

**FIRST AMENDMENT TO FIRST AMENDED AND RESTATED COVENANTS,  
CONDITIONS AND RESTRICTIONS FOR ARROWHEAD ESTATES IN GRAND  
TRAVERSE RESORT VILLAGE**

This FIRST AMENDMENT TO FIRST AMENDED AND RESTATED COVENANTS, CONDITIONS AND RESTRICTIONS is made and entered into this \_\_\_\_ day of \_\_\_\_\_ 2025 by the undersigned Co-owners of Arrowhead Estates (collectively hereinafter referred to as "Owners").

WHEREAS, the Owners represent the majority of the lot owners of parcels within Arrowhead Estates, a subdivision located in Grand Traverse County, Michigan and is shown on the attached Exhibit "A";

WHEREAS, Grand Traverse Condominium Developers, Inc., a Michigan profit corporation, caused a certain Covenants, Conditions, and Restrictions for Arrowhead Estates in Grand Traverse Resort Village to be recorded in Grand Traverse County Records at Liber 640, Pages 938 et seq., as amended by a First Amendment and Restated Covenants, Conditions and Restrictions for Arrowhead Estates in Grand Traverse Resort Village, recorded at Document No. 2010R-07346 ("Covenants");

WHEREAS, Article VI, Section 1 provides for the amendment of the Covenants by the majority of the then Owners of Lots of Arrowhead; and

WHEREAS, the Owners wish to amend the Covenants to revise conflicting provisions, include a prohibition on rentals, and to include assessment provisions currently contained in Arrowhead Association's Bylaws.

NOW, THEREFORE, the Covenants are hereby amended as follows:

1. Article V, Section 2(m) shall be deleted in its entirety.
2. Article V, Section 2(j) shall be amended to read as follows:
  - (j) Temporary Structures and Trailers. Except as provided for herein, no utility trailer, boat, boat trailer, camper, recreational vehicle, tent, barn, treehouse, or other similar outbuilding or structure shall be placed on any Lot at any time, either temporarily or permanently. Notwithstanding, a Lot Owner may park a utility

trailer, boat trailer, camper or recreational vehicle on their Lot for a period of not more than three (3) consecutive days in any month.

3. Article V, Section 2 shall be amended to include a subsection (s) to read as follows:

(s) Rental. Owners may not rent their Lot or any improvements thereon for any purpose whatsoever or otherwise allow anyone to use their Lot for any consideration.

4. An Article VII shall be added to read as follows:

## ARTICLE VII

### COVENANT FOR MAINTENANCE ASSESSMENTS

1. All costs incurred by the Association in satisfaction of any liability arising within, caused by, or connected with the administration of the Association shall constitute expenditures affecting the administration. Assessments shall be levied by the Association against each Owner. Assessments shall be used exclusively for the purpose of promoting health, safety, and welfare of the Owners of Lots in the Subdivision, including, but not limited to, the payment(s) of taxes and insurance, maintenance, repair and/or replacement of improvements of the private roadways and Common Areas and improvements located thereon, including Subdivision's entrance, roads, walks, and for the cost of labor, equipment, materials, management, and supervision for and in connection with any Common Areas and the Association itself.

2. Assessments shall be determined in accordance with the following provisions:

(a) The Board of Directors of the Association may establish an annual budget in advance for each fiscal year and such budget shall project all expenses for the forthcoming year that may be required for the proper operation, management, and maintenance, including a reasonable allowance for contingencies and reserves. An adequate reserve fund for maintenance, repairs, and replacement of all Common Areas shall be established in the budget and must be funded by regular payments. The Board shall carefully analyze all factors to determine what amount should be set aside for a reserve fund. Upon adoption of an annual budget by the Board of Directors, copies of said budget shall be mailed or emailed to each Member, although the delivery of a copy of the budget to each Member shall not affect the liability of any Member for any existing or future assessments.

(b) Should the Board of Directors at any time determine, that the assessments levied are or may prove to be insufficient:

- (1) to provide for the costs of operation and management of the Association;
- (2) to provide replacements or repairs of any Common Areas;  
or
- (3) to provide for costs in the event of emergencies;

the Board of Directors shall have the authority to increase the general assessment or to levy such additional assessment or assessments as it deems necessary.

(c) Special assessments, in addition to those required above, may be made by the Board of Directors from time to time and approved by the Members. Special assessments referred to in this paragraph shall not be levied without the prior approval of more than sixty percent (60%) of all Members.

3. All assessments levied against the Members to cover expenses of administration shall be apportioned equally to all Lots. Annual assessments, as determined in accordance with this Article, shall be payable by Members commencing with acquisition of legal or equitable title to a Lot. The Assessment shall be paid by the Owners on a annual or quarterly basis.

4. The payment of an assessment shall be in default if such assessment, or any part thereof, is not paid to the Association in full within 15 days after the due date for such payment. Assessments in default shall bear interest at the rate of seven percent (7%) per annum or the maximum rate allowed by law, whichever is greater, until paid in full. Each Member (whether one or more persons) shall be and remain personally liable for the payment of all assessments pertinent to their parcel or Lot which may be levied while such Member is the owner thereof.

5. No Member may exempt themselves from liability for their contribution toward the expenses of administration by waiver of the use or enjoyment of any Common Areas or by the abandonment of property subject to the Covenants.

6. Collection of Dues. All remedies discussed herein are cumulative and nothing herein shall limit the Association's right to use any legal means and remedy available against delinquent Owners.

(a) Suit at Law or Equity. The Association may enforce collection of delinquent assessments by a suit at law for a money judgment or by foreclosure of a lien that secures payment of assessments. Each Member, and every other person who, from time to time, has any interest in the property subject to the Restrictions, shall be deemed to have granted to the

Association the unqualified right to elect to foreclose such lien either by judicial action or by advertisement, and further, to have authorized and empowered the Association to sell or to cause to be sold the parcel or Lot with respect to which the assessment(s) is or are delinquent and to receive, hold, and distribute the proceeds of such sale in accordance with the priorities established by applicable law. Notwithstanding anything to the contrary, neither a judicial foreclosure action nor a suit at law for a money judgment shall be commenced, nor shall any notice of foreclosure by advertisement be published, until the expiration of ten (10) days after mailing, by First Class Mail, postage prepaid, addressed to the delinquent Member(s) at their last known address, a written notice that one or more installments of the annual assessment levied against the pertinent parcel or Lot is or are delinquent and that the Association may invoke any of its remedies hereunder if the default is not cured within ten (10) days after the date of mailing. Such written notice shall be in recordable form, executed by an authorized representative of the Association and shall set forth the following: (1) the name of the Member of record thereof; (2) the legal description of the Property to which the notice applies; and (3) the amounts due the Association at the date of notice, exclusive of interest, costs, attorney fees, and future assessments. The notice shall be recorded in the office of the Register of Deeds prior to the commencement of any foreclosure proceeding, but it need not have been recorded as of the date of mailing. If the delinquency is not cured within the ten (10) day period, the Association may take such remedial action as may be available to it hereunder or under Michigan law. A receiver may be appointed in an action for foreclosure of the assessment lien, and to lease the Property and to collect and apply the rental therefrom. The Member is subject to foreclosure under this section, and any purchaser, grantee, successor, or assignee of the Member's interest is liable for assessments by the Association that become due before expiration of the period of redemption, together with interest, advances made by the Association for taxes or other liens to protect its lien, costs, and attorney fees incurred in their collection.

(b) Other Remedies. In the event of default by any Member in the payment of any installment of the annual assessment levied against their parcel or Lot, the Association shall have the right to declare all unpaid installments of the annual assessment for the pertinent fiscal year immediately due and payable.

(c) Costs. The expenses incurred in collecting unpaid assessments, including interest, costs, actual attorney fees (not limited to statutory fees), and advances for taxes or other liens paid by the Association to protect its lien, shall be chargeable to the Member in default and shall be secured by the lien on their parcel or Lot(s). The Board may also adopt an

administrative fee that relates to the increased cost of the association in the collection of delinquent dues.

7. The purchaser of any property Lot may request a statement of the Association as to the outstanding amount of any unpaid assessments. Upon receipt of a written request to the Association, the Association shall provide a written statement of such unpaid assessments as may exist or a statement that none exist, which statement shall be binding upon the Association for the period stated therein. Upon the payment of that sum within the period stated, the Association's lien for assessments as to such parcel or Lot shall be deemed satisfied, provided, however, that the failure of a purchaser to request such statement at least five (5) days prior to the closing of the purchase of such parcel or Lot shall render any unpaid assessments, and the lien securing same, fully enforceable against such purchaser.

8. Upon the sale or conveyance of a Member's Lot, all unpaid assessments against the Lot shall be paid out of the sale price or by the purchaser in preference over any other assessments or charges of whatever nature except: (a) amounts due the State of Michigan or any subdivision thereof for taxes or special assessments due and unpaid on the parcel or Lot; or (b) payments due under first mortgages having priority thereto. Any purchaser or grantee who fails to request a written statement from the Association as provided herein, at least five (5) days before the sale, or arrange for the payment of any unpaid assessments against the Lot at the closing of the Lot purchase if such a statement was requested, shall be liable for any unpaid assessments against the Lot, together with interest, costs, and attorney's fees incurred in connection with the collection thereof.

9. Subordination of the Lien to Mortgages. The lien of the assessments provided for herein shall be subordinate to the lien of any first mortgage. Sale or transfer of any Lot shall not affect the assessment lien. The sale or transfer of any Lot pursuant to mortgage foreclosure proceedings or a judgment of foreclosure, shall extinguish the lien of such assessments as to payments which became due prior to such foreclosure sale, but shall not relieve such Lot from liability for any future assessments thereafter becoming due, or from a lien thereafter created. Nothing herein shall be interpreted to limit the personal liability of Owners to pay post foreclosure.

5. In all other respects, the First Amendment and Restated Covenants, Conditions and Restrictions for Arrowhead Estates in Grand Traverse Resort Village are hereby reaffirmed and ratified in their entirety except as expressly modified herein.

6. The revisions of this First Amendment shall supersede all provisions of the Covenants that may be contrary to it and shall govern in the event of any inconsistencies.

**IN WITNESS WHEREOF**, the Owners have caused this First Amendment to First Amended and Restated Covenants, Conditions and Restrictions for Arrowhead Estates in Grand Traverse Resort Village to be executed the day and year first above written.

FIRST AMENDMENT TO FIRST AMENDED AND RESTATED  
COVENANTS, CONDITIONS AND RESTRICTIONS

**Prepared by/Return to:**

David H. Rowe, Esq.

***Alward, Fisher, Rice, Rowe & Graf, PLC***

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