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FIRST AMENDMENT TO MASTER DEED

STONECLIFFE MANOR III

BRIDGEVIEW, INC., a Michigan corporation, whose address is P.O. Box 3014, Gaylord, Michigan 49735, being the successor Developer by virtue of instrument recorded in Liber 350, Page 279, Mackinac County Records of Stonecliffe Manor III Condominium, a condominium project established pursuant to the Master Deed thereof, recorded September 12, 1988 in Liber 312, Pages 459 through 505, Mackinac County Records, and known as Mackinac County Condominium Subdivision Plan No. 13, hereby amends the Master Deed of Stonecliffe Manor III Condominium pursuant to the provisions of Article VI, Article IX and Article X of the Master Deed and with the consent of more than sixty-six and two-thirds (66-2/3%) percent of the co-owners and mortgagees.

1. Article III of the Master Deed is amended by the addition of the following paragraph:

Section 16. Improvements.

"Improvements" whenever used herein whether capitalized or not shall mean every building of any kind, tennis court, or other structure or recreational facility or structure which may be erected or placed on any Unit or the common elements relating to any Unit, any drainage system that may be established thereon, any driveway or landscaping thereon or any water or septic system or any part thereof on or to serve any Unit.

 Article IX of the Master Deed shall be amended by the substitution of the following Section 6 for Section 6 as presently recorded:

Section 6. Developer and Third Party Approval.

During the construction and sales periods for Stonecliffe Manor, Stonecliffe Manor II, Stonecliffe Manor III, Stonecliffe Manor IV and Stonecliffe Manor V; and until such time as Musser Realty Corporation or its successors or assigns ceases to operate the golf course abutting the condominium, Article VI, Article VII and this Article IX of the Master Deed and Article VI of the Condominium By-Laws shall not be amended nor shall the provisions thereof be modified by any other amendment to the Master Deed without the written consent of both the Developer, its successors or assigns, and Musser Realty Corporation, its successors or assigns.

3. The Master Deed shall be further amended by the addition of the following Article XI:

ARTICLE XI .

RELOCATION OF BOUNDARIES

In accordance with the provisions of Section 48 (1)(2)(3) and (4) of the Act, a co-owner or co-owners of adjoining condominium Units may, upon approval of the Association of co-owners, relocate boundaries of affected condominium Units and may combine up to three (3) adjoining Units into one (1) Unit, however, in such latter event, the percentage of value assigned originally to the Units before such combination shall continue, in the aggregate, to be the percentage of value of the combined Unit. The Association shall, upon written application of the affected co-owners, prepare and execute such amendment to the Master Deed duly relocating such boundaries or accomplish such combination pursuant to the condominium documents and the Act. Such amendment shall identify the condominium Units involved and shall state that the boundaries are being relocated by agreement of the affected co-owners and that reasonable reallocation between the Units involved of the aggregate undivided interests in the common elements have been specified and indicate, in the case of combination of Units, a reasonable renumbering system for such combined Unit. While the Association shall prepare and arrange for the recording of such amendment, all costs of any nature whatsoever occasioned in the preparation and recording of such amendment shall be paid for and assessed by the Association against such requesting co-owner(s).

4. The Master Deed shall be further amended by the addition of the following Article XII:

ARTICLE XII

CONTRACTABLE AREA

The condominium project established pursuant to the initial Master Deed of Stonecliffe Manor III Condominium and consisting of thirty-two (32) Units may be, at the sole option of the Developer, contracted by the deletion from the Condominium of Units 12 and 25 or any one or both of them. Therefore, any other provisions of this Master Deed notwithstanding, the number of Units in the project may, at the option of the Developer or its successors or assigns, from time to time within a period ending no later than July 31, 1998 or such time as the Unit is sold to a third party other than Musser Realty, whichever shall first occur, be decreased by the deletion from this condominium of Units 12 and 25. Such decrease in size of this condominium project 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 the Developer or its successors and in which the percentages of value set forth in Article V hereof shall be proportionately readjusted in order to preserve a total value of one hundred (100) for the entire project resulting from such amendment or amendments to this Master Deed. The

precise determination of the readjustments in percentages of value shall be within the sole judgment of the Developer. Such readjustments, however, shall reflect a continuing reasonable relationship among percentages of value based upon relative size and amenities of various Units. Such 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 being retained in the project after such amendment. In connection with any such amendment(s), 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 roadways and sidewalks in the project and to provide access to any Unit that is located on, or located in the project. 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 of this Master Deed to effectuate the foregoing and, subject to the limitations set forth herein, to any proportionate reallocation of percentages of value of existing Units which Developer or its successors may determine necessary in conjunction with such amendment or amendments. All such interested persons irrevocably appoint 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 recording an entire Master Deed or the Exhibits thereto and may incorporate by reference all or any portions of this Master Deed and the Exhibits hereto; provided, however, that a consolidating Master Deed, when recorded shall supersede the previously recorded Master Deed and all amendments thereto. Nothing herein contained, however, shall in any way; obligate Developer to contract the condominium project from the phase established by the Master Deed.

5. Article VI - Restrictions, of the Condominium By-Laws shall be deleted as presently recorded and substituted in its place shall be the following Article VI:

ARTICLE VI

RESTRICTIONS

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

Section 1. Residential Use.

Except for Units 12 and 25 which may be used for golf course purposes, and uses incidental thereto, no Unit in the Condominium shall be used for other than single-family residence purposes and the Common

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Elements shall be used only for purposes consistent with the use of single-family residences.

Section 2. Leasing and Rental.

A. Right to Lease.

A Co-owner may lease his unit for the same purposes set forth in Section 1, of this Article VI provided that written disclosure of such lease transaction is submitted to the Board of Directors of the Association in the manner specified in subsection B below. With the exception of a lender in possession of a unit following default of a first mortgage, foreclosure or deed or other arrangement in lieu of foreclosure, no Co-owner shall lease less than an entire Unit in the Condominium unless specifically approved in writing by the Association. The terms of all leases, occupancy agreements and occupancy arrangements shall incorporate, or be deemed to incorporate all of the provisions of the Condominium Documents.

B. Leasing Procedures.

The leasing of Units in the project shall conform to the following provisions:

- 1) The term of the lease shall be a minimum of one (1) week.
- 2) A Co-owner, including the Developer, desiring to rent or lease a Unit, shall disclose that fact in writing to the Association at least ten (10) days before presenting a lease form to a potential lessee of the Unit and, at the same time shall supply the Association with a copy of the exact lease form for its review for its compliance with the Condominium Documents. If Developer desires to rent Units before the Transitional Control Date, it shall notify either the Advisory Committee or each Co-owner in writing.
- 3) Tenants or nonco-owner occupants shall comply with all of the conditions of the Condominium Documents of the Condominium Project and all leases and rental agreements shall so state.
- 4) If the Association determines that the tenant or nonco-owner occupant has failed to comply with the conditions of the Condominium Documents, the Association shall take the following action:
 - a) The Association shall notify the Co-owner by certified mail advising of the alleged violation by the tenant.
 - b) The Co-owner shall have fifteen (15) days after receipt of such notice to investigate and correct the alleged breach

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by tenant or advise the Association that a violation has not occurred.

- c) If after fifteen (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 Co-owners on behalf of the Association, if it is under the control of the Developer, an action for eviction against the tenant or nonco-owner occupant and simultaneously for money damages in the same action against the Co-owner and tenant or nonco-owner occupant for breach of the conditions of the Condominium Documents. The relief provided for in this subparagraph may be summary proceeding. The Association may hold both the tenant and the Co-owner liable for any damages to the Common Elements caused by the Co-owner or tenant in connection with the Unit or Condominium Project.
- 5) When a Co-owner is in arrears to the Association for assessments, the Association may give written notice of the arrearage to a tenant occupying a Co-owner's Unit under a lease or rental agreement and the tenant, after receiving the notice, shall deduct from rental payments due the Co-owner the arrearage and future assessments as they fall due and pay them to the Association. The deductions shall not constitute a breach of the rental agreement or lease by the tenant.

Section 3. Architectural Control.

The Developer of the Project intends that there shall be a residential dwelling and certain other improvements within the boundaries of each of the Condominium Units as set forth in Exhibit B and as may from time to time be amended. Further, the Developer has an important interest in the harmonious development of this Condominium and other adjacent Condominiums in which the Developer may have an interest from time to time, including without limiting the generality of the foregoing, Stonecliffe Manor Condominium, Stonecliffe Manor II Condominium, Stonecliffe Manor IV Condominium and Stonecliffe Manor V Condominium. Additionally, Musser Realty Corporation ("Musser"), the developer of property adjoining this Condominium as a golf course (the "golf course") is declared to be a third party beneficiary of the Condominium Documents and, without limiting the generality of the foregoing, it is acknowledged that Musser has an important interest in the nature and quality of the Improvements to be placed upon the Condominium. Accordingly, Musser must be notified of and consulted in connection with all actions taken by the Board of Directors of the Association, the Developer or the Association including all architectural control matters. References in the condominium documents to Musser shall include successors and assigns of Musser. In order to accomplish these interests of the Developer and Musser, the following Architectural Controls have been established.

- A. There is established an Architectural Committee (the "Committee") which shall be comprised of three (3) members, one (1) a representative of the Developer, one (1) a representative of Musser and one (1) a representative of the Association who is not affiliated with either the Developer or Musser. Action by a majority of the Committee shall be deemed action of the Committee.
- B. All preliminary plans and working drawings shall be submitted to the Committee and shall:
 - Be prepared by a registered architect or other person satisfactory to the Committee; and
 - Require the approval of the Committee prior to the time of the commencement of any construction within the boundaries of the Condominium Unit or Units or upon any of the Common Elements of the Condominium Project. Then, with prior written consent by the Committee, a Co-owner may engage the services of a licensed builder to construct improvements (including the residential dwelling) within the boundaries of a Unit or to the extent approved by the Committee on the Limited Common Elements appurtenant to a Condominium Unit. In such event, the Committee shall be entitled to require that such builder or Co-owner furnish to the Committee for the benefit of the Association, adequate security, in the Committee's discretion, to protect the Association against costs and expenses which it might incur in connection with the failure to complete construction in a timely and diligent manner in accordance with the approved plans and specifications for the dwelling and its appurtenances and in this respect construction shall be completed within six (6) months of the start of construction unless waived in writing by the Committee. No one other than the Committee shall be entitled to alter the nature or appearance of any improvements constructed within the boundaries of a Condominium Unit or the Limited Common Elements appurtenant thereto without its prior written consent, which consent may be withheld by the Committee in its absolute discretion. The Committee's prior written approval of proposed plans is required for any residential construction, additional buildings or structures, roads, sidewalks or other improvements to be built or erected on the Premises and any changes to existing buildings or structures prior to the construction or erection thereof; however, such approval shall not be unreasonably withheld. Any such plans for construction or alteration referred to above shall include a plan for restoration of the premises after construction or alteration to a condition satisfactory to the Committee. Construction of any dwelling must also receive any necessary approvals from the local public authority. Committee shall have the right to refuse to approve any such plan or specifications, or grading or landscaping plans which are not

suitable or desirable in its opinion for aesthetic or other reasons; and in passing upon such plans and specifications it shall have the right to take into consideration the suitability of the proposed structure, improvement or modification, the site upon which it is proposed to construct the same, and the degree of harmony thereof with the Condominium as a whole and the areas of Developer or Musser interest described above. The Committee may also, in its discretion, require as a condition of approval of any plans, an agreement for special assessment of increased maintenance charges from any Co-owner whose proposed dwelling and appurtenances and related improvements will cause the Association abnormal expenses in carrying out its responsibilities with respect thereto under the Master Deed. The purpose of this Section is to assure the continued maintenance of the Condominium and the areas of Developer and Musser interest described above as a beautiful and harmonious residential development, and shall be binding upon both the Association and upon all Co-owners. Further, the restrictions hereby placed upon the Premises shall not be construed or deemed to create negative reciprocal covenants, easements or any restrictions upon the use of the area of future development described in the Master Deed or any portion thereof unless, until and only to the extent such land is included in this Project by Master Deed amendment. More specific restrictions are as follows:

- a) No building, fence, wall, deck, swimming pool, out building or other structure, landscaping or exterior improvement shall be commenced, erected or maintained on any Unit nor shall any exterior addition to or change or alteration therein or change in the exterior appearance thereof or change in landscaping be made until the plans and specifications showing the kind, size, shape, height, colors, materials, topography and location of the same on the Unit shall have been submitted to and approved in writing by the Committee;
- b) Plans and specifications for final approval by the Committee shall include the following:
 - Complete plans and specifications sufficient to secure a building permit from the City of Mackinac Island including a dimensioned plot plan showing the Unit and placement of residence, out building and fences, if any, and all other improvements and an engineered plan showing storm water run off,
 - Front elevation, side elevation and rear elevation of the building, plus elevations of any walls and fences,

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- 3. A perspective drawing, if deemed necessary by the Committee, to interpret adequately the exterior design,
- 4. Data as to size, materials, colors and texture of all exteriors, including roof coverings and any fences and walls,
- 5. One (1) set of blueprints to be left with the Committee permanently,
- 6. One (1) set of blueprints showing individual septic systems if such septic system is to be utilized by the Co-owner. The cost of installation of such system shall be borne by the Developer,
- 7. Any other data, drawings or materials which the Committee requests in order to fulfill its function;
- c) Preliminary plans shall first be submitted to the Committee for preliminary approval;
- d) The Committee may disapprove plans because of noncompliance with any of the restrictions herein contained, or because of dissatisfaction with the grading and drainage plan, the location of the structure on the Unit, the materials used, the color scheme, the finish, design, proportion, shape, height, style or appropriateness of the proposed improvement or alteration or because of any matter or thing which in the judgment of the Committee would render the proposed improvement or alteration inharmonious with or out of keeping with the objectives of the Committee or with improvements erected or to be erected on other Units in the Condominium, or the development of the Developer or Musser interests as above described including purely aesthetic conditions;
- e) In the event the Committee fails to approve or disapprove plans within forty-five (45) days after proper submission, then such approval will not be required but all other limitations, conditions and restrictions set forth herein shall apply and remain in force as to such plans;
- f) Committee approval shall be deemed given if the plans and specifications submitted for approval are marked or stamped as having been finally approved by the Committee and are dated;
- g) All Units shall be used for single family residence purposes only and no building of any kind whatsoever shall be erected, re-erected, moved or maintained thereon except

one single family dwelling house and appurtenant attached structures on each Unit as hereinafter provided. Each house shall be designed and erected for occupation by a single private family. A private attached out building for the sole use of the occupants of the Unit upon which the out building is erected must also be erected and maintained in a manner consistent with these restrictions;

- h) No dwelling shall be permitted on any Lot unless, in the case of one-story building, the living area thereof shall be no less than one thousand (1000) square feet; in the case of a two-story building, the living area thereof shall be not less than sixteen hundred (1600) square feet; and in the case of a quad or tri-level building, the living area thereof shall be not less than two thousand (2000) square feet. All computations of square footage for determination of the permissibility of erection of residences under this section shall be exclusive of basements, attics, out buildings, porches or similar areas which are not normally classified as living areas. All out buildings must be attached to or architecturally integrated with the dwelling;
- i) Each Co-owner shall keep all improvements on his Unit in good conditions and in good repair at all times;
- j) No fence, wall, hedge, or shrub planting which obstructs sight lines at elevations between three (3) and six (6) feet above the roadways shall be placed or permitted to remain on any corner lot within the triangular area formed by the lot lines and a line connecting them at points twenty-five (25) feet from the intersection of the lot lines, or in the case of a rounded property corner, from the intersection of the lot lines as though extended. No tree shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at sufficient height to prevent obstruction of the sight lines;
- k) Easements are provided for as follows:
 - 1. Easements for the installation, maintenance, repair, replacement, modification and/or removal of utilities, underground television cable, sanitary and storm sewer lines, water mains, drainage lines, surface drainage swales and any other improvements which would serve the Condominium, the Association and the Developer are reserved to the Developer, its successors and assigns, as shown on the Condominium Subdivision Plan which is Exhibit "B" to the Master Deed of the Condominium and also in, on, under and over a strip of land ten (10')

feet in width on each side of and along the line of each Unit. The use of all or part of such easements may at any time or times hereafter be granted or assigned by the Developer, its successors or assigns, to any person, firm, corporation, governmental unit or agency which furnishes such services or utilities,

No building may be constructed or maintained over or on any easements; provided however that after the aforementioned utilities have been installed, planting, fencing (where permitted), or other Unit line improvements shall be allowed, so long as they do not violate the provisions of this Article and do not interfere with, obstruct, hinder or impair the drainage plan of the Condominium and so long as access be granted without charge or liability for damages, for the installation, maintenance, repair, replacement, modification and/or removal of the utilities, drainage lines and/or additional facilities,

- Private easements for public utilities are granted and reserved as shown on the Subdivision Plan of the Condominium:
- 1) Trailers, shacks, barns, or any temporary buildings of any description whatsoever are expressly prohibited and no temporary occupancy shall be permitted in unfinished residential buildings. Tents for entertainment or recreational purposes are permitted for periods not to exceed forty-eight (48) hours. The erection of a temporary storage building by a builder or his subcontractors for materials and supplies to be used in the construction of a dwelling is permitted during the period when new houses are under construction in the Subdivision by the builder;
- m) The following general conditions shall be in effect:
 - No unit shall be used or maintained as a dumping ground for rubbish, trash, garbage or other waste, and the same shall not be kept except in sanitary containers properly concealed from public view and/or provided by the Association,
 - No laundry shall be hung for drying in such a way as to be visible from the street on which the dwelling fronts and/or sides,
 - The grade of any lot in the subdivision may not be changed without the written consent of the Committee,

- 4. No swimming pool may be built without the prior written consent of the Committee and in any event no pool may be built which is higher than one (1) foot above the final lot grade. No swimming pool may be built unless some portion of the pool is within twenty (20') feet of the residence. All swimming pools must be constructed so that they drain in a manner approved by the Committee. Swimming pools may be built subject to this provision only on Units 1 through 10 of the Condominium and shall be located in the back yards of such Units,
- 5. No radio, television, or other communication antennas of any type will be installed on or outside of any residence unless specifically approved by the Committee in writing. Antennas may be installed or placed in the interior of any residence,
- No exterior lighting shall be installed so as to disturb the occupants of neighboring Units or impair the vision of traffic on any street,
- All utility lines including electric, gas, telephone and cable television must be installed underground.
- n) The visible exterior walls of any dwelling structures shall be made of wood. The Committee may grant such exceptions to this restriction as it deems suitable. Windows and doors made of unpainted aluminum or non-factory painted aluminum are prohibited. It is the intention of this paragraph that dwelling structures be Victorian or turn of the 20th century in architectural style; all roof shingles and exterior doors of any dwelling shall be made of wood;
- o) No fence, wall or solid hedge may be erected, grown or maintained in front of or along the front building line of any Unit; provided however, that low ornamental fencing or planting along the front Unit line in architectural harmony with the design of the house, may be erected with approval of the Committee. No fence or wall may be erected or maintained on or along the sides lines of any Unit and/or on or along the rear line of any Unit except fences which are required by law to enclose swimming pools and fences which are an integral part of a deck or patio design shall be permitted. All fences must be constructed of pressure treated wood or the materials used for the construction of the exterior of the residence. Deck and patio fences shall not exceed a height of six (6') feet. No more than twenty-five (25%) percent of the area of any

Unit may be enclosed, any area occupied by a structure is excluded;

- p) Any debris resulting from the destruction in whole or in part of any dwelling or building on any unit shall be removed with all reasonable dispatch from such unit in order to prevent an unsightly or unsafe condition;
- q) No living tree of a height of twenty (20') feet or more, or more than five (5") inches in diameter at three (3') feet above the ground shall be removed without the approval of the Committee. No person shall do any act the result of which could reasonably be expected to cause damage to or destruction to any tree;
- r) The roof pitch on any main structure roof shall not be less than 8/12 pitch;
- s) No co-owner shall be permitted to build or engage in any activity (such as material transportation) in connection with the building of any Improvement of any kind between July 1 and Labor Day in each year excepting, however, interior Unit work with the consent of the Committee;
- t) No co-owner shall be permitted to build any foundation on a Unit or install a septic system or drill a well between June 1 and Labor Day in each year;
- u) The exterior of any Improvement being constructed upon a Unit shall not remain incomplete for a period longer than six (6) months from the date upon which construction was commenced. All construction shall be diligently pursued to completion.
- v) Septic systems may only be installed beneath the golf course upon reasonable prior notice to Musser.

Section 4. Changes in Common Elements.

Except as provided in Article VI, Section 3 above with respect to the Committee, no Co-owner shall make changes in any of the Common Elements, Limited or General.

section 5. Activities.

No immoral, improper, unlawful or offensive activity shall be carried on in any Unit or upon the Common Elements, Limited or General, nor shall anything be done which may be or become an annoyance or a nuisance to the Co-owners of the Condominium. No unreasonably noisy activity shall occur in or on the Common Elements or on any Unit at any time. Co-owner shall not do or permit anything to be done or keep

or permit to be kept on his Unit or on the Common Elements anything that will increase the rate of insurance of the Condominium without the written approval of the Association, and each Co-owner shall pay to the Association the increased cost of insurance premiums resulting from any such activity or the maintenance of any such condition even if approved. Activities which are deemed offensive and are expressly prohibited include, but are not limited to, any activity involving the use of firearms, air rifles, pellet guns, B-B guns, bows and arrows, or other similar dangerous weapons, projectiles or devices.

section 6. Pets.

Animals and pets including horses shall not be maintained by any Coowner unless specifically approved in writing by the Association. No animal may be kept or bred for any commercial purpose and all animals shall have such care and restraint so as not to be obnoxious or offensive on account of noise, odor, or unsanitary conditions. savage or dangerous animal shall be kept and any Co-owner who causes any animal to be brought or kept upon the Condominium Premises shall indemnify and hold harmless the Association for any loss, damage or liability which the Association may sustain as the result of the presence of such animal on the premises, whether or not the Association has given permission therefor. Each Co-owner shall be responsible for collection and disposition of all fecal matter deposited by any pet maintained by such Co-owner. No dog which barks and can be heard on any frequent or continuing basis shall be kept in any dwelling or on a Unit or the Common Elements. The Association may charge all Co-owners maintaining animals a reasonable additional assessment to be collected in the manner provided in Article II of these Bylaws in the event that the Association determines such assessment necessary to defray the maintenance cost to the Association of accommodating animals within the Condominium. The Association may, without liability to the owner thereof, remove or cause to be removed any animal from the Condominium which it determines to be in violation of the restrictions imposed by this Section. The Association shall have the right to require that any pets be registered with it and may adopt such additional reasonable rules and regulations with respect to animals as it may deem proper. In the event of any violation of this Section, the Board of Directors of the Association may assess fines for such violation in accordance with these Bylaws and in accordance with duly adopted rules and regulations. Any animals or pets maintained by a co-owner shall be leashed or otherwise restrained at any time they are out of doors between April 1 and November 1 each year.

Section 7. Aesthetics.

The Common Elements, Limited or General, shall not be used for storage of supplies, materials, personal property, trash or refuse of any kind, except as provided in duly adopted rules and regulations of the Association. Garage doors, if any, shall be kept closed at all times

except as may be reasonably necessary to gain access to or from any garage. No unsightly condition shall be maintained on any patio, porch or deck and only furniture and equipment consistent with normal and reasonable use of such areas shall be permitted to remain there during seasons when such areas are reasonably in use and no furniture or equipment of any kind shall be stored thereon during seasons when such areas are not reasonably in use. Trash receptacles shall be maintained in areas designated therefor at all times and such short periods of time as may be reasonably necessary to permit periodic collection of trash. The Common Elements shall not be used in any way for the drying, shaking or airing of clothing or other fabrics. In general, no activity shall be carried on nor condition maintained by a Co-owner in his dwelling, elsewhere on his Unit or upon the Common Elements which is detrimental to the appearance of the Condominium.

section 8. Vehicles.

No house trailers, drays, commercial vehicles, boat trailers, boats, camping vehicles, camping trailers, motorcycles, all terrain vehicle, snowmobiles, snowmobile trailers may be parked or stored upon the Condominium Premises, unless parked in an out building with the door closed. No inoperable vehicles of any type may be brought or stored upon the Condominium Premises either temporarily or permanently. Commercial vehicles and trucks shall not be parked in or about the Condominium (except as above provided) unless while making deliveries or pickups in the normal course of business. Co-owners shall, if the Association shall require, register with the Association all vehicles maintained on the Condominium Premises. Use of motorized vehicles anywhere on the Condominium Premises, except authorized maintenance vehicles and commercial vehicles as provided in this Section 8, is absolutely prohibited. Parking on any street in the Condominium is prohibited except the Committee may make reasonable exceptions hereto from time to time. No private golf carts shall be kept, used or permitted on the Condominium premises except those of the Developer and Musser Realty and persons actually playing golf.

section 9. Advertising.

No signs or other advertising devices of any kind shall be displayed which are visible from the exterior of a Unit or on the Common Elements including "For Sale" signs, without written permission from the Association except for signs of the Developer during the construction and sales period.

Section 10. 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 Co-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 thereto shall be furnished to all Co-owners.

Section 11. Right of Access of Association.

The Association or its duly authorized agents shall have access to each Unit and any improvements thereon and Limited Common Elements appurtenant thereto from time to time, during reasonable working hours, upon notice to the Co-owner thereof, as may be necessary for the maintenance, repair or replacement of any Common Elements. Association or its agents shall also have access to each Unit and any improvements thereon and Limited Common Elements appurtenant thereto at all times without notice as may be necessary to make emergency repairs to prevent damage to the Common Elements or to another Unit or to the improvements thereon and Limited Common Elements appurtenant thereto at all times without notice as may be necessary to make emergency repairs to prevent damage to the Common Elements or to another Unit or to the improvements thereon. It shall be the responsibility of each Co-owner to provide the Association means of access. The Association may gain access in the event of the failure of such Co-owner to provide means of access and the Association may gain access in such manner as may be reasonable under the circumstances and shall not be liable to such Co-owners for any necessary damage to his Unit or any improvements thereon and any Limited Common Elements appurtenant thereto caused thereby or for repair or replacement of any doors or windows damaged in gaining such access.

Section 12. Landscaping.

No Co-owner shall perform any landscaping or plant any trees, shrubs or flowers or place any ornamental materials upon the Common Elements without the prior written approval of the Association.

Section 13. Common Elements Maintenance.

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

Section 14. Co-owner Maintenance.

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

Section 15. Reserved Rights of Developer Assigned by Developer to the Committee by Virtue of this Amendment.

A. Prior Approval by Developer (Committee).

During the Construction and Sales Period, no buildings, fences, walls, retaining walls, drives, walks or other structures or improvements shall be commenced, erected, maintained, nor shall any addition to, or change or alteration to any structure be made (including color or design), nor shall any hedges, trees or substantial plantings or landscaping modifications be made until plans and specifications, acceptable to the Committee, showing the nature, kind, shape, height, materials, color scheme, location and approximate cost of such structure or improvement and the grading or landscaping plan of the area to be affected shall have been submitted to and approved in writing by the Committee, and a copy of said plans and specifications, as finally approved, lodged permanently with the Committee.

B. Developer's Rights in Furtherance of Development and Sales.

None of the restrictions contained in this Article VI shall apply to the commercial activities or signs or billboards, if any, of the Developer during the Construction and Sales Period or of the Association in furtherance of its powers and purposes set forth herein and in its Articles of Incorporation, as the same may be amended from time to time. Notwithstanding anything to the contrary elsewhere herein contained, Developer shall have the right throughout the entire Construction and Sales Period to maintain a sales office, a business office, a construction office, model units, 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 Developer. Developer shall restore the areas so utilized to habitable status upon termination of use.

C. Enforcement of Bylaws.

The Condominium Project shall at all times be maintained in a manner consistent with the highest standards of a beautiful, serene, private, residential community for the benefit of the Coowners and all persons interested in the Condominium. If at any time the Association fails or refuses to carry out its obligation to maintain, repair, replace and landscape in a manner consistent with the maintenance of such high standards, then Developer, or any entity to which Developer may assign this right, at its option, may elect to maintain, repair and/or replace any Common Elements and/or to do any landscaping required by these Bylaws and to charge the cost thereof to the Association as an expense of administration. The Developer shall have the right to enforce these Bylaws throughout the Construction and Sales Period notwithstanding that it may no longer own a Unit in the Condominium, which right of enforcement may include (without limitation) an action to restrain the Association or any Co-owner from any activity prohibited by these Bylaws.

Musser Realty Corporation, as a third party beneficiary of any and all provisions set forth in the Condominium Documents, may enforce and shall be deemed to have a judicial standing to enforce these Bylaws and all other Condominium Documents. Any person enforcing these Bylaws and other Condominium Documents shall be entitled to recover its reasonable attorney fees from the person against whom these Bylaws or other Condominium Documents are being enforced. An award of attorney fees shall be collectable in the manner provided for in the case of an assessment as defined under the Condominium Documents or in any other manner permitted by law.

Section 16. Public Sewer Connection.

Sewage services shall be provided by an individual septic system or a septic system maintained by the Association depending upon the requirements of the Michigan Department of Health at the time of construction of a residence upon a unit except as otherwise indicated herein. The cost of installation of such system shall be borne by the Developer. It is contemplated however that the City of Mackinac Island will provide public sewage service in the future. In such event, all costs of connections charged by the City to the Condominium shall be deemed an expense of the Association, and the Board of Directors shall increase the then existent budget of the Association by such costs without any approval of the Co-owners required. The cost of any septic tank or grinder system required in connection with an Association or City system shall be borne by the Co-owner.

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In all other respects, the original Master Deed of Stonecliffe Manor III Condominium, including the Bylaws and Condominium Subdivision Plan attached thereto respectively as Exhibits "A" and "B" is hereby ratified, confirmed and redeclared.

This instrument is dated Nov. 12, 1992.

WITNESSES:

BRIDGEVIEW, INC.

A.S. Bond , Jr.

By: (Yuzay V)

saidly M. Mow

Its: President

STATE OF MICHIGAN COUNTY OF OTSEGO

The foregoing First Amendment to the Master Deed of Stonecliffe Manor III Condominium was acknowledged before me this 12+h day of 12+h da

Dorothy M. Nowak , Notary Public Otsego County, Michigan

My commission expires: Feb. 7.1994

Drafted by: Arthur S. Bond, Jr. Route 3, Box 2 Bellaire, MI 49615