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EXHIBIT A

**CONSOLIDATING CONDOMINIUM BYLAWS
OF
THE VILLAGES OF OSCODA**

ARTICLE I
ASSOCIATION OF CO-OWNERS



Section 1. DEFINITION. THE VILLAGES OF OSCODA, a residential condominium project located in the Township of Oscoda, Iosco County, Michigan, shall be administered by an association of Co-owners which shall be a non-profit corporation, hereinafter called the "Association," organized under the applicable laws of the State of Michigan, and responsible for the management, maintenance, operation and administration of the Common Elements and the affairs of the Condominium Project in accordance with the Master Deed, these Bylaws, the Articles of Incorporation, the Association Bylaws, the Rules and Regulations, and the laws of the State of Michigan. All Co-owners or Persons acquiring any interest in any Unit, and all Persons using or entering upon the Common Elements, shall be subject to the provisions and terms set forth in the aforesaid Condominium Documents.

Section 2. MEMBERSHIP AND VOTING: Membership in the Association and voting by Members shall be in accordance with the following provisions:

(a) Each Co-owner shall be a Member and no other Person 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.

(c) Except as limited in these Bylaws, each Co-owner shall be entitled to one vote for each Unit owned. The Developer shall vote for those Units that may be created in the Condominium Project subject to Article I, Section 7.

(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 to the Association. No Co-owner, other than the Developer, shall be entitled to vote prior to the First Annual Meeting of Members held in accordance with Article I, Section 7. The vote of each Co-owner may only be cast by the individual representative designated by such Co-owner in the notice required in subparagraph (e) below or by a proxy given by such individual representative.

(e) Each Co-owner shall file a written notice with the Association designating the individual representative who shall vote at meetings of the Association and receive all notices and other communications from the Association

on behalf of such Co-owner. Such notice shall state the name and address of the individual representative designated, the number or numbers of the Unit or Units owned by the Co-owner, and the name and address of each Person who is the Co-owner. Such notice shall be signed and dated by the Co-owner. The individual representative designated may be changed by the Co-owner at any time by filing a new notice in the manner herein provided.

(f) There shall be an annual meeting of the Members commencing with the First Annual Meeting held as provided in Article 1, Section 7. Other meetings may be provided for in the Association Bylaws. Notice of time, place and subject matter of all meetings, as provided in the Association Bylaws, shall be given to each Co-owner by mailing the same to each individual representative designated by the respective Co-



owners at least fifteen (15) days in advance of such meetings.

(g) The presence in person or by proxy of twenty-five (25%) percent of the Co-owners qualified to vote shall constitute a quorum for holding a meeting of the Members, except for voting on questions specifically required herein to have a greater quorum. The written vote of any Person furnished at or prior to any duly called meeting at which such Person is not otherwise present in person or by proxy shall be counted in determining the presence of a quorum with respect to the question upon which such vote is cast.

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

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

(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. BOOKS AND RECORDS. The Association shall keep detailed books of account in accordance with Section 57 of 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 incurred by or on behalf of the Association and the Co-owners. Such accounts and all other Association records shall be open for inspection by the Co-owners and their mortgagees during reasonable working hours. The Association shall prepare and distribute financial statements to each Owner at least once a year. The books of account shall be audited at least annually by qualified independent auditors; provided, however, that such auditors need not be certified public accountants nor does such audit need to be a certified audit.

Any institutional holder of a first mortgage lien on any Unit shall be entitled to receive a copy of the Association's annual financial statements within 90 days following the end of the Association's fiscal year upon request. Any accounting expenses shall be expenses of administration. The Association shall keep current copies of the Master Deed, and all amendments to the Master Deed and other Condominium Documents, available at reasonable hours for Co-owners, and prospective purchasers and mortgagees of Units.

Section 4. BOARD OF DIRECTORS; POWERS. The affairs of the Association Shall be governed by a Board of Directors, all of whom shall serve without compensation and must be Members, except for the first Board and any successors thereto elected by the Developer prior to the Transitional Control Date, determined pursuant to Article I, Section 7. The number, terms of office, manner of election, removal and replacement, meetings, quorum and voting requirements, and other duties or provisions of or relating to Directors, not inconsistent with the following, shall be provided by the Association Bylaws. Directors shall not be compensated.



Unless otherwise expressly provided, all actions permitted or required to be undertaken by the Association pursuant to the Condominium Documents shall be the responsibility of and carried out by the Board of Directors on the Association's behalf.

(a) The Board 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 or set forth in the Association Bylaws, the Board shall be responsible specifically for the following:

(i) Management and administration of the affairs and maintenance of the Condominium Project and the Common Elements.

(ii) To collect assessments from the Co-owners and use the proceeds thereof for the purposes of the Association.

(iii) To carry insurance, and collect and allocate the proceeds thereof.

(iv) To rebuild improvements after casualty.

(v) To contract for and employ Persons to assist in the management, operation, maintenance and administration of the Condominium.

(vi) To acquire, maintain, improve, buy, manage, operate, sell, convey, assign, mortgage or lease any real or personal property (including any Unit, and easements, right-of-ways and licenses) on behalf of the Association in furtherance of any of the purposes of the Association.

(vii) To borrow money and issue evidence of indebtedness in furtherance of any and all of the purposes of the business of the Association, and to secure the same by mortgage, pledge or other lien on property owned by the Association with the consent of the Developer during the Sales Period.

(viii) To make Rules and Regulations in accordance with Article VI and Article VII of these Bylaws.

(ix) To establish the Architectural Control Committee ("ACC"), and such other committees as it deems necessary, convenient or desirable, and appoint Persons thereto for the purpose of implementing the administration of the Condominium, and delegate to such committees any functions or responsibilities which are not by law or the Condominium Documents required to be performed



by the Board.

(x) To make Rules and Regulations, and/or enter into agreements with institutional lenders, the purpose of which is to obtain mortgage financing for Co-owners which is acceptable for purchase by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Government National Mortgage Association and/or any other agency of the federal government or the State of Michigan.

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

(xii) To establish, at the Board's discretion, additional maintenance services to be provided to Multi-Family Buildings and to assess the benefited Co-owners the respective additional amounts to pay for such additional maintenance services.

(b) The Association may provide for independent management of the Condominium Project. Any service contract which exists between the Association, and the Developer or any affiliate of the Developer, and any management contract with the Developer or any affiliate of the Developer, is voidable by the Board on the Transitional Control Date or within ninety (90) days thereafter, and on thirty (30) days notice at any time thereafter for cause. To the extent that any management contract extends beyond one (1) year after the Transitional Control Date, the excess period under the contract may be voided by the Board by notice to the management agent at least thirty (30) days before the expiration of the one (1) year.

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

Section 5. ASSOCIATION OFFICERS. The Association Bylaws shall provide the designation, number, terms of office, qualification, manner of election, duties, removal and replacement of the officers of the Association, and may contain any other provisions pertinent to officers of the Association in furtherance of the provisions and purposes of the Condominium Documents, and not inconsistent therewith. Officers shall not be compensated.

Section 6. INDEMNITY OF DIRECTORS AND OFFICERS. Every Director and officer of the Association shall be indemnified by the Association against all expenses and liabilities, including attorneys' fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party or in which he may become involved by reason of his being or having been a director or officer of the Association, whether or not he is a Director or officer at the time such expenses are incurred, except in such cases wherein the Director or officer is adjudged guilty of willful or wanton misconduct, gross negligence or bad



faith 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 (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. Ten (10) days prior to payment of any indemnification which it has approved, the Board shall notify all Co-owners thereof.

Section 7. MEETINGS OF CO-OWNERS. The first annual meeting of the Members may be convened only by the Developer and may be called, in the Developer's discretion, at any time. Within 120 days after twenty-five percent (25%) of all Units that may be created have been sold, and the purchasers thereof qualified as Members, the Developer must call a meeting and at least one Director and not less than twenty-five percent (25%) of the Board shall be elected by Non-Developer Co-owners. Not later than 120 days after conveyance of legal or equitable title to Non-Developer Co-owners of fifty percent (50%) of all Units that may be created, not less than thirty-three and one-third percent of the Board shall be elected by Non-Developer Co-owners. Not later than 120 days after conveyance of legal or equitable title to non-developer Co-owners of seventy-five percent (75%) of all Units that may be created, and before conveyance of ninety percent (90%) of all Units that may be created, Non-Developer Co-owners shall elect all Directors, 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 ten percent (10%) of all Units that may be created. Notwithstanding the formula provided above, 54 months after first conveyance of legal or equitable title to a non-developer Co-owner of a Unit, if title to seventy-five percent (75%) of all Units that may be created has not been conveyed, Non-Developer Co-owners have the right to elect the number of Directors 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 Directors equal to the percentage of Units which are owned by 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 for Non-Developer Co-owners. There is no requirement that there be a change in the size of the Board as determined in the Condominium Documents because of this Section. If the calculation of the percentage of Directors that Non-Developer Co-owners have the right to elect under this Section, or the product of the number of Directors multiplied by the percentage of Units held by the Non-Developer Co-owners, results in a right of Non-Developer Co-owners to elect a fractional number of Directors, 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 Directors the non-developer Co-owners have the right to elect. After the application of this formula, the Developer shall have the right to elect the remaining Directors; provided, however, nothing shall eliminate the right of the Developer to designate one (1) Director as provided in this Section.

Section 8. ADVISORY COMMITTEE.

Section 8 has been deleted as it is no longer necessary.

ARTICLE II ASSESSMENTS



Section 1. PERSONAL PROPERTY TAXES. The Association shall be assessed as the Person 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. EXPENSES OF ADMINISTRATION. All costs incurred by the Association in satisfaction of any liability arising within, caused by or in connection with the Common Elements or the administration of the Condominium shall be expenses of administration within the meaning of Section 54 of the Act, and all sums received as proceeds of or pursuant to any policy of insurance carried by the Association securing the interests of the Co-owners against liabilities or losses arising within, caused by or connected with the Common Elements or the administration of the Condominium shall be receipts of administration.

Section 3. TYPES OF ASSESSMENTS. There shall be two (2) types of assessments: (a) Base Assessments to fund Common Expenses for the benefit of all Co-owners; and (b) Special Assessments as described in Article II, Section 5.

Base Assessments shall be levied equally on all Units. Special Assessments shall be levied as provided in Article II, Section 5.

Section 4. COMPUTATION OF BASE ASSESSMENTS. At least sixty (60) days before the beginning of each fiscal year, the Board shall prepare a budget covering estimated Common Expenses during the coming year. The budget shall include a capital contribution establishing a reserve fund in accordance with a budget separately prepared.

The Base Assessment to be levied on each Unit for the coming year shall be set at a level reasonably expected to produce total income to the Association equal to the total budgeted Common Expenses, including a reasonable allowance for contingencies and reserves. The Association shall maintain a reserve fund which, at a minimum, shall be equal to ten percent (10%) of the Association's current annual budget on a non-cumulative basis. The reserve fund shall be used for major repairs and replacement of those Common Elements which must be replaced on a periodic basis. This reserve fund shall be funded by the time of the Transitional Control Date, and the Developer shall be liable for any deficiency in this minimum amount at the Transitional Control Date. The minimum standard required may prove to be inadequate for the Project. The Association should carefully analyze the Project to determine if a greater amount should be set aside or if additional reserve funds should be established for other purposes. In determining the level of assessments, the Board, in its discretion, may consider other sources of funds available to the Association. In addition, the Board shall take into account the number of Units subject to assessment on the first day of the fiscal year for which the budget is prepared and the number of Units reasonably anticipated to become subject to assessment during such fiscal year.

The Board shall cause a copy of the budget and notice of the amount of the Base Assessment to be levied on each Unit for the coming year to be delivered to each Co-owner at least thirty (30) days prior to the beginning of such year, although failure to deliver a copy of such budget to each Co-owner shall not affect the liability of any Co-owner for any existing or future assessments. Such budget and assessment shall become effective unless disapproved by a ma-



majority of all of the Co-owners at a meeting of the Co-owners and by the Developer during the Sales Period. There shall be no obligation to call a meeting for the purpose of considering the budget except on a petition of the Co-owners as provided for special meetings in the Association Bylaws, which petition must be presented to the Board within ten (10) days of delivery of the notice of assessments.

If the proposed budget is disapproved or the Board fails for any reason so to determine the budget for any year, then and until such time as a budget is determined as provided herein, the budget in effect for the immediately preceding year shall continue for the current year.

Should the Board at any time determine, in the sole discretion of the Board: (1) that the Base Assessments levied are or may prove to be insufficient to pay the costs of operation and management of the Condominium, (2) to provide for the replacement of existing Common Elements, (3) to provide additions to the Common Elements, or (4) in the event of emergencies, the

Board shall have the authority to increase the Base Assessment or levy such Special Assessment or Assessments as it shall deem to be necessary.

Section 5. SPECIAL ASSESSMENTS.

(a) Entire Membership. The Association acting through its Board of Directors may levy Special Assessments from time to time with the written consent of the Developer during the Sales Period. The Special Assessment shall be deemed approved by the Co-owners unless at a meeting of the Co-owners said Special Assessment is revoked by a vote of more than fifty percent (50%) of all Co-owners. Special Assessments pursuant to this paragraph shall be payable in such manner and at such times as determined by the Board, and may be payable in installments extending beyond the fiscal year in which the Special Assessment is approved, if the Board so determines.

(b) Multi-Family Dwelling/Building Additional Regular Maintenance. The Association may levy a Special Assessment against the Co-owners of Multi-Family Units to reimburse the Association for additional regular maintenance expenses for the Units contained in Multi-Family Buildings, including but not limited to snowplowing, driveway maintenance, and building maintenance, if in the Association's sole discretion it determines to be in the best interests of the Association and the Co-owners of Multi-Family Buildings to have the additional regular maintenance performed by the Association, any assessment levied for additional regular maintenance shall be included with the base assessments and shall be adjusted to reimburse the Association for all expenses incurred by the Association in performing such additional regular maintenance for a specific Multi-Family Building.

(c) Less Than All Members. The Association may levy a Special Assessment against any Co-owner individually and against such Co-owner's Unit to reimburse the Association for expenses incurred in bringing such Co-owners Unit into compliance with the provisions of the Master Deed, these Bylaws, or the Association's Rules and Regulations, which Special Assessment may be levied upon Board vote after notice to such Co-owner and opportunity for a hearing.

Section 6. GOVERNMENTAL SPECIAL ASSESSMENTS AND REAL



PROPERTY TAXES. Special assessments and property taxes shall be assessed against the individual Units and not on the total property of the Project or any other part thereof, except for the year in which the Condominium Project was established subsequent to the tax date. Special assessments and property taxes in any year in which the property existed as an established Condominium Project on the tax date shall be assessed against the individual Units notwithstanding any subsequent termination of the Condominium Project. Units shall be described for such purposes by reference to the Condominium Unit number on the Condominium Subdivision Plan and the caption thereof, together with the liber and page of the county records in which the approved Master Deed is recorded. Any assessments for subsequent real property improvements to a specific Condominium Unit shall be assessed to such Unit only. For property tax and

Special Assessment purposes, each Unit shall be treated as a separate single unit of real property, and shall not be combined with any other Unit, and no assessment of any fraction of any Unit or combination of any Unit with other Units or fractions thereof shall be made, nor shall any division or split of the assessment or taxes on any Unit be made notwithstanding separate or common ownership thereof.

The Developer shall be responsible for payment of a portion of actual Association expenses for accounting and legal fees, public liability and casualty insurance, utility maintenance, grounds maintenance and recreational amenities incurred during the Sales Period based on the number of Units held by the Developer. Notwithstanding anything to the contrary contained herein, however, the Developer shall never be liable for any assessment levied in whole or in part to purchase any Unit from the Developer or to finance any litigation or other claims against the Developer, or any cost of investigating and preparing such claim or litigation, or any similar or related cause.

Section 7. PAYMENT OF ASSESSMENTS. All Assessments levied against the Co-owners to cover expenses of administration shall be apportioned among and paid by the Co-owners without increase or decrease for the existence of any rights to the use of Limited Common Elements appurtenant to a Unit. Base Assessments shall be payable by Co-owners in monthly installments, payable on the first day of each month, commencing with the acceptance of a deed to any Unit or 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 highest rate allowed by law until paid in full. In addition, a late fee to be determined by the Board shall be added to all assessments not paid within ten (10) days of the due date. Each Co-owner (whether one or more Persons) shall be and remain personally liable for the payment of all assessments, and all costs and attorneys' fees incurred by the Association to collect such delinquent assessments, pertinent to his Unit which may be levied while such Co-owner is the owner thereof.

Section 8. NO EXEMPTIONS. No Co-owner may exempt himself from liability for his contribution toward the expenses of administration by waiver of the use or enjoyment of any of the Common Elements or by abandonment of his Unit.

Section 9. ENFORCEMENT OF COLLECTION. The Association may enforce collection of delinquent assessments as follows:

- (a) Sums assessed to a Co-owner by the Association which are unpaid constitute a lien upon the Unit(s) owned by such Co-owner at the time of such assessment



before other liens except tax liens on such Unit(s) 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 Section 108(3) of the Act, have priority over a first mortgage recorded subsequent to the recording of such Notice of Lien. The lien upon such Unit(s) shall be in the amount assessed against such Unit(s), plus a proportionate share of the total of all other unpaid assessments

attributable to other Units, but which became due while such Co-owner had title to such Units. The lien may be foreclosed by judicial action or by advertisement by the Association in the name of the Condominium Project on behalf of the other Co-owners, and all Co-owners consent to the right of the Association to foreclose the lien for delinquent assessments by advertisement and to sell the same at a foreclosure sale.

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

(c) A foreclosure proceeding may not be commenced without recordation and service of a Notice of Lien in accordance with the following:

(i) A Notice of Lien shall set forth the legal description of the Unit(s) to which such lien attaches, the name of the Co-owner of record thereof, and the amounts due the Association at the date of such Notice, exclusive of interest, costs, late fees, attorneys' fees and future assessments.

(ii) The Notice of Lien shall be in recordable form, executed by an authorized representative of the Association, and may contain such other information as the Association may deem appropriate.

(iii) The Notice of Lien shall be recorded in the office of the Register of Deeds for Iosco County, Michigan, and shall be served on the delinquent Co-owner by first class mail, postage prepaid, addressed to the last known address of such Co-owner, at least ten (10) days in advance of commencement of the foreclosure proceeding.

(d) The Association, acting on behalf of all the Co-owners, may bid in at the foreclosure sale, and acquire, hold, lease, mortgage or convey the Unit.

(e) An action to recover a money judgment for unpaid assessments may be maintained without foreclosing or waiving the lien.

(f) Actions for money damages and foreclosure may be combined in one action.

(g) A receiver may be appointed in an action for foreclosure of the assessment lien and may be empowered to take possession of the Unit, if not occupied by the Co-owner, and to lease such Unit, and collect and apply rents therefrom.

Section 10. MORTGAGEE RIGHTS ON FORECLOSURE. Notwithstanding any



other provision of the Condominium Documents, the holder of any first mortgage covering

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

Section 11. SALE OF A UNIT. Upon sale or conveyance of a Unit, all unpaid assessments, including interest, late charges, fines, costs, and attorney fees against such 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, any subdivision thereof or any municipality for taxes and Special Assessments due and unpaid on such Unit.

(b) Payments due under a first mortgage having priority thereto. A purchaser or grantee is entitled to a written statement from the Association setting forth the amount of unpaid assessments, including interest, late charges, fines, costs, and attorney fees against the seller or grantor, and the purchaser or grantee is not liable, nor is the Unit conveyed or granted subject to a lien, for any unpaid assessments, including interest, late charges, fines, costs, and attorney fees against such seller or grantor in excess of those set forth in such written statement. Unless such purchaser or grantee requests a written statement from the Association as provided in the Act, at least five (5) days before the sale, such purchaser or grantee shall be liable for any unpaid assessments against such Unit, together with interest, costs and attorneys' fees incurred in the collection thereof.

ARTICLE III ARBITRATION

Section 1. SUBMISSION OF DISPUTES, CLAIMS AND GRIEVANCES. Disputes, claims or grievances arising out of, or relating to interpretation or 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 dispute, claim or grievance, and written notice to the Association, be submitted to arbitration, and the parties thereto shall accept the arbitrator's decision as final and binding. The Commercial Arbitration Rules of the American Arbitration Association as amended and in effect from time to time hereafter shall be applicable to any such arbitration. Any hearing under this arbitration provision shall be conducted in Oscoda, Michigan.

Section 2. RESOLUTION BY COURT ACTION. No Co-owner or the Association shall be precluded from petitioning any proper court to resolve any such dispute, claim or grievance.



Section 3. PROHIBITION OF COURT ACTION. Election by any Co-owner or the Association to submit any such dispute, claim or grievance to arbitration shall preclude such parties from litigating such dispute, claim or grievance in a court.

Section 4. ASSOCIATION MUST BE PARTY. Actions on behalf of and against the Co-owners shall be brought in the name of the Association. The Association may assert, defend or settle claims on behalf of all Co-owners in connection with the Common Elements or the Units.

ARTICLE IV INSURANCE

Section 1. ASSOCIATION INSURANCE. The Association or its duly authorized agent shall have authority to and shall obtain all-risk insurance, if reasonably available, for all insurable improvements on the Common Elements. If all-risk coverage is not reasonably available, then at a minimum an insurance policy providing fire and extended coverage shall be obtained. This insurance shall be in an amount sufficient to cover full replacement cost of any repair or reconstruction in the event of damage or destruction from any insured hazard.

The Board shall also obtain a public liability policy covering the Common Elements, the Association and the Co-owners for all insurable damage or injury caused by negligence of the Association, any of its agents or employees, or any Co-owner. The public liability policy shall have at least a One Million Dollar (\$1,000,000) limit per occurrence with regard to bodily injury and property damage, and a Two Million Dollar (\$2,000,000) aggregate limit, if reasonably available.

Premiums for all insurance on the Common Elements shall be Common Expenses and shall be included in the Base Assessments as more particularly described in Article II, Section 4. The policies may contain a reasonable deductible and, in the case of property insurance, the amount thereof shall not be subtracted from the face amount of the policy in determining whether the insurance at least equals full replacement cost. The deductible shall be paid by the party that would be liable for loss or repair in the absence of insurance, and, in the event of multiple parties, shall be allocated in relation to the amount each party's loss bears to the total.

All insurance coverage obtained by the Association shall be written in the Association's name as trustee for the respective benefited parties, as further identified in subsection (b) below. Such insurance shall be governed by the provisions hereinafter set forth:

(a) All policies shall be written with a company authorized to do business in Michigan that holds a Best's rating of A or better, and is assigned a financial size category of XI or larger as established by A.M. Best Company, Inc., if reasonably available, or, if not available, the most nearly equivalent rating available.

(b) All policies on the Common Elements shall be for the benefit of the Association, the Co-owners, and their mortgagees, in each case as their interests may appear.

(c) Exclusive authority to adjust losses under policies obtained by the



Association on the Common Elements shall be vested in the Board; provided, however, that no mortgagee having an interest in such losses may be prohibited from participating in settlement negotiations, if any, related thereto.

(d) In no event shall the insurance coverage obtained and maintained by the Association hereunder be brought into contribution with insurance purchased by individual Co-owners, occupants or their mortgagees.

(e) All property insurance policies shall have an inflation guard endorsement, if reasonably available, and an agreed amount endorsement with an annual review by the Board.

(f) The Board shall use reasonable efforts to secure insurance policies that provide the following:

(i) a waiver of subrogation by the insurer as to any claims against the Association, the Board, the Association's manager, the Co-owners, and their respective tenants, servants, agents and guests;

(ii) a waiver by the insurer of its rights to repair and reconstruct, instead of paying cash;

(iii) a statement that no policy may be canceled, invalidated, suspended or subject to non-renewal on account of conduct of any Co-owner, any Director, officer, employee or agent of the Association, or its duly authorized manager, without prior demand in writing delivered to the Association to correct the conduct and allowance of a reasonable time thereafter within which the conduct may be corrected by the Association, its manager, any Co-owner or any mortgagee;

(iv) a statement that the Association will be given at least thirty (30) days' prior written notice of any cancellation, substantial modification or nonrenewal.

In addition to other insurance required by this Section, the Association shall obtain, as an expense of administration, worker's compensation insurance, if and to the extent required by law; Directors' and officers' liability coverage, if reasonably available; a fidelity bond or bonds on Directors, officers, employees, agents and other persons handling or responsible for Association funds, if reasonably available; and flood insurance, if required. The amount of fidelity coverage shall be determined in the Board's best business judgment but, if reasonably available, may not be less than one-sixth (1/6) of the annual Base Assessments on all Units, plus reserves

on hand. Bonds shall contain a waiver of all defenses based upon exclusions of Persons serving without compensation, and shall require at least thirty (30) days' prior written notice to the Association of any cancellation, substantial modification or nonrenewal.

Section 2. INDIVIDUAL INSURANCE.

(a) By virtue of taking title to a Unit, each Co-owner covenants and agrees with the Co-owner of the adjacent Residential Dwelling in his Two-Family Building or



Multi-Family Building and all other Co-owners and the Association that he will carry at his expense blanket all-risk property insurance on his Unit and structures constructed thereon meeting the same requirements as set forth in Section 1 of this Article IV, for insurance on the Common Elements. Each such Co-owner shall provide the Association with evidence that such insurance is being maintained by such Co-owner at all times during the Co-owner's ownership of such Residential Dwelling. The requirements for such evidence shall be established by the Board of Directors. The Board of Directors may establish minimum standards and requirements for such insurance. In the event the Co-owner of any Unit fails to maintain the insurance required by this Section, the Association shall have the right (but not the obligation), through its Board of Directors, agents, officers, and employees, to acquire such insurance. The cost and premiums thereof shall be and constitute a Special Assessment against the Unit covered by such insurance and the Owner thereof, to be collected and enforced, in the manner provided in these Condominium Bylaws for the collection and enforcement of assessments in general. Neither the Association nor any of its Board of Directors, agents, officers or employees shall be liable for any loss or damage to any Unit or any improvements regardless of whether the Association obtains or does not obtain the insurance required by this Section as permitted herein.

(b) In order to avoid disputes as to insurance coverage and responsibility for any losses which may occur, the Co-owners of the adjacent Residential Dwellings in a Two-Family Building or Multi-Family Building are encouraged to obtain the required insurance coverage through the same insurance company or through the use of a joint loss agreement endorsement, if obtainable, when two separate insurers are utilized.

Section 3. DAMAGE AND DESTRUCTION.

(a) Immediately after damage or destruction to all or any part of the Common Elements covered by insurance written in the Association's name, the Association or its duly authorized agent shall proceed with filing and adjustment of all claims arising under such insurance, and obtain reliable and detailed estimates of cost of repair or reconstruction of the damaged or destroyed Common Elements. Repair or reconstruction, as used in this paragraph, means repairing or restoring the Common Elements to substantially the same condition in which they existed prior to the damage or destruction,

allowing for any changes or improvements necessitated by changes in applicable building codes.

(b) Any damage or destruction to the Common Elements shall be repaired or reconstructed unless at least seventy-five percent (75%) of all Co-owners, if General Common Elements are damaged, decide within sixty (60) days after such damage or destruction not to repair or reconstruct. If for any reason either the amount of insurance proceeds to be paid as a result of such damage or destruction, or reliable and detailed estimates of cost of repair or reconstruction, or both, are not made available to the Association within such period, then such period shall be extended until such funds or information are made available; provided, however, that such extension shall not exceed sixty (60) additional days. No mortgagee shall have the right to participate in determina-



tion of whether said damage or destruction to General Common Elements or Limited Common Elements shall be repaired or reconstructed.

(c) If it is determined in the manner described above that the damage or destruction to the General Common Elements or the Limited Common Elements will not be repaired or reconstructed, and no alternative improvements are authorized, then and in that event the affected portion of the Common Elements shall be restored to its natural state, and maintained by the Association in a neat and attractive condition consistent with the Community-Wide Standard.

Section 4. DISBURSEMENT OF PROCEEDS. If damage or destruction to Common Elements for which proceeds of insurance policies are received is to be repaired or reconstructed, such proceeds, or such portion thereof as may be required for such purpose, shall be disbursed in payment of such repairs or reconstruction as hereinafter provided. Any proceeds remaining after defraying such costs of repair or reconstruction shall be retained by and for the benefit of the Association and placed in a capital improvements account. In no event shall hazard insurance proceeds be used for any purpose other than repair, replacement or reconstruction of the Common Elements of the Project.

Section 5. ASSESSMENTS FOR RECONSTRUCTION. If damage or destruction to the Common Elements for which insurance proceeds are received is to be repaired or reconstructed, and such proceeds are not sufficient to defray the cost thereof, the Association shall, without the necessity of a vote of the Co-owners, levy a Special Assessment against all Co-owners on the same basis as provided for Base Assessments, provided, however, that, if such damage or destruction involves the Limited Common Elements only Co-owners of affected Units shall be subject to assessment therefore. Additional Special Assessments may be made in like manner at any time during or following completion of any repair or reconstruction.

ARTICLE V RECONSTRUCTION OR REPAIR

Section 1. DAMAGED PROPERTY. If any part of the Condominium Project is 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, the property shall be rebuilt or repaired by the Association, unless it is determined as provided in Article IV, Section 3(b) that the damaged property shall not be repaired or replaced.

(b) If the damaged property is a Unit, a Limited Common Element appurtenant to a Unit, any improvements within a Unit or land lying below a Unit, then the Co-owner of such Unit shall rebuild or repair the damaged property, subject, however, in the event of total destruction of a Single-Family Residential Dwelling, or a Two-Family Building or Multi-Family Building if they are in unanimous agreement, the Co-owners,



of all affected Residential Dwellings shall have the right to not rebuild the Single-Family Residential Dwelling, the Two-Family Building or Multi-Family Building. Any such repair or rebuilding of a Building shall be substantially similar to the construction of the Building prior to the damage. Such Co-owner(s) shall obtain prior approval of the construction plans and specifications from the ACC, which approval shall not be unreasonably withheld. The rights of Co-owner(s) under this Section 1, (b) of this Article V shall not affect the rights of any mortgagee or other Person having an interest in such property. Such Co-owner shall be responsible for the costs and supervision of any reconstruction or repair that he elects to make. Regardless, however, of whether such Co-owner elects to so engage in said repairs, such Co-owner shall always, at his expense, remove all debris and restore such Unit and improvements therein, the land lying below such Unit and the appurtenant Limited Common Elements to a clean, safe and sanitary condition that is satisfactory to the Association and in accordance with the provisions of Article VI as soon as reasonably possible following the occurrence of any damage thereto. Furthermore, each Co-owner shall always be accountable to the Association for any negligently caused damage to the Common Elements.

Each Co-owner further covenants and agrees that in the event of a partial loss or damage resulting in less than total destruction of structures on his Unit, such Co-owner shall proceed promptly to repair or reconstruct the damaged structure in a manner consistent with the original construction, or such other plans and specifications as are approved in accordance with Article VI. Such Co-owner shall pay any costs of repair or reconstruction not covered by insurance proceeds. If a Single-Family Residential Dwelling, Duplex Building or Multiple-Family Building is totally destroyed and the respective Co-owners of the Building unanimously agree, said Co-owners may decide not to rebuild or reconstruct, in which case such Co-owners shall clear their Units of all debris and return them to substantially the natural state of the surrounding area, and thereafter such Co-owners shall continue to maintain their Units in neat and attractive condition

consistent with the Community Wide Standard. Notwithstanding the removal of the Residential Dwelling, the Co-owner thereof shall remain responsible for all Association fees assessed against said Unit.

Section 2. SPECIFICATIONS FOR REPAIR. Any such rebuilding or repair by the Association shall be substantially in accordance with the Master Deed, and the plans and specifications, if any, for the Project, to a condition as comparable as possible to the condition of the Condominium Project as it existed prior to the damage unless the Co-owners shall decide otherwise. Any such rebuilding or repair which is the responsibility and expense of a Co-owner shall be in accordance with the terms and conditions of these Bylaws and the plans and specifications, if any, for the Project, to a condition as comparable as possible to the condition of the Residential Unit, Two-Family Building or Multi-Family Building as it existed prior to the damage.

Section 3. EMINENT DOMAIN. Section 133 of the Act and the following provisions shall control upon any taking by eminent domain:

(a) In the event of any taking of an entire Unit or the improvements within such Unit by eminent domain, the award for such taking shall be paid to the Co-owner of such Unit and the mortgagee thereof, as their interests may appear. After acceptance



of such award by such Co-owner and mortgagee, they shall be divested of all interest in the Condominium Project. If 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 such Co-owner and his mortgagee, as their interests may appear.

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

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

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

Section 4. "FHLMC" MORTGAGE. If any mortgage in the Condominium is held by the Federal Home Loan Mortgage Corporation ("FHLMC"), then the Association shall give FHLMC written notice, at such address as it may from time to time direct, of any loss to or taking of the Common Elements if the loss or taking exceeds \$10,000.00 in amount.

Section 5. PRIORITY. Nothing contained in the Condominium Documents shall be construed to give any Co-owner or other Person priority over any rights of first mortgagees of Condominium Units pursuant to their mortgages in the case of distribution to Co-owners of insurance proceeds or condemnation awards for losses to or taking of Condominium Units and/or Common Elements.

ARTICLE VI ARCHITECTURAL CONTROL AND BUILDING RESTRICTIONS

Architectural Standards

Nothing shall be erected on any Unit, and no construction (which term shall include within its definition staking, clearing, excavation, grading and other site work), no exterior alteration, replacement or modification of existing improvements or construction of new improvements, and no plantings or removal of plants, trees or shrubs, shall take place except in



strict compliance with this Article.

This Article shall not apply to activities of the Developer, or to construction, improvements or modifications to the Common Elements by or on behalf of the Association.

The Association through the Board shall have authority and standing to enforce in courts of competent jurisdiction all ACC decisions. This Article may not be amended without the Developer's written consent during the Sales Period.

Section 1. GUIDELINES AND STANDARDS. The Condominium Project represents a conversion of the base housing at Wurtsmith Air Force Base. In order to preserve the overall architectural integrity and aesthetic quality of the Condominium Project, the following guidelines and standards are hereby established:

- (a) All exterior paint schemes and paint colors must be approved by the ACC.
- (b) No natural vegetation, plants, trees or other types of vegetation may be planted or removed without approval of the ACC.
- (c) No modifications to the exterior of any residence or exterior improvements on a unit may be made without the approval of the ACC. Only those modifications which do not impair the appearance of the project in scale and architectural design shall be approved. No structure of any kind shall be higher than 700 feet above mean sea level.
- (d) The color of all roof shingles shall be maintained in a color approved by the ACC.
- (e) Any proposed improvements for parking areas or driveways must be approved by the ACC.
- (f) All outdoor lighting shall be aesthetically pleasing and harmonious with the existing Condominium Project and subject to ACC approval.
- (g) All fencing must meet the requirements of and be approved by the ACC.
- (h) In the event any Co-owner does not carry out his responsibility to maintain his Unit as set forth in the Condominium Documents, the ACC shall recommend to the Board the maintenance which is deficient and, if the Co-owner fails to correct any maintenance deficiencies within thirty (30) days of written notice from the Board, the Association shall have the right to perform such maintenance and to assess the Co-owner the cost of maintenance plus twenty-five (25%) of such cost for administrative services. If the Co-owner fails to pay such maintenance assessment to the Association, the same shall be treated as though it is an unpaid assessment and shall become a lien against the Co-owner's Unit and enforced pursuant to Article II of the Condominium Bylaws.
- (i) The ACC shall promulgate rules and regulations under these standards



and guidelines setting forth such items, such as approved colors for exterior painting, colors for roof shingles, driveway size and materials, size of gardens if permitted, and types of plants and/or vegetables which may be grown, as well as such other items as are necessary to maintain the aesthetic and structural integrity of the Condominium Project.

(j) All decisions, approvals and disapprovals of the ACC shall be in writing and sent to the Co-owner by first class mail or hand delivery.

(k) No garage shall be constructed on Units 642, 648, 659, 726, and 747. Detached garages or garages attached on the rear of the residential Unit may be constructed on the following Units if approved by the ACC and the Village of Oscoda: Units 645, 660, 669, 671, 692, 695, 699, 701, 705, 706, 708, 716, 722, 724, and 733. Garages may be built on Units 649, 651, 657, and 688, if the pipelines for the remediation of the contamination are relocated at the cost of the Co-owner and provided that the Co-owner receives prior Air Force approval for relocation of such remediation pipelines.

Section 2. ARCHITECTURAL CONTROL COMMITTEE. The ACC shall consist of at least three (3), but no more than five (5), individuals and shall have exclusive jurisdiction over (i) all original construction on any portion of the Condominium Project, and (ii) all modifications, additions or alterations made on or to a Unit or structure thereon. Until one hundred percent (100%) of the Condominium Project (including all Units that may be created), has been conveyed to purchasers in the normal course of development and sale, the Developer retains the right to appoint all Members of the ACC, who shall serve at the Developer's discretion. There shall be no surrender of such right prior to such time except in a written instrument in recordable form executed by the Developer. Upon expiration of such right, the Board shall appoint the Members of the ACC, who shall serve and may be removed at the Board's discretion. The Members of the ACC may include architects, engineers and other individuals who are not Co-owners.

The ACC shall prepare and, on the Board's behalf, promulgate design and development guidelines, and application and review procedures. The guidelines and procedures for decisions of the ACC shall be in writing and given to each Co-owner. Such guidelines and procedures shall be the Association's, and the ACC shall have sole and full authority to prepare and amend them, provided notice of such change is given to all Co-owners. All design and development guidelines, application and review procedures, and other standards set by the ACC shall be binding on all Co-owners and occupants until and unless overruled, cancelled or modified at a regular or special meeting of the Association by a majority vote of all the Co-owners and by the Developer during the Sales Period. No retro-active applications of such vote shall be approved if the Co-owner has already commenced work in reliance on the ACC. The Association shall make such guidelines and procedures available to Co-owners, builders and other subcontractors or agents that seek to engage in operations within the ACC's areas of responsibility and practice, and such Co-owners, builders and other subcontractors or agents shall conduct their operations strictly in accordance therewith. If the ACC fails to approve or disapprove plans submitted to it, or request additional information reasonably required, within thirty (30) days after submission thereof or if said request is not acted upon with 30 days, a Co-owner may demand a hearing on said request and such hearing must be held within ten (10) days of the Co-owner's demand.



Section 3. INTERIOR DECORATING. Nothing contained herein shall be construed to limit the right of any Co-owner to remodel the interior of any structure or a Unit, or to paint the interior of any such structure any color desired; provided, however, that modifications or alterations to the interior of screened porches, patios and similar portions of a structure visible from outside such structure shall be subject to approval hereunder. Co-owners shall not cause or permit anything other than mini-blinds, curtains and conventional draperies to be hung, displayed or exposed at or on the outside of windows without the prior written consent of the Board or ACC.

Section 4. CONTROL OF ASSOCIATION'S MAINTENANCE AND REPAIR RESPONSIBILITY. The ACC shall oversee the Association's responsibility for decoration, maintenance, repair, and replacement of the Common Elements, including lawn mowing, of each Unit. The ACC shall notify the Board of any deficiency in the maintenance of the Community-Wide Standard and shall assist the Board in performing its duties to decorate, maintain, repair, or place the Common Elements or the Association's responsibilities with regard to a specific Unit. The ACC may recommend contractors or subcontractors to perform the Association's responsibilities including, but not limited to, any corporation or association formed by the Condominium Project.

Section 5. INDIVIDUAL CO-OWNER DECORATION AND MAINTENANCE. A Co-owner shall have the right to maintain one or more flower gardens and other decorative plantings in his respective Unit, provided he first obtains written approval from the ACC and that such gardens and plantings are consistent with the scale and aesthetic nature of the Condominium as a whole. The planting of annual flowers in an approved flower garden shall not require annual ACC approvals. The ACC shall have the right to require any Co-owner to remove any garden, decoration, planting or other growing or inanimate items from his Unit, which are inconsistent with the Condominium's overall standards and appearance, in the sole discretion of the ACC.

Section 6. NO WAIVER OF FUTURE APPROVALS. The ACC's approval of any proposals, plans and specifications, or drawings for any work done or proposed, or in connection with any other matter requiring the ACC's approval and consent, shall not be deemed to constitute a waiver of any right to withhold approval or consent as to any similar proposals, plans and specifications, drawings or matters whatsoever subsequently or additionally submitted for approval or consent.

Section 7. VARIANCE. The ACC may authorize variances from compliance with any of its guidelines and procedures when circumstances such as hardship, or aesthetic or environmental considerations, require, but only in accordance with duly adopted rules and regulations. Such variances may only be granted, however, when unique circumstances dictate and no variance shall (i) be effective unless in writing, (ii) be contrary to the restrictions set forth herein, or (iii) stop the ACC from denying a variance in other circumstances. For purposes of this Section, inability to obtain approval of any governmental agency or issuance of any permit, terms of any financing or initiation of work without the required ACC approval shall not be



considered hardships warranting a variance. Any variance granted by the ACC hereunder shall not negate the need to obtain any variances from any governmental agency required by law or ordinance.

Section 8. COMPLIANCE WITH GUIDELINES. Any contractor, subcontractor, agent, employee or other invitee of a Co-owner that fails to comply with the guidelines and procedures promulgated by the ACC may be excluded from the Condominium Project by the Board without liability to any Person, subject to the notice and hearing procedures of the Association.

ARTICLE VII RESTRICTIONS

Use Restrictions

The Condominium Project shall be used only for residential, recreational and related purposes (which may include, without limitation, offices for any property manager retained by the Association, or business offices for the Developer or the Association) as more particularly set forth herein. The Association, acting through the Board, shall have standing and power to enforce such standards.

The Association, acting through the Board, shall have authority to make and enforce rules and regulations governing use of the Common Elements, in addition to those contained herein. Such rules and regulations shall be binding upon all Co-owners and occupants until and unless overruled, canceled or modified at a regular or special meeting of the Association by a majority vote of the Co-owners and by the Developer during the Sales Period.

Section 1. SIGNS. No sign of any kind shall be erected within the Condominium Project without the ACC's prior approval, except entry and directional signs installed by the Developer, and such signs as may be required by legal proceedings. If permission is granted to any Person to erect a sign within the Condominium Project, the ACC reserves the right to restrict the size, color, lettering and placement of such sign. The Board and the Developer shall have the right to erect signs as they, in their discretion, deem appropriate. Notwithstanding the above, no signs, flags, banners or similar items advertising or providing directional information with respect to activities being conducted outside the Condominium Project shall be permitted within the Condominium Project.

Section 2. PARKING AND PROHIBITED VEHICLES.

(a) Parking. Vehicles shall be parked only in garages or driveways, if any, serving the Units, or in other areas designated by the Association which parking areas may or may not be assigned spaces, and parking shall be subject to such reasonable Rules and Regulations as the Association may adopt. Appropriate signs setting forth parking restrictions shall be located along roads in the Project. No vehicle may be parked on the side of any street on which fire hydrants are located. In addition, parking on all streets will be strictly prohibited between November 1st and April 1st between the hours of 8:00 a.m. and 5:00 p.m. in order to facilitate snow removal as needed.

(b) Prohibited Vehicles. Commercial vehicles weighing in excess of three-quarters of a ton, vehicles primarily used or designed for commercial purposes, tractors,



mobile homes, recreational vehicles, trucks weighing in excess of three-quarters of a ton, trailers (either with or without wheels), campers, camper trailers, boats and other water craft, motorcycles and snowmobiles and their respective hauling trailers, shall be parked only in enclosed garages, unless approved by the Board to park elsewhere.

Stored vehicles, and vehicles that are either inoperable or do not have current operating licenses, shall not be permitted in the Condominium Project except within enclosed garages. For purposes of this Section, a vehicle shall be considered "stored" if it is put up on blocks or covered with a tarpaulin, and remains on blocks or so covered for fourteen (14) consecutive days without the ACC's prior approval. Notwithstanding the foregoing, service and delivery vehicles may be parked in the Condominium Project for such period of time as is reasonably necessary to provide service or make a delivery to a Unit or the Common Elements. Any vehicle parked in violation of this Section or parking rules promulgated by the Board may be towed at the Co-owners expense in accordance with the Association Rules.

Section 3. OCCUPANTS BOUND. All provisions of the Condominium Documents, and any Rules and Regulations promulgated pursuant thereto, that govern Co-owners' conduct and provide for sanctions against Co-owners shall also apply to all occupants, guests and invitees of any Unit. Every Co-owner shall cause all occupants of such Co-owner's Unit to comply with the Condominium Documents, and any Rules and Regulations promulgated pursuant thereto, and shall be responsible for all violations and losses to the Common Elements caused by such occupants, notwithstanding the fact that such occupants are fully liable and may be sanctioned for any violation of the Condominium Documents, and any Rules and Regulations promulgated pursuant thereto.

Section 4. ANIMALS AND PETS. No animals, livestock or poultry of any kind shall be raised, bred or kept on any portion of the Condominium Project, except that dogs, cats, or other usual and common household pets, not to exceed a total of two (2), may be permitted on a Unit. However, pets that are permitted to roam free or, in the Board's sole discretion, endanger health, make objectionable noise, or constitute a nuisance or inconvenience to Co-owners of other Units shall be removed from the Condominium Project upon the Board's request; and if the Co-owner fails to honor such request, the pet may be removed by the Board. No pets shall be kept, bred or maintained for any commercial purpose. Dogs shall at all times whenever they are outside a residence be confined by a fence or on a leash held by a responsible individual. No pets shall be outside the Residential Dwelling unless attended by a responsible person between 11:00 p.m. and 7:00 a.m. The Co-owner shall hold the Association harmless from any claim resulting from any action of his pet whatsoever. The following breeds of animals are prohibited: Rottweilers, Pit Bulls, Dobermans and Mastiffs and other breeds of a vicious nature. Pets are not allowed to defecate on Common Areas. Should this occur, it is the Co-owner's responsibility to remove and dispose of the defecation properly. Failure to do so will result in a \$5.00 charge per occurrence.

Section 5. QUIET ENJOYMENT. No portion of the Condominium Project shall be used, in whole or part, for storage of any property or thing that will cause it to appear to be in an unclean or untidy condition, or will be obnoxious to the eye; nor shall any substance, thing or material be kept upon any portion of the Condominium Project that will emit foul or obnoxious odor, or cause any noise or other condition that will or might disturb the peace, quiet, safety, comfort or serenity of occupants of surrounding Units. No noxious, illegal or offensive



activity shall be carried on upon any portion of the Condominium Project. There shall not be maintained any plants, animals, device or thing of any sort in any way noxious, dangerous, unsightly, unpleasant, or of a nature as may diminish or destroy enjoyment of the Condominium Project. No outside burning of wood, leaves, trash, garbage or household refuse shall be permitted within the Condominium Project.

Section 6. UNSIGHTLY OR UNKEMPT CONDITIONS. It shall be the responsibility of each Co-owner to prevent development of any unclean, unhealthy, unsightly or unkempt condition, on his Unit. Pursuit of hobbies or other activities, including specifically, without limiting the generality of the foregoing, assembly and disassembly of motor vehicles and other mechanical devices, that might tend to cause disorderly, unsightly or unkempt conditions shall not be undertaken on any part of the Condominium Project.

Section 7. COMMON AREAS / APPEARANCE. Common Areas shall be used only for the purposes for which they were designed. No person shall commit waste in the Common Areas or interfere with their proper use by others, or commit any nuisance, vandalism, boisterous or improper behavior on the Common Areas which interferes with, or limits the enjoyment of the Common Areas by others. No baby carriages, bicycles, playpens, wagons, toys, benches, chairs or other articles of personal property shall be left unattended in the Common Areas, except in those areas, if any, specifically designated by the Board of Directors.

The sidewalks, entrances, stairways and landings shall not be obstructed or used for purposes other than for ingress to or egress from the home. Storage of any type is not allowed on patios or balconies. This includes, but is not limited to, bottles, cans, packages, newspapers, clothing, toys, rugs, mops, and dead plants. As the above items detract from the appearance of a Co-owner's Unit and that of neighboring Units, items stored on patios, balconies, porches or Units will be removed and disposed of at a charge of \$5.00 per item.

Section 8. ANTENNAE. Except as may be approved by the Board, no exterior antennae, aerials, satellite dishes or other apparatus for reception or transmission of television, radio, satellite or other signals of any kind shall be placed, allowed or maintained upon any portion of the Condominium Project, including any Unit. The Board shall comply with all current Federal Communications Commission in making its approvals under this Section 8.

Section 9. GARBAGE CANS, TANKS, ETC. All garbage cans, above-ground storage tanks, mechanical equipment and other similar items on a Unit shall be located or screened so as to be concealed from view of neighboring Units, streets and property located adjacent to such Unit. All rubbish, trash and garbage shall be stored in appropriate containers approved by the ACC pursuant to Article VI, shall regularly be removed from the Condominium Project and shall not be allowed to accumulate. Long-term storage of rubbish on a Unit is forbidden. It shall be the Co-owner's and occupant's responsibility to properly dispose of any trash articles too large to be disposed of by normal commercial trash pick-up (i.e. mattresses, box springs, furniture, etc.) Unit owners will be charged \$10.00 per occurrence for littering caused by themselves, other occupants or their guests.

Section 10. TIME SHARING. No Unit shall be made subject to any type of timesharing, fraction-sharing or similar program whereby the right to exclusive use of such Unit rotates among members of the program on a fixed or floating time schedule over a period of



years.

Section 11. FIREARMS AND FIREWORKS. Discharge of firearms within the Condominium Project is prohibited. The term “firearms” includes bows and arrows, slingshots, “BB” guns, pellet guns and other firearms of all types, regardless of size. The possession or discharge of any type of illegal fireworks is not allowed on any Unit or on any Common Elements. Notwithstanding anything to the contrary contained in the Condominium Documents, the Association shall not be obligated to take action to enforce this Section.

Section 12. POOLS. No above-ground swimming pool shall be erected, constructed or installed on any Unit, provided, however, that nothing herein shall preclude installation and use of hot tubs, spas, Jacuzzis or any similar apparatus with the ACC’s prior approval pursuant to Article VI.

Section 13. TENTS, TRAILERS AND TEMPORARY STRUCTURES. No tent, shack, taller or other structure of a temporary nature shall be placed upon a Unit or the Common Elements. Notwithstanding the above, party tents or similar temporary structures may be erected for special events with the ACC’s prior written approval. Utility sheds may be erected on a Unit with the approval of the ACC.

Section 14. DRAINAGE. Catch basins and drainage areas are for the purpose of natural flow of water only. No obstructions or debris shall be placed in these areas. No Person may obstruct or re-channel drainage flows, drainage swales, storm sewers or storm drains.

Section 15. TREE REMOVAL. No trees shall be removed, except diseased or dead trees, and trees needing to be removed to promote growth of other trees or for safety reasons, unless approved by the ACC in accordance with Article VI. In the event of an intentional or unintentional violation of this Section, the violator may be required by the ACC to replace the removed tree with one (1) or more trees of such size and number, and in such locations, as the ACC may determine in its sole discretion.

Section 16. SIGHT DISTANCE AT INTERSECTIONS. All property located at street intersections shall be landscaped so as to permit safe sight across the street corners. No fence, wall, hedge or shrub planting shall be placed or permitted to remain where it would create a traffic or sight problem.

Section 17. LIGHTING. Except for seasonal decorative lights, which may be displayed between December 1 and January 10 only, all exterior lights must be approved by the ACC in accordance with Article VI.



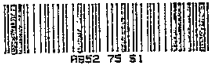
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Section 18. **ARTIFICIAL VEGETATION, EXTERIOR SCULPTURE AND SIMILAR ITEMS.** No artificial vegetation shall be permitted in the Condominium Project. Exterior sculpture, fountains, flags and similar items must be approved by the ACC in accordance with Article VI.

Section 19. **ENERGY CONSERVATION EQUIPMENT.** No solar energy collector panels or attendant hardware, or other energy conservation equipment, shall be constructed or installed on any Unit unless it is an integral and harmonious part of the architectural design of a structure, as determined in the ACC's sole discretion pursuant to Article VI.

Section 20. **PLAYGROUND.** Any playground, or other play area or equipment, furnished by the Association or erected within the Condominium Project shall be used at the user's risk, and the Association shall not be held liable to any Person for any claim, damage or injury occurring thereon or related to use thereof. No playground equipment, tree houses or similar structures shall be erected on any Unit without the ACC's prior approval pursuant to Article VI.

Section 21. **FENCES.** No hedges, walls, dog runs, animal pens or fences of any kind shall be permitted on any Unit except as approved by the ACC in accordance with Article VI.

Section 22. **RECREATIONAL VEHICLES.** Except as permitted by the Board, All-Terrain Vehicles, off-road vehicles, mini-bikes, snowmobiles, etc. shall not be used or driven on any part of the Project, except to enter or exit the Project.

Section 23. **BUSINESS USE.** Except as permitted by the Board, no garage sale, moving sale, rummage sale or similar activity, and no trade or business, may be conducted on or from any Unit, except that a Co-owner or occupant may conduct business activities within the residence on a Unit so long as (i) existence or operation of the business activity is not apparent or detectable by sight, sound or smell from outside such residence, (ii) the business activity conforms to all local regulatory and zoning requirements applicable to the Condominium Project and/or the Co-owners, (iii) the business activity does not involve Persons coming onto the Condominium Project who do not reside in the Condominium Project or door-to-door solicitation of residents of the Condominium Project, and (iv) the business activity is consistent with the residential character of the Condominium Project, and does not constitute a nuisance, or a hazardous or offensive use, or threaten security or safety of other residents of the Project, as may be determined in the Board's sole discretion.

The terms "business" and "trade," as used in this provision, shall be construed to have their ordinary, generally accepted meanings, and shall include, without limitation, any occupation, work or activity undertaken on an ongoing basis that involves provision of goods or services to Persons other than the provider's family, and for which the provider receives a fee, compensation or other form of consideration, regardless whether (i) such activity is engaged in full or part-time, (ii) such activity is intended to or does generate a profit, or (iii) a license is required therefore. Notwithstanding the above, leasing of a Unit shall not be considered a trade or business within the meaning of this Section. This Section shall not apply to any activity conducted by the Developer, its affiliates or a builder approved by the Developer with respect to its development and sale of the Condominium Project.



Section 24. ON-SITE FUEL STORAGE. Except as the Board may determine in Rules and Regulations promulgated by the Board, no on-site storage of gasoline, heating or other fuels shall be permitted on any part of the Condominium Project

Section 25. LEASING OF UNITS.

(a) Definition. "Leasing," for purposes hereof, is defined as regular, exclusive occupancy of all or any portion of a Unit by any person other than the Co-owner thereof, for which such Co-owner receives any consideration or benefit, including, but not limited to, a fee, service charge, gratuity or emolument.

(b) Leasing Provisions.

(i) General. Units may be leased only in their entirety; no fraction or portion may be rented. No transient tenants may be accommodated in a Unit. All leases shall be in writing and shall be for an initial term of no less than sixty (60) days, except with the Board's prior written consent. Notice of any lease, together with such additional information as may be required by the Board, shall be given to the Board by the Co-owner within ten (10) days of execution of the lease. Such Co-owner must make available to the lessee copies of the Condominium Documents. The Board may adopt reasonable rules regulating leasing and subleasing.

(ii) Compliance with Condominium Documents. Every Co-owner shall cause all occupants of his Unit to comply with the Condominium Documents, and shall be responsible for all violations and losses to the Common Elements caused by such occupants, notwithstanding the fact that such occupants are fully liable and may be sanctioned for any violation of the Condominium Documents.

Section 26. LAWS AND ORDINANCES. Every Co-owner and occupant of any Unit, their guests and invitees, shall comply with all laws, statutes, ordinances and rules of federal, state and municipal governments applicable to the Condominium Project, and any violation thereof may be considered a violation hereof, provided, however, that the Board shall have no obligation to take action to enforce such laws, statutes, ordinances and rules.

Section 27. DEVELOPER ACTIVITIES. None of the restrictions contained in this Article VII shall apply to the commercial activities, or signs or billboards, if any, of the Developer during the Sales Period. Until all Condominium Units in the entire Condominium Project are sold by the Developer, the Developer shall have the right to maintain a sales office, a business office, model residences, storage areas, and reasonable parking incident to the foregoing, and such access to, from and over the Project, as may be reasonable to facilitate the development and sale of the entire Project by the Developer. The Developer shall pay all costs related to the use of Condominium Units or Common Elements while owned by the Developer, and restore the facilities to habitable status upon termination of use.

Section 28. INSURANCE.

(a) Increase in Rating. Nothing shall be done or kept which will increase the rate of insurance on any of the buildings or contents thereof, without the prior written



consent of the Board of Directors. No Owner shall permit anything to be done, or kept on the Unit, which will result in the cancellation of insurance coverage, by the Association, if any, on any of the buildings, or contents thereof, or which would be in violation of any law.

(b) Rights of Insurance. Owners and occupants shall comply with the rules and regulations contained in any fire and liability insurance policy on the Unit. Grills may be used on the patios or decks, if they conform to all building Codes and other governmental laws, regulations and ordinances. No gas or other fuel for a gas grill may be stored in a dwelling or garage, or on the patio or deck, except that a gas grill may have an attached tank of normal size and composition which is used in the operation of the grill.

(c) Reports of Damage. Damage by fire or accident affecting the Unit and persons injured by or responsible for any damage, fire or accident must be promptly reported to the Board of Directors by any person having knowledge thereof.

Section 29. GROUNDWATER REMEDIATION. Co-owners, their agents or employees, shall cooperate with and shall not disrupt any remediation activities on the Condominium Premises or adjacent lands being undertaken by the United States of America, nor apply water on the surface of the land in such quantities that would impact the migration of any contaminated ground water, nor extract or use in any manner ground water underlying the premises, nor have any construction work on the premises that would interfere with or negatively impact the clean-up work, until such remediation of the contaminated ground water is satisfactorily completed.

Section 30. RV PARKING and STORAGE AREA. The General Common Element RV Parking and Storage Area is the subject of the release and disposal of hazardous substances and petroleum products and their derivatives from the former Wurtsmith Air Force Base as disclosed in the Environmental Baseline Survey Supplemental ("EBSS") for Leasehold Interest Termination for Nine Parcels. The Association has acknowledged its receipt of the EBSS, together with a copy of the Quit Claim Deed dated March 8, 2004, from the Charter Township of Oscoda to Michigan Oscoda Limited Partnership, recorded in Liber 791, Pages 594-642, and rerecorded in Liber 792, Pages 474-524 of the Iosco County Records. The Quit Claim Deed includes Attachment A; Attachment B, Supplemental Agreement Number 12 to Lease Number DA-20-064-ENG-1578; Attachment C, Grant of Easement dated April 24, 2001, between the

Charter Township of Oscoda and the United States of America, acting by and through its Secretary of the Air Force, in care of the Air Force Base Conversion Agency; Attachment D, the Environmental Condition Report; and Attachment E, the Declaration of Restrictive Covenants executed by the Charter Township of Oscoda recorded in Liber 791, Page 628, Iosco County Records, with Michigan Department of Environmental Quality Imposed Restrictive Covenants. In addition, the Villages of Oscoda Owners' Association acting through its Board of Directors entered into an Indemnification Agreement to indemnify the Developer, Michigan Oscoda Limited Partnership, from any claim, suit, -action, or proceeding brought by any party or any loss, cost, damages, attorney fees, and expenses of every kind and nature which may result from the Developer accepting title to the real estate known as the RV Parking and Storage Area real estate. The Association and all Co-owners shall comply with all of the reservations, covenants,



conditions, restrictions, and notices contained in the above-mentioned documents and all other requirements for the safety and cleanup of the RV Parking and Storage Area. The Association shall operate and maintain the RV Parking and Storage Area. The RV Parking and Storage Area shall be utilized by the Association for the storage of RV vehicles owned by Co-owners of The Villages of Oscoda. The Board of Directors of the Association shall set the rules and regulations governing the use of the RV Parking and Storage Area and may implement fees for such storage in order to offset costs incurred by the Association in operating, maintaining, repairing, or replacing the RV Parking and Storage Area. The Board of Directors shall have the right to remove any recreational vehicle stored in the RV Parking and Storage Area that does not comply with all rules and regulations of the Association and to set fines and implement other measures to control the operation and use of the RV Parking and Storage Area. All Co-owners utilizing the RV Parking and Storage Area do so at their own risk and neither the Association nor the Developer shall have any liability for any injury or damages which may be incurred by any Co-owner (or their guests, agents, or invitees), or the Co-owner's recreational vehicle or other property stored in the RV Parking and Storage Area.

ARTICLE VIII MORTGAGES

Section 1. NOTICE BY CO-OWNER. 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 Condominium Units." The Association may, at the written request of a mortgagee of any Condominium Unit, report any Unpaid assessments due from the Co-owner of such Condominium Unit. The Association shall give to the holder of any first mortgage covering any Unit 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. NOTICE BY ASSOCIATION. The Association shall, if requested, notify each mortgagee appearing in such book of the name of each company insuring the Common Elements against fire, perils covered by extended coverage, and vandalism and malicious mischief, and the amounts of such coverage.

ARTICLE IX COMPLIANCE

The Association, and all present or future Co-owners, tenants or 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 Project, shall signify that the Condominium Documents are accepted and ratified. If the Condominium Documents conflict with the provisions of the Act, the Act shall govern.

ARTICLE X DEFINITIONS

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



ARTICLE XI REMEDIES FOR DEFAULT

Section 1. RELIEF. Any default by a Co-owner shall entitle the Association or any other Co-owner to the following relief;

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

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

(c) Violation of any provision of the Condominium Documents shall also give the Association or its duly authorized agents, in addition to the rights set forth above, the right to enter upon the Common Elements, or 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.

Section 2. FAILURE TO ENFORCE. Failure of the Association or any Co-owner to enforce any right, provision, covenant or condition granted by the Condominium Documents shall not constitute a waiver of the right of the Association or such Co-owner to enforce such right, provision, covenant or condition in the future.

Section 3. CUMULATIVE RIGHTS, REMEDIES AND PRIVILEGES.

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

Section 4. ENFORCEMENT; INJUNCTIVE RELIEF. A Co-owner may maintain an action against the Association, and its officers and Directors, to compel such persons to enforce the terms and provisions of the Condominium Documents. A Co-owner may maintain an action against any other Co-owner for injunctive relief or damages or any combination thereof for noncompliance with the terms and provisions of the Condominium Documents or the Act.

ARTICLE XII GENERAL PROVISIONS

Section 1. SEVERABILITY. Invalidity of any provision hereof by judgment or court order shall in no way affect the other provisions, which shall remain in full force and



effect. If any term, provision or covenant of these Bylaws or the Condominium Documents is held to be partially or wholly invalid or unenforceable for any reason whatsoever, such holding shall not affect, alter, modify or impair in any manner whatsoever any of the other terms, provisions or covenants of such documents, or the remaining portions of any term, provision or covenant held to be partially invalid or unenforceable.

Section 2. NOTICE OF SALE OR TRANSFER OF TITLE. If any Co-owner desires to sell or otherwise transfer title to his Unit, such Co-owner shall give the Board at least seven (7) days' prior written notice of the name and address of the purchaser or transferee, the date of such sale or transfer of title, and such other information as the Board may reasonably require. Until such written notice is received by the Board, the transferor shall continue to be jointly and severally responsible for all obligations of the Co-owner of such Unit hereunder, including payment of assessments, notwithstanding transfer of title to such Unit.

General Common Area Guidelines (Approved by Board of Directors March 18, 2006)

The following guidelines shall apply to all General Commons areas;

1. No tree removal, improvements, maintenance, decoration, repair or replacement of Common Areas or Common Elements shall be made without ACC approval.
2. Common Areas shall be used only for the purposes for which they are designed.
3. No owner shall use the Common Areas or Common Elements 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.
4. No drinking of alcoholic beverages is allowed in the Common Areas.
5. No campfires are allowed in the Common Areas.
6. No firearms are allowed in the Common Areas, including but not limited to; bows and arrows, slingshots, "BB" guns, pellet guns and other firearms of all types, regardless of size.
7. The possession or discharge of any type of fireworks is not allowed in the Common Areas.
8. All pets must be kept on a leash in the Common Areas.
9. No person shall commit waste in the Common Areas.
10. No person shall commit any nuisance, vandalism, boisterous, or improper behavior in the Common Areas.
11. No baby carriages, bicycles, playpens, wagons, toys, benches, chairs, or other articles of personal property shall be left unattended in the Common Areas.
12. No tent, shack, trailer, or other structure of a temporary nature shall be placed upon the Common Areas.
13. No motorized vehicles can be driven in the Common Areas. This shall include but not be limited to; ATV's, off-road vehicles, mini-bikes, snowmobiles, and motorcycles.
14. There is a 10 foot wide walkway easement around the perimeter of the residential area for the use of all owners, their guests and invitees. The walkway is designated for pedestrian use and no motorized vehicles are permitted to utilize the perimeter walkway. No owner may in any way obstruct the walkway from the use of all other owners.
15. All owners are responsible for all violations and losses to the Common Elements caused by their occupants, guests, and invitees.
16. Premiums for insurance on the Common Elements shall be Common Expenses and included in the Base Assessments. All policies on the Common Elements shall be for the benefit of the Association, the owners, and their mortgagees, in each case as their interests may appear. Exclusive authority to adjust losses under policies obtained by the Association on the Common Elements shall be vested in the Board; provided, however, that no mortgagee having an interest in such losses may be prohibited from participating in settlement negotiations, if any, related thereto. If a Common Element is damaged, the property shall be rebuilt or repaired by the Association, unless it is determined as provided in Article IV, Section 3(b) that the damaged property shall not be repaired or replaced.
17. The inclusion of these guidelines shall not change requirements of any other existing guidelines in the Master Deed, Condominium Bylaws, or Owners' Association Bylaws.

ACC Design and Development Guidelines

NOTE: *These guidelines shall not change requirements of any other existing Guidelines in the Master Deed, the Condominium By-laws, or the Home Owners' Association By-laws.*

It is the Co-owner's responsibility to ensure that all required zoning and building permits are procured from the Township and the County.

1. PORCHES, DECKS, ETC., must be painted to match the existing siding or trim colors, or be stained in a wood finish. Any requests for changes to the color of the siding or trim of the Unit must conform to the overall appearance of the Condominium Project. NOTE: It is recommended that any pressure treated wood not be painted or stained for a period of at least one year after installation.
2. ROOF SHINGLES may be replaced with shingles of the same color and appearance without ACC approval. Any requests to change the color of the roof shingles or the type of roof on the Unit must conform to the overall appearance of the Condominium Project and is subject to ACC approval.
3. ATTACHED GARAGES AND OTHER ADDITIONS must conform to the roof angle of the Unit and must not be higher than the existing Unit unless approved by the ACC. The color of the siding, trim, and roof shingles of any addition must match that of the existing Unit.
4. GARAGES shall have a concrete floor, a driveway constructed of concrete or asphalt, and an overhead (vehicular) door to allow vehicle entry and exit.
5. CARPORTS are not allowed.
6. RAT WALLS shall be required for all detached structural additions not constructed on a pre-existing concrete slab. Rat walls shall be constructed to a depth of 16" and 6" up on the structure. If the 6" up is not a solid wall, this portion of the rat wall shall have openings no larger than ¼".
7. STORAGE SHEDS shall be located only in the rear yard in accordance with Township setback requirements. The color of the siding, trim, and roof shingles of storage sheds must be approved by the ACC.
8. CLOTHESLINES must be of the umbrella or retractable type and shall be mounted so as to be removed or retracted when not in use. Clothes may be hung on the lines during daylight hours only. Daylight hours are between the times of sunrise and sunset for that specific day.
9. SATELLITE DISHES and other telecommunications antennas must be installed according to Federal Communications Commission (FCC) rules.
10. CHILDREN'S WADING POOLS are limited to those with sidewalls not exceeding 18 inches in height. Wading pools shall be placed so as not to interfere with lawn mowing or other yard maintenance and shall be maintained in a sanitary condition at all times.
11. DOG RUNS are not allowed.
12. TRAMPOLINES are not allowed.

13. SNOW FENCES: Allowed from November 1st through April 15th, in accordance with the following guidelines:

- Fence posts may be put into the ground earlier and taken out at a later date if frozen ground dictates.
- Snow fencing shall be made of wood slats held together with wire or of plastic mesh of any color.
- Fence posts shall be metal and in sufficient number to hold the fence in an upright position without sagging.
- Approval is required for each year the snow fencing is erected and the owner must sign an agreement that they understand and agree to abide by this rule. Snow fencing must be maintained by the Co-owner.
- If the snow fence is not taken down by April 15, the Association will send the Co-owner one letter by regular mail as notification of non-compliance.

For each week after the date of non-compliance, a \$50.00 fine will be assessed against the Co-owner.

14. NO NATURAL VEGETATION, PLANTS, TREES OR OTHER TYPES of vegetation may be planted or removed without approval of the ACC (HOA By-laws, ARTICLE VI (1) (b)). NOTE: A Co-owner shall have the right to maintain one or more flower gardens and other decorative plantings in his respective Unit, provided he first obtains written approval from the ACC and that such gardens and plantings are consistent with the scale and aesthetic nature of the Condominium as a whole. The planting of annual and perennial flowers in an approved flower garden shall not require annual ACC approvals. The ACC shall have the right to require any Co-owner to remove any garden, decoration, planting or other growing or inanimate items from his Unit, which are inconsistent with the Condominium's overall standards and appearance, in the sole discretion of the ACC. (HOA By-laws, ARTICLE VI (5)).

15. TREE AND TREE STUMP REMOVAL: Live tree removals must be approved by the ACC. All stumps shall be removed or ground to below the surface at the time of tree removal. NOTE: Removal of dead or fallen trees does not require ACC approval.

16. CO-OWNERS WHO WISH TO EXTEND THEIR LAWN into an area that is currently a primitive wooded area that is part of their surveyed and titled property, shall be required to have ACC approval prior to making such improvement and before being considered a part of the lawn maintenance contract.

17. LAWN ORNAMENTS: In accordance with HOA By-laws, ARTICLE VII, SECT 18. Additionally, they must be spaced at least 6' (72 inches) apart and placed to allow the contractor's equipment to complete 90 degree turns.

18. RESIDENTIAL FENCES: All fences are subject to ACC site plan approval.

NOTE: *Property maintenance inside perimeter and privacy fences is the responsibility of the Co-owner.*

1. Perimeter fences: Fences on or not more than six (6) inches inside the surveyed perimeter boundaries on at least three (3) sides of a property.
 - Perimeter fences shall be constructed only of cedar, painted wood, vinyl, and treated wood or composite material. Fences shall not be solid in structure.
 - Perimeter fences shall not exceed four (4) feet in height from ground up. Pointed fence posts and boards are not allowed.

2. Privacy fences: Allowed only around a patio and/or deck area in the rear yard; will not exceed a height of six (6) feet from ground level and may be privacy or stockade type only.
 - Distance between the patio and/or deck area and the fence will be a maximum of five (5) feet.
 3. Chain link fences are not permitted.
 4. Partial fences, other than privacy fences around a patio or deck and corner boundary marker fences, require ACC approval.
 5. Living fences are permitted on a case-by-case basis.
 6. Lattice fences are approved using the following guidelines:
 - A. 4'X4' posts 4' on center, set in cement as per code.
 - B. Top and bottom rail of a minimum 1"X4" must be used, anchored to the post on the outside to strengthen and resist the flex of the material.
 7. Invisible dog fences are not permitted.
19. RAIN BARRELS: All rain barrels are subject to ACC site plan approval according to design, location and color (HOA By-laws, ARTICLE VII, Section 9) .
20. VARIANCE PROCEDURE: In accordance with HOA By-laws, ARTICLE VI, SECT 7.
21. VISQUEEN – Visqueen (Heavy Duty Plastic) may be put up around your rear porch only from November 1st through April 15th on a case-by-case basis. 10 mil is the strength the visqueen must be. Must be approved construction so that the visqueen is securely fastened. You must obtain yearly approval for this. \$25.00 fine for ripped and not repaired after notice to home owner.
22. WINDOW A/C UNITS: Window A/C units are allowed. The A/C unit must be securely mounted and the A/C surround must be weather proof and aesthetically pleasing.

ACC Fire Pit and Campfire Guidelines (Approved by Board of Directors 4/12/2012)

The following guidelines shall apply to all fire pits and campfires:

1. All fire pits must be approved by the ACC. For these guidelines, chimney and outdoor fireplaces are considered the same as fire pits.
2. The fire pit must be enclosed on all sides and constructed of masonry, concrete, heavy gauge metal, or other noncombustible materials.
3. The fire pit must be located on a flat, level, noncombustible base and vertically clear of any overhead combustible materials such as eaves, tree branches, utility wires, etc.
4. A noncombustible spark arrestor, grill or mesh with openings no larger than ½ inch by ½ inch shall be used to cover the entire area of the fire pit.
5. A noncombustible spark arrestor, grill or mesh with openings no larger than ½ inch by ½ inch shall be used to cover the entire surface area of the chimney opening of an outdoor fireplace or chimney.
6. The fire pit must be located no closer than 10 feet from any combustible building, shed, fence, tree, shrub, etc.
7. All fire pits must be installed and used per the manufacturer's instructions if available.
8. When in use, fire pits must be continuously supervised by an adult.
9. Fires are not allowed when the wind conditions exceed 20 miles per hour, when the forest service has a level of "very high" or "extreme" posted (posting is on F-41, just outside the front entrance), or there is a State burning ban issued. Fires are not allowed before 8:00 a.m. or after midnight.
10. Fire pits and campfires are not allowed in any General Commons area.
11. Only clean, dry wood, charcoal, or artificial logs (i.e. Duraflame ®) may be burned. Fire pits may not be utilized for the burning of substances including but not limited to; garbage, rubbish, debris, painted, stained, creosoted or treated wood, non-wooden material, packaging, containers, bottles, cans, rags, clothing, petroleum products, manure, human or animal excrement, pathological waste, tires, rubber or plastic, sewage, the whole or part of an animal carcass, straw, shrubbery, leaves, weeds, grass, roots, tree stumps, turf, vegetation, or any material that may result in the release of dense smoke or obnoxious odors.
12. A means of extinguishment such as a portable fire extinguisher, pail of water, sand, or garden hose hooked to a water supply shall be readily available at the campfire site. It is also advisable to have ready access to a shovel and/or rake.
13. All fires must be limited in size so that they are readily controllable. Any owner(s) having a campfire will be liable for any and all damage caused by the fire. If it is necessary to use the Forest Service, they can re-bill the owner any fire suppression costs.
14. All fires must be completely extinguished before leaving the site unsupervised. Completely extinguished means the fire should be cold to the touch.
15. Smoke from the campfire must not negatively impact neighboring properties with respect to their quiet enjoyment of their property.
16. The inclusion of these guidelines shall not change requirements of any other existing guidelines in the Master Deed, Condominium Bylaws, or Owners' Association Bylaws.

Revision 1 Approved by BOD 4/12/12

ACC “For Sale” Sign Guidelines (Approved by Board of Directors .June 17, 2006)

The following guidelines shall apply to all “For Sale” signs;

Residence “For Sale” signs;

1. The “For Sale” sign used must be the standardized sign approved by the Board of Directors. Signs may be purchased at Truly Yours, in Oscoda. Signs will be available for both “For Sale By Owner” and for a realtor name. Realtors must use the standardized sign.
2. The owner of the unit for sale must register through the Association Office before a sign can be displayed. The registration will be for a maximum of six months. If the registration expires, the owner can apply at the office for an extension. All signs displayed must be registered at the office.
3. Only one sign is allowed per unit.
4. The sign must be located inside a front window or the ‘front door; no signs may be located outside the
5. If the unit is a two story unit, the sign must be located on the first story.
6. If the sign is to display a realtor name, it is the responsibility of the owner of the unit to verify, that the realtor has signed the required agreement with the Association to have a “For Sale” sign posted in the Villages.

All other “For Sale signs;

1. All other “For Sale” sign requests must be submitted to the ACC for approval using the “ACC Improvement Request Form”.
2. The request for the ‘Tor Sale” sign must include the size of the sign., what the sign will be used for, and the location of the sign.
3. No “For Sale” signs may be posted until approval from the ACC is received.

RV Storage Lot Guidelines

Any Resident utilizing the RV Storage Lot understands and agrees to abide by the following guidelines;

1. Residents with Recreational Vehicles will be assigned one lot as available. If after all residents requesting lots have been assigned a lot, the Association may, at its discretion, assign additional lots to a resident.
2. The RV Storage Lot size will be determined by the size of the Recreational Vehicle.
3. A copy of proof of ownership, by the resident, of the Recreational Vehicle must be provided at or before the time of lot assignment.
4. Separate cars, trucks, commercial vehicles, commercial equipment and household goods are prohibited. Pickup trucks with slide-in pickup campers attached will be allowed, if the camper is secured to the bed of the pickup in such a manner as will allow normal transportation of the combined vehicle.
5. Maintenance of any stored Recreational Vehicle is prohibited in the RV Storage Lot, with the exception of tire repair necessary to transport the Recreational Vehicle out of the RV Storage Lot.
6. The Association will charge a fee for the use of the lot. This fee will be used to maintain the roadways, property, and non-assigned lots in the RV Lot Storage Lot. These fees will be reviewed periodically by the Board of Directors to determine the amount of fees required for such maintenance. The amount of the usage fee will be prorated at the time of lot assignment and due immediately at the time of such assignment. The renewal of the usage fee will be billed to the assignee on an annual basis, with a due date of May 1 of each year.
7. The Resident shall maintain the assigned lot himself. If the Resident fails to maintain his/her lot to acceptable standards, the Association will, after one written notice to the Resident sent regular mail to the address on record at the Association, have the lot restored to an acceptable standard. The Association will bill the Resident an amount to cover all costs incurred.
8. A hardship variance to these guidelines may be granted by the Board of Directors when unique circumstances dictate. To receive a hardship variance, the Resident must submit the request for variance in writing to the Board of Directors.
9. Failure to abide by any of these guidelines may result in the Resident losing RV Storage Lot privileges.
10. In case of a dispute, the Board of Directors will be the final authority on what constitutes a Recreational Vehicle and the interpretation of any of these guidelines.
11. The inclusion of these guidelines shall not change the requirements of any other existing rules, regulations and guidelines in the Master Deed, Condominium Bylaws or Owners' Association Bylaws.

Approved by Board of Directors 3/18/06

Revised and Approved by Board of Directors 2/27/07

ADDRESSING COMPLAINTS

The office receives frequent complaint calls about many different things. However, our ability to resolve these issues are hindered by lack of documented evidence. We are often unable to send a person out immediately to observe the incident and a phone call without documentation is hear-say. The association will not take action without evidence and a written statement fully documenting the incident. We cannot seek legal action of any kind without this initial written statement.

We have told owners this over and over and many still refuse to put their complaint(s) in writing. Therefore, with this reporting procedure. **Please read carefully.**

How to document

Your name, address and a telephone number where you can be reached

Where: Exactly where the incident took place.

When: The correct time of day and the date.

Who: Who was involved? Full name and address of the person(s) involved.

How: What was the cause of the incident?

Witness: Who else saw the incident? Their full name, address and telephone number.

Were pictures taken? Every attempt should be made to photograph the incident.

Was a vehicle involved? Drivers full name and address if known.

Vehicle Tag: State issued, license number and expiration (if possible).

Make and model of vehicle, car, truck, station wagon, 2 door, 4 door, color and any other identifying features, etc.

After fully documenting or during your documentation call the appropriate parties.

Who to call? Call the right people for the job.

Damage to personal property: call 911

Harassment, abuse, personal injury, disturbing the peace, illegal parking and all other misdemeanors and felonies: Call 911.

Damage to the RV lot, office and all other secured areas: Call 911.

Motorized vehicle traffic in the commons area: Call 911 (these vehicles in the common areas cause extreme damage).

Note: The association cannot and will not get involved in matters belong to the police. We are not a police force and the association cannot take on that liability.

Damage to common area: Tree cutting, vandalism, burning and etc. This is your property, make an effort to stop the activity. Fully document and call the office, and then come in and fill out the appropriate form. If any of these violations in the common area take place on the weekends, during non-office hours call the office and leave a detailed message.

Notice things, be aware and look out for each other. If it seems wrong, it very well may be wrong. Our problems can be resolved; either by documented statements taken by the police or fully documented written statements to the association office. If owners follow this procedure, then corrective action can and will be taken; without your help, nothing will change. Let's all work together to make the Villages a more quiet, peaceful and safer place to live while at the same time enjoying your investment here.

Board of Directors

Revised 4/15/09
Revised 8/7/09