other use.)

B. Type: Commercial (state expected use):

Residential ☒ Mobile Home ☐ Marina ☐ Resort ☐
Campground ☐ Other (describe):

C. Proposed Amenities (describe):

Access to two (2) fresh water lakes and tennis courts.

D. Any time-share units in project? Yes ☐ No ☒

9. Developer's interest in property? Owner

10. Construction Information (give name and address):

General Contractor: Ronald Berns and Vincent Solano are forming a corporation to be the general contractor.

Construction plan prepared by: Corporation to be formed.

11. Location where architectural plans will be filed, pursuant to Section 73(4): Buchanan Township.

12. Escrow Agency (name and address): Harbor Country Bank
3 N. Elm Street
Three Oaks, MI 48826

A. Deposit prior to conveyance (Section 99 and 100):


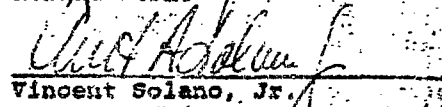
Ten (10%) percent of purchase price.

B. Deposit after conveyance, if required (Section 103(b)):

Not applicable.

Date: March 8, 1990

OWNERS:


Ronald Berns

Vincent Solano, Jr.

MUST BE SIGNED BY OFFICER,
PARTNER OR PROPRIETOR

Return to:

State of Michigan
Department of Commerce
Corporation & Securities
Bureau
6546 Mercantile Way
P.O. Box 30222
Lansing, MI 48909

Customer Reference: #15223

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EXCEPTING THEREFROM Commencing 375.9 feet East of the center of said Section 29; thence North 30° 40' East 346.4 feet; thence North 34° 45' East 416.4 feet; thence North 51° 45' East 340.0 feet; thence North 78° 43' East 203.5 feet; thence South 265.0 feet to Clear Lake; thence Southerly, along said Lake, to a point 265.0 feet East of the place of beginning; thence West 265.0 feet; to the place of beginning.

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EXHIBIT A