Scott Dzurka Mayor

**Brad Gurski** Vice Mayor

Eric Hufnagel Commissioner

Jean Ruestman Commissioner

Chris Hyzer Commissioner



#### **Chad A. Gamble, P.E.** *City Manager*

Mindy J. Seavey City Clerk

Kristina Kinde City Treasurer

**Michael Homier** *City Attorney* 

Justin Smith Director of Public Services

#### CITY OF ST. JOHNS SPECIAL CITY COMMISSION MEETING PROPOSED AGENDA

Tuesday, September 12, 2023, 6:00 p.m. St. Johns Police Department, 409 S. Whittemore Street, St. Johns, MI

\*Listen to Meeting Via Telephonic Conference Dial 1 929 205 6099 <u>https://zoom.us/j/2050014286</u> Meeting ID: 205 001 4286 \*Please note, you will not be able to make public comments through Zoom; only in-person attendants will be able to participate in public comments.

- 1. Call to Order (6:00 pm 6:02 pm)
- 2. Approval of Agenda (6:02 pm 6:03 pm)
- 3. Presentation by Dymaxion (6:03 pm 6:15 pm)
- 4. Presentation by the City (6:15 pm 6:25 pm)
- 5. Discussion of legal documents (6:25 pm 6:40 pm)
  - a. Condo Documents
  - b. Development Agreement
  - c. Master Deed
- 6. Public Comments/Questions (6:40 pm 7:40 pm)
- 7. City Manager Comments (7:40 pm 7:50 pm)
- 8. Adjournment (7:50 pm)

NOTICE: People with disabilities needing accommodations for effective participation in this meeting should contact the city clerk 989-224-8944 at least two working days in advance of the meeting. An attempt will be made to make reasonable accommodation.

100 East State Street, P.O. Box 477, St. Johns, Michigan 48879-0477 (989) 224-8944 Fax (989) 224-2204 E-mail: csj@stjohnsmich.com

#### CITY OF ST. JOHNS, MICHIGAN REQUEST FOR COMMISSION ACTION September 12, 2023, 6:00 p.m.

Department: City Manager	Attachments:
Subject: Wilson Center Working Session	<ul> <li>[X] Wilson Center Special meeting Flyer</li> <li>[X] Wilson Center – Development Agreement</li> <li>[X] Wilson Center – Master Deed</li> <li>[X] Wilson Center – Master Deed –</li> <li>Condominium Bylaws – Exhibit A</li> </ul>
Prepared by: Chad A. Gamble, P.E. City Manager	Approved by: Chad A. Gamble, P.E. City Manager

**SUMMARY/HIGHLIGHT:** The City of St. Johns signed a purchase agreement with 101 W. Cass LLC (AKA: Dymaxion) on September 12, 2022. After the execution of this agreement the City and Dymaxion discussed the options of moving City offices into the Wilson Center. On April 4, 2023, the Commission decided to not move forward with this option. In July of 2023, the documents associated with the overall development agreement and condominium association were reviewed and modified through several rounds of negotiations and strategy sessions between a combination of the City Attorney, the condominium document joint lawyer and the developer, Dymaxion.

At the September 12, 2023 meeting, several presentations will be made to the Commission. The presentations will be: 1) the developer addressing their objectives, comments and summary of proposed apartment unit development and general activity to date, 2) a City presentation on the general summary of what is remaining to complete regarding the purchase process and the decisions that now lie before the Commission, and 3) an overview of the documents that would make up the property transaction and govern the operations of the proposed condominium association. After these presentations, the public will have the opportunity to present questions and comments to the commission. City staff will compile the questions and post the answers to the city's website. Please refer to included Wilson Center Special Meeting flyer for additional information.

**BACKGROUND/DISCUSSION:** A comprehensive summary and presentation of all the documents regarding the Wilson Center Project can be found on the City's website at <u>www.cityofstjohnsmi.com</u>. There is a Wilson Center banner on the City's main landing page. Clicking that will take you directly to all the pertinent and historical information.

#### **STRATEGIC PLAN OBJECTIVE:**

Master Plan - Parks and Recreation

Goal #1 (Acquire, develop, maintain, and preserve sufficient open space and recreation facilities) e. Promote, use and increase quality of City parks and other recreational facilities in both jurisdictions.

Goal #2 (Continue to provide all residents of the City of St. Johns with high quality recreation programs and opportunities.)

a. Update and develop recreational programs that serve the needs of persons of all ages.

c. Provide safe, high-quality recreational experiences.

**FISCAL IMPACT:** This meeting is a working session of the Commission to provide updates on the status of the overall project and to review and discuss the documents that would govern this transaction, if determined to move forward. No decisions will be made at this meeting and therefore there is no financial impact to the City of this working session of the Commission.

**RECOMMENDATION:** There will be no official action taken by the Commission at this meeting.

## **Special Meeting:** Wilson Center Update

### St. Johns City Commission September 12, 2023 | 6 p.m.

St. Johns Police Department 409 S. Whittemore St. Johns, MI 48879

#### The City Commission is holding this work session to discuss the Wilson Center project. This informational meeting will include:

- A presentation by the City
- A presentation by Dymaxion (the owner and developer of the Wilson Center property)
- A discussion of the final drafts of the legal documents
- An opportunity for public comments and questions

#### The following Wilson Center legal documents will be discussed:

- Condominium Bylaws\*
- Development Agreement\*
- Master Deed\*

#### There will be no formal action taken at this special meeting.

After the meeting, City staff will compile answers to the questions raised at the meeting. This information will be available on the City's website by September 26th. Those who were not able to attend the meeting in person can submit questions by e-mail to csj@stjohnsmi.gov by noon on September 14th.

#### Next Steps

The City Commission will hold another special meeting on Tuesday, October 10th, 2023, at 6:00 p.m. to consider approving the legal documents to move forward with the Wilson Center project. This meeting will also be held at the St. Johns Police Department, located at 409 S. Whittemore, St. Johns, MI 48879.

#### Can't make it in person? Join us virtually:

Dial: 1-929-205-6099

https://zoom.us/j/2050014286

Meeting ID: 205 001 4286

Note: Only in-person attendees will be able to participate in public comment during the meeting. If you're not able to attend in person, please send your questions to csj@stjohnsmi.gov by noon on 9/14.



\*Scan for access to Wilson Center legal documents



#### **DEVELOPMENT AGREEMENT**

THIS DEVELOPMENT AGREEMENT ("Agreement") is made as of June \_\_\_\_\_, 2023 by and between 101 W. Cass, LLC, a Michigan limited liability company (the "Developer"), whose address is 503 Mall Court, Suite 312, Lansing, Michigan 48912, and the City of St. Johns, a Michigan municipal corporation (the "City"), whose address is 100 East State Street, Suite 1100, St. Johns, Michigan 48879 (sometimes referred as the "Parties" or a "Party)."

#### **Recital of Facts**

The Developer and the City entered into an Agreement to Purchase and Sell Real Estate (the "Purchase Agreement") dated September 15, 2022, for the creation of a condominium and the purchase by the City of a portion of the real property located at 101 West Cass Street in the City of St. Johns, Clinton County, Michigan, comprising the gym and auditorium that now constitute Unit 1 of the 101 W. Cass Condominiums (the "Condominium"), and according to the Master Deed recorded in Liber \_\_\_\_\_\_, Page \_\_\_\_\_ ("Master Deed"), designated as Clinton County Subdivision Plan No. \_\_\_\_\_\_, together with rights in the general common elements and the limited common elements as shown on the Master Deed and as described in Act 59 of the Public Acts of 1978, as amended. Capitalized terms not defined herein have the meanings ascribed to them in the Master Deed. Developer is the owner of Unit 2 of the Condominium. The Developer and the City agreed upon the terms of the Master Deed and Bylaws of the Condominium and wish to coordinate the development of the general common elements of the Condominium (the "Common Elements"), shown on Exhibit B of the Master Deed as designed to be built, and the development by each of them of the units in the Condominium.

NOW, THEREFORE, the Developer and the City, for themselves and their successors and assigns, in consideration of the foregoing and the covenants and agreements set forth in this Agreement, agree as follows:

1. The foregoing Recital of Facts is not merely prefatory but is expressly made a part of this Agreement.

2. <u>Definitions</u>. The terms in this Agreement shall be as defined in the Recital of Facts and as follows:

a. <u>Common Elements</u>. The term "Common Elements" refers to General Common Elements as defined in the Master Deed.

b. <u>Owner</u>. The term "Owner" refers to a person possessing fee title, by deed or other instrument or arrangement whereby such person has acquired title to any Unit or any portion of any Unit.

c. <u>Public Improvements</u>. The term "Public Improvements" shall mean the Public Utility Lines defined in Section 2d.

d. <u>Public Utility Lines</u>. The term "Public Utility Lines" shall mean those Utility Lines for water, sanitary sewer, and storm sewer services that are publicly-owned or

dedicated and those utility lines for electricity, natural gas, telecommunications, internet service, or other services of a similar nature that are owned by the supplier or provider.

e. <u>Separate Utility Lines</u>. The term "Separate Utility Lines" shall mean those Utility Lines that are installed to provide the applicable service to one particular Unit. For the purposes of this Agreement, the portion of a Utility Line extending between a Public Utility Line and the termination of the line shall be considered a Separate Utility Line.

f. <u>Utility Lines</u>. The term "Utility Lines" shall mean those facilities and systems for the transmission of utility services, including sanitary sewer, water, electricity, natural gas, telecommunications, internet service, or other services of a similar nature, and the stormwater drainage, collection, detention, and distribution facilities. Upon completion of construction, Utility Lines shall be depicted as General Common Elements or Limited Common Elements on an amended utility plan to be recorded as an amendment to the Master Deed.

g. <u>Unit Improvements</u>. The term "Unit Improvements" shall mean those improvements within a Unit or improvement of any portion of a Unit as defined in the Master Deed.

3. <u>Public Improvements and Common Elements</u>. The Developer and the City shall share the costs of the Public Improvements and Common Elements with fifty percent (50%) allocated to the Developer and fifty percent (50%) allocated to the City. The City shall be responsible for obtaining bids to construct the Public Improvements and Common Elements. The City shall oversee the construction of the Public Improvements and Common Elements, with input from the Developer. To the extent necessary for the City to perform its obligations hereunder, the Developer hereby assigns to the City its rights and obligations as Developer pursuant to the Master Deed. Prior to commencement of construction, the parties shall agree on the design, location and other aspects of the Public Improvements and the Common Elements and the estimated costs to construct. Before accepting any bids for construction, the parties shall agree upon which bid(s) are acceptable. The parties shall share the design costs equally, which costs shall be paid within 30 days of invoicing. If they are unable to agree, the resolution of any dispute shall be by arbitration as provided in the Master Deed.

#### 4. <u>Funding and Payment</u>.

a. The Developer and the City shall each fund the cost of construction of the Public Improvements and Common Elements for which each is responsible under Section 3. Each party shall submit to the other a budget for the costs associated with construction including the costs for surveying, engineering, and soils testing. Each Party shall submit to the other construction plans for each improvement. Each Party shall have (fifteen) 15 days following submission to approve or reject the budget or plans in writing. If the budget or plans are not approved or rejected within the fifteen (15) day period, they shall be deemed approved. If a party rejects all or any portion of any budget or plans, that Party shall state its objections in writing and the other Party shall resubmit them or portions of them, and the objecting Party shall have seven (7) days after resubmission within which to accept or reject them.

b. Each Party shall deliver to the other Party applications for payment on a calendar-month basis documenting the Public Improvements and Common Elements work that has been performed and costs incurred during the preceding calendar month and requesting reimbursement. Applications for payment shall include invoices, sworn statements and waivers of lien for the work for which payment is requested. Within thirty (30) days of receiving an application for payment, a Party shall pay to the other its share (as set forth in Section 3) of the amount of the application. Any party may audit on written request the books and records of the other party relating to costs associated with the Public Improvements and Common Elements.

c. All parties shall use best efforts to cause the Public Improvements and Common Elements to be completed as follows:

- i. Public Improvements and Common Elements to permit access to Unit 1: December 31, 2024;
- ii. All other Public Improvements and Common Elements: July 1, 2025.

In the event that either party hereto shall be delayed or hindered by reason of labor shortages, inability to procure materials, failure of power, permitting delays, or other reasons of a like nature not the fault of the party delayed in performing work, then performance of such act shall be excused for the period of the delay and the period equivalent to the period of such delay.

5. <u>Unit Improvements</u>. Each Party shall construct, at its own expense, all improvements to and for its Unit, including but not limited to Separate Utility Lines, HVAC, windows, and entrance improvements. The Developer will construct improvements to the existing parking lot at 101 W. McConnell St. with approximately 83 spaces to replace the previously planned 69 on-street spaces.

6. <u>Condominium Common Elements Design</u>. Upon submittal of appropriate payment applications and backup documents (including invoices), the City shall reimburse the Developer up to Twenty-Five Thousand Dollars (\$25,000) for the design of the Condominium Project, including the design of improvements and the reconfiguration of portions of the Condominium Project including for payment for the design of Common Element improvements.

7. <u>General Requirements</u>.

a. The Developer and the City each covenant to maintain their construction sites in a neat and orderly fashion and to keep the street, curb, and pan free from soil, mud, and other debris. Excavation spoils shall be hauled away at the time of excavation.

b. All construction activities described in this Agreement shall be performed in compliance with all applicable laws, subject to the approval of governmental authorities and agencies with jurisdiction, and be consistent with the following standards:

- i. All construction shall use new materials, and shall be performed in a good, safe, workmanlike manner.
- ii. No construction activities shall:

- 1. cause any unreasonable increase in the cost of constructing improvements upon the other Unit or common elements or ;
- 2. unreasonably interfere with construction work being performed on the other Unit or the common elements;
- 3. unreasonably interfere with the use, occupancy, or enjoyment of any part of the other Unit or the Common Elements, provided, however, that during the construction of the Common Elements, for a period not to exceed two (2) years from the date of this Agreement, neither Unit 1 nor Unit 2 may be used or occupied except for construction activities until a certificate of occupancy is issued; or
- 4. cause any building, structure, or other improvements located on the other Unit or the Common Elements to be in violation of any law.
- iii. If governmental authorities and agencies with jurisdiction require modifications to the plans on which this Agreement is based, the parties shall cooperate in revising their plans.
- iv. Construction of the Public Improvements and Common Elements under this Agreement shall begin within 3 months after issuance of acceptable clearance tests results from Tri-Terra as described in the Purchase Agreement.
- v. Sixty (60) days prior to commencement of construction on Unit 2, the Developer shall provide to the City proof of construction financing.

8. <u>Construction Liens</u>. All construction activities shall be performed in a manner so as to avoid the filing of construction liens on any portion of the Units and shall conform with the following:

a. If any construction lien is filed against the Unit of one Party as a result of services performed or materials furnished to the other Party, the latter Party shall promptly cause such lien to be released and discharged of record, either by paying the indebtedness which gave rise to such lien or by posting bond or other security as shall be required by law to obtain such release and discharge.

b. Nothing herein shall prevent a Party permitting or causing such lien from contesting the validity thereof in any manner such Party chooses so long as such contest is pursued with reasonable diligence and in good faith and provided a bond or other security has been provided as required by subsection a. If such contest is determined adversely (allowing for appeal to the highest appellate court), such Party shall promptly pay in full the required amount, together with any interest, penalties, costs or other charges necessary to release such lien.

9. <u>Separate Utility Lines</u>. The Owner of each Unit shall, at its sole cost and expense, be responsible for the installation, maintenance, repair, replacement, relocation and removal of

all Separate Utility Lines installed in or serving its Unit, whether in the Unit, another Unit, the common elements, or public roadway. Each Party agrees that:

a. All such installation, maintenance, repair, replacement, relocation and removal shall be performed in a manner that causes no unnecessary discontinuance of any utility service to any other Unit;

b. Any and all portions of any Unit which may have been excavated, damaged or otherwise disturbed as a result of such work to benefit another Unit shall be restored to essentially the same condition as existed prior to the commencement of such work at the sole cost and expense of the Owner of the Unit benefited thereby;

c. Except as provided in the Master Deed and Bylaws as to the Association, no Party shall have access, except in an emergency, to the Public Utility Line located on another Unit without fourteen (14) days written notice to such other Unit Owner describing the need for such access, the proposed location of the work to be performed, nature of service to be provided, proposed commencement and completion dates and a contractor's certificate of insurance as required herein.

10. <u>Commercial General Liability Insurance</u>. Each Party shall maintain Commercial General Liability Insurance, in terms consistent with the following:

a. Each Party (as to its Unit only) shall maintain or cause to be maintained in full force and effect commercial general liability insurance with a combined single limit of liability of not less than Two Million Dollars (\$2,000,000.00) for bodily injury, personal injury and property damage arising out of any one occurrence; the other Party shall be "additional insureds" under such policy as it applies to the insuring Party's Unit.

b. To the extent permitted by law, each Party shall indemnify the other from and against all claims, losses, liabilities, actions, proceedings, costs and expenses, including reasonable attorneys' fees and costs of suit ("Claims") asserted or incurred in connection with or arising from or as a result of the death of or injury to any person or loss or damage to the property of any person which shall occur on the Unit owned by the indemnifying Party, except to the extent such claims are caused by the negligence or the willful act or omission of the indemnified Party or its agents or employees.

11. <u>Miscellaneous</u>.

a. <u>Additional Agreements</u>. The Parties agree to take all necessary action to enter into, execute, and deliver any and all written documents necessary to carry out the terms of this Agreement and for the joint development of the units and common elements, including, but not limited to, easements, reciprocal easements, dedication, and any other contract deemed necessary by either the Developer's or the City's counsel or by the City of St. Johns or Clinton County.

b. <u>Breach Shall Not Permit Termination</u>. Breach of this Agreement shall not entitle any Party to cancel, rescind, or otherwise terminate this Agreement. This limitation shall

not affect, in any manner, any other right or remedies which the Parties may have hereunder by reason of any breach of this Agreement.

c. <u>Captions</u>. The captions of the Articles and paragraphs of this Agreement are for convenience only and shall not be considered or referred to in resolving questions of interpretation and construction.

d. <u>Consent</u>. In any instance in which a Party shall be requested to consent to or approve of any matter with respect to which consent or approval is required by any of the provisions of this Agreement, such consent or approval shall be given in writing, and the same may be given or refused in the sole and absolute judgment of such Party, unless otherwise expressly provided in this Agreement.

Benefits. Each and every provision of this Agreement to be performed by e. the Parties (whether affirmative or negative in nature) is intended to and shall bind each and every Party, and its successors and assigns, and shall inure to the benefit of all Parties and their respective successors in title or interest. Neither party may assign its rights under this Agreement without the prior written consent of the other party, unless to an affiliate of the Party, provided that the Party shall remain liable as to its obligations under this Agreement. Each and all of the covenants in this Agreement shall run with and against the Units and shall bind each and every other person having any fee, leasehold or other interest in any part of any Unit derived through the Parties to the extent that such part of a Unit is affected or bound by the covenants in question. Where the provisions of this Agreement specify that the Developer shall be responsible for performing a particular act or obligation, the Owner from time to time of Unit 2 shall be responsible for performance of such act or obligation and shall be entitled to reimbursement as set forth elsewhere in the Agreement. Where the provisions of this Agreement specify that the City shall be responsible for performing a particular act or obligation, the Owner from time to time of Unit 1 shall be responsible for performance of such act or obligation and shall be entitled to reimbursement as set forth elsewhere in the Agreement.

f. <u>Governing Laws</u>. This Agreement shall be construed in accordance with the laws of the State of Michigan and any applicable federal laws and regulations.

g. <u>Remedies</u>. In the event of any violation or threatened violation by a Party of any of the terms, restrictions, covenants, and conditions of this Agreement, the other Party or Parties shall have the right to enjoin such violation or threatened violation, or to seek any other remedy as allowed by law, in a court of competent jurisdiction. Prior to the commencement of any such action, except in an emergency, at least seven (7) calendar days written notice of such violation shall be given to the Party responsible for such violation or threatened violation. Any action shall be brought in the circuit or district court for Clinton County.

h. <u>Partnership</u>. Nothing contained in this Agreement nor any acts of the Parties shall be deemed or construed to create the relationship of principal and agent, or of partnership, or of joint venture, or of any association between the Parties.

i. <u>Not a Public Dedication</u>. Nothing in this Agreement shall be deemed to be a gift or dedication of any portion of the Units or the Common Elements to the general public for

any public purpose whatsoever, it being the intention of the Parties that this Agreement shall be strictly limited to and for the purposes herein expressed. The Parties hereby reserve the right to eject or cause the ejection from their Unit or the Common Elements of any person or persons not authorized, empowered, or privileged to the use thereof; provided, however, that the parties understand that Unit 1 and the Common Elements serving Unit 1 may be used by the public, as determined by the Co-owner of Unit 1.

j. <u>Payment on Default</u>. If pursuant to this Agreement any Party is obligated, compelled, or elects on behalf of another Party to pay any sum of money or do any act which requires the payment of money, the Party responsible for said payment shall reimburse the paying Party for such sums within thirty (30) days of demand. All such sums shall bear simple interest from the due date for reimbursement until the date of such reimbursement at a rate of the lesser of twelve percent (12%) per annum or the maximum rate permitted by law. In no event shall any mortgagee or any purchaser of mortgagee's interest at a foreclosure sale or by deed in lieu of foreclosure be obligated to make any payment described in this Paragraph accruing prior to the date that such mortgagee forecloses on such Unit.

k. <u>Release</u>. If any Party shall sell or transfer its Unit or its interest therein, it shall, except as provided in this Agreement, be released from its future obligations under this Agreement. No Unit may be sold, transferred or conveyed until all assessments owed by that Unit are paid in full. It shall be a condition precedent to the release and discharge of any grantor or assignor Party that such grantor or assignor shall give written notice to the other Parties to this Agreement of any such sale, transfer, conveyance, or assignment concurrently with or immediately following the filing for record of the instrument effecting the same. The granting Party shall remain responsible for any amounts owing or any other obligation which shall have accrued prior to such sale, transfer, conveyance, or assignment.

1. <u>Severability</u>. If any term, provision, or condition contained in this Agreement shall to any extent be invalid or unenforceable, the remainder of this Agreement (or the applicable portion of such term, provision, or condition to persons or circumstances other than those in respect of which it is invalid or unenforceable) shall not be affected thereby, and each term, provision, and condition of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

m. <u>Time of Essence</u>. Time is of the essence with respect to the performance of each of the covenants and agreements contained in this Agreement.

n. <u>Waiver of Default</u>. No waiver of any default by any Party shall be implied from any omission to take any action in respect to such default if such default continues or is repeated. No express waiver of any default shall affect any default or cover any period of time other than the default and period of time specified in such express waiver. One or more waivers of any default in the performance of any term, provision or covenant contained in this Agreement shall not be deemed to be a waiver of any subsequent default in the performance of the same term, provision or covenant. The consent or approval of any Party to any act or request does not render unnecessary the consent to or approval of any subsequent similar acts or requests. The rights and remedies given to any Party shall be deemed to be cumulative and no one right or remedy shall be exclusive of any of the other, or of any other right or remedy at law or equity which any Party might otherwise have by virtue of a default under this Agreement, and the exercise of one such right or remedy by any such Party shall not impair such Party's standing to exercise any other right or remedy.

o. <u>Amendment</u>. This Agreement may be amended or modified only by a document executed by all Parties.

p. <u>Notices</u>. All notices, demands, statements, and requests ("notices") required or permitted to be given under this Agreement must be in writing delivered to the Party in conformity with the methods set forth below:

- i. All notices shall be delivered by one of the following methods of delivery:
  - 1. Personal service, in which event the notice shall be deemed to have been given upon actual receipt;
  - 2. Federal Express, UPS, or another nationally recognized overnight courier service, in which event the notice shall be deemed to have been given on the first business day after the notice is deposited with the courier service (or the next business day thereafter if the notice is deposited with the courier service on a day other than a business day);
  - 3. United States registered or certified mail, postage prepaid and return receipt requested, in which event the notice shall be deemed to have been given three (3) business days after the notice is deposited with the United States Postal Service;
  - 4. United States First Class Mail, in which case notice shall be deemed effective on the date the notice has been received by the Party to whom it was sent; and
  - 5. Facsimile transmission or email, in which event the notice shall be deemed to have been given upon confirmation of the facsimile transmission or email receipt, provided that the original counterpart of the notice is sent, in conformance with another provision of this Section, on the same day.
- ii. The initial addresses of the Parties shall be:

If to Developer:	101 W. Cass, LLC
	Attn: Jeff Deehan
	503 Mall Court, Suite 312
	Lansing, Michigan 48912
	jeff@dymaxiondevelopment.com
	jeff@dymaxiondevelopment.com

With a copy to:	David E. Pierson McClelland & Anderson, L.L.P. 1142 S. Washington Ave. Lansing, MI 48910 dpierson@malansing.com	
If to City:	City of St. Johns 100 East State Street, Suite 1100 St. Johns, Michigan 48879	
With a copy to:	Michael D. Homier Foster Swift Collins & Smith PC 1700 East Beltline NE, Suite 200 Grand Rapids, Michigan 49525 mhomier@fosterswift.com	

- iii. Each Party shall have the right from time to time to change its address for notice purposes to any other address upon at least ten (10) days prior written notice to the other Parties in accordance with the provisions of this Section. Refusal to accept delivery of a notice or the inability to deliver a notice because of an address change which was not properly communicated shall not defeat or delay the giving of a notice under this Agreement.
- iv. In the event any Party to this Agreement transfers an ownership interest in all or a portion of its Unit and notifies the other Parties of the transferee and its address, the Parties agree to provide any notices required under this Agreement to said transferee(s).

q. <u>Force Majeure</u>. The Parties shall be excused from performing any obligation under this Agreement, except obligations to pay sums of money, in the event and so long as the performance of such obligation is prevented, delayed, retarded or hindered by the following: act of God; fire; earthquake; flood; explosion; epidemic; action of the elements; war; acts of terror; invasion; insurrection; riot; mob violence; sabotage; failure of transportation; strike; lockout; action of labor union; condemnation; requisition; law; orders of governmental, civil, military, or naval authorities; or any other cause, whether similar or dissimilar to the foregoing, and not within the respective control of the obligated Party. A Party relying upon the provisions of this section shall give written notice to the other Party within 21 days of the occurrence of the cause upon which it relies. The provisions of this section shall not operate to excuse any person from the prompt payment of any money required by this Agreement.

r. <u>Counterparts and Facsimile Execution</u>. This Agreement may be executed in any number of identical counterparts, any or all of which may contain the signatures of fewer than all of the parties, and all of which shall be construed as part of the single instrument. Execution may be by manual or electronic signature. Execution of a facsimile counterpart of this Agreement shall be deemed execution of the original Agreement. Facsimile transmission of an executed copy or email transmission of an executed copy in pdf format of this Agreement shall constitute acceptance of this Agreement.

s. <u>Governmental Capacity</u>. Nothing in this Agreement obligates the City to take any action, issue any permit, or approve any matters, if the City is acting in its governmental capacity.

Signature Page Follows

IN WITNESS WHEREOF, the undersigned have executed this Development Agreement.

**101 W. Cass, LLC**, a Michigan limited liability company

**City of St. Johns**, a Michigan municipal corporation

By:	By:
•	•

Its:\_\_\_\_\_

Its:\_\_\_\_\_

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#### 101 W. CASS CONDOMINIUMS MASTER DEED

#### CLINTON COUNTY SUBDIVISION PLAN NO.

**THIS MASTER DEED** is executed as of the \_\_\_\_\_ day of \_\_\_\_\_, 2023, by 101 W. Cass, LLC, a Michigan limited liability company (hereinafter, the "Developer"), whose address is 503 Mall Court, Suite 312, Lansing, Michigan 48912, in accordance with the Michigan Condominium Act, Act 59 of the Public Acts of 1978, as amended (the "Act").

By executing and recording this Master Deed, together with the Condominium Bylaws (attached as Exhibit A), and the Condominium Subdivision Plan (attached as Exhibit B), the Developer does establish 101 W. Cass Condominiums as a condominium project under the Act. After being so established, 101 W. Cass Condominiums (also referred to as the "Condominium Project"), shall be held, conveyed, encumbered, leased, occupied, improved and in every manner utilized subject to the provisions of the Act, and to the conditions, restrictions and affirmative obligations set forth in this Master Deed (including Exhibits A and B).

All of the provisions, covenants, conditions, restrictions and obligations set forth in this Master Deed (including Exhibits A and B) shall be deemed to run with the land and shall be a burden on, and a benefit to, the Developer, its successors and assigns, and all persons acquiring or owning an interest in the Condominium Project, or in the real property hereby dedicated to the Condominium Project, and their grantees, successors, heirs, executors, administrators and assigns.

#### ARTICLE I DEFINITIONS

Certain terms are utilized not only in this Master Deed (including Exhibits A and B), but also may be used in various other Condominium Documents including, but not limited to, the Articles of Incorporation, Bylaws and the Rules and Regulations, if any, of the Association. Terms not defined herein, but defined in the Act, shall carry the meaning given them in the Act unless the context clearly indicates to the contrary. The terms set forth below, when used in any Condominium Documents, or any other pertinent instruments, shall be defined as follows:

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

**Section 2. Association.** "Association" means 101 W. Cass Condominium Association, a non-profit Michigan corporation, in which all Co-owners shall be members. The Association shall administer, operate, manage and maintain the Condominium Project.

**Section 3. Board of Directors.** "Board of Directors" means the board of directors of the Association.

**Section 4. Business Day.** "Business Day" means a day of the year excluding Saturday, Sunday or any legal holiday as adopted by the City of St. Johns, Michigan.

**Section 5. Bylaws.** "Bylaws" shall mean attached Exhibit A, the Bylaws for the Condominium Project setting forth the rights and obligations of the Co-owners and required by Section 3(8), 53 and 54 of the Act to be recorded as part of the Master Deed. The Condominium Bylaws shall also constitute the corporate bylaws of the Association as provided or under the Michigan Nonprofit Corporation Act, Act 162 of the Public Acts of 1982, as amended.

Section 6. Common Elements. "Common Elements," where used without modification, means both the General and Limited Common Elements described in Article IV of this Master Deed.

**Section 7. Condominium Documents.** "Condominium Documents" means and includes this Master Deed (including Exhibits A and B), the Articles of Incorporation and the Rules and Regulations, if any, of the Association.

Section 8. Condominium Project, Condominium or Project. "Condominium Project," "Condominium" or "Project" means 101 W. Cass Condominiums, a condominium project established pursuant to the Act.

Section 9. Condominium Subdivision Plan. "Condominium Subdivision Plan" is Exhibit B to this Master Deed. Exhibit B shall depict all utility lines in the Condominium Project.

Section 10. Co-owner. "Co-owner" means a person, firm, corporation, partnership, association, trust or other legal entity or any combination thereof who, or which, owns legal or equitable title to a Condominium Unit within the Condominium Project. "Co-owner" includes land contract vendees and land contract vendors, who are considered jointly and severally liable under the Act and the Condominium Documents, except as is expressly provided elsewhere in the Condominium Documents.

**Section 11. Developer.** "Developer" means 101 W. Cass, LLC, a Michigan limited liability company, which has executed this Master Deed, and its successors and assigns.

Section 12. Master Deed. "Master Deed" means this Master Deed, including attached Exhibits A and B, all of which are hereby incorporated by reference and made a part hereof.

Section 13. Unit or Condominium Unit. "Unit" shall mean the enclosed spaces constituting a single unit in the Condominium Project as described in Article V, Section 1 hereof and as delineated on Exhibit B hereto.

#### ARTICLE II TITLE AND NATURE

The Condominium Project is established in accordance with the Act. The boundaries, dimensions and area of each Unit are set forth completely in the Condominium Subdivision Plan attached as Exhibit B. 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 as designated by the Master Deed. Each Co-owner in the Condominium Project shall have an exclusive right to its Unit and shall have an undivided and inseparable percentage interest in the Common Elements of the Condominium Project as designated in this Master Deed.

#### ARTICLE III LEGAL DESCRIPTION

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

Block 17, Original Plat, City of St Johns, Clinton County, Michigan, according to the recorded Plat thereof as recorded in Clinton County Records.

#### ARTICLE IV COMMON ELEMENTS

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

A. The General Common Elements are:

1. **Land.** The land and beneficial easements, including landscaping and sidewalks (subject to the rights of the public, if any, over any portions of the rights-of-way).

2. **Building.** The exterior walls of the three-story brick building ("main building"), together with the foundation, supporting columns, roof and all other materials that are included in the structural integrity of the main building, whether or not located within a Unit.

3. **Mechanical Rooms and Crawl Spaces.** The mechanical rooms and crawl spaces in the main building shown on the Condominium Subdivision Plan.

4. **Windows and Doors.** Windows in the common areas of the main building as well as shared entrance doors and other doors located within a common area that does not provide entry to a Unit.

5. **Common Walls**. The walls between two (2) Units or between a Unit and a General Common Element.

6. **Hallways, Stairways and Elevator**. The shared hallways and stairways, together with the elevator and elevator shaft, as shown on the Condominium Subdivision Plan.

7. **HVAC System**. Any HVAC system that serves the General Common Elements.

8. **Electrical.** The electrical transmission service throughout the Project, including primary and secondary service lines, other than any portion of the system serving only that Unit.

9. **Gas.** The gas line network throughout the Project, other than any portion of the network serving only that Unit.

10. **Water and Sanitary Services.** The water distribution system and sanitary services system throughout the Project, other than any portion of those systems serving only that Unit.

11. **Fire Suppression System**. The fire suppression system located within the Project.

12. Irrigation System. The irrigation system located within the Project, if

any.

13. **Storm Sewer**. The storm sewer system throughout the Project.

14. **Other**. Such other areas of the Project which are not enclosed within the boundaries of a Unit, and which are intended for common use or necessary to the existence, upkeep and safety of the Project.

NOTE: Some or all of the utility lines, systems (including mains and service leads) and equipment described above may be owned by the local public authority or by the company that is providing the pertinent service. Accordingly, such utility lines, systems and equipment shall be General Common Elements only to the extent of the Association's interest therein, if any, and Developer makes no warranty whatever with respect to the nature or extent of such interest, if any.

B. The Limited Common Elements are:

1. **Interior Surfaces**. The interior surfaces of Unit perimeter walls (including the drywall) and finished concrete or lightcrete floors.

2. **Doors and Windows**. Each Unit entrance door (including kickplates and other hardware) and exterior window (including screen) in the Project.

3. **Electrical**. The electrical wiring network contained within the Unit or Unit walls, floors or ceilings or located in any other portion of the Common Elements from the electrical meter for a particular Unit up to the point of connection with the electrical fixtures, plugs and switches within the Unit, which electrical wiring network is assigned to the Unit which it serves.

4. **Gas.** The gas line network contained within the Unit or Unit walls, floors or ceilings, or located in any other portion of the Common Elements from the gas meter for the Unit up to the point of connection with the furnace, water heater or other gas appliance within or outside of the Unit, which gas line network is assigned to the Unit which it serves.

5. **Water**. The portion of the water distribution system contained within Unit or Unit walls, floors or ceilings or located in any other portion of the Common Elements serving a particular Unit.

6. **Sanitary Sewer**. The portion of the sanitary sewer system contained within the Unit or Unit walls, floors or ceilings or located in any other portion of the Common Elements serving a particular Unit.

7. **HVAC System**. All portions of an HVAC system serving a particular Unit, wherever located.

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

1. **Association Responsibility.** Except as elsewhere provided in this Master Deed and/or the Bylaws, the Association shall be responsible for the maintenance, decoration, repair and replacement of all General Common Elements. In addition to maintenance of these General Common Elements, the Association shall contract for landscape and lawn maintenance, snow removal and utilities servicing the General Common Elements. The amount of all such common expenses shall be assessed against all Condominium Units as an expense of administration notwithstanding anything herein to the contrary.

2. **Co-owner Responsibility.** Except in the event of casualty, in which case the provisions of Article IV of the Bylaws shall control, each Co-owner shall be responsible for the maintenance, decoration, repair and replacement of the following:

(a) Each Co-owner shall be responsible for maintaining, decorating, repairing or replacing each and every part of its Unit and the Limited Common Elements served by that Unit. Any Limited Common Element serving more than one Unit shall be maintained, repaired, or replaced by the Co-owners of those Units served by that Limited Common Element.

(b) Each Co-owner shall be responsible for payment of utilities

attributable to its Unit.

3. Co-owner Negligence or Fault. Each Co-owner will be responsible for any damage to the Condominium caused by the negligence of the Co-owner or its employees, licensees, agents or invitees to the extent not covered by the Association's insurance as well as any deductible portion of any covered claim. If the Association determines, in its sole discretion, that maintenance, repair or replacement is required as a result of the failure of the Coowner to perform its responsibilities under this paragraph or as set forth in Paragraph (2) above, or is result of the negligence, fault or improper conduct of a Co-owner and/or the Co-owner's employees, licensees, agents or invitees, the Association may proceed to perform the required work itself, and the cost of any such maintenance, repair, decoration or replacement performed by the Association shall be paid by the non-performing Co-owner and added to its monthly Association assessment, if necessary. Failure of the Co-owner to pay the charges incurred by the Association shall entitle the Association to proceed with all remedies set forth in the Condominium Bylaws; provided, however, that no mediation or arbitration shall be required, and the non-defaulting Co-owner(s) may exercise the remedies on behalf of the Association provided by the Master Deed, Bylaws and applicable law.

4. **Co-owner Alterations.** No Co-owner shall in any way alter or modify any Common Elements within the Condominium without the prior written consent of the Association.

#### ARTICLE V UNIT DESCRIPTION AND PERCENTAGES OF VALUE

**Section 1. Description of Units.** The Condominium Project will initially consist of two Units (the "Original Units"). A Unit shall consist of all the space within the interior surfaces of the exterior walls of the Unit, lying between the floor and the ceiling except for load-bearing walls, supporting columns and other materials involved in the structural integrity of the Unit. For those portions of any Unit that extends to the second floor of the building, the Unit shall include the attic space immediately above the ceiling of the Unit.

Notwithstanding anything contained herein to the contrary, the entire outbuilding shown on Exhibit B as "1 storage aluminum shed," shall be a part of Unit 2 and shall not contain any Common Elements.

**Section 2. Percentage of Value.** The total value of the Project is one hundred percent (100%). The percentage of value assigned to each of the Original Units shall be fifty percent (50%). The determination that percentages of value should be equal was made after reviewing the comparative characteristics of each Unit in the Project which would affect maintenance costs and concluding that there are not material differences. The percentage of value assigned to each Unit shall be determinative of the proportionate share of each Unit in the Common Elements and in the proceeds of and the expenses of the Association as well as the value of each Co-owner's vote at meetings of the Association. In the event a Unit is subdivided in accordance with Article VII below, the Co-owner(s) of the combined newly-created Units shall have sole discretion as to how that Original Unit's percentage of value shall be reallocated among the newly-created Units.

#### ARTICLE VI EASEMENTS

Section 1. Easement for Maintenance of Encroachments, Access and Support. If 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 maintenance after rebuilding, in the event of any destruction. There shall be easements to, through and over those portions of the land, structures, buildings, improvements, and walls (including interior Unit walls) for the continuing maintenance and repair of Common Elements and all utilities in the Condominium Project, which easements shall be administered by the Association. Any such access by the Association shall be with reasonable advance notice or without notice in an emergency. There shall exist easements of support with respect to any Unit interior wall which supports a Common Element.

Section 2. Access by Utility Companies and Damage Caused. Utility companies and governmental units furnishing services such as water, sanitary sewer, storm water drainage, electricity, gas, television cable, internet, and telephone shall have access to the Common Elements and the Units with reasonable advance notice for the installation, repair or maintenance of such services. Any costs, including damage to Common Elements, incurred in the installation, maintenance or repair of such services designated as Common Elements, shall be an expense of administration to be paid by the Association.

Section 3. Access for Repairs. No Co-owner shall, in any way, restrict access to any of the common utilities or utility distribution systems, or any other Common Elements that must be accessible to service any Units. Should access to any of these facilities be required, and permission to enter the Unit not be given, the Association with reasonable advance notice may with due care remove any coverings or attachments that restrict such access and will have no responsibility for repairing or replacing any materials that are damaged in the course of gaining such access, unless the Association acted recklessly or negligently. There shall be easements to, through and over those portions of the land and improvements, as may be reasonable, for the installation, maintenance and repair of all utilities necessary to the Condominium Project.

Section 4. Easements for Maintenance, Repair and Replacement. The Developer, the Association, including its directors, agents and designees, and all public or private utilities shall have such easements as may be necessary in, on, or over the Condominium Premises, including all Units, and Common Elements, to fulfill any responsibilities which they or any of them are required or permitted to perform under the Condominium Documents. These easements include, without any implication of limitation, the right of the Association to obtain access during reasonable hours and upon reasonable notice to utility components, and other Common Elements located within any Unit. In no event shall the Association be liable for the decoration, maintenance, repair, or replacement of any portion of the interior of any residence constructed within any Unit. Section 5. Utility Tap-Ins. The Developer reserves, for the benefit of itself and the Association, an unrestricted easement and license to tap into and to use any and all public utility lines and any utility lines now or in the future located in the General Common Elements of the Condominium Project, including, but not limited to, electrical, telephone, water, gas, storm and sanitary sewer mains. The Developer may, but shall not be obligated to, record a separate easement instrument specifically describing the location of said easement.

**Section 6. Telecommunications Agreements.** The Association shall have the power to grant such easements, licenses and other rights of entry, use and access and to enter into any agreement, including wiring agreements, right-of-way agreements, access agreements and multi-unit agreements and contracts for the sharing of any installation or periodic subscriber service fees as may be necessary or desirable to provide for telecommunications and similar services (collectively "Telecommunications") to the Project or any Unit. In no event shall the Association enter into any contract or agreement or grant any easement, license or right of entry or do any other thing which will violate any provision of any federal, state or local law. Any sums paid by any telecommunications company 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 and shall be paid over to and shall be the property of the Association.

#### ARTICLE VII SUBDIVISION AND OTHER MODIFICATIONS OF UNITS

Notwithstanding any other provision of the Master Deed or the Bylaws, any Unit in the Condominium may be subdivided or the boundaries between Units may be relocated, and corresponding changes may be made to the Common Elements, in accordance with Sections 48 and 49 of the Act and this Article. Any changes in affected Units shall be reflected in a duly recorded amendment or amendments to this Master Deed, the cost of which shall be borne solely by the Co-owners of the affected Unit(s).

Any Co-owner of a Unit may, without the consent of any other Co-owner or any mortgagee of any unaffected Unit, take the following actions:

**Section 1. Subdivide Unit**. Subdivide or re-subdivide a Unit and modify the adjacent Common Elements and utility connections and any other improvements reasonably necessary to effect the subdivision. Such construction and related activities shall not disrupt utility service or access to any other Unit other than temporarily.

Section 2. Modify Boundaries. Modify the boundaries between Units and modify the adjacent Common Elements and utility connections and any other improvements reasonably necessary for the modification. Such modification and related activities shall not disrupt utility service to any other Unit other than temporarily.

**Section 3.** Amendments to Master Deed. A subdivision, re-subdivision or modification of a Unit's boundaries shall be given effect by amendment or amendments to this Master Deed prepared and recorded by the Co-owners of the newly-created Units. The percentages of value shall be reallocated in the sole discretion of the Co-owners of the affected Unit(s) such that the sum of the percentages of value assigned to all newly-created Units is equal to the percentage of value of the Unit being subdivided. The amendment or amendments to the Master Deed shall also contain such further definitions of General or Limited Common Elements as may be necessary to adequately describe the Units in the Condominium Project as so modified.

Section 4. Consent of Interested Persons. All 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 an amendment or amendments of this Master Deed as necessary to make the foregoing changes and to any proportionate reallocation of percentages of value of the resulting subdivided Unit(s).

#### ARTICLE VIII AMENDMENT

This Master Deed and Condominium Bylaws and the Condominium Subdivision Plan may be amended only with the approval of 66 2/3% of all Co-owners, except as set forth in Article VII above and hereinafter set forth:

**Section 1.** Mortgagee Consent. Whenever a proposed amendment would materially change the rights of mortgagees generally, then such amendment shall require the approval of 66-2/3% of all first mortgagees of record, allocating one vote for each mortgage held. Approval of mortgagees, where required, shall be solicited through written ballot. Any mortgagee ballot not returned within 90 days of mailing shall be counted as approval for the change.

#### ARTICLE IX RIGHT OF REFUSAL

A. If, at any time, either Co-owner desires to sell its Unit (or a proposed newly-created Unit pursuant to Article VII hereof) ("Selling Co-owner"), the other Co-owner shall have a right of first refusal in accordance with this Article IX.

B. The Selling Co-owner shall transmit to the other Co-owner in writing any offer for the purchase of the Unit which the Selling Co-owner has accepted or intends to accept, subject to the right of refusal set forth in this Article (the "Offer"). The other Co-owner shall have a thirty (30) day option to purchase the Selling Co-owner's Unit on the same conditions as the Offer.

C. If the other Co-owner accepts the Offer, the closing shall be within thirty (30) days after the expiration of their thirty (30) day option period, provided, however, if the acquisition of the Selling Co-owner's Unit shall require the approval of a lender, then the closing shall be extended to ten (10) days following such approval. The Co-owner shall use good faith efforts to obtain such approval as soon as is commercially reasonable.

D. If the other Co-owner does not accept the Offer, the Selling Co-owner desiring to sell its Unit may do so only if completed in strict conformance with the Offer.

**101 W. CASS, LLC**, a Michigan limited liability company

		By:	
		Its:	
STATE OF MICHIGAN	)		
	) ss.		
COUNTY OF	)		
	iment was a	cknowledged before me t	this day of of 101 W.

Cass, LLC, a Michigan limited liability company, on behalf of said company.

Notary Public

County, Michigan My Commission Expires: Acting in County, Michigan

Drafted by and after recording return to:

Gail A. Anderson McClelland & Anderson, L.L.P. 1142 South Washington Avenue Lansing, Michigan 48910 (517) 482-4890

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#### EXHIBIT A

#### **Condominium Bylaws**

Please see separate file titled: Condominium Bylaws 8-29-23 - Exhibit A of Master Deed

#### EXHIBIT B

**Condominium Subdivision Plan** 

Attention: County Register of Deeds The Condominium plan number must be assigned in sequence. When a number has been assigned to this project it must be properly shown in the title of this sheet and in the surveyor's certificate on sheet 2.

### SHEET INDEX

- 1. Cover Sheet
- 2. Survey Plan
- 3. Site Plan
- 4. Utility Plan

5. Basement Plan (prepared by Studio Intrigue) 6. First Floor Plan (prepared by Studio Intrigue) 7. Second Floor Plan (prepared by Studio Intrigue) 8. Partial Basement Plan (prepared by Studio Intrigue) 9. Partial Basement Plan (prepared by Studio Intrigue) 10. Partial Basement Plan (prepared by Studio Intrigue) 11. Partial Basement Plan (prepared by Studio Intrigue) 12. Partial First Floor Plan (prepared by Studio Intrigue) 13. Partial First Floor Plan (prepared by Studio Intrigue) 14. Partial First Floor Plan (prepared by Studio Intrigue) 15. Partial First Floor Plan (prepared by Studio Intrigue) 16. Partial Second Floor Plan (prepared by Studio Intrigue) 17. Partial Second Floor Plan (prepared by Studio Intrigue) 18. Partial Second Floor Plan (prepared by Studio Intrigue) 19. Partial Second Floor Plan (prepared by Studio Intrigue) 20. Section Views A-C (prepared by Studio Intrigue) 21. Section Views D-G (prepared by Studio Intrigue) 22. Section Views H-I & Outbuilding Floor Plan (prepared by Studio Intrigue)

PREPARED BY: KEBS, INC. 2116 HASLETT ROAD HASLETT, MICHIGAN 48840 100755.CND

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.

## CLINTON COUNTY CONDOMINIUM SUBDIVISION PLAN NO. EXHIBIT "B" TO THE MASTER DEED OF 101 W. CASS STREET CONDOMINIUMS

LEGAL DESCRIPTION:

Block 17, Original Plat, City of St Johns, Clinton County, Michigan, according to the recorded Plat thereof as recorded in Clinton County Records.

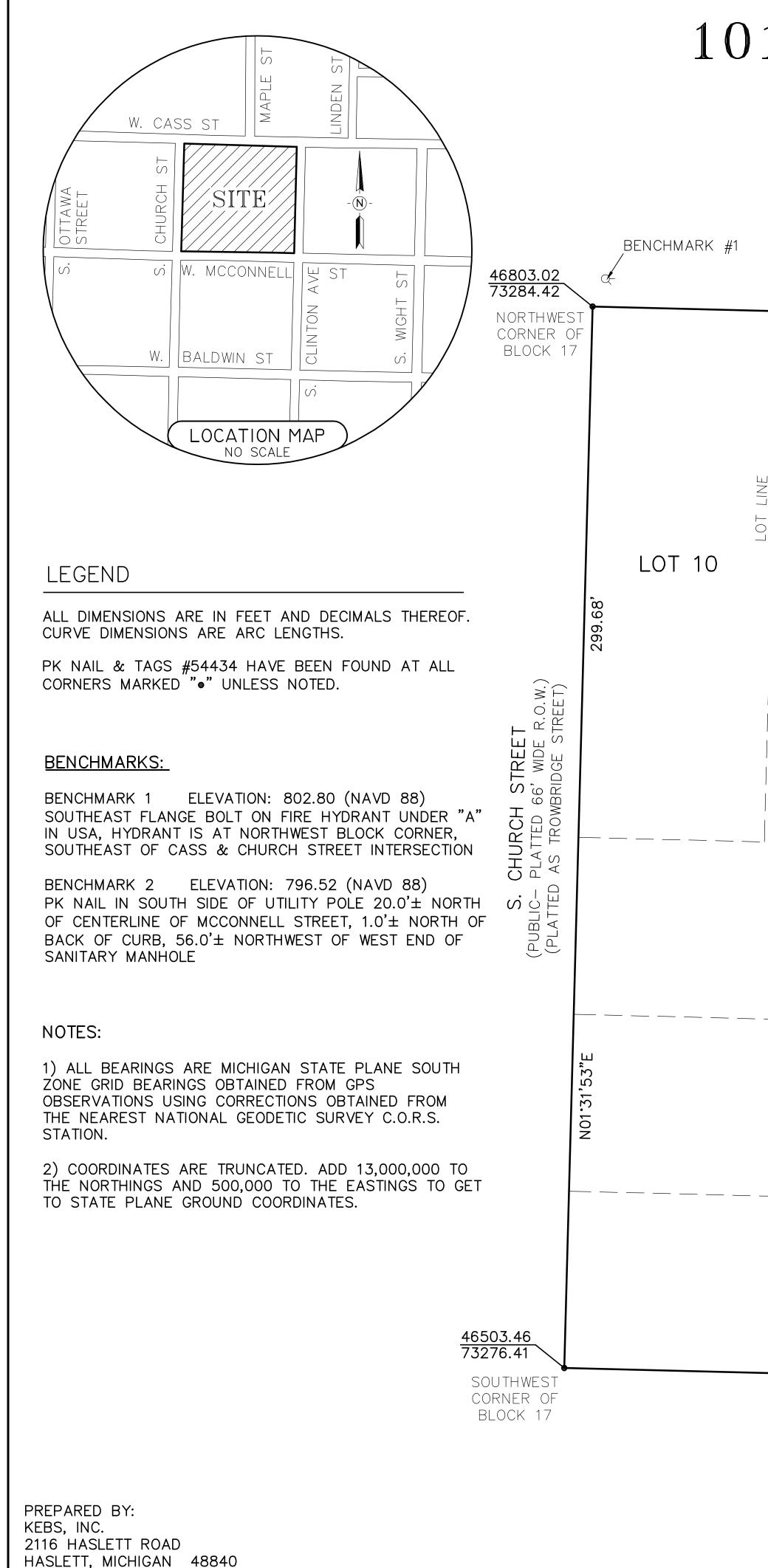


<u>Surveyor</u>

KEBS, Inc. 2116 Haslett Road Haslett, MI 48840 (517) 339-1014

<u>Developer</u> 101 W. Cass, LLC 503 Mall Court Lansing, MI 48912 (989) 640 - 6682

Proposed Date: February 1, 2023 COVER SHEET SHEET 1 OF 22

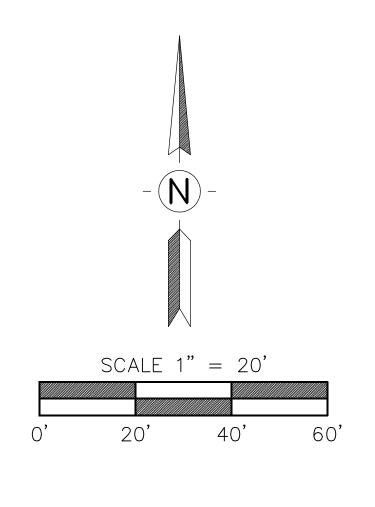


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# 101 W. CASS STREET CONDOMINIUMS

S88'34'59"E 314.83' LOT 11 LOT 12 LOT 3 LOT 2 LOT 1  $\pm 2.16$  ACRES LOT LINE LOT LINE LOT 9 LOT 4 LOT LINE LOT LINE LOT 8 LOT 5 LOT LINE LOT LINE LOT 7 LOT 6 N88'34'44"W 314.89' W. MCCONNELL STREET SOUTHEAST (PUBLIC- PLATTED 66' WIDE R.O.W.) CORNER OF BENCHMARK #2 BLOCK 17

W. CASS STREET (PUBLIC- PLATTED 66' WIDE R.O.W.)



<u>46795.24</u> 73599.16 NORTHEAST CORNER OF

BLOCK 17

(.O.W.) [ET]

VENUE WIDE R. RT STREE

66°

CLINTON - PLATTED ( FED AS STEV

ATTI ATTI

46495.65

/73591.20

BAR & CAP

#54434

(PUBL (PL/

I, DANE B. PASCOE, PROFESSIONAL SURVEYOR OF THE STATE OF MICHIGAN, HEREBY CERTIFY:

THAT THE SUBDIVISION PLAN KNOWN AS CLINTON COUNTY CONDOMINIUM PLAN NO.\_\_\_\_, 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 HAVE BEEN LOCATED IN THE GROUND AS REQUIRED BY RULES PROMULGATED UNDER SECTION 142 OF ACT NO. 59 OF THE PUBLIC ACTS OF 1978 AS AMENDED

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 AS AMENDED.

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 AS AMENDED.

DATE:

DANE B. PASCOE PROFESSIONAL SURVEYOR NO. 54434 KEBS INC. 2116 HASLETT ROAD HASLETT, MICHIGAN 48840

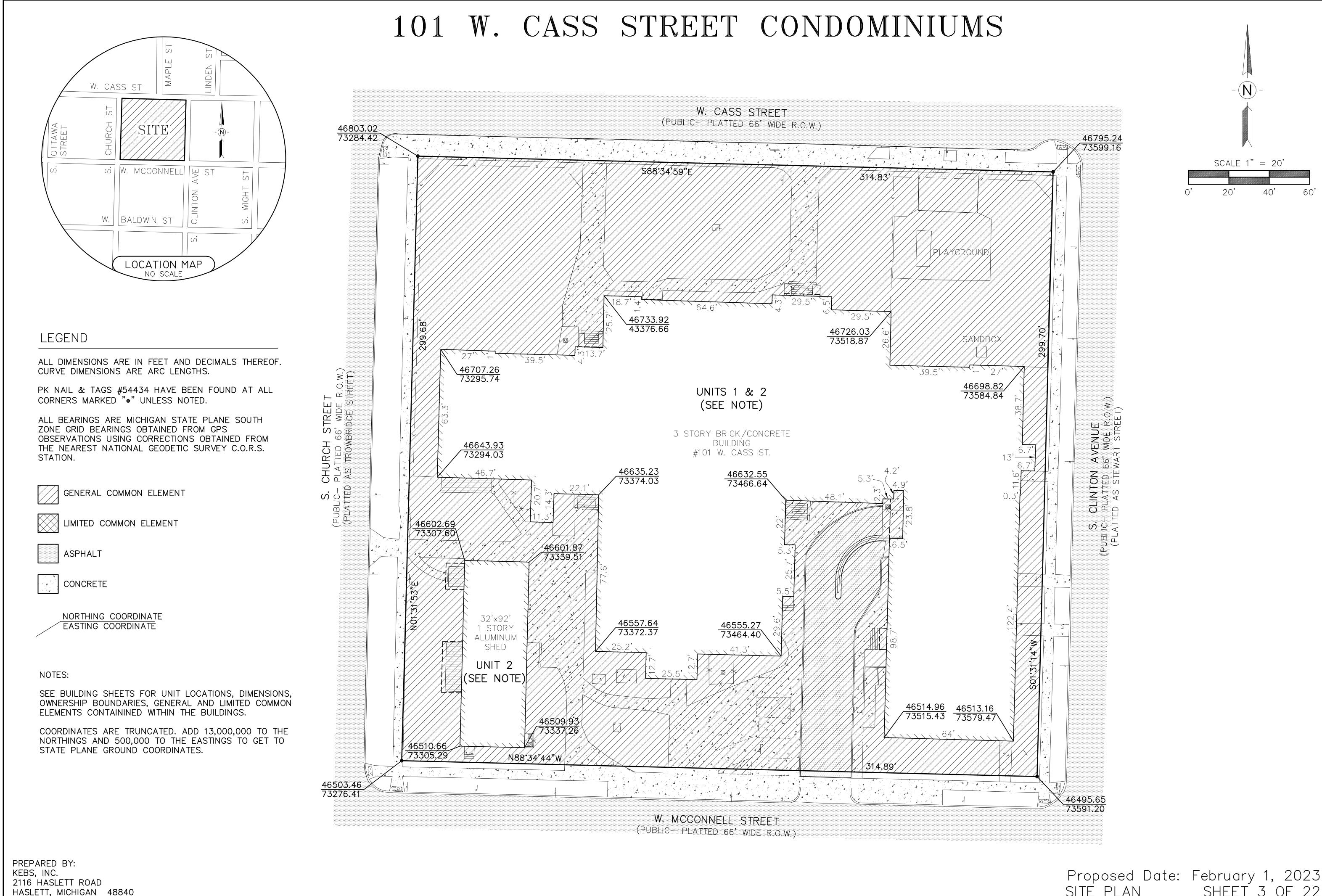
EASEMENTS FROM WESTCOR LAND TITLE INSURANCE COMMITMENT NO. 2020-1556, DATED 03/09/2021 SCHEDULE B I- PART II:

ITEM 2: EASEMENT AS RECORDED IN BOOK 901, PAGE 374, DOES NOT CROSS THE SUBJECT PARCEL AND THEREFORE IS NOT SHOWN HEREON.

ITEM 3: AGREEMENT AS RECORDED IN BOOK 758, PAGE 525, DOES NOT CROSS THE SUBJECT PARCEL AND THEREFORE IS NOT SHOWN HEREON.

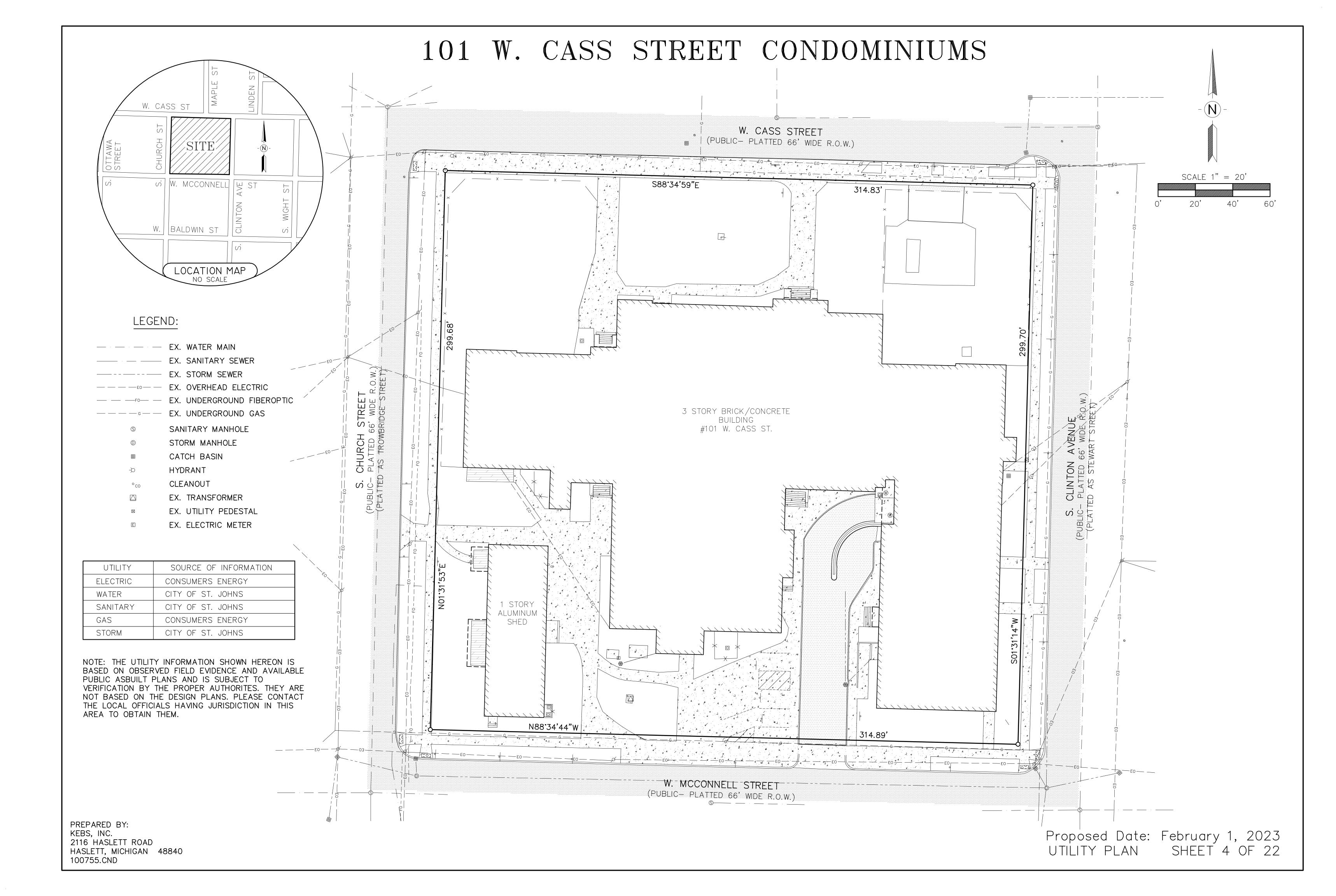
ITEM 4: AFFADAVIT AS RECORDED IN BOOK 150, PAGE 251, DOES NOT CROSS THE SUBJECT PARCEL AND THEREFORE IS NOT SHOWN HEREON.

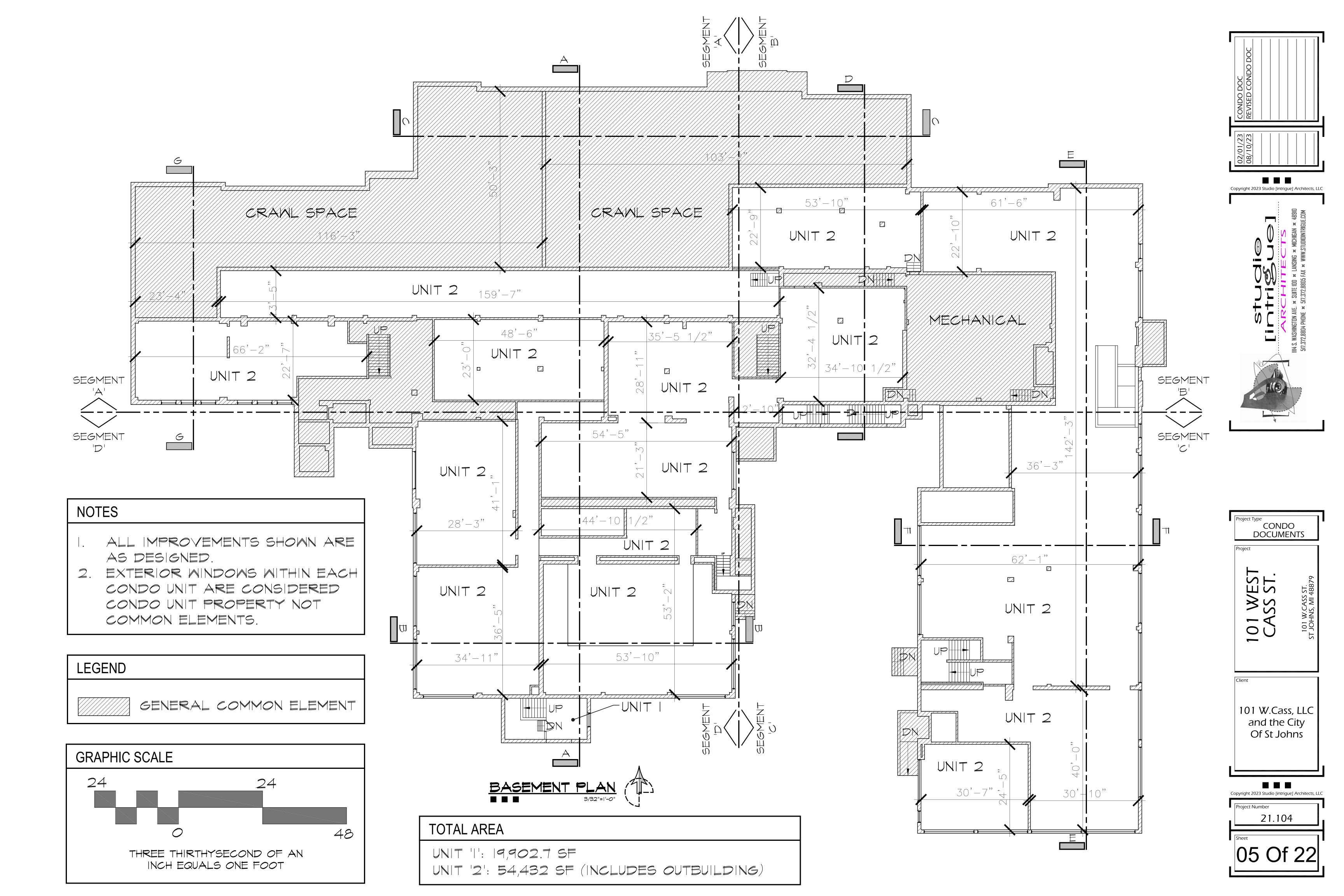
### Proposed Date: February 1, 2023 SHEET 2 OF 22 SURVEY PLAN

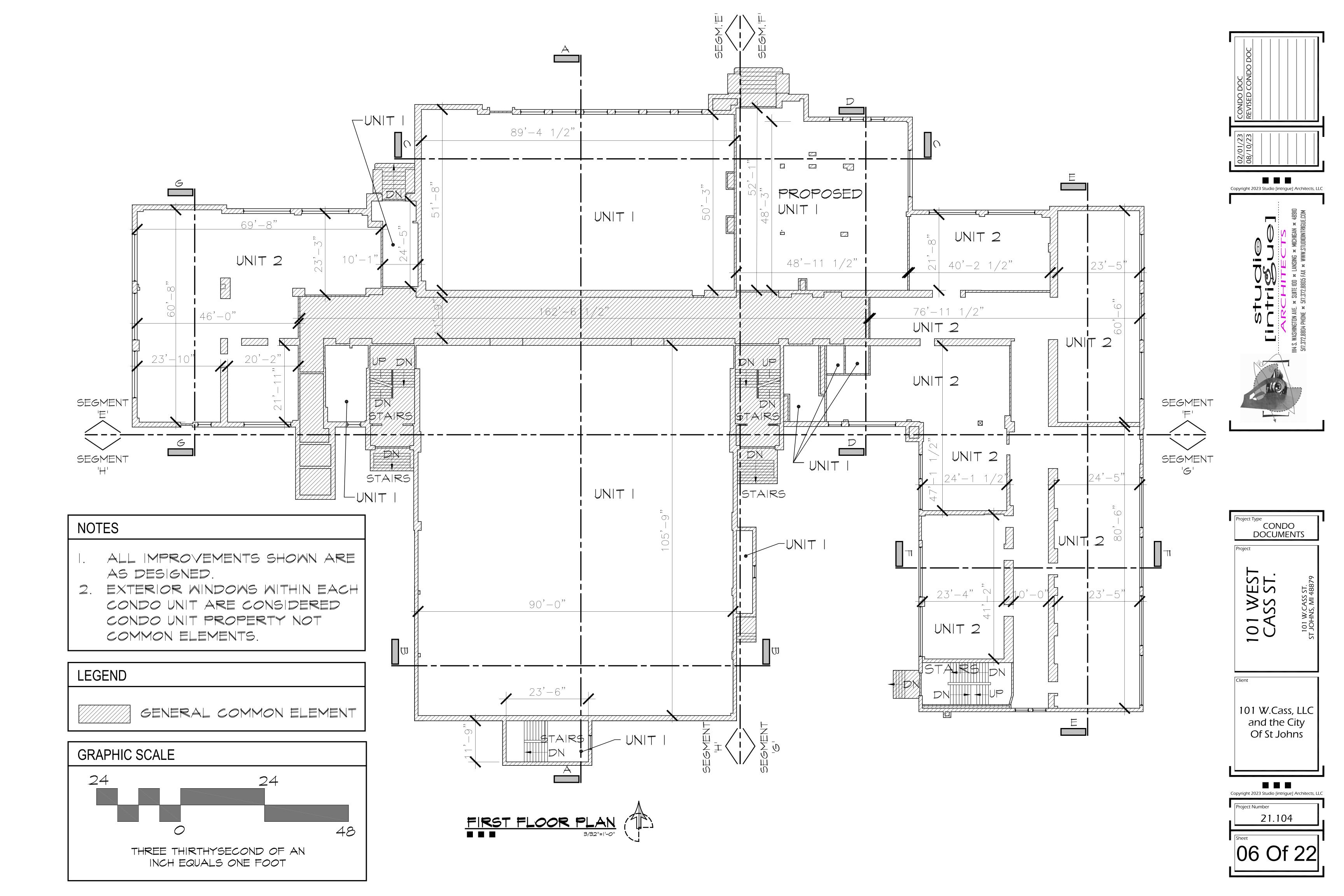


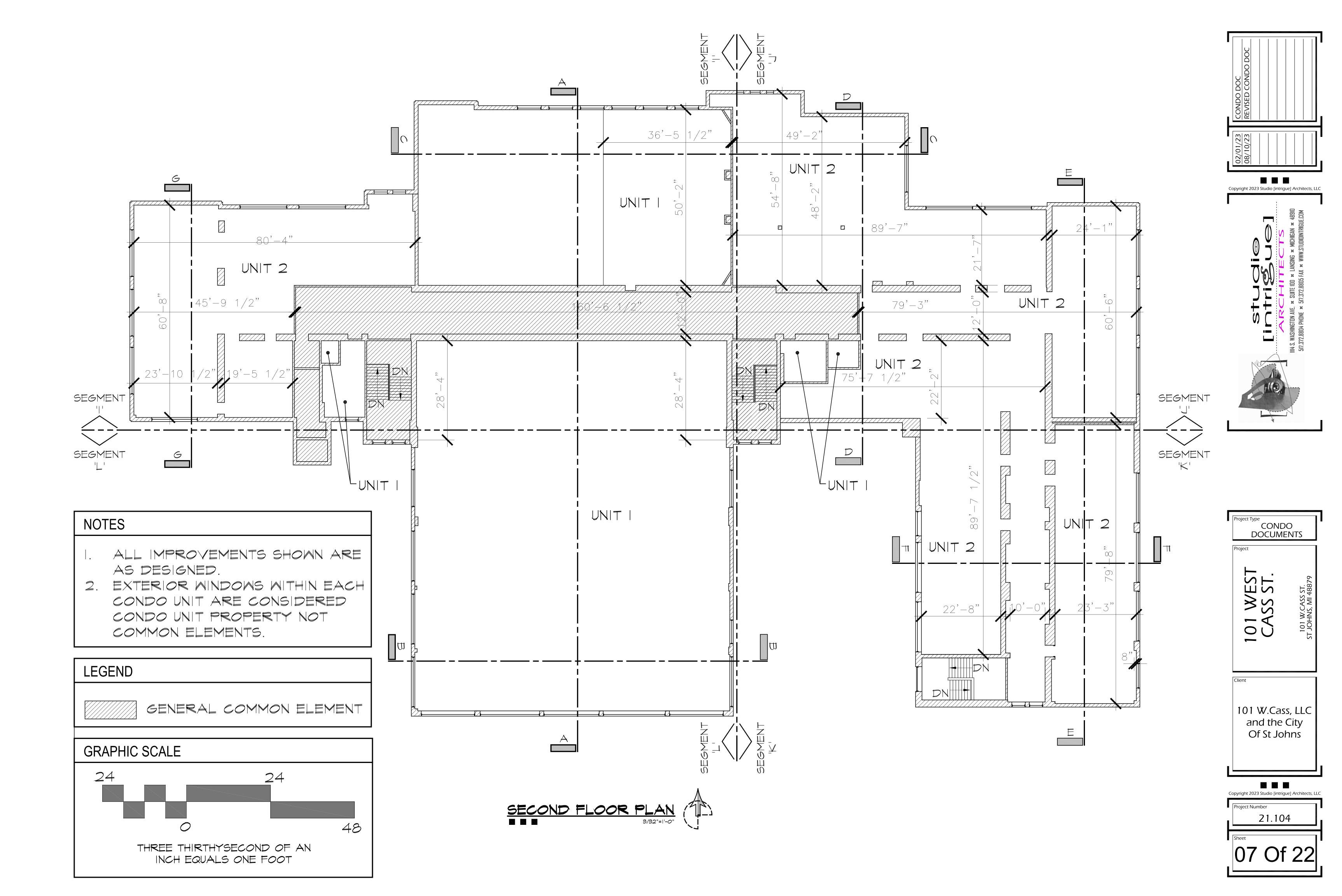
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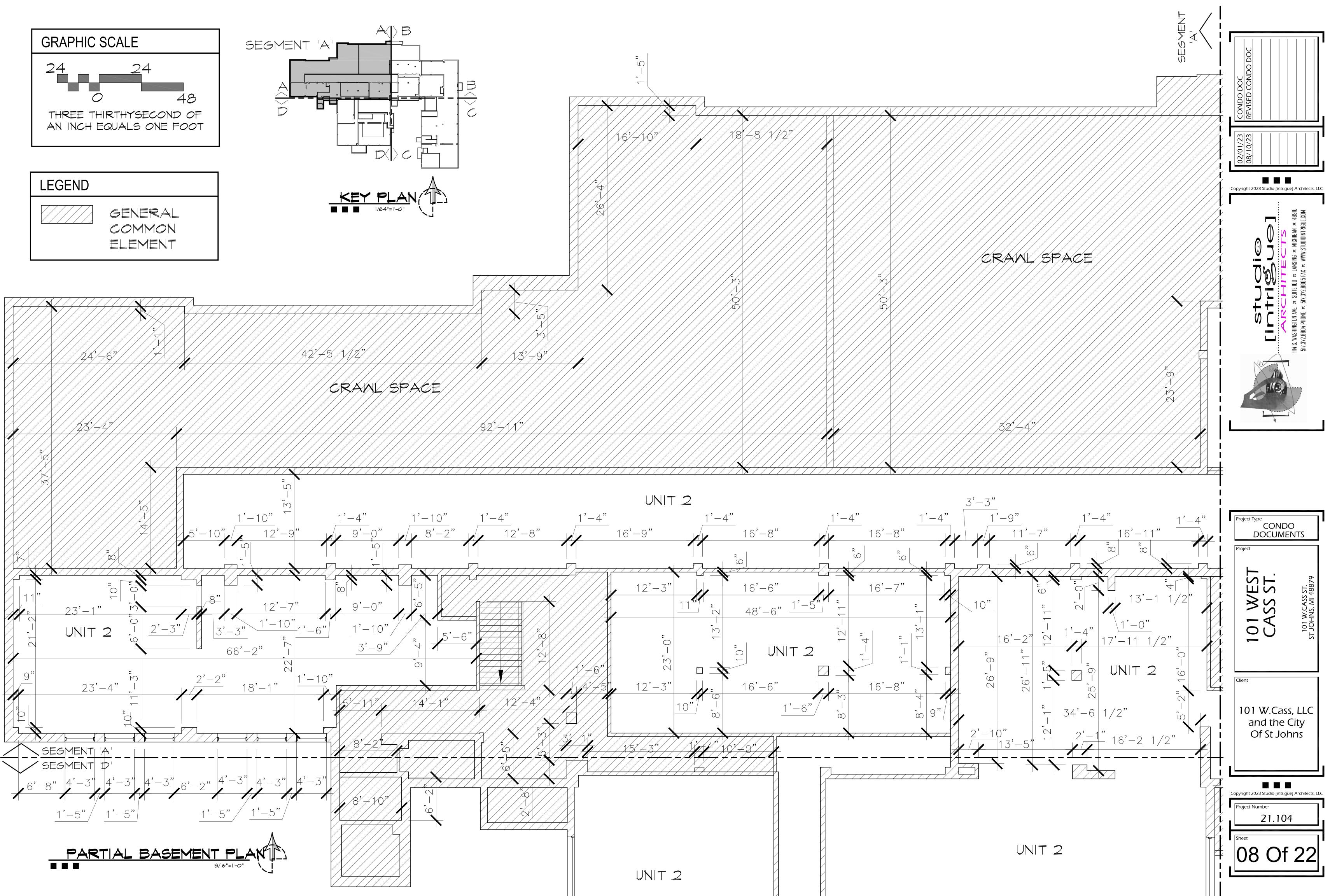
Proposed Date: February 1, 2023 SITE PLAN SHEET 3 OF 22

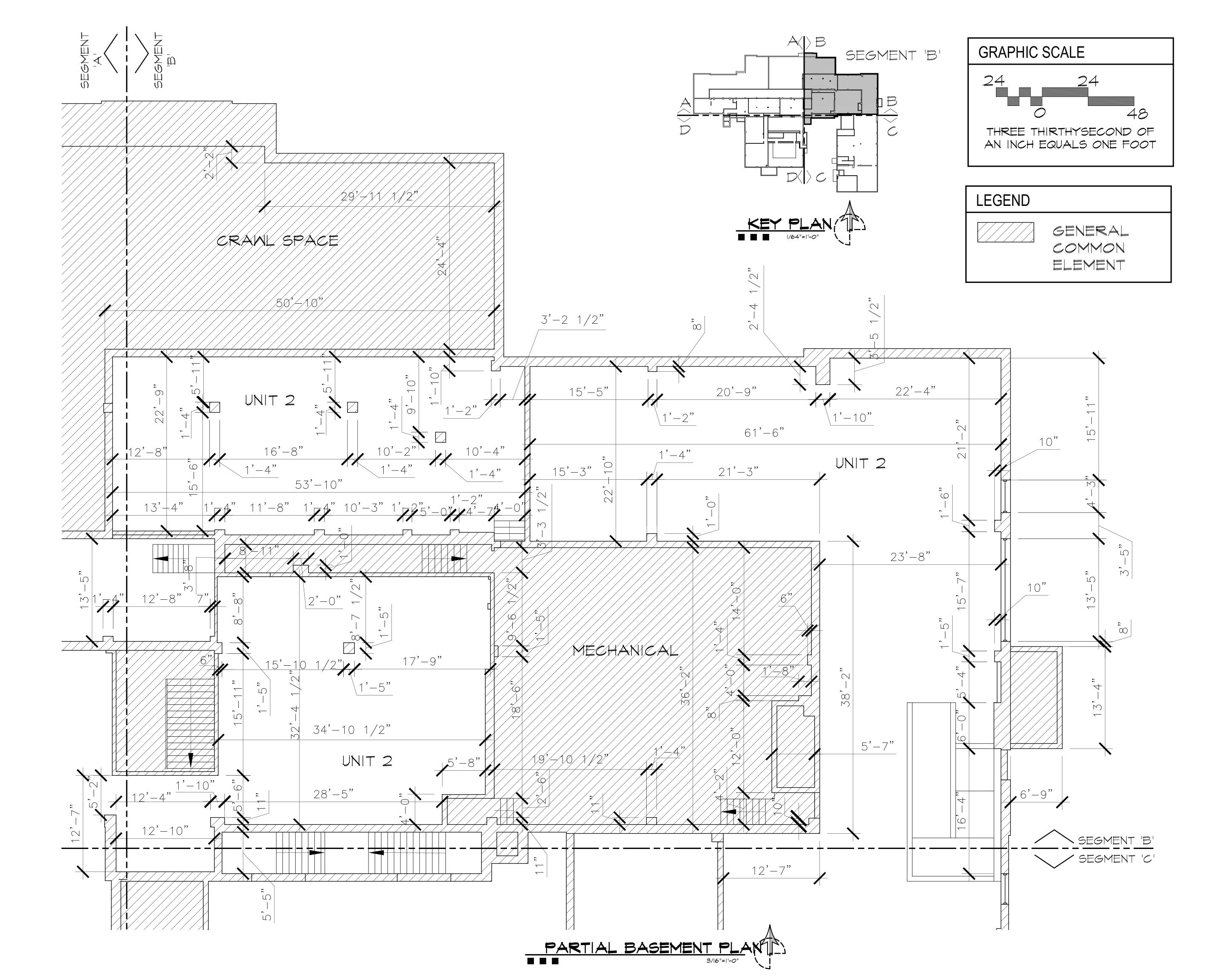


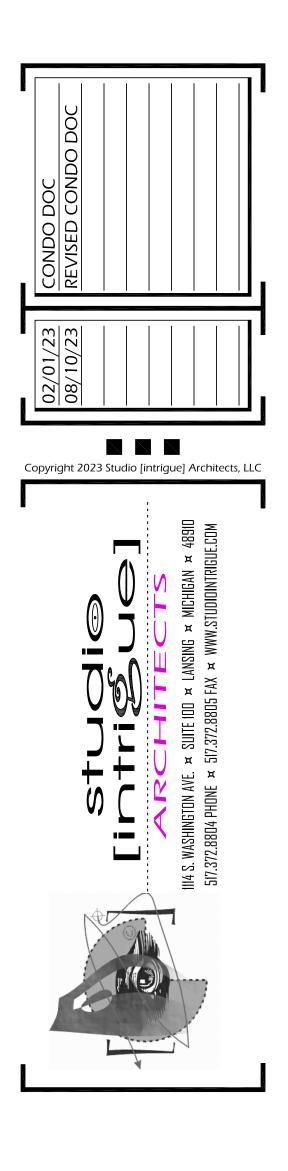


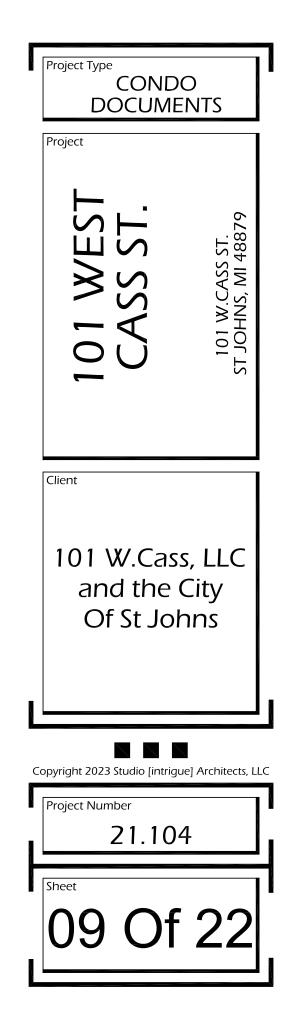


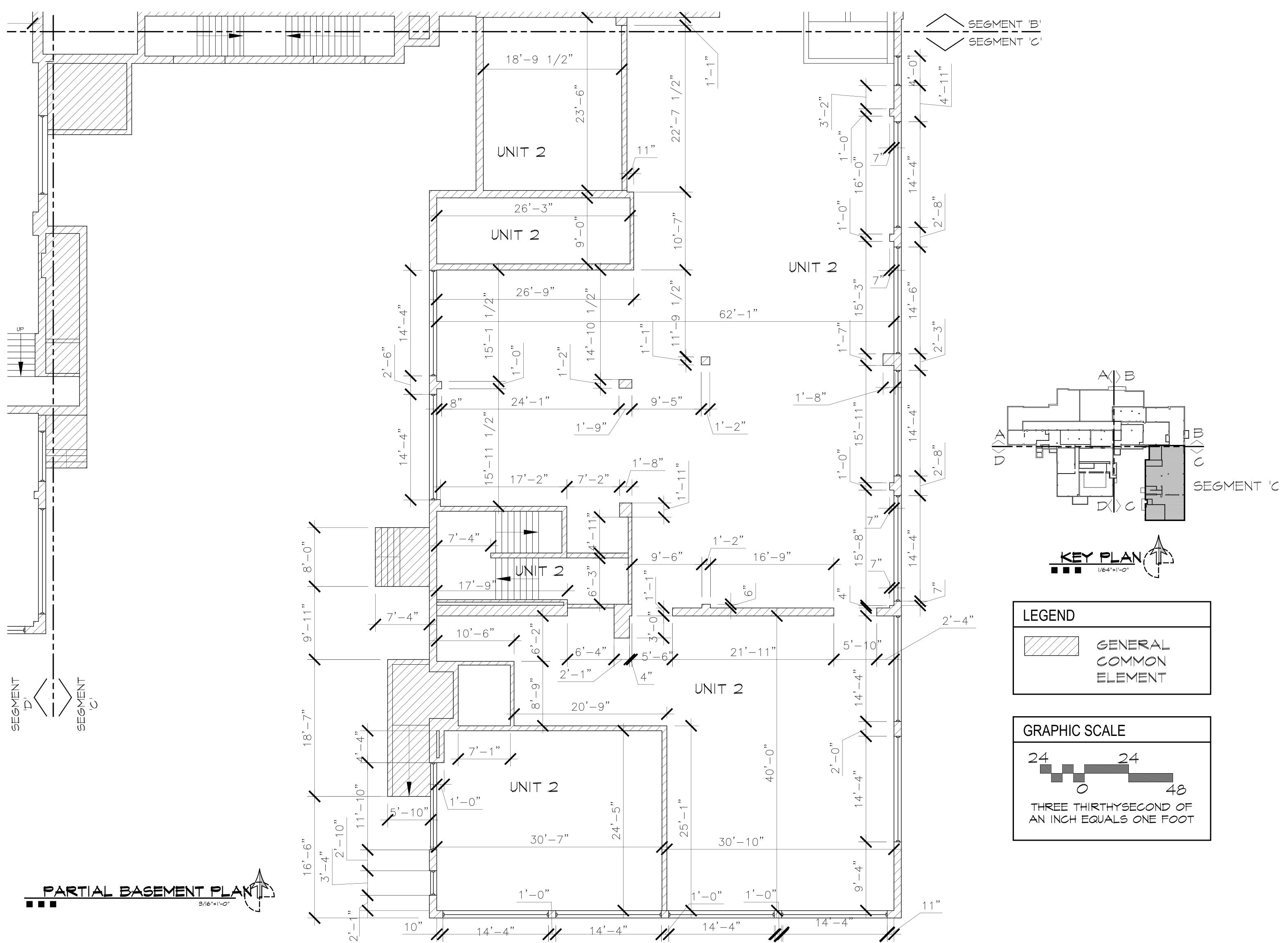


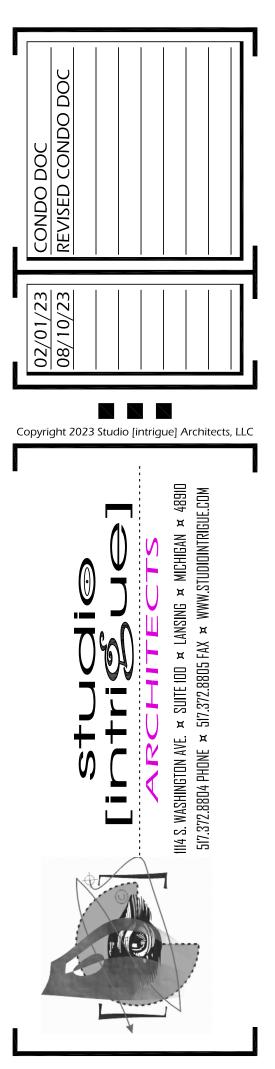


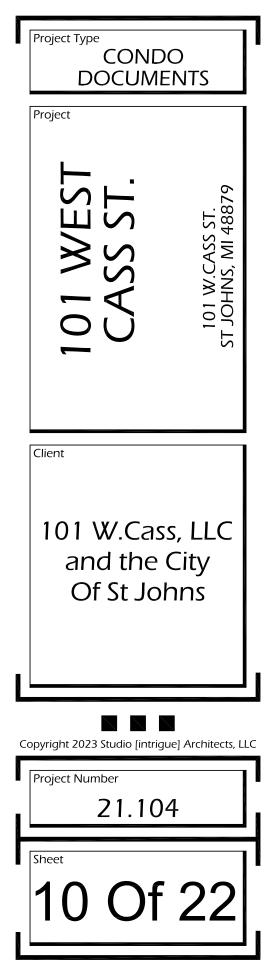


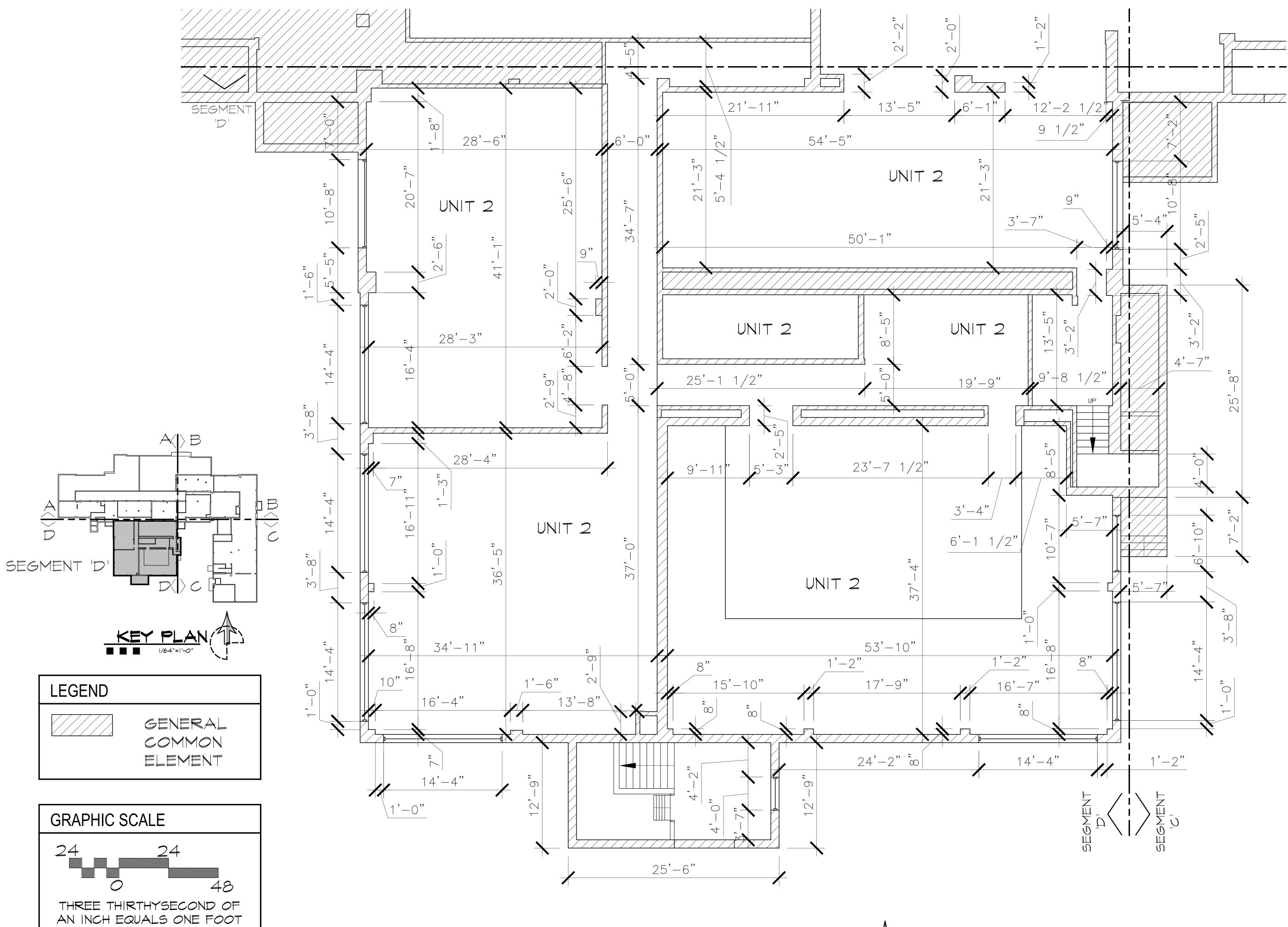




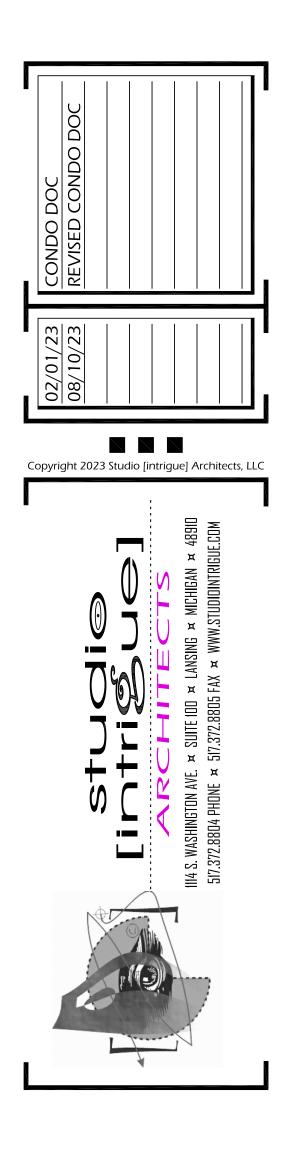


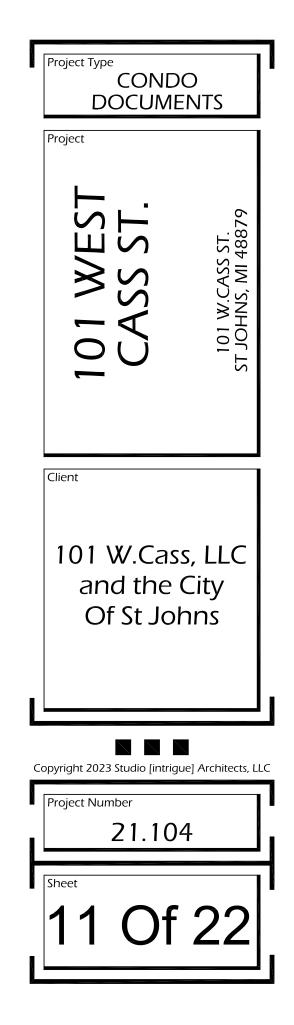


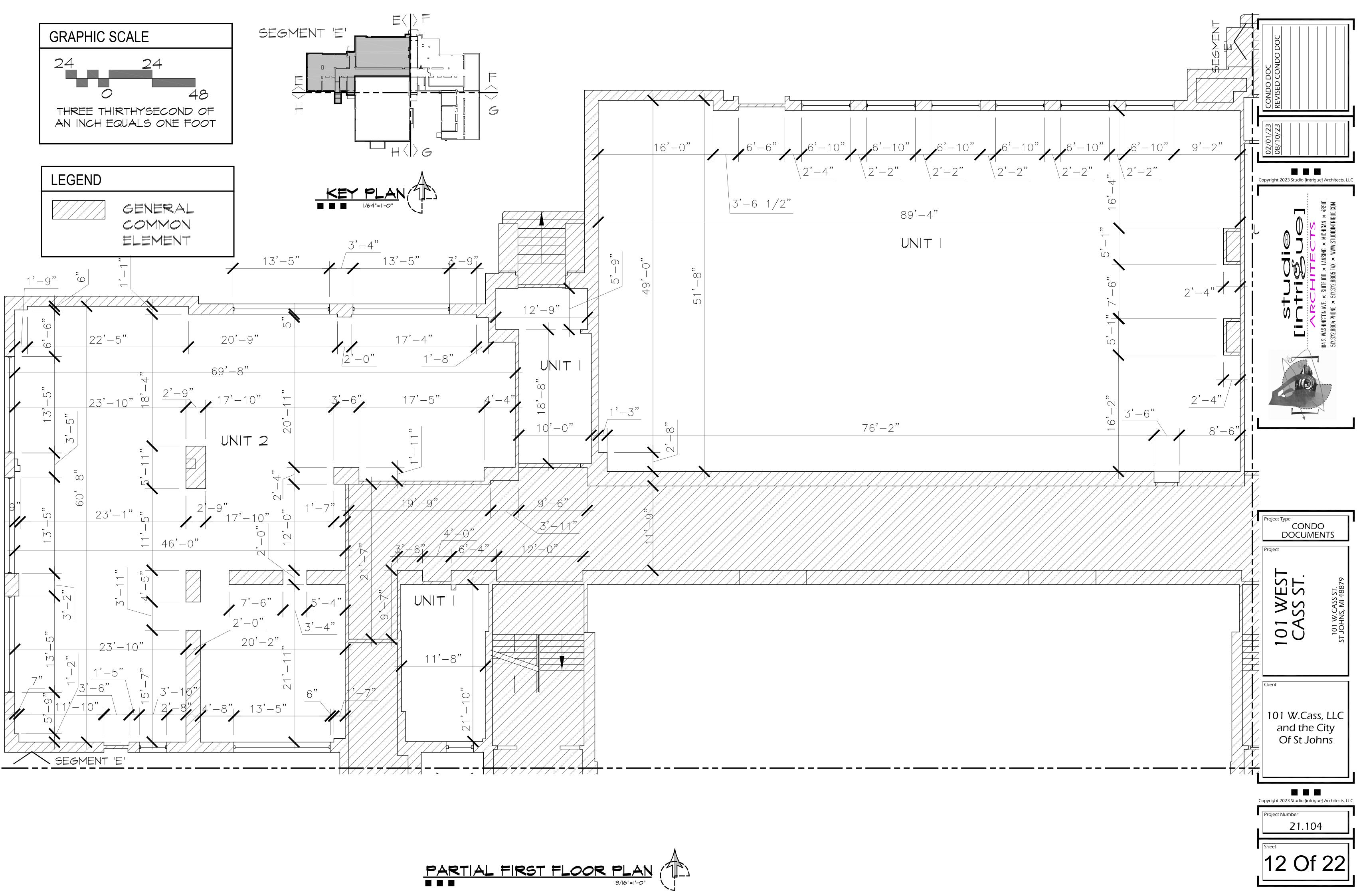




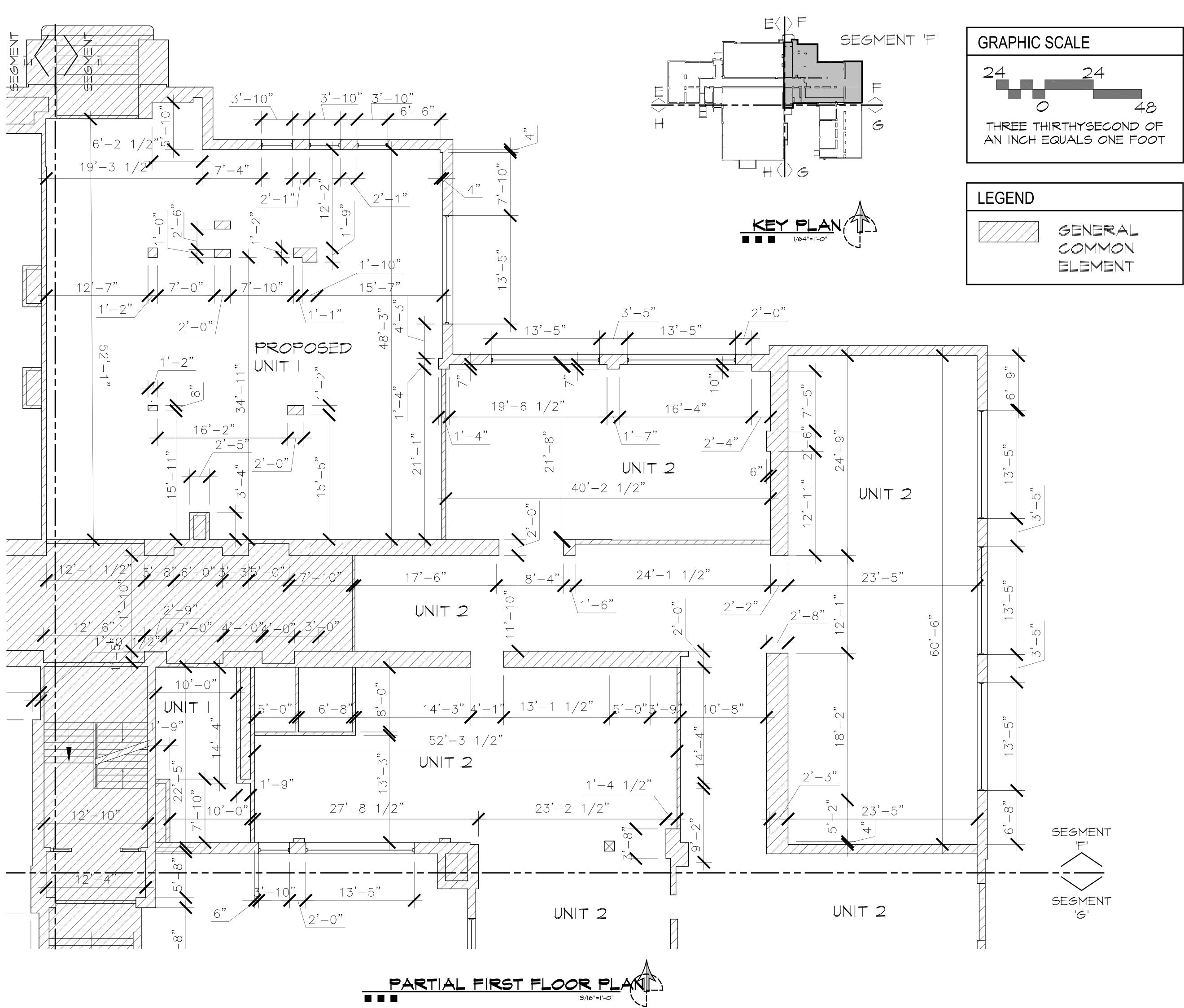


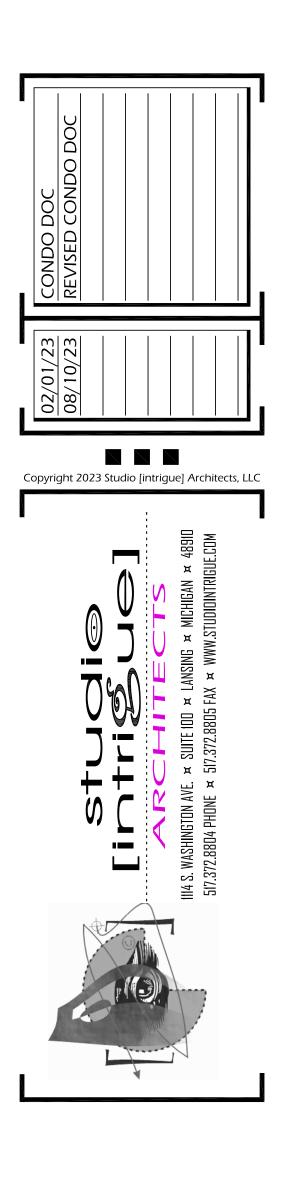


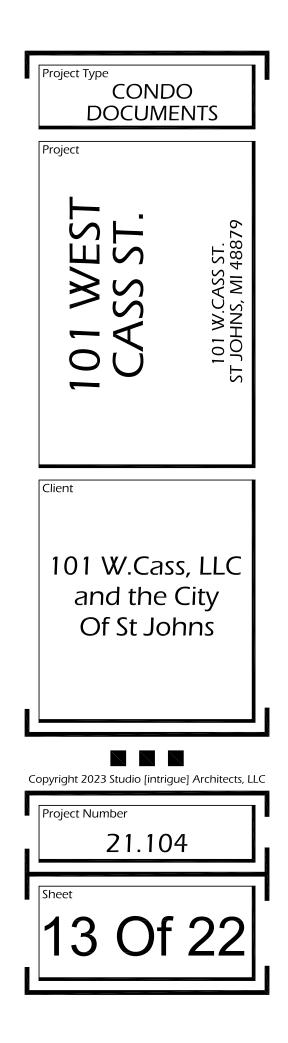


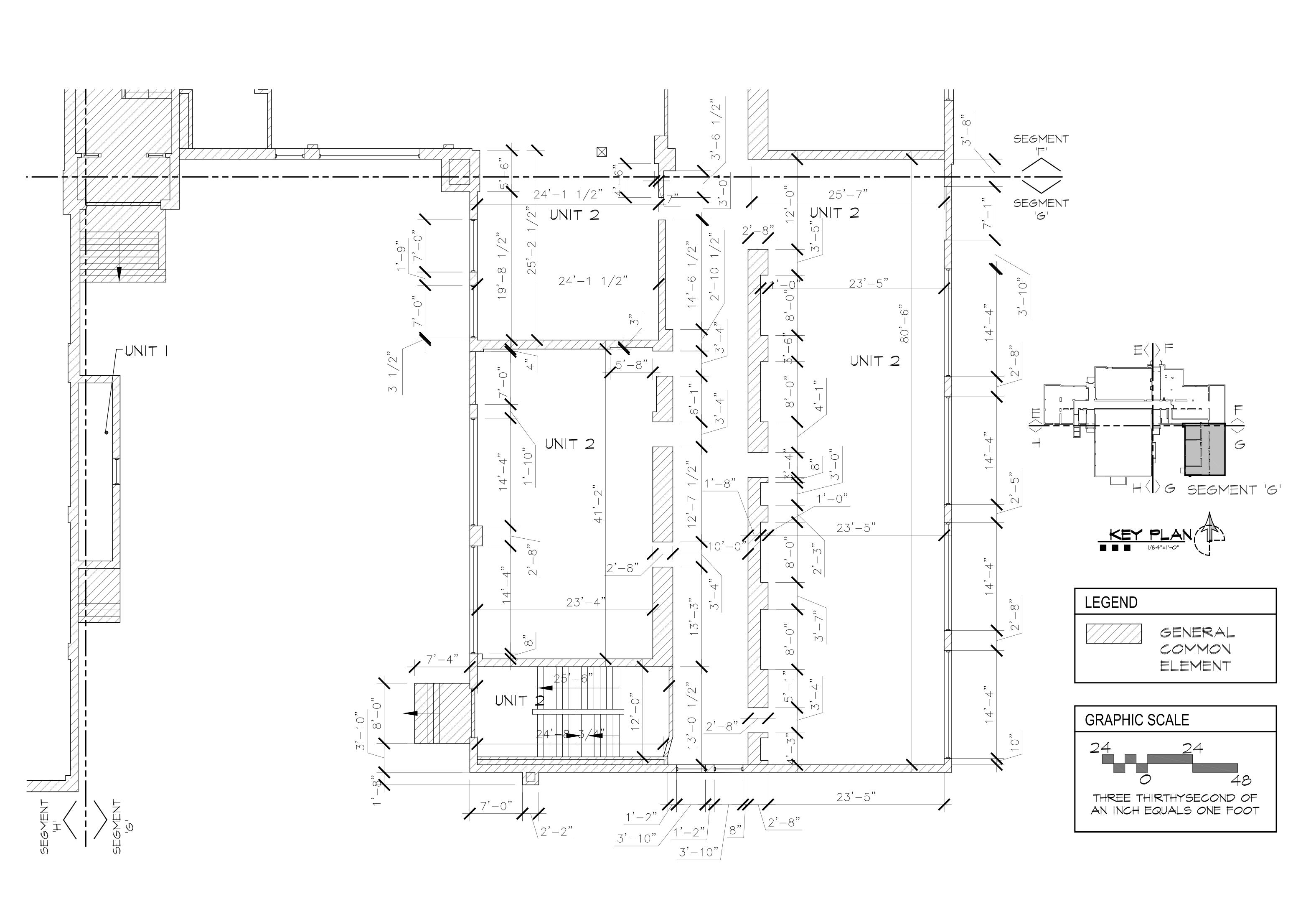




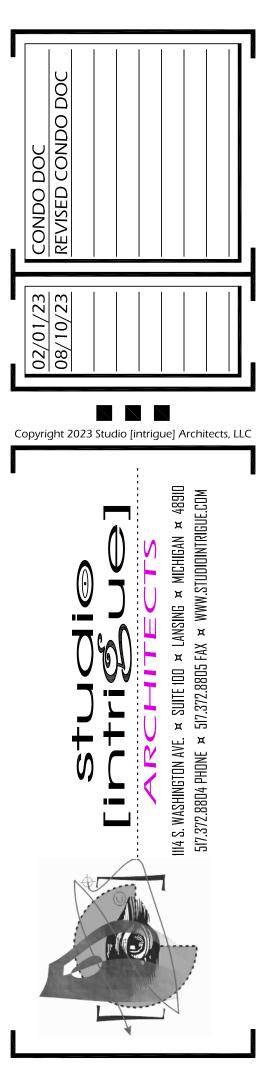


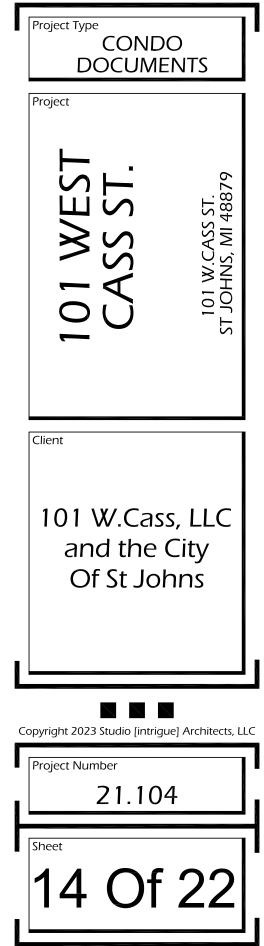


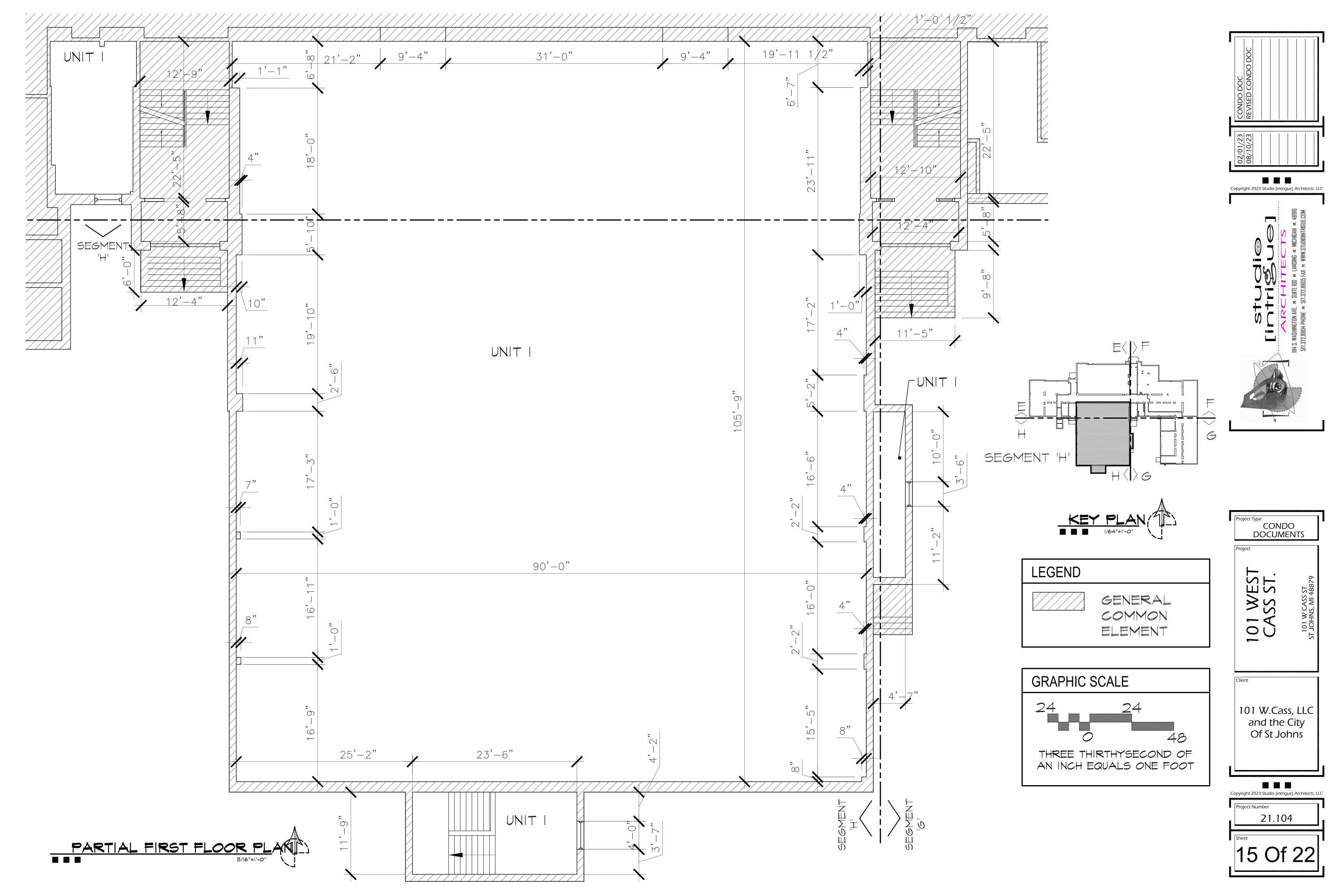


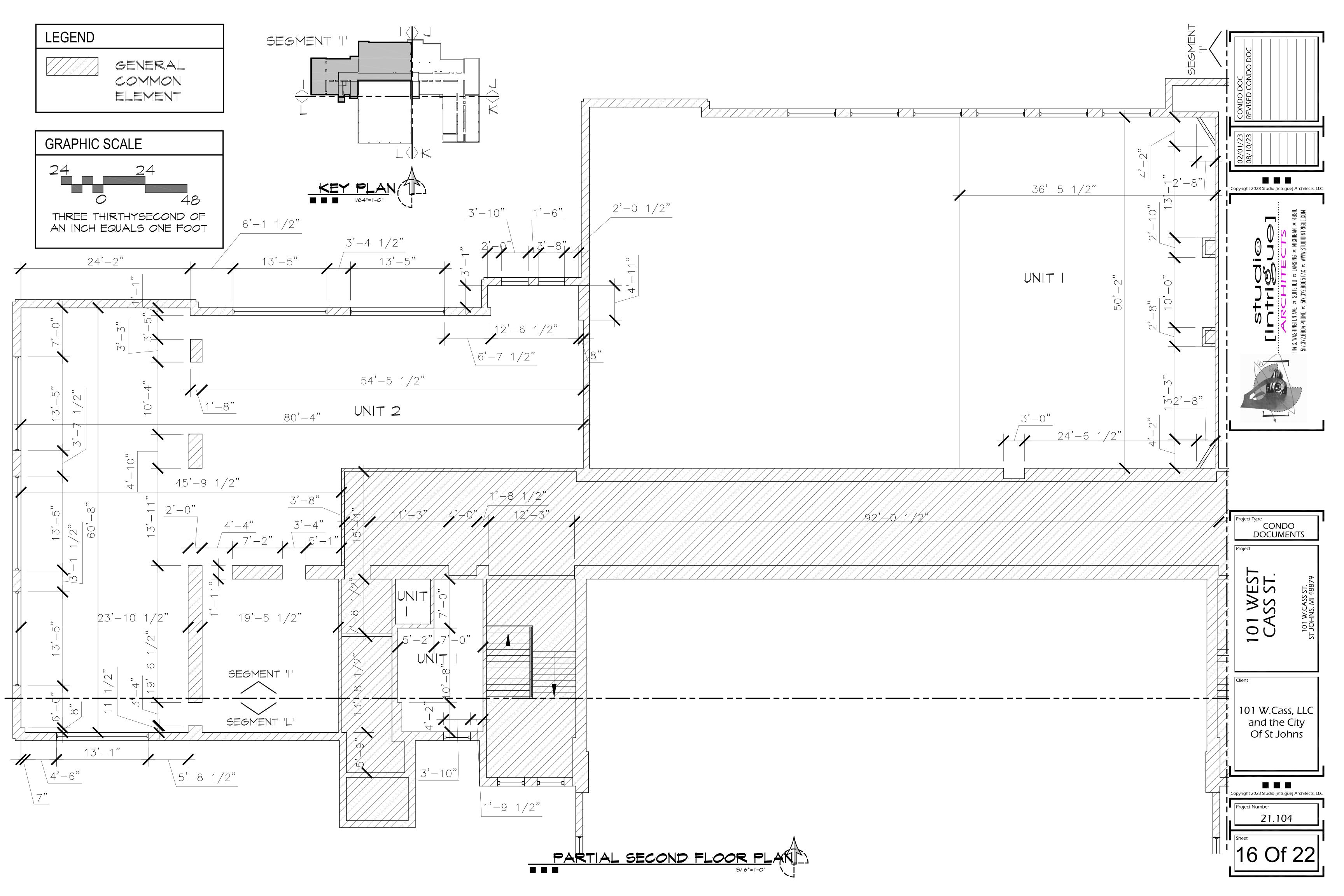


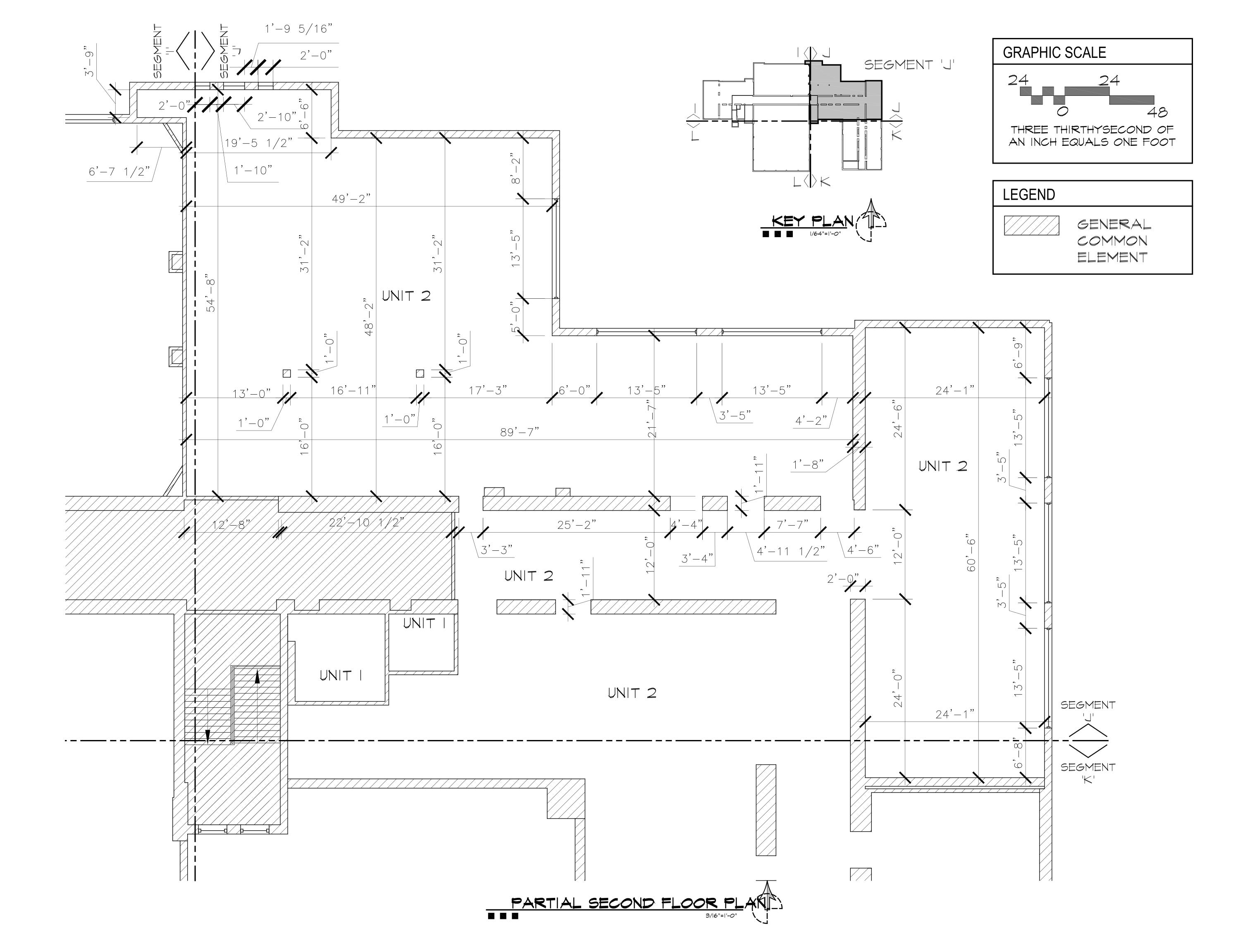


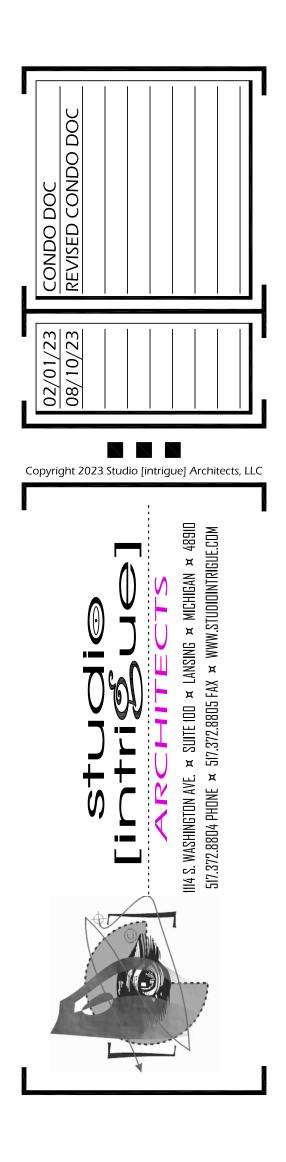


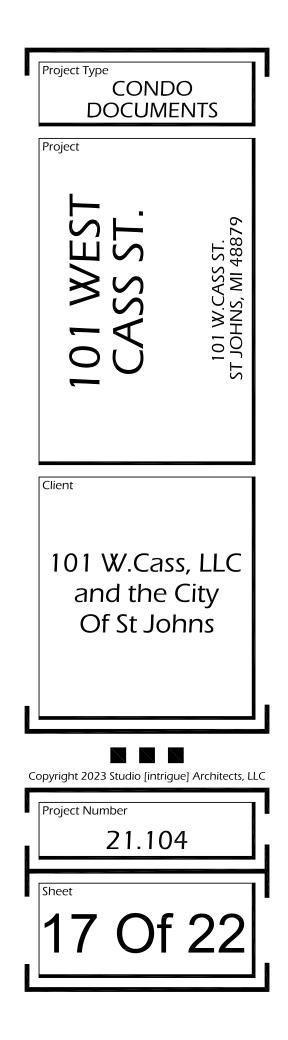


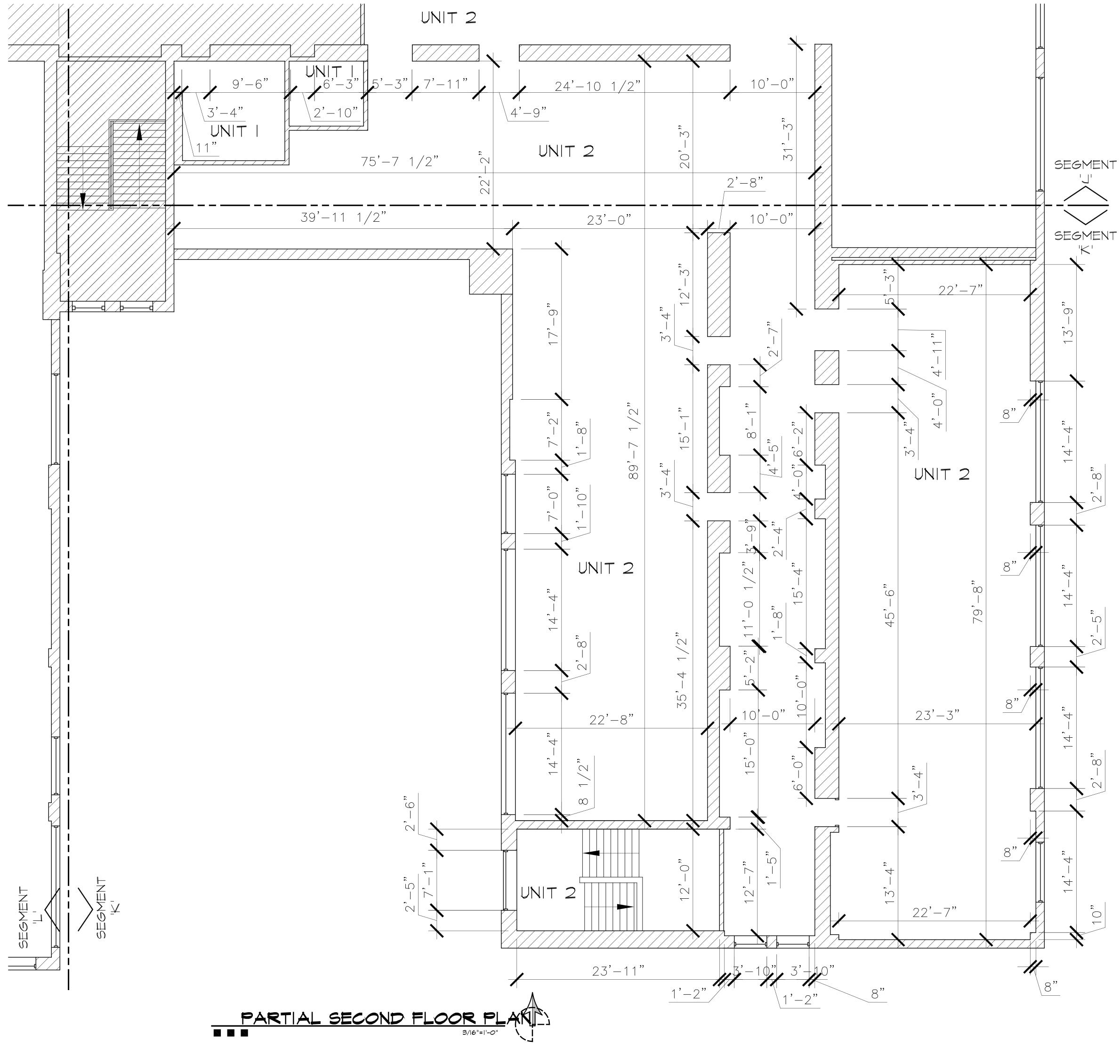


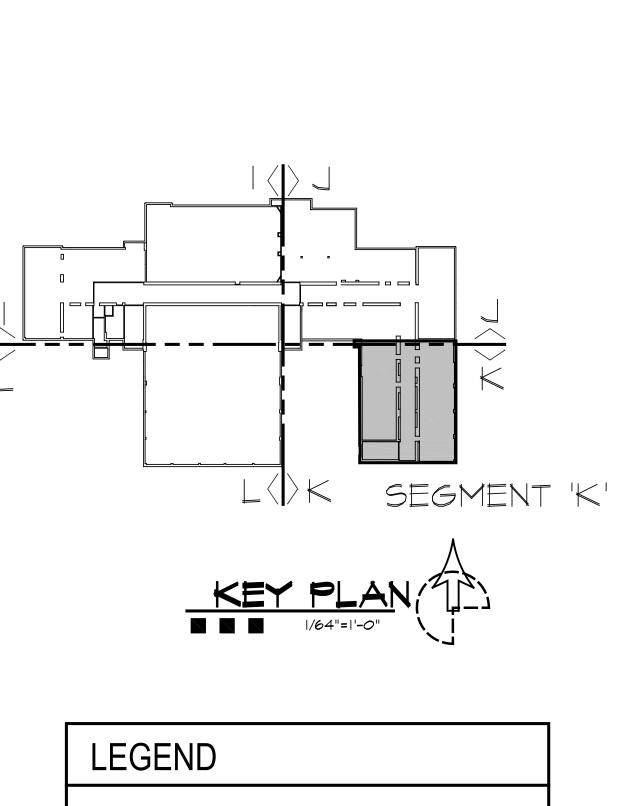


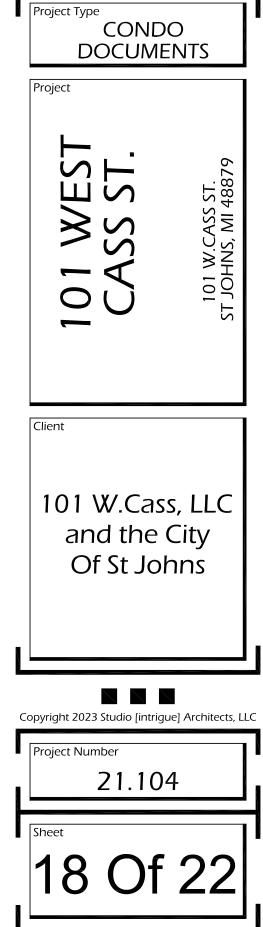


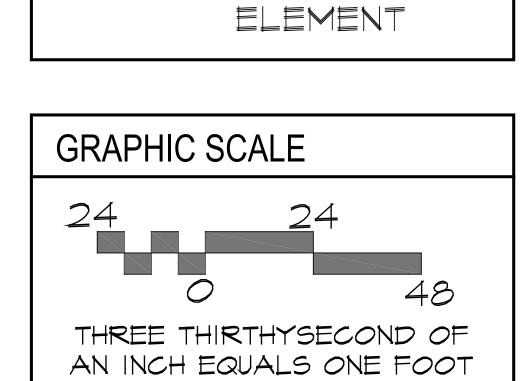






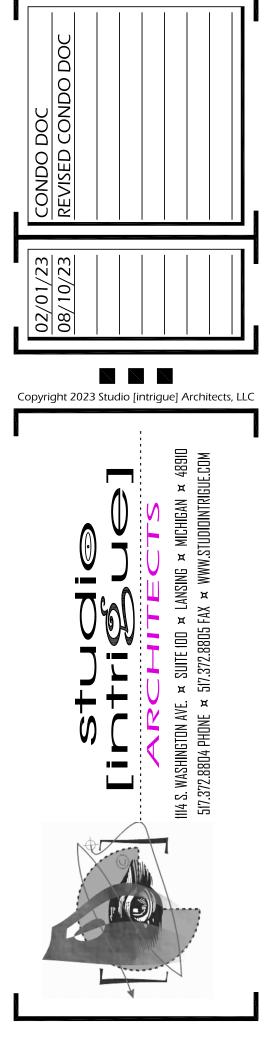


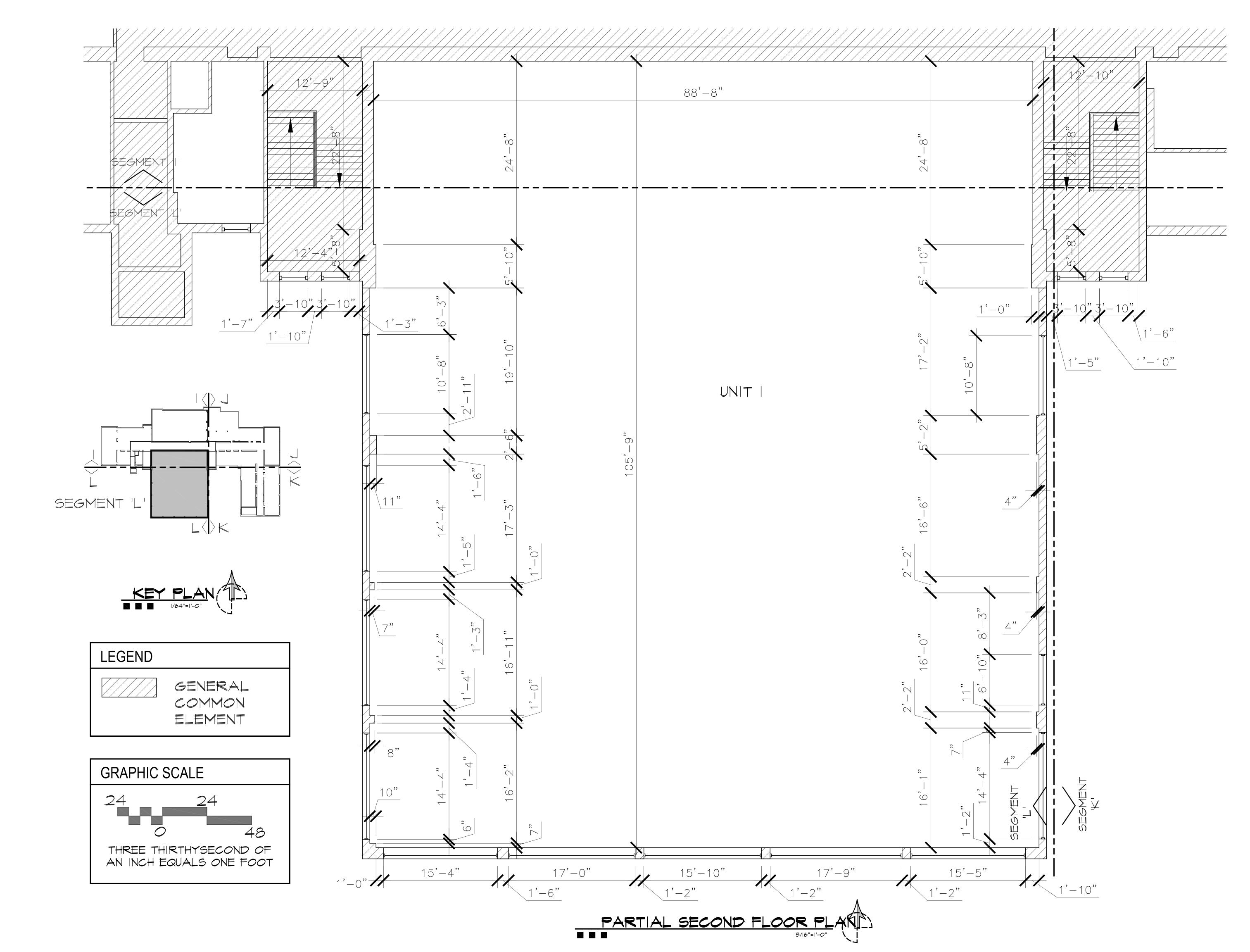


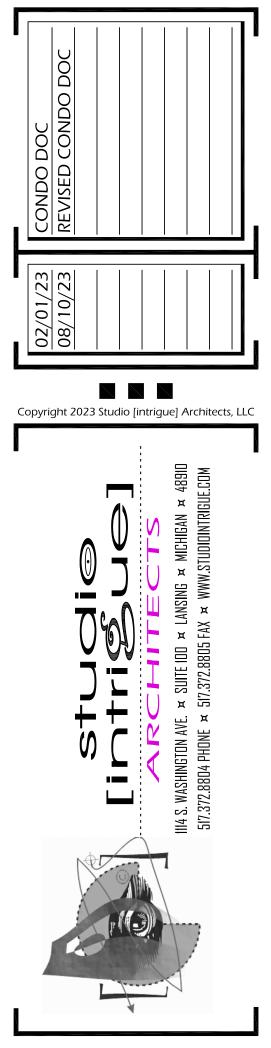


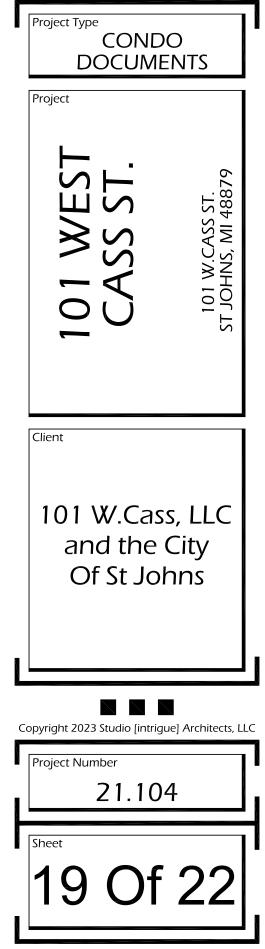
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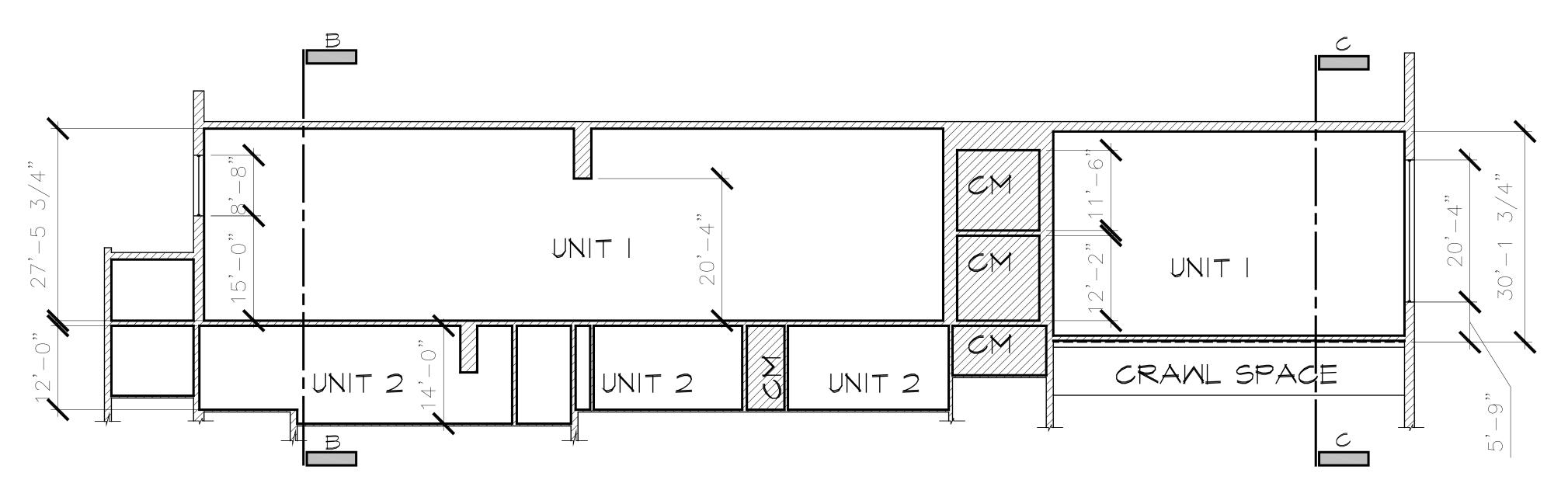
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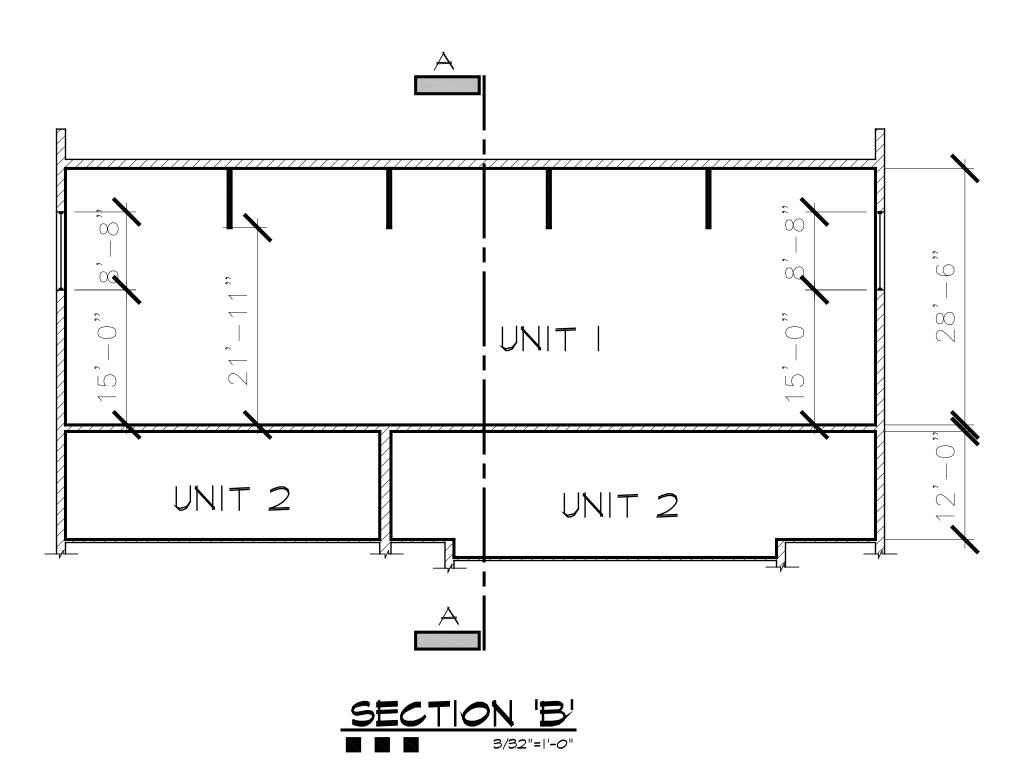


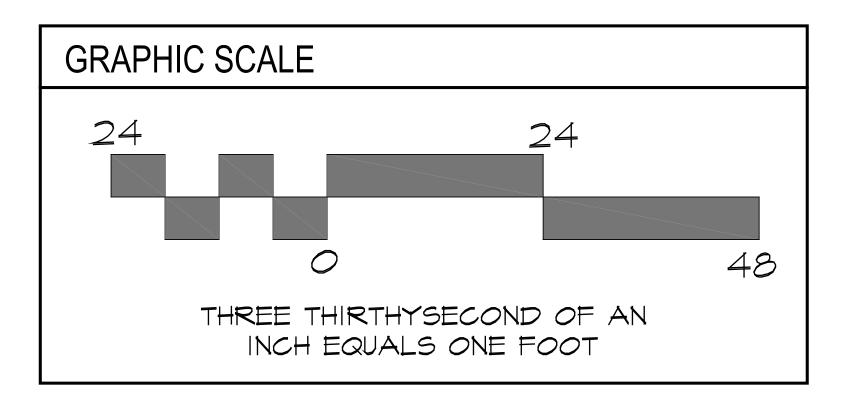




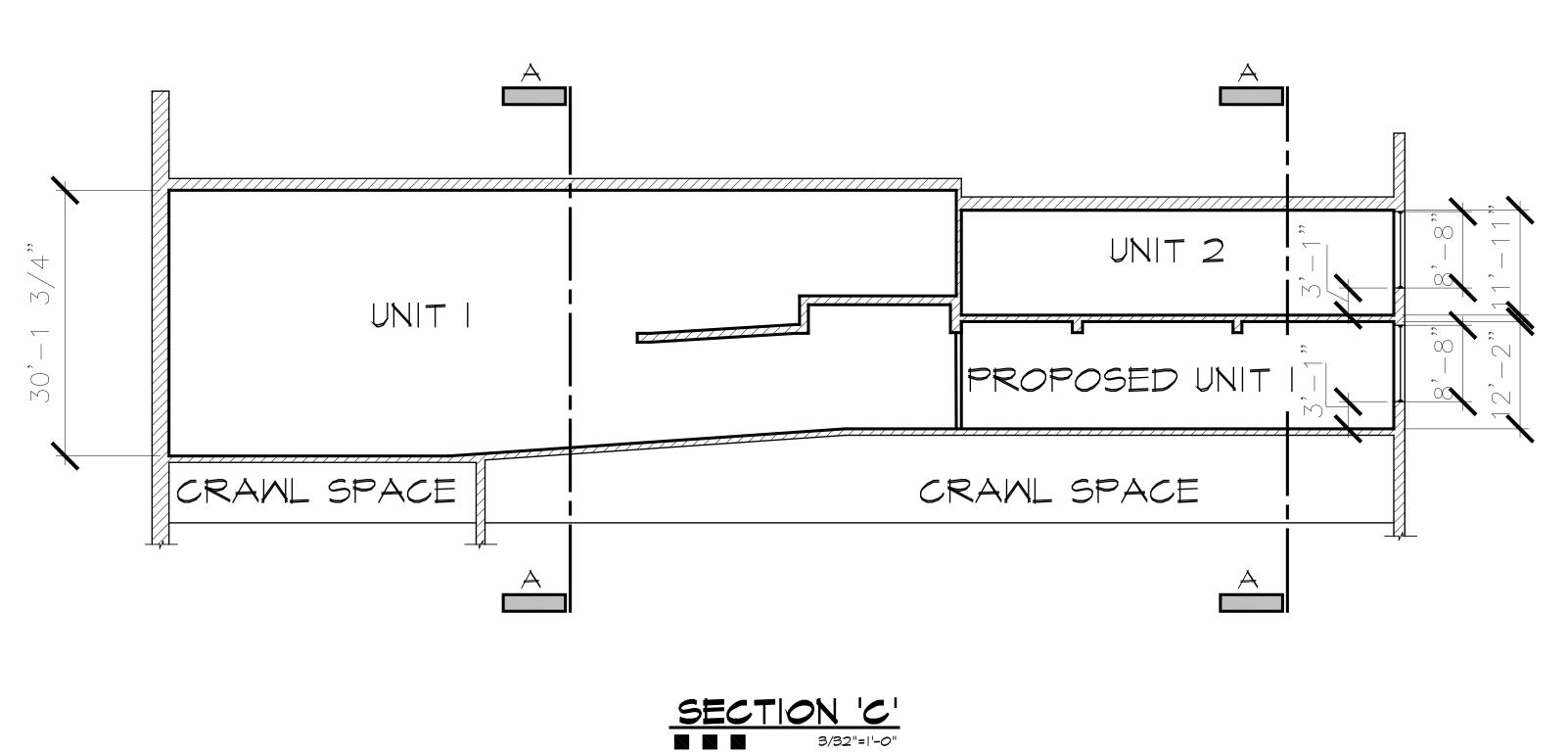


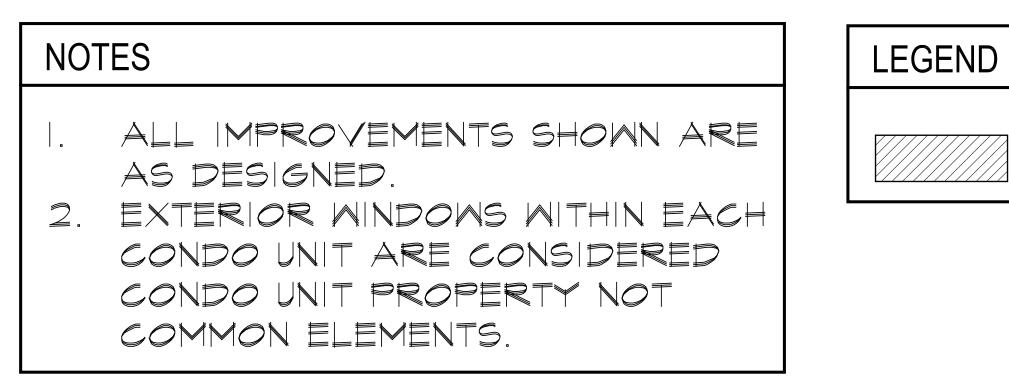


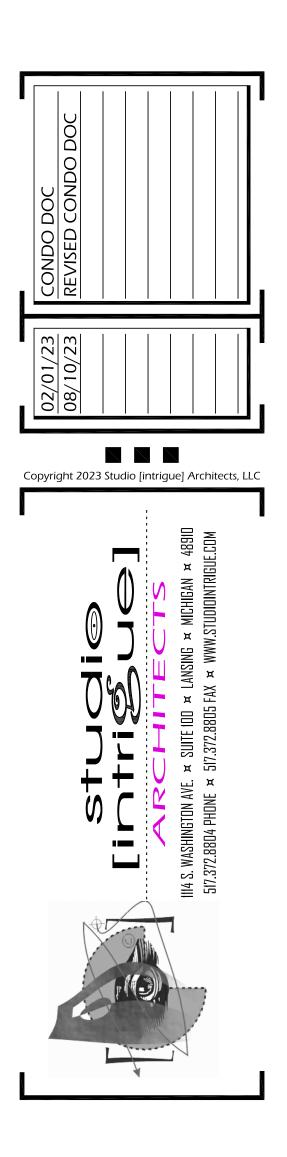


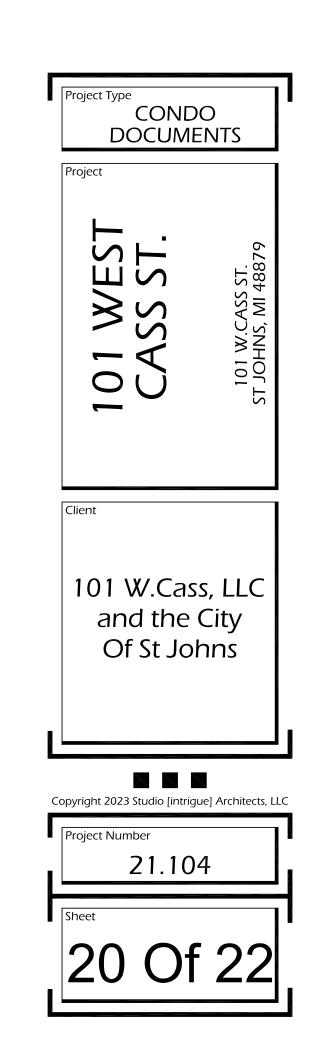




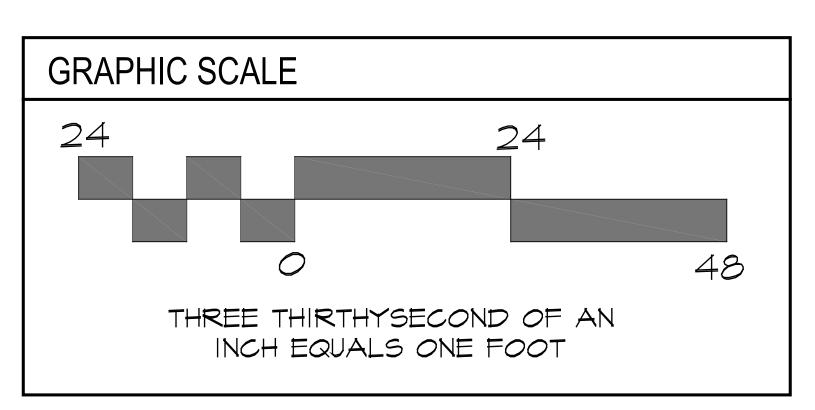




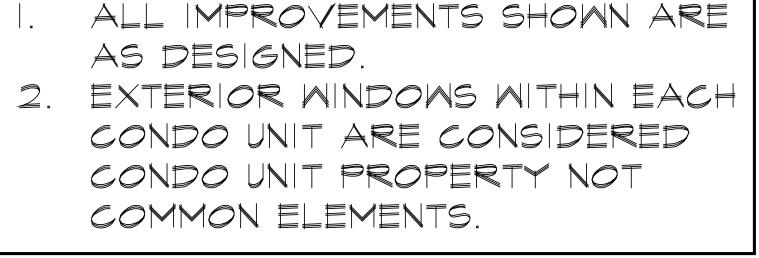


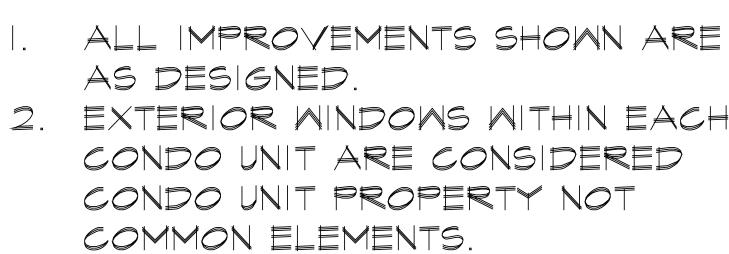


GENERAL COMMON ELEMENT

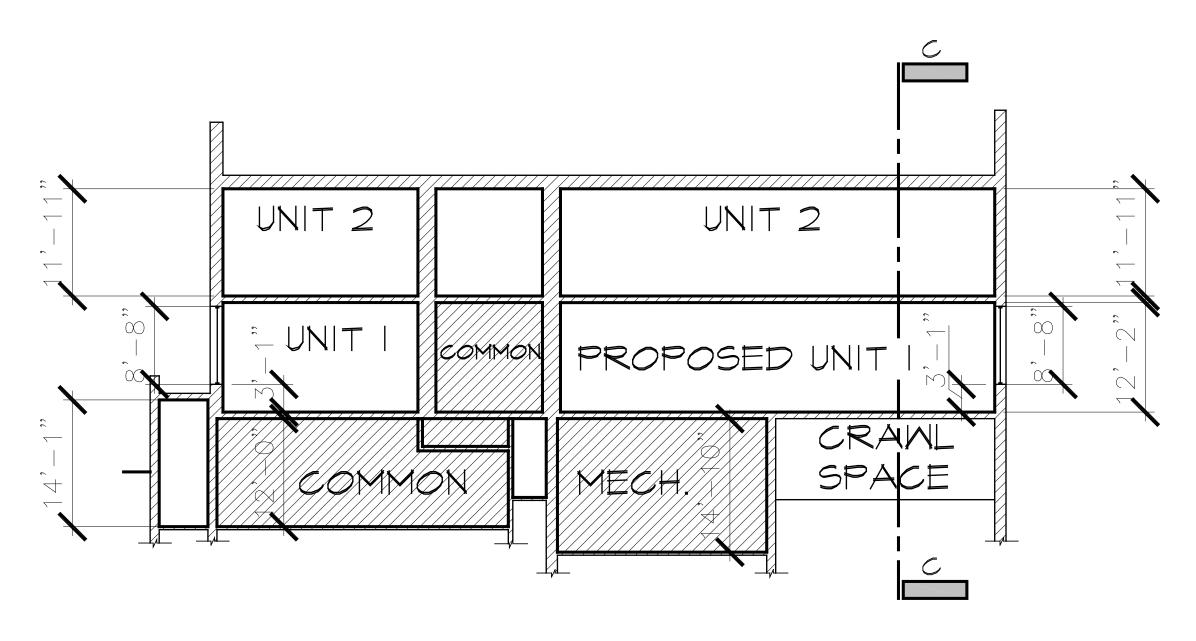




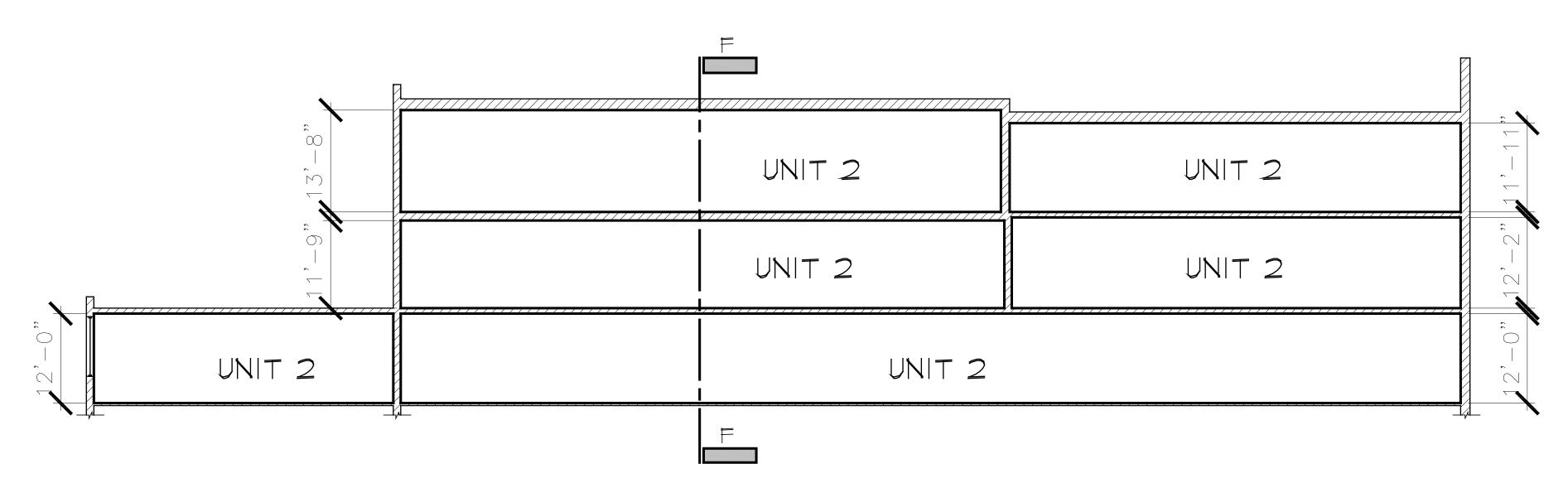




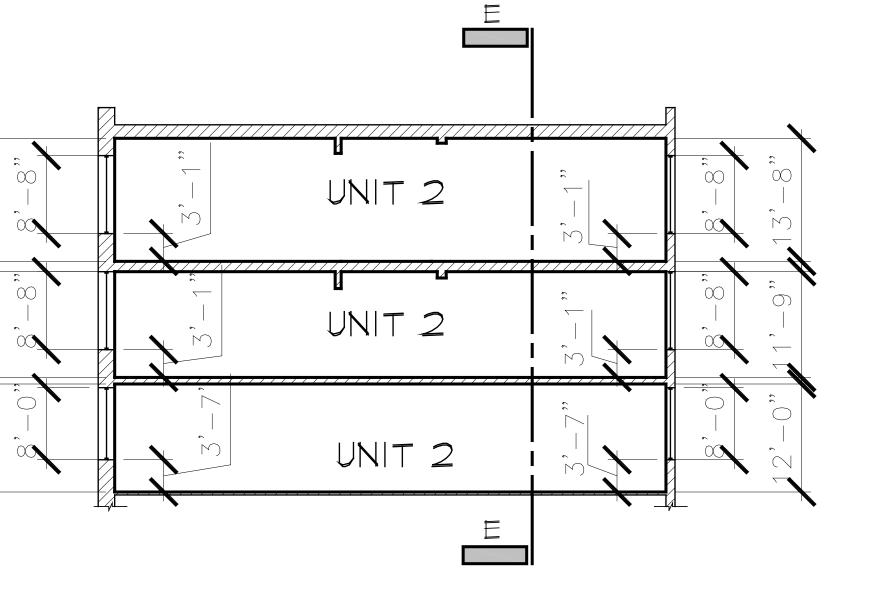
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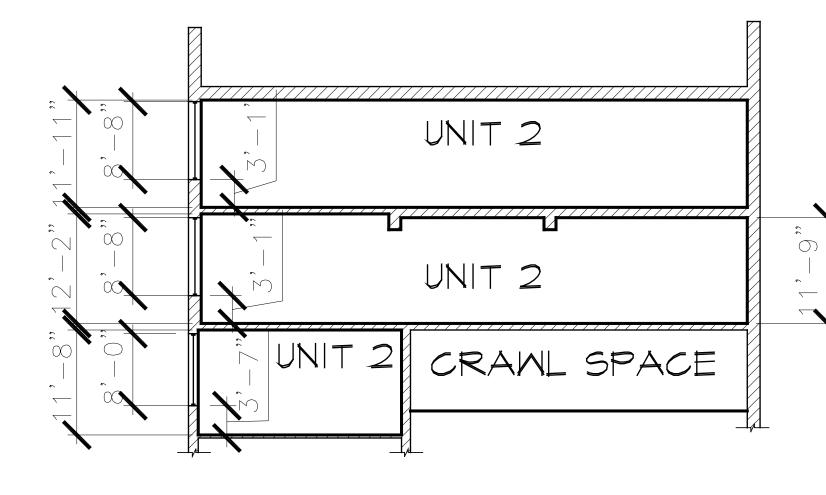


**SECTION 'D' 3/32"=1'-0"** 



**SECTION 'E' N N N** 3/32"=1'-0"









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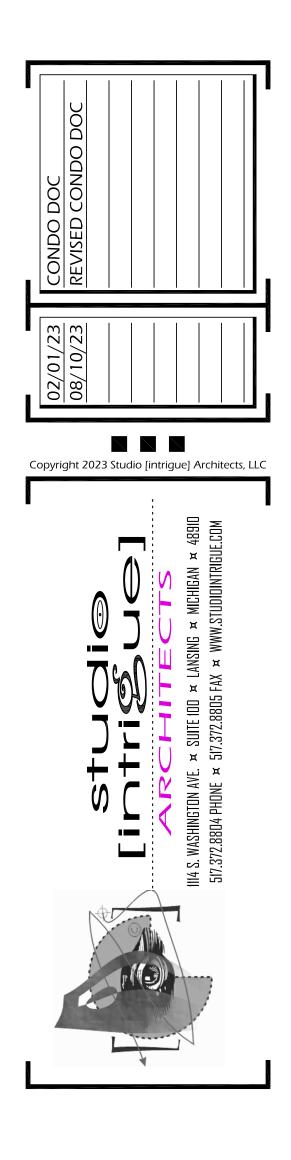
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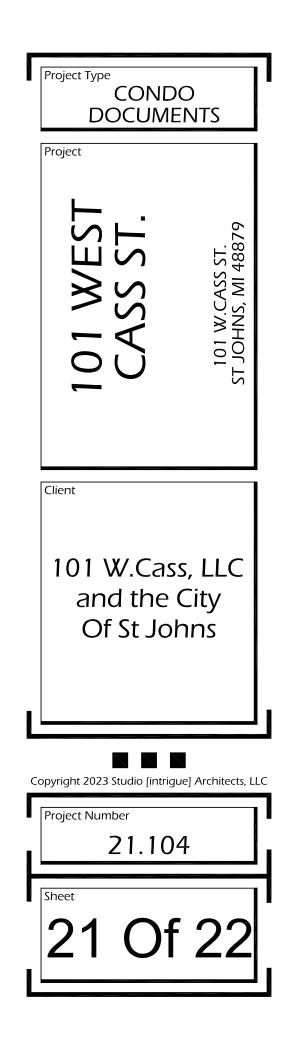
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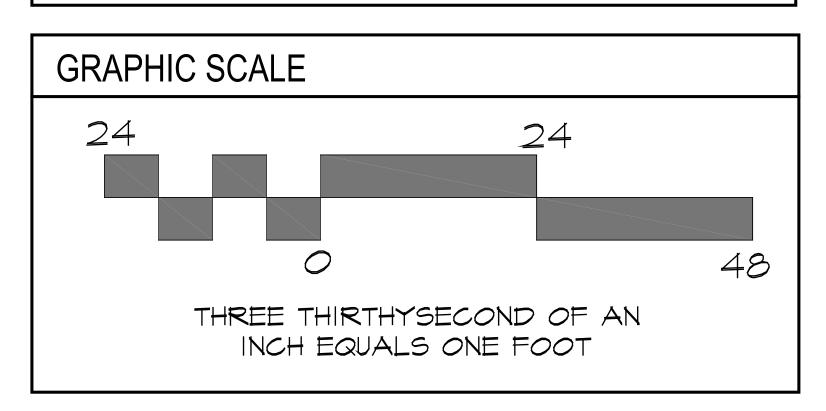


# NOTES

- ALL IMPROVEMENTS SHOWN ARE AS DESIGNED.
- EXTERIOR WINDOWS WITHIN EACH 2. CONDO UNIT ARE CONSIDERED CONDO UNIT PROPERTY NOT COMMON ELEMENTS.

## LEGEND

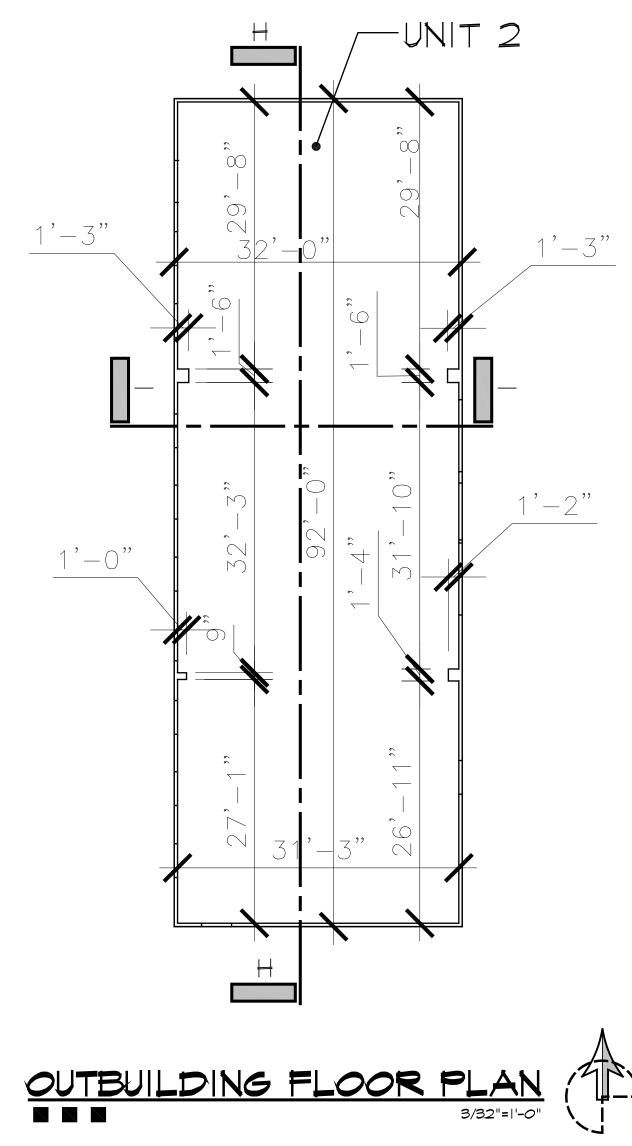
GENERAL COMMON ELEMENT

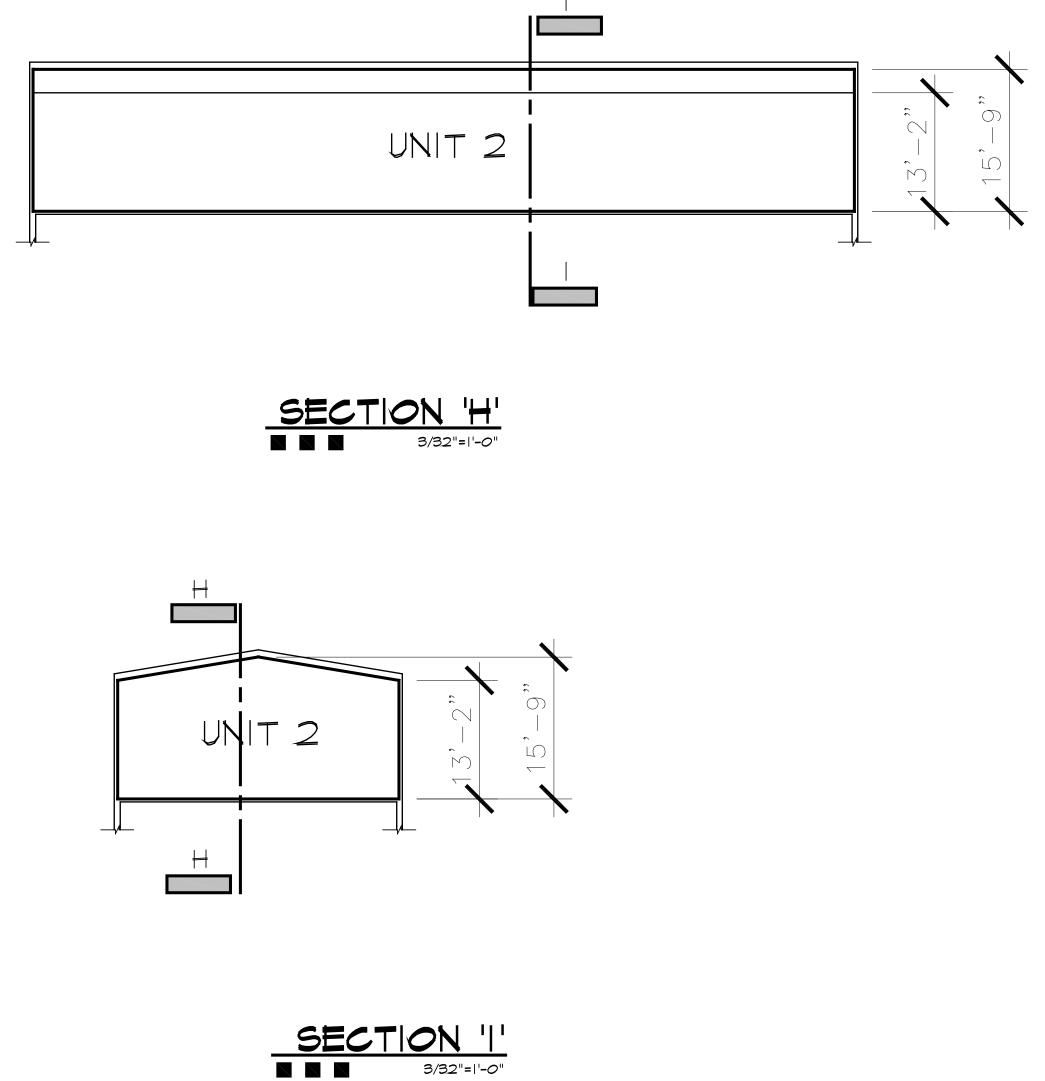


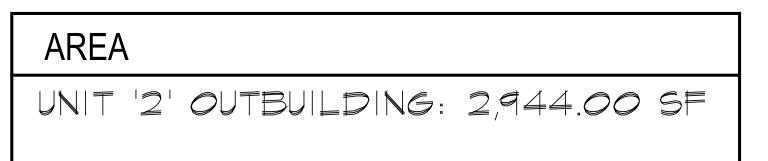


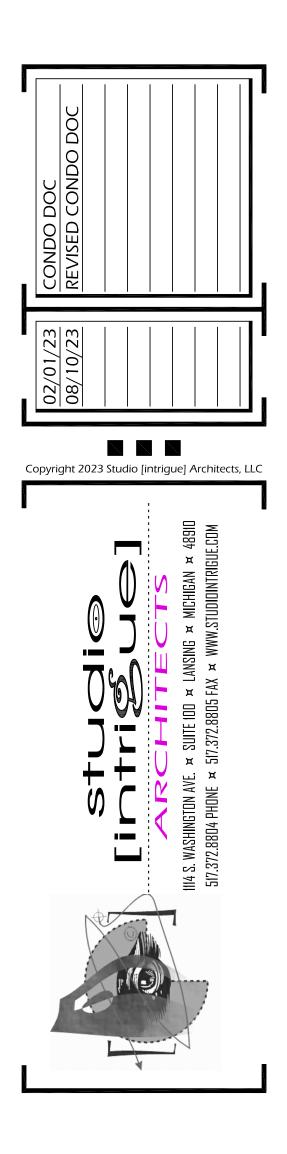
1'-3"

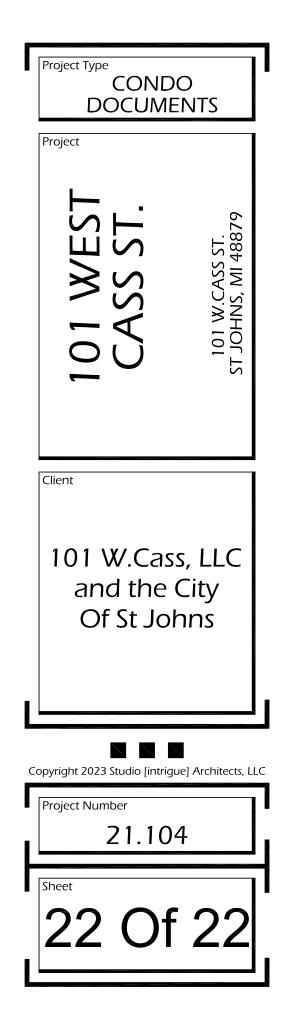
1'-0"











#### EXHIBIT A

#### 101 W. CASS CONDOMINIUMS BYLAWS

101 W. CASS CONDOMINIUMS, a Condominium Project located in the City of St. Johns, Clinton County, Michigan, shall be administered by an Association of Co-owners which shall be a non-profit corporation, and called the "Association." The Association shall be 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. Only Co-owners shall be entitled to membership in the Association. The interest of a Co-owner in the Association cannot be assigned, pledged or transferred in any manner except as an appurtenance to its 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 Co-owners, prospective purchasers and prospective mortgagees of Units in the Condominium Project. All Co-owners in the Condominium Project and all persons using or entering upon or acquiring any interest in any Unit or the Common Elements shall be subject to the provisions and terms set forth in the Condominium Documents. The purpose of these Condominium Bylaws is to govern the administration, maintenance, operation, construction, and future use of the Condominium. Capitalized terms in these Condominium Bylaws not defined herein have the meaning ascribed to them in the Master Deed.

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#### **ARTICLE I. ASSESSMENTS**

All expenses arising from the management, administration and operation of the Association shall be levied by the Association against the Units and the Co-owners in accordance with the following provisions:

<u>Section 1.</u> <u>Determination of Assessments</u>. Assessments shall be determined in accordance with the following provisions:

Budget; Regular Monthly Assessments. The Board of Directors of the (a) Association shall establish an annual budget, in advance, for each fiscal year. The budget shall project all common 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 budget also shall allocate and assess all such common expenses against the Co-owners in accordance with percentages of value for proceeds and assessments allocated to each Unit in the Master Deed. Co-owners shall pay all assessments levied against them in accordance with this Section 1 in twelve (12) equal monthly installments, commencing with the acquisition of title to a Unit by any means. An adequate reserve fund for major repair and replacement of Common Elements shall be established in the budget and must be funded by regular monthly payments as set forth in Section 2 below rather than by special assessments. At a minimum, the reserve fund shall be equal to ten percent (10%) of the Association's current annual budget on a noncumulative basis. Since the minimum ten percent (10%) standard required for a reserve fund may prove to be inadequate, the Association should carefully analyze the Condominium Project annually to determine if a greater amount should be set aside, or if additional reserve funds should be established for other purposes. The Association should annually evaluate the anticipated capital expenditures and establish an adequate reserve fund without the necessity of special assessments if at all possible.

(b) Adjustments to Regular Monthly Assessments. Upon adoption of an annual budget by the Board of Directors, copies of the budget shall be delivered to each Co-owner and the assessments shall be established based upon the budget. The delivery of a copy of the budget to each Co-owner shall not affect or in any way diminish the liability of any Co-owner for any existing or future assessments. Should the Board of Directors at any time determine, in its sole discretion, (1) that the assessments levied are or may prove to be insufficient to pay the costs of operation, maintenance and management of the Condominium, or (2) to provide additions to the Common Elements not exceeding \$\_\_\_\_\_\_ annually for the Condominium Project, or (3) that an event of emergency exists, the Board of Directors shall have the authority, without the consent or vote of the Co-owners, to increase the regular monthly assessment or to levy such additional assessments as it shall deem necessary.

(c) <u>Additional Assessments</u>. Other than as provided in subparagraphs (a) and (b) above, assessments shall be approved by a vote of the Co-owners. In the event of a

deadlocked vote, the matter shall be submitted to arbitration in accordance with Article II of these Bylaws.

<u>Section 2.</u> Payment of Assessments and Penalty for Default. Unless otherwise provided in the Master Deed or in these Bylaws, all assessments levied against the Co-owners to cover expenses of administration shall be apportioned among and paid by the Co-owners in accordance with the percentage of value allocated to each Unit in the Master Deed, as may be amended. All assessments, whether general or special, shall be due and payable at such times as the Board of Directors shall determine, commencing with acceptance of a deed, a land contract vendee's interest or by acquisition of fee simple title to a Unit by any other means. The payment of an assessment shall be in default if such assessment, or any part, is not paid to the Association in full on or before the due date for such payment. Each assessment in default shall bear a late charge as follows: \_\_\_\_\_% of the unpaid amount for a default of four (4) days and \$\_\_\_\_\_ per day after the fourth day until paid in full.

<u>Section 3.</u> <u>Miscellaneous</u>. All costs incurred by the Association in satisfaction of any liability connected with the Common Elements, or the administration of the Condominium Project shall constitute expenditures affecting the administration of the Project. All proceeds of any policy of insurance carried by the Association securing the interest of the Co-owners against liabilities or losses connected with the Common Elements or the administration of the Condominium Project shall constitute receipts affecting the administration of the Condominium Project.

<u>Section 4.</u> Waiver of Use or Abandonment of Unit. No Co-owner may exempt itself from liability for its contribution toward the payment of Association assessments by waiver of the use or enjoyment of any of the Common Elements, the abandonment of its Unit, or because of uncompleted repair work or the failure of the Association to provide service to the Condominium.

#### Section 5. Enforcement.

(a) <u>Remedies</u>. The Association may enforce collection of delinquent assessments by a suit for a money judgment or by foreclosure of the statutory lien that secures payment of such assessments. In the event of a default in the payment of any monthly assessment, the Association shall have the right to accelerate and declare all unpaid installments of the annual assessment for the pertinent fiscal year immediately due and payable. A Co-owner in default shall not be entitled to vote as long as a default continues. All of these remedies shall be cumulative and not alternative.

(b) <u>Foreclosure Proceedings</u>. Each Co-owner, and every other person who from time to time has any interest in the Project, shall be deemed to have granted to the Association the unqualified right to elect to foreclose the lien securing payment of assessments either by judicial action or by advertisement. The provisions of Michigan law pertaining to foreclosure of mortgages by judicial action and by advertisement, as amended from time to time, shall apply to all foreclosure actions. In an action for foreclosure of an assessment lien, a receiver may be appointed to take possession of the Unit, and if not occupied, to lease the Unit and collect the rents. The Association, acting on behalf of all Co-owners, may bid in at the foreclosure sale and acquire, hold, lease, mortgage or convey the Unit. An action to recover a money judgment for unpaid assessments may be maintained without foreclosing or waiving the lien. An action for money damages and foreclosure may be combined in one action.

(c) <u>Notice of Lien</u>. A foreclosure proceeding may not be commenced without the recording and service of a notice of lien. The notice of lien shall set forth:

(i) The legal description of the Unit or Units to which the lien attaches;

(ii) The name of the Co-owner of record; and

(iii) The amounts due the Association at the date of the notice, exclusive of interest, costs, reasonable attorneys' fees and future assessments.

The notice of lien shall be in recordable form, executed by an authorized representative of the Association and may contain other information as the Association may deem appropriate. The notice of lien shall be recorded in the office of the Clinton County Register of Deeds and shall be served upon the delinquent Co-owner by first class mail, postage prepaid, addressed to the last known address of the Co-owner at least ten (10) days in advance of commencement of the foreclosure proceedings.

(d) <u>Expenses of Collection</u>. The expenses incurred in collecting unpaid assessments, including interest, costs, reasonable attorneys' fees and advances for taxes or other charges paid by the Association to protect its lien, shall be chargeable to the Co-owner in default and shall be secured by the lien on its Unit.

<u>Section 6.</u> <u>Liability of Mortgagee</u>. Notwithstanding any other provisions of the Condominium Documents, the holder of a first mortgage of record covering any Unit who takes title as a result of foreclosure of the first mortgage, shall take the property free and clear of any claims for unpaid assessments or charges against the mortgaged Unit which became due prior to the acquisition of title to the Unit by such person.

<u>Section 7.</u> 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 Co-owners. Any such personal property taxes levied shall be treated as expenses of administration and paid by the Association; provided, however, that any Co-owner who is tax exempt shall not be responsible for any taxes or special assessments if such property in the sole ownership of such Co-owner would be tax exempt. <u>Section 8.</u> <u>Real Property Taxes and Special Assessments</u>. Real property taxes and special assessments shall be assessed against the individual Condominium Units. These individual taxes and assessments cover the Unit and its proportionate share of the Common Elements. No taxes or assessments are levied independently against the Common Elements.

Section 9. Statement as to Unpaid Assessments. The purchaser of any Unit may request a statement from the Association as to the amount of any unpaid Association assessments, whether regular or special. Upon written request to the Association, accompanied by a copy of the executed purchase agreement, the Association shall provide a written statement of any unpaid assessments which 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 and the purchaser shall not be liable for any assessments greater than the amount set forth by the Association in the written statement. If a purchaser fails to request in writing such a statement at least five (5) days before the closing of the purchase of such Unit, any unpaid assessments and the lien securing the same shall be fully enforceable against the purchaser and the Unit itself.

#### **ARTICLE II. ARBITRATION/DISPUTE RESOLUTION**

If there is a 50/50 split vote on an operational matter that requires action, a Co-owner may make a written demand for arbitration under this Article. For purposes hereof, a matter requires action only if it is not feasible to simply maintain the status quo. The parties shall attempt to agree on the selection of a single arbitrator to be hired for the purpose of breaking the tie and whose determination is binding on all parties. If the parties are unable to agree on the selection of a single arbitrator within 15 days after the demand, each party shall appoint an arbitrator within 15 days. The two arbitrators shall then select a third arbitrator within 15 days of their appointment. If any party fails to appoint an arbitrator within the allocated time, there shall be only one arbitrator, the one selected by the other party. Each party shall bear the cost of the arbitrator if only one arbitrator is selected). The tie shall be broken and the interpretation or determination shall be made under the commercial arbitration rules of the American Arbitration Association as modified by this Article. The arbitration award is enforceable as a judgment of any court having proper jurisdiction. Each party shall bear that party's own legal expenses.

Nothing contained herein shall be deemed to constitute a waiver on the part of any Coowner to litigate any question of law. In the event there is a dispute as to the interpretation of the Condominium Documents or other question of law, any Co-owner shall first make a written demand for mediation. Any dispute not resolved through mediation may be resolved through litigation. Each party shall bear that party's own legal expenses.

#### **ARTICLE III. INSURANCE**

#### Section 1. Association.

Scope of Coverage. The Association shall carry fire and extended (a) coverage, vandalism and malicious mischief insurance, liability insurance, worker's compensation insurance, if applicable, for all of the Common Elements within the Project. All insurance for the Common Elements shall be purchased by the Association for the benefit of the Association and the Co-owners and their mortgagees, as their interests may appear. The Association shall provide for, if requested, the issuance of certificates of endorsement to the mortgagees of Co-owners. The Association shall obtain coverage in an amount equal to the current insurable replacement value of the insured property as determined by the Board of Directors of the Association. The Board shall consult with the insurance agents and representatives for the determination of replacement costs. All coverage shall contain appropriate inflation riders. In the discretion of the Board of Directors, such insurance policies may contain deductible clauses which, in the event of a loss, result in the Association's being responsible for a certain portion of the loss. All information in the Association's records regarding insurance coverage shall be made available to all Co-owners upon request and reasonable notice during normal business hours.

(b) <u>Exclusions from Coverage</u>. Except as expressly provided in Section 1(a) above, the insurance coverage provided by the Association will not cover Units or any improvements within the Units, any articles contained therein or any personal property of a Co-owner on the grounds of the Condominium.

(c) <u>Premium Expenses</u>. All premiums upon insurance purchased by the Association pursuant to these Bylaws shall be expenses of administration.

(d) <u>Proceeds of Insurance Policies</u>. 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, the Co-owners and their mortgagees, as their interests may appear. The insurance proceeds received by the Association as a result of any loss requiring repair or reconstruction shall be applied to such repair or reconstruction.

(e) <u>Authority of Association to Settle Insurance Claims</u>. Each Co-owner shall be deemed to appoint the Association as its true and lawful attorney-in-fact to act in connection with all matters concerning the insurance of the Condominium Project including the adjustment and settlement of any losses or claims.

<u>Section 2.</u> <u>Co-owner Responsibility</u>. A Co-owner will be solely responsible for any damage to any portion of the Condominium caused by the negligence of the Co-owner or its employees, licensees, agents or invitees to the extent not covered by the Association's insurance, as well as the deductible portion of any covered claim. In addition, a Co-owner will be solely responsible for damage to its Unit and any improvements located within its Unit. Accordingly,

each Co-owner shall secure adequate insurance to insure against any loss described in this Section. In addition, each Co-owner shall insure the personal property and contents within the Unit and, also obtain coverage for alternative living expense in the event of a fire. In the event a Co-owner fails to procure its own insurance, it will be uninsured for any loss that might occur to its Unit, or to any improvement upon or within its Unit or to itself or its property. Under no circumstances shall the Association be responsible to obtain any of the insurance coverage described in this Section 2. Co-owners shall provide evidence of the insurance required under this Section 2 in a form satisfactory to the Association.

#### ARTICLE IV. DESTRUCTION AND EMINENT DOMAIN

<u>Section 1.</u> <u>Determination to Reconstruct or Repair</u>. If all or any part of the Condominium Project shall be damaged or destroyed, the determination of whether it shall be reconstructed or repaired shall be made in the following manner:

(a) <u>Partial Damage</u>. If the damaged property is a Common Element, the property shall be rebuilt or repaired if any Unit in the Condominium is tenantable, unless it is determined by a unanimous vote of both Co-owners that the Condominium Project shall be terminated, and each institutional holder of a first mortgage lien on any Unit in the Condominium has given its prior written approval of such termination.

(b) <u>Total Destruction</u>. If the Condominium Project is so damaged that no Unit is tenantable, and if each institutional holder of a first mortgage lien on any Unit in the Condominium has given its prior written approval of the termination of the Condominium, the damaged property shall NOT be reconstructed and the Condominium shall be terminated unless within ninety (90) days after the destruction, it is determined by the unanimous vote of both Co-owners that the Condominium Project shall be reconstructed.

<u>Section 2.</u> <u>Association Responsibility for Repair</u>. In the event of casualty, the Association shall be responsible for repairing the Common Elements. Immediately after a casualty causing damage to property for which the Association has the responsibility of maintenance, repair and reconstruction, the Association shall obtain reliable and detailed estimates of the cost to replace the damaged property to a condition as comparable as possible to that existing before the damage. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction or repair, or upon completion of such reconstruction or repair, the funds for the payment of the cost are insufficient, the Board of Directors shall have the authority, without Co-owner consent, to levy assessments against all Co-owners in sufficient amounts, to provide funds to pay the estimated or actual cost of repair or reconstruction.

<u>Section 3.</u> <u>Co-owner Responsibility for Repair or Replacement</u>. Except as otherwise provided in Section 2 above, a Co-owner will be responsible for any damage to its Unit. In addition, a Co-owner will be solely responsible for any damage to any portion of the Condominium caused by the negligence of the Co-owner, or the Co-owner's employees,

licensees, agents or invitees to the extent not covered by the Association's insurance, as well as for any deductible portion of a covered claim.

<u>Section 4.</u> <u>Timely Reconstruction and Repair</u>. If damage to the Common Elements, or to a Unit adversely affects the appearance of the Project, the Association or Co-owner responsible for the reconstruction, repair and maintenance shall proceed, without delay, and shall complete the necessary work within six months after the date of the occurrence which caused damage to the property.

<u>Section 5.</u> <u>Eminent Domain</u>. The Condominium Act and the following provisions shall control any taking of eminent domain.

(a) <u>Taking of Unit</u>. In the event of a taking of an entire Unit by eminent domain, the award for such taking shall be paid to the Co-owner of such Unit and the mortgagee, as their interests may appear. After acceptance of such award by the Coowner and its mortgagee, they shall be divested of all interest in the Condominium Project. In the event that any condemnation award shall become payable to any Coowner whose Unit is not wholly taken by eminent domain, then such award shall be paid by the condemning authority to the Co-owner and its mortgagee, as their interests may appear.

(b) <u>Taking Common Elements</u>. If there is a taking of any portion of the Condominium other than any Unit, the award for such taking shall be paid to the Coowners and their mortgagees in proportion to their respective interests in the Common Elements. After such taking, the Co-owners shall determine whether to replace the portion so taken or to take such other action as they deem appropriate.

(c) <u>Continuation of Condominium after Taking</u>. In the event the Condominium Project continues after a taking by eminent domain, the remaining portion of the Condominium Project shall be resurveyed and the Master Deed amended accordingly.

(d) <u>Notification of Mortgagees</u>. In the event any Unit or the Common Elements 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 shall promptly notify each institutional holder of a first mortgage lien on any of the Units in the Condominium Project.

<u>Section 6.</u> <u>Notification of FHLMC</u>. In the event any mortgage in the Condominium Project is held by the Federal Home Loan Mortgage Corporation ("FHLMC") then, upon written request by FHLMC, the Association shall give it written notice of any loss to or taking of the Common Elements of the Condominium.

#### **ARTICLE V. RESTRICTIONS**

<u>Section 1.</u> <u>General Use Requirements</u>. The following restrictions shall apply to the entire Condominium Project:

(a) <u>Use of Property</u>. No Co-owner shall permit anything to be done in its Unit or on the Common Elements that will increase the rate of insurance on the Condominium without the written approval of the Association. 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.

(b) <u>Multifamily Purposes</u>. Any Unit or portion of a Unit used for multifamily purposes shall be maintained in good condition and in compliance with the City of St. Johns Rental Housing Certification Program.

(b) <u>Aesthetics</u>. The Common Elements shall not be used for storage of supplies, materials, personal property or trash of any kind, unless authorized by the Association. The storage of any item of personal property shall not violate any building, health, safety or fire code or ordinance, or cause the insurance premiums for the Unit or the Condominium to increase. No trash shall be stored anywhere in the Condominium other than in approved trash receptacles and in accordance with any applicable local ordinance. In general, no activity shall be carried on nor condition maintained by a Co-owner, either in its Unit or upon the Common Elements, which is detrimental to the appearance of the Condominium.

(c) <u>Grounds Maintenance</u>. Sidewalks, yards and landscaped areas shall not be obstructed in any way nor shall they be used for purposes other than for which they are reasonably and obviously intended. No Co-owner shall perform any landscaping or plant any trees, shrubs, or flowers or place any ornamental materials upon the Common Elements unless approved by the Association in writing.

(d) <u>Right of Access of Association</u>. The Association or its agents shall have access to each Unit during business hours upon notice to the Co-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, any improvements and any Common Elements, upon advance notice, as may be necessary to make emergency repairs to prevent damage to the Common Elements or to another Unit. The Association or its agents shall also have access to each Unit and any Common Element at all times, upon advance written notice, for the purpose of inspections as to assure compliance with the terms of the Condominium Documents. It shall be the responsibility of each Coowner to provide the Association means of access to its Unit and any Common Elements during all periods of absence. In the event of the failure of a Co-owner to provide means of access, the Association may gain access in such manner as may be reasonable under the circumstances and it shall not be liable to such Co-owner for any necessary damage to its Unit and any Common Elements caused or for repair or replacement of any doors or windows damaged in gaining such access. This Section shall not be construed to grant the Association access to the interior portion of the Co-owner's Unit, except in the case of an emergency.

Section 2. Co-owner Alterations. The Co-owner of Unit 2 may alter the exterior of the outbuilding portion of Unit 2 in its discretion, provided any such changes must comply with applicable zoning requirements. No Co-owner shall make alterations in the exterior appearance of its Unit (other than the outbuilding portion of Unit 2) or make any modifications to any interior walls through or in which there exists easements for support or utilities) or in any way alter or modify the Common Elements within the Condominium without the prior written consent of the Association and such Co-owner shall be responsible for the maintenance and repair of any such modification or improvement. In the event that the Co-owner fails to maintain and/or repair such modification or improvement to the satisfaction of the Association, the Association may undertake to maintain and/or repair same and assess the Co-owner the costs thereof and collect same from the Co-owner in the same manner as provided for the collection of assessments in Article I of these Bylaws. The Co-owner shall indemnify and hold the Association harmless from and against any and all costs, damages, and liabilities incurred in regard to said modification and/or improvement. No Co-owner shall in any way restrict access to any Common Element plumbing, water line, water line valves, water meter, sprinkler system valves, sump pump, or any Common Element that 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 the Association will have no responsibility for repairing, replacing, or reinstalling any materials, whether or not installation thereof has been approved hereunder, 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.

<u>Section 3.</u> Assessment of Costs of Enforcement. Any and all costs, damages, expenses and/or attorneys' fees incurred by the Association in enforcing any of the restrictions set forth in this Article V may be assessed to and collected from the responsible Co-owner in the manner provided in Article I of these Bylaws.

#### ARTICLE VI. VOTING

Section 1. Vote. Voting by Co-owners shall be according to percentages of value. Co-owners shall only be entitled to vote on matters required by Michigan statutes or the Condominium Documents. Any Co-owner may submit a matter for a vote by providing written notice to the other Co-owner(s) who shall respond in writing within thirty (30) days of receipt of such a request. Unless otherwise provided herein, any matter submitted for a vote shall require the approval of Co-owner(s) holding more than fifty percent (50%) in percentage of value. In the event of a 50/50 split on a matter that requires action, the matter shall be submitted to arbitration pursuant to Article II of these Bylaws.

<u>Section 2.</u> <u>Eligibility to Vote</u>. No Co-owner, other than the Developer and the City of St. Johns, shall be entitled to vote at any meeting of the Association until it has presented

evidence of ownership of a Unit to the Association. A Co-owner who is in default in the payment of any installment of the annual assessment shall be unable to vote at any meeting of the Association, so long as said default continues.

#### **ARTICLE VII. BOARD OF DIRECTORS**

<u>Section 1.</u> <u>Number and Qualification of Directors</u>. The Board of Directors shall be comprised of two (2) members, each of whom must be a Co-owner of a Unit, or an officer, shareholder, partner, member, employee or agent of a Co-owner. Directors shall serve without compensation. Each Original Unit shall select one (1) Director who shall serve at the pleasure of that Original Unit Co-owner. In the event a Unit is subdivided pursuant to Article VII of the Master Deed, the Co-owners of the newly-created Units resulting from the subdivision shall select one (1) Director according to whatever process they agree upon. Given the limited size of the Board, it has been determined that the Board of Directors will not elect officers and that each director shall automatically be deemed a co-president of the Board of Directors such that where an officer's signature is required, either Director may execute such an instrument as a Co-President of the Association.

Section 2. Powers and Duties. The Board of Directors shall have sole authority:

(a) To manage and administer the day-to-day affairs of, and to maintain the Condominium Project and the Common Elements;

(b) To levy and collect assessments from the Co-owners in the Association using the proceeds for the purposes of the Association in accordance with Article I of these Bylaws;

(c) To carry insurance and collect and allocate the proceeds;

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

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

All matters submitted to the Board shall require the unanimous consent of the Directors. In the event the Directors cannot reach an agreement on an operational matter that requires action, the matter shall be submitted to the Co-owners. For purposes hereof, a matter requires action only if it is not feasible to simply maintain the status quo. In the event of a deadlock among the Co-owners, the matter shall be submitted to arbitration in accordance with Article II of these Bylaws.

<u>Section 3.</u> <u>Management Agent</u>. The Board of Directors may employ for the Association, a professional management agent (which may include the Developer or any related person or entity), at reasonable compensation established by the Board to perform such duties

and services as the Board shall authorize. The Board may delegate to its management agent any other duties or powers which are by law or by the Condominium Documents required to be performed by or have the approval of the Board 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 in which the maximum term is greater than three years, or which is not terminable by the Association upon ninety (90) days' written notice to the other party and no such contract shall violate the provisions of Section 55 of the Act.

#### **ARTICLE VIII. FINANCE**

Section 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 and the Co-owners. The Co-owner of Unit 1 shall maintain such books for the Association, with a five percent (5%) annual credit against the assessments applicable to Unit 1. Such accounts and all other Association records shall be open for inspection by the Co-owners and their mortgagees during reasonable working hours. The books of account shall be reviewed annually by an independent accountant, unless in any such year the Co-owners shall unanimously agree to forego such review. Any accounting expenses shall be expenses of administration of the Association.

Section 2. Fiscal Year. The fiscal year of the Association shall be July 1<sup>st</sup> through June 30<sup>th</sup>, unless changed by action of the Board of Directors for accounting reasons or other good cause.

<u>Section 3.</u> <u>Bank</u>. Funds of the Association shall be initially deposited in such bank or savings association as may be designated by the Board of Directors and shall be withdrawn only upon the check or order of such officers, employees or agents as are designated by resolution of the Board 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.

#### **ARTICLE IX. INDEMNIFICATION OF DIRECTORS**

The Association shall indemnify any person who was or is a party to or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative by reason of the fact that he or she is or was a director or officer of the Association against expenses (including attorneys' fees), judgments, penalties, fines and amounts paid in settlement actually and reasonably incurred by him or her in connection with such action, suit or proceeding if the person acted in good faith and in a manner that the person reasonably believed to be in or not opposed to the best interest of the Association or its members, and with respect to any criminal action or proceeding, if the person had no reasonable cause to believe that the conduct was unlawful. Reckless or intentional misconduct shall not be indemnified or reimbursed by the Association.

#### ARTICLE X. REMEDIES FOR DEFAULT

Any default by a Co-owner in complying with the Condominium Documents shall entitle the Association or another Co-owner or Co-owners to the following relief:

<u>Section 1.</u> Legal Action. Failure to comply with any of the provisions of the Condominium Documents shall be grounds for relief, which may include 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 permitted by law, an aggrieved Co-owner or Co-owners.

<u>Section 2.</u> <u>Recovery of Costs</u>. In any proceeding arising because of an alleged default by any Co-owner, the Association, if successful, shall be entitled to recover all costs incurred by the Association as a result of the default and the actual attorneys' fees, not limited to statutory fees, incurred by the Association as a result of the default. Costs and attorney fees incurred before initiation of a lawsuit may also be recovered by the Association.

Section 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 set forth above, to enter upon the Common Elements, Limited or General, or into any Unit, where reasonably necessary, and summarily remove and abate, at the expense of the Co-owner in violation, any structure, thing or condition existing or maintained contrary to the provisions of the Condominium Documents. The Association shall have no liability to any Co-owner arising out of the exercise of its removal and abatement power.

<u>Section 4.</u> <u>Non-Waiver of Right</u>. The failure of the Association or of any Co-owner to enforce any right, provision or condition which may be granted by the Condominium Documents shall not constitute a waiver of the right of the Association or of any such Co-owner to enforce such right, provision or condition in the future.

<u>Section 5.</u> <u>Cumulative Rights, Remedies and Privileges</u>. All rights, remedies and privileges granted to the Association or any Co-owner or Co-owners pursuant to the Condominium Documents shall be deemed to be cumulative and the exercise of any one or more shall not be deemed to constitute an election of remedies.

<u>Section 6.</u> Enforcement of Provisions of Condominium Documents. A Co-owner may maintain an action against the Association and its officers and directors to compel such persons to enforce the terms and provisions of the Condominium Documents. A Co-owner may maintain an action against any other Co-owner for injunctive relief or for damages or any combination thereof for noncompliance with the terms and provisions of the Condominium Documents or the Act.

#### ARTICLE XI. AMENDMENT

These Bylaws may be amended in accordance with Article VIII of the Master Deed.

#### ARTICLE XII. CONFLICTING PROVISIONS

In the event of a conflict between the provisions of the Act (or other laws of the State of Michigan) and any Condominium Document, the Act (or other laws of the State of Michigan) shall govern. In the event of any conflict between the provisions of any one or more Condominium Documents, the following order of priority shall prevail and the provisions of-the Condominium Document having the highest priority shall govern:

- (a) The Master Deed, including the Condominium Subdivision Plan;
- (b) These Condominium Bylaws; and
- (c) The Articles of Incorporation of the Association.

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