

Date Received JUN 18 1997		(FOR BUREAU USE ONLY) FILED JUN 19 1997 Administrator MI DEPARTMENT OF CONSUMER & INDUSTRY SERVICES CORPORATION, SECURITIES & LAND DEVELOPMENT BUREAU
Name DAVID W. CHARRON		EFFECTIVE DATE:
Address: MIKA, MEYERS, BECKETT & JONES, PLC 200 OTTAWA AVENUE, NW, SUITE 700		
City GRAND RAPIDS, MICHIGAN	State Zip 49503	

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ARTICLES OF INCORPORATION
For use by Domestic Nonprofit Corporations
(Please read information and instructions on last page)

* 751863

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

ARTICLE I

The name of the corporation is: **ROGUE RIVER BEND CONDOMINIUM ASSOCIATION**

ARTICLE II

The purpose or purposes for which the corporation is organized are:

To provide an entity pursuant to Act No. 59 of the Public Acts of 1978 as amended, hereinafter called the "Michigan Condominium Act", for the operation of condominium project in the Township of Algoma, Kent County, Michigan, and in furtherance thereof:

- (a) To serve as the association of co-owners of, and to manage and administer the affairs of, and to maintain River Bend, a condominium project (hereinafter the "Condominium");
- (b) To levy and collect assessments against and from members and to use the proceeds thereof for the purposes of the Corporation;
- (c) To purchase insurance upon the Condominium property and to collect and allocate the proceeds thereof;
- (d) To rebuild improvements after casualty;
- (e) To employ personnel and to contract for the maintenance, administration and management of the Condominium, and to delegate to said persons such powers and duties as are necessary therefor;
- (f) To make and enforce reasonable regulations concerning the use and enjoyment of the Condominium;

- (g) To own, maintain and improve, and to buy, sell, convey, assign, mortgage, or lease (as Landlord or Tenant) any real and personal property, including, but not limited to, any Unit in the Condominium or any other real property, whether or not contiguous to the Condominium, for the purpose of providing benefit to the members of the Corporation and in furtherance of any of the purposes of the Corporation;
- (h) To maintain and improve, and to grant easements, licenses and leases over, under and across any general common elements of the Condominium, and any limited common elements with the consent of the co-owners of the units appurtenant thereto, for the purpose of providing benefit to the members of the Corporation and in furtherance of any of the purposes of the Corporation;
- (i) To borrow money and issue evidences of indebtedness in furtherance of any or all of the objects of its business; to secure the same by mortgage, pledge or other lien;
- (j) To enforce the provisions of the Master Deed and By-Laws of the Condominium and of these Articles of Incorporation and such By-Laws and Rules and Regulations of this Corporation as may hereafter be adopted;
- (k) To do anything required of or permitted to it as administrator of the Condominium by the Condominium Master Deed or By-Laws or by Act No. 59 of Public Acts of 1978, as amended; and
- (l) In general, to enter into any kind of activity; to make and perform any contract and to exercise all powers conferred upon non-profit Corporations by the laws of the State of Michigan necessary, incidental or convenient to the administration, management, maintenance, repair, replacement and operation of said Condominium and to the accomplishment of any of the purposes thereof.

All funds and the titles to all properties acquired by the Corporation and proceeds thereof shall be held in trust for the members in accordance with the provisions of the Condominium Master Deed or By-laws.

ARTICLE III

The corporation is organized upon a non-stock basis.

1. If organized on a stock basis, the total number of shares which the corporation has authority to issue is * _____ . If the shares are, or are to be, divided into classes, the designation of each class, the number of shares in each class, and the relative rights, preferences and limitations of the shares of each class are as follows:

2.
 - a. If organized on a non-stock basis, the description and value of its real property assets are: (if none, insert "none"): None
 - b. The description and value of its personal property assets are: (if none, insert "none"): None
 - c. The corporation is to be financed under the following general plan: Levying and collection of assessments from members to defray the costs, expenses and losses of the Condominium.
 - d. The corporation is organized on a membership basis.

ARTICLE IV

1. The address of the registered office is:
200 Ottawa Avenue, NW, Suite 700
Grand Rapids, Michigan 49503
2. The mailing address of the registered office if different than above: Same
3. The name of the resident agent at the registered office is: David W. Charron

ARTICLE V

The name(s) and address(es) of the incorporator(s) is (are) as follows:

Name/Residence of Business Address
DAVID W. CHARRON MIKA, MEYERS, BECKETT & JONES, PLC 200 OTTAWA AVENUE, NW, SUITE 700 GRAND RAPIDS, MICHIGAN 40503

ARTICLE VI

The term of this Corporation shall be perpetual.

ARTICLE VII

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

(a) Each Co-owner (including the Developer) of a Unit in the Condominium shall be a member of the Corporation, and no other person or entity shall be entitled to membership; except that the incorporator hereto shall be a member of the Corporation until such time as his membership shall terminate, as herein after provided.

(b) Membership in the Corporation (except with respect to any incorporators, who shall cease to be members upon the qualification for membership of any Co-owner) shall be established by acquisition of fee simple title to a Unit in the Condominium and by recording with the Register of Deeds of Kent County, a deed or other instrument establishing a change of record title to such Unit and the furnishing of evidence of same satisfactory to the Corporation (except that the Developer of the Condominium shall become a member immediately upon establishment of the Condominium), the new Co-owner thereby becoming a member of the Corporation, and the membership of the prior Co-owner thereby being terminated. If a Unit is sold pursuant to a land contract evidenced of record with the Register of Deeds and with a copy or other evidence acceptable to the Association on file with the Association which grants possession of the Unit to the vendee and which designates the vendee as the Co-owner of the Unit, the land contract vendee will be a member of the Association while the land contract is executory, unless a document signed by both land contract vendor and vendee and filed with the Association expressly revokes this designation. Notwithstanding the foregoing, the land contract vendor will always have joint and several responsibility for any dues or assessments or other charges payable to the Association by the land contract vendee.

(c) If there is more than one owner of a Unit, all such owners will collectively share the membership attributable to the Unit.

(d) The share of a member in the funds and assets of the Corporation cannot be assigned, pledged, encumbered or transferred in any manner except as an appurtenance to his Unit in the Condominium.

Corporation.

(e) voting by members shall be in accordance with the provisions of the By-Laws of this

ARTICLE VIII

The members of the first board of directors of the Corporation are:

Gerald R. Grooters
Susan Latham
Barbara M. Grooters

ARTICLE IX

No contract or other transaction between this Corporation and any other Corporation, firm or association shall be voidable by the fact that any one or more of the directors or officers of this Corporation are interested in or are directors or officers of such other Corporation, firm or association, and any director or officer individually may be a party to or may be interested in any contract or transaction of the Corporation; provided, that the contract or other transaction is fair and reasonable to the Corporation when it is authorized, approved or ratified and that the material facts as to such relationship or interest are disclosed or known to the board or committee at the time it authorized, approved or ratified the contract or transaction by a vote sufficient for the purpose without counting the vote of such interested director or officer, and each and every person who may become a director or officer of the Corporation is hereby relieved from any liability which might otherwise exist from contracting with the Corporation for the benefit of himself or any firm, association or Corporation in which he may be otherwise interested as set forth herein.

ARTICLE X

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

ARTICLE XI

A volunteer director or volunteer officer of the Corporation shall not be personally liable to the Corporation or its members for monetary damages for breach of fiduciary duty, except for liability: (a) for any breach of the director's or officer's duty of loyalty to the Corporation or its members; (b) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; (c) resulting from a violation of §551(l) of the Michigan Non-Profit Corporation Act; (d) for any transaction from which the director or officer derived an improper personal benefit; (e) for any act or omission occurring before October 1, 1996, or (f) for any act or omission that is grossly negligent. In the event the Michigan Non-Profit Corporation Act, P.A. 1982, No. 162, is amended after adoption of this Article to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the Michigan Non-Profit Corporation Act, as so amended. Any repeal, modification or adoption of any provision in these Articles of Incorporation inconsistent with this Article shall not adversely effect any right or protection of a director of the Corporation existing at the time of such repeal, modification, or adoption.

ARTICLE XII

The corporation assumes the liability for all acts or omissions of a volunteer director or volunteer officer or other volunteer serving on a committee of the Corporation occurring on or after October 1, 1996 if the following conditions are met:

- (i) The volunteer was acting or reasonably believed he or she was acting within the scope of his or her authority.
- (ii) The volunteer was acting in good faith.
- (iii) The volunteer's conduct did not amount to gross negligence or willful and wanton misconduct.
- (iv) The volunteers conduct was not an intentional tort.
- (v) The volunteer's conduct was not a tort arising out of the ownership, maintenance, or

use of a motor vehicle for which tort liability may be imposed as provided in section 3135 of the insurance code of 1956, Act No. 218 of the Public Acts of 1956, being section 500.3135 of the Michigan Compiled Laws.

ARTICLE XIII

The Corporation shall indemnify a person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, and whether formal or informal, by reason of the fact that the person is or was a director or officer of the Corporation or a member of a committee of the Corporation, or is or was serving at the request of the Corporation as a director, officer, partner, or trustee of another corporation, partnership, joint venture, trust, or other enterprise, whether for profit or not, against expenses, including attorneys' fees, judgments, fines, penalties, or amounts paid in settlement actually and reasonably incurred by the person in connection with the action, suit, or proceeding if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the Corporation, and with respect to any criminal action or proceeding, if the person had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction, or plea of nolo contendere or its equivalent, will not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in or not opposed to the best interest of the Corporation, or, with respect to any criminal action or proceeding, had reasonable cause to believe that the conduct was unlawful.

ARTICLE XIV

In the event the existence of this Corporation shall be terminated for any reason, all assets of the Corporation shall be dispersed in accordance with applicable law except that each member shall be entitled to receive out of available funds, if any, remaining after payment of all debts and liquidation of all liabilities of the Corporation, his pro-rata share of any original contributions made by members of the Corporation.

ARTICLE XV


In the event of any conflict between the provisions of any one or more of the following documents, the following order of priority shall prevail and the provisions of the document having the highest priority shall govern:

- (a) the Master Deed, including the Condominium Subdivision Plan;
- (b) the Condominium Bylaws;
- (c) these Articles of Incorporation;
- (d) the Bylaws of the Association; and
- (e) the Rules and Regulations of the Association.

ARTICLE XVI

These Articles may be amended only by the affirmative vote of not less than two-thirds of the entire membership of the Corporation; provided, that in no event shall any amendment make changes in the qualifications for membership nor the voting rights of members without the unanimous consent of the membership.

I, the incorporator, sign my name this 17th day of June, 1997.


David W. Charron, Incorporator

**ASSOCIATION BY-LAWS
OF
ROGUE RIVER BEND CONDOMINIUM ASSOCIATION**

**ARTICLE I
CONDOMINIUM BY-LAWS**

The Condominium By-Laws of River Bend, a Condominium Project, attached as a part of the Master Deed pertaining to said Project are hereby incorporated by reference and adopted in their entirety as a part of the By-Laws of this corporation.

**ARTICLE II
MEETINGS AND QUORUM**

Section 1. Membership Meetings. The annual meeting of members shall be held at a place and time specified by resolution of the Board of Directors.

Section 2. Delayed Annual Meeting of Members. If, for any reason, the annual meeting shall not be held on the day so designated, such meeting may be called and held as a special meeting with the same proceedings as at an annual meeting.

Section 3. Special Meetings of Members. Special meetings of the members may be called by the President or by a majority of the directors of the Board, or by Co-Owner's having at least 20% of the votes entitled to notice of the meeting. Notice of special meetings shall be provided in the same manner as for annual meetings.

Section 4. Organizational Meeting of Board. At the place of holding, and immediately following the annual meeting of members, the Board as constituted upon final adjournment of such annual meeting shall convene for the purpose of electing officers and transacting any other business properly proposed; provided, that the organizational meeting of the board in any year may be held at a different time and place by consent of a majority of the Directors.

Section 5. Regular Meetings of the Board. In addition to its organizational meeting, the Board may hold regular meetings at such other times and places as it shall from time to time determine. Notice of regular meetings shall be given to each director personally or by mail, telephone or telegraph at least five (5) days prior to the date of such meeting.

Section 6. Special Meetings of Board. Special meetings of the Board may be called by the President or by any two Directors by written notice to each Director of the time, place and purpose of such meeting, at least three (3) days prior to the date of such meeting.

Section 7. Notice and Mailing. All written notices required to be given by any provision of these By-Laws shall be deemed duly served when it has been deposited in the United States mail, with postage fully prepaid, plainly addressed to the addressee at his, her or its last address appearing upon the membership records of the Association.

Section 8. Waiver of Notice. Notice of the time, place and purpose of any meeting of the members or of the Board may be waived by telegram, cablegram or other writing, either before or after such meeting has been held. Attendance at any meeting of the Board constitutes a waiver of notice, except where a Director attends for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 9. Quorum. A quorum of the members shall be as set forth in the Condominium By-Laws. A majority of the directors then in office, or of the members of any Committee thereof, shall constitute a quorum for the transaction of business. Members or directors present or represented at any such meeting may continue to do business until adjournment, notwithstanding the withdrawal of enough persons to leave less than a quorum, and may adjourn the meeting for not more than thirty (30) days, without notice other than announcement at the meeting, until a quorum shall be present or represented.

ARTICLE III BOARD OF DIRECTORS

Section 1. Number and Term. The business, property and affairs of the Association shall be managed by a Board of Directors composed of not less than three (3) nor more than nine (9) members. The number of persons comprising the first Board shall consist of three (3) persons. The number of persons comprising each subsequent Board shall be determined by the Developer, if prior to the Transitional Control Date and thereafter, by vote of the members, prior to the establishment of each such Board; provided, however, that if a motion is not made and carried to increase or decrease the number of directors, then the Board shall consist of the same number of persons as theretofore comprised the full Board of Directors. In addition, the members may, by resolution duly made and passed, provide that in lieu of annually electing all directors for a one year term, the directors shall be divided into 2 or 3 classes, each to be as nearly equal in number as possible, with terms of office such that the term of the directors in the first class will expire at the first annual meeting following their election, that of the second class to expire at the second annual meeting after their election, and that of the third class, if any, to expire at the third annual meeting after their election. At each annual meeting after such classification of the Board of Directors, a number of directors equal to the number of the class whose term is expiring shall be elected to hold office until the second succeeding annual meeting if there are 2 classes, or until the

third succeeding annual meeting if there are 3 classes. Provided, however, that until the initial meeting of the members as required by the Condominium Bylaws, the directors named in the Articles of Incorporation and their successors shall serve.

Section 2. Resignation. A Director may resign at any time and such resignation shall take effect upon receipt of writ-ten notice by the Association, or at such subsequent time as may be set forth in the notice of resignation.

Section 3. Action by Written Consent. If and when all the Directors shall severally or collectively consent in writing to any action to be taken by the Association, either before or after the action, such action shall be as valid a corporate action as though it has been authorized at a meeting of the Board.

Section 4. Powers and Duties. In addition to the powers and duties imposed or permitted by law, by these By-Laws or by resolution of the members of the Association, the Board of Directors shall have all powers and duties necessary for the ad-ministration of the affairs of the Condominium as set forth in the Condominium By-Laws.

Section 5. Quorum. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there is less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have be transacted at the meeting as originally called may be transacted without further notice. The joinder of the Director in the action of a meeting by signing and concurring in the minutes thereof, shall constitute the presence of such Director for purposes of determining a quorum.

Section 6. Compensation. Directors shall receive no compensation for their services as directors unless expressly provided for in resolutions duly adopted by not less than sixty percent (60%) of all Co-Owners.

ARTICLE IV

OFFICERS

Section 1. Designation and Term. The board shall elect a President, a Secretary and a Treasurer, and may also elect one or more Vice-Presidents, Assistant Secretaries and Assistant Treasurers, as the needs of the business may require. The President must be a member of the Board of Directors. Each officer shall hold office for the term of

one year and until his successor is elected and qualified. No officer shall receive any compensation from the Association for acting as such.

Section 2. The President. The President shall be the chief executive officer of the Association. He shall preside over all meetings of the members and of the Board, and shall be ex officio member of all standing committees, including the Architectural Design Board.

Section 3. The Secretary. The Secretary shall attend all meetings of the members and of the Board, and shall preserve in books of the Association true minutes of the proceedings of all such meetings. He shall safely keep in his custody the seal of the Association and shall have authority to affix the seal to all instruments where its use is required. He shall give all notices required by statute, By-Law or resolution and shall perform such other duties as may be delegated to him by the Board or by the executive committee.

Section 4. The Treasurer. The Treasurer shall have custody of all corporate funds and securities and shall keep in books belonging to the Association full and accurate accounts of all receipts and disbursements; he shall deposit all monies, securities and other valuable effects in the name of the Association in such depositories as may be designated for that purpose by the Board. He shall disburse such funds of the Association as may be ordered by the Board, taking proper vouchers for such disbursements, and shall render to the President and Directors at regular meetings of the Board, and whenever required by them, an account of all his transactions as Treasurer and of the financial condition of the Association. Unless otherwise provided by resolution of the Board, the Treasurer shall prepare and execute all Michigan annual reports and tax returns on behalf of the Association.

Section 5. Other Duties. The officers shall have such other duties, powers and responsibilities as shall, from time to time, be authorized by the Board of Directors.

Section 6. Vacancies. Vacancies in any office may be filled by the affirmative vote of a majority of the remaining members of the Board at any regular or special meeting. Each person appointed to fill the vacancy shall remain an officer for the term equal to that remaining of the officer whose death or resignation has created the vacancy, and until his successor has been duly elected and qualified.

Section 7. Resignation and Removal. An officer may resign at any time and such resignation shall take effect upon receipt of written notice by the Association, or at such subsequent time as may be set forth in the notice of resignation. Any or all of the officers may be removed, with or without cause, by the vote of a majority of the Board of Directors.

ARTICLE V

FINANCE

Section 1. Fiscal Year. The fiscal year of the Association shall be an annual period commencing on such date as may be initially determined by the Directors. The commencement date of the fiscal year shall be subject to change by the Directors for accounting reasons or other good cause.

Section 2. Bank. The funds of the Association shall be deposited in such bank or banks as may be designated by the Directors and shall be withdrawn only upon the check or order of such officers, directors, employees or agents as are designated by resolution of the Board of Directors from time to time.

ARTICLE VI

INDEMNIFICATION

Section 1. Indemnification Other Than in Action by or in the Right of the Association. Any person who was or is a party or is threatened to be made a party to any threatened, civil, criminal, administrative, or investigative (other than an action by or in the right of the corporation) by reason of the fact that he is or was a director, officer, employee, or agent of the Association or is or was serving at the request of the Association as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, shall be indemnified by the Association against expenses (including attorneys fees), judgments, fines, and amounts paid in settlement actually and reasonably incurred by him in connection with such action, suit, or proceeding if he acted in good faith and in a manner he 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, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit, or proceeding by judgment, order, settlement, conviction or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interest of the corporation, or its members, or, with respect to any criminal action or proceeding, that he had reasonable cause to believe that his conduct was unlawful.

Section 2. Indemnification in Actions by or in the Right of the Association. Any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action or suit by or in the right of the Association to procure a judgment in its favor by reason of the fact that he is or was a director, officer, employee, or agent of the corporation, or is or was serving at the request of the corporation as a director,

officer, employee, or agent of another Association, partnership, joint venture, trust, or other enterprise shall be indemnified by the Association against expenses (including attorneys fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interest of the corporation, or its members, except that no indemnification shall be made in respect of any claim, issue, or matter as to which such person shall have been adjudged to be liable for negligence or misconduct in the performance of his duty to the Association unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper.

Section 3. Expenses. to the extend that a director, officer, employee, or agent of the Association has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Section 1 or 2 of this Article, or in defense of any claim, issue, or matter therein, he shall be indemnified against expenses (including attorneys fees) actually and reasonably incurred by him in connection therewith.

Section 4. Authorization of Indemnification. Any indemnification under this Article (unless ordered by a court) shall be made by the corporation only after ten (10) days written notice to all Co-Owner's of the facts surrounding the request for indemnification, when authorized in the specific case upon a de-termination that indemnification of the director, officer, employee, or agent is proper in the circumstances because he has met the applicable standard of conduct set forth in this Article. Such determination shall be made (1) by the Board of Directors by a majority vote of a quorum consisting of directors who were not parties to such action, suit or proceeding, or (2) if such a quo-rum is not obtainable, or, even if obtainable, when a quorum of disinterested directors so directs, by independent legal counsel (who may be the regular counsel of the corporation) in a written opinion, or (3) by the members.

Section 5. Advancing of Expenses. Expenses incurred in defending a civil or criminal action, suit, or proceeding described in Section 1 or 2 of this Article may be paid by the corporation in advance of the final disposition of such action, suit, or proceeding as authorized by the Board of Directors in the manner provided in Section 3 upon receipt of an undertaking by or on behalf of the director, officer, employee, or agent to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the corporation as authorized in this Article.

Section 6. Indemnification Hereunder Not Exclusive. The indemnification provided by this Article shall not be deemed exclusive of any other rights to which a party

seeking indemnification may be entitled under any by-law, agreement, vote of members or disinterested directors, or otherwise, both as to action in his official capacity and as to action in another capacity while holding such office, and shall continue as to a person who has ceased to be a director, officer, employee, or agent and shall inure to the benefit of the heirs, executors, and administrators of such a person.

Section 7. Insurance. The corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, or other enterprise against any liability asserted against him and incurred by him in any such capacity, or arising out of his status as such, whether or not the corporation would have the power to indemnify him against such liability under the provisions of this Article.

Section 8. Mergers. For the purposes of this Article, references to the "corporation" include all constituent corporations absorbed in a consolidation or merger, as well as the resulting or surviving corporation, so that any person who is or was a director, officer, employee, or agent of such constituent corporation, or is or was serving at the request of such constituent corporation as a director, officer, employee, or agent of another corporation, partnership, joint venture, trust, or other enterprise, shall stand in the same position under the provisions of this Article with respect to the resulting or surviving corporation as he would if he had served the resulting or surviving corporation in the same capacity.

ARTICLE VII GENERAL PROVISIONS

Section 1. Execution of Instruments. When the execution of any contract, conveyance or other instrument of title has been authorized without specification of the executing officers, the President, or a Vice-President, if any, may undertake the execution in the name or on behalf of this Association without attestation, acknowledgment or seal.

Section 2. Fidelity Bonds. The Association may require that all officers, employees and others who are responsible for handling funds obtain adequate fidelity coverage to protect against dishonest acts, the cost of which shall be an expense of administration.

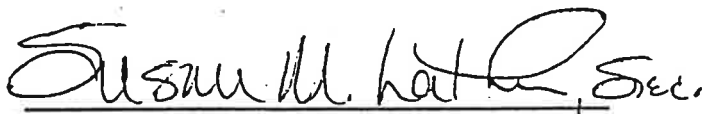
Section 3. Amendment Procedures. Amendments to these By-laws may be proposed by the Developer, the Board of Directors acting upon the vote of a majority of the Directors, or by one-third or more in number of the members of instrument in writing signed

by them. Prior to the Transitional Control Date, these by-laws may be amended by the Board of Directors. After the Transitional Control Date, these By-Laws may only be amended by a majority vote of those members entitled to vote. A copy of each amendment to the By-laws shall be furnished to every member of the Association after adoption; provided however, that any amendment to these By-laws that is adopted in accordance with this Article shall be binding upon all persons who have an interest in the Project, regardless of whether such persons actually receive a copy of the amendment.

Section 4. Conflicting Provisions. In the event of a conflict between the provisions of the Act (or other laws of the State of Michigan) and any of Condominium Documents, the Act (or other laws of the States 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 but excluding the Condominium By-Laws;
- (b) the Condominium By-Laws;
- (c) the Articles of Incorporation of the Association;
- (d) these Association By-Laws;
- (e) the Rules of Conduct of the Association, if any.

ATTEST: A TRUE COPY OF THE
ASSOCIATION BYLAWS OF ROGUE RIVER
BEND CONDOMINIUM ASSOCIATION


Susan Latham, Secretary

ESCROW AGREEMENT

THIS AGREEMENT is entered into this 9th day of October 1997, between GROOTERS LAND COMPANY, L.C., a Michigan limited liability company, ("Developer"), and FIRST AMERICAN TITLE INSURANCE COMPANY OF THE MIDWEST, ("Escrow Agent").

WHEREAS, Developer has established or will establish RIVER BEND in Kent County, Michigan, as a Condominium Project under the Michigan Condominium Act, as amended (hereinafter the "Act"); and

WHEREAS, Developer is selling Condominium Units in RIVER BEND and is entering into Purchase Agreements with Purchasers for such units in substantially the form attached hereto, and each Purchase Agreement requires that all deposits made under such Agreement be held in an escrow account with an Escrow Agent; and

WHEREAS, the parties hereto desire to enter into an Escrow Agreement to establish such an escrow account for the benefits of Developer and for the benefit of each Purchaser (hereinafter called "Purchaser") who makes deposits under a Purchase Agreement;

NOW, THEREFORE, it is agreed as follows:

1. Developer shall, promptly after receipt, transmit to Escrow Agent all sums deposited with it under a Purchase Agreement from Purchaser showing Purchaser's receipt fro Purchaser showing Purchaser's receipt of the required documents pursuant to the Michigan Condominium Act. The Master Deed and Purchase Agreement form for this Condominium Project are attached hereto and shall not be amended or modified without Escrow Agent's consent in any manner which will, in the opinion of Escrow Agent, materially change its duties or increase its liabilities. Without limiting the foregoing statement, the Condominium Subdivision Plan may not be amended to label any structure or improvement as "MUST BE BUILT" without Escrow Agent's consent.

2. The sums paid to Escrow Agent under the terms of any Purchase Agreement shall be held and released to Developer or Purchase only upon the conditions hereinafter set forth.

3. A. Withdrawal by Purchaser. The escrow funds shall be released to Purchaser under the following circumstances:

1. If the Purchase Agreement is contingent upon Purchaser obtaining a mortgage commitment and no mortgage commitment is obtained as provided therein,

Escrow Agent shall release to Purchaser all sums held by it pursuant to said Agreement.

2. In the event that a Purchaser duly withdraws from a Purchase Agreement prior to the time that said Agreement becomes binding under Paragraph 8 thereof, then Escrow Agent shall, within three (3) business days from the date of receipt of notice of such withdrawal, release to Purchaser all of Purchaser's deposits held thereunder.

3. If, however, Developer files with Escrow Agent a written objection to the withdrawal requests of Purchaser, which objection claims an interest in the sums held pursuant to the Purchase Agreement, Escrow Agent shall hold or dispose funds pursuant to Paragraph 12 hereof.

B. Default by Purchaser. If, after a Purchase Agreement has become binding in accordance with Paragraph 6 thereof, a Purchaser defaults in making any payments required by the Purchase Agreement or in fulfilling any other obligations thereunder for a period of ten (10) days after written notice by Developer to Purchaser, Escrow Agent shall release sums held pursuant to the Purchase Agreement to Developer in accordance with and subject to the ten (10%) percent limitation on liquidated damages stated in Paragraph 10 of the Purchase Agreement. If, however, Purchaser files with Escrow Agent a written objection to the withdrawal request of Developer, which objection claims an interest in the sums held pursuant to the Purchase Agreement, Escrow Agent shall hold or dispose funds pursuant to Paragraph 12 hereof.

4. Except as provided above and in Paragraph 6 below, each Purchaser's deposit shall be retained in escrow and shall be released to Developer only upon all of the following:

- A. Conveyance of legal or equitable title to the unit to the Purchaser; and
- B. Receipt by the Escrow Agent of a certificate signed by a licensed professional engineer or architect either confirming that those portions of the phase of the project in which the condominium unit is located and which on the Condominium Subdivision Plan are labeled "MUST BE BUILT" are substantially complete, or determining the amount necessary for substantial completion thereof; and

C. Receipt by the Escrow Agent of a certificate signed by a licensed professional engineer or architect either confirming that such facilities and all other common areas intended for common use which on the Condominium Subdivision Plan are labeled "MUST BE BUILT", whether located within or outside of the phase of the project in which the condominium unit is located, and which are intended for common use, are substantially complete, or determining the amount necessary for substantial completion thereof.

5. A. Substantial completion and the estimated cost for substantial completion of the items described in Subparagraphs 4B and 4C above and in Paragraph 7 below shall be determined by a licensed professional engineer or architect, as provided in Subparagraph 5B below, subject to the following:

(1) Items referred to in Paragraph 4B shall be substantially complete only after all utility mains and leads, and all sidewalks, driveway, landscaping and access roads, to the extent such items are designated on the Condominium Subdivision Plan as "MUST BE BUILT", are substantially complete in accordance with their pertinent plans therefor.

(2) If the estimated cost of substantial completion of any of the items referred to in Subparagraph 4B and 4C cannot be determined by a licensed professional engineer or architect due to the absence of plans, specifications, or other details that are sufficiently complete to enable such a determination to be made, such cost shall be the minimum expenditure specified in the recorded Master Deed or amendment for completion thereof. To the extent that any item referred to in Subparagraphs 4B and 4C is specifically depicted on the Condominium Subdivision Plan, an estimate of the cost of substantial completion prepared by a licensed professional engineer or architect shall be required in place of the minimum expenditure specified in the recorded Master Deed or amendment.

B. A structure, element, facility or other improvement shall be deemed to be substantially complete when it can be reasonably employed for its intended use and, for purposes of certification under this section, shall not be required to be constructed, installed, or furnished precisely in accordance with the specifications for the project. A certificate of substantial completion shall not be deemed to be a certification as to the quality of the items to which it relates.

6. Upon receipt of a certificate issued pursuant to Subparagraph 4B and/or 4C determining the amounts necessary for substantial completion, the Escrow Agent may release to the Developer all funds in escrow in excess of the amounts determined by the issuer of such certificate to be necessary for substantial completion. In addition, upon receipt by the Escrow Agent of a certificate signed by a licensed professional engineer or architect confirming substantial completion in accordance with the pertinent plans of an item for which funds have been deposited in escrow, the Escrow Agent shall release to the Developer the amount of such funds such substantially completed item. However, if the amounts remaining in escrow after such partial release would be insufficient, in the opinion of the issuer of such certificate, for substantial completion of any remaining incomplete items for which funds have been deposited in escrow, only the amount in escrow in excess of such estimated cost to substantially complete shall be released by the Escrow Agent to the Developer. Notwithstanding a release of escrow funds that is authorized or required by this paragraph, Escrow Agent may refuse to release funds from an escrow account if the Escrow Agent, in its judgement, has sufficient cause to believe the certificate confirming substantial completion or determining the amount necessary for substantial completion is fraudulent or without factual basis.

7. Not earlier than nine (9) months after closing the sale of the first unit in a phase of a condominium project for which escrowed funds have been retained under Subparagraph 4B or for which security has been provided under Paragraph 6, an Escrow Agent, upon the request of the Condominium Association or any interested co-owner, shall notify the Developer of the amount of funds deposited under Subparagraph 4B or security provided under Paragraph 6 for such purpose that remains, and of the date determined under this paragraph upon which those funds can be released. In the case of a recreational facility or any and all other common areas intended for general common use, if any are specifically provided in the Master Deed, not earlier than nine (9) months after the date on which the facility was promised in the condominium documents to be completed by the Developer, an Escrow Agent, upon the request of the Association or any interested co-owner, shall notify the Developer of the amount of funds deposited under Subparagraph 4C or security provided under Paragraph 6 for such purpose that remains, and of the date determined under this paragraph upon which those funds can be released. Three (3) months after receipt of a request pertaining to funds described in Subparagraph 4B or 4C, funds that have not yet been released to the Developer may be released by the Escrow Agent for the purpose of completing incomplete improvements for which the funds were originally retained, or for a purpose specified in a written agreement between the Association and the Developer entered into after the transitional control date, as defined by the Condominium Act. The Escrow Agent may release funds in the manner provided in such an agreement or may initiate an

interpleader action and deposit retained funds with a court or competent jurisdiction. Any notice or request provided for in this paragraph shall be in writing.

8. If interest is paid on the deposits escrowed hereunder, that interest shall be released in the same manner as provided for release of funds in this Agreement except that interest on funds refunded to a Purchaser upon withdrawal pursuant to Paragraph 2(b) or 7(b) of the Purchase Agreement shall be paid to the Developer. This Agreement does not obligate Escrow Agent to earn interest on any of the escrowed funds.

9. The Escrow Agent, in the performance of its duties under this Agreement, shall be deemed an independent party not acting as the agent of the Developer, any purchaser, co-owner, or other interested party. So long as the Escrow Agent relies upon any certificate, cost estimate, or determination made by a licensed professional engineer or architect, the Escrow Agent shall have no liability whatever to the Developer or to any purchaser, co-owner or other interested party for any error in such certificate, cost estimate or determination, or for any act or omission by the Escrow Agent in reliance thereon.

10. For all purposes of this Agreement, the term "licensed professional engineer or architect" means a member of those professionals who satisfies all requirements of the laws of Michigan for the practice of the profession, and who is not an employee of the Developer or of a firm in which the Developer or an officer or director of the Developer is a principal or holds ten (10%) percent or more of the outstanding shares of that firm.

11. Escrow Agent may require reasonable proof of occurrence of any of the events, actions or conditions stated herein before releasing any sums held by it pursuant to any Purchase Agreement either to a Purchaser thereunder or to Developer. Whenever Escrow Agent is required hereby or identifiable portion of any of the same is substantially complete in accordance with the pertinent plans and specifications therefor, it may base such confirmation entirely upon the certificates required herein. Likewise, all estimates and determinations of the costs to substantially complete any incomplete elements, facilities, structures and improvements for which escrowed funds are being specifically maintained hereunder shall be made entirely by the persons provided herein; and the determination of all amounts to be retained or maintained in the escrow account for the completion of any such elements, facilities, improvements or structures shall be based entirely upon such determinations and estimates as are furnished by others in accordance with this Agreement. No inspections of the condominium or any portion thereof by any representative of Escrow Agent shall be deemed necessary hereunder, nor must any cost estimates or determinations be made by Escrow Agent; and Escrow Agent may rely entirely upon certificates,

determinations and estimates as described herein in retaining and releasing all escrowed funds hereunder.

12. If Escrow Agent receives conflicting instructions or claims to the funds, securities or documents held in escrow, it may hold all funds, securities and documents affected by the conflicting instructions or claims in this escrow and take no further action until otherwise directed, either by mutual written instructions from all interested parties or final order of a court of competent jurisdiction; or it may initiate an interpleader action in any circuit court in the State of Michigan naming all interested parties as parties and depositing all funds, securities and documents affected by the adverse claims with the clerk of such court in full acquittance of its responsibilities under this Agreement.

13. Upon making delivery of the funds deposited with Escrow Agent pursuant to any Purchase Agreement and performance of the obligations and services stated herein, Escrow Agent shall be released from any further liability as Escrow Agent, it being expressly understood that liability is limited by the terms and provisions set forth in this Agreement; and that by acceptance of this Agreement, Escrow Agent is acting in the capacity of a depository and is not, as such, responsible or liable for the sufficiency, correctness, genuineness or validity of the instruments submitted to it, or the marketability of title to any unit sold, unless insured by Escrow Agent. Escrow Agent is not responsible for the failure of any bank or savings and loan association used by it as an escrow depository for funds received by it under this Agreement. Further, Escrow Agent is not a guarantor of performance by developer under the condominium documents or any Purchase Agreement; and Escrow Agent undertakes no responsibilities whatever with respect to the nature, extent or quality of such performance thereunder or with regard to the conformity of such performance to the terms of such documents, to the plans and specifications for the condominium, to local or state laws or in any other particular. So long as Escrow Agent relies in good faith upon any instrument, document or certificate of any kind, Escrow Agent shall have no liability whatever to Developer, any Purchaser or any other party for any error in such instrument, document or certificate. Escrow Agent's liability hereunder shall in all events be limited to return, to the parties entitled thereto, of the funds deposited in accordance with this Agreement, less any reasonable expenses which Escrow Agent may incur in the administration of such funds or otherwise hereunder including, without limitation, reasonable attorneys' fees and litigation expenses paid in connection with the defense, negotiation or analysis of claims against it, by reason of litigation or otherwise, arising out of the administration of such escrowed funds, all of which costs Escrow Agent shall be entitled without notice to deduct from amounts on deposit hereunder.

14. This Agreement may be amended by the parties hereto without the consent of any Purchaser or co-owner, provided that any amendment shall comply with the Condominium Act. No amendment shall materially diminish the right of any Purchaser to a refund of the Purchaser's deposit pursuant to the Purchase Agreement or materially diminish the Purchaser's right to have the deposit retained in escrow. Escrow Agent may designate a representative to administer escrow funds in the name, and on behalf, of Escrow Agent. With the consent of Developer, Escrow Agent may assign this Agreement, and any deposit made hereunder to any bank, savings and loan association, or title insurance company, licensed or authorized to do business in Michigan, as a successor Escrow Agent, and upon acceptance of such assignment by the successor Escrow Agent and transfer all deposits thereto. Escrow Agent shall be relieved of any further obligation or liability arising from this Agreement.

15. All notices required or permitted hereunder and all notices of change of address shall be deemed sufficient if personally delivered or sent by mail, postage prepaid, addressed to the recipient party at the address shown below such party's signature to this Agreement or upon any Purchase Agreement. For purposes of calculating time periods under the provisions of this Agreement, notice shall be deemed effective upon mailing or personal delivery, whichever is earlier.

WITNESSED BY:

GROOTERS LAND COMPANY, L.C.
a Michigan limited liability company

By: Jackson's Industrial Mfg., Inc., a Michigan corporation and its managing member

BY: Susan M. Latham
Susan Latham
Its: President

DEVELOPER

FIRST AMERICAN TITLE INSURANCE
COMPANY OF THE MIDWEST

BY: Richard W. Caudle
ITS: Lenor Escrow

ESCROW AGENT

Officer

Heidi M. Fox
Susan M. Fox

Geraldine Eggleston
Geraldine Eggleston
Susan M. Fox
Susan M. Fox

RIVER BEND

Algoma Township, Michigan

PURCHASE AGREEMENT

THIS AGREEMENT made by Grooters Land Company, L.C., a Michigan limited liability company of 2662 Prairie Street, S.W., Wyoming, Michigan 49509 (herein called the "Developer"), and the following person(s) (herein collectively called the "Purchaser"),

NAME: _____

ADDRESS: _____

TELEPHONE: (____) _____

1. Plan of Development. Developer is engaged in the development of a site condominium project known as River Bend in Algoma Township, Kent County, Michigan (herein "Project"). The Developer has caused to be organized a Michigan nonprofit corporation (herein called the "Association") known as Rogue River Bend Condominium Association for the purpose of operating and maintaining the common elements of the Project and enforcing the restrictive covenants contained in the condominium documents. All co-owners of condominium units in the Project shall become members of the Association and shall be entitled to one (1) vote, the value of which shall equal the total of the percentages allocated to all units owned by such co-owner. By executing this Agreement, Purchaser agrees that upon becoming a member of the Association he will be subject to and abide by all the terms and provisions contained in the Master Deed, Condominium By-Laws and Condominium Subdivision Plans of the Project and in the Articles of Incorporation, By-Laws and rules and regulations, if any, of the Association.

2. Unit to be Purchased. Purchaser hereby agrees to purchase from Developer, pursuant to the terms and conditions hereinafter set forth, the exclusive ownership of Unit No. ____ as depicted on the Condominium Subdivision Plan of the Project prepared by Moore & Bruggink, consulting engineers, land surveyors and planners, together with the undivided percentage interest appurtenant thereto in the common elements of the Project. (Said Condominium Unit, and the interest in the common elements and rights appurtenant thereto, are hereinafter called the "Unit".) The Unit, and Purchaser's rights thereto, shall be subject to the terms of the Michigan Condominium Act (Act 59, Public Acts of 1978, as amended).

3. Terms of Purchase. The purchase price shall be _____ Dollars (\$ _____), and Purchaser agrees that he will (strike all which do not apply):

- (a) Pay the full purchase price in cash;
- (b) Pay \$ _____ of the purchase price in cash and finance the balance under a mortgage.
- (c) Pay \$ _____ of the purchase price in cash and finance the balance under a land contract (GR Form No. 3) with a _____ () year amortization, monthly payments of \$ _____, and interest at _____ (%) percent per annum. The land contract shall provide that the entire unpaid balance of principal and interest is due and payable _____.

If subparagraph (b) is applicable, Purchaser's obligations under this Agreement are contingent upon the ability of Purchaser to secure, within thirty (30) days as herein described, a _____ mortgage commitment for \$ _____ to be amortized over a minimum of _____ () years. Purchaser shall make application for such commitment within ten (10) days of the date hereof and shall promptly thereafter notify Developer of the date and the name and address of the lender to which such application was made. If Purchaser is unable to obtain such commitment, Purchaser shall notify Developer in writing within thirty (30) days after making such application. If Developer is not so notified, it shall be conclusively presumed that Purchaser has secured such commitment or will purchase the Unit without mortgage financing.

If Developer is so notified of Purchaser's inability to obtain mortgage financing, Developer may, at Developer's option, sell the unit by land contract to Purchaser under the same terms.

4. Payment of Purchase Price. Purchaser agrees to pay the purchase price as follows:

- (a) Deposit upon execution of this Agreement: \$ _____

(b) Upon occurrence of the following events, and written notice thereof to the other party:

_____ \$ _____
_____ \$ _____

(c) At time of closing: \$ _____

Purchaser agrees that, in addition to the purchase price set forth herein, he will be liable for his proportionate share of the current monthly assessment imposed by the Association for the maintenance, repair, replacement or other expenses of administration as set forth in the By-Laws of said Project. Such sums shall be paid to Developer at closing.

5. Conveyance of Title. Developer agrees to convey to Purchaser insurable title to the Unit, subject to (i) current general real estate taxes; (ii) easements, covenants, restrictions and building lines of record, including the provisions of the Master Deed, Condominium By-Laws and other Condominium Documents for River Bend, and all amendments thereto; (iii) all governmental limitations including zoning and building laws and ordinances and the Michigan Condominium Act; (iv) acts done or suffered by Purchaser; (v) liens and other matters over which the title insurer provided for herein commits to insurer. Purchaser further agrees to consummate the purchase of said Unit within ten (10) days after notice from Developer that it is prepared to tender title and possession, and to pay the balance of the purchase price as set forth above which shall be disbursed in accordance with the terms of the Escrow Agreement attached hereto. Rents, condominium assessments, insurance and any other items customarily pro-rated are to be adjusted to the date of closing. General real estate taxes which are due and payable prior to the date of this Agreement shall be paid by Developer without proration. All general real estate taxes which become due and payable after the date of this Agreement shall be Purchaser's responsibility.

6. Assumption of Obligations. Purchaser agrees that he will assume and hereby assumes as of the date of closing all obligations appurtenant to the Unit under the Master Deed, including payment of his proportionate share of any reserve (if any). At closing, Purchaser also agrees to deposit with the Developer, in addition to the pro-rata share of the current quarterly assessment for the Unit being purchased, an amount equal to two month's assessment based on the current annual budget of the Association. The sum deposited shall be forwarded promptly by the Developer to the Association for use as a reserve for operation and management of the Project as provided in the Master Deed, and this payment shall not act as a credit against any further assessment.

7. Escrow Provisions. All sums received by Developer from Purchaser prior to closing and pursuant to this Agreement shall be deposited with First American Title Insurance Company of Midwest, 181 Ottawa Avenue, N.W., Ste. 101, Grand Rapids, Michigan 49503, as escrow agent (or such other escrow agent qualified to serve as an escrow agent under the Michigan Condominium Act as may be substituted for said company by Developer), under a certain Escrow Agreement between Developer and said company attached hereto as Exhibit A and incorporated herein. The terms of the Escrow Agreement may be modified by mutual agreement of Developer and said company so long as such modifications are consistent with the Michigan Condominium Act, and Purchaser hereby agrees to be bound thereby as though a party to said escrow agreement, as amended. If the Purchaser withdraws from this Agreement in accordance with Section 8 prior to the time this Agreement becomes a binding purchase agreement, all funds paid by the Purchaser in connection with purchase of a Unit shall be returned to the Purchaser within three (3) business days after such withdrawal in accordance with paragraph 3(b) of the Escrow Agreement.

8. Cancellation Rights of Purchaser. This Agreement shall not become binding on Purchaser and Purchaser may withdraw without cause and without penalty before conveyance of the Unit and within nine (9) business days (including the day on which the documents are received if that day is a business day) after the Developer provides to the Purchaser a copy of the recorded Master Deed, the Disclosure Statement and a Condominium Buyer's Handbook. If Purchaser shall determine to so withdraw, Purchaser shall notify Developer in writing of Purchaser's desire to withdraw, and thereupon all rights and liabilities of Purchaser and Developer to consummate this transaction shall wholly cease and terminate. After expiration of such withdrawal period, the Developer is required to retain sufficient funds in escrow or to provide sufficient security to assure completion of only those uncompleted structures and improvements labeled under the terms of the condominium documents "must be built."

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

9. Cancellation Rights of Developer. If, prior to closing, Purchaser shall fail to comply with any restrictions on use imposed by the Condominium Documents, then Developer may so notify Purchaser in writing. Developer reserves the right, prior to closing, to return all sums paid hereunder to Purchaser or his successors, and thereupon all rights of Purchaser shall cease and terminate without further liability on the part of the Developer.

It is understood that Purchaser's credit is subject to approval by Developer and by any proposed mortgagee. Subsequent to the date on which this Agreement becomes a binding Purchase Agreement, Purchaser's rights may be canceled only in the event that a mortgage commitment as described in Section 3 cannot be secured under the terms provided therein. In such event, Developer shall return to Purchaser all of the sums paid hereunder, this Agreement shall terminate and neither party shall have any further liability hereunder.

10. Default. If Purchaser shall default in the performance of any of the payments or obligations called for in this Agreement and such default shall continue for nine (9) business days after written notice sent by Developer to Purchaser, then, at the option of Developer, all rights of Purchaser under this Agreement shall immediately terminate.

If Purchaser's rights terminate prior to the time this Agreement becomes a binding Purchase Agreement pursuant to Section 8 hereof, or if Developer shall default in any manner hereunder, all sums paid by Purchaser shall be refunded to him and neither party shall have any further liability hereunder. If Purchaser's rights are terminated subsequent to this Agreement becoming a binding Purchase Agreement, any amount paid by Purchaser toward the purchase price not to exceed ten (10%) percent of the total cost thereof may be retained by the Developer as liquidated damages, or Developer, at its option, may elect to pursue any legal or equitable remedy available to it under the laws of the State of Michigan.

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

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

13. Closing. This sale shall be closed and the payment of the purchase price and delivery of the deed shall be made in accordance with this Agreement at such place and time and on such date as Developer shall designate by notice to Purchaser not less than five (5) days prior to closing. If Developer fails to designate a time, place or location for closing, the closing shall be held at the offices of First American Title Insurance Company of Midwest, 181 Ottawa Avenue, N.W., Ste. 101, Grand Rapids, Michigan 49503, at 3 p.m. on _____, 19___. At or prior to closing, the Developer shall provide Purchaser at

Developer's expense with a standard form commitment for issuance of a policy of title insurance by First American Title Insurance Company of Midwest or such other title insurance company as Developer may designate showing title in Purchaser subject to (a) the general printed exceptions and (b) those matters set forth above in Section 5, and promptly after closing shall cause to be issued and delivered to Purchaser an owner's policy of title insurance based upon such commitment. The title policy or commitment therefor shall be conclusive evidence that insurable title is being conveyed to Purchaser, and shall be in the amount of the purchase price designated in Section 3. Purchaser shall pay for recording the deed to the Unit, mortgage costs (if any), a proportionate share of the insurance reserve contribution (if any) and other closing costs customarily paid by purchasers of comparable real estate. Notwithstanding the foregoing, if the Owner's policy or commitment of title insurance shows a defect in Developer's title, the closing date will be extended one hundred twenty (120) days so that Developer may cure said defect or cause the title insurance company to insure against risk of loss or damage to Purchaser occasioned thereby. If Developer fails to clear its title as aforesaid, then Purchaser may either accept whatever title Seller is able to tender him, without any reduction in the purchase price of the Unit, or elect to terminate this Agreement and all deposits made by Purchaser shall be returned to him forthwith. Once the deposits are returned, Developer shall have no further liability hereunder.

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

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

16. Assignability. Purchaser shall not assign, set over or transfer this Agreement or any of Purchaser's rights or interests hereunder without the prior written consent of the Developer, and at Developer's option any such purported assignment shall be void and of no effect.

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

18. Notices. All notices and demands made under this Agreement shall be in writing and shall be deemed received on the day following the day on which such notice is deposited in the United States mail, first class or certified mail, return receipt requested, postage prepaid, and addressed to Developer, or to Purchaser, at the respective addresses given herein, or to Purchaser's attorney, or said written notices and demands may be made by personal delivery to either party or to such party's attorney.

19. Receipt of Copies. Purchaser acknowledges that he has received from Developer, prior to execution of this Agreement, copies of the following (check that which has been received):

- (a) Recorded Master Deed for Rogue River (including the Condominium By-Laws and Condominium Subdivision Plan) and any amendment thereof to date;
- (b) Articles of Incorporation and Association By-Laws of the Rogue River Bend Condominium Association;
- (c) Disclosure Statement containing estimated operating budget of the Rogue River Bend Condominium Association;
- (d) Condominium Buyer's Handbook published by the Michigan Department of Commerce and required by Section 84a(c) of the Michigan Condominium Act; and
- (e) Information regarding withdrawal rights under Section 84 of the Michigan Condominium Act.

20. Usage of Terms. The pronouns and relative words used herein shall be construed respectively to include the masculine, feminine and neuter genders, and the singular and plural numbers unless the context clearly indicates a contrary intention. "Business day" as used herein means a day of the year excluding a Saturday, Sunday, or legal holiday.

21. Miscellaneous. This Agreement shall be governed by Michigan law.

Accepted this ____ day of _____,

Dated this ____ day of _____,

WITNESSES:

DEVELOPER:

GROOTERS LAND COMPANY, L.C., a Michigan limited liability company

By: JACKSON INDUSTRIAL MFG., INC., a Michigan Corporation, Its Managing Member

By: _____
Susan Latham, President

PURCHASER:

ATTORNEYS FOR DEVELOPER:
MIKA, MEYERS, BECKETT & JONES, P.L.C.
200 Ottawa Avenue, N.W., Suite 700
Grand Rapids, MI 49503
Telephone: (616) 459-3200

DESIGNATION OF VOTING REPRESENTATIVE

The undersigned, being the Co-Owner(s) of Lot Number _____ in River Bend, hereby designates _____, pursuant to Article II, Section 2.04 of the Condominium Bylaws, as the individual representative who shall vote at the meetings of the Association and receive all notices and other communications from the Association on behalf of the undersigned Co-owner(s). The address of such designee is _____.

If the Lot is owned by more than one person then, the foregoing notwithstanding, it is further agreed that either (but no more than one) of the undersigned may be counted for quorum purposes and vote in person at any meeting of the Association unless the undersigned cannot agree as to who shall vote at such meeting, in which event only the above-designated representative may cast such vote.

Dated: _____

Co-Owner

Co-Owner

Address

Address

City State Zip

City State Zip

WAIVER

The undersigned, for good cause acknowledged by the undersigned, hereby waives the nine (9) business day waiting period from receipt of the condominium documents as provided by the Condominium Act prior to closing of the purchase of Lot No. _____, River Bend. The undersigned represents and warrants that he/she is familiar with this project, and has knowingly and intentionally and of his/her own volition waived the nine-day waiting period as provided by the Condominium Act.

Dated: _____

Unit No.: _____