

ASSOCIATION BYLAWS

BETSIE CREEK CROSSINGS CONDOMINIUM ASSOCIATION

ARTICLE I

ADOPTION OF CONDOMINIUM BYLAWS

The Bylaws of **BETSIE CREEK CROSSINGS**, a land Condominium, (hereinafter known as the "Condominium Bylaws") as attached to the Master Deed and recorded in Liber 1074, Pages 427 through 479, Grand Traverse County Records, are hereby incorporated by reference and adopted in their entirety as a part of the Bylaws of this Association.

ARTICLE II

MEETINGS

Section 1. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Co-Owners as may be designated by the Board of Directors in accordance with Roberts' Rules of Order or some other generally recognized manual of parliamentary procedure, when not otherwise in conflict with the Articles of Incorporation, the Bylaws of the Condominium, the Condominium Master Deed or the laws of the State of Michigan.

Section 2. The First Annual Meeting of the Members of the Association shall be held in accordance with Article I, Section 8, of the Condominium Bylaws. The date, time, and place of the First Annual Meeting shall be set by the Board of Directors, and at least ten (10) days' written notice thereof shall be given to each Co-Owner. Thereafter, the annual meetings of members of the Association shall be held on September 15th of each succeeding year at such time and place as shall be determined by the Board of Directors. At such meetings there shall be elected, by ballot of the Co-Owners, a Board of Directors in accordance with the requirements of Article III of these Bylaws. The Co-Owners may also transact at annual meetings such other business of the corporation as may properly come before them.

Section 3. It shall be the duty of the president to call a special meeting of the Co-Owners as directed by resolution of the Board of Directors or upon a petition signed by one-third (1/3) of the Co-Owners presented to the secretary of the Association. Notice of any special meetings shall state the time and place of such meeting and the purposes thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 4. It shall be the duty of the secretary (or other Association officer in the secretary's absence) to serve a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, upon each Co-Owner of record, at least ten (10) days but not more than sixty (60) days prior to such meeting. The mailing, postage prepaid, of a notice to the representative of each Co-Owner at the address found in the notice required to be filed with the Association by Article I, Section 3(e) of the Condominium Bylaws shall be deemed notice served. Any member may, by written waiver of notice signed by such member, waive such notice and such waiver, when filed in the records of the Association, shall be deemed due notice.

Section 5. If any meeting of Co-Owners cannot be held because a quorum is not in attendance, the owners who are present may adjourn the meeting for a time not less than forty-eight (48) hours from the time the original meeting was called.

ARTICLE III

BOARD OF DIRECTORS

Section 1. The affairs of the corporation shall be governed by a board of three (3) directors, all of whom must be members of the corporation, except for the first Board of Directors designated in the Articles of Incorporation of the Association. Directors shall serve without compensation.

Section 2. The first Board of Directors designated in the Articles of Incorporation shall manage the affairs of the corporation until a successor Board of Directors is elected at the first meeting of members of the corporation convened at the time required by Article II, Section 2, of these Bylaws. The term of office (except for the Board of Directors elected prior to the First Annual Meeting of members) of each director shall be one (1) year. The director shall hold office until his successor has been elected and holds a meeting.

Section 3. The Board of Directors shall have the following powers and duties:

- (a) To manage and administer the affairs of and maintain the Condominium Project and the common elements thereof.
- (b) To collect assessments from the members of the Association and to use the proceeds thereof for the purposes of the Association.
- (c) To carry insurance and collect and allocate the proceeds thereof.
- (d) To rebuild improvements after casualty.

(e) To contract for and employ persons, firms, corporations or other agents to assist in the management, operation, maintenance and administration of the Condominium Project.

(f) To acquire, maintain, and improve, and to buy, operate, manage, sell, convey, assign, mortgage, or lease any real or personal property (including any unit in the Condominium), easements, rights-of-way, and licenses (on behalf of the Association and in furtherance of any of the purposes of the Association, including, but without limitation, the lease or purchase of any unit in the Condominium for use by a resident manager).

(g) To borrow money and issue evidences of indebtedness in furtherance of any and all of the purposes of the business of the Association, and to secure the same by mortgage, pledge, or other lien on property owned by the Association; provided, however, that any such action shall also be approved by an affirmative vote of more than seventy-five (75%) percent of all the members of the Association, both in number and in value.

(h) To make rules and regulations in accordance with Article VII, Section 8, of the Condominium Bylaws.

(i) To establish such committees as it deems necessary, convenient, or desirable and to appoint persons thereto for the purpose of implementing the administration of the Condominium and to delegate to such committees any functions or responsibilities which are not by law or the Condominium Documents required to be performed by the Board.

(j) To make rules and regulations and/or enter into agreements with institutional lenders, the purpose of which is to obtain mortgage financing for the unit Co-Owners.

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

Section 4. Vacancies in the Board of Directors, including the first Board of Directors named in the Articles of Incorporation, caused by any reason other than the removal of a director by a vote of the members of the Association, shall be filled by the vote of the majority of the remaining directors, even though they may constitute even less than a quorum. Each person so elected shall be a director until a successor is elected at the next annual meeting of the Association. Prior to the First Annual Meeting of members, the Developer may remove and replace any and/or all of the directors from time to time in its sole discretion.

Section 5. At any regular or special meeting of the Association duly called, any one or more of the directors may be removed with or without cause by a majority of the Co-Owners and a successor may then and there be elected to fill the vacancy thus created. Any director whose removal has been proposed by the Co-Owners shall be given an opportunity to be heard at the meeting.

Section 6. The first meeting of the newly elected Board of Directors shall be held within ten (10) days of election at such place as shall be fixed by the directors at the meeting at which such directors were elected and no notice shall be necessary to the newly elected directors in order to legally constitute such a meeting, providing a majority of the whole board shall be present.

Section 7. Regular meetings of the Board of Directors may be held at such times and places as shall be determined from time to time by a majority of the directors, but at least two (2) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each director, personally, by mail, telephone, or facsimile, at least ten (10) days prior to the date set for such meeting.

Section 8. Special meetings of the Board of Directors may be called by the president on three (3) days' notice to each director, given personally, by mail, telephone or facsimile, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the president or secretary in like manner and on like notice on the written request of one director.

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

Section 10. At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the acts of the majority of the directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any such business which might have been transacted at the meeting as originally called, may be transacted without further notice. The joinder of a director in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such director for the purposes of determining a quorum.

Section 11. The Board of Directors may require that all officers and employees of the Association handling and responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be expenses of administration.

ARTICLE IV

OFFICERS

Section 1. The principal officers of the Association shall be a president, who shall be a member of the Board of Directors, and a joint secretary and treasurer. Directors may appoint an assistant treasurer and an assistant secretary, and such other officers as, in their judgment, may be necessary. Any two offices, except that of president and vice-president, may be held by one person.

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

Section 3. Upon affirmative vote of the majority of the members of the Board of Directors, any officer may be removed either with or without cause, and his successor elected at any regular meeting of the Board of Directors or at any special meeting of the Board of Directors called for such purpose.

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

Section 5. The secretary-treasurer shall take the place of the president and perform his duties whenever the president shall be absent and unable to act. If neither the president nor the secretary-treasurer is able to act, the Board of Directors shall appoint some other member of the board to do so on an interim basis.

Section 6. The secretary shall keep the minutes of all the meetings of the Board of Directors and the minutes of all the meetings of the members of the Association; he shall have charge of the corporate seal and such books and papers as the Board of Directors may direct; and he shall, in general, perform all duties incident to the office of the secretary.

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

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

ARTICLE V

SEAL

Section 1. The corporation shall have a seal which shall have inscribed thereon the name of the corporation, the words "corporate seal", and "Michigan".

ARTICLE VI

FINANCE

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

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

Section 3. The funds of the corporation shall be deposited in such bank as may be designated by the Board of Directors and shall be withdrawn only upon the check or order of such officers, employees, or agents as are designated by resolution of the Board of Directors from time to time.

ARTICLE VII

INDEMNIFICATION OF OFFICERS AND DIRECTORS

Section 1. Every director and every officer of the corporation shall be indemnified by the corporation against all expenses and liabilities, including counsel

fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party or in which he may become involved, by reason of his being or having been a director or officer of the corporation, whether or not he is a director or officer at the time such expenses are incurred, except in such cases wherein the director or officer is adjudged guilty of willful misfeasance or malfeasance in the performance of his duties; provided that, in the event of any claim for reimbursement or indemnification hereunder, based upon a settlement by the director or officer seeking such reimbursement or indemnification, the indemnification herein shall apply only if the Board of Directors (with the director seeking reimbursement abstaining) proves such settlement and reimbursement as being in the best interest of the corporation. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled. At least ten (10) days prior to payment of any indemnification of which it has approved, the Board of Directors shall notify all Co-Owners thereof.

ARTICLE VIII

AMENDMENT

Section 1. These Bylaws (but not the Condominium Bylaws) may be amended by the Association at a duly constituted meeting for such purpose, by affirmative vote of a simple majority of the Co-Owners present in person, by proxy, or by written vote, as such vote is defined in Article I, Section 3(i) of the Condominium Bylaws.

Section 2. Amendment to these Bylaws may be proposed by the Board of Directors of the Association acting upon the vote of the majority of the directors or by one-third or more in number of the members of the Association, whether by a meeting of the members or by an instrument in writing signed by them.

Section 3. Upon any such amendment being proposed, a meeting for consideration of the same shall be duly called in accordance with the provisions of Article II of these Bylaws.

Section 4. Any amendment to these Bylaws shall become effective upon adoption of the same in accordance with Section 1 of Article VIII, without approval by the State of Michigan, and without recording same in the Office of the Register of Deeds.

Section 5. A copy of each amendment to these Bylaws shall be furnished to every member of the Association after adoption.

ARTICLE IX

COMPLIANCE

Section 1. These Bylaws are set forth to comply with the requirements of Act 162 of the Public Acts of Michigan of 1982, as amended, and Act 59 of the Public Acts of Michigan of 1978, as amended, with the duly recorded Master Deed of the Condominium and Exhibits "A" and "B" thereto. In the case any of these Bylaws conflict with the provisions of said statutes or with the provisions of said Master Deed or the exhibits thereto, the provisions of the statute and said Master Deed shall control.

CONDOMINIUM BYLAWS
BETSIE CREEK CROSSINGS

ARTICLE I

ASSOCIATION OF CO-OWNERS

Section 1. BETSIE CREEK CROSSINGS shall be administered by an Association of Co-Owners which shall be a non-profit corporation, hereinafter called the "Association" organized under the laws of the State of Michigan.

Section 2. The Association shall be organized to manage, maintain, and operate the Condominium in accordance with the Master Deed, these Bylaws, the Articles of Incorporation and Bylaws of the Association and the laws of the State of Michigan. The Association may provide for independent management of the Condominium Project.

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

(a) Each Co-Owner shall be a member of the Association and no other person or entity shall be entitled to membership.

(b) The share of a Co-Owner in the funds and assets of the Association cannot be assigned, pledged or transferred in any manner except as an appurtenance to his unit in the Condominium.

(c) Each Co-Owner shall be entitled to one vote for each Condominium unit owned when voting by number and one vote when voting by value (all units being assigned an equal percentage of value in Article V of the Master Deed). Voting shall be by number except in those instances when voting is specifically required to be in value.

(d) No Co-Owner, other than the Developer, shall be entitled to vote at any meeting of the Association until he has presented evidence of ownership of a unit in the Condominium Project to the Association. No Co-Owner, other than the Developer, shall be entitled to vote prior to the First Annual Meeting of Members held in accordance with Section 8 of this Article I. The vote of each Co-Owner may only be cast by the individual representative designated by such Co-Owner in the notice required in Subparagraph (e) below or by a proxy given by such individual representative. The Developer shall be entitled to vote each unit which it owns and with respect to which it is paying full annual assessments. Notwithstanding anything

herein to the contrary, a purchaser of a unit by means of a land contract shall be designated the owner of that unit and entitled to the vote for that unit.

(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 each person, firm, corporation, partnership, association, trust or other entity who is the Co-Owner. Such notice shall be signed and dated by the Co-Owner. The individual representative designated may be changed by the Co-Owner at any time by filing a new notice in the manner herein provided.

(f) There shall be an annual meeting of the members of the Association commencing with the First Annual Meeting held as provided in Section 8 of this Article I. Other meetings may be provided for in the Bylaws of the Association. Notice of the time, place and subject matter of all meetings shall be given to each Co-Owner by mailing the same to each individual representative designated by the respective Co-Owner at least ten (10) days prior to said meeting.

(g) The presence, in person or by proxy, of three-fifths (3/5) of the Co-Owners in number and in value shall constitute a quorum for holding a meeting of the members of the Association, except for voting on questions specifically required to require a greater quorum. The written vote of any person furnished at or prior to any duly called meeting, at which meeting said person is not otherwise present in person or by proxy shall be counted in determining the presence of a quorum with respect to the question upon which a vote is cast.

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

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

Section 4. The Association shall keep detailed books of account showing all expenditures and receipts of administration which shall specify the maintenance and repair expenses of the common elements and any other expenses incurred by or on behalf of the Association and the Co-Owners. Such accounts and all other Association records shall be open for inspection by the Co-Owners and their mortgagees during reasonable working hours. The Association shall prepare and distribute to each Co-Owner at least once a year a financial statement, the contents of which shall be defined by the Association. The books of account shall be audited at least annually by qualified independent auditors; provided, however, that such auditors need not be certified public accountants, nor does such audit need to be a certified audit. Any institutional holder of a first mortgage lien on any unit in the Condominium shall be entitled to receive a copy of such annual audited financial statement within ninety (90) days following the end of the Association's fiscal year upon request therefor. The costs of any such audit and any accounting expenses shall be expenses of administration. The Association also shall maintain on file current copies of the Master Deed for the Project, any amendments thereto and all other Condominium Documents, and shall permit all Co-Owners, prospective purchasers and prospective mortgagees interested in the Project, to inspect the same during reasonable hours.

Section 5. The affairs of the Association shall be governed by a Board of Directors, all of whom shall serve without compensation and who must be members of the Association, except for the first Board of Directors designated in the Articles of Incorporation of the Association and any successors thereto elected by the Developer prior to the First Annual Meeting of the members of the Association.

Section 6. The Association Bylaws shall provide for the designation, number, terms of office, qualifications, manner of election, duties, removal and replacement of the officers of the Association and may contain any other provisions pertinent to officers of the Association in furtherance of the provisions and purposes of the Condominium Documents and not inconsistent therewith.

Section 7. Every director and every officer of the corporation shall be indemnified by the corporation against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of his being or having been a director or officer when expenses are incurred, except in such cases wherein the director or officer is adjudged guilty of willful or wanton misconduct or gross negligence in the performance of his duties; provided that, in the event of any claim for reimbursement or indemnification hereunder based upon a settlement by the director or officer seeking reimbursement or indemnification, the indemnification herein shall apply only if the Board of Directors (with the director(s) seeking reimbursement abstaining) approves such settlement and reimbursement as being in the best interest of the corporation. The foregoing right of indemnification shall be in addition to and not

exclusive of all other rights to which such director or officer may be entitled. At least ten (10) days prior to payment of any indemnification which it has approved, the Board of Directors shall notify all Co-Owners thereof.

Section 8. The First Annual Meeting of the members of the Association may be convened by the Board of Directors and may be called at any time after conveyance of legal or equitable title to a unit to a non-developer Co-Owner but in no event later than one hundred twenty (120) days after such event. The date, time and place of such First Annual Meeting shall be set by the Board of Directors, and at least ten (10) days written notice thereof shall be given to each Co-Owner. Thereafter, an annual meeting shall be held each year on such date as is specified in the Association Bylaws. The Board of Directors shall establish an Advisory Committee of non-developer members upon the passage of: (a) one hundred twenty (120) days after legal or equitable title to one-third (1/3) of the condominium units that may be created has been conveyed to non-developer Co-Owners; or (b) one (1) year after the first conveyance of legal or equitable title to a condominium unit to a non-developer Co-Owner, whichever first occurs. The Advisory Committee shall meet with the Board of Directors to facilitate communication with the non-developer members and to aid in transferring control from the Developer to non-developer members. The Advisory Committee shall be composed of not less than one (1) nor more than three (3) non-developer members, who shall be appointed by the Board of Directors in any manner it selects, and who shall serve at the pleasure of the Board of Directors. The Advisory Committee shall automatically dissolve after a majority of the Board of Directors is comprised of non-developer Co-Owners. The Advisory Committee shall meet at least quarterly with the Board of Directors. Reasonable notice of such meetings shall be provided to all members of the Committee, and such meetings may be open or closed, in the discretion of the Board of Directors.

ARTICLE II

ASSESSMENTS

Section 1. The Association shall be assessed as the person or entity in possession of any tangible personal property of the Condominium owned or possessed in common by the Co-Owners, and personal property taxes based thereon shall be treated as expenses of administration.

Section 2. All costs incurred by the Association in satisfaction of any liability arising within, caused by, or connected with the common elements or the administration of the Condominium Project shall constitute expenditures affecting the administration of the Project, and all sums received as the proceeds of, or pursuant to, a policy of insurance securing the interest of the Co-Owners against liabilities or losses arising

within, caused by, or connected with the common elements or the administration of the Condominium Project shall constitute receipts affecting the administration of the Condominium Project.

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

(a) The Board of Directors of the Association shall establish an annual budget in advance for each fiscal year and such budget shall project all expenses for the forthcoming year which may be required for the proper operation, management and maintenance of the Condominium Project, including a reasonable allowance for contingencies and reserves. An adequate reserve fund for maintenance, repairs, and replacement of those common elements that must be replaced on a periodic basis shall be established in the budget and must be funded by regular payments as set forth in Section 4 below rather than by special assessments. At a minimum, the reserve fund shall be equal to ten (10%) percent of the Association's current annual budget on a noncumulative basis. The minimum standard required by this section may prove to be inadequate for a particular project. The Association of Co-Owners shall carefully analyze their Condominium Project to determine if a greater amount should be set aside, or if additional reserve funds should be established for other purposes. Upon adoption of an annual budget by the Board of Directors, copies of said budget shall be mailed to each Co-Owner, although the delivery of a copy of the budget to each Co-Owner shall not affect the liability of any Co-Owner for any existing or future assessments. Should the Board of Directors at any time determine, in the sole discretion of the Board of Directors, that the assessments levied are or may prove to be insufficient:

- (1) to provide for the costs of operation and management of the Condominium;
- (2) to provide replacements of existing common elements;
- (3) to provide additions to the common elements not exceeding \$1,000.00 annually; or
- (4) to provide for the costs in the event of emergencies;

the Board of Directors shall have the authority to increase the general assessment or to levy such additional assessment or assessments as it shall deem to be necessary.

(b) Special assessments, in addition to those required in (a) above may be made by the Board of Directors from time to time and approved by the Co-Owners. Special assessments referred to in this Paragraph shall not be levied without

the prior approval of more than sixty (60%) percent of all Co-Owners in value and in number.

Section 4. All assessments levied against the Co-Owners to cover expenses of administration shall be apportioned equally among each unit. Annual assessments as determined in accordance with Article II, Section 3(a) above, shall be payable by Co-Owners in equal semi-annual installments, commencing with acquisition of legal or equitable title to a unit. 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 rate of seven (7%) percent per annum until paid in full. Each Co-Owner (whether one or more persons) shall be and remain personally liable for the payment of all assessments pertinent to his unit which may be levied while such Co-Owner is the owner thereof.

Section 5. No Co-Owner may exempt himself from liability for his contribution toward the expenses of administration by waiver of the use or enjoyment of any of the common elements or by the abandonment of his unit.

Section 6. The Association may enforce collection of delinquent assessments by a suit at law for a money judgment or by foreclosure of the statutory lien that secures payment of assessments. Each Co-Owner, and every other person who, from time to time, has any interest in the Project, shall be deemed to have granted to the Association the unqualified right to elect to foreclose such lien either by judicial action or by advertisement, and further, to have authorized and empowered the Association to sell or to cause to be sold the unit with respect to which the assessment(s) is or are delinquent and to receive, hold, and distribute the proceeds of such sale in accordance with the priorities established by applicable law. Notwithstanding anything to the contrary, neither a judicial foreclosure action nor a suit at law for a money judgment shall be commenced, nor shall any notice of foreclosure by advertisement be published, until the expiration of ten (10) days after mailing, by first class mail, postage prepaid, addressed to the delinquent Co-Owner(s) at his or their last known address of a written notice that one or more installments of the semi-annual assessment levied against the pertinent unit is or are delinquent and that the Association may invoke any of its remedies hereunder if the default is not cured within ten (10) days after the date of mailing. Such written notice shall be in recordable form, executed by an authorized representative of the Association and shall set forth the following: (1) the name of the Co-Owner of record thereof, (2) the legal description of the Condominium unit or units to which the notice applies, (3) the amounts due the Association of Co-Owners at the date of notice, exclusive of interest, costs, attorney fees and future assessments. The notice shall be recorded in the office of the Register of Deeds in the county in which the Condominium Project is located prior to the commencement of any foreclosure proceeding, but it need not have been recorded as of the date of mailing as aforesaid. If the delinquency is not cured within the ten (10) day period, the Association may take

such remedial action as may be available to it hereunder or under Michigan law. The expenses incurred in collecting unpaid assessments, including interest, costs, actual attorney fees (not limited to statutory fees), and advances for taxes or other liens paid by the Association to protect its lien, shall be chargeable to the Co-Owner in default and shall be secured by the lien on his unit(s). In the event of default by any Co-Owner in the payment of any installment of the annual assessment levied against his unit, the Association shall have the right to declare all unpaid installments of the annual assessment for the pertinent fiscal year immediately due and payable. The Association may also discontinue the furnishing of any services to a Co-Owner in default upon seven (7) days' written notice to such Co-Owner of its intent to do so. A Co-Owner in default shall not be entitled to vote at any meeting of the Association so long as such default continues. A receiver may be appointed in an action for foreclosure of the assessment lien and may be empowered to take possession of the Condominium unit, if not occupied by the Co-Owner, and to lease the Condominium unit and to collect and apply the rental therefrom.

Section 7. Notwithstanding any other provisions of the Condominium Documents, the holder of any first mortgage covering any unit in the Project which comes into possession of the unit, pursuant to the remedies provided in the mortgage or by deed (or assignment) in lieu of foreclosure, or any purchaser at a foreclosure sale, shall take the property free of any claims for unpaid assessments or charges against the mortgaged unit which accrue prior to the time such holder comes into possession of the unit (except for claims for a pro rata share of such assessments or charges resulting from a pro rata reallocation of such assessments or charges to all units including the mortgaged unit).

Section 8. The Developer shall be responsible for payment of the full Association maintenance assessment, and all special assessments, for all units it owns.

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

Section 10. A mechanic's lien otherwise arising under Act No. 179 of the Michigan Public Acts of 1891, as amended, shall be subject to the Act. Pursuant to Section 111 of the Act, the purchaser of any Condominium unit may request a statement of the Association as to the outstanding amount of any unpaid assessments. Upon receipt of a written request to the Association accompanied by a copy of the right to acquire a unit, the Association shall provide a written statement of such unpaid assessments as may exist or a statement that none exist, which statement shall be binding upon the Association for the period stated therein. Upon the payment of that sum within the period stated, the Association's lien for assessments as to such unit shall be deemed satisfied; provided, however, that the failure of a purchaser to request

such statement at least five (5) days prior to the closing of the purchase of such unit, shall render any unpaid assessments and the lien securing same, fully enforceable against such purchaser and the unit itself, to the extent provided by the Act. Under the Act, unpaid assessments constitute a lien upon the unit and the proceeds of sale thereof prior to all claims except real property taxes and first mortgages of record.

ARTICLE III

ARBITRATION

Section 1. Disputes, claims or grievances arising out of or relating to the interpretation or the application of the Condominium Documents, or any disputes, claims or grievances arising among or between Co-Owners and the Association shall, upon the election and written consent of the parties to any such disputes, claims or grievances and written notice to the Association, be submitted to arbitration and the parties thereto shall accept the arbitrator's decision as final and binding. The Commercial Arbitration Rules of the American Arbitration Association as amended and in effect from time to time hereafter shall be applicable to any such arbitration.

Section 2. No Co-Owner or the Association shall be precluded from petitioning the courts to resolve any such disputes, claims or grievances.

Section 3. Election by Co-Owners or the Association to submit any such dispute, claim or grievance to arbitration shall preclude such parties from litigating such dispute, claim or grievance in the courts.

ARTICLE IV

INSURANCE

Section 1. The Association shall only carry liability insurance, and worker's compensation insurance, if applicable, pertinent to the ownership, use and maintenance of the common elements of the Condominium Project.

Section 2. All such insurance shall be purchased by the Association for the benefit of the Association and the Co-Owners and their mortgagees as their interests may appear and all premiums for insurance carried by the Association shall be an expense of administration.

Section 3. Each Co-Owner shall obtain all necessary insurance coverage at his own expense upon his unit. It shall be each Co-Owner's responsibility to obtain

insurance coverage for his unit, including any structures constructed thereon and his personal property located within his unit or elsewhere in the Condominium Project, for his personal liability for occurrences within his unit or upon limited common elements appurtenant to his unit, and for alternative living expense in the event of fire, and the Association shall have absolutely no responsibility for obtaining such coverage.

Section 4. All common elements of the Condominium Project shall be insured against fire and other perils covered by standard extended coverage endorsement in an amount equal to the maximum insurable replacement value as determined annually by the Board of Directors of the Association.

Section 5. The proceeds of any insurance policies received by the Association as a result of any loss requiring repair or reconstruction shall be applied for such repair or reconstruction.

Section 6. Each Co-Owner, by ownership of a unit in the Condominium Project, shall be deemed to appoint the Association as his true and lawful attorney-in-fact to act in connection with all matters concerning the maintenance of insurance coverage, vandalism and malicious mischief, liability insurance and worker's compensation insurance, if applicable, pertinent to the Condominium Project and the common elements appurtenant thereto with such insurer as may, from time to time, provide such insurance to the Condominium Project.

ARTICLE V

RECONSTRUCTION OR REPAIR

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

(a) If the damaged property is a common element, the property shall be rebuilt or repaired if any unit in the Condominium is tenantable, unless it is determined that the Condominium shall be terminated and each institutional holder of a first mortgage lien on any unit in the Condominium has given its prior written approval of such termination.

(b) If the Condominium is so damaged that no unit is tenantable, and if each institutional holder of a first mortgage lien on any unit in the Condominium has given its prior written approval of the termination of the Condominium, the damaged property shall not be rebuilt and the Condominium shall be terminated, unless seventy-

five (75%) percent or more of the Co-Owners in value and in number agree to reconstruction by vote or in writing within ninety (90) days after the destruction.

Section 2. Any such reconstruction or repair shall be substantially in accordance with the Master Deed and the plans and specifications for the Project.

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

Section 4. Each Co-Owner shall be responsible for the reconstruction, repair and maintenance of his unit. Notwithstanding anything contained herein to the contrary, the Association shall be responsible for the maintenance, repair and replacement of the stormwater retention areas as depicted on Exhibit "B" whether general common elements or located within the boundaries of certain units.

Section 5. The Association shall be responsible for the reconstruction, repair, and maintenance of the common elements, including those roadways and access easements not dedicated to the Grand Traverse Road Commission.

Section 6. The Act shall control upon any taking by eminent domain.

Section 7. Nothing contained in the Condominium Documents shall be construed to give a Condominium unit owner or any other party priority over any rights of first mortgagees of Condominium units pursuant to their mortgages and in the case of a distribution to Condominium unit owners of insurance proceeds or condemnation awards for losses to or a taking of Condominium units and/or common elements.

ARTICLE VI

DEVELOPMENT/CONSTRUCTION

Section 1. Development Committee.

1.1 A Development Committee shall be established by the Developer and shall at all times consist of the Developer and one or more persons appointed by the Developer. The Development Committee shall assist lot owners in complying with the development restrictions set forth in Articles VI and VII of these Bylaws.

1.2 Except as otherwise provided herein, a majority of the members of the Committee shall have the power to act on behalf of the Committee without the necessity

of a meeting and without the necessity of consulting the remaining members of the Committee. The Committee may act only by written instrument setting forth the action taken and signed by the members of the Committee consenting to such action, provided further, however, that the Developer's consent shall be required for all Committee action.

Section 2. Development Committee Approval.

2.1 No lot owner shall construct, alter, or maintain any improvements on a lot until all of the following have been completed:

(a) The lot owner has submitted to the Committee two complete sets of preliminary sketches showing floor plans, exterior elevations and an outline specification for materials and finishes.

(b) The Committee has approved the preliminary sketches.

(c) Upon approval of preliminary sketches, the lot owner has submitted to the Committee two complete sets of plans and specifications therefor, in a form satisfactory to the Committee, showing insofar as is appropriate:

(1) The size, dimensions and style of the improvements, including, by way of illustration and not limitation, the dwelling, the garage and any permitted outbuildings (storage facilities, gazebos, etc.);

(2) The exterior design and building materials;

(3) The exterior color scheme;

(4) The approximate location of the improvements on the lot, including, by way of illustration and not limitation, the dwelling, the garage and any permitted outbuildings (storage facilities, gazebos, etc.); and

(5) The approximate location of the driveways, parking areas and landscaping (including location and construction of all fences or walls, recreational facilities, and utilities).

(d) Such plans and specifications have been approved in writing by the Committee.

Approval of preliminary sketches and detailed plans and specifications may be withheld only because of the noncompliance with any of the restrictions and conditions contained herein, which includes those matters or things which, in the reasonable

judgment of the committee, would render the proposed improvement inharmonious or out of keeping with the objectives of the Developer.

2.2 If at any time a lot owner shall have submitted to the Committee plans and specifications in accordance with this section for a structure or alteration, and the Committee has neither approved such plans and specifications within fourteen (14) days from the date of submission nor notified the lot owner of its objection with such 14-day period, then such plans and specifications shall be deemed to have been approved by the Committee. In the event that a lot owner shall file revised plans and specifications for a structure or alteration with the Committee after receiving objections from the Committee with respect to original plans and specifications, and the Committee has neither approved them nor notified the lot owner of further objections within fourteen (14) days from the date of submission, then such revised plans and specifications shall be deemed to have been approved by the Committee.

Section 3. Character of Building.

3.1 The Developer recognizes that there can be an infinite number of concepts and ideas for the development of lots consistent with its plan for Betsie Creek Crossings. The Developer wishes to encourage the formulation of new or innovative concepts and ideas. Nevertheless, for the protection of all lot owners, and for the preservation of the Developer's concept for the development of the project, the Developer wishes to make certain that any development of a lot will be consistent with its plan for Betsie Creek Crossings, including the following:

(a) No building shall be erected on any lot except a single, private dwelling to be occupied by not more than one (1) family, for residential purposes only, with an attached or unattached two (2) car garage, and with or without permitted outbuildings.

(b) Each dwelling constructed on a lot shall have a minimum of 1100 square feet of finished living area, excluding any garage, basement, porch, breezeway, or entranceway.

(c) All buildings shall be limited to thirty-five (35) feet in height above the mean ground level of the building foundation area.

(d) Single-section mobile homes and cabins shall not be permitted. However, multi-section homes and modular homes shall be permitted.

(e) All construction materials shall satisfy all applicable building code requirements.

(f) All garages must be architecturally related to the dwelling and constructed only of materials permitted for the construction of residences. Outbuildings must match the overall color scheme of the buildings and may not have metal exteriors nor have more than one (1) story.

Section 4. Construction.

4.1 Each dwelling shall be constructed so as to conform in all respects with the Green Lake Township Zoning Ordinance, including, by way of illustration and not limitation, the following setback requirements (setbacks are determined from lot lines):

	<u>Setbacks</u>
Front Yard	35
Rear Yard	15
Side Yard	15

4.2 All stumps, trees and brush, cut or cleared to provide for dwelling and/or driveway construction, must be removed from the Betsie Creek Crossings premises, except timber cut and saved for firewood.

4.3 The exterior of any improvement shall not remain incomplete for a period of longer than six (6) months from the date upon which the construction of the improvement was commenced without the approval of the Committee prior to the expiration of said period, and all construction shall be pursued diligently to completion.

4.4 All land cuts caused by driveway installation or home construction must be stabilized in accordance with applicable permits.

4.5 Each owner shall be responsible for any damage to a common area or improvements which occurs as a result of construction on the owner's lot and all such damage shall be repaired within thirty (30) days of occurrence by the responsible lot owner.

4.6 Any debris resulting from the construction or improvement or alteration of a lot shall be removed with all reasonable dispatch from the lot in order to prevent an unsightly or unsafe condition.

Section 5. Landscaping/Grade.

5.1 Natural groundcover, wood chips or other natural plantings that are indigenous to the wooded areas are encouraged.

5.2 Existing trees and natural cover (wildflowers, groundcover, shrubs, etc.) shall be preserved wherever possible and practical.

5.3 The grade of the respective lots shall be maintained in harmony with the topography of the project and with respect to adjoining lots.

5.4 In the interest of preserving the existing established condition of natural slopes, the owner shall maintain groundcover to prevent water and wind erosion to their lot.

5.5 All improvements shall be located so as to comply with the setback restrictions as described in Section 4.1 of this Article VI and as shown on Exhibit "B" attached hereto, and shall comply with all applicable zoning and building codes and/or ordinances.

5.6 The location of all improvements shall be designed and located so as to be compatible with the natural surroundings and with the other lots.

Section 6. Miscellaneous.

6.1 Decorative, split-rail fencing of the standard two rail variety, with rail lengths of ten (10) feet, shall be permitted along lot boundaries. There are no rail length requirements for any such split-rail fencing located within the interior of a lot. For the purpose of uniformity, the distance from the road to any such perimeter fencing shall be determined by the Committee. All other types of fencing shall be prohibited, unless otherwise permitted by the prior written approval of the Committee.

6.2 All garbage and refuse shall be promptly disposed of so that it will not be objectionable to neighboring property owners of Betsie Creek Crossings. No outside storage for refuse or garbage shall be maintained or used unless the same shall be properly concealed.

6.3 No lot shall be used or maintained as a dumping ground for rubbish. Trash, garbage, or other waste shall be kept only in sanitary containers, which shall be kept out of view of the roadways. Garbage containers shall not be left at the road for more than 24 hours in any one week.

6.4 Carports are specifically prohibited.

6.5 No exposed concrete or concrete blocks shall be permitted on any exterior except for foundation walls which may be exposed to a maximum height of 18" above the finished ground level (grade). Any concrete or concrete block wall which

exceeds eighteen (18) inches in height above finished grade must be covered with an approved exterior finish material.

6.6 All utilities, including telephone and electric, shall be underground from the private ways to all structures. Overhead utility service is not permitted on any lot for other than temporary uses.

6.7 Propane gas tanks, fuel oil tanks and any other similar types of tanks shall be prohibited.

6.8 All driveways, aprons and parking areas must be paved with concrete or asphalt and stabilized with appropriate materials.

6.9 Above ground swimming pools will not be prohibited. However, each lot owner shall be solely responsible to insure limited access to any pool, hot tub or whirlpool and shall be solely responsible for constructing or installing all necessary (or required) safety measures.

6.10 The Committee shall have the right to waive or vary any of the restrictions contained in this Article VI in such cases as the Committee, in its sole judgment, shall deem to be in the best interest of those owning property in Betsie Creek Crossings.

ARTICLE VII

DEVELOPMENT RESTRICTIONS

Section 1. No lot in Betsie Creek Crossings shall be used for other than single family residential purposes and the common elements shall be used only for purposes consistent with the use of single family residences; not more than one single family dwelling, garage and other permitted outbuildings or structures shall be permitted on each lot.

Section 2. No immoral, improper, unlawful or offensive activity shall be carried on in any lot or upon the common elements, limited or general, nor shall anything be done which may or becomes an annoyance or a nuisance to the Co-owners of the project, nor shall any unreasonably noisy activity be carried on in any lot or on the common elements. No Co-owner shall do or permit anything to be done or keep or permit to be kept in his lot or on the common elements anything that will increase the rate of insurance on the project without the written approval of the Association and the responsible Co-owner shall pay to the Association the increased cost of insurance premiums resulting from any such activity or the maintenance of any such condition.

Section 3. The common elements, limited or general, shall not be used for storage of supplies, materials, personal property or trash or refuse of any kind, except as provided in duly adopted rules and regulations of the Association. In general, no activity shall be carried on nor condition maintained by a Co-owner either on his lot or upon the common elements, which spoils the appearance of Betsie Creek Crossings.

Section 4. No recreational vehicles/motor homes, commercial vehicles, boat trailers, boats, camping vehicles, camping trailers, snowmobiles, snowmobile trailers, or vehicles other than automobiles may be permanently stored upon the premises of the Condominium, except within a garage or permitted outbuilding.

Section 5. No Co-owner shall use, or permit the use by any occupant, agent, employee, invitee, guest or member of his family of any firearms, air rifles, pellet guns, B-B guns, bows and arrows or other similar dangerous weapons, projectiles or devices anywhere on or about Betsie Creek Crossings.

Section 6. No signs or other advertising devices shall be displayed which are visible from the exterior of a lot or on the common elements, including "For Sale" signs, without written permission from the Association and/or the Developer.

Section 7. No animals of any kind shall be raised, kept or permitted upon the property or any part thereof other than usual household pets. Such animals are not to be kept, bred or raised for commercial purposes or in unreasonable numbers, and are to be reasonably controlled to avoid their being a nuisance to other lot owners. Dogs shall not be allowed to run free. All animals shall be subject to such rules and regulations as the Association shall from time to time adopt.

Section 8. Reasonable regulations consistent with the Act, the Master Deed and these Bylaws, concerning the use of the common elements may be made and amended from time to time by any Board of Directors of the Association, including the First Board of Directors (or its successors elected by the Developer) prior to the First Annual Meeting of the entire Association held as provided in Article I, Section 8, of these Bylaws. Copies of all such regulations and amendments thereto shall be furnished to all Co-owners and shall become effective thirty (30) days after mailing or delivery thereof to the designated voting representative of each Co-owner. Any such regulation or amendment may be revoked at any time by the affirmative vote of more than seventy-five (75%) percent of all Co-owners in number and in value except that the Co-owners may not revoke any regulation or amendment prior to said First Annual Meeting of the entire Association.

Section 9. The Association or its duly authorized agents shall have access to each lot (but not the improvements (buildings) constructed thereon) and any limited common elements appurtenant thereto from time to time, during reasonable working

hours, upon notice to the Co-owner thereof, as may be necessary for the maintenance, repair or replacement of any of the common elements. The Association or its agents shall also have access to each lot and any limited common elements appurtenant thereto at all times without notice as may be necessary to make emergency repairs to prevent damage to the common elements or to another lot.

Section 10. Each Co-owner shall maintain his lot and any limited common elements for which he has maintenance responsibility in a safe, clean and sanitary condition. Each Co-owner shall also use due care to avoid damaging any of the common elements including, but not limited to, the telephone, water, gas, plumbing, electrical or other utility conduits and systems and any other elements in any lot which are appurtenant to or which may affect any other lot. Each Co-owner shall be responsible for damages or costs to the Association resulting from negligent damage to or misuse of any of the common elements by him, or his family, guests, agents or invitees, unless such damages or costs are covered by insurance carried by the Association in which case there shall be no such responsibility (unless reimbursement to the Association is excluded by virtue of a deductible provision, in which case the responsible Co-owner shall bear the expense to the extent of the deductible amount). Any costs or damages to the Association may be assessed to and collected from the responsible Co-owner in the manner provided in Article II hereof.

Section 11. None of the restrictions contained in this Article VII shall apply to the commercial activities or signs, if any, of the Developer during the development and sales period as defined hereinafter, or of the Association in furtherance of its powers and purposes set forth herein and in its Articles of Association and Bylaws as the same may be amended from time to time. For the purposes of this Section, the development and sales period shall be deemed to continue so long as Developer owns any lot which he offers for sale. Until all lots in the entire project are sold by Developer, Developer shall have the right to maintain a sales office, a business office, a construction office, storage areas, reasonable parking incident to the foregoing and such access to, from and over the project as may be reasonable to enable development and sale of the entire project by Developer. Developer shall restore the areas so utilized to habitable status upon termination of use.

Section 12. Only satellite dishes of eighteen (18) inches or less in diameter may be installed on a lot and any such satellite dishes installed must be inconspicuous. Exterior television or radio antennae and/or towers shall not be permitted.

Section 13. No outdoor property night lights of any kind shall be permitted to cast their direct rays beyond any of the boundary lot lines of the lot in which they are installed or maintained. Although properly shielded timed or automatic lighting devices will be permitted, no form of dusk to dawn lighting will be permitted to be in operation

unless that area of the lot is being utilized at the time by a Co-owner or guest of a Co-owner.

Section 14. Each lot owner shall minimize the risk of environmental contamination or hazards to any common element and to his lot.

(a) No person shall use any common element or their lot as a dump or landfill or as a facility for waste treatment, storage or disposal except as may otherwise be permitted by the County Health Department.

(b) No person shall cause or permit the release or disposal of any petroleum products or hazardous substances on or in any common element or their lot.

(c) No person will conduct any operations or activity on the project premises in violation of any federal, state or local environmental law.

(d) Each lot owner shall not permit any condition to exist on the project premises in violation of any federal, state or local environmental law.

(e) Each lot owner shall immediately notify all appropriate governmental agencies of any release or threatened release of hazardous substances or petroleum products on or in any common element of the project or his lot.

(f) Each lot owner shall immediately notify the Developer or the Association of any communication from any governmental agency regarding any release or threatened release of hazardous substances or petroleum products on or relating to any common element or his lot, and upon request of the Developer or the Association, each lot owner shall provide the Developer with copies of all documents relating to such communications.

Section 15. The Committee shall have the right to waive or vary any of the restrictions contained in this Article VII in such cases as the Committee, in its sole judgment, shall deem to be in the best interest of those owning property in Betsie Creek Crossings.

ARTICLE VIII

MORTGAGES

Section 1. Any Co-Owner who mortgages his unit shall notify the Association of the name and address of the mortgagee, and the Association shall maintain such information in a book entitled "Mortgages of Units". The Association may, at the written

request of a mortgagee of any such unit, report any unpaid assessments due from the Co-Owner of such unit. The Association shall give to the holder of any first mortgage covering any unit in the Project written notification of any default in the performance of the obligations of the Co-Owner of such unit that is not cured within sixty (60) days.

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

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

ARTICLE IX

AMENDMENTS

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

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

Section 3. Except as expressly limited in Section 5 of this Article IX, these Bylaws may be amended by the Association at any regular annual meeting or a special meeting called for such purpose, by an affirmative vote of not less than two-thirds (2/3) of all Co-Owners in number.

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

Section 5. Any amendment to these Bylaws (but not the Association Bylaws) shall become effective upon the recording of such amendment in the Office of the Register of Deeds in the county where the Condominium is located.

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

ARTICLE X

COMPLIANCE

The Association of Co-Owners and all present or future Co-Owners, tenants, future tenants or any other persons acquiring an interest in or using the facilities of the Project in any manner are subject to and shall comply with the Act, as amended, and the mere acquisition, occupancy or rental of any unit or an interest therein or the utilization of or entry upon the Condominium Premises shall signify that the Condominium Documents are accepted and ratified. In the event the Condominium Documents conflict with the provisions of the Act, the Act shall govern.

ARTICLE XI

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 XII

REMEDIES FOR DEFAULT

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

(a) Failure to comply with any of the terms or provisions of the Condominium Documents or the Act shall be grounds for relief, which may include, but without limiting, an action to recover sums due for damages, injunctive relief, foreclosure of lien, or any combination thereof, and such relief may be sought by the Association or, if appropriate, by an aggrieved Co-Owner or Co-Owners.

(b) In any proceeding arising because of an alleged default by any Co-Owner, the Association, if successful, shall be entitled to recover the costs of the

proceeding and such reasonable 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) The violation of any of the provisions of the Condominium Documents shall also give the Association or its duly authorized agents the right, in addition to the rights set forth above, to enter upon the common elements, limited or general, or into any unit, where reasonably necessary, and summarily remove and abate, at the expense of the Co-Owner in violation, any structure, thing or condition existing or maintained contrary to the provisions of the Condominium Documents.

(d) The violation of any of the provisions of the Condominium Documents by any Co-Owner shall be grounds for assessment by the Association, acting through its duly constituted Board of Directors, of monetary fines for such violations. No fine may be assessed unless Rules and Regulations establishing such fine have been first duly adopted by the Board of Directors of the Association, and notice thereof given to all Co-Owners in the same manner as prescribed in Article II, Section 4, of the Association Bylaws. Thereafter, fines may be assessed only upon notice to the offending Co-Owners as prescribed in Article II, Section 4, and an opportunity for such Co-Owner to appear before the Board no less than seven (7) days from the date of the notice and offer evidence in defense of the alleged violation. All fines duly assessed may be collected in the same manner as provided in Article II of these Bylaws. No fines shall be levied for the first violation. No fine shall exceed \$25.00 for the second violation, \$50.00 for the third violation or \$100.00 for the subsequent violation.

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

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

ARTICLE XIII

SEVERABILITY

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