

297 CLAY
CONDOMINIUM
HANDBOOK

2016

297 West Clay Avenue Muskegon, MI 49440

CONTENTS

INTRODUCTION TO 297 CLAY CONDOS

OWNERS ASSOCIATION

OUR WEBSITE

WHO TO CALL

GENERAL CONDO LIVING

COMMON AREA MAINTENANCE (CAM) FEES

RECREATIONAL FACILITIES

OPEN-AIR DECK

COMMUNITY ROOM

FITNESS ROOM

SWIMMING POOL

MOVE-IN

PARKING

SECURITY

BUILDING AND UNIT ACCESS

GUESTS

SMOKING

STORAGE

TRASH

RENOVATION PROJECTS

GOVERNING DOCUMENTS

BYLAWS

MANAGEMENT

INTRODUCTION TO 297 CLAY CONDOS

Welcome to 297 Clay Condominiums! We're happy to have you as part of our community. This Handbook has been created by the Board of Directors to acquaint you with some general concepts of condo living, and to ensure that you have access to information regarding our specific rules, regulations, and policies.



OWNERS ASSOCIATION

The Owners Association (297 Clay Condominiums Owners Association, Inc.) is a non-profit corporation which is overseen by a Board of Directors elected from the co-owners annually. The Board members serve two-year terms which are staggered such that two members expire in one year and three members expire the following year. There are five directors. The directors choose officers from amongst themselves. The Board of Directors meets monthly, as set by the Board itself. Co-owners are welcome to attend the board meetings.

OUR WEBSITE: *WWW.297CLAYCONDOMINIUMS.COM*

The Owners Association maintains a website for several reasons. First, the website is a resource for prospective buyers and tenants to learn about our condominium. Units available for sale are presented on the website. Second, the website is a resource for current co-owners and tenants. All of the governing documents are available on the website. Some of those governing documents may be revised from time to time. The website is the method by which the updated documents are immediately made available to our residents.

WHO TO CALL

Should you have any questions, concerns, or notice a maintenance issue that needs to be addressed, please contact the Co-owner Liaison for the Board of Directors using the following email address: Janet297Clay@aol.com.

GENERAL CONDO LIVING

Many people move into a condominium project for the first time from either a stand-alone house or an apartment. Thus, condominium living is new to them. This Co-Owner Handbook is intended to introduce new residents (co-owners and tenants) with our guidelines for being a good condominium neighbor.

A co-owner in the condominium is not the same as being a tenant in an apartment, nor is it the same as owning a stand-alone house. The ownership rights of a co-owner are described in specific detail in our Master Deed, which can be found online www.297claycondominiums.com. Each co-owner should read the Master Deed to fully understand her/his ownership rights and limitations.

Because the common areas are used by all co-owners, any individual co-owner may permit outsiders to use the common areas only to the extent that the Association (through the Board of Directors) allows. Thus, use of the common areas by guests and/or tenants of a co-owner may be restricted by the Association. All co-owners are responsible for the actions of their guests and/or tenants anywhere in the condominium property, including within the individual unit and common areas.

In order to maintain the common areas in a safe and orderly condition, personal property of any kind must not be left in the common areas without the express written permission of the Board of Directors. Fire codes, among other issues, regulate what is permitted in hallways and other common areas. Any personal property left in a common area may be removed by the Owners Association and discarded. Decorations approved to be left in the common areas will be considered the property of the Owners Association, but the Board may agree to allow the original owner to remove the decoration upon request of that co-owner.

Noise within the condominium property should be kept to a reasonable level at all times. Courtesy towards other co-owners is expected from all co-owners and their guests/tenants. The City of Muskegon ordinance (Section 26 Article II) regulates noise anywhere within the City at all times, but especially between 11:00 PM and 7:00 AM. Essentially, any noise that can be heard beyond the room is considered unreasonable. Individual co-owners have varying schedules. Therefore, noise at any time of the day or night may be disturbing to another co-owner. Excessive or unreasonable noise may result in a sanction against the co-owner and/or tenant, as determined by the Board of Directors under the Bylaws of the Condominium.

Animals are prohibited in our Condominium unless and until approved specifically (and in writing) by the Board of Directors. Pets are required to be on a leash and you must clean up after your pet immediately, especially on our lawns and sidewalks.

A satellite receiver dish is permitted to stand on your deck but not on the roof. They may not be hung from windows.

No fireworks of any kind shall be permitted to be stored or lit anywhere on condominium property. This includes all ground-based, launching and/or exploding fireworks of any sort.

If your unit does not have a washer and/or dryer, you may use the Laundry Room, located in the lower level of the Building. There are three washers and three dryers available; each requires quarters for use. You will need to provide your own detergent, bleach, fabric softener, etc. Please be sure to clean the washer drums and remove the lint from the dryer at the end of each cycle.

COMMON AREA MAINTENANCE (CAM) FEES

The expenses of the Association, including the maintenance of the common areas, are paid from funds collected from each co-owner on a monthly basis. The Common Area Maintenance (CAM) fees are set each year by the Board of Directors based upon the budget for the coming year and the formula dictated by the Master Deed; thus, the exact amount of the monthly fee may change each year. You will receive a notice in July of each year detailing your monthly fee, which becomes effective on August 1st of each year. Included in your CAM fee is the cost of heating and cooling the central water loop (which is used to heat and cool your unit), as well as all the water used by individual units, trash removal, lawn maintenance, snow plowing, common area maintenance, and building fire insurance.

CAM fees are due on the first (1st) day of each month and are considered late as of the 10th day of the month. If not paid by the 10th day of the month, a late penalty is assessed. CAM fees not paid by the 1st of the following month are assessed a daily late charge of \$10.00 PER DAY until paid in full. Payment is by check or money order only, payable to 297 Clay Condominium Owners Association, Inc. The CAM fee can be paid by US Postal Service addressed to the Owners Association at 297 W. Clay Avenue #500, Muskegon, MI 49440, or by depositing the check or money order into the black drop box located to the left of the elevator door in the lobby of the building. You are also welcome to set up automatic Bill Pay at your bank.

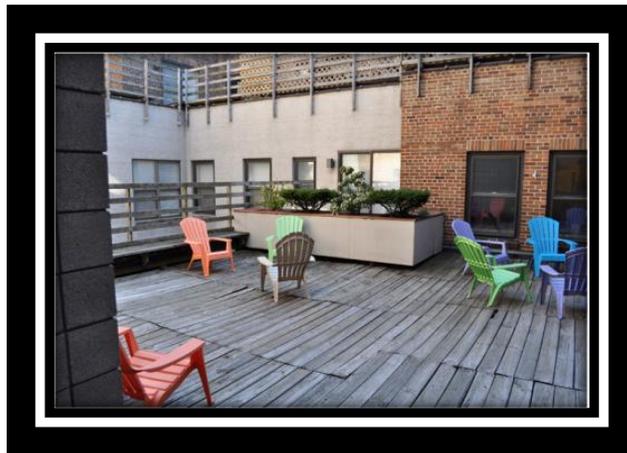
In order to assure consistent accounting practices, the Board of Directors has adopted a Rule/Regulation that, absent a specific instruction from the co-owner and acceptance by the Association, a payment in excess of the amount due will be considered a contribution to the Association and not a credit to the co-owner/unit's account (for more information, see the Rule on CAM Fee Overpayment in the Rules, Regulations and Policies document found at www.297claycondominiums.com).

RECREATIONAL FACILITIES

The Condominium has several common use recreational areas available to all residents. Each is managed according to the rule and/or policy set by the Board of Directors for each area. If you wish to use any of the recreational areas, please review the applicable rule, regulation, or policy available on our website at www.297ClayCondominiums.com.

OPEN-AIR DECK

The Open-Air Deck is accessed from the second floor elevator lobby. The deck is open at all times, but those using the deck must be mindful that noise can disturb residents around the deck. The deck is furnished with outdoor furniture during the warmer months. Please note that if personal items are taken out to the deck, they must be removed with the resident at the end of the visit; any items left unattended on the deck are subject to removal and destruction by the Property Manager.



COMMUNITY ROOM

The Community Room is located in the lower level of the Building. The room includes a stainless steel serving table, kitchen sink, refrigerator, and up to 4 tables and 20 chairs. The room is available at no charge, but reservations are required. Specific rules with regard to the Community Room may be found in the Rules, Regulations and Policies document on our website. Of note, reservations should be made through the Co-Owner Liaison via email (Janet297Clay@aol.com) or by dropping a note in the Co-Owner Liaison box behind the lobby counter. A reservation may be made anytime at least 24 hours before the desired use, but less than 60 days before the desired use date. A damage/cleaning deposit of \$25.00 is required prior to use of the room.

FITNESS ROOM

The Fitness Room is located on the lower level of the Building between the elevator and the Laundry Room. The room is equipped with aerobic and strength training equipment for use by residents of our community. A separate User Fee is charged for use of the Fitness Room, and guests are not permitted to use the Fitness Room at any time. Each User (and in the case of a tenant User, their landlord) must sign a User Agreement which will include a release from liability and an indemnification in favor of the Owners Association.

SWIMMING POOL

The Swimming Pool is located on the main level of the Building at the end of the hallway leading from the lobby. The pool is regulated and licensed by the State of Michigan and our use is strictly controlled by State and County regulations. Specific rules are as follows:

- Wear appropriate swimwear at all times.
- Any child who is not potty trained **MUST** wear plastic or rubber pants with tight elastic around each leg and the waist. Swimming diapers are **NOT** a suitable alternative to this requirement.
- The bathroom within the Pool Area is not to be used as a changing room.
- Glass containers of any kind are prohibited.
- Running, rough play, and personal conduct endangering safety of self or others is prohibited.
- No eating in the pool area.
- No smoking.
- No animals or pets of any nature allowed.
- All Children age 17 and under must have a parent or guardian in the immediate activity area to supervise children at all times.
- The Pool is for Residents' Use Only according to our State of Michigan License. However, guests may use the pool **IF ACCOMPANIED IN THE POOL ROOM BY THE RESIDENT**.
- In order to assure compliance with our State License, no Resident may have more than 5 guests in the pool area without prior approval of the board. The number of guests and the time of usage are subject to advance approval of the board and further may result in the assessment of a deposit/clean up fee. "Posting" of advance approval/additional guest usage will be determined by the board.
- Rope defining deep/shallow area must remain in place (unless swimming laps), restore in place before leaving pool area.
- Pool room door must remain closed. Do not prop door open at any time.
- Owner is responsible for cleaning pool area after each use.
- Violation of rules may result in restricted or denied use of pool and/or may subject the owner or tenant/occupant to fines as assessed by the board.
- Please remove any litter when leaving the Pool Room.



MOVE-IN

In order to provide for building security and to avoid disturbing other residents, all new residents (co-owners or tenants) are required to schedule their move-in (or move-out) with the Condo Board or the Property Manager. Specific requirements for moving into the building are listed in the Rule on Move-in and Move-out; you can find this Rule in the Rules, Regulations and Policies document found on our website.

PARKING

Each Unit in our Condominium is assigned one parking space under the carport.

Each vehicle parking in our parking lot must have a permit. Residents are given a decal for each of their vehicles. Guests must use the Visitor Parking Pass if they intend to park overnight in our lot. If you either did not receive (or have lost) a parking decal or a Visitor Parking Pass, these items may be replaced at a cost of \$5.00 each.

All parking spaces in our parking lot are owned by the Association. Numbered spaces under the carports are assigned by the Board of Directors for the exclusive use of one unit per space. Each co-owner should consult with his/her seller or the Board to determine the proper space assigned to his/her unit. Each unit is expected to use only one space (whether covered or uncovered); however, units with more than one car must notify the Board of Directors. **To avoid being towed from our parking lot**, each car must have either a resident parking decal on the inside of a window or a visitor parking pass on the dashboard. The board will issue a numbered decal to each co-owner for each approved motor vehicle. In order to obtain a parking decal, the motor vehicle must (1) meet the definition of a motor vehicle under Michigan law, (2) be operable, and (3) be licensed/registered by a state or Canadian province. Co-owners of commercial units may obtain a decal for the co-owner(s) and a reasonable number of employees/partners, as determined by the Board of Directors. Each unit will be issued one visitor parking pass by the Board of Directors. Visitors parking in our parking lot must display the laminated pass on their dashboard for the duration of their stay. The uncovered spaces on the southern end of the parking lot are not assigned and are open for use by residential visitors. Business visitors/customers must park on the street(s) and not in our parking lot.

SECURITY

There is no security guard for the building. However, limited areas are under video surveillance at all times. Building security is the responsibility of each resident, whether a co-owner or tenant. In order to avoid unauthorized entry, no one should allow someone he/she does not know to enter as a "tailgater". Each visitor must be buzzed in by his/her host, even if someone with a key fob is coming into the building at the same time. Never prop a door open and leave it unattended. If a door is discovered to be propped open, everyone should remove the prop and lock the door. When attending a door that is propped open, such as when moving in or out of the building, the attendant must not let any person unknown to him/her to enter the building. Rather, ask the person to demonstrate that he/she has a key fob that actually unlocks the door, or have the person call his/her host on the entry directory before allowing him/her to enter. Remember that your life and the life of your neighbors may depend upon compliance with building security.

Building Entry. The entry doors into the building are all opened using an electronic key fob. Each unit is provided at least one key fob. The number of fobs distributed to each co-owner is recorded by the Board. Each fob allows entry into the building itself, the swimming pool, and the basement storage room. If a fob is lost, or not received by a previous co-owner or resident, replacements can be purchased for \$25.00 each. The full text of the current Fob Distribution Policy is below.

Unit Entry. Each door into an individual unit is owned by the Association, as is the lock and hardware on each door. Also, the Bylaws of the Association provide that the Association must have access to each unit. Therefore, each co-owner is required to provide the Association with a copy of the key to the unit door. If the lock is changed by the co-owner, a new key must be given to the Board within 3 business days.

Guests. Each resident over the age of 18 is entitled to a listing on the building directory. Each listing must include a phone number used by the directory system to contact a host so that your guest(s) can be admitted remotely using your phone.

ENTRY FOB DISTRIBUTION POLICY

Each Resident over the age of 16 is assigned a uniquely numbered fob.

An individual is considered a “resident” if the Condominium is the person’s residence for purposes of her/his driver license and/or tax purposes. When the Condominium is the individual’s secondary residence, then the individual must be a co-owner and/or have the same primary residence as the co-owner of the unit.

In addition, if a Resident is elderly and/or physically or mentally infirm, then a fob may be issued to an individual designated by the Resident as a caregiver.

In the event a co-owner undertakes a significant renovation project with a contractor who will be on-site for more than 2 consecutive days over a specified period of time, then a temporary fob may be assigned to that co-owner for use by the contractor. A deposit of \$25.00 shall be posted with the Association by the co-owner; the deposit will be returned upon surrender of the fob at the conclusion of the renovation project. The fob will be de-activated by the Association at the conclusion of the specified period of time, unless that period is extended by the co-owner.

Fobs are assigned to individuals, not just a unit within the Condominium. The individual is to maintain physical control over the fob at all times. The fob shall not be given to any other person without the express permission of the Board of Directors. Violations of this provision may result in a fine under the rule “Monetary Penalties for Violation”.

SMOKING

Smoking is prohibited on the property that comprises the Condominium, including in all common areas in or around the building without exception, on all decks, in the parking lot, and all other outdoor areas. This policy applies to all employees, owners, residents, clients, contractors, visitors, and any other person.

Smoking is NOT prohibited within co-owners' individual units. However, if a co-owner permits smoking within his/her individual unit, the co-owner must assure that no second-hand smoke or odor finds its way into the hallway or into another co-owner's unit.

STORAGE

Each unit in the condominium is entitled to one storage cage in the basement storage room. Access to the room is by using the same key fob as for the building entry doors. The storage unit is marked with the condominium unit number for ease of location. The co-owner must provide a lock for the storage cage. The Association is not responsible for any loss, damage or theft from the storage cage.

TRASH

Each co-owner is responsible for removal of all trash generated by his/her condominium unit from the building on a regular basis. Trash must not be allowed to accumulate in the unit or anywhere in the building. Ordinary trash from residential and business units is to be disposed of using the common container located at the rear of the building. Construction and/or renovation debris is NOT to be put into the common container. Rather, the contractor or co-owner is to remove the debris from the building and the condominium property and disposed of or recycled at their own expense. No debris is to be left in common areas of the building at any time. **Cigarette butts are considered litter/trash and must not be disposed of on the sidewalks, in the planters, or in the lawn anywhere on the condominium property.**

RENOVATION PROJECTS

Many new co-owners want to do some renovations within their individual unit either before, or after, they move in. The Owners Association has developed rules to encourage these renovations, while minimizing disruptions to other co-owners and the common areas of the condominium. If you plan any renovations, other than carpet replacement and painting, you will want to review the Rule on Renovations. One of the requirements is that you submit a detailed plan for the renovations and obtain approval of the Board where required. You can find the Rule on Renovation in the Rules, Regulations and Policies document available on our website (www.297claycondominiums.com).

Of particular interest to many co-owners is the current condition of the windows in the building. While windows are ultimately the responsibility of the Owners Association, the Association will not have the resources to begin work on the windows until about 2024; it is estimated that the work may take up to seven years to complete. Therefore, the Board of Directors has published a Window Strategy so that individual co-owners may address the condition of the windows in their units now. The Window Strategy is available on our website (www.297claycondominiums.com).

GOVERNING DOCUMENTS

Here is an introduction to the legal structure that regulates us and to our guidelines for being a good condominium neighbor. The full documents are available online at www.297claycondominiums.com.

THE MASTER DEED

A co-owner in the condominium is not the same as being a tenant in an apartment, nor is it the same as owning a stand-alone house. The ownership rights of a co-owner are described in specific detail in our Amended Master Deed. Each co-owner should read the Amended Master Deed to fully understand her/his ownership rights and limitations. Basically, the Amended Master Deed tells you what it is you own, or more appropriately, what you co-own with the other co-owners of the condominium. It also will tell you the areas of the condominium of which you have exclusive use and those areas with which you have shared use.

THE BYLAWS

How the condominium is administered and how we each may use our individual units and the common areas (among other information) is contained in the Bylaws of the Condominium. Every new co-owner (and resident) should familiarize themselves with the Bylaws. By complying with the Bylaws, you and your fellow co-owners will have a more enjoyable experience as a member of our community. A summary of the Bylaws is contained in this Co-owners Handbook and the full text of the Bylaws, and Amendments to the Bylaws, is available on our website.

THE RULES, REGULATIONS AND POLICIES

The Bylaws put the day-to-day administration of the condominium into the hands of a Board of Directors, known as the Condo Board. The Board consists of five co-owners who are elected at our Annual Meeting of the Co-owners. The Condo Board has the authority and the responsibility to create rules, regulations and policies to implement the Bylaws. Rules, regulations and policies address specific needs in the administration, and the use and operation of our condominium. Knowing the rules, regulations, and policies is very important for all the co-owners and their guests. The current Rules, Regulations and Policies document is available on our website.

BYLAWS

This summary of the Bylaws of the Condominium is provided as a convenience for the co-owners. For specific requirements set out by each Article of the bylaws, one must consult the actual bylaws document provided to each co-owner by his/her seller or previous owner. Copies are also available for a cost from the Register of Deeds Office in Muskegon County with the above reference to Liber 1519 Page 274. The original bylaw document contains thirty (30) pages.

Article I – Defines the condominium and gives the Owners Association authority over the management of the condominium, as governed by these bylaws.

Article II – Gives each co-owner of a unit membership in the Association, defines voting rights for each unit, including the right to give a proxy. Defines a majority vote to be more than one-half **in value** qualified to vote and present at a meeting.

Article III – Provides for annual meetings of the Association membership, the required notice of the meeting, and defines a quorum to be fifty-one (51) percent of the total **value** of the units.

Article IV – Empowers the Board of Directors of the Association to manage the Condominium, defines their powers and duties, provides for their election and term of office, and the selection of officers. This Article was amended on April 20, 2010, by the Board of Directors to further detail the term of office, removal and replacement of members of the Board of Directors. The amendment was recorded at Liber 3844 Page 581 on April 21, 2010.

Article V – Provides that all real and personal property which make up the common elements of the Condominium are held by the Association; provides for the Board of Directors to establish an annual budget and for the assessment of the co-owners for the required revenue based upon the budget. Section 5 provides for Special Assessments to be approved by the co-owners for various purposes, setting a **2/3 vote in value and number** in order to pass. Section 6 provides for the collection methods available in the event monthly or special assessments are not paid by a co-owner. Section 8 defines those elements of the condominium for which the Association and for which the co-owner(s) are responsible to repair and/or maintain and/or replace. Section 11 requires that the Association maintain a reserve fund for major repairs and replacement of common elements.

Article VI – Provides for the Association to carry certain insurance coverage for fire, vandalism, liability, etc., and for the use of insurance proceeds in the event of a loss to the building for its reconstruction.

Article VII – Provides that first floor units may be used for commercial business, but that all residential units are limited to residential use. Section 2 prohibits any co-owner from making changes to the exterior appearance or from making structural modifications to his unit without express written permission of the Board of Directors. There is a restriction to using only neutral or off-white draperies or linings that show from the outside of the building. No antennas may be erected without express written permission of the Board of Directors. Section 3 prohibits any unit

co-owner from annoying or noisy behavior. Section 4 prohibits animals/pets without permission of the Association. Section 6 regulates motor vehicles on the premises. Section 7 requires all signs to be approved by the Association. Section 8 provides for the Board of Directors to set Rules and Regulations for the condominium. Section 9 gives the Association access to each individual unit as necessary and with notice in some instances. Section 12 requires decks and terraces to be maintained in a slightly condition and prohibits storage on decks or terraces. Section 13 imposes on each co-owner a responsibility to maintain his unit and the common elements in a safe, clean and sanitary condition.

Article VIII – Regulates the leasing of individual units by the co-owner(s). Restrictions are imposed and administrative requirements are defined. All tenants are required to comply with the bylaws, rules and regulations. Failure to comply has consequences to the co-owner and the tenant. Rules and Regulations regarding the leasing of units have been adopted by the Board of Directors. Those Rules and Regulations are contained within this Owners Handbook.

Article IX – Prohibits the mortgaging of a unit by a co-owner with the permission of the Association except to an institutional lender. Mortgage information must be provided to the Association, including the name and address of the mortgagee, and a copy of the mortgage and promissory note.

Article X – Provides for the amendment of the bylaws by the Board of Directors or in some instances by the co-owners and mortgagees.

Article XI – Provides that the terms used in the bylaws have the same meaning as in the Master Deed.

Article XII – Provides that the Association may seek legal remedies against a co-owner who violates the bylaws, including suing for any amount owed, injunctive relief, or foreclosure of lien.

Article XIII – Provides that Section 471 of the Condominium Act shall control improvement, modifications and accessibility for handicappers.

Article XIV – Provides that the Association shall indemnify the Board of Directors and officers for expenses and liabilities, including attorney fees for any claims made against him/her in the course of his/her duties as a Director or officers of the Association.

Article XV (sic VI) – Has been superseded by the Association purchase of that portion of the parking lot from the City of Muskegon.

Article XVI – Provides that any dispute between a co-owner and that Association may be submitted to arbitration rather than brought in a court of law, if agreed to by all the parties to the dispute.

Article XVII – Provides that if one or more provision of the bylaws is determined to be invalid or unenforceable, the remaining provisions are not invalid or unenforceable.

Article XVIII – Sets the priority of governing control in the event of conflict among the Condominium Act, the Master Deed, the bylaws, articles of incorporation of the Association, bylaws of the Association, or rules and regulations of the condominium (in that order of preference).

MANAGEMENT

The Board of Directors has hired a Property Manager to manage the day-to-day operations of the condominium and to advise the Board on various issues. These issues relate to various aspects of the condominium, including maintenance, financial planning and legal compliance. The Property Manager also is to carry out the policies set by the Board. Some co-owners and tenants expect the Property Manager to perform certain tasks that just aren't part of the job; many of these tasks are actually the responsibility of the Co-owner Liaison. Generally, the Co-owner Liaison is the single point of contact for co-owners to reach the Condo Board to ask questions, make concerns known, and/or make suggestions for how the condominium should be managed. Here are some points regarding the division of responsibilities between the Property Manager and the Co-owner Liaison:

- The Property Manager is trained to deal with conflict, but the Property Manager will NOT get involved in quarrels you might be having with your neighbor. If association rules are being violated, you should contact the Co-Owner Liaison via the drop box near the elevator, or via email at Janet297Clay@aol.com.
- The Board has specifically NOT authorized the Property Manager to respond to issues raised by individual co-owners. Only the Co-owner Liaison is authorized to respond to individual co-owners.
- While the Property Manager does work closely with the Board, he is an independent contractor who acts as a consultant. He is not a member of the Board. Also, he is NOT your advocate or conduit to the Board. If you have a concern, leave a letter in the drop box near the elevator, or send an e-mail to the Co-Owner Liaison at Janet297Clay@aol.com.
- The Property Manager oversees the work done by all contractors hired by the association, including our housekeeper. The Board has authorized the Property Manager to be the only person to give directions to the contractors.
- The Property Manager inspects the building and grounds regularly, but even an experienced manager won't catch everything. Your help is essential. If you know about a potential maintenance issue, please notify the Co-Owner Liaison.
- The Property Manager does not set policy. If you disagree with a policy or rule of the association, you should leave a letter in the drop box or send an e-mail to the Co-Owner Liaison, who will then communicate the concerns to the Board. You should not direct or discuss your issues with the Property Manager.
- Although the Property Manager is an invaluable resource for the association, he is NOT available 24 hours a day—except for emergencies. Getting locked out of your unit may be an emergency to you, but it isn't an association emergency. An association emergency is defined as one that is a threat to life or property.