Riley
Condominium

Condominium Purchaser Information Book

RILEY CONDOMINIUM

Purchaser Information Booklet

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RILEY CONDOMINIUM

Explanation Form and Receipt

Case Karsten Properties, LLC, a Michigan limited liability company (the "**Developer**") is developing and offering for sale commercial condominium units within Riley Condominium (the "**Condominium**"). Section 84a of the Michigan Condominium Act (the "**Act**") requires the Developer to provide copies of the following documents to a prospective purchaser:

1. A copy of the recorded Master Deed;
2. A copy of a Purchase Agreement that conforms to Section 84 of the Act, as amended, and is in a form that can be signed by the purchaser;
3. The Condominium Buyer's Handbook; and
4. A Disclosure Statement relating to the project and which contains the information required by Section 84a of the Act.

This information is required to be provided to prospective purchasers so that they have an opportunity to review the important provisions of the condominium documents.

To comply with Section 84a of the Act, the Developer has put together a Purchaser Information Booklet (the "**Booklet**") for the Condominium. This book contains copies of the documents required by Section 84a, and other documents that may be of interest to prospective purchasers. Specifically, the Booklet contains the following:

1. This Explanation Form
2. The Disclosure Statement
3. The recorded Master Deed
4. The Bylaws (Exhibit "A" to the Master Deed)
5. The Condominium Subdivision Plan (Exhibit "B" to the Master Deed)
6. Consent to Submission of Real Property by West Michigan Community Bank (Exhibit "C" to the Master Deed)
7. Affidavit of Mailing (Exhibit "D" to the Master Deed)
8. The Articles of Incorporation for the Riley Condominium Association
9. The Condominium Buyers' Handbook
10. The Escrow Agreement
11. The Form of Purchase Agreement

Your Purchase Agreement cannot become binding until the expiration of nine (9) business days from the date you receive the documents contained in the Booklet. During that time, you should be sure to carefully read the accompanying documents that control the operation of the Condominium Unit you are purchasing and your relationship with the Condominium Project, its other owners, and the Developer. The nine (9) day period will not be extended, even if your Purchase Agreement or any of the other condominium documents are amended.

Please sign and return to us the extra copy of this Explanation From and Receipt. By signing this form you acknowledge receipt from us of the Purchaser Information Booklet containing the documents described above and your signature below is prima facie evidence that the documents contained in the Purchaser Information Booklet were received and understood by you.

I/we acknowledge receipt of the above described documents:

Dated: _____ By: _____

Dated: _____ By: _____

RILEY CONDOMINIUM
DISCLOSURE STATEMENT

INTRODUCTION

Condominium development in Michigan is governed largely by a statute called the Michigan Condominium Act, MCLA 559.101 et seq., MSA 26,50(101) et seq., and by rules adopted by the Michigan Department of Licensing and Regulatory Affairs, the state agency that administers the Act. In this document, **CASE KARSTEN PROPERTIES, LLC**, as the Developer ("Developer") of Units within Riley Condominium (the "Condominium" or "Project"), states the material facts about the Project and the parties involved in its development that it believes will satisfy the needs of the average buyer. This disclosure statement, together with copies of the legal documents intended for the creation and operation of the Project, are furnished to each buyer to fulfill the requirement of the Act that the Developer disclose to prospective purchasers the characteristics of the Condominium Units that are offered for sale. These documents constitute the only authorized description of the Project, and none of the Developer's sales agents or other representatives may vary the terms.

THE CONDOMINIUM CONCEPT

A condominium is a form of real property ownership. Under Michigan law, a condominium unit has the same legal attributes as any other form of real estate and may be sold, mortgaged, or leased subject to the restrictions in the condominium documents. A condominium project is established by recording a master deed with the register of deeds of the county where the project is located.

Each owner of a condominium unit, or co-owner, owns part of a building, for which the co-owner receives a warranty deed, A co-owner is one of a number of mutual owners of common facilities, the common elements, that serve both the co-owner's unit and other units in the project. The units and the common elements (which are legally inseparable from the units) are generally described in the master deed. Each unit's boundaries are shown in the condominium subdivision plan, which is attached as an exhibit to the master deed. All parts of the project that are not included within the units constitute the common elements and are owned by all co-owners in undivided proportions equal to the percentages of value assigned to each unit in the master deed. Limited common elements are those common elements that are set aside for the use of less than all unit owners. All other common elements are general common elements.

The relatively close proximity of co-owners dictates that certain restrictions and obligations be imposed on each owner for the mutual benefit of all. Such restrictions are stated in the condominium bylaws, which are recorded as part of the master deed. All the condominium documents are prepared with the goal of allowing each co-owner a maximum amount of individual freedom without allowing any one co-owner to infringe on the rights and interests of the group at large. All co-owners must be familiar with and abide by the restrictions if a condominium project is to be an enjoyable place to use and occupy.

DESCRIPTION OF THE PROJECT

Riley Condominium is a commercial condominium project located in the City of Zeeland, Ottawa County, Michigan (the "Project"). The Project includes 40 commercial units.

The land, walkways, landscaping, common utility systems, and structural elements of buildings are all General Common Elements, owned and used in common by all Co-owners. Individual Co-owners also have exclusive rights to use the Limited Common Elements of the Project.

LEGAL DOCUMENTS

The Project has been established as a Condominium Project pursuant to a Master Deed, as amended, recorded with the Ottawa County Register of Deeds, a copy of which is delivered with this Disclosure Statement. The Master Deed includes the Condominium Bylaws as Exhibit "A" and the Condominium Subdivision Plan, a three-dimensional survey establishing the physical relationship and location of each of the units in the Project, as Exhibit "B". Other Condominium Documents include the Articles of Incorporation and the rules and regulations of the Association.

The Master Deed contains the definitions of terms used in the legal documents, the Percentage of Value assigned to each unit, a general description of both the Limited and the General Common Elements, and a statement about the responsibilities of the individual owners and of the Association for maintaining the Common Elements.

The Condominium Bylaws contain provisions relating to the operation, management, and fiscal affairs of the Condominium, including provisions relating to both regular and special assessment of the members to pay for the costs of operating the Project. Restrictions on the ownership, occupancy, and use of Condominium Units in the Project are listed together with provisions allowing the Association to adopt additional rules and regulations governing the use of the units and the Common Elements.

The Condominium Subdivision Plan contains a survey of the Condominium land showing the location of all buildings and utilities. Floor plans and elevations of individual units are also depicted in the Condominium Subdivision Plan, together with those Common Elements that can be shown on the drawings.

THE DEVELOPER'S BACKGROUND AND EXPERIENCE

The Project's Developer is **CASE KARSTEN PROPERTIES, LLC** (the "Company") 51 E Main Ave, Zeeland, MI 49464. The Project is the Company's only endeavor in condominium development.

The Project's realtor is Steve Sterken with Coldwell Banker Woodland Schmidt Realtors, 466 E 16th Street, Holland, MI 49423. 616-403-4748. Mr. Sterken and Coldwell Banker Woodland Schmidt Realtors have significant experience in the sale and marketing of condominium units.

ADMINISTRATION OF THE PROJECT

The responsibility for managing and maintaining the Project is vested in the Riley Condominium Association, which has been incorporated by the Developer as a nonprofit corporation under Michigan law. Each Condominium owner automatically becomes a member of the Association when the person purchases a unit in the Project. The owner of each unit is entitled to one vote at all meetings of the Association.

The Association Bylaws permit it to hire a professional manager or a management company to manage the Project. The Association has not hired a property management company, and is currently managing the Project itself.

Additional information about the organization and operation of condominiums in Michigan may be found in the Condominium Buyer's Handbook published by the authority of the Michigan Department of Licensing and Regulatory Affairs, a copy of which has already been furnished to you by the Developer.

PROJECT WARRANTIES

As described in the Condominium Addendum to Purchase Agreement, the Developer warrants the work and materials of all units it constructs (other than consumer products, as defined in the Magnuson-Moss Warranty Federal Trade Commission Improvement Act, that are included within a purchaser's unit) for one year from the date of occupancy. If a Co-owner notifies the Developer in writing of a defect before the warranty period expires, the Developer will inspect the unit and, if the inspection reveals defects in work or materials, will make reasonable repairs to fix the defects without cost to the Co-owner. The Developer is also responsible for defects in work and materials in the buildings and other Common Elements of the Project about which it receives written notice within one year after the particular Common Element is completed.

The Developer's warranty does not include alleged defects that result from characteristics common to the materials used, such as the warping of wood; the fading or checking of paint due to sunlight; hairline cracks caused by the drying and curing of concrete, stucco, plaster, bricks, or masonry; the drying, shrinking, or cracking of caulking and weather stripping; the heaving of cement; snow or ice buildup on roofs causing leakage in a unit or in the Common Elements; or the initial settlement of buildings or material shrinkage commonly associated with new construction.

The Developer's warranty is not assignable to subsequent purchasers of a Condominium Unit. In addition, any warranty given by the manufacturer of an appliance or other manufactured

item installed in the Condominium Unit by the Developer will be assigned to the purchaser of that unit. The Developer makes no other warranties about such items.

All notices regarding warranty claims should be addressed to the Developer at the address noted on the first sheet of this statement.

There are no warranties on this Condominium Project other than those described in this statement; express warranties are not provided unless specifically stated. You, individually or as a member of the Association, may be required to pay for the replacement or repair of any defects in this Condominium Project that are not covered by warranty. Under no circumstances will the Developer be liable for incidental or consequential damages.

ESCROW REQUIREMENTS

MCL 559.184, MSA 26.50(184) provides that all payments received from prospective purchasers under purchase agreements must be deposited in an escrow account with an authorized escrow agent and must be refunded if the purchase agreement is canceled within nine business days after the purchaser receives the Condominium Documents that the Developer must give the purchaser under MCL 559.184a, MSA 26.50(184a). When the withdrawal period expires, the Developer must retain sufficient amounts in the escrow account or provide other adequate security as provided in MCLA 559.203b, MSA 26.50(203b) to ensure the completion of the uncompleted structures and improvements labeled "must be built" in the Condominium Documents.

As indicated in the Condominium Subdivision Plan attached as Exhibit B to the Master Deed, Units 1-5 together with all utilities and improvements needed for them must be built.

BUDGET AND ASSESSMENTS

The Condominium Bylaws require that the Board of Directors adopt an annual budget for operating the Project. A copy of the most recent budget is attached to this statement as Exhibit "A". The amount projected as expenses of the Association does not include expenses for gas, cable television, interior electric, or telephone services, which are individually metered and must be paid directly by each Co-owner.

Because the budget must necessarily be prepared in advance, it reflects estimates of expenses based on past experience. These estimates may prove to be inaccurate during actual operations on account of such factors as increases in the cost of goods and services, the need to repair or replace Common Elements, or property improvements. If such cost increases occur, the budget will need to be revised accordingly.

Until such time as the regular annual assessments paid by Co-Owners shall be sufficient to support the total costs of administration for the Project (excluding reserves), the Developer shall

pay the balance of such administrative costs on account of the Units owned by Developer. After the time that the regular annual assessments paid by Co-owners other than the Developer are sufficient to support the total costs of administration (excluding reserves), the Developer shall not be responsible for contribution to the Association budget for Units which it owns.

Each Co-owner must pay an annual assessment which is determined by dividing the projected budget expenses by the number of units in the Project. This assessment must be paid in 12 equal monthly installments on the first day of each month.

The Board of Directors may also levy special assessments to cover expenses that are not anticipated in the budget.

RESTRICTIONS

Owners of Condominium Units will be bound by various use and occupancy restrictions applying to both the Condominium Units and the Common Elements. For example, there are restrictions against altering the structure or the exterior appearance of any unit or Limited Common Element; erecting signs on the exterior of a unit, and parking recreational vehicles, boats, and trailers on the General Common Elements of the Condominium Property.

It is impossible to paraphrase all the restrictions without risking the omission of some restriction that might be significant to a particular purchaser. Consequently, each buyer should carefully review the Master Deed and Condominium Bylaws to be sure that an important intended use is riot restricted. None of the restrictions prohibit the Developer from carrying on sales activities as long as the Developer is selling units in the Condominium.

ENFORCEMENT PROVISIONS

Compliance with use restrictions may be enforced by the levy of fines or by a legal action seeking damages or an injunction against the offending owner. The board may also take direct action to correct any condition that violates these Bylaws or elect to discontinue furnishing services to the unit involved on seven days' notice to the Co-owner in default. If an owner does not pay monthly assessments when they are due, the Association may charge the owner reasonable interest and/or assess late charges from the due date. The Association is also given a lien on the unit that may be enforced as described above or by foreclosure proceedings as provided by the Michigan Condominium Act. Owners should be aware, however, that MCL 559.158, MSA 26.50{158) provides that if the holder of a first mortgage or other purchaser obtains title to a unit as the result of a foreclosure of that mortgage, the holder of the first mortgage or a subsequent purchaser is not liable for unpaid assessments for that unit that became due before the foreclosure. Such unpaid assessments are common expenses that are collectible from all Co-owners.

INSURANCE

The Condominium Documents require that the Association carry fire and extended coverage insurance for vandalism and malicious mischief and liability insurance and worker compensation insurance (if applicable) for all the Common Elements of the Project. Such policies may contain deductible clauses, which may result in the Association bearing part of a loss. The Board of Directors is responsible for obtaining this insurance coverage for the Association and each Co-owner's pro rata share of the annual Association insurance premiums is included in the monthly assessment. The Association insurance policies will be available for inspection at its office.

The insurance coverage provided by the Association will not cover the interiors of the Condominium Units or the Unit contents. Coverage will not include property of an owner that is located outside the unit on the grounds of the Project or on a Limited Common Element appurtenant to a unit. All owners are cautioned, therefore, that it is their responsibility to insure the interior of their units (including subsequently acquired appliances and fixtures), their contents, and any improvements paid for by the owner. Each owner must also obtain personal liability coverage against injury to persons or damage to property resulting from accidents in and around the owner's Condominium Unit. An insurance agent should be consulted to decide what coverage will be needed. Without such coverage, an owner is uninsured for any loss that occurs within the owner's unit or to the owner's property or guests.

REAL ESTATE TAXES

Taxes on the Condominium Units are assessed by the State of Michigan, City of Zeeland, Ottawa County, and the local School District. Under Michigan law, taxes must be assessed on the basis of 50 percent of true cash value.

RECREATIONAL FACILITIES

There are no recreational facilities in the Project.

LEGAL MATTERS

There are no pending proceedings, either legal or administrative, that involve either the Condominium Project or the Developer and its officers and shareholders in their capacity as such, and the Developer has no knowledge of any such proceedings that might be threatened.

The law firm of Sikkel & Krommendyk, PLC, of Holland, Michigan, served as legal counsel in connection with the preparation of the Condominium Documents. Legal counsel has not passed on the accuracy of the factual matters in these documents.

The matters discussed in this Disclosure Statement are intended to highlight only a few of the more important facts relating to the Project. Buyers are urged to read all Condominium

Documents carefully and to engage a lawyer or another adviser in connection with the purchase of a unit in the Project.

EXHIBIT A

Riley Condominium
Proposed Budget

Expense	Annual Amount *(40 units)*	
Accounting	$	500.00
Bank Charges		50.00
Exterior Grounds Maintenance		6,500.00
Insurance		11,656.00
Licenses and Fees *(Annual Report)*		100.00
Management Fee		7,200.00
Office Supplies and Postage		150.00
Repairs and Maintenance		1,000.00
Snow Removal		3,000.00
Utilities *(water, sewer, and electric)*		1,500.00
Trash Collection		3,000.00
Security Cameras		500.00
Sub Total		35,156.00
Reserve		4,844.00
Total	$	40,000.00
Total Per Unit	$	1,000.00
Unit Monthly Total Expense *(rounded)*	$	83.33

2025-0014397
FILED/SEALED FOR RECORD IN
OTTAWA COUNTY, MI
JUSTIN F. ROEBUCK
COUNTY CLERK/REGISTER OF DEEDS
06/04/2025 AT 01:30 PM
30.00

MASTER DEED
RILEY CONDOMINIUM

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

Ottawa County Condominium Subdivision Plan No. 764

1.	Master Deed establishing:	Riley Condominium, a Condominium Project.
2.	Exhibit A to Master Deed:	Condominium Bylaws of Riley Condominium.
3.	Exhibit B to Master Deed:	Condominium Subdivision Plan for Riley Condominium.
4.	Exhibit C to Master Deed:	West Michigan Community Bank Consent to Submission of Real Property
5.	Exhibit D to Master Deed:	Affidavit of Mailing as to Notices required by Section 71 of the Michigan Condominium Act.

No interest in real estate is being conveyed by this instrument. No revenue stamps are required.

This Master Deed Prepared by:

William A. Sikkel, Esq.
Sikkel & Associates, PLC
320 N 120h Ave, Ste 150
Holland, MI 49424
(616) 394-3025

RILEY CONDOMINIUM
MASTER DEED

This Master Deed is made May 30, 2025 by **CASE KARSTEN PROPERTIES, LLC**, a Michigan limited liability company of 51 E Main Ave, Zeeland, MI 49464 (the "**Developer**"), pursuant to the Michigan Condominium Act (being Act 59 of the Public Acts of 1978, as amended) (the "**Act**").

The Developer desires by recording this Master Deed, together with the Bylaws attached as **Exhibit A** and the Condominium Subdivision Plan attached as **Exhibit B** (both of which are incorporated in this Master Deed by reference and made a part of it), to establish the real property described in ARTICLE II below, together with the improvements located and to be located on it, and the appurtenances to it, as a Condominium Project under the provisions of the Act.

NOW, THEREFORE, the Developer does, upon the recording of this Master Deed, establish Riley Condominium as a Condominium Project under the Act and does declare that Riley Condominium (referred to as the "**Condominium**", "**Project**" or the "**Condominium Project**") shall, after such establishment, be held, conveyed, hypothecated, encumbered, leased, rented, occupied, improved, or in any other manner utilized, subject to the provisions of the Act, and to the covenants, conditions, restrictions, uses, limitations and affirmative obligations stated in this Master Deed and Exhibits A and B to it, all of which shall be deemed to run with the land and shall be a burden and a benefit to the Developer, its successors and assigns, and any persons acquiring or owning an interest in the Condominium Premises, and their successors and assigns. In furtherance of the establishment of the Condominium Project, it is provided as follows:

ARTICLE I
Title and Nature

The Project is a commercial condominium comprising 40 units.

The Condominium Project shall be known as Riley Condominium, City of Zeeland, Ottawa County Condominium Subdivision Plan No. 746. The Condominium Project is established in accordance with the Act. The Units contained in the Condominium, including the number, boundaries, dimensions and area of each, are depicted completely in the Condominium Subdivision Plan attached as Exhibit B to this Master Deed. Each Unit is capable of individual utilization on account of having its own entrance from and exit to a Common Element of the Condominium Project. Each Owner in the Condominium Project shall have an exclusive right to its Unit and shall have undivided and inseparable rights to share with other Owners the General Common Elements of the Condominium Project.

ARTICLE II
Legal Description

The land on which the Project is situated, and which is hereby submitted to condominium ownership pursuant to the provisions of the Act, is located in the City of Zeeland, Ottawa County, Michigan and described as follows:

Lot 1, Drawform Plat, according to the recorded plat in Liber 34 of Plats, Page 9, Ottawa County Records. 70-17-18-203-001

together with and subject to easements, mineral reservations, if any, restrictions, and governmental limitations of record. Also subject to the easements set forth on the Condominium Subdivision Plan attached as Exhibit B, or as declared and reserved in ARTICLE VII below.

Ottawa County Treasurer's Office 6/4/2025 The records in my office show no unpaid taxes or special assessments for the five tax years of 2024 & prior involving lands in this instrument. This does not include taxes owed as a result of Board of Reviews, PRE Denials or Tax Tribunal Judgements.
Cheryl Clark, Treasurer SH

ARTICLE III
Definitions

Certain terms are utilized not only in this Master Deed and Exhibits A and B to it, but are or may be used in various other instruments such as, by way of example and not limitation, the Articles of Incorporation and rules and regulations of Riley Condominium Association, a Michigan nonprofit corporation, and deeds, mortgages, liens, land contracts, easements and other instruments affecting the establishment of, or transfer of interests in, Riley Condominium as a condominium. Wherever used in such documents or any other pertinent instruments, the terms stated below shall be defined as follows:

1. *Act.* The "Act" means the Michigan Condominium Act, being Act 59 of the Public Acts of 1978, as amended.

2. *Association.* "Association" means Riley Condominium Association, which is the nonprofit corporation organized under Michigan law of which all Owners shall be members, which corporation shall administer, operate, manage and maintain the Condominium.

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

4. *Common Elements.* "Common Elements", where used without modification, means both the General and Limited Common Elements described in ARTICLE IV of this Master Deed.

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

6. *Condominium Premises.* "Condominium Premises" means and includes the land described in ARTICLE II above, all improvements and structures on it, and all easements, rights and appurtenances belonging to the Condominium Project as described above.

7. *Condominium Project, Condominium or Project.* "Condominium Project", "Condominium" or "Project" each means Riley Condominium as a Condominium Project established in conformity with the Act.

8. *Condominium Subdivision Plan.* "Condominium Subdivision Plan" means Exhibit B to this Master Deed.

9. *Consolidating Master Deed.* "Consolidating Master Deed", means the final amended Master Deed, if any, which shall describe Riley Condominium as a completed Condominium Project and shall reflect the land area, if any, as contracted, expanded, or converted pursuant to this Master Deed from time to time, and all Units and Common Elements resulting, and which shall fully describe the Condominium Project as completed, including the final readjusted percentages of value assigned to each Condominium Unit. In the event the Units and Common Elements in the Condominium are constructed in substantial conformance with the Condominium Subdivision Plan attached as Exhibit B to the Master Deed, the Developer shall be able to satisfy the foregoing obligation by filing a certificate in the office of the Ottawa County Register of Deeds confirming that the Units and Common Elements as built are in substantial conformity with the proposed Condominium Subdivision Plan and no Consolidating Master Deed need be recorded.

10. *Developer.* "Developer" means Case Karsten Properties, LLC, which has made and executed this Master Deed, and their successors and assigns. Both successors and assigns shall always be deemed to be included within the term "Developer" whenever, however, and wherever those terms are used in the Condominium Documents. "Developer" does not include a real estate broker acting as agent for the Developer in selling Condominium Units.

11. *Development and Sales Period.* "Development and Sales Period", for the purposes of the Condominium Documents and the rights reserved to Developer under them, shall be deemed to continue for so long as either Developer, or an entity in which either Developer is a general partner, member, or stockholder, continues to own any Unit in the Project.

12. *First Annual Meeting.* "First Annual Meeting" means the initial meeting of Owners called by the Developer as such, after 50% of the Units in the Project have been sold to non-developer Owners.

13. *Owner.* "Owner" means a person, firm, corporation, partnership, association, trust or other legal entity or any combination of them who or which owns one or more Units in the Condominium Project. The term "Owner", wherever used, shall be synonymous with the term "co-owner".

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

15. *Unit or Condominium Unit.* "Unit" or "Condominium Unit" each mean a single Unit in Riley Condominium, as the space may be described in ARTICLE V, Section 1, of this Master Deed and on Exhibit B to it, and shall have the same meaning as the term "Condominium

Unit" is defined in the Act. All structures and improvements now or hereafter located within the boundaries of a Unit shall be owned in their entirety by the Owner of the Unit within which they are located and shall not, unless otherwise expressly provided in the Condominium Documents, constitute Common Elements. The Developer is not obligated to install any structures within the Units or their appurtenant Limited Common Elements.

Terms not defined in this Master Deed, but defined in the Act, shall carry the meanings given them in the Act unless the context clearly indicates to the contrary. Whenever any reference in this Master Deed is made to one gender, it shall include a reference to any and all genders where the same would be appropriate; similarly, whenever any reference in this Master Deed is made to the singular, a reference shall also be included to the plural where the same would be appropriate and vice versa.

ARTICLE IV
Common Elements

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

1. **General Common Elements**. The General Common Elements are:

(a) **Land**. The land described in ARTICLE II of this Master Deed (other than those portions of the land described in ARTICLE V, Sections 1 and 2, below, and in the Condominium Subdivision Plan as constituting Units or Limited Common Elements), together with all easements described in this Master Deed or the Condominium Subdivision Plan, parking areas, parking spaces, lawns and landscaping not identified as Limited Common Elements.

(b) **Easements**. All beneficial ingress, egress, utility, storm drainage and other applicable easements, and the rights provided therein, specifically identified on the Condominium Subdivision Plans as General Common Elements.

(c) **Electrical**. The electrical wiring throughout the Project, including that contained within Unit walls, up to the point of connections with, but not including electrical fixtures, plugs and switches within any Unit.

(d) **Gas**. The gas distribution system throughout the Project, including that contained within Unit walls, up to the point of connections with, but not including, gas fixtures within any Unit.

(e) **Improvements**. All of the improvements not identified as Limited Common Elements and not located within the boundaries of a Condominium Unit (unless otherwise expressly provided in the Condominium Documents).) as shown on the Condominium Subdivision Plan. Those structures and improvements that now or after this date are located within the boundaries of a Condominium Unit shall be owned in their entirety by the Owner of the Unit in which they are located and shall not, unless otherwise expressly provided in the Condominium Documents, constitute Common Elements.

(f) **Storm Sewer**. The storm sewer system throughout the Project, including the detention basin as shown on the Condominium Subdivision Plan.

(g) **Site Lighting**. Any lights designed to provide illumination for the Condominium Premises as a whole.

(h) **Telecommunications**. The telecommunications system, including cable television, communications, telephone, and/or optical fiber wiring, if and when it may be installed throughout the Project, up to the point of connections with, but not including, the plugs, telephone and computer facilities within any Unit.

(i) **Water**. The water distribution and plumbing systems throughout the Project up to the point of connections with, but not including plumbing fixtures within any Unit.

(j) **Building Elements**. The foundations, footings, support columns, roofs, perimeter walls (including drywall, but excluding doors and windows) and other walls as shown on the Condominium Subdivision Plan, and any ceilings and floors outside the boundaries of the Units.

(k) **Entry Improvements**. The entry signage and other improvements located at or near the entrance to the Project, if any.

(l) **Other**. Such other elements of the Project not designated in this Master Deed or its Exhibits as General or Limited Common Elements which are not enclosed within the boundaries of a Unit, and which are intended for common use or are necessary to the existence, upkeep and safety of the Project.

Some or all of the utility lines, systems (including mains and service leads), and equipment may be owned by the local public authority or by the company that is providing the pertinent service. Accordingly, the utility lines, systems and equipment shall be General Common Elements only to the extent of the Owners' interest in them, if any, and Developer makes no warranty whatever with respect to the nature or extent of that interest, if any. The public utility companies may install and maintain utility lines where reasonably necessary within the General and Limited Common Elements of the Condominium Project.

2. **Limited Common Elements**. The Limited Common Elements, which, except as otherwise provided in this section, shall be appurtenant to the Unit or Units to which they are attached or adjacent or which they service (or which they are deemed by Exhibit B to benefit), and shall be subject to the exclusive use and enjoyment of the Owners of such Unit or Units, or their designees, are:

(a) **Interior Unit Surfaces**. The interior surfaces of perimeter walls, ceilings and floors located within a condominium Unit.

(b) **Windows, Doors, Sliders and Screens.** The windows, doors (including garage doors and their opening mechanism) located within or adjacent to any Unit perimeter wall, which will be appurtenant to the Unit served by such windows, and doors.

(c) **Heating and Cooling Appliances**. The separate furnace, water heater, air-conditioner and/or compressor located within or adjacent to a Unit and serving that Unit exclusively, if any.

(d) **Entrances and Canopies**. The entrances to the condominium Units and any canopy covering them.

(e) **Other**. Any other structure or fixture not defined as a general common element or otherwise defined as a limited common element that is intended to serve fewer than all of the units in the Project, and that is constructed or installed outside the unit or units it serves.

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

(a) **Association.** Except as provided below, the Association shall maintain, decorate, repair and replace, as a general expense of administration, all General Common Elements, except to the extent of repair or replacement due to the act or neglect of an Owner or its agent or invitee, for which such Owner shall be wholly responsible.

(b) **Unit Owners.** Unit owners shall maintain, decorate, repair and replace all Limited Common Elements. Unit Owners shall also be responsible for the maintenance, repair and replacement of all structures and improvements within the Unit; provided, that the exterior appearance of all such structures and improvements (to the extent visible from any other Unit or Common Element), shall be subject at all times to the approval of the Association and to such reasonable aesthetic and maintenance standards as may be prescribed by the Association in duly adopted rules and regulations.

(c) **Utilities**. Each Unit Owner shall be responsible for payment of gas and electric utilities which are separately metered for each unit. Water service shall be on shared meters with charges paid by the Association, and assessed to the Unit owners.

(d) **Minimum Heating Requirements**. General Common Element water lines are located within and/or above Unit walls and ceilings. So as to prevent the water lines from freezing, each unit owner will be required to keep their units heated to a minimum of 45 degrees Fahrenheit at all times. A unit owner who fails to heat their unit in accordance with this provision will be liable for any damages caused to the Common Elements, or to any other unit, or unit contents within the Project.

(e) **Failure to Maintain**. While it is intended that each Owner will be solely responsible for the performance and cost of the maintenance, repair and replacement of those areas identified in Sections 3(b) and (c), it is nevertheless a matter of concern that an Owner may fail to properly maintain such areas in a proper manner and in accordance with the standards set forth by the Association.

In the event an Owner fails, as required by this Master Deed, the Bylaws or any rules or regulations promulgated by the Association, to properly and adequately decorate, repair, replace or otherwise maintain the areas identified in Sections 3(b) above, the

Association (or the Developer during the Development and Sales Period), shall have the right, but not the obligation, to undertake such reasonably uniform, periodic maintenance functions with respect to these area as it may deem appropriate.

Failure of the Association (or the Developer) to take any such action shall not be deemed a waiver of the Association's (or Developer's) right to take any such action at a future time. All costs incurred by the Association or the Developer in performing any responsibilities which are required in the first instances to be borne by an Owner shall be charged to the affected Owner or Owners on a reasonably uniform basis and collected in accordance with the assessment procedures established by the Condominium Bylaws. The lien for nonpayment shall attach to any such charges as in all cases of regular assessments and may be enforced by the use of all means available to the Association under the Condominium Documents and by law for the collection of regular assessments, including without limitation, legal action, foreclosure of the lien securing payment and the imposition of fines.

4. **Use of Units and Common Elements.**

(a) No Owner shall use its Unit or the Common Elements in any manner inconsistent with the purposes of the Project or in any manner which will unreasonably interfere with or impair the rights of any other Owner in the use and enjoyment of its Unit or the Common Elements.

(b) Public utilities furnishing services to the Condominium Project, such as electricity, gas, water, sewage disposal and telephone, shall have access to the Common Elements and the Units at such times as may be reasonable for the installation, repair or maintenance of such services, and any costs incurred in opening and repairing any wall of the Condominium Project to install, repair or maintain such services shall be an expense of administration, to be assessed against all co-owners in accordance with the Condominium Bylaws attached as Exhibit A.

5. **Power of Attorney**. All of the Owners and mortgagees of Units and other persons interested or to become interested in the Project from time to time by acceptance of a deed, mortgage, land contract or other conveyance do thereby irrevocably appoint the Developer during the Development and Sales Period, and after that time the Association, as agent and attorney in connection with all matters concerning the General Common Elements and their respective interests in the General Common Elements.

ARTICLE V
Unit Description and Percentage of Value

1. **Description of Units**. Each Unit in the Condominium Project is described in this paragraph with reference to the Condominium Subdivision Plan of Riley Condominium as prepared by Nederveld. There are 40 Units in the Condominium Project. Each Unit shall consist of all that space contained within the interior surface of the finished, unpainted, perimeter walls and ceilings, and from the finished subfloor, all as shown on the floor plans and sections on the Condominium Subdivision Plan and delineated with heavy outlines, together with all

appurtenances to it but excluding any Common Elements located within the space so described. Detailed architectural plans for the Condominium Project have been placed on file with City of Zeeland.

2. **Percentage of Value**. The total value of the Project is 100%. The percentage of value assigned to each Unit is set forth below. The percentages of value are computed generally based on the relative square footage of each unit:

Unit Number	% of Value	Unit Number	% of Value	Unit Number	% of Value
1	2.71%	15	3.15%	29	2.24%
2	2.78%	16	2.70%	30	2.14%
3	2.69%	17	2.70%	31	2.24%
4	2.72%	18	3.08%	32	2.24%
5	2.71%	19	2.64%	33	2.08%
6	3.09%	20	3.08%	34	2.08%
7	3.15%	21	2.08%	35	2.24%
8	2.70%	22	2.24%	36	2.24%
9	2.70%	23	2.24%	37	2.24%
10	2.50%	24	2.14%	38	2.24%
11	2.50%	25	2.09%	39	2.24%
12	2.70%	26	2.08%	40	2.08%
13	3.08%	27	2.24%		
14	3.09%	28	2.24%		

The percentage of value assigned to each Unit shall be determinative of each Owner's respective share of the General Common Elements of the Condominium Project, the proportionate share of each respective Owner in the proceeds and expenses of administration and the value of such Owner's vote at meetings of the Association

3. **Modifications of Units**. The number, size or location of Units or of any Limited Common Element appurtenant to a Unit as described in Exhibit B may be modified from time to time, in Developer's sole discretion, by amendment effected solely by the Developer or its successors without the consent of any Owner, mortgagee or other person, so long as such modifications do not unreasonably impair or diminish the appearance of the Project or the view, privacy or other significant attribute or amenity of any Unit which adjoins or is proximate to the modified Unit or Limited Common Element; provided, that no Unit which has been sold or is

subject to a binding Purchase Agreement shall be modified without the consent of the Owner or purchaser and mortgagee of it. The Developer may also, in connection with any such amendment, readjust the Percentages of Value for all Units in a manner which gives reasonable recognition to such modifications based upon the method of original determination of Percentages of Value for the Project. No Unit modified in accordance with this paragraph shall be conveyed, however, until an amendment to the Master Deed duly reflecting all material changes has been recorded. All Owners, mortgagees of Units and other persons interested or to become interested in the Project from time to time shall be deemed to have unanimously consented to any amendment or amendments to this Master Deed necessary to effectuate the foregoing and, subject to the limitations set forth in this Master Deed, the proportionate reallocation of Percentages of Value of existing Units which Developer or its successors may determine to be necessary in conjunction with it. All such interested persons irrevocably appoint the Developer and its successors as agent and attorney for the purpose of executing such amendments to the Master Deed and all other Condominium Documents as may be necessary to effectuate the foregoing.

ARTICLE VI
Convertible Areas

The Condominium is established with convertible areas in accordance with the provisions of this Article and the Act:

1. **Designation of Convertible Areas**. All present and future Common Elements and Units, whether or not so designated on the Condominium Subdivision Plan, are designated as Convertible Areas and the land area within which Units and Common Elements may be added, removed, expanded and modified and within which Limited Common Elements may be created as provided in this Article. The Developer reserves the right, but not the obligation, to convert all or any portion of the Convertible Areas. The maximum number of Units that may be created in the Project as it may be expanded or converted is 100 Units. All structures and improvements within the Convertible Areas of the Condominium shall be compatible with commercial uses and with the structures and improvements on the other portions of the Project, as determined by Developer in its sole discretion.

2. **Developer's Right to Convert**. The Developer reserves the right, in its sole discretion, during a period ending six (6) years from the date of recording this Master Deed, to modify the number, size, location and configuration of any Unit that it owns or Common Elements in the Project, and to make corresponding changes to the Common Elements or to create General or Limited Common Elements or Units within the Convertible Area and to designate Common Elements that may subsequently be assigned as Limited Common Elements.

3. **Developer's Right to Make Other Improvements**. The Developer reserves the right from time to time, within a period ending no later than six (6) years from the date of recording this Master Deed, to construct entrance monuments, statuary or other improvements to the Condominium Premises. The precise location, design and composition of those improvements shall be determined by the Developer in its sole judgment but nothing in this paragraph shall obligate the Developer to make any such improvements whatever. If constructed or installed, the improvements shall be General Common Elements and the costs of maintenance, repair and replacement of them shall be an Association expense.

4. **Restrictions on Conversion**. All improvements constructed or installed within the Convertible Areas described above shall be restricted exclusively to those compatible with commercial use. There are no other restrictions upon such improvements except as stated in this Article and those which are imposed by state law, local ordinances or building authorities. The extent to which any change in the Convertible Areas is compatible with the original Master Deed is not limited by this Master Deed, but lies solely within the discretion of the Developer, subject only to the requirements of local ordinances and building authorities, including the City of Zeeland.

5. **Consent Not Required.** The consent of any Co-Owner shall not be required to convert the Convertible Areas. All of the Co-Owners and mortgagees and other persons interested or to become interested in the Condominium from time to time shall be deemed to have irrevocably and unanimously consented to such conversion of the Convertible Areas and any amendment or amendments to this Master Deed to effectuate the conversion and to any reallocation of Percentages of Value of existing Units which Developer may determine necessary in connection with such amendment or amendments. All such interested persons irrevocably appoint the Developer or its successors, as agent and attorney for the purpose of execution of such amendment or amendments to the Master Deed and all other documents necessary to effectuate the foregoing. Such amendments may be effected without the necessity of re-recording the entire Master Deed or the Exhibits thereto and may incorporate by reference all or any pertinent portions of this Master Deed and the Exhibits hereto. Nothing herein contained, however, shall in any way obligate Developer to convert the Convertible Areas. These provisions give notice to all Co-Owners, mortgagees and other persons acquiring interests in the Condominium that such amendments of this Master Deed may be made and recorded, and no further notice of such amendments shall be required.

6. **Amendment of Master Deed**. All modifications to Units and Common Elements made pursuant to this Article shall be given effect by an appropriate amendment or amendments to the Master Deed in the manner provided by law, which amendments shall be prepared by and at the discretion of the Developer and in which the percentages of value stated in ARTICLE V shall be proportionately readjusted, if the Developer deems it to be applicable, in order to preserve a total value of 100% for the entire Project resulting from the amendment or amendments to this Master Deed. Except as otherwise limited by the Condominium Documents, the precise determination of the readjustments in percentages of value shall be made within the sole judgment of Developer. The readjustments, however, shall reflect a continuing reasonable relationship among percentages of value based upon the original percentages of value for the Project. The amendment or amendments to the Master Deed shall also contain such further definitions and redefinitions of General or Limited Common Elements as may be necessary to adequately describe and service the Units and Common Elements being modified by the amendment. In connection with any such amendment, Developer shall have the right to change the nature of any Common Element previously included in the Project for any purpose reasonably necessary to achieve the purposes of this Article, including, but not limited to, the connection of the roadways and sidewalks in the Project to any Convertible Area, and to provide access to any Unit from the roadways and sidewalks located in the Project. Developer shall also have the right to modify the provisions of this Master Deed and the Bylaws attached to it as may be reasonably necessary i) to effectuate the redefined Units added, and ii) to create or change restrictions or other terms and provisions affecting the additional Unit(s) being added to the Project or affecting the balance of the Project

as may be reasonably necessary in the Developer's judgment to enhance the value or desirability of such Units.

ARTICLE VII
Consolidation or Relocation of Units, Limited Common Elements

Without the consent of any person other than the affected mortgagee, one or more Owners may subdivide, consolidate or relocate the boundaries of a Unit and appurtenant Limited Common Elements by written request to the Association in accordance with Sections 48 and 49 of the Act and this Article as follows:

1. **Subdivision of Units**. Upon receipt of such request, the President of the Association shall cause to be prepared an amendment to the Master Deed, duly subdividing the Unit, separately identifying the resulting Units by number or other designation, designating the Limited or General Common Elements in connection with them, and proportionately reallocating the undivided interest in Common Elements and the percentages of value. The Owners requesting the subdivision shall bear all costs of the amendment. The subdivision shall not be effective until the amendment to the Master Deed, duly executed by the Association, has been recorded in the office of the Register of Deeds.

2. **Consolidation of Units or Portions of Them; Relocating of Boundaries**. Upon receipt of such request, the President of the Association shall cause to be prepared an amendment to the Master Deed duly relocating or deleting the boundaries, combining and re-identifying the Units involved, proportionately reallocating the undivided interests in Common Elements and the percentages of value and providing for conveyancing between or among the Owners involved in the relocation of boundaries. The Owners requesting consolidation of Units or relocation of boundaries shall bear all costs of the amendment. The relocation or deletion of boundaries shall not be effective until the amendment to the Master Deed has been recorded in the office of the Register of Deeds.

3. **Limited Common Elements**. Limited Common Elements shall be subject to assignment, reassignment, diminution, omission and all other necessary modification in accordance with Section 39 of the Act and in furtherance of the rights to consolidate or relocate boundaries described in this Article.

ARTICLE VIII
Easements

1. **Easement for Maintenance of Encroachments and Utilities**. In the event any portion of a Unit or Common Element encroaches upon another Unit or Common Element due to shifting, settling or moving of a building, or due to survey errors, or construction deviations, reciprocal easements shall exist for the maintenance of such encroachment for so long as such encroachment exists, and for any other maintenance after rebuilding in the event of any destruction. There shall also be easements to, through and over those portions of the land, for the continuing maintenance and repair of all utilities in the Condominium.

2. **Grant of Easements by Association**. The Association, acting through its lawfully constituted Board of Directors (including any Board of Directors action prior to the Transitional

Control Date) shall be empowered and obligated to grant such easements, licenses, rights-of-entry and rights-of-way over, under and across the Condominium Premises, as it may be expanded or converted, for utility purposes, access purposes or other lawful purposes as may be necessary for the benefit of the Condominium, as it may be expanded or converted, subject, however, to the approval of the Developer so long as the Development and Sales Period has not expired. No easements created under the Condominium Documents may be modified, nor may any of the obligations with respect to it be varied, without the consent of each person benefited by it.

3. **Easements for Installation, Maintenance, Repair and Replacement**. The Developer, the Association and all public or private utilities shall have such easements over, under, across and through the Condominium Premises, as it may be expanded or converted, including all Units and Common Elements, as may be necessary to fulfill any responsibilities of installation, maintenance, repair, decoration or replacements which they or any of them are required or permitted to perform under the Condominium Documents or by law. These easements include, without any implication of limitation, the right of the Association to obtain access during reasonable hours and upon reasonable notice to water meters, sprinkler controls and valves and other Common Elements located within any Unit or its appurtenant Limited Common Elements.

While it is intended that each Owner shall be solely responsible for the performance and costs of all maintenance, repair and replacement of and decoration of the buildings and all other appurtenances and improvements constructed or otherwise located within its Unit, and its Limited Common Elements it is nevertheless a matter of concern that an Owner may fail to properly maintain its Unit or any Limited Common Elements appurtenant to it or any improvements in it in a proper manner and in accordance with the standards set forth in this Master Deed, the Bylaws and any rules and regulations or other policies promulgated by the Developer or by the Association. Therefore, in the event an Owner fails, as required by the Master Deed, the Bylaws or any rules and regulations or policies of the Association or the Developer, to properly and adequately maintain, decorate, repair, replace or otherwise keep its Unit or any improvements or appurtenances located in it or any Limited Common Elements appurtenant to it the Association (or the Developer during the Development and Sales Period) shall have the right, and all necessary easements in furtherance thereof (but not the obligation), to take whatever action or actions it deems desirable to so maintain, repair or replace the Unit, its appurtenances or any of its Limited Common Elements, all at the expense of the Owner of the Unit. Failure of the Association (or the Developer) to take any such action shall not be deemed a waiver of the Association's (or the Developer's) right to take any such action at a future time. All costs incurred by the Association or the Developer in performing any responsibilities which are required, in the first instance to be borne by any Owner, shall be assessed against such Owner and shall be due and payable with its monthly assessment next falling due; further, the lien for nonpayment shall attach as in all cases of regular assessments and such assessments may be enforced by the use of all means available to the Association under the Condominium Documents and by law for the collection of regular assessments including, without limitation, legal action, foreclosure of the lien securing payment and imposition of fines.

4. **Utility Easements**. Developer hereby reserves for the benefit of itself, its successors and assigns perpetual easements to enter upon and cross the Condominium Premises and lay pipes and cables and do all other things reasonably necessary to utilize, tap, tie into, extend and enlarge all utility mains located on the Condominium Premises, including, but not limited to,

water, gas, storm and sanitary sewer mains, without regard to whether the utilization is in connection with the Condominium Project. In the event Developer, its successors or assigns, thus utilizes , taps, ties into, extends or enlarges any utilities located on the Condominium Premises it will be obligated to pay off of the expenses reasonably necessary to restore the condominium property to its state immediately prior to such utilization, tapping, tying in, extension or enlargement. The costs of maintenance, repair and replacement of all utilities shared by the Co-owners and the owner or owners of any land adjoining the Condominium Premises will be borne by all such persons proportionately based upon the ratio of the number of utility users located in the Condominium and upon the adjoining land to the total number of utility users sharing the utilities.

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

6. **Roadway and Driveway Easement**. Developer hereby reserves for the benefit of itself, its agents, employees, guests, invitees, independent contractors, successors and assigns, a perpetual easement for the unrestricted use of all roads, driveways and walkways now or hereafter located in the Condominium Project for the purpose of ingress and egress from all or any portion of the Condominium Property in furtherance of any legitimate purpose, including development and operation of adjoining property.

7. **Miscellaneous**. The Condominium Subdivision Plan depicts various private and public utility easements, including by way of illustration and not limitation, storm water, water, sanitary sewer, gas, electrical and telecommunications easements. Most of the easements have not been created before the date of this Master Deed. All such easements not previously created prior to the recording of this Master Deed, are hereby created for the purposes stated in the Condominium Subdivision Plans.

8. **Termination of Easements**. Developer reserves to itself, and its successors and assigns, the right to terminate and revoke any utility or other easement granted in this Master Deed at such time as the particular easement has become unnecessary. This may occur, by way of example but not limitation, when water or sewer systems are connected to municipal systems or when a water or sewer system or other utility easement is relocated to coordinate further and future development of the Project. No utility easement may be terminated or revoked unless and until all

Units served by it are adequately served by an appropriate substitute or replacement utility on a shared maintenance basis. Any termination or revocation of any such easement shall be effected by the recordation of an appropriate amendment to this Master Deed in accordance with the requirements of the Act.

ARTICLE IX
Lease of Units

Developer reserves the right to lease any unsold Unit, without notice to anyone except the Association as required in Article VI of the Bylaws, without the consent of the Owners or any other person, and without approval of the Association, to any tenant, provided that Developer shall include in any such lease a provision obligating the tenant to abide by the Bylaws and rules of the Association.

ARTICLE X
Future Expansion

1. **Area of Future Development.** The Project established pursuant to the initial Master Deed of Riley Condominium and consisting of 40 Units may be the first stage of an expandable condominium under the Act to contain in its entirety a maximum of one hundred (100) Units. Additional Units, if any, will be established upon all or some portion of the following described land ("**Future Development**"):

> The land situated in the Northeast 1/4 of Section 18, Town 5 North, Range 14 West, City of Zeeland, County of Ottawa, and State of Michigan, is described as follows:
>
> Lot 2, Drawform Plat, according to the recorded plat in Liber 34 of Plats, Page 9, Ottawa County Records.

2. **Increase in Number of Units.** Any other provisions of this Master Deed notwithstanding, the number of Units in the Project may, at the option of Developer from time to time, with a period ending no later than six (6) years from the date of this Master Deed, be increased by the addition to this Condominium of all or any portion of the area of Future Development, and the establishment of Units, General Common Elements and Limited Common Elements thereon. The location, nature, appearance, design (interior and exterior) and structural components of the buildings and other improvements to be constructed within the area of Future Development shall be determined by Developer in its sole discretion subject only to approval by the City of Zeeland, but all such improvements, including the Units, appurtenant Limited Common Elements and General Common Elements, shall be reasonably compatible with the existing structures in the Project, as determined by Developer in its sole discretion. No Unit shall be created within the area of Future Development that is not restricted exclusive to commercial use. Developer reserves the right to create easements within the initial Project for the benefit of area of the Future Development.

3. **Expansion Not Mandatory.** Developer is not obligated to enlarge the Condominium Project beyond the initial Project area established by this Master Deed and Developer may, in its discretion, establish all or a portion of the area of Future Development, if

any, as a separate condominium project (or projects) or any other form of development. There are no restrictions on the election of Developer to expand the Project other than as explicitly set forth herein. There is no obligation on the part of Developer to add to the Condominium Project all or any portion of the area of Future Development described in this Article nor is there any obligation to add portions thereof in any particular order or to construct particular improvements in any specific location. Developer may create Limited Common Elements within the area of Future Development and designate Common Elements thereon which may be subsequently assigned as Limited Common Elements. The nature of the Limited Common Elements to be added is within the exclusive discretion of the Developer.

4. **Amendment to Master Deed and Modification of Percentages of Value.** Expansion of the Condominium shall be given effect by an appropriate amendment or amendments to this Master Deed in the manner provided by law, which amendment or amendments shall be prepared by and at the discretion of Developer and shall provide that the percentages of value, to the extent appropriate, set forth in ARTICLE V above shall be proportionately readjusted in order to preserve the total value of one hundred (100%) percent for the entire Project resulting from such amendment or amendments to this Master Deed. The precise determination of such readjustment shall be in the sole judgment of Developer. Such readjustment, however, shall reflect a continuing reasonable relationship among percentages of value based upon the original method of determining percentages of value for the Project.

5. **Redefinition of Common Elements.** Such amendment or amendments to the Master Deed shall also contain such further definitions and redefinitions of General Common Elements or Limited Common Elements and maintenance responsibilities as may be necessary adequately to describe, serve and provide access to the Project as expanded, or to the additional parcel or parcels added to the Project by such amendment and otherwise comply with agreements and requirements of applicable governmental authorities for development of the Condominium. In connection with any such amendment(s), Developer shall have the right to change the nature of any Common Element or easement previously included in the Project for any purpose reasonably necessary to achieve the purposes of this Article.

6. **Consolidating Master Deed.** A Consolidating Master Deed shall be recorded pursuant to the Act when the Project is finally concluded as determined by Developer in order to incorporate into one set of instruments all successive stages of development. The Consolidating Master Deed, when recorded, and as above provided in ARTICLE III, Section 9 above, shall supersede the previously recorded Master Deed and all amendments thereto.

7. **Consent of Interested Parties**. All of the Co-Owners and mortgagees of Units and other persons interested or to become interested in the Project from time to time shall be deemed to have irrevocably and unanimously consented to such amendment or amendments to this Master Deed to effectuate the purpose and intent of this Article and to any proportionate reallocation of percentages of value of existing Units which Developer may determine necessary in conjunction with such amendment or amendments. All such interested persons irrevocably appoint Developer as agent and attorney for the purpose of execution of such amendment or amendments to the Master Deed and all other documents necessary to effectuate the foregoing. Such amendment may be effected without the necessity of recording the entire Master Deed or the

Exhibits hereto and may incorporate by reference all or any pertinent portions of this Master Deed and Exhibits.

ARTICLE X1
Amendment and Termination

1. **Pre-Conveyance Amendment**. If there is no Owner other than the Developer, the Developer may unilaterally amend the Condominium Documents or, with the consent of any interested mortgagee, unilaterally terminate the Project. All documents reflecting such amendment or termination shall be recorded in the Ottawa County Register of Deeds Office.

2. **Post-Conveyance Amendments**. If there is an Owner other than the Developer, the recordable Condominium Documents may be amended for a proper purpose as follows:

(a) **Nonmaterial changes**. The amendment may be made without the consent of any Owner or mortgagee if the amendment does not materially alter or change the rights of any Owner or mortgagee of a Unit in the Project, including, but not limited to: (i) amendments to modify the types and sizes of unsold Condominium Units and their appurtenant Limited Common Elements; (ii) amendments correcting survey or other errors in the Condominium Documents; or (iii) amendments for the purpose of facilitating conventional mortgage loan financing for existing or prospective Owners, and enabling the purchase of such mortgage loans by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Government National Association and/or any other agency of the federal government or the State of Michigan. A mortgagee's rights are not materially altered or changed by any amendment as to which the Developer or Association has obtained a written opinion of a licensed real estate appraiser that such amendment does not detrimentally change the value of any Unit affected by the change.

(b) **Material changes**. An amendment may be made, even if it will materially alter or change the rights of the Owners or mortgagees, with the consent of not less than two-thirds of the Owners and mortgagees; provided, that an Owner's Unit dimensions or Limited Common Elements may not be modified without that Owner's consent, nor may the formula used to determine percentages of value for the Project or provisions relating to the ability or terms under which a Unit maybe rented be modified without the consent of the Developer and each affected Owner, Rights reserved by the Developer, including without limitation rights to amend for purposes of contraction and/or modification of Units, shall not be amended without the written consent of the Developer so long as the Developer or its successors continue to own and to offer for sale any Unit in the Project.

(c) **Compliance with law**. Amendments may be made by the Developer without the consent of Owners and mortgagees, even if the amendment will materially alter or change the rights of Owners and mortgagees, to achieve compliance with the Act or rules, interpretations, or orders adopted by the Michigan Department of Licensing and Regulatory Affairs or its successor or by the courts pursuant to the Act or with other federal, state, or local laws, ordinances, or regulations affecting the Project.

(d) **Reserved Developer rights**. A material amendment may also be made unilaterally by the Developer without the consent of any Owner or mortgagee for the specific purpose(s) reserved by the Developer in this Master Deed. Pursuant to Section 90 of the Act, the Developer hereby reserves the right, on behalf of itself and on behalf of the Association, for a period ending one year after the expiration of the Development and Sales Period, to amend this Master Deed and the other Condominium Documents without approval of any Owner or mortgagee for the purposes of correcting survey or other errors and for any other purpose unless the amendment would materially change the right of an Owner or mortgagee, in which event Owner and mortgagee consent shall be required as provided in this Article. During the Development and Sales Period, this Master Deed and Exhibits A and B shall not be amended nor shall provisions be modified in any way without the written consent of the Developer, its successors, or assigns.

(e) **As-built plans**. A Consolidating Master Deed or amendment to the Master Deed with as-built Plans attached shall be prepared and recorded by the Developer within one year after construction of the Project has been completed.

(f) **Costs of amendments**. A person causing or requesting an amendment to the Condominium Documents shall be responsible for costs and expenses of the amendment, except for amendments based upon a vote of the Owners, the costs of which are expenses of administration. The Owners shall be notified of proposed amendments under this section not less than 10 days before the amendment is recorded.

3 **Project Termination**. If there is an Owner other than the Developer, the Project may be terminated only with consent of the Developer and not less than 80 percent of the Owners and mortgagees, in the following manner:

(a) **Termination agreement**. Agreement of the required number of Owners and mortgagees to termination of the Project shall be evidenced by their execution of a termination agreement, and the termination shall become effective only when the agreement has been recorded in the Ottawa County Register of Deeds Office.

(b) **Real property ownership**. Upon recordation of a document terminating the Project, the property constituting the Condominium shall be owned by the Owners as tenants in common in proportion to their respective undivided interests in the Common Elements immediately before recordation. As long as the tenancy in common lasts, each Owner, their heirs, successors, or assigns shall have an exclusive right of occupancy of that portion of the property that formerly constituted their Condominium Unit.

(c) **Association assets**. Upon recordation of a document terminating the Project, any rights the Owners may have to the net assets of the Association shall be in proportion to their respective undivided interests in the Common Elements immediately before recordation, except that common profits (if any) shall be distributed in accordance with the Condominium Documents and the Act.

(d) **Notice to interested parties**. Notification of termination by first-class mail shall be made to all parties interested in the Project, including escrow agents, land contract

vendors, creditors, lien holders, and prospective purchasers who deposited funds. Proof of dissolution must also be submitted to the Michigan Department of Licensing and Regulatory Affairs or its successor.

4. **Mortgagee Consent.**

(a) To the extent the Act or the Condominium Documents require a vote of mortgagees of Units on amendment of the Condominium Documents, the procedure described in this section applies.

(b) The date on which the proposed amendment is approved by the requisite majority of Owners is considered the "control date."

(c) Only those mortgagees who hold a recorded first mortgage or a recorded assignment of a first mortgage against one (1) or more Units in the Condominium Project on the control date are entitled to vote on the amendment. Each mortgagee entitled to vote shall have one (1) vote for each Unit in the Project that is subject to its mortgage or mortgages, without regard to how many mortgages the mortgagee may hold on a particular Unit.

(d) The Association shall give a notice to each mortgagee entitled to vote containing all of the following:

(1) A copy of the amendment or amendments as passed by the Owners.

(2) A statement of the date that the amendment was approved by the requisite majority of Owners.

(3) An envelope addressed to the entity authorized by the Board of Directors for tabulating mortgagee votes.

(4) A statement containing language in substantially the form described in subsection (e).

(5) A ballot providing spaces for approving or rejecting the amendment and a space for the signature of the mortgagee or an officer of the mortgagee.

(6) A statement of the number of Units subject to the mortgage or mortgages of the mortgagee.

(7) The date by which the mortgagee must return its ballot.

(e) The notice provided by subsection (d) shall contain a statement in substantially the following form:

"A review of the Association records reveals that you are the holder of one (1) or more mortgages recorded against title to one (1) or more Units in Riley Condominium. The Owners of the Condominium adopted the attached amendment

to the Condominium Documents on (control date). Pursuant to the terms of the Condominium Documents and/or the Michigan Condominium Act, you are entitled to vote on the amendment. You have one (1) vote for each Unit that is subject to your mortgage or mortgages.

The amendment will be considered approved by first mortgagees if it is approved by 66-2/3% of those mortgagees. In order to vote, you must indicate your approval or rejection on the enclosed ballot, sign it, and return it not later than 90 days after this notice (which date coincides with the date of mailing). Failure to timely return a ballot will constitute a vote for approval. If you oppose the amendment, you must vote against it."

(f) The amendment is considered to be approved by the first mortgagees if it is approved by 66-2/3% of the first mortgagees whose ballots are received, or are considered to be received, in accordance with Section 90(2) of the Act, by the entity authorized by the Board of Directors to tabulate mortgagee votes.

(g) The Association shall mail the notice required under subsection (d) to the first mortgagee at the address provided in the mortgage or assignment for notices.

(h) The Association shall maintain a copy of the notice, proofs of mailing of the notice, and the ballots returned by mortgagees for a period of two (2) years after the control date.

(i) Notwithstanding any provision of the Condominium Documents to the contrary, first mortgagees are entitled to vote on amendments to the Condominium Documents only under the following circumstances:

(1) Termination of the Project.

(2) A change in the method or formula used to determine the percentage of value assigned to a Unit subject to the mortgagee's mortgage.

(3) A reallocation of responsibility for maintenance, repair, replacement or decoration for a Unit, its appurtenant Limited Common Elements, or the General Common Elements from the Association to the Unit subject to the mortgagee's mortgage.

(4) Elimination of a requirement for the Association to maintain insurance on the Project as a whole or a Unit subject to the mortgagees mortgage or reallocation of responsibility for obtaining or maintaining, or both, insurance from the Association to the Unit subject to the mortgagee's mortgage.

(5) The modification or elimination of an easement benefiting the Unit subject to the mortgagee's mortgage.

(6) The partial or complete modification, imposition, or removal of leasing restrictions for Units in the Condominium Project.

(7) Amendments requiring the consent of all affected mortgagees under Section 90(4) of the Act.

5. **Withdrawal from Project**. If Developer has not completed development and construction of the entire Condominium Project, including proposed improvements whether identified as "must be built" or "need not be built," during a period ending the later of ten (10) years from the date of commencement of construction by the Developer or six (6) years from the last date on which the power to expand or contract was last exercised by the Developer, the Developer, its successors or assigns have the right to withdraw from the Project all undeveloped portions of the Project without the prior consent of any Owners or mortgagees of Units in the Project, or any other party having an interest in the Project.

ARTICLE XII
Assignment

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

[*signatures on following page*]

IN WITNESS WHEREOF, the undersigned has executed this Master Deed as of the date first written above.

Case Karsten Properties, LLC

By: _____
Eric Langellier
Its: Member

Acknowledged before me in Ottawa County, Michigan, on May 20, 2025, by Eric Langellier, as Member of Case Karsten Properties, LLC, a Michigan limited liability company, on behalf of the company.

_____
Michelle Kool
Notary Public, State of Michigan, County of Allegan
Acting in the County of Ottawa
My commission expires: July 16, 2027

Drafted by, and after recording return to:
William A. Sikkel, Esq.
Sikkel & Associates, PLC
320 N 120th Ave, Ste 150
Holland, MI 49424
(616) 394-3025

RILEY CONDOMINIUM

EXHIBIT A
Bylaws

ARTICLE I
Association of Owners

Riley Condominium, a commercial Condominium Project located in the City of Zeeland, Ottawa County, Michigan, shall be administered by an Association of Owners which shall be a nonprofit corporation, called the "**Association**," organized under the applicable laws of the State of Michigan, and responsible for the management, maintenance, operation and administration of the Common Elements, easements and affairs of the Condominium Project in accordance with the Condominium Documents and the laws of the State of Michigan. These Bylaws shall constitute both the Bylaws referred to in the Master Deed and required by Section 3(8) of the Michigan Condominium Act, as amended (the "**Act**") and the Bylaws provided for under the Michigan Nonprofit Corporation Act. Each Owner shall be entitled to membership and no other person or entity shall be entitled to membership. The share of an Owner in the funds and assets of the Association cannot be assigned, pledged or transferred in any manner except as an appurtenance to his Unit. The Association shall keep current copies of the Master Deed, all amendments to the Master Deed, and other Condominium Documents for the Condominium Project available at reasonable hours to Owners, prospective purchasers and prospective mortgagees of Units in the Condominium Project. All Owners in the Condominium Project and all persons using or entering upon or acquiring any interest in any Unit in it or the Common Elements of it shall be subject to the provisions and terms of the Condominium Documents.

ARTICLE II
Membership and Voting

1. **Membership.** Each Owner of a Unit, present and future, shall be a member of the Association during the term of such ownership, and no other person or entity shall be entitled to membership. Neither Association membership nor the share of a member in the Association funds and assets shall be assigned, pledged or transferred in any manner, except as an appurtenance to a Unit. Any attempted assignment, pledge or transfer in violation of this provision shall be wholly void.

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

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3. **Eligibility to Vote**. No 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 Owner, other than the Developer, shall be entitled to vote prior to the date of the First Annual Meeting of members held in accordance with Section 2 of Article III. The vote of each Owner may be cast only by the individual representative designated by such Owner in the notice required in Section 4 of this Article II below or by a proxy given by such individual representative. The Developer shall be the only person entitled to vote at a meeting of the Association until the First Annual Meeting of members. At and after the First Annual Meeting the Developer shall be entitled to one vote equal to the percentage of value assigned to such Unit, for each Unit which it owns, and for which the Developer is paying the current assessment then in effect at the date on which the vote is cast.

4. **Definition of Voting Representative**. Each 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 Owner. Such notice shall state the name and address of the individual representative designated, the number or numbers of the Condominium Unit or Units owned by the Owner, and the name and address of each person, firm, corporation, partnership, association, trust or other entity who is the Owner. Such notice shall be signed and dated by the Owner. The individual representative designated may be changed by the Owner at any time by filing a new notice in the manner herein provided.

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

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

7. **Majority**. A majority, except where otherwise provided in these Bylaws, shall consist of more than 50% in value of those qualified to vote and present in person or by proxy (or written vote, if applicable) at a given meeting of the members of the Association. Whenever provided specifically herein, a majority may be required to exceed the simple majority stated above and may require such majority to be one of both number and value of designated voting representatives present in person or by proxy, or be written vote, if applicable, at a given meeting of the members of the Association.

ARTICLE III
Meetings

1. **Place of Meeting**. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Owners as may be designated by the Board of Directors. Meetings of the Association shall be conducted in accordance with Sturgis' Code of Parliamentary Procedure, Robert's Rules of Order or some other generally recognized manual of parliamentary procedure, when not otherwise in conflict with the Condominium Documents (as defined in the Master Deed) or the laws of the State of Michigan.

2. **First Annual Meeting**. The First Annual Meeting of members or the Association may be convened only by the Developer and may be called at any time after more than 50% in number of the Units in Riley Condominium have been sold and the purchasers have been qualified as members of the Association. In no event, however, shall such meeting be called later than 120 days after the conveyance of legal or equitable title to non-developer Owners of 75% in number of all Units or 54 months after the first conveyance of legal or equitable title to a non-developer Owner of a Unit in the Project, whichever first occurs. Developer may call meetings of members for informative or other appropriate purposes prior to the First Annual Meeting of members, and no such meeting shall be construed as the First Annual Meeting of members unless so designated as the First Annual Meeting in writing by the Developer. The date, time and place of such meeting shall be set by the Board of Directors, and at least 10 days written notice shall be given to each Owner.

3. **Annual Meetings**. Annual meetings of members of the Association shall be held before April 30 of each succeeding year after the year in which the First Annual Meeting is held, on such date and at such time and place as shall be determined by the Board of Directors; provided, however, that the second annual meeting shall not be held sooner than 8 months after the date of the First Annual Meeting. At such meetings there shall be elected by ballot of the Owners a Board of Directors in accordance with the requirements of Article V of these Bylaws. The Owners may also transact at annual meetings such other business of the Association as may properly come before them.

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

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

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6. **Order of Business**. The order of business at all meetings of the members shall be as follows: (a) roll call to determine the voting power represented at the meeting; (b) proof of notice of meeting or waiver of notice; (c) reading of minutes of preceding meeting; (d) reports of officers; (e) reports of committees; (f) appointment of inspectors of election (at annual meetings or special meetings held for the purpose of electing Directors or officers); (g) election of Directors (at annual meeting or special meetings held for such purpose); (h) unfinished business; and (i) new business. Meetings of members shall be chaired by the most senior officer of the Association present at such meeting. For purposes of this Section, the order of seniority of officers shall be President, Vice President, Secretary and Treasurer.

7. **Action without Meeting**. Any action which may be taken at a meeting of the members (except for the election or removal of Directors) may be taken without a meeting by written ballot of the members. Ballots shall be solicited in the same manner as provided in Section 4 of this Article for the giving of notice of meetings of members. Such solicitations shall specify (a) the number of responses needed to meet the quorum requirements; (b) the percentage of approvals necessary to approve the action; and (c) the time by which ballots must be received in order to be counted. The form of written ballot shall afford an opportunity to specify a choice between approval and disapproval of each matter and shall provide that, where the member specifies a choice, the vote shall be cast in accordance therewith. Approval by written ballot shall be constituted by receipt, within the time period specified in the solicitation, of (i) a number of ballots which equals or exceeds the quorum which would be required if the action were taken at a meeting; and (ii) a number of approvals which equals or exceeds the number of votes which would be required for approval if the action were taken at a meeting at which the total number of votes cast was the same as the total number of ballots cast.

8. **Consent of Absentees**. The transactions at any meeting of members, either annual or special, however called and noticed, shall be as valid as though made at a meeting duly held after regular call and notice, if a quorum is present either in person or by proxy; and if, either before or after the meeting, each of the members not present in person or by proxy, signs a written waiver of notice, or a consent to the holding of such meeting, or an approval of the minutes of it. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

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

ARTICLE IV
Advisory Committee

Within 1 year after the initial conveyance of legal or equitable title to the first Unit in the Condominium to a purchaser or within 120 days after conveyance to purchasers of 1/3 of the total number of Units that may be created, whichever first occurs, the Developer shall cause to be established an Advisory Committee consisting of at least 3 non-developer Owners. The Committee shall be established and perpetuated in any manner the Developer deems advisable,

except that if more than 50% in number and in value of the non-developer Owners petition the Board of Directors for an election to select the Advisory Committee, then an election for such purpose shall be held. The purpose of the Advisory Committee shall be to facilitate communications between the temporary Board of Directors and the other Owners and to aid in the transition of control of the Association from the Developer to purchaser Owners. The Advisory Committee shall cease to exist automatically when the non-developer Owners have the voting strength to elect a majority of the Board of Directors of the Association. The Developer may remove and replace at its discretion at any time any member of the Advisory Committee who has not been elected thereto by the Owners.

ARTICLE V
Board of Directors

1. **Number and Qualification of Directors**. The Board of Directors shall be comprised of not less than three nor more than seven directors as shall be fixed from time to time by the Board of Directors. All directors must be members of the Association or officers, partners, trustees, employees or agents of members of the Association, except for the first Board of Directors. Directors shall serve without compensation.

2. **Election of Directors**.

(a) **First Board of Directors**. The first Board of Directors, or its successors as selected by the Developer, shall manage the affairs of the Association until the appointment of the first non-developer Owner to the Board. Elections for non-developer Owner Directors shall be held as provided in subsections (b) and (c) below.

(b) **Appointment of Non-developer Owners to Board Prior to First Annual Meeting**. Not later than 120 days after conveyance of legal or equitable title to non-developer Owners of 25% in number of the Units that may be created, at least 1 director and not less than 25% of the Board of Directors shall be elected by non-developer Owners. When the required percentage of conveyances has been reached, the Developer shall notify the non-developer Owners and request that they hold a meeting and elect the required Director. Upon certification by the Owners to the Developer of the Director so elected, the Developer shall then immediately appoint such Director to the Board to serve until the First Annual Meeting of members unless he is removed pursuant to Section 7 of this Article or he resigns or becomes incapacitated. Not later than 120 days after conveyance of legal or equitable title to non-developer Owners of 50% of the Units that may be created, not less than 33-1/3% of the Board of Directors shall be elected by non-developer Owners.

(c) **Election of Directors at and After First Annual Meeting**.

(i) Not later than 120 days after conveyance of legal or equitable title to non-developer Owners of 75% of the Units that may be created and before conveyance of 90% of such Units, the non-developer Owners shall elect all Directors of the Board, except that the Developer shall have the right to designate at least 1 Director as long as the Developer owns and offers for sale at least 10% of

the Units in the Project or as long as 10% of the Units remain that may be created. Whenever the 75% conveyance level is achieved, a meeting of Owners shall be promptly convened to effectuate this provision, even if the First Annual Meeting has already occurred.

(ii) Regardless of the percentage of Units which have been conveyed, upon the expiration of 54 months after the first conveyance of legal or equitable title to a non-developer Owner of a Unit in the Project, if title to not less than 75% of the Units that may be created has not been conveyed, the non-developer Owners have the right to elect a number of members of the Board of Directors equal to the percentage of Units they hold, and the Developer has the right to elect a number of members of the Board of Directors equal to the percentage of Units which are owned by the Developer and for which all assessments are payable by the Developer. This election may increase, but does not reduce, the minimum election and designation rights otherwise established in subsection (i). Application of this subsection does not require a change in the size of the Board of Directors.

(iii) If the calculation of the percentage of members of the Board of Directors that the non-developer Owners have the right to elect under subsection (ii), or if the product of the number of members of the Board of Directors multiplied by the percentage of Units held by the non-developer Owners under subsection (b) results in a right of non-developer Owners to elect a fractional number of members of the Board of Directors, then a fractional election right of 0.5 or greater shall be rounded up to the nearest whole number, which number shall be the number of members of the Board of Directors that the non-developer Owners have the right to elect. After application of this formula the Developer shall have the right to elect the remaining members of the Board of Directors. Application of this subsection shall not eliminate the right of the Developer to designate 1 Director as provided in subsection (i).

(iv) At the First Annual Meeting 2 Directors shall be elected for a term of 2 years and 1 Director shall be elected for a term of 1 year. At such meeting all nominees shall stand for election as 1 slate and the 2 persons receiving the highest number of votes shall be elected for a term of 2 years and the 1 person receiving the next highest number of votes shall be elected for a term of 1 year. At each annual meeting held thereafter, either 1 or 2 Directors shall be elected depending upon the number of Directors whose terms expire. After the First Annual Meeting, the term of office (except for 1 of the Directors elected at the First Annual Meeting) of each Director shall be 2 years. The Directors shall hold office until their successors have been elected and hold their first meeting.

(v) Once the Owners have acquired the right to elect a majority of the Board of Directors, annual meetings of Owners to elect Directors and conduct other business shall be held in accordance with the provisions of Article III, Section 3.

(vi) For purposes of this Section, "Units that may be created" means the maximum number of Units permitted within the Condominium Project as stated in the Master Deed.

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

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

(a) To manage and administer the affairs of and to maintain the Condominium Project and its Common Elements.

(b) To levy and collect assessments from the members of the Association and to use the proceeds for the purposes of the Association.

(c) To carry insurance and collect and allocate any proceeds from the insurance.

(d) To rebuild improvements after casualty.

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

(f) To acquire, maintain and improve; and to buy, operate, manage, sell, convey, assign, mortgage or lease any real or personal property (including any Unit in the Condominium and easements, rights-of-way and licenses) on behalf of the Association in furtherance of any of the purposes of the Association.

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

(h) To make rules and regulations in accordance with Article XIII, Section 15 of these Bylaws.

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

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

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

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

7. **Removal**. At any regular or special meeting of the Association duly called with due notice of the removal action proposed to be taken, any one or more of the Directors may be removed with or without cause by the affirmative vote of more than 50% in number and in value of all of the Owners and a successor may then and there be elected to fill any vacancy thus created. The quorum requirement for the purpose of filling such vacancy shall be the normal 35% requirement set forth in Article II, Section 5. Any Director whose removal has been proposed by the Owners shall be given an opportunity to be heard at the meeting. The Developer may remove and replace any or all of the Directors selected by it at any time or from time to time in its sole discretion. Likewise, any Director selected by the non-developer Owners to serve before the First Annual Meeting may be removed before the First Annual Meeting in the same manner set forth in this paragraph for removal of Directors generally.

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

9. **Regular Meetings**. Regular meetings of the Board of Directors may be held at such times and places as shall be determined from time to time by a majority of the Directors, but at least two such meetings shall be held during each fiscal year. Notice of regular meetings of the

Board of Directors shall be given to each Director personally, by mail, telephone or telegraph, at least 10 days prior to the date named for such meeting.

10. **Special Meetings**. Special meetings of the Board of Directors may be called by the President on 3 days' notice to each Director given personally, by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of two Directors.

11. **Waiver of Notice**. Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meetings of the Board shall be deemed a waiver of notice by him of the time and place. 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.

12. **Quorum**. 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 to a subsequent time upon 24 hours prior written notice delivered to all Directors not present. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice. The joinder of a Director in the action of a meeting by signing and concurring in the minutes of the meeting, shall constitute the presence of such Director for purposes of determining a quorum.

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

ARTICLE VI
Officers

1. **Officers**. The principal officers of the Association shall be a President, who shall be a member of the Board of Directors, a Vice President, a Secretary and a Treasurer. The Directors may appoint an Assistant Treasurer, and 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.

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

may in his discretion deem appropriate to assist in the conduct of the affairs of the Association.

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

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

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

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

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

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

ARTICLE VII
Seal

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

ARTICLE VIII
Finance

1. **Records**. The Association shall keep detailed books of account showing all expenditures and receipts of administration, and which shall specify the maintenance and repair expenses of the Common Elements and any other expenses incurred by or on behalf of the Association. The books, records and contracts concerning the administration and operation of the Condominium Project shall be available for examination by any of the Owners and their mortgagees during reasonable working hours. The Association shall prepare and distribute to each Owner at least once each year a financial statement, the contents of which shall be defined by the Association. Unless the Association "opts out" as provided herein, the Association on an annual basis shall have its books, records, and financial statements independently audited or reviewed by a certified public accountant, as defined in Section 720 of the occupational code, 1980 PA 299, MCL 339.720. The audit or review shall be performed in accordance with the Statements on Auditing Standards or the Statements on Standards for Accounting and Review Services, respectively, of the American Institute of Certified Public Accountants. The Association of co-owners may opt out of the audit requirements on an annual basis by an affirmative vote of a majority of the co-owners by any means permitted under these Bylaws. The costs of any such audit or review and any accounting expenses shall be expenses of administration.

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

3. **Bank**. Funds of the Association shall be initially deposited in such bank or savings association as may be designated by the Directors and shall be withdrawn only upon the check or order of such officers, employees or agents as are designated by resolution of the Board of Directors from time to time. The funds may be invested from time to time in accounts or deposit certificates of such bank or savings association as are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation and may also be invested in interest bearing obligations of the United States Government.

4. **Construction Liens**. A construction lien arising as a result of work performed upon a Unit or Limited Common Element shall attach only to the Unit upon which the work was performed, and a lien for work authorized by the Developer or principal contractor shall attach only to Units owned by the Developer at the time of recording the claim of lien. A construction lien for work authorized by the Association shall attach to each Unit only to the proportionate extent that the Owner of such Unit is required to contribute to the expenses of administration. No construction lien shall arise or attach to a Unit for work performed on the General Common Elements not contracted by the Association or the Developer.

ARTICLE IX
Indemnification of Officers and Directors

Every Director and officer of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party or in which he may become involved by reason of his being or having been a Director or officer of the Association, whether or not he is a Director or officer at the time such expenses are incurred, except in such cases where the Director or officer is adjudged guilty of willful or wanton misconduct or gross negligence in the performance of his duties; provided that, in the event of any claim for reimbursement or indemnification hereunder based upon a settlement by the Director or officer seeking such reimbursement or indemnification, the indemnification shall apply only if the Board of Directors (with the Director seeking reimbursement abstaining) approves such settlement and reimbursement as being in the best interest of the Association. The right of indemnification shall be in addition to and not exclusive of all other rights to which such Director or officer may be entitled. At least 10 days prior to payment of any indemnification which it has approved, the Board of Directors shall notify all Owners. Further, the Board of Directors is authorized to carry officers' and directors' liability insurance covering acts of the officers and Directors of the Association in such amounts as it shall deem appropriate.

ARTICLE X
Assessments

All expenses arising from the management, administration and operation of the Association in pursuance of its authorizations and responsibilities as stated in the Condominium Documents and the Act shall be levied by the Association against the Units and the Owners of it in accordance with the following provisions:

1. **Assessments for Common Elements.** 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, any policy of insurance securing the interest of the 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, within the meaning of Section 54(4) of the Act.

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

(a) **Regular Assessments.** 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 (the "**Expenses of Administration**").

An adequate reserve fund for major maintenance, repairs and replacement of those Common Elements that must be replaced on a periodic basis shall be established in the minimum amount stated below on or before the Transitional Control Date and after that must be maintained by regular monthly payments as stated in Section 3 below rather than by special assessments. At a minimum, the reserve fund shall be equal to 10% of the Association's current annual budget on a noncumulative basis. Moneys in the reserve fund shall be used only for major repairs and replacement of Common Elements. **Since the minimum standard required by this subparagraph may prove to be inadequate for this particular project, the Association of Owners should carefully analyze the Condominium Project to determine if a greater amount should be set aside, or if additional reserve funds should be established for other purposes from time to time.**

Upon adoption of an annual budget by the Board of Directors, copies of the budget shall be delivered to each Owner and the assessment of the year shall be established based upon the budget, although the failure to deliver a copy of the budget to each Owner shall not affect or in any way diminish the liability of any Owner for any existing or future assessments. Should the Board of Directors at any time decide, in the sole discretion of the Board of Directors, that the assessments levied are or may prove to be insufficient to pay the costs of operation and management of the Condominium, to provide replacements of existing Common Elements, to provide additions to the Common Elements not exceeding $5,000.00 annually for the entire condominium Project, or in the event of emergencies, the Board of Directors shall have the authority to increase the general assessment or to levy such additional assessment or assessments as it shall deem to be necessary. The Board of Directors also shall have the authority, without Owner consent, to levy assessments pursuant to the provisions of Article V, Section 4. The discretionary authority of the Board of Directors to levy assessments pursuant to this subparagraph shall rest solely with the Board of Directors for the benefit of the Association and the members, and shall not be enforceable by any creditors of the Association or of the members.

(b) **Special Assessments**. Special assessments, in addition to those required in subparagraph (a) above, may be made by the Board of Directors from time to time and approved by the Owners to meet other requirements of the Association, including, but not limited to: (1) assessments for additions to the Common Elements of a cost exceeding $7,500.00 for the entire Condominium Project per year, (2) assessments to purchase a Unit upon foreclosure of the lien for assessments described in Section 5 of this Article, or (3) assessments for any other appropriate purpose. Special assessments referred to in this subparagraph (b) (but not including those assessments referred to in subparagraph 2(a) above, which shall be levied in the sole discretion of the Board of Directors) shall not be levied without the prior approval of more than 60% of all Owners in value. The authority to levy assessments pursuant to this subparagraph is solely for the benefit of the Association and the members and shall not be enforceable by any creditors of the Association or of the members.

3. **Apportionment of Assessments and Penalty for Default**. Unless otherwise provided in these Bylaws or in the Master Deed, all assessments levied against the Owners to cover expenses of administration shall be apportioned among and paid by the Owners in accordance with the percentage of value allocated to each Unit in Article V of the Master Deed, without increase or decrease for the existence of any rights to the use of Limited Common Elements appurtenant to a Unit. In addition, the Board of Directors may issue special assessments, if ordered by the Township, as contemplated by the Master Deed.

Annual assessments as determined in accordance with Section 2(a) above, shall be payable by non-Developer Owners in 12 equal monthly installments, or at such regular intervals as the Board shall from time to time determine, commencing with acceptance of a deed to or a land contract vendee's interest in a Unit or with the acquisition of fee simple title to a Unit by any other means. The payment of an assessment shall be in default if the assessment, or any part of it, is not paid to the Association in full on or before the due date for the payment. Each installment in default for 10 or more days may bear interest from its initial due date at the rate of 7% per annum until each installment is paid in full. The Association may, pursuant to Article XIX below, levy fines for late payment of assessments in addition to interest. Each Owner (whether 1 or more persons) shall be, and remain, personally liable for the payment of all assessments (including fines for late payment and costs of collection and enforcement of payment) pertinent to his Unit which may be levied while such Owner is the owner of it, except a land contract purchaser from any Owner including Developer shall be so personally liable and the land contract seller shall not be personally liable for all such assessments levied up to and including the date upon which such land contract seller actually takes possession of the Unit following extinguishment of all rights of the land contract purchaser in the Unit. Payments on account of installments of assessments in default shall be applied as follows: first, to costs of collection and enforcement of payment, including reasonable attorney's fees; second, to any interest charges and fines for late payment on such installments; and third, to installments in default in order of their due dates. Any special assessment ordered by the City, as contemplated by the Master Deed, may be payable in the year of the assessment.

4. **Waiver of Use or Abandonment of Unit**. No 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.

5. **Enforcement**.

(a) **Remedies**. In addition to any other remedies available to the Association, the Association may enforce collection of delinquent assessments by a suit at law for a money judgment or by foreclosure of the statutory lien that secures payment of assessments. In the event of default by any Owner in the payment of any installment of the annual assessment levied against his Unit, the Association shall have the right to declare all unpaid installments of the annual assessment for the pertinent fiscal year immediately due and payable. The Association also may discontinue the furnishing of any utilities or other services to an Owner in default upon 7 days written notice to such Owner of its intention

to do so. An Owner in default shall not be entitled to utilize any of the General Common Elements of the Project and shall not be entitled to vote at any meeting of the Association so long as such default continues; provided, however, this provision shall not operate to deprive any Owner of ingress or egress to and from his Unit. In a judicial foreclosure action, a receiver may be appointed to collect a reasonable rental for the Unit from the Owner of it or any persons claiming under him. The Association may also assess fines for late payment or nonpayment of assessments in accordance with the provisions of Article XIX of these Bylaws. All of these remedies shall be cumulative and not alternative.

(b) **Foreclosure Proceedings**. Each Owner, and every other person who from time to time has any interest in the Project, shall be deemed to have granted to the Association the unqualified right to elect to foreclose the lien securing payment of assessments (including expenses of collection as described in paragraph (d) below) either by judicial action or by advertisement. The provisions of Michigan law pertaining to foreclosure of mortgages by judicial action and by advertisement, as the same may be amended from time to time, are incorporated by reference for the purposes of establishing the alternative procedures to be followed in lien foreclosure actions and the rights and obligations of the parties to such actions. **THE ASSOCIATION IS HEREBY GRANTED WHAT IS COMMONLY KNOWN AS A "POWER OF SALE."** Further, each Owner and every other person who from time to time has any interest in the Project shall be deemed to have authorized and empowered the Association to sell or to cause to be sold the Unit with respect to which the assessment(s) is or are delinquent and to receive, hold and distribute the proceeds of such sale in accordance with the priorities established by applicable law. **EACH OWNER OF A UNIT IN THE PROJECT ACKNOWLEDGES THAT AT THE TIME OF ACQUIRING TITLE TO SUCH UNIT, HE WAS NOTIFIED OF THE PROVISIONS OF THIS SUBPARAGRAPH AND THAT HE VOLUNTARILY, INTELLIGENTLY AND KNOWINGLY WAIVED NOTICE OF ANY PROCEEDINGS BROUGHT BY THE ASSOCIATION TO FORECLOSE BY ADVERTISEMENT THE LIEN FOR NONPAYMENT OF ASSESSMENTS AND A HEARING ON THE SAME PRIOR TO THE SALE OF THE SUBJECT UNIT.** The Owner of a Unit subject to foreclosure pursuant to Article 108 of the Act, and any purchaser, grantee, successor, or assignee of the Owner's interest in the Unit, is liable for assessments by the Association chargeable to the Unit that become due before expiration of the period of redemption together with the expenses of collection described in paragraph (d) below. The mortgagee of a first mortgage of record of a Unit shall give notice in accordance with Section 108(9) of the Act to the Association of the commencement of foreclosure of the first mortgage.

(c) **Notice of Action**. Notwithstanding the foregoing, neither a judicial foreclosure action nor a suit at law for a money judgment shall be commenced, nor shall any notice of foreclosure by advertisement be published, until the expiration of 10 days after mailing, by first class mail, postage prepaid, addressed to the delinquent Owner(s) at his or their last known address, a written notice that one or more installments of the annual assessment levied against the pertinent Unit is or are delinquent and that the Association

may invoke any of its remedies under these Bylaws if the default is not cured within 10 days after the date of mailing. Such written notice shall be accompanied by a written affidavit of an authorized representative of the Association that sets forth (i) the affiant's capacity to make the affidavit, (ii) the statutory and other authority for the lien, (iii) the amount outstanding (exclusive of interest, costs, attorney's fees and future assessments), (iv) the legal description of the subject Unit(s), and (v) the name(s) of the Owner(s) of record. Such affidavit shall be recorded in the office of the Register of Deeds in the county in which the Project is located prior to commencement of any foreclosure proceeding, but it need not have been recorded as of the above date of mailing. If the delinquency is cured within the 10 day period, the Association may take such remedial action as may be available to it under these Bylaws or under Michigan law. In the event the Association elects to foreclose the lien by advertisement, the Association shall so notify the delinquent Owner and shall inform him that he may request a judicial hearing by bringing suit against the Association.

(d) **Expenses of Collection**. The expenses incurred in collecting unpaid assessments, including interest, collection and late charges, costs, actual attorney's fees (not limited to statutory fees), advances for taxes or other liens paid by the Association to protect its lien, and fines in accordance with the Condominium Documents shall be chargeable to the Owner in default and shall be secured by the lien on his Unit.

6. **Liability of Mortgagee**. Notwithstanding any other provisions of the Condominium Documents, the holder of any first mortgage covering any Unit in the Project which comes into possession of the Unit pursuant to the remedies provided in the mortgage or by deed (or assignment) in lieu of foreclosure, or any purchaser at a foreclosure sale, shall take the property free of any claims for unpaid assessments or charges against the mortgaged Unit which accrue prior to the time such holder comes into possession of the Unit (except for claims for a pro rata share of such assessments or charges that have priority over the first mortgage under Section 108 of the Act).

7. **Financial Responsibility of the Developer**. The Developer of the Condominium, although a member of the Association, will not be responsible for payment of either general or special assessments levied by the Association during the Development and Sales Period. Notwithstanding the foregoing sentence, Developer shall pay all costs related to any offices, model Units, or other facilities it maintains on the Condominium Premises.

(a) **Pre-Transitional Control Date Expenses**. Prior to the First Annual Meeting of the Owners, it will be the Developer's responsibility to keep the books balanced, and to avoid any continuing deficit in operating expenses. At the time of the First Annual Meeting, the Developer will be liable for the funding of any continuing Association deficit incurred prior to the date of the First Annual Meeting. The Developer shall not be responsible for any further Association assessments or other financial obligation other than those specifically imposed on developers by the Act.

(b) **Post-Transitional Control Date Expenses**. After the First Annual Meeting and for the duration of the Development and Sales Period, the Developer shall not be responsible for the payment of either general or special assessments levied by the Association on Units owned by the Developer, except for completed Units owned by the Developer. A "completed Unit" is a Unit for which a certificate of occupancy has been issued. To the extent the Developer holds title to Units that were previously conveyed or leased, the Developer shall be responsible for the same maintenance assessment levied against other Units in the Project and for all special assessments levied by the Association.

(c) **Exempted Transactions**. At no time will the Developer be responsible for the payment of any portion of any assessment that is levied for deferred maintenance, reserves for replacement or capital improvements or additions, or to finance litigation or other claims against the Developer, including any cost of investigating and/or preparing such litigation or claim, or any similar related costs.

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

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

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

11. **Statement as to Unpaid Assessments**. The purchaser of any Unit may request a statement of the Association as to the amount of any unpaid Association assessments, whether regular or special, interest, late charges, fines, costs, and attorney's fees against the seller or grantor (collectively referred to in this paragraph as the "unpaid assessments"). Upon written request to the Association accompanied by a copy of the executed purchase agreement pursuant to which the purchaser holds the right to acquire a Unit, the Association shall provide a written statement of such unpaid assessments as may exist or a statement that none exist, which statement shall be binding upon the Association for the period stated. 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 5 days prior to the closing of the purchase of such Unit shall render any unpaid assessments and the lien securing the same fully enforceable against such purchaser and the Unit itself, to the extent provided by the Act. Under the Act, unpaid assessments constitute a lien upon the Unit and the proceeds of sale of the Unit prior to all claims except real property taxes and first mortgages of record.

12. **Working Capital Deposit.** At the closing of a purchase of a Unit in the Project each Owner (other than a successor Developer) shall pay to the Association an amount equal to

two (2) months of the regular monthly maintenance assessment installment at that time payable with respect to the Unit purchased as a working capital deposit for use by the Association. This obligation shall apply to both the original purchase of a Unit from the Developer and any subsequent purchase of the Unit, but shall not apply to any transfer of the Unit for less than One Hundred Dollars ($100.00) consideration, or via foreclosure of deed in lieu of foreclosure. Such payment shall be nonrefundable.

ARTICLE XI
Insurance

1. **Extent of Coverage**. The Association shall, to the extent appropriate in light of the nature of the General Common Elements, carry property and liability insurance (including without limitation, Directors' and Officers' coverage), and workmen's compensation insurance, if applicable, pertinent to the ownership, use and maintenance of the Common Elements and certain other portions of the Condominium Project, as set forth below, and such insurance, other than title insurance, shall be carried and administered in accordance with the following provisions:

(a) **Responsibilities of Owners**. Each Owner shall be obligated and responsible for obtaining insurance coverage at his or her own expense for the interior of his or her Unit, including wall coverings, floor coverings, windows and screens, and all other improvements constructed or to be constructed within his or her Unit, and Limited Common Elements appurtenant to his or her Unit. It shall further be each co-owners' responsibility to obtain insurance coverage for his or her personal property located within his or her Unit or elsewhere in the Project. Each Owner shall deliver certificates of insurance to the Association from time to time to evidence the continued existence of all insurance required to be maintained by the Owner under these Bylaws. In the event of the failure of an Owner to obtain such insurance or to provide evidence of it to the Association, the Association may obtain such insurance on behalf of such Owner and the premiums shall constitute a lien against the Owner's Unit which may be collected from the Owner in the same manner that Association assessments may be collected in accordance with Article X of these Bylaws. Each Owner also shall be obligated to obtain insurance coverage for its personal liability for occurrences within the perimeter of or for the improvements located on its Unit, and also for any other personal insurance coverage that the Owner wishes to carry. The Association shall under no circumstances have any obligation to obtain any of the insurance coverage described in this Section or any liability to any person for failure to do so.

(b) **Responsibilities of Association**. The Association shall purchase such insurance for the benefit of the Association, and the Owners and their mortgagees, as their interests may appear, and provision shall be made for the issuance of certificates of mortgagee endorsements to the mortgagees of Owners. Where possible, such insurance shall (i) take the form of a "master" or "blanket" type policy of single entity condominium insurance coverage and (ii) include what is commonly called "all risk" property coverage.

(i) **Insurance of Common Elements and Fixtures.** All Common Elements of the Condominium Project shall be insured against fire and other perils covered by a standard extended coverage endorsement, in an amount equal to the current insurable replacement value, excluding land, landscaping, pavement, foundation and excavation costs, as determined annually by the Board of Directors of the Association in consultation with the Association's insurance carrier and/or its representatives in light of commonly employed methods for the reasonable determination of replacement costs. Such coverage shall also include interior walls within any Unit and the pipes, wires, conduits, and ducts contained therein. The trim, fixtures, and furnishings within any Unit, and any improvements made by a co-owner within his or her Unit shall be covered by insurance obtained by and at the expense of the co-owner; provided that, if the Association elects to include such improvements under its insurance coverage, any additional premium cost to the Association attributable thereto shall be assessed to and borne solely by the co-owner and collected as a part of the assessment levied against the Owner. Such policies shall include an "Agreed Amount Endorsement" and if available an "Inflation Guard Endorsement" or their equivalent.

(ii) **Public Liability Insurance.** Comprehensive public liability insurance shall be carried in such limits as the Board may from time to time determine to be appropriate (but in no event less than $1,000,000.00 single limit coverage), and shall cover the Association, each member, director and officer of it and the professional management agent. If possible, the Developer shall be named as an additional insured party on the Association's liability insurance.

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

(iv) **Proceeds of Insurance Policies.** Proceeds of all insurance policies owned by the Association shall be received by the Association, held in a separate account and distributed to the Association, and the Owners and their mortgagees, as their interests may appear; provided, however, whenever repair or reconstruction of the Condominium shall be required as provided in Article XII of these Bylaws, the proceeds of any insurance received by the Association as a result of any loss requiring repair or reconstruction shall be applied for such repair or reconstruction.

2. **Authority of Association to Settle Insurance Claims.** Each Owner, by ownership of a Unit in the Condominium Project, shall be deemed to appoint the Association as his true and lawful attorney-in-fact to act in connection with all matters concerning the maintenance of fire and extended coverage, vandalism and malicious mischief, liability insurance and workmen's compensation insurance, if applicable, pertinent to the Condominium Project and the Common Elements appurtenant to it, with such insurer as may, from time to time, provide such insurance for the Condominium Project. Without limitation on the generality of the foregoing, the

Association as said attorney shall have full power and authority to purchase and maintain such insurance, to collect and remit premiums for such insurance, to collect proceeds and to distribute the same to the Association, the Owners and respective mortgagees, as their interests may appear (subject always to the Condominium Documents), to execute releases of liability and to execute all documents and to do all things on behalf of such Owner and the Condominium as shall be necessary or convenient to the accomplishment of the foregoing.

3. **Waiver of Right of Subrogation**. The Association and all Owners shall use their best efforts to cause all property and liability insurance carried by the Association or any Owner to contain appropriate provisions whereby the insurer waives its right of subrogation as to any claims against any Owner or the Association.

4. **Duplication of or Conflict in Coverage**. In the event of duplicate insurance coverage concerning a loss, coverage under the Unit Owner's policy shall be primary. In the event of a conflict between the Association's and/or the Owner's policy and the Condominium Documents, the Unit Owner's policy shall control to the extent insurance proceeds are available to cover the loss, and thereafter the Association's policy shall apply.

ARTICLE XII
Reconstruction or Repair

1. **Determination to Reconstruct or Repair**. If any part of the Condominium Premises shall be damaged, the determination of whether or not it shall be reconstructed or repaired, and the responsibility for reconstruction or repairs, shall be made in the following manner:

(a) **General Common Element**. If the damaged property is a General Common Element, the damaged property shall be rebuilt or repaired unless all of the Owners and all of the institutional holders of mortgages on any Unit in the Project unanimously agree to the contrary.

(b) **Unit or Improvements Within a Unit**. If the damaged property is a Unit, Limited Common Element or any improvements on the Unit, the Owner of such Unit alone shall determine whether to rebuild or repair the damaged property, subject to the rights of any mortgagee or other person or entity having an interest in such property, and such Owner shall be responsible for any reconstruction or repair that he elects to make. The Owner shall in any event remove all debris and restore his Unit or its Limited Common Elements and the improvements on it to a clean and sightly condition satisfactory to the Association and in accordance with the provisions of Article XIII as soon as reasonably possible following the occurrence of the damage. Despite the foregoing language to the contrary, any damage to a Limited Common Element that is covered by the Association's insurance policy shall be repaired or replaced by the Association rather than the Owner to the extent insurance proceeds are available to cover the loss.

2. **Repair in Accordance with Plans and Specifications**. Any such reconstruction or repair shall be substantially in accordance with the Master Deed and the original plans and specifications for any damaged improvements located within the Unit and appurtenant Limited Common Elements unless the Owners shall unanimously decide otherwise.

3. **Association Responsibility for Repair**. Immediately after the occurrence of a casualty causing damage to property for which the Association has the responsibility of maintenance, repair and reconstruction, the Association shall obtain reliable and detailed estimates of the cost to place the damaged property in a condition as good as that existing before the damage. If the proceeds of insurance are not sufficient to defray the estimated cost of reconstruction or repair required to be performed by the Association, or if at any time during such reconstruction or repair, or upon completion of such reconstruction or repair, the funds for the payment of the cost are insufficient, assessment shall be made against all Owners for the cost of reconstruction or repair of the damaged property in sufficient amounts to provide funds to pay the estimated or actual cost of repair. This provision shall not be construed to require replacement of mature trees and vegetation with equivalent trees or vegetation.

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

5. **Eminent Domain**. Section 133 of the Act and the following provisions shall control upon any taking by eminent domain:

(a) **Taking of Unit or Improvements**. In the event of any taking of all or any portion of a Unit or any improvements on it by eminent domain, the award for such taking shall be paid to the Owner or the mortgagee of such Unit as their interests may appear. If an Owner's entire Unit is taken by eminent domain, such Owner and his mortgagee shall, after acceptance of such award, be divested of all interest in the Condominium Project.

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

(c) **Continuation of Condominium After Taking**. In the event the Condominium Project continues after taking by eminent domain, then the remaining portion of the Condominium Project shall be reserved 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 Owners based upon the continuing value of the Condominium of 100%. Such amendment may be effected by an officer of the Association duly authorized

by the Board of Directors without the necessity of execution or specific approval by any Owner.

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

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

ARTICLE XIII
Restrictions

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

1. **Permitted Uses.** Except as otherwise provided by these Bylaws, as they may be amended from time to time, Condominium Units may be used only for purposes allowed under applicable City of Zeeland zoning regulations.

2. Interior Unit Finishes. During the Development and Sales period, no improvements may be made to the interior of any units except by the Developer, or contractors approved by the Developer in writing.

3. **Residential Uses Prohibited**. Units may not be used as a dwelling place or place of habitation at any time.

4. **Signs**. No signs or any advertising may be displayed on any Unit at any time, other than signs advertising a unit for sale or lease, unless first approved in writing by the Developer during the Development and Sale Period, and the Association thereafter.

5. **Waste Disposal.** No trash, garbage, or rubbish of any kind shall be placed within any unit, except in sanitary containers for removal. All sanitary containers shall be kept in a clean and sanitary condition and shall be kept inside of units except for short periods of time (not to exceed 24 hours before and 24 hours after the anticipated collection time) as may be reasonably necessary to permit periodic collection, not less often than once per week. The Association may limit trash collection to one or more specific days and/or require that all Co-owners contract for trash removal with the same waste hauler. Alternatively, the Association may elect to provide dumpsters for the use of Unit owners.

6. **Prohibited Conduct.** No immoral, improper, unlawful or offensive activity shall be carried on in any Unit. No unreasonably noisy activity shall occur in or on the Common Elements or in any Unit at any time and disputes among Owners, arising as a result of the provision which cannot be amicably resolved, shall be arbitrated by the Association. No Owner shall store flammable or hazardous substances in his Unit, except for common household agents such as propane tanks, gas cans for lawnmowers, mineral spirits, etc. or agents to be used in the Owner's regular course of business. No Owner shall do or permit anything to be done or keep or permit to be kept in his Unit or on the Common Elements anything that will increase the rate of insurance on the Condominium without the written approval of the Association, and each Owner shall pay to the Association the increased cost of insurance premiums resulting from any such activity or the maintenance of any such condition even if approved.

7. **Animals**. Any owner who causes or permits any animal to be rough on the Condominium Premises shall indemnify and hold harmless the Association for any loss, damage and/or liability which the Association may sustain as a result of the presence of such animal on the Condominium Premises. No outdoor kennels shall be permitted on the Project.

8. **Vehicles and Parking**. No recreational vehicles, all-terrain vehicles, house trailers, boat trailers, boats, boat lifts, campers, motor homes, snowmobiles, snowmobile trailers, jet skis or other personal watercraft, may be parked or stored overnight within the Project unless fully inside a Unit. Anything stored inside a unit shall be completely within the unit and all garage doors must be kept closed at all times when they are not in use. No inoperable vehicle or vehicle without a valid license plate may be parked outside of a unit.

9. **No outdoor storage**. The parking lot or other General Common Element areas shall not be used for outdoor overnight storage.

10. **Furniture; Equipment**. Absent written approval of the Association, no furniture, equipment or other personal property shall be placed, located or stored outside of any Unit.

11. **Nuisances**. No nuisances shall be permitted on the Condominium nor shall any use or practice be permitted which is a source of annoyance to other occupants, or which interferes with the peaceful possession or proper use of the Project by its owners. The Common Elements shall not be used in whole or in part for the storage of rubbish or trash, nor for any other thing which may cause the Condominium to appear in an unclean or untidy condition.

Furthermore, no Owner will: (i) suffer, allow or permit any vibration, noise, odor, flashing or bright light, liquid or grease to emanate from its Unit or from any machine or other installation located therein, or otherwise suffer, allow or permit any activities to take place or condition to exist on its Unit or the Common Elements, which, in the reasonable judgment of the Association, would constitute an undue safety hazard or unduly interfere with the quiet enjoyment of the other Units; (ii) place or cause to be placed, any handbill on any vehicles parked in the parking area, whether belonging to the Owner, its employees, tenants, or any other persons; (iii) permit the parking of vehicles so as to interfere with the use of any driveway, walkway, parking area, or any

other area; or (iv) use or occupy its Units or do or permit anything to be done therein which in any manner might cause injury or damage (other than ordinary wear and tear) in or about the other Units or the Common Elements.

12. **Satellite Dishes and Antennae**. No Owner may attach an external tower, windmill or generator, satellite dish or television or radio antenna or aerial to his or her Unit unless approved in writing by the Developer or the Association. The Association discourages the placement of such equipment within a Unit visible to owners and the public.

13. **Aesthetics**. Except as expressly provided in the Condominium Documents, the Common Elements 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 an Owner, either in his Unit or upon the Common Elements, which is detrimental to the appearance of the Condominium.

14. **Hazardous Substances.** All Owners, their lessees, invitees and agents shall fully comply with all local, state and federal laws and regulations related to the usage and storage of hazardous substances within the Condominium. Upon request by the Association, each Owner shall provide the Board of Directors with a full list and description of any hazardous substances used or stored in an Owner's Unit. No hazardous substances shall be released within the Condominium Premises or disposed of except in accordance with applicable law. Each Owner who stores, has, uses or disposes of a hazardous substance with the Condominium Premises shall full indemnify and hold harmless the Association from any liability, including attorney fees, which may arise from such storage, presence, usage or disposal.

15. **Improvements and Modifications for Handicapped Persons**.

(a) Pursuant to MCL 559.147a, MSA 26.50(147a), an Owner may make improvements or modifications to his or her Unit, including improvements or modifications to the Common Elements and to the route from the public way to the door of the Owner's Unit, at his or her expense, if the purpose of the improvement or modification is to facilitate access to or movement within the Unit for handicapped persons, or to alleviate conditions that could be hazardous to handicapped persons. The improvement or modification shall not impair the structural integrity of a structure, impair any soundproofing or otherwise lessen the support of a portion of the Project. The Owner shall be liable for cost of repairing any damage to a Common Element caused by building or maintaining the improvements or modification, unless the damage could reasonably be expected in a normal course of building or maintaining the improvement or modification. The improvement or modification may be made notwithstanding any prohibitions or restrictions in the Condominium Documents. The improvement or modification shall comply with all applicable state and local building code requirements and health and safety laws and ordinances and shall be made as closely as reasonably possible in conformity with the intent of applicable prohibitions and restrictions regarding safety and aesthetics of the proposed improvement or modification that affects the exterior of the Unit and shall not unreasonably prevent passage by other unit owners of the Project.

(b) An Owner who has made exterior improvements or modifications for handicap access must notify the Association in writing of his intention to convey or lease his or her Unit to another not less than thirty (30) days before the conveyance or lease. Within thirty (30) days of receiving notice, the Association may require that the Owner remove the improvement or modification at his or her own expense. If the Owner fails to give timely notice of a conveyance or lease, the Association may at any time remove or require the Owner to remove the improvement or modification at the Owners' expense. However, the Association may not remove or require the removal of the improvement or modification if the Owner conveys or leases his or her Unit to a handicapped person who needs the same type of improvement or modification, or to a person whose parent, spouse or child is handicapped, requires the same type of improvement or modification, and resides with the person.

(c) If an Owner makes an exterior improvement or modification, he or she shall maintain liability insurance, underwritten by an insurer authorized to do business in this state, in an amount adequate to compensate for personal injuries caused by the exterior improvement or modification. The Owner shall not be liable for acts or omissions of the Association with respect to the exterior improvement or modification. The Owner shall not be required to maintain liability insurance with respect to any Common Element. The Association shall be responsible for the cost of any maintenance of the improvement or modification, unless the maintenance cannot reasonably be included within the regular maintenance performed by or paid for by the Association, in which case the Owner shall be responsible for e cost of the maintenance of the improvement or modification.

(d) Before an improvement or modification under this Section is made, the Owner shall submit plans and specifications to the Association for review and approval. The Association shall determine whether a proposed improvement or modification substantially conforms to the provisions of MCL 559.147a, MSA 26.50(147a), but shall not deny a proposed improvement or modification without good cause. If the Association denies a proposed improvement or modification, the Association shall list in writing the changes needed to make the proposed improvement or modification conform and deliver that list to the Owner. The Association shall approve or deny the proposed improvement or modification within sixty (60) days after the plans and specifications are submitted. If the Association does not approve or deny within the sixty (60) day period, the Owner may make the proposed improvement or modification without the Association's approval. An Owner may bring an action against the Association and its officers and directors to compel them to comply with the provision s of MCL 559.147a, MSA 26.50(147a), if the Owner disagrees with the denial.

16. **Rules and Regulations**. It is intended that the Board of Directors of the Association may make rules and regulations from time to time to reflect the needs and desires of the majority of the Owners in the Condominium. 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) prior to the Transitional Control Date. Copies of all such rules, regulations and amendments shall be furnished to all Owners. Any such rule or regulation may be revoked at any time by the affirmative vote of more than fifty percent (50%) of all members in value at any duly convened meeting of the Association.

17. **Right of Access of Association**. The Association or its duly authorized agents shall have access to each Unit and any Limited Common Elements appurtenant to the Unit from time to time, during reasonable working hours, upon notice to the Owner 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 Unit and any Limited Common Elements appurtenant to the Unit at all times without notice as may be necessary to make emergency repairs to prevent damage to the Common Elements or to another Unit. It shall be the responsibility of each Owner to provide the Association means of access to his Unit and any Limited Common Elements appurtenant to it during all periods of absence, and in the event of the failure of such Owner to provide means of access, the Association may gain access in such manner as may be reasonable under the circumstances and shall not be liable to such Owner for any necessary damage to his Unit and any Limited Common Elements appurtenant to the Unit caused by such access or for repair or replacement of any doors or windows damaged in gaining such access.

18. **Alterations; Blocking Access**. No Owner shall make any additions or alterations in exterior appearance or make structural modifications to his Unit (including interior walls through or in which there exist easements for support or utilities) or make changes in any of the Common Elements, without the express written approval of the Board of Directors, including without limitation exterior painting or the erection of antennas, satellite dishes, lights, aerials, awnings, doors, shutters, or other exterior attachments or modifications. Also, no Owner shall in any way restrict access to any plumbing, water line, water line valves, water meter, or any other element that must be accessible to service the Common Elements or any element which affects an Association responsibility in any way. Should access to any facilities of any sort be required, the Association may remove any coverings or attachments of any nature that restrict such access and will have no responsibility for repairing, replacing or reinstalling any materials, whether or not installation of it has been approved under these Bylaws, that are damaged in the course of gaining such access, nor shall the Association be responsible for monetary damages of any sort arising out of actions taken to gain necessary access. All alterations or modifications for persons with disabilities as defined in Section 2 of the State Construction Code Act of 1972, 1972 P.A. 230, MCL 125.1502, shall be subject to Section 47a of the Michigan Condominium Act.

19. **Maintenance**. Each Owner shall maintain his Unit and any Limited Common Elements appurtenant to it for which he has maintenance responsibility in a safe, clean and sanitary condition. Each 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 Common Elements in any Unit which are appurtenant to or which may affect any other Unit. Each 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 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 limited by virtue of a deductible provision, in which case the responsible 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 Owner in the manner provided in Article X of these Bylaws.

20. **Reserved Rights of Developer.**

(a) **Developer's Rights in Furtherance of Development and Sales.** None of the restrictions contained in this Article XIII shall apply to the commercial activities or signs or billboards, if any, of the Developer during the Development and Sales Period or of the Association in furtherance of its powers and purposes stated in this Agreement and in its Articles of Incorporation, as the same may be amended from time to time. Notwithstanding anything to the contrary in these Bylaws, Developer and its duly authorized agents, representatives, employees, and builders who receive an assignment of rights from the Developer, shall have the right to engage in any useful construction activities with respect to an action authorized under these Bylaws during working construction hours, to the fullest extent and for the maximum hours permitted under local ordinances, from and over the Project as may be reasonable to enable development and sale of the entire Project by the Developer; and may continue to do so during the entire Development and Sales Period. Notwithstanding anything to the contrary in these Bylaws, Developer, and its duly authorized agents, representatives, employees, and builders who receive an assignment of rights from the Developer, shall have the right to maintain a sales office, a business office, a construction office, storage areas and 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 the Developer; and may continue to do so during the entire Development and Sales Period. The Developer shall restore the areas so utilized to habitable status upon termination of use.

(b) **Enforcement of Bylaws.** The Developer shall have the right to enforce these Bylaws throughout the Development and Sales Period, which right of enforcement shall include (without limitation) an action to restrain the Association or any Owner from any activity prohibited by these Bylaws. After the Development and Sales Period, the Board of Directors shall have the right to enforce these Bylaws.

21. **Binding Effect.** These restrictions shall run with the Condominium Premises and shall be binding upon and inure to the benefit of the Developer, its successors and assigns, and the Unit Owners and their Owners, and their successors and assigns, forever.

ARTICLE XIV
Leases

Right to Lease. An Owner may lease for purposes allowed under the Master Deed; provided that written disclosure of the lease transaction is submitted to the Board of Directors of the Association in the manner specified in this Article. The terms of all leases, occupancy agreements and

occupancy arrangements shall incorporate, or be deemed to incorporate, all of the provisions of this Article and the Condominium Documents.

1. **Compliance.** Tenants and non-Owner occupants shall comply with all of the conditions of the Condominium Documents and all leases and rental agreements shall so state.

2. **Failure to Comply.** If the Association determines that the tenant or non-Owner occupant failed to comply with the conditions of the Condominium Documents, the Association shall take the following action, in addition to other action it may take:

(a) The Association shall notify the Owner by certified mail, advising of the alleged violation by the tenant. The Association may also notify the Owner personally, by telephonic facsimile or first class mail advising of the alleged violation by the tenant.

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

(c) If after 15 days the Association believes that the alleged breach is not cured or may be repeated, it may institute on its behalf or derivatively by the Owners on behalf of the Association, if it is under the control of the Developer, an action for both eviction against the tenant or non-owner occupant and simultaneously for money damages in the same action against the Owner and tenant or non-owner occupant for breach of the conditions of the Condominium Documents. The relief provided for in this subparagraph may be by summary proceeding. The Association may hold both the tenant and the Owner liable for any damages to the Common Elements caused by the Owner or tenant in connection with the Unit or Condominium Project.

12. **Arrearages.** When an Owner is in arrears to the Association for assessments, the Association may give written notice of the arrearage to a tenant occupying an Owner's Unit under a lease or rental agreement and the tenant, after receiving the notice, shall deduct from rental payments due the Owner the arrearage and future assessments as they fall due and pay them to the Association. The deduction does not constitute a breach of the rental agreement or lease by the tenant. If the tenant, after being notified, fails or refuses to remit rent otherwise due the Owner or the Association, then the Association may do the following:

(a) Issue a statutory notice to quit for non-payment of rent to the tenant and shall have the right to enforce that notice by summary proceeding.

(b) Initiate proceedings pursuant to Section 112(4)(b) of the Act.

ARTICLE XV
Mortgages

1. **Notice to Association.** Any Co-owner who mortgages a Unit shall notify the Association of the name and address of the mortgagee (referenced in this Article as a "mortgagee"),

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and the Association will maintain such information. The information relating to mortgagees will be made available to the Developer or its successors as needed for the purpose of obtaining consent from, or giving notice to mortgagee concerning actions requiring consent or notice to mortgagees under the Condominium Documents or the Act.

2. **Insurance.** The Association shall notify each mortgagee of the name of each company insuring the Condominium against fire, perils covered by extended coverage, and vandalism and malicious mischief, with the amounts of the coverage.

3. **Rights of Mortgagees.** Except as otherwise required by applicable law or regulation, a mortgagee has the following rights:

(a) **Inspection and notice**. Upon written request to the Association, a mortgagee will be entitled to: (1) inspect the books and records relating to the Project upon reasonable notice; (2) receive a copy of the annual financial statement that is distributed to Co-owners; (3) notice of any default under the Condominium Documents by its mortgagor in the performance of the mortgagor's obligations that is not cured within 30 days; and (4) notice of all meetings of the Association and its right to designate a representative to attend the meetings.

(b) **Exemption from restrictions**. A mortgagee that comes into possession of a Unit pursuant to the remedies provided in the mortgage or by deed in lieu of foreclosure, shall be exempt from any option or right of first refusal on the sale or rental of the mortgaged Unit in the Condominium Documents.

(c) **Past-due assessments.** A mortgagee that comes into possession of a Unit pursuant to the remedies provided in the mortgage, or by deed in lieu of foreclosure, shall take the Unit free of any claims for unpaid assessments or charges against the mortgaged Unit that accrue prior to the time the mortgagee comes into possession, except for assessments having priority as liens against the Unit or claims for a pro rata share of such assessments or charges resulting from a reallocation of such assessments charged to all Units including the mortgaged Unit.

4. Additional Notification. When notice is to be given to a mortgagee, the Board shall also give such notice to the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Veterans Administration, the Federal Housing Administration, the Farmer's Home Administration, the Government National Mortgage Association and any other public or private secondary mortgage market entity participating in purchasing or guarantying mortgages of Units in the Condominium if the Board has notice of such participation.

ARTICLE XVI
Amendments

1. **Proposal**. Amendments to these Bylaws may be proposed by the Board of Directors of the Association acting upon the vote of the majority of the Directors or may be proposed by 1/3rd or more in number of the Owners by instrument in writing signed by them.

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

3. **Voting**. These Bylaws may be amended by the Owners at any regular annual meeting or a special meeting called for such purpose by an affirmative vote of not less than 2/3rds of all Owners in number and in value. No consent of mortgagees shall be required to amend these Bylaws unless such amendment would materially alter or change the rights of such mortgagees, in which event the approval of 66-2/3% of the mortgagees shall be required, with each mortgagee to have one vote for each first mortgage held. For purposes of this voting, each co-owner will have one (1) vote for each Unit owned, including as to the Developer all Units created by the Master Deed but not yet conveyed. These Bylaws shall not be amended without the prior written consent of the Developer so long as the Developer continues to offer any Unit for sale.

4. **By Developer**. Prior to the Transitional Control Date, these Bylaws may be amended by the Developer without approval from any other person so long as any such amendment does not materially alter or change the right of an Owner or mortgagee.

5. **Amendments Not Materially Changing Condominium Bylaws**. The Developer or Board of Directors may enact amendments to these Condominium Bylaws without the approval of any co-owner or mortgagee, provided that the amendments shall not materially alter or change the rights of a co-owner or mortgagee.

6. **When Effective**. Any amendment to these Bylaws shall become effective upon recording of such amendment in the office of the Ottawa County Register of Deeds.

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

ARTICLE XVII
Compliance

The Association and all present or future Owners, tenants, future tenants, or any other persons acquiring an interest in or using 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 in the Condominium Premise shall signify that if the Condominium Documents conflict with the provisions of the Act, the Act shall govern.

ARTICLE XVIII
Definitions

All terms used in these Bylaws 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 XIX
Remedies for Default

Any default by an Owner shall entitle the Association or another Owner or Owners to the following relief:

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

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

3. **Removal and Abatement**. The violation of any of the provisions of the Condominium Documents shall also give the Association or its duly authorized agents the right, in addition to the rights stated above, to enter upon the Common Elements or into any Unit, where reasonably necessary, and summarily remove and abate, at the expense of the Owner in violation, any structure, thing, or condition existing or maintained contrary to the provisions of the Condominium Documents. The Association shall have no liability to any Owner arising out of the exercise of its removal and abatement power authorized under these Bylaws.

4. **Assessment of Fines**. The violation of any of the provisions of the Condominium Documents by any Owner shall be grounds for assessment by the Association, acting through its duly constituted Board of Directors, of monetary fines for such violations against the involved Owner. Such Owner shall be deemed responsible for such violations whether they occur as a result of his personal actions or the actions of his family, guests, tenants or any other person admitted through such Owner to the Condominium Premises. Upon any such violation being alleged by the Board, the following procedures will be followed:

(a) **Notice**. Notice of the violation, including the Condominium Document provision violated, together with a description of the factual nature of the alleged offense set forth

with such reasonable specificity as will place the Owner on notice as to the violation, shall be sent by first class mail, postage prepaid, or personally delivered to the representative of said Owner at the address as shown in the notice required to be filed with the Association pursuant to Article II, Section 4 of the Bylaws.

(b) **Opportunity to Defend**. The offending Owner shall have an opportunity to appear before the Board and offer evidence in defense of the alleged violation. The appearance before the Board shall be at its next scheduled meeting but in no event shall the Owner be required to appear less than 10 days from the date of the notice.

(c) **Default**. Failure to respond to the notice of violation constitutes a default.

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

(d) **Amounts**. Upon violation of any of the provisions of the Condominium Documents and after default of the offending Owner or upon the decision of the Board as recited above, the following fines shall be levied:

(1) **First Violation**. No fine shall be levied.

(2) **Second Violation**. One Hundred Dollar ($100.00) fine.

(3) **Third Violation**. Two Hundred Dollar ($200.00) fine.

(4) **Fourth Violation and Subsequent Violations**. Five Hundred Dollar ($500.00) fine.

(g) **Collection**. The fines levied pursuant to Section 3 above shall be assessed against the Owner and shall be due and payable together with the regular Condominium assessment on the first of the next following month. Failure to pay the fine will subject the Owner to all liabilities set forth in the Condominium Documents.

5. **Nonwaiver of Right**. The failure of the Association or of any Owner to enforce any right, provision, covenant or condition in the future shall not operate as a waiver.

6. **Cumulative Rights, Remedies and Privileges**. All rights, remedies and privileges granted to the Association or any Owner or 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 the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be available to such party at law or in equity.

7. **Enforcement of Provisions of Condominium Document**. An 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. An Owner may maintain an action against any other Owner for injunctive relief or for damages or any combination thereof for noncompliance with the terms and provisions of the Condominium Documents or the Act.

ARTICLE XX
Rights Reserved to Developer

Any or all of the rights and powers granted or reserved to the Developer in the Condominium Documents or by law, including the right and power to approve or disapprove any act, use, or proposed action or any other matter or thing, may be assigned by it to any other entity or to the Association. Any such assignment or transfer shall be made by appropriate instrument in writing in which the assignee or transferee shall join for the purpose of evidencing its acceptance of such powers and rights and such assignee or transferee shall have the same rights and powers as have been given and reserved to the Developer. Any rights and powers reserved or granted to the Developer or its successors shall terminate, if not sooner assigned to the Association, at the conclusion of the Development and Sales Period as defined in Article III of the Master Deed. The immediately preceding sentence dealing with the termination of certain rights and powers granted or reserved to the Developer is intended to apply, insofar as the Developer is concerned, only to the Developer's rights to approve and control the administration of the Condominium and shall not, under any circumstances, be construed to apply to or cause the termination of any real property rights granted or reserved to the Developer or its successor and assigns in the Master Deed or elsewhere (including, but not limited to, access easements, utility easements and all other easements created and reserved in such documents which shall not be terminable in any manner hereunder and which shall be governed only in accordance with the terms of their creation or reservation and not hereby).

ARTICLE XXI
Arbitration

1. **Scope and Election**. Disputes, claims or grievances arising out of or relating to the interpretation or the application of the Condominium Documents, or any disputes, claims or grievances arising among or between the Owners and the Association, upon the election and written consent of the parties to any such disputes, claims or grievances (which consent shall include an agreement of the parties that the judgment of any circuit court of the State of Michigan may be rendered upon any award pursuant to such arbitration), and upon written notice to the Association, shall be submitted to arbitration and the parties shall accept the arbitrator's decision as final and binding, provided that no question affecting the claim of title of any person to any fee or life estate in real estate is involved. The Commercial Arbitration Rules of the American Arbitration Association as amended and in effect from time to time shall be applicable to any such arbitration.

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

3. **Election of Remedies**. Such election and written consent by 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 XXII
Severability

In the event that any of the terms, provisions or covenants of these Bylaws of 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 remaining portions of any terms, provisions or covenants held to be partially invalid or unenforceable.

OTTAWA COUNTY CONDOMINIUM SUBDIVISION PLAN NO. 764
EXHIBIT "B" TO THE MASTER DEED OF:

RILEY CONDOMINIUM

Part of the Northeast 1/4 of Section 18, Town 5 North, Range 14 West, City of Zeeland, Ottawa County, Michigan

EXHIBIT "B"

ATTENTION COUNTY REGISTER OF DEEDS

The Condominium Subdivision Plan Number must be assigned in consecutive sequence. When a number has been assigned to this project it must be properly shown on this sheet and in the Surveyors Certificate on Sheet No. 2.

NOTE

This condominium subdivision plan is not required to contain detailed project design plans prepared by the appropriate licensed design professional. Such project design plans are filed, as part of the construction permit application, with the enforcing agency for the state construction code in the relevant governmental subdivision. The enforcing agency may be a local building department or the state department of licensing and regulatory affairs.

DEVELOPER

Case Karsten Properties, LLC
51 E. Main Avenue
Zeeland, MI 49464

SURVEYOR

Nederveld, Inc.
217 Grandville Avenue SW
Suite 302
Grand Rapids, Michigan 49503

DESCRIPTION

The land situated in the City of Zeeland, County of Ottawa, and State of Michigan, is described as follows:

Lot 1, Drawform Plat, according to the recorded plat in Liber 34 of Plats, Page 9, Ottawa County Records.

SHEET INDEX

1) COVER SHEET
2) SURVEY AND EASEMENT PLAN
3) SITE PLAN
4) UTILITY PLAN
5) BUILDINGS 1 & 3 PLANS & PROFILES
6) BUILDING 2 PLAN & PROFILES
7) BUILDINGS 4 & 5 PLANS & PROFILES
8) BUILDING 6 PLAN & PROFILES
9) BUILDING 7 PLAN & PROFILES
10) PROPOSED FUTURE DEVELOPMENT PLAN

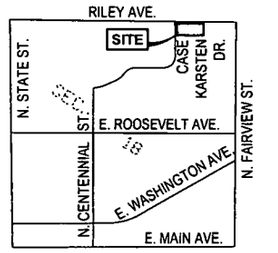
STATE OF MICHIGAN
Scott
A
Hendges
License No.
4001047953
LICENSED PROFESSIONAL SURVEYOR

PROPOSED DATED MAY 29, 2025

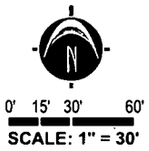
COVER SHEET
SHEET NO. 1

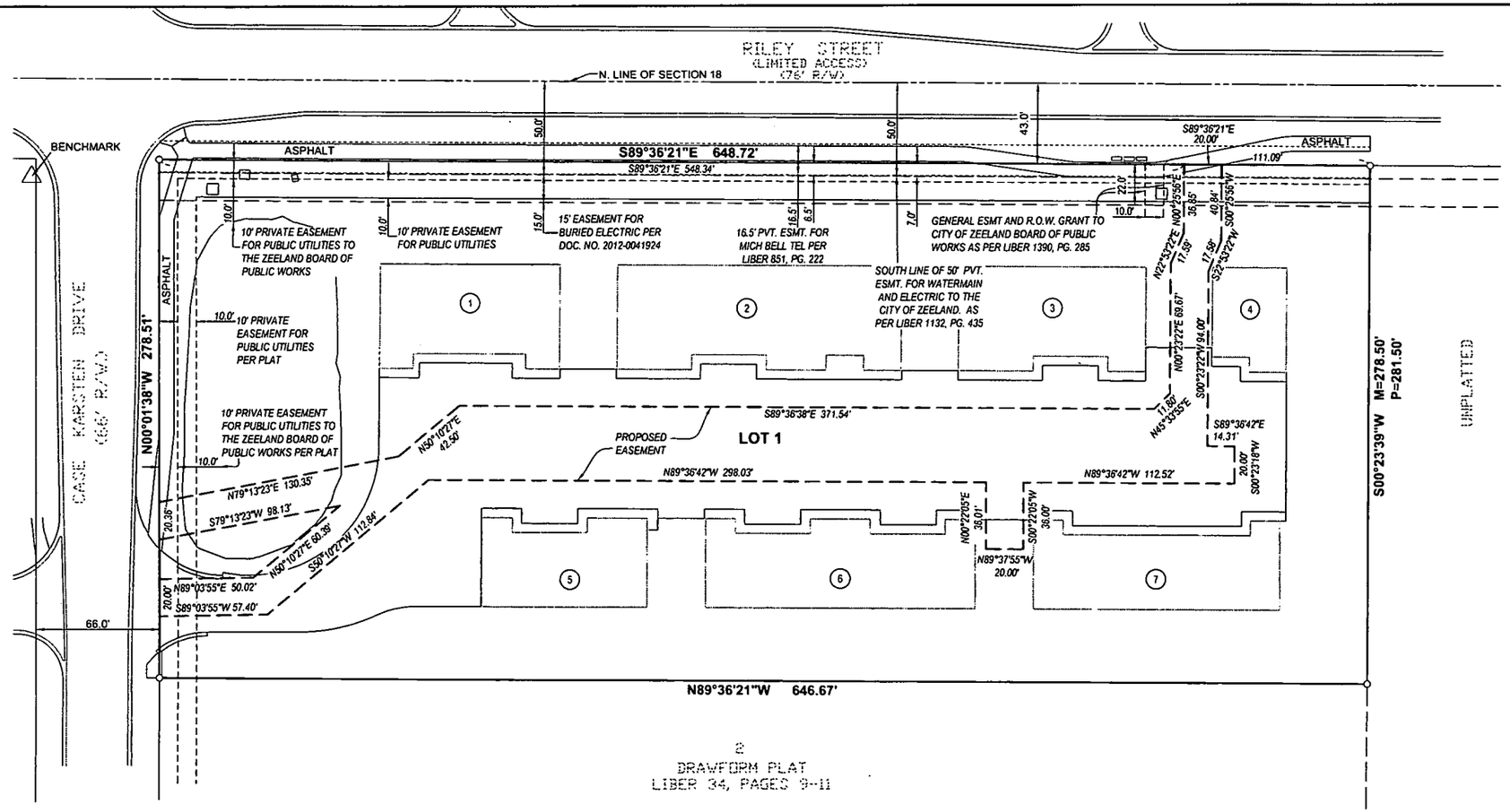
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LOCATION MAP
NOT TO SCALE





NOTE:
SEE SHEET NO. 3 FOR GENERAL NOTES.

LEGEND

○ Concrete Monument

SURVEYOR'S CERTIFICATE

I, Scott A. Hendges, Professional Surveyor of the State of Michigan, hereby certify: That the subdivision plan known as Riley Condominiums, Ottawa County Condominium Subdivision Plan No. 166, as shown on the accompanying drawings, represents a survey on the ground made under my direction. That there are no existing encroachments upon the lands and property herein described. That the required monuments and iron markers will be placed in the ground within 12 months from recordation of the Condominium Subdivision Plan as required by rules promulgated under Section 142 of Act No. 59 of the Public Acts of 1978. That the accuracy of this survey is within the limits required by the rules promulgated under Section 142 of Act No. 59 of the Public Acts of 1978. That the bearings, as shown, are noted on the survey plan as required by the rules promulgated under Section 142 of Act No. 59 of the Public Acts of 1978.

Date: May 29, 2025

STATE OF MICHIGAN
Scott A Hendges
License No. 4001047953
REGISTERED PROFESSIONAL SURVEYOR

Scott A. Hendges
Professional Surveyor No. 4001047953
NEDERVELD, INC.

SURVEY AND EASEMENT PLAN
RILEY CONDOMINIUM

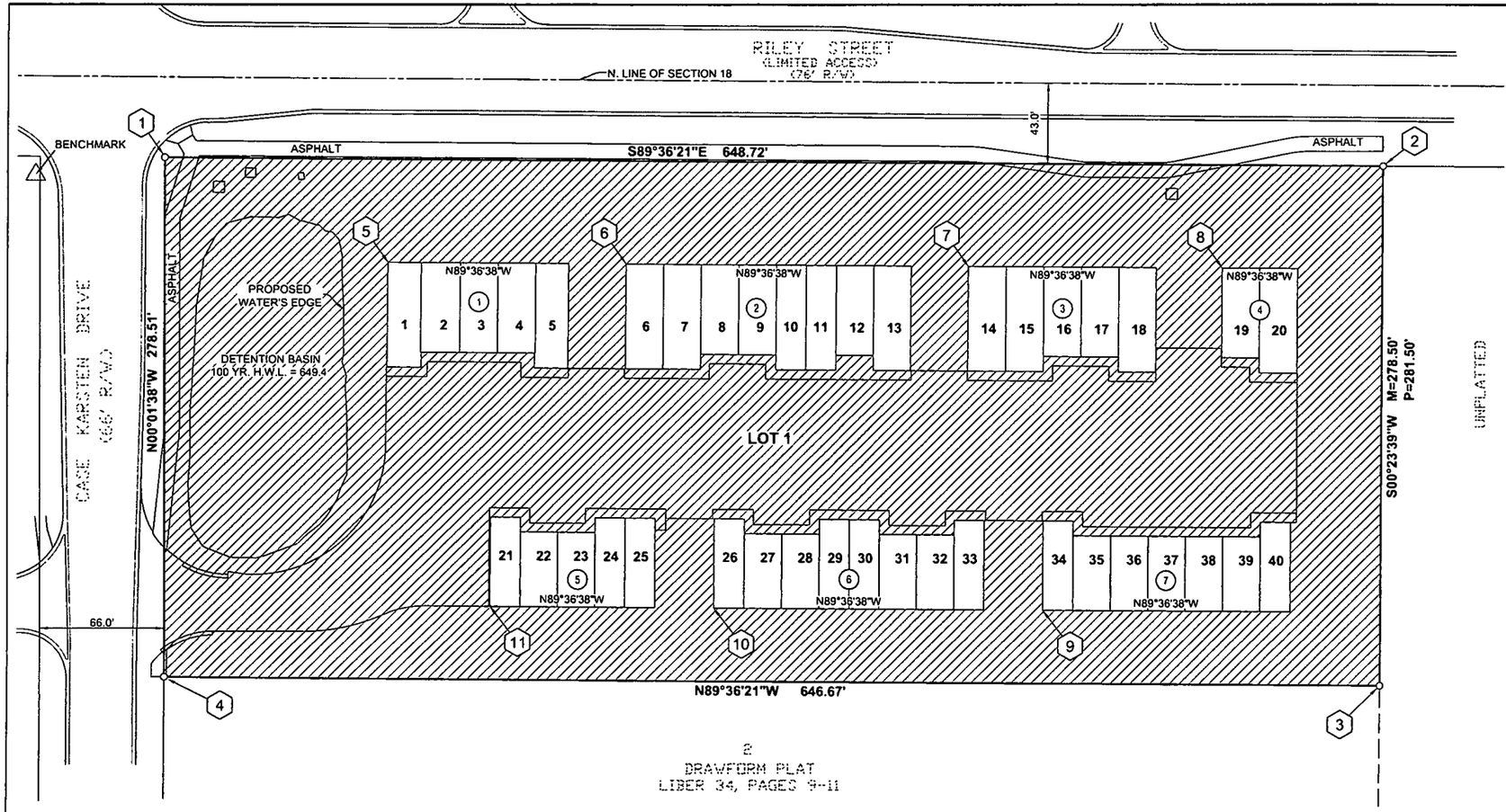
NEDERVELD, INC. -- 217 GRANDVILLE AVENUE SW, GRAND RAPIDS, MI 49503

PROPOSED DATED MAY 29, 2025

SHEET NO. 2

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OCR 2025 05 29 09:27 VB 70



GENERAL NOTES

1) Benchmark Elevation: Elev.= 650.94 (NAVD88), Top of flange bolt (under "A" of "USA") on hydrant at the SW corner of Riley St. & Case Karsten Dr., located 68 feet West and 9 feet South from coordinate point #1.
2) Bearings as shown hereon are based on the recorded plat of "DRAWFORM PLAT" as recorded in Liber 34 of Plats, Pages 9-11.
3) All dimensions are in feet.
4) Flood Plain Note: An examination of the National Flood Insurance Program's Flood Insurance Rate Map for Community Panel Number 26139C0309E, with an Effective Date of December 16, 2011, shows this parcel to be located in Zone X (area of minimal flood hazard).
5) The total area of the condominium is 4.14 Acres.
6) Each structure shall be located in strict compliance with the ordinances of the City of Zeeland, Ottawa County, and the State of Michigan.
7) All improvements and utilities needed for Units 1 through 5 must be built. All improvements and utilities needed for Units 6 through 40 need not be built.
8) Building interior dimensions are derived from architectural plans provided by: BEX Engineering. This condominium subdivision plan reflects the individual unit ownership lines and should not be used or relied upon for any architectural renovations.
9) All land, airspace, and rooftop area of the project located outside of the building is general common element and is convertible area, unless otherwise designated.
10) All unsold units and limited common element areas, and all general common element areas are convertible areas.
11) Unit square footages shown are inclusive of interior partitioning within units and may include square footage occupied by structural load bearing building components. It is not the intent of these drawings to detail the dimensions or placement of said components, said components being general common elements.
12) Prior to excavation, contact MISS DIG (1-800-482-7171) three working days in advance.
13) Utility Note: All the utilities will be shown on the "As-Built" plans, including service size and meter locations.

COORDINATE TABLE

POINT #	NORTHING	EASTING
1	3000.000	3000.000
2	2995.537	3648.704
3	2717.044	3646.788
4	2721.490	3000.132
5	2944.051	3118.646
6	2943.189	3245.404
7	2941.948	3428.014
8	2941.028	3563.397
9	2759.679	3172.653
10	2758.868	3291.994
11	2757.678	3467.167

LEGEND

- o = CONCRETE MONUMENT
- (1) = BUILDING NAME
- (4) = COORDINATE LOCATION
- = GENERAL COMMON ELEMENT
- = LIMITED COMMON ELEMENT

N

0' 15' 30' 60'

SCALE: 1" = 30'

SITE PLAN
RILEY CONDOMINIUM

NEDERVELD, INC. – 217 GRANDVILLE AVENUE SW, GRAND RAPIDS, MI 49503

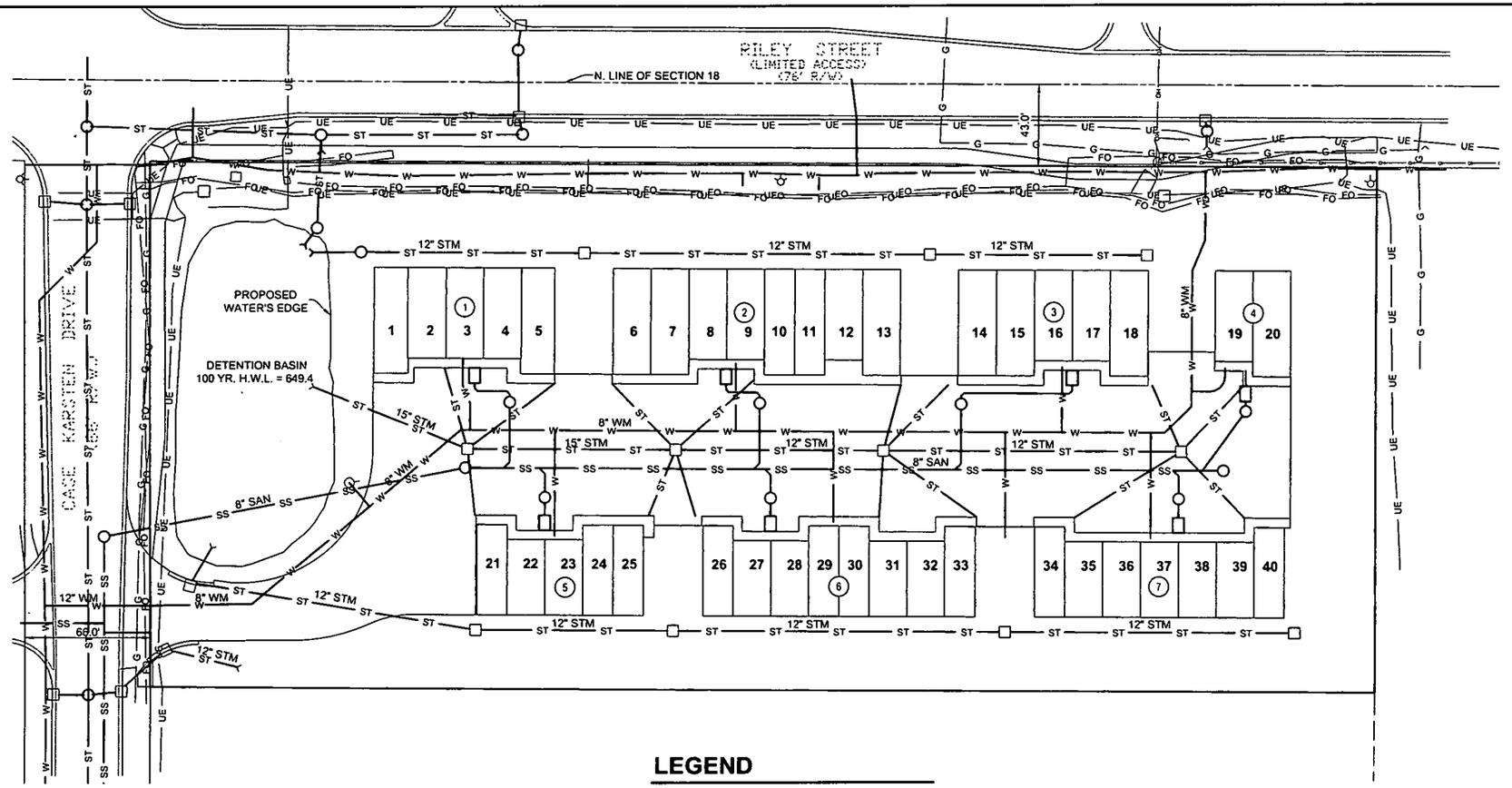
STATE OF MICHIGAN
Scott A Hendges
License No. 4001047953
LICENSED PROFESSIONAL SURVEYOR

PROPOSED DATED MAY 29, 2025

SHEET NO. 3

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NOTE:
SEE SHEET NO. 3 FOR GENERAL NOTES.

UTILITY NOTE

ADDITIONAL UTILITIES, SUCH AS GAS, ELECTRIC, TELEPHONE, CABLE, ETC., NEED NOT BE BUILT, AND WILL BE SHOWN ON THE AS-BUILT PLANS AT SUCH TIME AS THEY ARE COMPLETED. INFORMATION ON THE PROPOSED LOCATION OF THESE UTILITIES, AS WELL AS THOSE SHOWN HEREON, MAY BE ABLE TO BE OBTAINED FROM THE APPROPRIATE INDIVIDUAL UTILITY COMPANY.

LEGEND

- Hydrant
- Manhole
- Catch Basin
- Utility Pole

ALL UNDERGROUND UTILITY INFORMATION AS SHOWN HEREON IS PER AVAILABLE RECORDS OR ACTUAL MEASUREMENTS ON THE GROUND AND SHOULD NOT BE MISTAKEN TO BE A GUARANTEE OF COMPLETENESS OR ACCURACY. LOCATION OF UTILITIES AS SHOWN HEREON WAS DERIVED FROM THE FOLLOWING:

SS	= SANITARY SEWER	ZEELAND TOWNSHIP
W	= WATERMAIN	ZEELAND TOWNSHIP
ST	= STORM SEWER	ZEELAND TOWNSHIP
G	= GAS	SEMCO
OH	= OVERHEAD UTILITY	
FO	= FIBER OPTIC	
UE	= UNDERGROUND ELECTRIC	

0' 15' 30' 60'
SCALE: 1" = 30'

STATE OF MICHIGAN
Scott A Hendges
License No. 4001047953
LICENSED PROFESSIONAL SURVEYOR

UTILITY PLAN
RILEY CONDOMINIUM

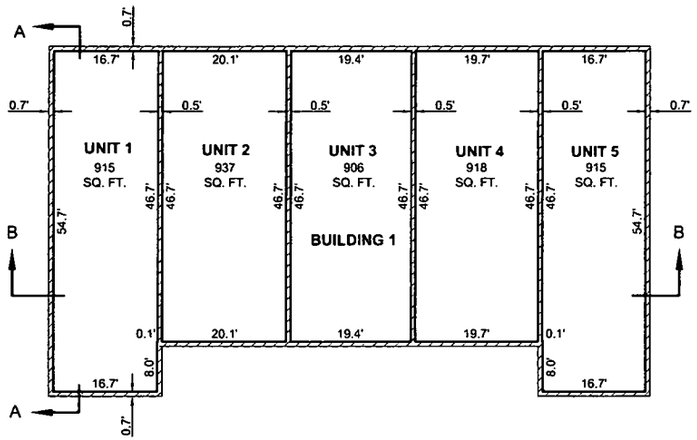
NEDERVELD, INC. -- 217 GRANDVILLE AVENUE SW, GRAND RAPIDS, MI 49503

PROPOSED DATED MAY 29, 2025

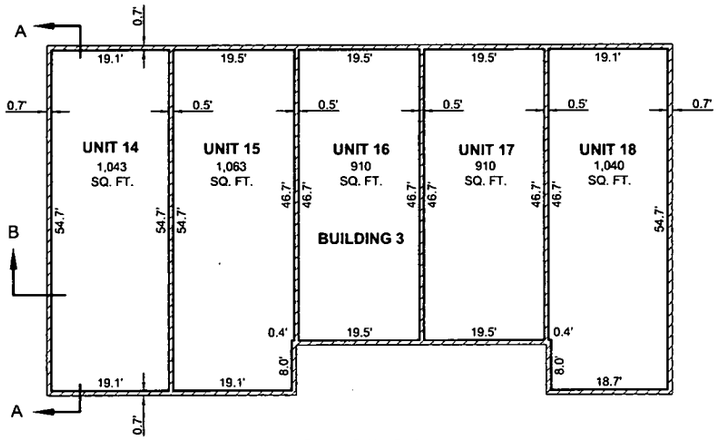
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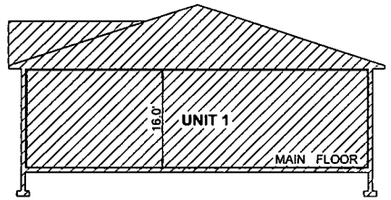
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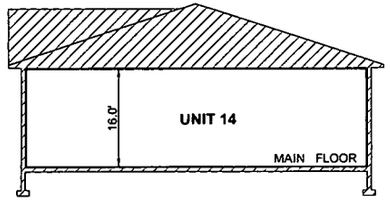
BUILDING 1
MAIN FLOOR PLAN



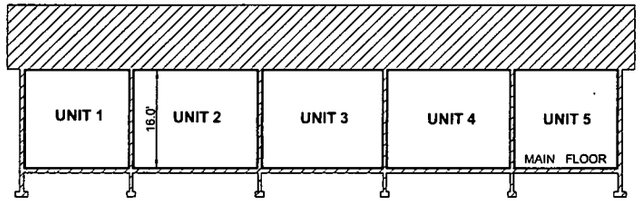
BUILDING 3
MAIN FLOOR PLAN



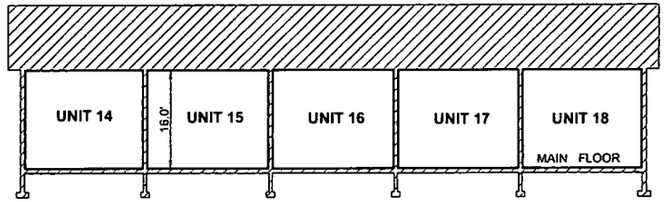
SECTION A - A



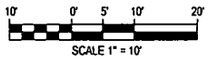
SECTION A - A



SECTION B - B



SECTION B - B



NOTE:
SEE SHEET NO. 3 FOR GENERAL NOTES.

NOTES

1) This condominium subdivision plan reflects the individual unit ownership lines and should not be used or relied upon for any architectural renovations.
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LEGEND

General Common Element

Limited Common Element

LIMITS OF OWNERSHIP

BUILDINGS 1 & 3 PLAN & PROFILES
RILEY CONDOMINIUM

NEDERVELD, INC. -- 217 GRANDVILLE AVENUE SW, GRAND RAPIDS, MI 49503

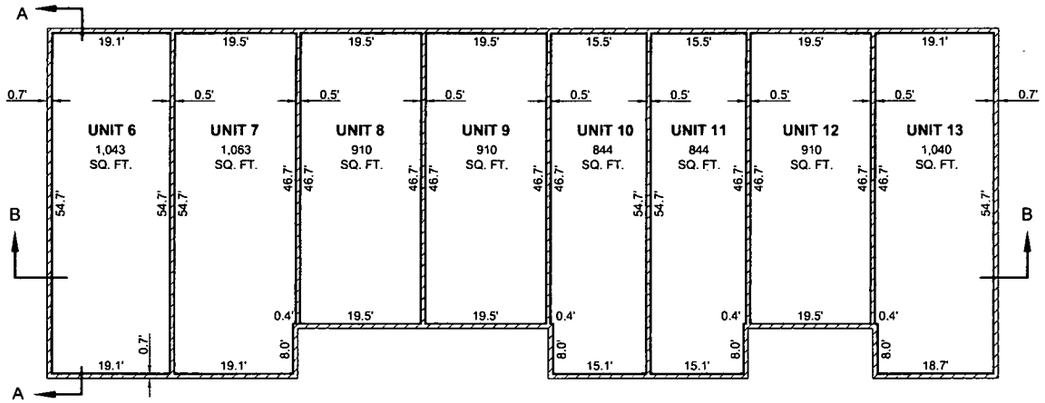
STATE OF MICHIGAN
Scott
A
Hendges
License No.
4001047953
LICENSED PROFESSIONAL SURVEYOR

PROPOSED DATED MAY 29, 2025

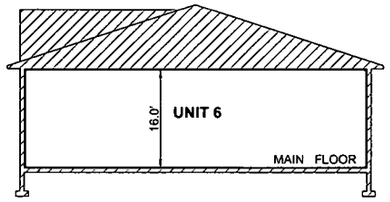
SHEET NO. 5

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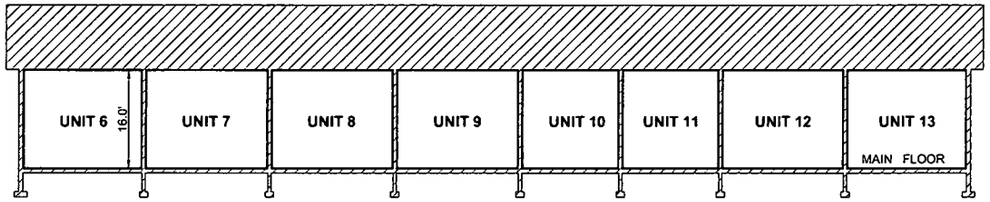
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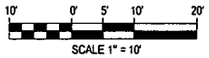
BUILDING 2
MAIN FLOOR PLAN



SECTION A - A



SECTION B - B



NOTE:
SEE SHEET NO. 3 FOR GENERAL NOTES.

NOTES

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LEGEND

General Common Element

Limited Common Element

LIMITS OF OWNERSHIP

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PROPOSED DATED MAY 29, 2025

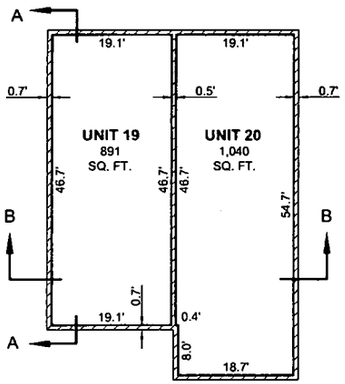
SHEET NO. 6

BUILDING 2 PLAN & PROFILES
RILEY CONDOMINIUM

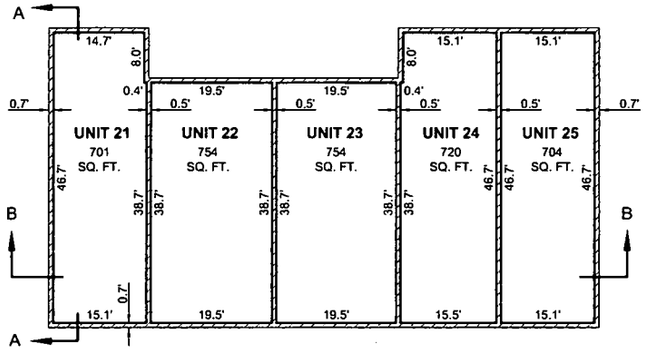
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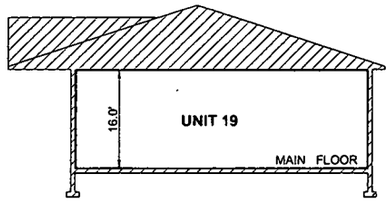
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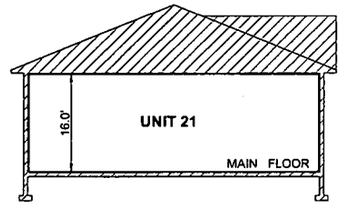
BUILDING 4
MAIN FLOOR PLAN



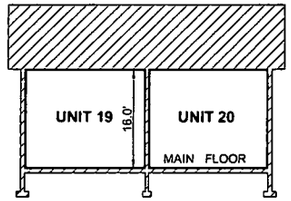
BUILDING 5
MAIN FLOOR PLAN



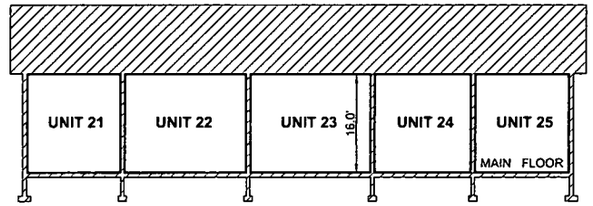
SECTION A - A



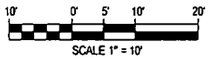
SECTION A - A



SECTION B - B



SECTION B - B



NOTE:
SEE SHEET NO. 3 FOR GENERAL NOTES.

NOTES

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LEGEND

General Common Element

Limited Common Element

LIMITS OF OWNERSHIP

BUILDINGS 4 & 5 PLANS & PROFILES
RILEY CONDOMINIUM

NEDERVELD, INC. – 217 GRANDVILLE AVENUE SW, GRAND RAPIDS, MI 49503

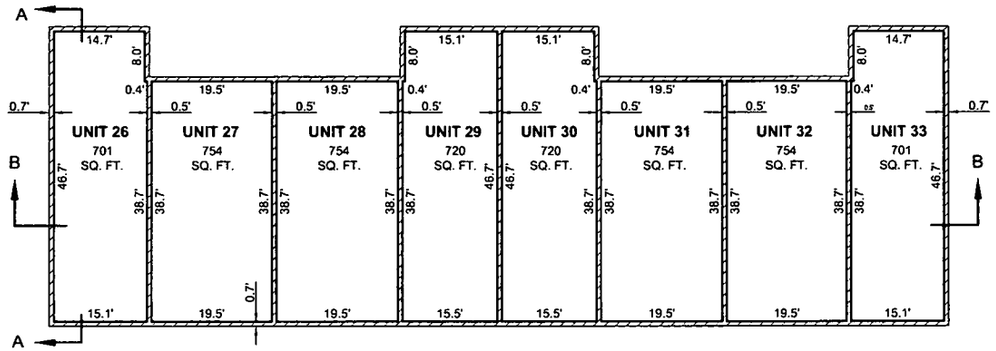
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PROPOSED DATED MAY 29, 2025

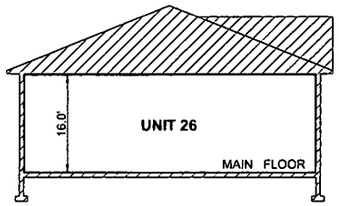
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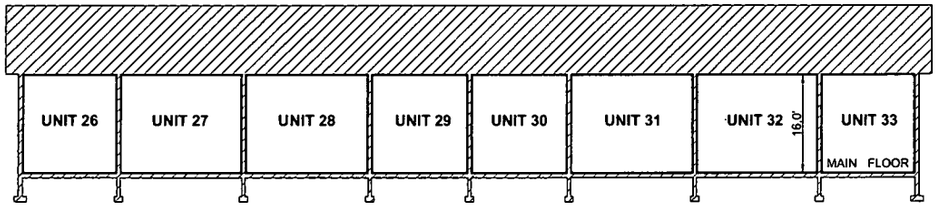
OCR 5/29/2025 09:28 VB 70



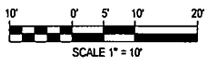
BUILDING 6
MAIN FLOOR PLAN



SECTION A - A



SECTION B - B

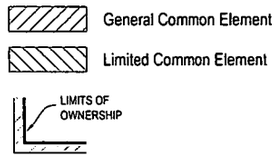


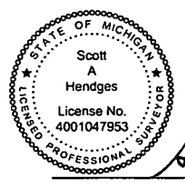
NOTE:
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LEGEND





BUILDING 6 PLAN & PROFILES
RILEY CONDOMINIUM

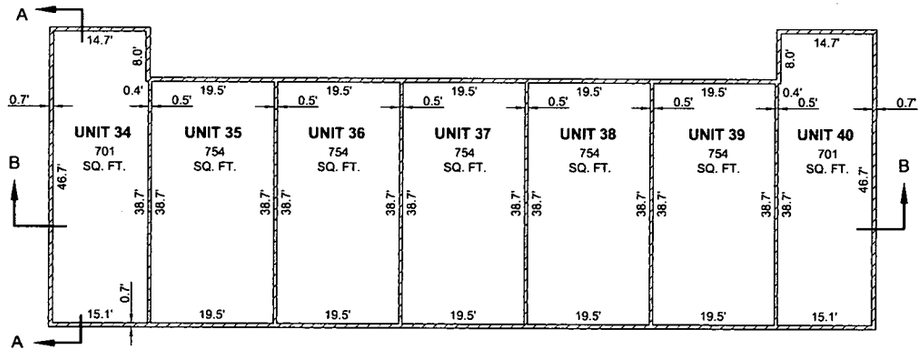
NEDERVELD, INC. -- 217 GRANDVILLE AVENUE SW, GRAND RAPIDS, MI 49503

PROPOSED DATED MAY 29, 2025

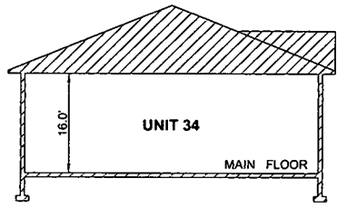
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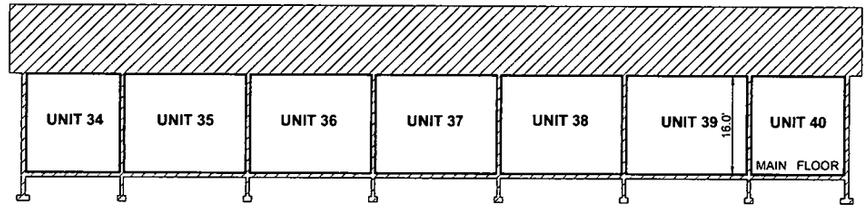
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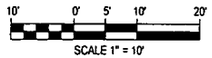
BUILDING 7
MAIN FLOOR PLAN



SECTION A - A



SECTION B - B



NOTE:
SEE SHEET NO. 3 FOR GENERAL NOTES.

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LEGEND

General Common Element

Limited Common Element

LIMITS OF OWNERSHIP

BUILDING 7 PLAN & PROFILES
RILEY CONDOMINIUM

NEDERVELD, INC. -- 217 GRANDVILLE AVENUE SW, GRAND RAPIDS, MI 49503

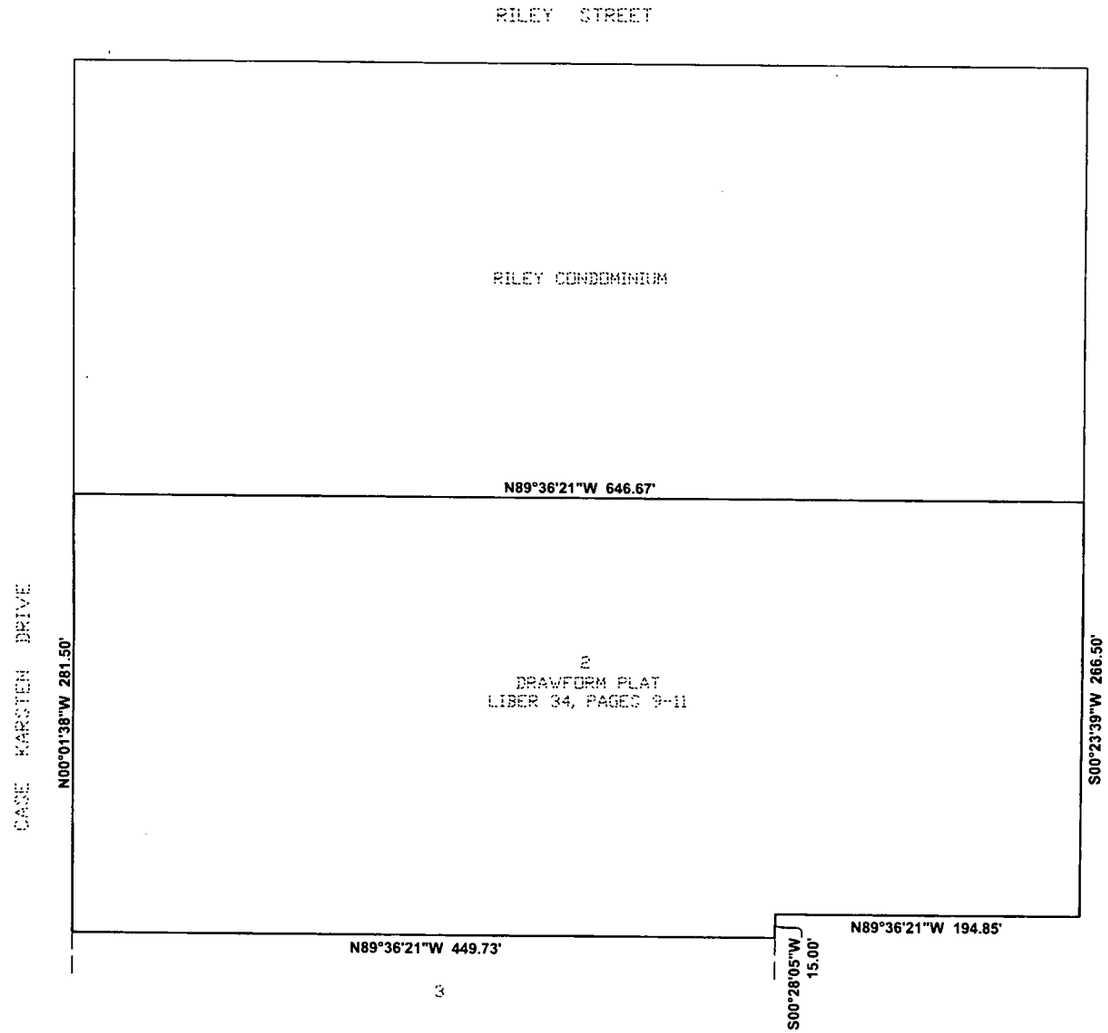
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PROPOSED DATED MAY 29, 2025

SHEET NO. 9

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OC# 2001610155 OF 70 VB 5/29/2025 09:28



0' 20' 40' 80'

SCALE: 1" = 40'

PROPOSED FUTURE DEVELOPMENT DESCRIPTION

The land situated in the Northeast 1/4 of Section 18, Town 5 North, Range 14 West, City of Zeeland, County of Ottawa, and State of Michigan, is described as follows:

Lot 2, Drawform Plat, according to the recorded plat in Liber 34 of Plats, Page 9, Ottawa County Records.

STATE OF MICHIGAN
Scott
A
Hendges
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4001047953
LICENSED PROFESSIONAL SURVEYOR

PROPOSED FOTURE DEVELOPMENT PLAN
RILEY CONDOMINIUM

NEDERVELD, INC. -- 217 GRANDVILLE AVENUE SW, GRAND RAPIDS, MI 49503

PROPOSED DATED MAY 29, 2025

SHEET NO. 10

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EXHIBIT C

CONSENT TO SUBMISSION OF REAL PROPERTY TO CONDOMINIUM PROJECT

CASE KARSTEN PROPERTIES, LLC, a Michigan limited liability company of 51 E Main Ave, Zeeland, MI 49464, as the Developer, intends to establish Riley Condominium, as a condominium project (the "**Project**") by recording in the office of the Register of Deeds for Ottawa County a Master Deed (the "**Master Deed**") submitting to condominium ownership the real property described in the Master Deed to which this Consent is an exhibit.

WEST MICHIGAN COMMUNITY BANK, whose address is 5367 School Ave, PO Box 370, Hudsonville, MI 49426, ("**Mortgagee**"), is interested in the real property described in the Master Deed under the instruments identified on the attached Exhibit 1.

In consideration of the benefits to be received by Mortgagee as a result of submission of the property to the Project, Mortgagee hereby consents to the submission of the property encumbered by its Mortgage to the Condominium and consents to the recording of the Master Deed in the office of the Register of Deeds in Ottawa County, Michigan.

Dated: May 27, 2025

MORTGAGEE:

West Michigan Community Bank

By: _____
Chad Overbeek
Its: Vice President

Acknowledged before me in Ottawa County, Michigan, on May 27, 2025, by Chad Overbeek, as Vice President of West Michigan Community Bank.

_____
Notary Public, Ottawa County, Michigan
Acting in Ottawa County, Michigan
My Commission Expires: _____

Prepared by and after recording return to:
William A. Sikkel, Esq.
320 N. 120th Ave, Ste 150
Holland, Michigan 49424
(616) 394-3025

CHERYL L. HICKEY
NOTARY PUBLIC, STATE OF MI
COUNTY OF OTTAWA
MY COMMISSION EXPIRES Sep 30, 2028
ACTING IN COUNTY OF Ottawa

EXHIBIT 1

1. Mortgage recorded on August 22, 2024 at Document No. 2024-002172, Ottawa County Records.

2. Assignment of Rents recorded on August 22, 2024 at Document No. 2024-0021721, Ottawa County Records.

3. Loan Modification recorded on February 26, 2025 at Document No. 2025-0004456, Ottawa County Records.

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Exhibit D
to
Master Deed of Riley Condominium

AFFIDAVIT OF MAILING

William A. Sikkel deposes and says:

1. I am the attorney for the Developer of Riley Condominium.

2. I mailed on April 29, 2025, by certified mail, return receipt requested, a written Notice of Intent to Establish Condominium Project pursuant to the Michigan Condominium Act (Act No. 59 of Public Acts of 1978, as amended) (the "Act") to the persons required by Section 71 of the Act.

William A. Sikkel

Signed and sworn to before me in Ottawa County, Michigan on May 28, 2025 by William A. Sikkel.

Michelle J. Kool
Notary Public, Allegan County, Michigan
Acting in Ottawa County, Michigan
My Commission expires: July 16, 2027

27426400

LARA
LICENSING AND REGULATORY AFFAIRS

STATE OF MICHIGAN
CSCL/CD- 502 - ARTICLES OF INCORPORATION - DOMESTIC NONPROFIT CORPORATION

Corporations Division Administrator

FILED

Entity #: 900086782
Filed Date: 9/2/2025

C0539-8882 08/29/2025 Received by Michigan Corporations Division

Articles of Incorporation

Pursuant to the provisions of Act 162, Public Acts of 1982, the undersigned executes the following Articles:

Article I- Michigan Nonprofit Corporation Name

Michigan Nonprofit Corporation Name	RILEY CONDOMINIUM ASSOCIATION

Article II

The purpose or purposes for which the corporation is formed are:	The purpose or purposes for which the corporation is formed are: (a) To manage and administer the affairs of and to maintain Riley Condominium (the "Condominium"); (b) To levy and collect assessments against and from the members of the Corporation and to use the proceeds for the purposes of the Corporation; (c) To carry insurance and to collect and allocate the proceeds; (d) To rebuild improvements after casualty; (e) To contract for and employ persons, firms, or corporations to assist in management, operation, maintenance and administration of the Condominium; (f) To make and enforce reasonable regulations concerning the use and enjoyment of the Condominium; (g) To own, maintain and improve, and to buy, sell, convey, assign, mortgage, or lease any real and personal property, including, but not limited to, any Unit in the Condominium, or easements or licenses or any other real property, whether or not contiguous to the Condominium, for the purpose of generating revenues, providing benefits to the members of the Corporation or in furtherance of any of the purposes of the Corporation; (h) To borrow money and issue evidences of indebtedness in furtherance of any or all of the purposes of its business; to secure the same by mortgage, pledge or other lien; (i) To enforce the provisions of the Master Deed and Bylaws of the Condominium and of these Articles of Incorporation and such Bylaws and Rules and Regulations of this Corporation as may be adopted from time to time; (j) To do anything required of or permitted to it as administrator of the Condominium by the condominium Master Deed or Bylaws or by Act No. 59 of Public Acts of 1978, as amended; and (k) To provide services to owners of Units in the Condominium. (l) In general, to enter into any kind of activity, to make and perform any contract and to exercise all powers necessary, incidental or convenient to the administration, management, maintenance, repair, replacement and operation of the Condominium and to the accomplishment of any of the purposes of the Condominium not forbidden, and with all powers conferred upon nonprofit corporations by the laws of the State of Michigan.

Article III

The corporation is formed on a Stock or Nonstock basis:	Nonstock
a. Real Property Assets:	none
b. Personal Property Assets:	none
c. The corporation is to be financed under the following general plan:	Assessment of Members

C0539-8883 08/29/2025 Received by Michigan Corporations Division

The corporation is formed on a Membership or Directorship basis:	Membership

Article IV

The name of the resident agent at the registered office is:

Agent Name	STEVE STERKEN

The street address of the location of the registered office is:

Street Address	51 E MAIN AVE ZEELAND, MI 49464

☒ I certify the above individual/company has agreed to serve as the Resident Agent for service of process for this entity.

Article V

The name and address of the incorporator/incorporators is/are as follows:

Name of individual or organization	Address
SIKKEL & KROMMENDYK, PLC	320 N 120TH AVE, STE 150 HOLLAND, MI 49424

Article VI

☐ Pursuant to Section 209(c) of the Act, a director or volunteer officer shall not be personally liable to the corporation, its shareholders, or its members for money damages for any action taken or any failure to take any action as a director or volunteer officer, except liability for any of the following: (i) The amount of a financial benefit received by a director or volunteer officer to which he or she is not entitled. (ii) Intentional infliction of harm on the corporation, its shareholders, or members. (iii) A violation of Section 551. (iv) An intentional criminal act. (v) A liability imposed under Section 497(a).

☐ Pursuant to Section 209(d) of the Act, the corporation assumes all liability to any person other than the corporation, its shareholders, or its members for all acts or omissions of a volunteer director occurring on or after January 1, 1988 incurred in the good faith performance of the volunteer director's duties.

☐ Pursuant to Section 209(e) of the Act, the corporation assumes the liability for all acts or omissions of a volunteer director, volunteer officer, or other volunteer occurring on or after the effective date of the provision if all of the following are met: (i) The volunteer was acting or reasonably believed he or she was acting within the scope of his or her authority. (ii) The volunteer was acting in good faith. (iii) The volunteer's conduct did not amount to gross negligence or willful and wanton misconduct. (iv) The volunteer's conduct was not an intentional tort. (v) The volunteer's conduct was not a tort arising out of the ownership, maintenance, or use of a motor vehicle for which tort liability may be imposed under section 3135 of the insurance code of 1956, 1956 PA 218, MCL 500.3135.

Attach additional articles here:	Articles of Incorporation attachment.pdf

Filing Effective Date

The filing will be effective:	when filed by the Corporations Division Administrator.

Attestations

☒ I understand that the information I enter into the online system is public information and will appear online and on copy requests exactly as I enter it into the system.

☒ I have been authorized by the entity to file this document online.

☒ I, HEREBY SWEAR AND/OR AFFIRM, under penalty of law, including criminal prosecution, that the facts contained in this document are true. I certify that I am signing this document as the person(s) whose signature is required, or as an agent of the person(s) whose signature is required, who has authorized me to place his/her signature on this document.

Incorporator Signature(s)

Authorized Agent	*Brooks Rodino*	*08/29/2025*
Signer's Capacity	On behalf of SIKKEL & KROMMENDYK, PLC	Date

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ARTICLE VI
EXISTENCE

The term of corporate existence is perpetual.

ARTICLE VII
MEMBERSHIP AND VOTING

The qualifications of members, the manner of their admission to the corporation, the termination of membership, and voting by the members shall be as follows:

A. Each co-owner (including the developer) of a condominium unit shall be a member of the corporation, and no other person or entity shall be entitled to membership; except that the incorporator shall be a member of the corporation until such time as the developer becomes a member as provided below, at which time the incorporator's membership shall terminate.

B. Membership in the corporation (except with respect to the incorporator) shall be established by the acquisition of legal or equitable title to a condominium unit and by recording with the Register of Deeds in the county where the condominium is located a deed or other instrument evidencing such title and the furnishing of evidence of it satisfactory to the corporation (except that the developer of the condominium shall become a member immediately upon establishing the condominium). The new co-owner thereby becomes a member of the corporation, and the membership of the prior co-owner of such unit thereby being terminated.

C. Neither membership nor the share of a member in the funds and assets of the corporation can be assigned, pledged, encumbered, or transferred in any manner except as an appurtenance to his or her condominium unit.

D. Voting by members shall be in accordance with the provisions of the Bylaws of the corporation.

ARTICLE VIII
LIMITED LIABILITY

A volunteer director or volunteer officer of the corporation shall not be personally liable to the corporation, its shareholders, or its members for monetary damages for any action taken or any failure to take any action as a director or volunteer officer, except liability for any of the following:

C0539-8885 08/29/2025 Received by Michigan Corporations Division

1. The amount of a financial benefit received by a director or volunteer officer to which he or she is not entitled.
2. Intentional infliction of harm on the corporation, its shareholders, or members.
3. A violation of Section 551 of the Act.
4. An intentional criminal act.
5. A liability imposed under Section 497(a) of the Act.

A volunteer director or volunteer officer of the corporation shall only be personally liable for monetary damages for a breach of fiduciary duty as a director or officer to the corporation and its members to the extent stated in this Article VIII.

For purposes of this Article VIII, "Volunteer Director" means a director who does not receive anything of more thannominal value from the corporation for serving as a director other than reasonable per diem compensation and reimbursement for actual, reasonable and necessary expenses incurred by a director in his or her capacity as a director.

For purposes of this Article VIII, "Volunteer Officer" means an officer who does not receive anything of more than nominal value from the corporation for serving as an officer other than reasonable per diem compensation and reimbursement for actual, reasonable and necessary expenses incurred by an officer in his or her capacity as an officer.

The corporation assumes all liability to any person, other than the corporation and its members, for all acts or omissions of a volunteer director, volunteer officer, or other volunteer occurring on or after the date these Articles of Incorporation are filed with the Michigan Department of Consumer and Industry Services, Corporation, Securities, and Land Development Bureau, if all of the following are met:

A. The volunteer was acting or reasonably believed he or she was acting within the scope of his or her authority.

B. The volunteer was acting in good faith.

C. The volunteer's conduct did not amount to gross negligence or willful and wanton misconduct.

D. The volunteer's conduct was not an intentional tort, and the volunteer's conduct was not a tort arising out of the ownership, maintenance, or use of a motor vehicle for which tort liability may be imposed as provided in Section 3135 of the Insurance Code of 1956, Act No. 218 of the Public Acts of 1956, being Section 500.3135 of the Michigan Compiled Laws.

C0539-8886 08/29/2025 Received by Michigan Corporations Division

Notwithstanding the prior sentence, a volunteer director or volunteer officer shall be personally liable to the corporation and its members for monetary damages for a breach of fiduciary duty as a director or officer to the extent stated in the first paragraph of this Article.

If the Michigan Nonprofit Corporation Act is amended after this Article has been adopted to authorize corporate action to further eliminate or limit the personal liability of volunteer directors or volunteer officers, or other volunteers, then the liability of the volunteer to the corporation shall be eliminated or limited to the fullest extent permitted by the Michigan Nonprofit Corporation Act as amended.

Any repeal, modification, or adoption of any provision in these Articles of Incorporation inconsistent with this Article VIII shall not adversely affect any right or protection of a volunteer of the corporation existing at the time of such repeal, modification, or adoption.

ARTICLE IX
ACTION WITHOUT A MEETING

Any action required or permitted to be taken at an annual or special meeting of members may be taken without a meeting, without prior notice and without a vote, if a consent in writing, stating the action so taken, is signed by members having not less than the minimum number of votes that would be necessary to authorize or take the action at a meeting at which all members entitled to vote on it were present and voted. Prompt notice of the taking of corporate action without a meeting by less than unanimous written consent shall be given to members who have not consented in writing.

ARTICLE X
CONFLICTS OF INTEREST

A contract or other transaction between the corporation and one or more of its directors or officers, or between this corporation and another corporation, firm, or association of any type or kind, in which one or more of this corporation's directors or officers are directors or officers, or are otherwise interested, shall be valid for all purposes if the material facts as to such director's or officer's interest in the contract or transaction and as to any such common directorship, officership, or interest are disclosed to the board of directors, and the board authorizes the contract or transaction by vote sufficient for the purpose without counting the vote of the interested director or directors.

Such interested director or directors may be counted in determining the presence of a quorum at a meeting of the board of directors which authorizes such contract or transaction.

A. The contract or transaction is fair to the corporation when it is authorized, approved, or ratified.

B. The material facts as to the contract or transaction and as to the director's or officer's interest are disclosed or known to the board or committee, and the board or committee authorizes, approves, or ratifies the contract or transaction.

C. The material facts as to the director's or officer's relationship or interest and as to the contract or transaction are disclosed or known to the members, and they authorize, approve, or ratify the contract or transaction.

C0539-8887 08/29/2025 Received by Michigan Corporations Division



THE CONDOMINIUM BUYER'S HANDBOOK

The Condominium Buyer's Handbook is created by the Michigan Department of Licensing and Regulatory Affairs as required by the Condominium Act (PA 59 of 1978, as amended).
This edition includes Public Act 170 of 2015 amendments.

PREFACE

The Department of Licensing & Regulatory Affairs has NO authority to enforce or regulate any provisions of the Act or the bylaws of condominium developments.

The Condominium Buyer's Handbook is a guide for people who are interested in buying a condominium. For your protection, you should read this booklet before you sign a purchase agreement. This handbook contains a summary of portions of the Condominium Act. Although the information is directed primarily toward residential condominium buyers, the Act also covers business, manufactured housing, campground and marina condominium developments. The last section of the handbook describes the legal remedies that are available to you based on the Condominium Act.

Although the Department of Licensing and Regulatory Affairs is the designated administrator in the Act, the Legislature repealed the Department's regulatory and enforcement responsibilities in 1983.

Additional information may be found on our website at: **www.michigan.gov/condo**

NOTE: A person or association of co-owners adversely affected by a violation of, failure to comply with, the Condominium Act, administrative rules, or any provision of your bylaws or master deed may take action in a court of competent jurisdiction.

CONDOMINIUM OWNERSHIP

Condominium unit co-owners have exclusive ownership rights to their unit and the right to share the common elements of the condominium development with other co-owners. The condominium subdivision plan, which is part of the master deed, identifies which areas are units and which areas are common elements.

The co-owners own and maintain the development once the developer has sold all the units, unless the local government agrees to take responsibility for maintaining a portion of the development. Roads are an example of a portion of a condominium development that may become public.

The master deed provides the percentage of ownership for each condominium unit in the development. This percentage is the basis for determining your obligation for payment of monthly maintenance fees, assessments for major repairs, and may determine your voting percentage at association meetings. The association of co-owners determines how much the monthly maintenance fee will be and assesses each owner for repairs to the common elements.

READ THE BYLAWS

Read the bylaws for the association and condominium development as they contain provisions outlining your rights and obligations as a co-owner.

You are obligated to pay the monthly maintenance fee and any assessments. If there are no restrictions in the bylaws that place limits on increasing the monthly fee, the association has the right to determine the amount. If the roads, or any other portion of the common elements in the development need repair, the association will determine the amount each owner is responsible for paying. If there are no restrictions in the bylaws regarding assessments, the association has the right to determine the amount. If you fail to pay an assessment or monthly fee, the association may place a lien on your unit.

Modifications or repairs to your unit may require approval of the co-owners association. If you do not obtain approval, the association may take legal action against you.

Before signing a purchase agreement, you should be aware of any restrictions on pets, renting, displaying items outdoors, and other prohibitions in the bylaws. Even if a restriction is not in the bylaws when you purchase, the association may amend the bylaws. Only changes that materially affect the co-owners require a vote of all co-owners.

You may not have the right to attend association meetings unless the bylaws specify that you may attend. The bylaws may not require associations to provide minutes of their meetings to co-owners.

PRELIMINARY RESERVATION AGREEMENTS

A preliminary reservation agreement gives you the opportunity, for a specified time, to purchase a particular condominium unit upon sale terms to be determined later. The developer must place the payment you make in an escrow account with an escrow agent. If you make a payment under a preliminary reservation agreement and cancel the agreement, the developer must fully refund the money. If you enter into a purchase agreement, the developer must credit the payment toward any payment due in the purchase agreement.

PURCHASE AGREEMENTS

A purchaser may withdraw from a signed purchase agreement without cause or penalty within nine business days as long as the property has not been conveyed to the purchaser. The nine-business day window starts the day the purchaser receives all the documents that the developer is required to provide. The developer must deposit payments made under a purchase agreement in an escrow account with an escrow agent.

Before signing an agreement, it is advisable to seek professional assistance to review all condominium documents.

Some issues to consider before buying include the following:

- **Do not rely on verbal promises** - insist that everything be in writing and signed by the appropriate parties involved in the transaction.
- The bylaws may contain a variety of restrictions. You may be required to receive association approval for certain actions. If you do not obtain prior approval, the association has authority to enforce the legal restrictions in the bylaws.
- You may be subject to a binding purchase agreement before construction is complete. Determine whether the agreement will provide you with adequate rights if the developer does not finish the unit in time to meet the occupancy date.
- You may wish to contact the local government to determine if the developer is contractually obligated to finish the development.
- Review all restrictions, covenants, and easements that might affect the condominium project or your unit.
- Determine if the developer has reserved any rights to alter the project.
- Before signing a purchase agreement, make sure you have financing, or that the agreement specifies it is dependent on your ability to obtain a mortgage commitment for the unit.
- When buying a condominium unit in a structure, you may also be a joint owner of the furnace, roof, pipes, wires and other common elements. Ask for an architect's or engineer's report on the condition of all building components, their expected useful life and building maintenance records.

- There is no governmental agency that regulates condominium associations and management companies. Only a judge has authority to order an association to comply with the Condominium Act and bylaws.

DOCUMENTS THE DEVELOPER MUST PROVIDE

The developer must provide copies of the following documents to a prospective purchaser:

1. The recorded master deed.
2. A copy of the purchase agreement and the escrow agreement.
3. This condominium buyer's handbook.
4. A disclosure statement that includes:
   - The developer's previous experience with condominium projects.
   - Any warranties undertaken by the developer.
   - The extent to which financial arrangements have been provided for completion of all structures and improvements labeled "must be built" on the subdivision plan.
   - An itemization of the association's budget.

ASSOCIATION OF CO-OWNERS (CONDOMINIUM BOARD)

Initially, the developer appoints the board of directors, who govern the development until the first annual meeting. The provisions for holding the annual meeting and designating the voting procedures should be included in the condominium development bylaws. The Condominium Act, (Section 52), describes the procedure for transitioning from the developer to the association of co-owners for the governing of the development. (Also see "Election of Association of Co-owners Board of Directors" later in this handbook.)

The co-owners elect the association, which is responsible for governing the development and maintaining the general common elements. The general common elements may consist of hallways, lobbies, building exteriors, lawns, streets (if the roads are private), recreation facilities, heating, water and electric systems. The association may hire a management company to provide services for the development. They also have the right to assess co-owners for repairs. After the creation of the association, the association may adopt bylaws for the operation of the association. Rules governing the condominium development are in the bylaws that the developer created for the condominium development.

A condominium association is a private, not public entity. Meetings of the association are not subject to the Open Meetings Act, which requires public agencies to make attendance at meetings open to the public and requires the provision of minutes that describe actions taken at the meeting.

Associations are required by law to keep books and records with a detailed account of the expenditures and receipts affecting the project and its administration, and which specify the operating expenses. The developer must provide a disclosure

statement itemizing the association's budget at the time you receive the master deed.

Associations are required to maintain a reserve fund for major repairs and replacement of common elements. The minimum amount is 10% of the annual budget on a non-cumulative basis. If the association needs additional funds for major repairs, they may have the right to assess each owner. Monthly fees and assessments are a lien on the condominium unit. You may not be exempt from monthly fees and assessments by nonuse of the common elements or by abandonment of the condominium unit.

If you have a complaint with the association or other co-owners, review the condominium bylaws to determine what recourse you have. Generally, only professional arbitrators or the courts have jurisdiction over complaints between these parties.

DOCUMENTS THE ASSOCIATION MUST PROVIDE

The association must provide a financial statement annually to each co-owner. The books, records, and contracts concerning the administration and operation of the condominium project must be available for examination by any of the co-owners at convenient times. An association with annual revenues more than $20,000 shall have its books, records, and financial statements independently audited or reviewed by a certified public account on an annual basis. However, such an association may opt out of the requirement for an independent audit or review by a certified public account by an annual affirmative vote. The association must keep current copies of the master deed, all amendments to the master deed, and other condominium documents available at reasonable hours to co-owners, prospective purchasers and prospective mortgagees.

SITE CONDOMINIUMS

The term "site condominium" is not legally defined in the Condominium Act. It is used to describe a condominium development with single-family detached housing instead of two or more housing units in one structure.

Site condominium developments must comply with the Act. The Act requires developers to notify the appropriate local government of their intent to develop a condominium project. The type of review the development is subject to depends on the local government's ordinances. Site condominium documents are not reviewed by the State for conformance with the Condominium Act.

Another type of single-family-residential housing development in Michigan is a subdivision which is regulated according to the Land Division Act. Although a site condominium development may look like a subdivision developed in accordance with the Land Division Act, they are not the same. Subdivisions developed pursuant to the Land Division Act are subject to state review for conformance with the Land

Division Act. Subdivisions developed pursuant to the Land Division Act must be approved for compliance with the Land Division Act before the developer may sell any real estate.

LIMITED OR GENERAL COMMON ELEMENTS

Common elements mean the portions of the condominium project other than the condominium unit. Limited common elements are areas with usage restrictions. A carport space assigned to a unit is a limited common element. The yard of a single family detached unit, for use by the owner of that unit, may be a limited common element. General common elements such as roads, open space areas and recreation facilities are available for use by everyone in the development. The master deed specifies which areas of your condominium development are designated as limited or general common elements. Use of the common elements is governed by the bylaws for the condominium development.

ADVISORY COMMITTEE

The advisory committee is established when one of the following occurs, whichever happens first: 120 days after 1/3 of the units are sold or one year after a unit is sold to a non-developer co-owner.

The purpose of the advisory committee is to meet with the development's board of directors to facilitate communication and aid in the transition of control from the developer to the association of co-owners. The advisory committee ceases when a majority of the association of co-owners is elected by the (non-developer) co-owners.

ELECTION OF ASSOCIATION OF CO-OWNERS BOARD OF DIRECTORS

No later than 120 days after 25% of (non-developer) co-owners have title to the units; that may be created, at least one director, and not less than 25% of the board of directors shall be elected by the co-owners.

No later than 120 days after 50% of (non-developer) co-owners have title to the units that may be created, at least one third of the board of directors shall be elected by the co-owners.

No later than 120 days after 75% of (non-developer) co-owners have title to units, and before 90% are sold, the co-owners shall elect all but one director on the board. The developer shall have the right to designate one director only if the developer owns and offers for sale at least 10% of the units, or as long as 10% of the units remain to be created.

If titles to 75% to 100% of the units that may be created have not been sold 54 months after the first conveyance, the (non-developer) co-owners shall elect the number of board members equal to the percentage of units they hold. If the

developer has paid all assessments, the developer has the right to elect the number of board members equal to the percentage of units that are owned by the developer.

CONDOMINIUM DOCUMENTS

The condominium documents include the master deed, condominium subdivision plan, bylaws for the condominium project, and any other documents referred to in the master deed or bylaws. In addition, the developer is required to provide a disclosure statement.

Once the association is established, it may adopt another set of bylaws pertaining to the association's operation. The association or management company must keep books and records with a detailed account of the expenditures and receipts affecting the project and its administration, and which specify the operating expenses.

AMENDMENTS TO CONDOMINIUM DOCUMENTS

If the condominium documents contain a statement that the developer or association of co-owners has reserved the right to amend the documents for that purpose, then the documents may be amended without the consent of the co-owners, as long as the change does not materially alter or change the rights of a co-owner.

The master deed, bylaws and condominium subdivision plan may be amended, even if the amendment will materially alter or change the rights of a co-owner with the consent of at least 2/3 of the votes of the co-owners and mortgagees.

The method or formula used to determine the percentage of value of each unit for other than voting purposes cannot be modified without the consent of each affected co-owner.

A co-owner's condominium unit dimensions or limited common elements may not be modified without the co-owner's consent.

The association of co-owners may amend the condominium documents as to the rental of units or terms of occupancy. The amendment does not affect the rights of any lessors or lessees under a written lease executed before the effective date of the amendment, or condominium units that are owned or leased by the developer.

REMEDIES AVAILABLE PURSUANT TO THE CONDOMINIUM ACT

A developer who offers or sells a condominium unit in violation of the Act is liable to the purchaser for damages.

A person or association of co-owners adversely affected by a violation of, or failure to comply with, the Act, the administrative rules issued under the authority of the Act, or any provision of an agreement or a master deed may take action in a court with jurisdiction. The court may award costs to the prevailing party.

A co-owner may take action against the association of co-owners to compel the association to enforce the condominium documents. To the extent that the condominium documents expressly provide, the court shall determine costs of the proceeding and the successful party shall recover those costs.

A co-owner may take action against another co-owner for injunctive relief or for damages for noncompliance with the terms of the condominium documents or the Act.

For condominium projects established on or after May 9, 2002, the bylaws must contain a provision that disputes relating to the interpretation of the condominium documents or arising out of disputes among co-owners may be resolved through arbitration. Both parties must consent to arbitration and give written notice to the association. The decision of the arbitrator is final and the parties are prohibited from petitioning the courts regarding that dispute.

A co-owner, or association of co-owners, may execute a contract to settle by arbitration for any claim against the developer that might be the subject of a civil action. A purchaser or co-owner has the exclusive option to execute a contract to settle by arbitration for any claim against the developer that might be the subject of a civil action and involves less than $2,500. All costs will be allocated in the manner provided by the arbitration association. A contract to settle by arbitration must specify that the arbitration association will conduct the arbitration. The method of appointment of the arbitrator will be pursuant to rules of the arbitration association. Arbitration will be in accordance with Public Act No. 236 of 1961, (MCL 600.5001 to 5065), which may be supplemented by rules of the arbitration association. An arbitration award is binding on the parties to the arbitration.

The Condominium Act provides the right to notify the governmental agency that is responsible for the administration and enforcement of construction regulations of an alleged violation of the state construction code, other applicable building code, or construction regulation.

A person who willfully and knowingly aids in misrepresentation of the facts concerning a condominium project, as described in the recorded master deed, is guilty of a misdemeanor and shall be punished by a fine, imprisonment, or both. Actions under MCC 559.258 shall be brought by the prosecuting attorney of the county in which the property is located, or by the department of attorney general.

A person cannot take action arising out of the development or construction of the common elements, or the management, operation, or control of a condominium project, more than three years from the transitional control date or two years from the date of the cause of the action, whichever occurs later. The transitional control date is the date the board of directors takes office by an election where the co-owners' votes exceed the developer's votes for the board members.

A condominium developer may be required to be a licensed residential builder under the Occupational Code (PA 299 of 1980, Article 24, as amended). A complaint for a violation of the **Michigan Occupational Code** or administrative rules, must be made within 18 months after completion, occupancy, or purchase of a residential structure. Conduct subject to penalty is described in the Occupational Code (MCL 339.2411). Complaints concerning construction may be filed with:

Michigan Department of Licensing and Regulatory Affairs
Bureau of Construction Codes
Compliance Division
P. O. Box 30254
Lansing, MI 48909
Phone: (517) 241-9309
Fax: (517) 241-0130
Email: lara-bcc-compliance@michigan.gov
www.michigan.gov/bcc

Construction of a condominium falls under the authority of the enforcing agency for that governmental subdivision. Check the link below to determine whether it is state, county, city, village or township jurisdiction.

https://www.michigan.gov/documents/lara/Statewide_Jurisdiction_List_621774_7.pdf

LEGAL REFERENCES

Condominium Act, P.A. 59 of 1978, as amended, MCL 559.101 et seq.
Condominium Rules, R559.101 et seq, 1985 Michigan Admin Code.
Occupational Code, P.A. 299 of 1980, as amended, MCL 339.101 et seq.
Stille-DeRossett-Hale Single State Construction Code Act, P.A. 230 of 1972, as amended, MCL 125.1501 et seq.

RILEY CONDOMINIUM

Escrow Agreement

THIS ESCROW AGREEMENT (the "**Escrow Agreement**") is entered into as of the last date signed below (the "**Effective Date**") between Case Karsten Properties, LLC, a Michigan limited liability company of 51 E Main Ave, Zeeland, MI 49464 (the "**Developer**"), and Chicago Title of Michigan, Inc., whose address is 675 E 16th Street, Suite 25, Holland, Michigan 49423 (the "**Escrow Agent**"). The contact information for Escrow Agent is: Mark Ruis; (616) 201-9129 Mark.Ruis@ctt.com.

RECITALS

Developer is developing a commercial condominium project known as Riley Condominium, which is to be established as a condominium project under Michigan law (the "**Project**").

Developer plans to sell units in the Project and will enter into a Preliminary Reservation Agreement or a Purchase Agreement (an "**Agreement**") with each prospective purchaser (a "**Purchaser**"), respecting the purchase of condominium units in the Project (the "**Units**").

Each Agreement will require that all amounts received from Purchaser on the purchase price of the Unit (the "**Funds**") shall be deposited with Escrow Agent and held in an escrow account in accordance with the Michigan Condominium Act (Act No. 59, Public Acts of 1978), as amended (the "**Act**").

Escrow Agent is willing to hold and release those amounts in accordance with the terms of this Escrow Agreement and of the Act.

AGREEMENT

1. **Deposit of Funds**. Developer shall, promptly after receipt, transmit to Escrow Agent all Funds deposited with it under an Agreement, together with a fully executed copy of the Agreement, and a receipt signed by the Purchaser for the Condominium Documents furnished by the Developer, if any. Unless Escrow Agent shall give its prior written consent, the Agreement shall not be amended or modified in any manner which in the opinion of the Escrow Agent would increase its liability or materially change its duties stated in this Escrow Agreement.

At such time as a Master Deed for the Project has been prepared, Developer shall furnish to Escrow Agent a copy of it together with copies of the other Condominium Documents as may be requested by Escrow Agent. After it has had an opportunity to review such documents, Escrow Agent may elect to continue the escrow, or transfer all funds held by it to another qualified Escrow Agent selected by the Developer, in complete satisfaction of its duties under this Escrow Agreement.

2. **Release of Funds**. The sums paid to Escrow Agent under the terms of an Agreement shall be held and released to Developer or to Purchaser as follows:

A. Funds Released To Purchaser. Funds shall be released to Purchaser in the following situations:

(i) If Purchaser has executed a Preliminary Reservation Agreement, but has not executed a Purchase Agreement, and Purchaser cancels the Preliminary Reservation Agreement, in accordance with its terms and conditions, Purchaser shall notify Escrow Agent of such cancellation in writing.

(ii) If Purchaser has executed a Purchase Agreement, and Purchaser withdraws from the Purchase Agreement within the withdrawal period described in it, Purchaser shall notify Escrow Agent of such withdrawal in writing.

(iii) If a mortgage contingency is provided for in the Purchase Agreement, and if, with or without the assistance of Developer, Purchaser fails or is unable to obtain a mortgage, Purchaser and Developer shall jointly notify Escrow Agent in writing that a mortgage has not been obtained.

(iv) If Purchaser has executed a Preliminary Reservation Agreement, but has not executed a Purchase Agreement, and Developer terminates Purchaser's reservation rights as a result of (1) a default by Purchaser, or (2) a decision by Developer to withdraw from the Preliminary Reservation Agreement as provided therein, Developer shall notify Escrow Agent in writing.

(v) If Developer is unable to convey insurable title to Purchaser within 60 days after the receipt by Purchaser of a title commitment in respect of Purchaser's Unit, Purchaser shall notify Escrow Agent of Developer's inability to convey insurable title in writing.

(vi) If Developer terminates Purchaser's rights under a Purchase Agreement, for any reason permitted by the Purchase Agreement other than the default of Purchaser, Developer shall notify Escrow Agent of the termination in writing.

If, however, Developer files with Escrow Agent a written objection to the withdrawal request of a Purchaser, at a time prior to three business days after the Escrow Agent receives the Purchaser's written withdrawal request based upon any of the foregoing reasons, which objection claims an interest in the sums held pursuant to this Escrow Agreement, Escrow Agent shall hold or dispose of the funds as provided in Section 4 below.

All funds released under this Section 2 shall be returned to Purchaser within three business days after Escrow Agent is notified in writing of the satisfaction of any of the conditions described above. The term "business day" as used in this Escrow Agreement shall mean a day other than a Saturday, Sunday or legal holiday.

B. Funds Released to Developer. In the event that a Purchaser defaults in making any payments required by a binding Purchase Agreement or in fulfilling any other obligations under it for a period of ten days after written notice by Developer to Purchaser, Escrow Agent shall release sums held pursuant to a Purchase Agreement to Developer in accordance with the terms of the Purchase Agreement. However, if prior to the disbursement of sums by the Escrow

Agent Purchaser files a written objection to the notice of default with Escrow Agent, which objection claims an interest in the sums held pursuant to this Escrow Agreement, Escrow Agent shall hold or dispose of the funds as provided in Section 4 below.

C. Upon Conveyance of Title. Upon conveyance of title to a Unit from Developer to Purchaser (or upon execution of a land contract between Developer and Purchaser in fulfillment of a Purchase Agreement) and upon issuance of a Certificate of Occupancy with respect to the Unit, Escrow Agent shall release to Developer all sums held in escrow under the Escrow Agreement provided Escrow Agent has confirmed that:

(i) Those portions of the phase of the Project in which such Purchaser's Unit is located and which under the terms of the Condominium Documents "must be built" are substantially complete; and

(ii) Recreational facilities or other similar amenities and all similar common elements or improvements intended for common use, wherever located and which under the terms of the Condominium Documents "must be built" are substantially complete; or

(iii) If the elements or facilities referred to in Sections 2.C.(i) and 2.C.(ii) above are not substantially complete, sufficient funds to finance substantial completion of such elements or facilities are being retained in escrow or that other adequate security has been arranged as provided herein.

For purposes of Section 2.C.(i), the phase of the Condominium Project in which Purchaser's Unit is located shall be "substantially complete" when all utility mains and leads, all major structural components of buildings, all building exteriors, and all sidewalks, driveways, landscaping and access roads (to the extent such items are designated on the Condominium Documents as "must be built") are substantially complete as evidenced by certificates of the type described in Section 3. The substantial completion of improvements of the type described in Section 2.C.(ii) shall also be evidenced by certificates of the type described in Section 3.

D. Release of Funds Escrowed for Completion. Upon furnishing Escrow Agent a certificate from a licensed professional architect or engineer evidencing substantial completion in accordance with the pertinent plans and specifications of a structure, improvement, facility or identifiable portion thereof for which funds or other security have been deposited in escrow, Escrow Agent shall release to Developer the amount of such funds or other security specified by the issuer of the certificate as being attributable to such substantially completed item(s); provided, however, that if the amounts remaining in escrow after any such partial release would be insufficient in the opinion of the issuer of such certificate to finance substantial completion of any remaining incomplete items for which funds or other security have been deposited in escrow, only the amount in escrow in excess of such estimated cost to substantially complete shall be released by Escrow Agent to Developer.

E. Interest on Escrowed Funds. Escrow Agent shall deposit the escrowed funds held pursuant to this Escrow Agreement in its general escrow trust account with a federally insured and licensed financial institution. Escrow Agent shall be under no obligation to earn interest upon the escrowed sums. If a separate interest bearing account for the deposited funds is

not set up, the escrowed funds will be deposited with other escrow funds in Escrow Agent's general escrow account. As a result, Escrow Agent may receive an array of bank services, accommodations or other benefits from the depository, which shall accrue to Escrow Agent and its affiliates. Escrow Agent will have no obligation to account to Developer, or any other party or third party, for the value of such services, accommodations or other benefits.

F. Other Adequate Security. If Developer requests that all of the escrowed funds held hereunder or any part thereof be delivered to it prior to the time it otherwise becomes entitled to receive the same, Escrow Agent may release all such sums to Developer if Developer has placed with Escrow Agent an irrevocable letter of credit drawn in favor of Escrow Agent in form and substance satisfactory to Escrow Agent and securing full repayment of said sums, or has placed with Escrow Agent such other substitute security as may be permitted by law and approved by Escrow Agent. Escrow Agent may, at its sole discretion, present any letter of credit deposited pursuant to this Paragraph for payment without prior notice to or consent of Developer.

G. Incomplete Elements or Facilities. If Escrow Agent is holding in escrow funds or other security for completion of incomplete elements or facilities under §103b(7) of the Act, such funds or other security upon the request of the Condominium Association or any interested Co-owner, shall be administered by Escrow Agent in the following manner:

(i) Escrow Agent shall upon request give all statutorily required notices under §103b(7) of the Act.

(ii) If Developer, the Condominium Association and any other party asserting a claim to the escrow deposit enter into a written agreement satisfactory in its terms and conditions to Escrow Agent for Escrow Agent's protection, (as determined by Escrow Agent in its absolute and sole discretion), as to the disposition of the funds or security in escrow under §103b(7) of the Act, Escrow Agent shall release such funds or security in accordance with the terms of such written agreement among such parties.

(iii) Failing written agreement as provided in paragraph 2.G.(ii) above, Escrow Agent shall be under no obligation whatever to release any such escrowed funds or security, in which event Escrow Agent shall initiate an interpleader action in any circuit court in the State of Michigan naming the Developer, the Condominium Association and all other claimants and interested persons as parties and deposit all funds or other security in escrow under §103b(7) of the Act with the clerk of such court in full acquittance of its responsibilities under this Escrow Agreement.

3. **Proof of Occurrences**. Escrow Agent may require reasonable proof of occurrence of any of the events, actions or conditions stated herein before releasing any sums held by it pursuant to this Escrow Agreement either to a Purchaser or to Developer. Whenever Escrow Agent is required hereby to confirm that a facility, element, structure, improvement or identifiable portion of any of the same is substantially complete in accordance with the pertinent plans and specifications therefore, it may base such confirmation entirely upon the certificate to such effect of a licensed professional architect or engineer. Likewise, all estimates and determinations of the cost to substantially complete any incomplete elements, facilities, structures and of the cost to substantially complete any incomplete elements, facilities, structures and improvements for which escrowed funds are being specifically maintained under Section 2.D. above shall be made entirely

by a licensed professional engineer or architect and the determination of all amounts to be retained or maintained in the escrow account for the completion of any such elements, facilities, improvements or structures shall be based entirely upon such determinations and estimates as are furnished by such licensed professional engineer or architect. Escrow Agent shall be under no obligation to earn interest upon the escrowed sums. However, if Developer requests and Escrow Agent agrees that interest be earned, such interest shall be separately accounted for by Escrow Agent and shall be held in escrow and paid to the party entitled to receive the funds upon which the interest has accrued; provided, however, that interest accrued on funds returned to purchaser because of purchaser's cancellation of or withdrawal from an agreement shall be paid to Developer.

4. **Conflicting Claims**. Further, if the Escrow Agent receives notice of objection from any interested party as to the release of any funds held by Escrow Agent; or if Escrow Agent receives conflicting instructions or claims to the funds, securities, or any other documents held in escrow, it may take any one or more of the following actions:

A. Release all or any portion of the funds to the party which it reasonably determines in good faith to be entitled to receive such funds under the terms and provisions of this Escrow Agreement;

B. Commence an interpleader action in a court of competent jurisdiction and pay over the funds at issue as such court shall direct; or

C. Retain same until the rights of the parties to the dispute shall have been finally determined by agreement or by final court order of a competent jurisdiction. In this latter instance, Escrow Agent shall deliver the funds within seven (7) days after Escrow Agent has received written notice of such agreement or final order or finding; provided, however, if resolution is via a final court order, that the time for appeal from a final order or finding has expired without an appeal having been taken and such written notice is accompanied by an affidavit that the time for appeal has expired without an appeal having been taken.

In any interpleader action or in case the Escrow Agent is made a party defendant to any suit or proceedings regarding this Escrow Agreement for themselves, their employees, agents, successors, and assigns, the undersigned Developer agrees to pay upon written demand, all costs, attorney's fees, and expenses incurred with respect to the defense of Escrow Agent and Escrow Agent shall have a lien on the deposit(s) herein for any and all such costs, fees and expenses. If said costs, fees and expenses are not paid, then the Escrow Agent shall have the right to reimburse itself out of the said deposit(s).

Escrow Agent shall be entitled to assume that no such controversy has arisen unless it has received a written notice from Developer, Purchaser, or a third party that such controversy has arisen which refers specifically to this Escrow Agreement and specifically identifies by name and address the adverse claimants to the controversy and the nature of the controversy.

5. **Rights and Liabilities of Escrow Agent**. Upon making delivery of the funds deposited with Escrow Agent pursuant to this Escrow Agreement and performance of the obligations and services stated in this Escrow Agreement, Escrow Agent shall be released from any further liability, it being expressly understood that liability is limited by the terms and

provisions stated in this Escrow Agreement, and that by execution of this Escrow Agreement, Escrow Agent is acting in the capacity of a depository and is not, as such, responsible or liable for the sufficiency, correctness, genuineness or validity of the instruments submitted to it, or the marketability of title to any Unit in the Project. Escrow Agent is not responsible for the failure of any bank used by it as an escrow depository for funds received by it under this Escrow Agreement.

Escrow Agent is in all matters covered herein an independent party and is not a guarantor of performance by Developer under the Condominium Documents or any Purchase Agreement. Escrow Agent undertakes no responsibilities with respect to the nature, extent or quality of that performance or with regard to the conformity of that performance to the terms of those documents, to the plans and specifications for the Project, to local or state laws or in any other particular. Nor is the Escrow Agent an agent of the developer, any purchaser, co-owner, or other interested party. So long as Escrow Agent relies in good faith upon any certificate, cost estimate or determination of the type described in Section 3, Escrow Agent shall have no liability to Developer, any Purchaser or any other party for any error in the certificate, cost estimates or determination.

Developer agrees to indemnify and hold harmless Escrow Agent for any loss or damage sustained by Escrow Agent, including, but not limited to, reasonable attorney fees resulting from any litigation arising from the performance of Escrow Agent's obligations and services, provided such litigation is not a result of Escrow Agent's wrongful act or negligence.

Except in instances of gross negligence or willful misconduct, Escrow Agent's liability under this Escrow Agreement shall in all events be limited to return to the party or parties entitled to them of the funds retained in escrow (or which were replaced by security) less any reasonable expenses which Escrow Agent may incur in the administration of the funds including, without limitation, reasonable attorney's fees and litigation expenses paid in connection with the defense, negotiation or analysis of claims against it, by reason of litigation or otherwise, arising out of the administration of the escrowed funds, all of which costs Escrow Agent shall be entitled without notice to deduct from amounts on deposit hereunder.

6. **Notices**. All notices required or permitted under this Escrow Agreement and all notices of change of address shall be deemed sufficient if personally delivered or sent by telecopy, ordinary first class mail or by certified mail, postage prepaid and return receipt requested, addressed to the recipient at the address shown for that party in the Purchase Agreement. For purposes of calculating time periods under the provisions of this Escrow Agreement, notice shall be deemed effective upon such mailing or personal delivery, whichever is applicable.

DEVELOPER:

Case Karsten Properties, LLC,
a Michigan limited liability company

Date: 9/9/2025

By: _____
Steve Sterken
Its: Member

ESCROW AGENT:

Chicago Title of Michigan, Inc.,
a Michigan corporation

Date: September 9, 2025

By: _____
Mark Ruis
Its: Authorized Agent

CONDOMINIUM ADDENDUM
TO
PURCHASE AGREEMENT

Project: **Riley Condominium Association**

Seller/Developer: Case Karsten Properties, LLC
51 E Main Ave,
Zeeland, MI 49464

Purchaser(s): _____
_____
_____

Unit No.: _____

Date: _____

Developer and Purchaser have entered into a Purchase Agreement ("**Agreement**") pursuant to which Purchaser has agreed to purchase from Developer the condominium unit described above (the "**Unit**") in Riley Condominium, a condominium project located in City of Zeeland, Ottawa County, Michigan. This Condominium Addendum is attached to and made apart of the Agreement in order to set forth the general terms and conditions applicable to the sale of units in Riley Condominium Association. **In case of conflict or inconsistency between the standard pre-printed terms of the Agreement and the terms of this Addendum, the terms of this Addendum shall control.**

1. **Plan of Development.** Developer is engaged in the development of a condominium project known as Riley Condominium to consist of not more than 40 units located in City of Zeeland, Ottawa County, Michigan (the "**Project**") and has organized the Riley Condominium Association, a Michigan nonprofit corporation (the "**Association**") for the purpose of operating and maintaining the common elements of the Project. All Co-owners of condominium units in the Project shall become members of the Association and shall be subject to and abide by all the terms and provisions contained in the Master Deed, Condominium Bylaws and Condominium Subdivision Plan of the Project and in the Articles of incorporation, Bylaws and Rules and Regulations, if any, of the Association (the "**Condominium Documents**").

2. **Purchase of Unit.** Purchaser agrees to purchase the Unit from Developer pursuant to the terms and conditions set forth in the Agreement, as modified by this Addendum. (The Agreement, as modified by this Addendum, is sometimes referred to below as "**this Agreement**").

a. The Unit shall be located as indicated in the site plan for the Condominium Project, which Purchaser acknowledges he/she has examined. If the Unit is not complete on the date of this Agreement, the Unit shall be constructed in accordance with the Developer's master plan. Finishing items shall be completed by Developer in accordance with the finishing package selected by Purchaser.

b. The developer may make any reasonable changes or substitutions of comparable

material, equipment, or appliances called for in the specifications that are in accordance with applicable building codes. Landscaping and construction materials shall also be within the discretion of the developer unless otherwise expressly provided in this agreement. The developer may change the size, style, location, and ground elevation of any buildings or units not yet sold or completed or of any limited common elements appurtenant to the unit at any time.

c. The purchase price of the unit shall include all standard fixtures that are owned by the developer and situated in the unit on the closing date, but no furnishings or extra features shall be included in the purchase price unless specifically provided for in the basic plans or in any specification sheets attached to this agreement.

d. If the purchaser orders changes, additions or modifications to the Unit or Unit finishes (collectively "**Extras**"), such Extras shall be honored only if requested in writing and provided to the Developer. If the cost of such Extra's exceeds, or is otherwise not included in, any allowance in the Purchase Price, the Purchaser shall then deposit with Developer, in addition to any progress payments required by these Agreement, the full amount of the estimated cost of such extras. Developer may refuse to proceed with construction of the Unit, and may declare a default under this Agreement, if Purchaser fails to make such a payment within three (3) business days of a demand therefore. Purchaser and Developer shall prepare and execute an appropriate written document reflecting any agreement they reach concerning Extras.

e. The unit and the purchaser's rights to it are subject to the terms of the Michigan Condominium Act, MCL 559.101 et seq.

3. **Terms of Purchase.** Purchaser shall pay Developer the Purchase Price as provided elsewhere in this Agreement. Purchaser agrees that, in addition to the purchase price set forth herein, he/she will be liable for (i) his/her proportionate share of the monthly dues assessment imposed by the Association with respect to the month in which closing occurs for maintenance, repair, replacement or other expenses of administration as set forth in the Condominium Bylaws of the Project, (ii) an amount equal to two (2) months' estimated monthly assessments (maintenance fees) to be paid to the Association at the time of closing as a working capital contribution, and (iii) his or her proportionate share of any real property taxes or special assessments levied against the Project as a whole for the year in which the closing occurs. Such sums shall be paid to Developer at closing if then ascertainable, otherwise promptly upon demand when they become ascertainable. Property taxes billed against the Unit in the year of closing shall be prorated to the date of closing on a calendar year basis based on the most recent, available tax information. Purchaser shall also pay for recording the deed to the Unit, mortgage costs (if any), and other closing costs customarily paid by purchasers of comparable real estate in Ottawa County, Michigan.

If this Agreement is contingent upon the availability of financing, Purchaser shall have seven (7) days to determine whether financing satisfactory to him/her can reasonably be expected to be available at the time of the closing. It shall be Purchaser's obligation to advise Developer within seven (7) days of the date of this Agreement if such financing cannot reasonably be expected to be available. If Purchaser does not notify Developer of his/her intention to withdraw from this Agreement because of the expected unavailability of satisfactory financing in writing within seven (7) days from the date it becomes a binding Purchase Agreement, the financing contingency shall be deemed to have been waived, and no further right of withdrawal shall exist, even if Purchaser's financing expectations are not borne out.

If Purchaser does, in a timely fashion, notify Developer of Purchaser's intention to withdraw from this Agreement because of the unavailability of financing, Developer shall have a period of 20 days to obtain financing for Purchaser or agree to supply it to Purchaser on terms not less favorable than those generally prevailing in the community to borrowers having the financial standing of Purchaser. If Developer does so, Purchaser shall be obligated to accept such financing, the financing contingency set forth above shall be deemed satisfied, and this Agreement shall remain binding upon Purchaser. Developer shall be under no obligation to commence construction of Purchaser's unit until the financing contingency contained herein has been fulfilled or waived.

4. **Conveyance of Title.** Developer agrees to convey to Purchaser good and merchantable title to the Unit, subject to: (1) current general real estate taxes; (2) the outstanding balance of special assessments (principal and interest), if any, against the Unit, including fees for sewer trunkage and water trunkage; (3) special city or county taxes or assessments for improvements not yet completed; (4) easements, covenants, restrictions and building lines of record (5) applicable zoning and building laws or ordinances; (6) acts done or suffered by Purchaser; (7) the Act, (8) the Master Deed for the Project and all amendments thereto; and (9) liens and other matters over which the title insurer provided for herein commits to insure.

Purchaser further agrees to consummate the purchase of the Unit within 10 days after notice from Developer that Developer is prepared to tender title and possession, and to pay the balance of the purchase price as set forth in this Agreement, for disbursement in accordance with the terms of the Escrow Agreement attached hereto.

In the event that Purchaser has entered into a contract for the modification of the Unit or for the acquisition and installation of extras related thereto with a party other than the Developer the rights of the parties shall be governed by such contract and the Developer assumes no responsibility for any performance or payments required by such contract.

5. **Assumption of Obligations.** Purchaser agrees that he will assume and hereby assumes as of the date of closing all obligations appurtenant to the Unit under the Master Deed.

6. **Cancellation Rights of Purchaser.** All funds paid by Purchaser pursuant to this Agreement shall be deposited with Chicago Title of Michigan, Inc. as escrow agent (or with such other escrow agent qualified to act as such as may be later substituted in said capacity), under a certain Escrow Agreement between Developer and the escrow agent attached hereto as Exhibit B and incorporated herein by reference the terms of which are accepted by Purchaser, who agrees to be bound thereby as though originally made a party to such agreement. In the event of Purchaser's withdrawal from this Agreement before the expiration of the withdrawal period described below in this Paragraph 6, such funds shall be returned to Purchaser within three business days after written notification of such withdrawal has been received by escrow agent, and thereupon all rights and liabilities of Purchaser and Developer hereunder shall wholly cease and terminate.

Unless Purchaser elects to voluntarily waive his right to withdrawal, Purchaser may withdraw from this Agreement without cause and without penalty if such withdrawal is made before the conveyance of the Unit and within nine business days after receipt of the documents required by Section 84a of the Act, which withdrawal period shall include the day on which those documents are received if that day is a business day.

After expiration of the withdrawal period, Developer shall retain sufficient funds in escrow (or provide sufficient security) to assure completion of only those uncompleted structures and improvements labeled "must be built" under the terms of the Condominium Documents.

7. **Cancellation Rights of Developer.** If, before the expiration of the withdrawal period

described in Paragraph 6 above, the Developer determines not to construct the Unit to be purchased hereunder or for any other reason desires to withdraw as a party to this Agreement, then Developer shall so notify Purchaser in writing. In either case, Developer reserves the right to cause to be returned to Purchaser or his successors all sums paid hereunder, and thereupon all rights of Purchaser shall cease and terminate without further liability on the part of the Developer.

It is understood that Purchaser's credit is subject to approval by Developer and by any proposed mortgagee. After the expiration of the withdrawal period described in Paragraph 6 above, Purchaser's rights may be canceled by Developer in the event that a mortgage commitment as described in Paragraph 3 cannot be secured under the terms provided therein. In such event, Developer shall cause to be returned to Purchaser all of the sums paid hereunder and this Agreement shall be considered null and void and all Purchaser's and Developers rights shall cease and terminate without further liability on the part of either party.

8. **Default by Purchaser.** If Purchaser shall default in the performance of any of the payments or obligations called for in this Agreement and such default shall continue for 10 days after written notice sent by Developer to Purchaser then, at the option of Developer, all rights of Purchaser under this Agreement shall terminate immediately.

If Purchaser's rights terminate before the expiration of the withdrawal period described in Paragraph 6 above, or if Developer shall default in any manner hereunder, all sums paid by Purchaser shall be refunded to him, and neither party hereto shall be obligated further. If Purchasers rights are terminated after expiration of the withdrawal period described in Paragraph 6 above, any amount paid by Purchaser toward the purchase price not to exceed ten percent (10%) of the total cost thereof (including any extras or modifications) may be retained by the Developer as liquidated damages, or Developer, at its option, may elect to pursue any legal or equitable remedy available to it under the laws of the State of Michigan for recovery of actual damages or otherwise.

9. **Possession**. Developer agrees to deliver possession of the Unit at time of closing unless otherwise mutually agreed by Purchaser and Developer.

10. **Closing.** This sale shall be closed and the payment of the purchase price and delivery of the deed shall be made in accordance with this Agreement at such place and on such date as Developer shall designate by notice to Purchaser as provided in Paragraph 4. At or before closing, the Developer shall provide Purchaser at Developer's expense with a standard form commitment for issuance of an owner's policy of title insurance by Chicago Title Company (or such other title insurance company as Developer may designate) showing title in Purchaser subject to (a) the general printed exceptions contained in the policy and (b) the title exceptions set forth above in Paragraph 4, and promptly after closing shall cause to be issued and delivered to Purchaser an owner's policy of title insurance based upon such commitment. The title policy or commitment therefore shall be conclusive evidence that a good and merchantable title is being conveyed to Purchaser, and shall be in the amount of the purchase price designated elsewhere in this Agreement. If the owner's policy or commitment shows a defect in Developer's title, Developer shall have 120 days from date of delivery to insure against loss or damage to Purchaser occasioned thereby. If Developer fails to clear its title as aforesaid, then at the option of Purchaser, this Agreement shall become null and void and all deposits made by Purchaser shall be returned to him immediately.

11. **Failure to Perform.** Tender of deed or purchase money shall not be necessary where the other party has defaulted. A failure to appear at the time and place stated above on notice to close the Transaction shall be a default. A failure to furnish to Developer and/or mortgagee all requested credit information and to sign customary papers relating to the application and securing of a mortgage commitment pursuant to Paragraph 3 shall be a default. Time is of the essence of this Agreement, and the words "date hereof" mean date of acceptance of this Agreement by Developer.

12. **Advertising.** For the purpose of completing the sales promotion of the Project, Developer, its agents, successors and assigns, are hereby given full right and authority to maintain on the condominium property (excluding the Purchaser's Unit) until the sale of the last Unit therein, such signs, transient parking, sales offices and/or model units as Developer may desire, together with rights of ingress and egress there from for Developer and its agents, successors and assigns, and any of their respective licensees or invitees. Developer shall restore the common elements to habitable status upon termination of use.

13. **Assignability**. This Agreement is personal to Purchaser and Purchaser may not assign this Agreement without the prior written consent of the Developer, which may be withheld with or without cause. Any purported assignment of this Agreement in violation of this Paragraph shall be voidable at the option of Developer. Developer's refusal to consent to an assignment shall not entitle Purchaser to terminate this Agreement or give rise to any claim for damages against Developer, Developer may assign its rights hereunder and, if such assignment shall be for the purpose of securing a lender to Developer, Purchaser's rights hereunder shall, at the option of such lender, be subject and subordinate to the rights of such lender.

14. **Warranty Matters**. Please see the Express Limited Warranty attached as Exhibit A.

15. **Risk of Loss.** Until date of closing, all risk of loss with respect to the Purchaser's Unit from fire and the elements shall be borne by Developer.

16. **Entire Agreement.** This Agreement constitutes the entire agreement between the parties. NO REPRESENTATIONS, WARRANTIES, UNDERTAKINGS, OR PROMISES, WHETHER ORAL, IMPLIED OR OTHERWISE, CAN BE MADE OR HAVE BEEN MADE BY EITHER DEVELOPER OR ITS AGENTS OR BROKERS, TO PURCHASER OR ANYONE ACTING ON BEHALF OF PURCHASER UNLESS EXPRESSLY STATED HEREIN OR UNLESS MUTUALLY AGREED IN WRITING BY THE PARTIES. ALL AMENDMENTS, SUPPLEMENTS OR RIDERS HERETO, IF ANY, SHALL BE IN WRITING EXECUTED BY BOTH PARTIES AND ATTACHED TO THIS AGREEMENT. PURCHASER SHALL NOT RECORD THIS AGREEMENT OR ANY MEMORANDUM THEREOF.

17. **Notices**. All notices and demands required by this Agreement shall be made in writing and shall be considered received on the date following the day on which such notice is deposited in the United States mail, first class postage prepaid, and addressed to Developer, or to Purchaser, at the respective addresses given herein or to Purchaser's attorney, or such written notices and demands may be made by personal delivery to either party or to such party's attorney.

18. **Arbitration**. At the exclusive option of the Purchaser, any claim which might be the subject of a civil action against the Developer which involves an amount less than $2,500.00, and arises out of or relates to this Agreement or the Unit or Project to which this Agreement relates, shall be settled by binding arbitration conducted by the American Arbitration Association. The arbitration shall be conducted in accordance with applicable law and the currently applicable rules of the American Arbitration Association. Judgment upon the award rendered by arbitration maybe entered in a circuit court of appropriate jurisdiction.

19. **Enforceability**. The contract arising from the execution of this Agreement shall be binding upon and specifically enforceable by the parties and their respective heirs, personal representatives, successors and assigns.

20. **Interpretation**. Each pronoun used in this Agreement shall include any gender, neuter, or number that the identity of its antecedent may require.

DEVELOPER:

Case Karsten Properties, LLC
a Michigan limited liability company

Dated: _____ By: _____
Steve Sterken
Its: Member

PURCHASER(S):

Dated: _____ _____

Dated: _____ _____

Exhibit A
Express Limited Warranty

THIS EXPRESS LIMITED WARRANTY IS THE ONLY WARRANTY WHICH DEVELOPER WILL PROVIDE WITH PURCHASER'S UNIT OR RESIDENCE. IT IS PART OF DEVELOPER'S CONTRACT WITH PURCHASER FOR THE PURCHASE OF PURCHASER'S UNIT AND RESIDENCE. UNDER THIS WARRANTY, DEVELOPER AGREES TO REPAIR OR REPLACE ANY ITEMS COVERED BY THE WARRANTY WITHOUT COST TO THE PURCHASER, IF A VALID CLAIM IS MADE WITHIN THE WARRANTY PERIOD, AS DEFINED BELOW.

A. **Length of Warranty.** The express limited warranty shall last for one (1) year from the date Purchaser and Developer close the sale of the Unit (the "closing"). The warranty is only extended to Purchaser, and will end earlier if Purchaser sells the Unit prior to the end of the warranty period.

B. **Transferability.** The warranty only extends to Purchaser as the buyer of the Unit. Purchaser cannot transfer or sell it to anyone else.

C. **What is Covered Under the Express Limited Warranty.** Developer will repair or replace, as Developer deems necessary, any defective materials or workmanship in the structural portions of the Unit for a period of one (1) year from the date of the closing. The structural portions include the walls, floors, roof, ceiling, foundation, windows, ducts, wiring and pipes, and any initial settlement of buildings, separation of drywall or material shrinkage commonly associated with new construction. Developer will also repair and replace, within thirty (30) days from the date of the closing, any minor defects within the Unit noted on the preclosing inspection checklist signed by both parties. Developer will also, for a period of ninety (90) days after the date of the closing, make minor repairs and adjustments without cost to Purchaser.

D. **Items or Conditions Not Covered by this Express Limited Warranty.** This express limited warranty does not apply to the following items, conditions, or problems: 1) damage caused by Purchaser or third parties; 2) damage due to ordinary wear and tear; 3) damage from acts of God or natural catastrophes; 4) problems caused by failure to make normal maintenance; 5) hairline cracks in walls, driveways, sidewalks, or in areas with ceramic tile; 6) heaving of cement; 7) any external treatments on the Residence; and 8) acoustical problems. This express limited warranty also does not cover the following items, which may carry a manufacturer’s warranty: Refrigerator, Dishwasher, Electric range, Cook-top, Vent Hood, Microwave, Garbage disposal, Furnace, Air Conditioner, and Hot water heater.

In the event of any problem with these items, Purchaser should make a warranty claim against the manufacturer.

E. **Extent of Express Limited Warranty.** This express limited warranty does not cover any lost profits, incidental damages, consequential damages, or damages to persons or property which Purchaser may suffer as the result of any defect in the Unit which is otherwise within the coverage of this express limited warranty. In addition, this express limited warranty only extends to the actual cost to repair or replace covered items. The limitations on liability for lost profits, incidental damages, and consequential damages shall survive any failure of essential purpose of the warranty provided in this Purchase Agreement. This express limited warranty cannot be modified or amended except by writing signed by Developer. In no event shall Developer's total liability arising during the warranty period exceed the collective sales price of the Unit and Residence as it was contracted. **DEVELOPER IS EXTENDING AND PURCHASER IS ACCEPTING THIS EXPRESS LIMITED WARRANTY IN CONSIDERATION FOR PURCHASER'S WAIVER OF ALL OTHER WARRANTIES, EXPRESSED OR IMPLIED, INCLUDING WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.**

F. **Making a Claim.** If it becomes necessary to make a claim during the one (1) year warranty period, or a lesser period if applicable, Purchaser must notify Developer in writing of the claim within the warranty period. If Developer determines Purchaser's claim is covered by the express limited warranty, then within sixty (60) days of such determination, Developer will, at Developer's option, repair or replace the defective item.