

BY-LAWS

ARTICLE I

NAME OF CORPORATION

Section 1. The name of the Corporation is Steeplechase Association.

ARTICLE II

LOCATION

Section 1. The principle office of the Association shall be located at 4665 Dobie Road, Suite 130, Okemos, Michigan 48864.

ARTICLE III

PURPOSE AND POWERS

Section 1. The Association has been organized for the following purposes:

- a) Own, operate, administer and maintain common properties, and
- b) Administer and enforce covenants and restrictions as more fully defined in Articles of Incorporation.

ARTICLE IV

BOARD OF DIRECTORS

Section 1. The affairs of the Association shall be managed by a board of six (6) directors who need not be members of the Association. The initial Board of Directors is to be appointed by the incorporator and shall consist of two (2) directors for a one (1) year term, two (2) directors for a two (2) year term, and two (2) directors for a three (3) year term, who shall hold office until the election of their successors. Beginning with the first annual meeting to be held February 1, 2001, the members, at each annual meeting, shall elect two (2) directors, each for a term of three (3) years.

Section 2. Vacancies on the Board of Directors shall be filled with an appointment by the majority of (if more than three) remaining directors, any such appointed director to hold office until his successor is elected by the members, who may make such election at the next annual meeting of the members or at any special meeting duly called for that purpose.

ARTICLE V

ELECTION OF DIRECTORS

Section 1. Election to the Board of Directors shall be by written ballot as hereinafter provided. At such election, the members of their proxies may cast, in respect of each vacancy, as many votes as

they are entitled to exercise under the provisions of the recorded covenants applicable to The Properties. The names receiving the largest number of votes shall be elected.

Section 2. Nominations for election to the Board of Directors shall be made by a nominating committee which shall be one of the Standing Committees of the Association.

Section 3. The Nominating Committee shall consist of a Chairman, who shall be a member of the Board of Directors, and two or more members of the Association. The Nominating Committee shall be appointed by the Board of Directors at least thirty (30) days prior to each annual meeting of the members.

Section 4. The Nominating Committee shall make as many nominations for the election to the Board of Directors as it shall in its discretion determine, but not less than the number of vacancies that are to be filled. Such nominations may be made from among members or non-members. Candidates may be divided into two or more groups so that the electors must choose at least one out of each group according to the instructions formulated by the Nominating Committee. Nominations shall be placed on a written ballot as provided in Section 5 and shall be made in advance of the time fixed in Section 5 for the mailing of such ballots to members.

Section 5. All elections to the Board of Directors shall be made on written ballot which shall:

- a) describe the vacancies to be filled;
- b) set forth the names of those nominated by the Nominating Committee for such vacancies;
- c) contain a space for a write-in vote by the members for each vacancy; and
- d) contain the voting instructions formulated by the Nominating Committee. Such ballots shall be prepared and mailed by the Secretary to the members at least fourteen (14) days in advance of the date set forth therein for a return (which shall be a date not later than the day before the annual meeting or special meeting called for elections).

Section 6. Each member shall receive as many ballots as he has votes. Notwithstanding that a member may be entitled to several votes, he shall exercise on any one ballot only one vote for each vacancy shown thereon. The completed ballots shall be returned as follows: Each ballot shall be placed in a sealed envelope marked "Ballot" but not marked in any other way. Each such "Ballot" envelope shall contain only one ballot, and the members shall be advised that, because of the verification procedures of Section 7, the inclusion of more than one ballot in any one "Ballot" envelope shall disqualify the return. Such "Ballot" envelope, or envelopes (if the member or his proxy is exercising more than one vote), shall be placed in another sealed envelope which shall bear on its face the name and signature of the member or his proxy, the number of ballots being returned, and such other information as the Board of Directors may determine will serve to establish his right to cast the vote or votes presented in the ballot or ballots contained therein. The ballots shall be returned to the Secretary's home address or the address of the Association.

Section 7. Upon receipt of each return, the Secretary shall note the date it was received on the external envelope and immediately place it in a safe place until the day set for the annual or other special meeting at which the elections are to be held. On that day, the external envelopes containing the "Ballot" envelopes shall be turned over, unopened, to the Nominating Committee who shall then adopt a procedure which shall establish:

- a) That the number of envelopes marked "Ballot" corresponds to the number of votes allowed to the member or his proxy identified on the outside envelope containing them; and
- b) That the signature of the member or his proxy on the outside envelope is genuine; and
- c) If the vote is by proxy, that a proxy if applicable had been filed with the Secretary as provided in Article XI, Section 2, and that such proxy is valid.

SUCH PROCEDURE SHALL BE TAKEN IN A MANNER THAT THE VOTE OF ANY MEMBER OR HIS PROXY SHALL NOT BE DISCLOSED TO ANYONE, EVEN THE ELECTION COMMITTEE.

The outside envelopes shall thereupon be placed in a safe place and the Election Committee shall proceed to the opening of the "Ballot" envelopes and the counting of the votes. If any "Ballot" envelope is found to contain more than one ballot, all such ballots shall be disqualified and shall not be counted. Immediately after the announcement of the results, unless a review of the procedure is demanded by the members present, the ballots and the outside envelopes shall be destroyed.

ARTICLE VI

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. The Board of Directors shall have power:

a) To call special meetings of the members whenever it deems necessary and it shall call a meeting at any time upon written request of one-fourth (1/4th) of the voting membership, as provided in Article X, Section 2.

b) To appoint and remove at pleasure all officers, agents and employees of the Association, prescribe their duties, fix their compensation, and require of them such security or fidelity bond as it may deem expedient. Nothing contained in these By-Laws shall be construed to prohibit the employment of any Member, Officer or Director of the Association in any capacity whatsoever.

c) To establish, levy, assess, and collect the assessments or charges referred to the covenants of the property.

d) To adopt and publish rules and regulations governing the use of the common properties and facilities and the personal conduct of the members and their guests thereon.

e) To exercise for the Association all powers, duties and authority vested in or delegated to this Association, except those reserved to the meeting or to members in the covenants.

f) In the event that any member of the Board of Directors of this Association shall be absent from three (3) consecutive regular meetings of the Board of Directors, the Board may by action taken at the meeting during which said third absence occurs, declare the office of said absent Director to be vacant.

Section 2. It shall be the duty of the Board of Directors:

a) To cause to be kept a complete record of all of its acts and corporate affairs and to present a statement thereof to the members at the annual meeting of the members or at any special meeting when such is requested in writing by one-fourth (1/4th) of the voting membership, as provided in Article X, Section 2.

b) To supervise all officers, agents and employees of this Association, and to see that their duties are properly performed.

c) To provide for annual and/or special assessments all in accordance with the provisions referred to in the covenants of the properties.

d) To issue, or to cause an appropriate officer to issue, upon demand by any person a certificate setting forth whether any assessment has been paid. Such certificate shall be conclusive evidence of any assessment therein stated to have been paid.

ARTICLE VII

DIRECTOR'S MEETINGS

Section 1. A regular meeting of the Board of Directors shall be held on the 2nd Thursday of February, May, August, and November at 7:30 o'clock p.m. at a place within or without the State of Michigan, provided that the Board of Directors, may by resolution, change the day and hour of holding such regular meeting.

Section 2. Notice of such regular meeting or the business to be transacted thereat is hereby dispensed with. If the day for the regular meeting shall fall upon a holiday, the meeting shall be held at the same hour on the first day following which is not a holiday, and no notice thereof need be given.

Section 3. Special meeting of the Board of Directors may be called by the President, or shall be called by the Secretary on the written request of two directors. Such meetings may be held either within or without the State of Michigan. A special meeting shall be held only when notice of the time and place thereof is mailed to each director, addressed to the address which appears on the records of the corporation, at least three (3) days before the day on which the meeting is to be held, or sent to such place by telegraph, radio or cable, or telephoned or delivered personally, not later than the day before the day on which the meeting is to be held. The business to be transacted, and the purpose of a special meeting need not be specified in the notice or waiver of notice of the meeting.

Section 4. At both regular and special meetings, attendance of a director at a meeting constitutes a waiver of notice of the meeting, except where a director attends a meeting for the express purpose of objecting to the transaction of any business because the meeting is not lawfully called or convened.

Section 5. The transaction of any business at any meeting of the Board of Directors, however called and noticed, or wherever held, shall be as valid as though made at a meeting duly held after regular call and notice if a quorum is present and, if either before or after the meeting, each of the directors not present signs a written waiver of notice, or a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records and made part of the minutes of the meeting.

Section 6. The majority of the Board of Directors shall constitute a quorum thereof. Directors cannot appear by proxy. Action taken by a majority of the directors present at a meeting where a quorum is present shall be the action of the Association except as otherwise expressly provided for in these By-Laws and covenants applicable to The Properties.

Section 7. There shall be an annual meeting of the Board of Directors on the 2nd Thursday of February each year.

ARTICLE VIII

OFFICERS

Section 1. The officers shall be a president, a vice-president, a secretary, a treasurer, and such other officers as the Board of Directors shall deem necessary. Only the President and the Vice-President must be members of the Board of Directors.

Section 2. The officers shall be elected by majority vote of the directors at their annual or regular meetings.

Section 3. All officers shall hold office at the pleasure of the Board of Directors.

Section 4. The President shall:

- a) Preside at all meetings and membership meetings;
- b) See that orders and resolutions of the Board of Directors are carried out;
- c) Sign all necessary written instruments; and
- d) Co-sign all checks over \$300 along with the treasurer

Section 5. The Vice-President shall perform all of the duties of the President in the President's absence.

Section 6. The Secretary shall:

- a) Be ex officio secretary of the Board of Directors;
- b) Record the votes and keep the minutes of all proceedings in a book to be kept for this purpose;
- c) Sign all certificates of membership;
- d) Keep the records of the Association; and
- e) Record in a book kept for that purpose the names of all members of the Association together with their addresses as registered by such members (See Article X, Section 3).

Section 7. The Treasurer shall receive and deposit in appropriate bank accounts all monies of the Association and shall disburse such funds as directed by resolution of the Board of Directors, provided however, that a resolution of the Board of Directors shall not be necessary for disbursements made in the ordinary course of business conducted within the limits of a budget adopted by the Board. The treasurer shall sign all checks and notes of the Association, provided that such checks and notes shall also be signed by the president or the vice-president.

Section 8. The treasurer shall keep proper books of account and cause an annual audit of the Association books to be made by a certified public accountant at the completion of each fiscal year. The treasurer shall prepare an annual budget and an annual balance sheet statement and budget and balance sheet statement shall be presented to the membership at its regular annual meeting.

ARTICLE IX

COMMITTEES

Section 1. The Standing Committees of the Association shall be:

- The Nominations and Election Committee
- The Recreation and Maintenance Committee
- The Architectural Control Committee
- The Publicity Committee
- The Audit Committee

Unless otherwise provided herein, each committee shall consist of a Chairman and two or more members and shall include a member of the Board of Directors for board contact. The committees shall be appointed by the Board of Directors at the annual meeting until the close of the next annual meeting and such appointment shall be announced at each annual meeting. The Board of Directors may appoint such other committees as it deems desirable.

Section 2. THE NOMINATIONS AND ELECTIONS COMMITTEE shall have the duties and functions described in Article V.

Section 3. THE RECREATION AND MAINTENANCE COMMITTEE shall advise the Board of Directors on all matters pertaining to the recreational programs and activities of the Association. Advise the Board of Directors on all matters pertaining to the maintenance, repair or improvement of the Common Properties and Facilities of the Association, and shall perform such other functions as the Board, in its discretion, determines.

Section 4. THE ARCHITECTURAL CONTROL COMMITTEE shall have the duties and functions described in Article VI, Declaration of Covenants and Restrictions applicable to The Properties. It shall watch for any proposals, programs, or activities which may adversely affect the residential value of The Properties and shall advise the Board of Directors regarding Association action on such matters.

Section 5. THE PUBLICITY COMMITTEE shall inform the members of all activities and functions of the Association and shall, after consulting with the Board of Directors, make such public releases and announcements as are in the best interest of the Association.

Section 6. THE AUDIT COMMITTEE shall supervise the annual audit of the Association's books and approve the annual budget and balance sheet statement to be presented to the membership at its regular annual meeting. The Treasurer shall be an ex officio member of the Committee.

Section 7. With the exception of the Nominations and Election Committee, each committee shall have power to appoint a subcommittee from among its membership and may delegate to any such subcommittee any of its powers, duties and functions.

Section 8. It shall be the duty of each committee to receive complaints from members on any matter involving Association functions, duties, and activities within its field of responsibility. It shall dispose of such complaints as it deems appropriate or refer them to such other committee, director or officer of the Association as is further concerned with the matter presented.

ARTICLE X

MEETINGS OF MEMBERS

Section 1. The regular annual meeting of the members shall be held on the 2nd day of the month of February in each year, at the hour of 7:30 o'clock p.m.. If the day for the annual meeting of the members shall fall upon a Saturday, Sunday or holiday, the meeting will be held at the same hour on the first day following which is not a Saturday, Sunday or holiday.

Section 2. Special meetings of the members for any purpose may be called at any time by the President, Vice-President, Secretary, or Treasurer, or by any two or more members of the Board of Directors, or upon written request of the members who have a right to vote one-fourth (1/4th) of all of the votes of the entire membership.

Section 3. Notice of any meetings shall be given to the members by the Secretary. Notice may be given to the members either personally, or by sending a copy of the notice through the mail, postage fully prepaid to his address appearing on the books of the corporation. Each member shall register his address with the Secretary, and notices of meetings shall be mailed to him at such address. Notice of any meeting, regular or special, shall be mailed at least six (6) days in advance of the meeting and shall set forth in general the nature of the business to be transacted, provided however, that if the business of any meeting shall involve an election governed by Article V or any action governed by the "Articles of Incorporation" or by the Covenants applicable to The Properties, notice of such meeting shall be given or sent as therein provided.

Section 4. The presence at the meeting of members entitled to cast, or of proxies entitled to cast, one-tenth (1/10th) of the votes shall constitute a quorum for any action governed by these By-Laws, provided however, the quorum requirements shall govern those situations specified therein. Any action governed by the Articles of Incorporation or by the covenants applicable to The Properties shall require a quorum as therein provided. The action of the majority of the members present (either in person or by proxy) at a meeting where a quorum is present shall be the action of the Association except as otherwise expressly provided for in these By-Laws.

ARTICLE XI

PROXIES

Section 1. At all corporate meetings of members, each member may vote in person or by proxy.

Section 2. All proxies shall be in writing and filed with the Secretary. No proxy shall extend beyond a period of eleven (11) months, and every proxy shall automatically cease upon sale by the member of his home or other interest in The Properties.

ARTICLE XII

BOOKS AND PAPERS

Section 1. The books, records and papers of the Association shall at all times, during reasonable business hours, be subject to the inspection of any members.

ARTICLE XIII

INDEMNIFICATION OF CORPORATE AGENTS

Section 1. Proceedings Against Corporate Agents. The Association shall have power to indemnify any person who was or is, a party to, or is threatened to be made a party to, any threatened, pending, or completed action, suit, or proceedings whether civil, criminal, administrative, or investigative (other than an action by or in the right of the Association) by reason of the fact that the person 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. The indemnification shall be against expenses, (including attorney fees), judgments, fines, and amounts paid in settlement, actually and reasonably incurred by him in connection with such action, suit or proceeding. The Association shall have the power to indemnify the Director, officer, employee, or agent of the Association only 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, he had no reasonable cause to believe his conduct was unlawful. Determination of any action, suit, or proceedings by a judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, of itself shall not create a presumption that the person did not act in good faith and in a manner which he reasonably believed in or not opposed to the best interest of the Association or its Members and, with respect to any criminal action or proceeding, he had reasonable cause to believe that his conduct is unlawful.

Section 2. Proceedings by or in the Right of the Association. The Association shall have power to indemnify any person who was or is, a party to, or is threatened to be made a party to, any threatened, pending, or completed action or suit, by or in the right of the Association to procure a judgment in its favor by reason of the fact the person 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. The indemnification shall be against expenses, (including attorney fees), actually and reasonably incurred in connection with the defense or settlement of such action or suit. The Association shall have the power to indemnify any person only if that person acted in good faith and in a manner reasonably believed to be in or not opposed to the best interest of the Association or its Members. However, 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 the 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, though in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expense which such court shall deem proper.

Section 3. Association Agent Successful in Proceeding. The the extent 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 above or in defense of any claim, issue, or matter therein, that person shall be indemnified against expenses, (including attorney fees) actually and reasonably incurred in connection therewith.

Section 4. Determination that an Indemnification is Proper. Unless ordered by a court, any indemnification under Section 561 or 562 of the Michigan Nonprofit Corporation Act shall be made by the Association only as authorized in the specific area upon a determination that indemnification of the Director, officer, employee, or agent is proper in the circumstances because that person has met the applicable standard of conduct set forth in those sections. Such determination shall be made in either of the following ways:

- (a) By the Board upon a majority vote of a quorum consisting of Directors who were not parties to such action, suit, or proceedings;
- (b) If such quorum is not obtainable, or even is obtainable, a quorum of disinterested Directors so directs, by independent legal counsel in a written opinion;
- (c) By the Members.

Section 5. Expenses Payable in Advance. Expenses incurred in defending a civil or criminal action, suit, or proceeding described in Section 561 or 562 of the Act may be paid by the Association in advance of the final disposition of such action, suit, or proceeding as authorized in the manner provided in Section 563 (2) of the Act, upon receipt of an undertaking by or on behalf of the Director, officer, employee, or agent to repay such amount, unless it ultimately shall be determined that the person is entitled to be indemnified by the Association.

Section 6. Rights Not Exclusive. Further provisions may be made to indemnify Directors or officers of any action, suit, or proceeding referred to in Section 561 or Section 562 of the Act whether contained in the Articles, By-Laws, a Resolution of Members or Directors, in agreement or otherwise, so long as such provisions are not in conflict with Section 561 to Section 565 of the

Act. Nothing contained in Section 561 to Section 565 of the Act shall affect any rights of indemnification to which persons other than Directors and officers may be entitled by contract or otherwise by law. Moreover, the indemnification provided in Section 561 to Section 565 of the Act continues as to a person who has ceased to be a Director, officer, employee, or agent and shall inure to the benefit of the heirs, and personal representatives of such persons.

Section 7. Liability Insurance. The Association shall have power to purchase and maintain insurance on behalf of any person who 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 against any liability asserted against that person, incurred by that person in any such capacity or arising out of that person's status as to such, whether or not the Association would have power to indemnify that person against liability pursuant to the Act.

ARTICLE XIV

AMENDMENTS

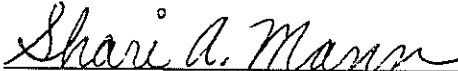
Section 1. These By-Laws may be amended, at a regular or special meeting of the members, by a vote of a majority of a quorum of members present in person or by proxy, provided that, those provisions of these By-Laws which are governed by the Articles of Incorporation of applicable law; and provided further that any matter stated herein to be or which is in fact governed by the Covenants and Restrictions applicable to The Properties may not be amended except as provided in such Covenants and Restrictions.

Section 2. In the case of any conflict between the Articles of Incorporation and these By-Laws, the Articles shall control; and in the case of any conflict between the Covenants and Restrictions applicable to The Properties referred to in Section 1 and these By-Laws, the Covenants and Restrictions shall control.

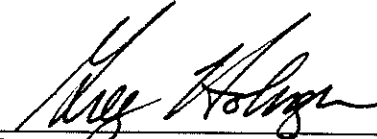
IN WITNESS WHEREOF, we being all the Directors of the Steeplechase Association, have hereunto set our hands this 18th day of May, 2000.

DIRECTORS:

One Year Term:




Shari A. Mann

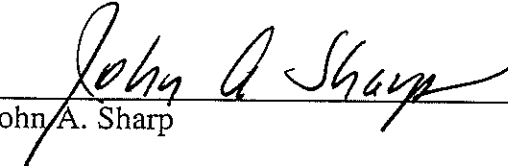


Greg Holmgren

Two Year Term:

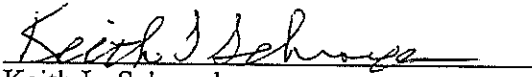


Brian L. Schroeder




John A. Sharp

Three Year Term:



Keith L. Schroeder



Robert K. Schroeder

This instrument was drafted by: Shari A. Mann/SBI Limited Partnership, 4665 Dobie Road, Suite 130, Okemos, MI 48864.