

Crystal Beach

Restrictions

Section 6.1 Residential Purposes. No Unit in the Condominium shall be used for other than single family residential purposes. Any dwelling constructed on a Unit shall have an attached private garage for not less than two (2), nor more than three (3) automobiles.

Section 6.2 Character and Size of Buildings.

(a) No residence or other structure or outside improvements of any kind shall be commenced, erected or maintained on a Unit, nor shall any exterior addition to or change or alteration of any structure be made, until the plans and specifications showing the design, height, materials, color scheme, location on parcel, and the grading and landscaping plan of the Unit to be built upon, shall have been submitted to and approved in writing by the Developer's Review Committee ("Committee") and a copy of the plans and specifications shall have been permanently filed with the Committee.

(b) The Committee shall have the right to refuse to approve any such plans or specifications or grading or landscaping plans which are not suitable or desirable, in its opinion, for aesthetic or other reasons; and in so passing upon such plans, specifications and grading, it shall have the right to take into consideration the suitability of the proposed residence to be built on the Unit, and the harmony of it with the natural features of the Project and with any residences that may have been constructed on other portions of the Project. The purpose of this Article is to cause the Project to be developed into a harmonious, private residential area. If a disagreement on the points set forth in this Article should arise, the decision of the Committee shall control.

(c) In the event the Committee shall have failed to approve or disapprove such plans and specifications in writing within thirty (30) days after the same shall have been delivered, then the same shall be deemed to have been approved, provided that the plans and specifications and the location of the residence on the Unit conform to and are in harmony with existing residences in the Project, these restrictions and applicable zoning laws and building codes.

(d) In no event shall any residence be permitted on any Unit which does not comply with the following minimum area requirements, exclusive of garage spaces, space within unwinterized porches and decks, and space within basements which do not contain exterior door openings and windows on at least two (2) walls substantially equivalent to those on other floors:

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| (1) | One story ranch home: | 1,400 square feet; |
| (2) | All other design homes: | 1,400 square feet with at least 800 square feet on the ground level. |

(e) All construction of any residence shall be completed within twelve (12)



months after the issuance of a building permit unless an extension of time is granted in writing by the Committee. The construction of any new residence or the repair of any residence damaged by fire or otherwise shall be completed as rapidly as possible and should the owner leave such building in an uncompleted condition for a period of more than one (1) year, then the Developer or the Association or their agents or assigns are authorized to either tear down and clear from the Unit the uncompleted portion of such structure or to complete the same, at their option, and in either event, the expense incurred shall be charged against the owner's interest therein and shall become a lien on the Unit upon which the residence is located; subject to collection or enforcement in the same manner set forth in Section 2.6, above.

(f) No custom-made or prefabricated out-buildings (i.e., trailer, tent, shanty, shack, barn, shed, etc.), whether wood, metal or other construction shall be permitted, either free-standing or attached to a pre-existing residence, on any Unit.

(g) Temporary buildings of any kind are expressly prohibited and temporary residence or occupancy shall not be permitted without a fully completed exterior of the residence being occupied.

(h) No old or used buildings of any kind whatsoever shall be moved or reconstructed on any Unit. All residences to be constructed shall have finished exteriors of brick, stone, wood, or, aluminum or vinyl siding, a combination thereof, or other suitable finishes as approved by the Committee. All exterior finishes shall be subject to the prior approval of the Committee.

(i) All utilities, including, but not limited to, electricity, telephone, water, sewage and gas shall be installed underground, when reasonably possible, except as may otherwise be permitted by prior written approval of the Committee. Exterior fuel tanks shall expressly require the prior written approval of the Committee, including, if permitted, approval of size, placement and screening. No underground storage tanks containing petroleum or other products shall be stored or maintained anywhere on the Project except by prior written approval of the Committee.

(j) No "through the wall" or "through the window" air conditioners may be installed or maintained in or on any residence constructed within the Project, without the prior written approval of the Committee. Outside compressors for central air conditioning units or other similar machinery shall be located within twenty (20) feet of the residence being served by such equipment, and shall also be located so as to cause the least possible disturbance to neighboring residences. Any outside lighting on any residence within the Project shall be designed so as to not project directly onto an adjoining Unit and to eliminate glare visible from another Unit.



Section 6.3 Fences. Fences, hedge rows, garden walls and outdoor screen fences shall be erected or planted only after plans and specifications with respect to the same shall have first been submitted in writing to and approved by the Committee. The Committee is specifically authorized to disapprove stockade type fences and fences in any part of a Unit lying within twenty-five (25) feet of the shoreline of a lake. Any fence located on the lakeside of a residence shall not exceed four (4) feet in height. Any hedges or other landscape material located along or near property lines on the lakeside of a residence shall not exceed four (4) feet in height and shall not obstruct lake view of abutting Unit owners.

Section 6.4 Swimming Pools. All swimming or wading pools shall be constructed in the ground and shall be enclosed by a permanent fence of at least four (4) feet high. Construction thereof shall be commenced only with the prior written approval of the Committee.

Section 6.5 Signs. No advertising sign of any kind shall be displayed to the public view on any portion of the Project, except one (1) sign of not more than five (5) square feet advertising a Unit during construction and/or sale shall be permitted. No signs shall be placed on vacant, undeveloped Units.

Section 6.6 Activities on Property.

(a) No portion of the Project shall be used or maintained as a dumping ground for rubbish. Trash, garbage or other waste shall not be kept, except in sanitary containers properly concealed from public view.

(b) No immoral, improper, unlawful or offensive activities shall be carried on on any Unit, nor shall anything be done which may be or become an annoyance or nuisance to the neighborhood or adjoining residences, nor shall any unreasonably noisy activity be carried on on any portion of the Project.

(c) The stockpiling and storage of building and landscaping materials and/or equipment or firewood or similar materials shall not be permitted on any Unit, except during construction of a residence on such Unit, without the prior written approval of the Committee.

Section 6.7 Vehicular Parking and Storage. All non-motorized vehicles (including, without limitation, house trailers, utility trailers, boat trailers, boats, camping trailers and snowmobile trailers), commercial vehicles, camping vehicles, snowmobiles, recreational vehicles or vehicles other than automobiles or vans not exceeding fourteen (14) feet in overall length, shall be stored within the private garage attached to the residence, or with the consent of the Committee, outside of the view of neighboring units, except for temporary outside parking for a period not to exceed forty-eight (48) hours. No automobiles and vehicles of any kind (motorized or non-motorized) shall be parked on the streets or roads within the Project at any time. No inoperable vehicles of any kind shall be brought or stored upon any portion of the Project, either temporarily or



permanently. Except for emergency repairs, no maintenance work shall be performed on any vehicle on any portion of the Project. Commercial vehicles and trucks shall not be parked on any portion of the Project, except while making deliveries and pick-ups in the normal course of business, or during the construction of a residence on a Unit within the Project, or unless parked completely within a garage on a Unit.

Section 6.8 Animals. No chickens, other fowl, horses, or livestock of any kind shall be kept on any portion of the Project. No animals of any kind shall be kept or maintained on any portion of the Project except normal household pets owned by the occupants of a residence located on a Unit within the Project and not maintained for any commercial purpose; with only one (1) dog or one (1) cat allowed per Unit. Household pets shall have such care so as not to be objectionable or offensive on account of noise, odor or unsanitary conditions. No animal shall be permitted to run loose on any portion of the Project, and any animal shall at all times be attended by a responsible person. No outside dog runs, fenced or otherwise shall be allowed.

Section 6.9 Dangerous Weapons. No owner of any portion of the Project shall use, or permit the use by any occupant, agent, employee, invitee, tenant, guest or member of his family of any firearms, air rifles, pellet guns, bows and arrows or other similar dangerous weapons, projectiles or devices anywhere upon any portion of the Project.

Section 6.10 Conservation. As set forth above, it is the Developer's intention to cause the Project to be developed into a harmonious, private residential area in harmony with the natural features of the property. Hence, in the development or use of the Project, the following standards shall be observed:

(a) Erosion Control. No soil shall be disturbed, moved or removed from any portion of the Project without the prior consent of the Committee and the Developer. All soil removed in any excavation or construction shall not be removed from the Project without the prior approval of the Developer and without such soil having first been offered at no charge (except removal charges), for use elsewhere by Developer or Developer's assigns. Upon the completion of the residence on any Unit, the owner of such Unit shall cause it to be finish-graded and seeded, sodded or returned to a condition as close as possible to its natural state as soon after completion as weather permits. All landscaping shall be of an aesthetically pleasing nature and shall be maintained at all times. Basic landscaping, including finished grading and installation of driveways must be completed within six (6) months of the date of occupancy of a residence. All driveways must be of asphalt or concrete construction.

(b) Preservation of Trees. No trees exceeding six (6) inches in diameter shall be removed or cut from any portion of the Project for purposes other than the construction of a residence and improvements reasonably related thereto, without the prior written approval of the Committee.

Section 6.11 Building Set-Backs. No building on any unit within the Project shall be



erected nearer to the lot lines of the Unit than the following schedule: Front (Street) Unit line - 40 feet; Rear Unit line - 40 feet; Side Unit line - ten percent (10%) of Unit width at the front setback line, or 10 feet, whichever is greater. Setbacks for corner Units may be reduced by the Committee along one front (street) Unit line, at the Committee's discretion, depending upon topography, screening, and other factors. Setbacks involving concave, convex, meandering lines, or setbacks on multiple contiguous Units shall be determined by the Committee. All setbacks shall not be less than those required by the local zoning ordinance.

Section 6.12 Administration.

(a) Developer's Review Committee Composition.

(1) The Committee shall consist initially of three (3) members appointed by the Developer. At such time as residences have been constructed on at least eighty percent (80%) of the Units within the Project, the Committee shall consist of three (3) persons, who shall be appointed by the Association, although Developer shall be entitled to select one member of the Committee so long as it has an interest in any Unit within the Project. Action by any two members of a three-member committee shall constitute action of the entire committee. The Committee may reject any plan because of too great a similarity to nearby existing structures, or because, in the opinion of the Committee the building is improperly placed on the lot.

(2) In the event of death, resignation or inability to act of any member of the Committee, the remaining members shall have authority to designate a replacement member, subject to the provisions of this Section.

(3) Neither the Committee nor any member thereof, shall be entitled to any compensation from any owner of a Unit in the Project on account of any service performed in the examination of plans of specifications.

(b) Administration by the Committee. The Committee shall have the following powers and duties in addition to the other such powers and duties set forth elsewhere in this Instrument:

(1) Approval of Plans. All plans and specifications for the construction of any residence, the undertaking of any landscaping or grading, and the location of any such residence, the exterior alteration of any residence and all exterior uses or improvements on a Unit shall be approved by the Committee prior to construction, in accordance with this Article. The Committee may reject all or any portion of the plans submitted or require the modification or re-submission of any such plans.



(2) Variances. The Committee may grant variances in its absolute discretion from this Article, so long as the general intent of this Article shall be substantially achieved; provided, however, that the granting of any variance by the Committee shall require the unanimous vote thereof.

(3) Enforcement. The Committee shall have the primary responsibility for the enforcement of this Article, although enforcement may also be undertaken by the Association or the Developer. For such purpose, it shall have the right to take or refuse to take such action as herein provided, institute legal or equitable proceedings, or to take such other action which is reasonably calculated to achieve the purposes herein set forth. Any costs, including reasonable attorney fees, incurred in enforcing this Article shall be assessable against the Unit and the owner thereof, from which a violation arose, and may be enforced in the same manner as provided for in Section 2.6, above. The owner or mortgagee of any Unit within the Project may also enforce the covenants set forth herein.

Section 6.13 Lake Templene Property Owners Association, Inc.. Developer discloses the existence of Lake Templene Property Owners Association, Inc. ("Lake Templene Association"). Each Co-owner of a Unit in the Project shall qualify as a member of Lake Templene Association. The purpose of the Lake Templene Association is to oversee and maintain certain common areas contained in subdivisions located on Lake Templene. The Association is authorized to include in its annual budget reasonable amounts for payment of dues to the Lake Templene Association.

Section 6.14 Regulations. Reasonable regulations consistent with the Act, the Master Deed and these Bylaws, concerning the use of the Common Elements may be made and amended from time to time by Board of Directors of the Association. Copies of all such regulations and amendments thereto shall be furnished to all Co-owners and shall become effective thirty (30) days after mailing or delivery thereof to the designated voting representative of each Co-owner. Any such regulation or amendment may be revoked at any time by the affirmative vote of more than fifty percent (50%) of all Co-owners in value.

Section 6.15 Responsibility for Actions. Each Co-owner shall maintain his Unit and any Limited Common Elements appurtenant thereto for which he has maintenance responsibility in a safe, clean and sanitary condition. Each Co-owner shall also use due care to avoid damaging any of the Common Elements including, but not limited to, the telephone, water, gas, plumbing, electrical or other utility lines and systems and any other elements in any Unit which are appurtenant to or which may affect any other Unit. Each Co-owner shall be responsible for damages or costs to the Association resulting from negligent damage to or misuse of any of the Common Elements by him, his assigns, tenants, agents, invitees or licensees, unless such damages or costs are covered by insurance carried by the Association in which case there shall be no such responsibility (unless reimbursement to the Association is excluded by virtue of a deductible provision, in which case the responsible Co-owner shall bear the expense to the extent of the deductible amount). Any costs or damages to the Association may be assessed to and collected from the responsible Co-owner in the



manner provided in Article II of these Bylaws.

Section 6.16 Reserved Rights of Developer. None of the restrictions contained herein shall apply to the development and construction activities, and signs, if any, of the Developer during the period of construction and sale of any Units in the Project. Notwithstanding anything to the contrary elsewhere contained herein, Developer shall have the right to maintain a sales office, a business office, a construction office and model Units, storage areas and reasonable parking for the foregoing and such access to and from and into the Project as may be reasonably required to enable development of the entire Project by the Developer. The Developer shall restore any areas so utilized to a suitable status upon termination of its use.

Section 6.17 Leasing. A Co-owner may lease his Unit or any Limited Common Element appurtenant thereto for the same purposes set forth in Section 6.1 of these Bylaws, except that no Co-owner shall lease less than an entire Unit in the Condominium. The terms of all leases, occupancy agreements and occupancy arrangements shall incorporate, or be deemed to incorporate, all of the provisions of the Condominium Documents. The Developer, or the Association, to the extent of any Units owned by the Association, may lease any number of Units in the Condominium in its discretion and may do so for periods which shall also be within its discretion.

Section 6.18 Landscaping. No Co-owner shall perform any landscaping or plant any trees, shrubs or flowers or place any ornamental materials upon any General Common Elements, unless approved by the Board of Directors and the Committee in writing.

Section 6.19 Reservation of Easements.

(a) Utility and Drainage Easements.

(1) Developer reserves an easement for utility services and for drainage over the six (6) foot wide strip of land that lies contiguous to each sideline of every Unit in the Project.

(2) Developer reserves an easement for utility services and for drainage over the ten (10) foot wide strip of land that lies contiguous to the lake shoreline of every Unit in the Project.

(3) Developer reserves an easement for utility services and for drainage over the ten (10) foot wide strip of land that lies contiguous to the front (street) line of every Unit in the Project.

(b) Flowage Easement. Every numbered Unit in the Project that lies contiguous to the lake shall be subject to a flowage easement to an elevation on the Unit equal to the highwater elevation in such lake (828.50 feet above sea level).



(c) Roadway Easement. Developer reserves an easement for private roadway purposes (subject to the provisions of Article VII of the Master Deed) as shown on Exhibit "B" attached hereto.

Section 6.20 Water Well and Septic Systems. A well water supply construction permit and an on-site sewage permit for each Unit shall be obtained from the District Health Department prior to beginning construction on any Unit.

All sanitary plumbing shall conform with the minimum requirements of the Health Department of St. Joseph County and the State of Michigan. Plumbing shall comply with all applicable codes or ordinances. In the absence of such codes or ordinances, plumbing shall meet the requirements of Act 266, Public Acts of 1929, as amended.

(1) All dwellings shall be served by an on-site sewage disposal system. Private on-site sewage disposal systems shall be constructed, operated and maintained in compliance with the regulations of the St. Joseph County or District Health Department and with applicable Michigan Department of Public Health regulations. The owner of each dwelling shall be responsible for the operation and maintenance of the on-site sewage disposal system and on-site water supply system serving such dwelling.

(2) All wells on individual lots shall be installed by a Michigan licensed well driller to a depth of 70 feet and through a protective clay overburden.

(3) The main floor of all residential buildings on each Unit shall be at or above elevation 834 and constructed in a manner to allow gravity flow of sewage wastes from all required plumbing fixtures into the on-site sewage disposal system.

(4) All sewage systems shall be a minimum of 100 feet from the lake.

Section 6.21 Flood Plain Restrictions.

(a) The following restrictions apply to dwellings affected by the 100-year flood plain limits of Lake Templene. All such dwellings shall:

(1) Have lower floors, excluding basements, not lower than the elevation of the contour defining the flood plain limits.

(2) Have openings into the basement not lower than the elevation of the contour defining the flood plain limits.



(3) Have basement walls and floors, below the elevation of the contour defining the flood plain limits, watertight and designed to withstand hydrostatic pressures from a water level equal to the elevation of the contour defining the flood plain limits following methods and procedures outlined in Chapter 5, Type A construction and Chapter 6 for Class 1 loads found in "Flood Proofing Regulations" EP 1165 2 314 prepared by the Office of the Chief Engineers, U.S. Army, Washington, D.C., June 1972. Figure 5, Page 14.5 of the regulations show typical foundations drainage and waterproofing details.

(4) Be equipped with a positive means of preventing sewage backup from septic lines and drains which serve the building.

(5) Be properly anchored to prevent flotation.

(b) The 100-year flood plain limit for Lake Templene is elevation 831.0 (N.G.V. Datum). No filling or occupation of the flood plain shall take place without prior written approval from the Michigan Department of Environmental Quality and the Committee.

Section 6.22 Lake Templene.

(a) Water Usage and Control. Lake Templene is designated as a private lake and as such, the right to usage and control remain with the Developer or its authorized agent.

(1) Usage and enjoyment of the water is to be controlled by the Committee, including but not in limitation thereof, pumping water from the lake to lawn sprinkler systems.

(2) There shall be no water skiing or power boat racing before nine a.m. or after official sunset, except for special events authorized by the Developer or the Lake Templene Association herein described.

(3) The frontage on Lake Templene associated with the Project may be used by Co-owners only for access to the lake for swimming, wading and boating. No boats may be moored on any common element of the Project. Only one (1) dock may be erected on each Unit having frontage on the lake. Boats and docks shall not be placed or moored across Unit lines, as extended into the lake. All use of Lake Templene frontage associated with the project, shall be subject to applicable state and local statutes and ordinances, and also the provisions of these Bylaws and rules and regulations promulgated in accordance herewith.