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MASTER DEED

WINDSWEPT FARMS SITE CONDOMINIUM

RECORDED

OCT 13 3 18 PM '94

SAMUEL J. JAVI AND
REGISTER OF DEEDS
WINCHESTER COUNTY, MASS.
88094

**MASTER DEED
WINDSWEPT FARMS SITE CONDOMINIUM
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MASTER DEED

WINDSWEPT FARMS SITE CONDOMINIUM

This Master Deed is made and executed on this 24TH day of AUGUST, 1994, by Progressive Properties, Inc., a Michigan corporation, (hereinafter referred to as the "Developer"), whose office address is 19100 W. Ten Mile Road, Suite 204, Southfield, Michigan 48075-2429 pursuant to the provisions of the Michigan Condominium Act (Act 59 of the Public Acts of 1978, as amended).

WHEREAS, the Developer desires by recording this Master Deed, together with the Bylaws attached hereto as Exhibit A and the Condominium Subdivision Plan attached hereto as Exhibit B (both of which are hereby incorporated herein by reference and made a part hereof), to establish the real property described in Article II below, together with the improvements located and to be located thereon, and the appurtenances thereto, as a residential Site Condominium Project under the provisions of the Act.

NOW, THEREFORE, the Developer, by recording this Master Deed, hereby establishes Windswept Farms Site Condominium (sometimes herein referred to as "Windswept Farms") as a Condominium Project under the Act and declares that Windswept Farms Site Condominium shall be held, conveyed, hypothecated, encumbered, leased, rented, occupied, improved and otherwise utilized, subject to the provisions of the Act, and the covenants, conditions, restrictions, uses, limitations and affirmative obligations set forth in this Master Deed and Exhibits A and B hereto, all of which shall be deemed to run with the land and be a burden and a benefit to the Developer, its successors and assigns, and any persons acquiring or owning an interest in the Condominium Premises, and their grantees, successors, heirs, personal representatives and assigns.

ARTICLE I

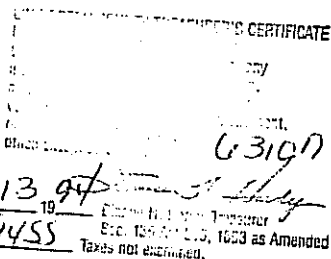
TITLE AND NATURE

The Condominium Project shall be known as Windswept Farms Site Condominium, Livingston County Condominium Subdivision Plan No. 65. The Condominium Project is established in accordance with the Act. The Units contained in the Condominium, including the number, boundaries, dimensions, area and volume of each Unit, are set forth completely in the Condominium Subdivision Plan attached to this Master Deed as Exhibit B. Each Unit is capable of individual utilization by virtue of having its own entrance from and exit to a Common Element of the Condominium Project. Each Co-Owner in the Condominium Project shall have an exclusive right to the Unit owned by said Co-Owner and shall have an undivided and inseparable right to share with other Co-Owners the General Common Elements of the Condominium Project.

ARTICLE II

LEGAL DESCRIPTION

The land which comprises the Condominium Project established by this Master Deed is located in Brighton Township, Livingston County, Michigan and is described as follows:



122-400-001

Part of the Southwest 1/4 of the Southeast 1/4 and the East 1/2 of the East 1/2 of the Southwest 1/4 of Section 26, T2N-R6E, Brighton Township, Livingston County, Michigan, more particularly described as follows: Beginning at the South 1/4 corner of said Section 26; thence along the South line of said Section 26 and the North line of "Larkins Road Estates No. 2", a subdivision as recorded in Liber 21 of Plats on pages 31-35 of the Livingston County Records, S 87°49'11" W, 663.77 feet; thence along the West line of the East 1/2 of the East 1/2 of the Southwest 1/4 of said Section 26, N 03°39'51" W, 2683.80 feet; thence along the East-West 1/4 line of said Section 26 and the centerline of Spencer Road (66 foot wide right-of-way), N 88°03'00" E, 657.70 feet to the center of said Section 26; thence along the North-South 1/4 line of said Section 26, S 03°47'43" E, 1340.66 feet; thence along the North line of the Southwest 1/4 of the Southeast 1/4 of said Section 26, N 87°09'25" E, 1279.66 feet; thence along the East line of the Southwest 1/4 of the Southeast 1/4 of said Section 26, S 03°26'51" E, 1332.55 feet; thence along the South line of said Section 26, S 86°47'47" W, 1271.46 feet, to the point of beginning; containing 79.81 acres, more or less.

Excepting therefrom the following parcel:

Part of the Southwest 1/4 of Section 26, T2N-R6E, Brighton Township, Livingston County, Michigan, more particularly described as follows: Commencing at the South 1/4 corner of said Section 26; thence along the North-South 1/4 line of said Section 26, N 03°47'43" W, 2681.32 feet to the center of said Section 26; thence along the North-South 1/4 line of said Section 26, S 03°47'43" E, 60.03 feet, to the point of beginning of the exception to be described; thence continuing along the North-South 1/4 line of said Section 26, S 03°47'43" E, 553.10 feet; thence due West, 378.69 feet; thence along the East line of Windswept Drive, N 06°53'21" W, 120.20 feet; thence along the East line of Windswept Drive, Northerly on an arc right, having a length of 234.22 feet, a radius of 197.00 feet, a central angle of 68°07'17", and a long chord which bears N 27°10'17" E, 220.67 feet; thence continuing along the East line of said Windswept Drive, Northeast on an arc left, having a length of 264.61 feet, a radius of 263.00 feet, a central angle of 57°38'44", and a long chord which bears N 32°24'34" E, 253.59 feet; thence Northeasterly along an arc right having a length of 29.48 feet, a radius of 20.00 feet, a central angle of 84°27'48" and a long chord which bears N 45°49'06" E, 26.89 feet, thence along the South line of Spencer Road (60 foot wide 1/2 right-of-way), N 88°03'00" E, 100.60 feet, to the point of beginning; containing 3.53 acres, more or less.

Together with and subject to easements, restrictions and governmental limitations of record, and the rights of the public or any governmental unit in any part of the subject property taken or used for Spencer Road or any other street, road or highway purpose. The obligations of the Developer under the foregoing instruments are or shall be assigned to and thereafter performed by the Association on behalf of the Co-Owners. Also subject to the easements established and reserved in Article VII below.

ARTICLE III

DEFINITIONS

Certain terms are utilized in this Master Deed and Exhibits A and B, and are or may be used in various other instruments such as, by way of example and not limitation, the Articles of Incorporation and rules and regulations of the Windswept Farms Site Condominium Association, a Michigan nonprofit corporation, and deeds, mortgages, liens, land contracts, easements and other instruments affecting the establishment of, or transfer of, interests in Windswept Farms. Wherever used in such documents or any other pertinent instruments, the terms set forth below shall be defined as follows:

Section 3.1 "Act" means the Michigan Condominium Act, Act 59 of the Public Acts of Michigan of 1978, as amended.

Section 3.2 "Association" means the Windswept Farms Site Condominium Association, which is the nonprofit corporation organized under Michigan law of which all Co-Owners shall be members, and which shall administer, operate, manage and maintain the Condominium. Any action which the Association is required or entitled to take shall be exercisable by its Board of Directors unless specifically reserved to its members by the Condominium Documents or the laws of the State of Michigan.

Section 3.3 "Bylaws" means Exhibit A attached to this Master Deed, which sets forth the substantive rights and obligations of the Co-Owners and which is required by Section 3(8) of the Act to be recorded as part of the Master Deed. The Bylaws shall also constitute the corporate bylaws of the Association as allowed under the Michigan Nonprofit Corporation Act.

Section 3.4 "Common Elements", where used without modification, means both the General and Limited Common Elements described in Article IV below.

Section 3.5 "Condominium Documents" means this Master Deed and Exhibits A and B hereto, and the Articles of Incorporation of the Association, and rules and regulations, if any, of the Association, as any or all of the foregoing may be amended from time to time.

Section 3.6 "Condominium Premises" means the land described in Article II above, all improvements and structures thereon, and all easements, rights and appurtenances belonging to Windswept Farms Site Condominium.

Section 3.7 "Condominium Project, Condominium or Project" are used synonymously to refer to Windswept Farms Site Condominium.

Section 3.8 "Condominium Subdivision Plan" means Exhibit B to this Master Deed. The Condominium Subdivision Plan depicts and assigns a number to each Condominium Unit and describes the nature, location and approximate dimensions of certain Common Elements.

Section 3.9 "Convertible Area" means those areas so designated on Exhibit B attached, which are General Common Elements of the Condominium Project that may be converted to other uses in accordance with Article VI hereof.

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Section 3.10 "Consolidating Master Deed" means the final amended Master Deed which shall describe Windswept Farms as a completed Condominium Project and shall reflect all Units and Common Elements therein, and the percentage of value applicable to each Unit as finally readjusted. Such Consolidating Master Deed, if and when recorded in the office of the Livingston County Register of Deeds, shall supersede this recorded Master Deed for the Condominium and all amendments thereto. In the event the Units and Common Elements in the Condominium are constructed in substantial conformance with the proposed Condominium Subdivision Plan attached as Exhibit B to this Master Deed, the Developer shall be able to satisfy the foregoing obligation by filing a certificate in the office of the Livingston County Register of Deeds confirming that the Units and Common Elements "as built" are in substantial conformity with the proposed Condominium Subdivision Plan and that no Consolidating Master Deed need be recorded.

Section 3.11 "Construction and Sales Period" means the period commencing with the recordation of this Master Deed and continuing during the period that the Developer owns (in fee simple, as a land contract purchaser or as an optionee) any Unit in the Project.

Section 3.12 "Co-Owner" means an individual, firm, corporation, partnership, association, trust or other legal entity (or any combination thereof) who or which owns or is purchasing by land contract one or more Units in the Condominium Project. Unless the context indicates otherwise, the term "Owner", wherever used, shall be synonymous with the term "Co-Owner".

Section 3.13 "Developer" means Progressive Properties, Inc., a Michigan corporation, which has made and executed this Master Deed, and its successors and assigns. Both successors and assigns shall always be deemed to be included within the term "Developer" whenever, however and wherever such terms are used in the Condominium Documents. However, the word "successor" as used in this Section 3.13 shall not be interpreted to mean a "Successor Developer" as defined in Section 135 of the Act.

Section 3.14 "First Annual Meeting" means the initial meeting at which non-Developer Co-Owners are permitted to vote for the election of all Directors and upon all other matters which properly may be brought before the meeting. Such meeting is to be held (a) in the Developer's sole discretion after 50% of the Units are sold, or (b) mandatorily after the first to occur of (i) the elapse of 54 months from the date of the first Unit conveyance, or (ii) not later than 120 days after 75% of all Units are sold but before 90% of all Units which may be created are sold.

Section 3.15 "Transitional Control Date" means the date on which a Board of Directors of the Association takes office pursuant to an election in which the votes which may be cast by eligible Co-Owners unaffiliated with the Developer exceed the votes which may be cast by the Developer.

Section 3.16 "Unit or Condominium Unit" each mean a single condominium unit in Windswept Farms, as the same is described in Section 5.1 of this Master Deed and on Exhibit B hereto, and shall have the same definition as the term "Condominium Unit" has in the Act. All structures and improvements now or hereafter located within the boundaries of the Unit, including, by way of illustration only, dwelling, water well, Septic System and Appurtenances, shall be owned in their entirety by the Co-Owner of the Unit within which they are located and shall not, unless otherwise expressly provided in the Condominium Documents, constitute Common Elements.

Wherever any reference is made to one gender, the reference shall include a reference to any and all genders where the same would be appropriate; similarly, whenever a reference is made to the singular, a reference shall also be included to the plural where that reference would be appropriate, and vice versa.

ARTICLE IV

COMMON ELEMENTS

The Common Elements of the Project described in Exhibit B to this Master Deed, and the respective responsibilities for maintenance, decoration, repair, replacement, restoration or renovation thereof, are as follows:

Section 4.1 General Common Elements. The General Common Elements are as follows:

- (a) **Land.** The land designated in Exhibit B as General Common Elements.
- (b) **Electrical.** The electrical transmission mains and wiring throughout the Project up to the point of lateral connection for Unit service located at the boundary of the Privacy Area appurtenant to each Unit, together with common lighting for the Project, if any is installed by the Developer or Association in its/their sole discretion.
- (c) **Telephone.** The telephone system throughout the Project up to the ancillary connection for Unit service located at the boundary of the Privacy Area appurtenant to each Unit.
- (d) **Gas.** The gas distribution system throughout the Project up to the point of lateral connection for Unit service located at the boundary of the Privacy Area appurtenant to each Unit and excluding the gas meter for each Unit.
- (e) **Cable TV and Other Telecommunications.** The cable television and other telecommunications system throughout the Project, if and when it may be installed, up to the point of the ancillary connection for Unit service located at the boundary of the Privacy Area appurtenant to each Unit.
- (f) **Paths.** The sidewalks, bike paths, boardwalks, and walking paths (collectively, "Walkways"), if any, installed by the Developer or the Association within the Land designated in Exhibit B as General Common Elements.
- (g) **Landscaping and Other Improvements.** All landscaping, berms, trees, plantings and signage for the Project, Walkways, and other structures and improvements, if any, located within the land designated in Exhibit B as General Common Elements.
- (h) **Storm Drainage.** The storm water drainage system throughout the Project, including open-ditch drainage, below-ground and above-ground drainage systems, retention ponds and detention ponds, if any, up to the point of Unit service located at the boundary of the Privacy Area appurtenant to each Unit.

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(i) Cul-de-Sac Islands. The landscaped islands within the publicly dedicated roads in the Project, subject, however, to the rights therein of the public and any governmental unit.

(j) Easements. All easements (if any) that are appurtenant to and that benefit the Condominium Premises pursuant to recorded easement agreements, reciprocal or otherwise.

(k) Other. Such other elements of the Project not designated in this Section 4.1 as General or Limited Common Elements which are not enclosed within the boundaries of a Unit or its appurtenant Privacy Area, and which are intended for common use or are necessary for the existence, upkeep or safety of the Project.

All of the roads in the Project will be dedicated to the public. Some or all of the storm water drainage system, utility lines, systems (including mains and service leads) and equipment and/or the cable television and/or other telecommunications system described above may be owned by, or dedicated by the Developer to, the local public authority or the company that is providing the pertinent service. Accordingly, such storm water drainage system, other utility lines, systems and equipment, and the cable television and/or other telecommunications system, if and when constructed, shall be General Common Elements only to the extent of the Co-Owners' interest therein, if any, and the Developer makes no warranty whatsoever with respect to the nature or extent of such interest, if any. The provisions of this paragraph also apply to actions taken pursuant to Article VI below.

Section 4.2 Limited Common Elements. Limited Common Elements shall be subject to the exclusive use and enjoyment of the Co-Owner of the Unit to which the Limited Common Elements are appurtenant. The Limited Common Elements are:

(a) Privacy Areas. The area surrounding each Unit and depicted on Exhibit B as a "limited common element" and sometimes herein referred to as a "Privacy Area" is a Limited Common Element limited in use to the Unit of corresponding number as designated on Exhibit B attached.

(b) Driveways. Each driveway leading from a road to a Unit shall be a Limited Common Element limited in use to the Unit of corresponding number as designated in the Condominium Subdivision Plan attached as Exhibit B to this Master Deed.

(c) Utilities in Privacy Areas. The electrical, telephone, gas, cable television and other telecommunication facilities, storm drainage and other utility facilities located within the Privacy Areas shall be Limited Common Elements limited in use to the Unit appurtenant to each such Privacy Area.

(d) Septic Systems. Each Co-Owner shall have the right, at its sole expense, to install, maintain, operate, repair, restore, renovate and replace an active and reserve septic system ("Septic System") within the Privacy Area appurtenant to the Co-Owner's Unit to accommodate a single family home. The Septic System shall be a Limited Common Element limited in use to the Unit appurtenant to the Privacy Area. The Septic System shall be constructed in a location and in a manner approved in writing (prior to installation) by the Livingston County Health Department and either the Developer or the Association.

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(e) Wells. Each Co-Owner shall have the right, at its sole expense, to install, maintain, operate, repair, restore, renovate and replace one (1) well on the land which is a Privacy Area appurtenant to the Co-Owner's Unit for the purpose of providing water to the Unit for normal household use. The well shall be a Limited Common Element limited in its use to the Unit appurtenant to said Privacy Area, and it shall be constructed in a location and in a manner approved in writing (prior to installation) by the Livingston County Health Department and either the Developer or the Association.

(f) Other Privacy Area Improvements. Landscaping, berms, trees, plantings, courtyards, atriums, patios, hot tubs, decks, balconies, swimming pools, play structures, basketball backboards, and other such improvements and structures installed within the Privacy Area appurtenant to a Unit shall be Limited Common Elements limited in use to such Unit.

(g) Improvements Constructed Within Convertible Areas. Any other appurtenances to those individual Units, if any, constructed in convertible areas (other than the Roadway Convertible Areas, as defined in Article VI below) pursuant to Article VI of this Master Deed shall be limited in use to the Co-Owner of the Unit to which they are assigned by designation in the Condominium Subdivision Plan, as amended to reflect such construction.

Section 4.3 Responsibilities. The respective responsibilities for the installations within and the maintenance, decoration, repair, replacement, renovation and restoration of the Units and Common Elements are as follows:

(a) Co-Owner Responsibility for Units and Limited Common Elements. It is anticipated that a separate residential dwelling (including attached garage and, perhaps, porches) will be constructed within each Unit depicted on Exhibit B. It is also anticipated that various improvements and structures appurtenant to each such dwelling will or may also be constructed within the Unit and may extend into the Privacy Area which is a Limited Common Element appurtenant to the Unit, which improvements and structures (collectively, "Appurtenances") may include, but are not limited to, a driveway, well, Septic System, deck, balcony, patio, atrium, courtyard, hot tub, swimming pool, play structure, basketball backboard, lawn, berms, trees, plantings and other landscaping. Except as otherwise expressly provided in this Master Deed or the Bylaws, the responsibility for and the cost of installation, maintenance, decoration, repair, renovation, restoration and replacement of any dwelling and of any Appurtenances within a Unit and/or the appurtenant Privacy Area and of any other Limited Common Element appurtenant to the applicable Unit shall be borne by the Co-Owner of the Unit which is served thereby; provided, however, that the exterior appearance of the dwelling and the Appurtenances, to the extent visible from any other Unit or Common Element within the Project, shall be subject at all times to the prior approval of the Developer or the Association, pursuant to Article XII hereof. Each Co-Owner shall also be responsible for arranging for and paying all costs in connection with the extension of utilities from the mains or such other facilities as are located at the boundary of the Privacy Area appurtenant to such Co-Owner's Unit to the dwelling or other structures located within the Unit and/or its appurtenant Privacy Area. All costs of electricity, telephone, natural gas, storm drainage, cable television, other telecommunications system and any other utility services shall be borne by the Co-Owner of the Unit to which the services are furnished. All utility meters, laterals, leads and other such facilities located or to be located within the Co-Owner's Unit or its appurtenant Privacy Area shall be installed, maintained, repaired, renovated, restored and replaced at the expense of the Co-Owner whose

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Unit they service, except to the extent that such expenses are borne by a utility company or a public authority, and the Association shall have no responsibility with respect to such installation, maintenance, repair, renovation, restoration or replacement. In connection with any amendment made by the Developer pursuant to Article VI of this Master Deed, the Developer may designate additional Limited Common Elements that are to be installed, maintained, decorated, repaired, renovated, restored and replaced at Co-Owner expense or, in proper cases, at Association expense.

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(b) Association Responsibility for Units and Limited Common Elements. The Association, acting through its Board of Directors, may undertake regularly recurring, reasonably uniform, periodic exterior maintenance, repair, renovation, restoration and replacement functions with respect to Units and their appurtenant Privacy Areas, and the dwellings, Appurtenances, and other Limited Common Elements associated therewith, as it may deem appropriate (including, without limitation, snow removal from driveways). Nothing contained herein, however, shall require the Association to undertake such responsibilities. Any such additional responsibilities undertaken by the Association shall be charged to any affected Co-Owner on a reasonably uniform basis and collected in accordance with the assessment procedures established under Article II of the Bylaws. The Developer, in the initial maintenance budget for the Association, shall be entitled to determine the nature and extent of such services and reasonable rules and regulations may be promulgated in connection therewith. The Association, acting through its Board of Directors, may also (but has no obligation to) undertake any maintenance, repair, renovation, restoration or replacement obligation of the Co-Owner of a Unit with respect to said Unit, its appurtenant Privacy Area, and the dwelling, Appurtenances and other Limited Common Elements associated therewith, to the extent that said Co-Owner has not performed such obligation, and the cost thereof shall be assessed against said Co-Owner. The Association in such case shall not be responsible for any damage thereto arising as a result of the Association performing said Co-Owner's unperformed obligations.

(c) Common Lighting. The Developer and/or the Association may, but is/are not required to, install luminating fixtures within the Condominium Project and to designate the same as common lighting as provided in Section 4.1(b) above. Some of the common lighting may be installed within the General Common Elements or may be located within Privacy Areas or other Limited Common Elements or fixed to dwelling exteriors. The cost of electricity for common lighting located within any Unit or Privacy Area appurtenant thereto may be metered by the individual electric meter of the Co-Owner to whose Unit the same is appurtenant and shall be paid by such individual Co-Owner without reimbursement therefor from the Association. Said fixtures shall be maintained, repaired, renovated, restored, and replaced and light bulbs furnished by the Association. The size and nature of the bulbs to be used in the fixtures shall also be determined by the Association in its discretion. No Co-Owner shall modify or change such fixtures in any way nor cause the electrical flow for their operation to be interrupted at any time. If the fixtures operate on photo electric cells, the timers for such cells shall be set by and at the discretion of the Association, and shall remain lit at all times determined by the Association.

(d) General Common Elements. The costs of making installations in the General Common Elements (excluding those made by the Developer) and of decorating, maintaining, repairing, renovating, restoring and replacing all General Common Elements and improvements

and structures therein shall be borne by the Association, subject to any provision in the Condominium Documents which expressly provides to the contrary.

(e) **Residual Damage.** Except as otherwise specifically provided in this Master Deed, any damage to any Unit or Unit's appurtenant Privacy Area, or the dwelling, Appurtenances or other Limited Common Elements associated therewith arising as a result of the Association undertaking its rights or responsibilities as set forth in this Section 4.3 shall be repaired at the Association's expense.

Section 4.4 Use of Units and Common Elements. No Co-Owner shall use his Unit or the Common Elements in any manner which is inconsistent with the purposes of the Project or in any manner which will interfere with or impair the rights of any other Co-Owner in the use and enjoyment of his Unit or the Common Elements. In addition, no Co-Owner shall be entitled to construct or install any Appurtenances on or in any Privacy Area or other Limited Common Element without the prior written approval of the Developer or the Association.

ARTICLE V

UNIT DESCRIPTION AND PERCENTAGE OF VALUE

Section 5.1 Description of Units. Each Unit in the Condominium Project is described in the Condominium Subdivision Plan attached to this Master Deed as Exhibit B. Each Unit shall consist of the area contained within the Unit boundaries as shown on Exhibit B and delineated with heavy outlines, together with all Appurtenances located within such Unit boundaries.

Section 5.2 Percentage of Value. The percentage of value for each Unit shall be equal. The determination that the percentages of value should be equal was made after reviewing the comparative characteristics of each Unit in the Project and concluding that there are no material differences among the Units that affect the allocation of percentages of value. The percentage of value assigned to each Unit shall be determinative of each Co-Owner's respective share of the General Common Elements of the Condominium Project, the proportionate share of each Co-Owner in the proceeds and expenses of the Association's administration and the value of such Co-Owner's vote at meetings of the Association of Co-Owners. The total value of the Project is 100%.

ARTICLE VI

CONVERTIBLE AREAS

Section 6.1 Designation of Convertible Areas. Each area designated on Exhibit B as "Convertible Area" and each area designated on Exhibit B as a "General Common Element" is a convertible area that may be modified as provided below, provided, however, that no additional Condominium Units may be created within such convertible area.

Section 6.2 Developer's Rights.

(a) The Developer reserves the right, in its sole discretion and for the six year maximum period permitted by the Act, to modify each Convertible Area that is so labeled on

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Exhibit B (hereinafter sometimes referred to as the "Roadway Convertible Area") to install roads and Walkways therein, and/or to reconfigure any roads or Walkways located therein, for purposes of providing vehicular, pedestrian and bike access between the Condominium Project and land adjacent to the Condominium Project.

The Developer further reserves the right, in its sole discretion and for the six year maximum period permitted by the Act, to construct various amenities, including, but not limited to, roads, Walkways, signage, berms, trees, fountains, plantings and other landscaping features and other related amenities and such retention and detention ponds and other utilities, if any, as are necessary or advisable in connection therewith (collectively, "Amenities") anywhere within the General Common Element areas (other than the Roadway Convertible Areas) so designated on the Condominium Subdivision Plan. All Co-Owners shall contribute to the costs of installation, maintenance, repair, restoration, renovation and replacement of the Amenities as an expense of the administration of the Project to the extent that said costs are not the responsibility of a governmental agency or public utility. However, the Developer has no obligation to install any particular Amenities or to include them in the Condominium Project. The final determination of the design, layout and location of such Amenities, if and when installed, shall be at Developer's sole discretion.

(b) The Developer further reserves the right, in its sole discretion and for the six year maximum period permitted by the Act, to expand into any convertible area (other than the Roadway Convertible Areas) any Privacy Area or other Limited Common Element (and any Appurtenances associated therewith) adjacent to such convertible area.

Section 6.3 Consent of Interested Persons. All of the Co-Owners and mortgagees of Units and other persons now or hereafter interested in the Project from time to time shall be deemed to have irrevocably and unanimously consented to any and all amendments to this Master Deed which effectuate the purposes of this Article VI and to any proportionate reallocation of percentages of value of existing Units which Developer determines are necessary in conjunction with such amendment or amendments. All such interested persons irrevocably appoint Developer as agent and attorney for the execution of such amendments to the Master Deed and all other documents necessary to effectuate the foregoing. Such amendments may be effected without the necessity of re-recording the entire Master Deed or the Exhibits hereto and may incorporate by reference all or any appurtenant portions of this Master Deed and the Exhibits hereto.

ARTICLE VII

EASEMENTS

Section 7.1 Easement For Utilities and Maintenance of Encroachments. In the event any portion of a Unit (or dwelling or Appurtenances constructed therein) or Common Element (or Appurtenances constructed therein) encroaches upon another Unit or Common Element due to shifting, settling or moving of the dwelling or the Appurtenances or other Limited Common Elements associated therewith, or due to survey errors, construction deviations, replacement, restoration or repair, or due to the requirements of the Livingston County Health Department, reciprocal easements shall exist for such encroachment, and for the installation, maintenance, repair, restoration and replacement of the encroaching property, dwelling, and/or Appurtenances or other Limited Common Elements associated therewith. In the event of damage or destruction, there shall be easements to, through, under and over

those portions of the land, dwellings, and Appurtenances and other Limited Common Elements associated therewith for the continuing maintenance, repair, renovation, restoration and replacement of all utilities in the Condominium. One of the purposes of this Section is to clarify that Co-Owners have the right to maintain those Appurtenances and other Limited Common Elements which project into the Common Elements surrounding each Unit.

Section 7.2 Easements Retained by Developer.

(a) **Walkway Easements.** The Developer reserves for itself, its agents, employees, representatives, guests, invitees, independent contractors, successors and assigns, and all future owners of any land contiguous to Windswept Farms, an easement for the unrestricted use of all Walkways in the Condominium Project for the purpose of ingress and egress to and from all or any portion of the Condominium Premises and to and from land contiguous to the Condominium Premises. All expenses of maintenance, repair, replacement, renovation, restoration (including, without limitation of the foregoing, resurfacing) of any Walkway referred to in this Article shall be shared by this Condominium and the owners of any developed portions of the contiguous land which utilize such Walkways. The Co-Owners of this Condominium shall be responsible from time to time for the payment of a proportionate share of said expenses, which shall be determined by multiplying such expenses by a fraction, the numerator of which is the number of Units in this Condominium Project, and the denominator of which is comprised of the numerator plus all other residential units established in the contiguous land utilizing the Walkways.

(b) **Utility Easements.** The Developer reserves for itself and its agents, employees, representatives, guests, invitees, independent contractors, successors and assigns, and all future owners of any land contiguous to the Project, easements to enter upon the Condominium Premises to utilize, tap, tie into, extend and enlarge and otherwise install, maintain, repair, restore, renovate and replace all utility improvements located within the Condominium Premises, including, but not limited to, gas, water, sanitary sewer, storm drains (including retention and detention ponds), telephone, electrical, and cable television and other telecommunications. If any portion of the Condominium Premises shall be disturbed by reason of the exercise of any of the rights granted to Developer, its successors or assigns under this Section 7.2(b), Developer shall restore the disturbed portion of the Condominium Premises to substantially the condition that existed prior to the disturbance. Except as otherwise specified in this Master Deed, the Co-Owners of this Condominium shall be responsible from time to time for the payment of a proportionate share of said expenses (to the extent said expenses are not the responsibility of a governmental agency or public utility), which shall be determined by multiplying such expenses by a fraction, the numerator of which is the number of Units in this Condominium, and the denominator of which is comprised of the numerator plus all other residential units in the land contiguous to this Condominium that utilize such utility.

(c) **Additional Easements.** The Developer reserves for itself and its successors and assigns, the right, at any time prior to the expiration of the Construction and Sales Period, to reserve, dedicate and/or grant public or private easements over, under and across the Condominium Premises for the installation, utilization, repair, maintenance, decoration, renovation, restoration and replacement of rights-of-way, Walkways, the storm water drainage system, including retention or detention ponds, water wells, Septic Systems, electrical transmission mains and wiring, telephone system, gas distribution system, cable television and

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other telecommunication system and other public and private utilities, including all equipment, facilities and appurtenances relating thereto. The Developer reserves the right to assign any such easements to governmental units or public utilities or, as to the storm water drainage system, Co-Owners of affected Units, and to enter into maintenance agreements with respect thereto. Any of the foregoing easements or transfers of title may be conveyed by the Developer without the consent of any Co-Owner, mortgagee or other person who now or hereafter shall have any interest in the Condominium, by the recordation of an appropriate amendment to this Master Deed and Exhibit B hereto. All of the Co-Owners and mortgagees of Units and other persons now or hereafter interested in the Condominium Project from time to time shall be deemed to have unanimously consented to any amendments of this Master Deed to effectuate the foregoing easements or transfers of title. All such interested persons irrevocably appoint the Developer as agent and attorney to execute such amendments to the Master Deed and all other documents necessary to effectuate the foregoing.

Section 7.3 Grant of Easements by Association. The Association, acting through its Board of Directors, shall be empowered and obligated to grant such easements, licenses, rights-of-entry and rights-of-way over, under and across the Condominium Premises as are reasonably necessary or advisable for utility purposes, access purposes or other lawful purposes, subject, however, to the approval of the Developer during the Construction and Sales Period. No easements created under the Condominium Documents may be modified, nor may any of the obligations with respect to such easements be varied, without the consent of each person benefitted or burdened thereby.

Section 7.4 Easements for Maintenance, Repair, Restoration, Renovation and Replacement. The Developer, the Association and all public and private utilities and public authorities responsible for publicly dedicated roads shall have such easements over, under and across the Condominium Project, including all Units and Common Elements, as may be necessary to fulfill any installation, maintenance, repair, decoration, renovation, restoration or replacement responsibilities which any of them are required or permitted to perform under the Condominium Documents, by law or as may be necessary to respond to any emergency. The foregoing easements include, without limitation, the right of the Association to obtain access during reasonable hours and upon reasonable notice, for purposes of inspecting the dwelling constructed on a Unit and/or its appurtenant Privacy Area or other Limited Common Elements and/or Appurtenances constructed therein to ascertain that they have been designed and constructed in conformity with standards imposed and/or specific approvals granted by the Developer (during the Construction and Sales Period) and thereafter by the Association.

Section 7.5 Telecommunications Agreements. The Association, acting through its Board of Directors and subject to the Developer's approval during the Construction and Sales Period, shall have the power to grant such easements, licenses and other rights-of-entry, use and access and to enter into any contract or agreement, including wiring agreements, right-of-way agreements, access agreements and multi-unit agreements and, to the extent allowed by law, contracts for sharing of any installation or periodic subscriber service fees, as may be necessary, convenient or desirable to provide for telecommunications, videotext, broad band cable, satellite dish, earth antenna and similar services to the Project or any Unit therein. Notwithstanding the foregoing, in no event shall the Association, through its Board of Directors, enter into any contract or agreement or grant any easement, license or right-of-entry or do any other act which will violate any provision of any federal, state or local law or ordinance. Any and all sums paid by any telecommunications or other company or entity in connection with such service, including fees, if any, for the privilege of installing any telecommunications related equipment or improvements or sharing periodic subscriber service fees, shall be receipts affecting the administration

of the Condominium Project within the meaning of the Act and shall be paid over to and shall be the property of the Association.

Section 7.6 Association Assumption of Obligations. The Association, on behalf of the Co-Owners, shall assume and perform all of the Developer's obligations under any easement pertaining to the Condominium Project or Common Elements.

Section 7.7 Termination of Easements. Developer reserves the right to terminate and revoke any utility or other easement granted in or pursuant to this Master Deed at such time as the particular easement has become unnecessary. (This may occur, by way of illustration only, when a utility easement is relocated to coordinate development of property adjacent to the Condominium Project.) No easement for a utility may be terminated or revoked unless and until all Units served by it are adequately served by an appropriate substitute or replacement utility. Any termination or relocation of any such easement shall be effected by the recordation of an appropriate termination instrument or, where applicable, amendment to this Master Deed in accordance with the requirements of the Act.

ARTICLE VIII

AMENDMENT

This Master Deed, the Bylaws (Exhibit A to this Master Deed) and the Condominium Subdivision Plan (Exhibit B to this Master Deed) may be amended with the consent of two-thirds of the Co-Owners except as hereinafter set forth:

Section 8.1 Co-Owner Consent. Except as otherwise specifically provided in this Master Deed or Bylaws, no Unit dimension may be modified in any material respect without the consent of the Co-Owner, mortgagee of such Unit and Brighton Township, nor may the nature or extent of the Privacy Area or other Limited Common Elements appurtenant to such Unit or the responsibility for installation, maintenance, decoration, repair, restoration, renovation or replacement thereof be modified in any material respect without the prior written consent of the Co-Owner and mortgagee of such Unit.

Section 8.2 By Developer. In addition to the rights of amendment provided to the Developer in the various Articles of this Master Deed, the Developer may, within two (2) years following the expiration of the Construction and Sales Period, and without the consent of any Co-Owner, mortgagee or any other person, amend this Master Deed and the Condominium Subdivision Plan attached as Exhibit B in order to correct survey or other errors made in such documents and to make such other amendments to such instruments and to the Bylaws attached hereto as Exhibit A that do not materially affect the rights of any Co-Owners or mortgagees in the Project, including, but not limited to, amendments for the purpose of facilitating conventional mortgage loan financing for existing or prospective Co-Owners and to enable the purchase or insurance of such mortgage loans by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Government National Mortgage Association, the Veterans Administration or the Department of Housing and Urban Development, or by any other public or private mortgage insurer or any institutional participant in the secondary mortgage market.

Section 8.3 Change in Value of Vote, Maintenance Fee and Percentages of Value. The value of the vote of any Co-Owner and the corresponding proportion of common expenses assessed

against such Co-Owner shall not be modified without the written consent of such Co-Owner and his mortgagee, nor shall the percentage of value assigned to any Unit be modified without such consent, except as provided in Article V, Section 5.6(c) of the Bylaws and except as provided in Article V, Article VI, Article VII, Article VIII, Article IX, and Article XI of this Master Deed.

Section 8.4 Mortgagee Approval. Pursuant to Section 90.(1) of the Act, the Developer hereby reserves the right, on behalf of itself and on behalf of the Association of Co-Owners, to amend this Master Deed and the Condominium Documents without approval of any mortgagee, unless the amendment would materially alter or change the rights of a mortgagee, in which event two-thirds of the mortgagees shall approve such Amendment. Each mortgagee shall have one (1) vote for each mortgage held. The provisions of this Section 8.4 shall not apply to the individuals referenced in Section 8.7 below.

Section 8.5 Termination, Vacation, Revocation or Abandonment. The Condominium Project may not be terminated, vacated, revoked or abandoned without the written consent of 85% of all Co-Owners.

Section 8.6 Developer Approval. During the Construction and Sales Period, the Condominium Documents shall not be amended nor shall the provisions thereof be modified in any way without the prior written consent of the Developer.

Section 8.7 Land Contract. This Master Deed and Exhibits A and B hereto are subject to a Land Contract executed by Developer and Carl E. Krueger and Evelyn E. Krueger, husband and wife (the "Land Contract"), a memorandum of which has been recorded prior to the date of this Master Deed.

Section 8.8 Health Department Restrictions. The provisions of the Master Deed contained in Section 12.15 may not be changed, altered or amended without written approval of the Livingston County Health Department.

ARTICLE IX

DEVELOPER'S RIGHT TO USE FACILITIES

The Developer, its agents, representatives, employees, successors and assigns may, at all times that Developer continues to own any Units, maintain offices, model Units, parking, storage areas and other facilities within the Condominium Project and engage in such other acts as it deems necessary to facilitate the development and sale of the Project. Developer shall have such access to, from and over the Project as may be reasonable to enable the development and sale of Units in the Condominium Project. In connection therewith, Developer shall have full and free access to all Common Elements and unsold Units.

ARTICLE X

ASSIGNMENT

Subject to the provisions of the Land Contract, any or all of the rights and powers granted or reserved to the Developer in the Condominium Documents or by law, including the power to approve or disapprove any act, use or proposed action or any other matter or thing, may be assigned by the Developer to and

assumed by any other entity or the Association. Any such assignment or transfer shall be made by appropriate instrument in writing duly recorded in the office of the Livingston County Register of Deeds.

ARTICLE XI

MODIFICATION OF UNITS AND LIMITED COMMON ELEMENTS

Notwithstanding anything to the contrary contained in this Master Deed or the Bylaws, the Units in the Project and their appurtenant Privacy Areas and other Common Elements may be modified and the boundaries relocated, in accordance with Section 48 of the Act and this Article XI; such changes in the affected Unit or Units and its/their appurtenant Privacy Area(s) or other Common Elements shall be promptly reflected in duly recorded Amendment or Amendments to this Master Deed.

Section 11.1 Modification of Units and Appurtenant Privacy Areas or Common Elements.

N/A
The Developer may, in its sole discretion, and without being required to obtain the consent of any person whatsoever (including Co-Owners and mortgagees of Units) modify the size, location, or configuration of Units and/or Privacy Areas or other General or Limited Common Elements appurtenant or geographically proximate to any Units as described in the Condominium Subdivision Plan attached hereto as Exhibit B or any recorded amendment or amendments hereof. Any such modifications by the Developer shall be effective upon the recordation of an amendment to the Master Deed. In addition, the Developer may, in connection with any such amendment, re-adjust percentages of value for all Units in a manner which gives reasonable recognition to such Unit modifications or Privacy Area or other Limited Common Element modifications, based upon the method by which percentages of value were originally determined for the Project. All of the Co-Owners and mortgagees of Units and all other persons now or hereafter interested in the Project from time to time shall be deemed to have irrevocably and unanimously consented to any amendment or amendments to this Master Deed recorded by the Developer to effectuate the purposes of this Section 11.1 and, subject to the limitations set forth herein, to any proportionate reallocation of percentages of value of existing Units which Developer determines are necessary in conjunction with any such amendments. All such interested persons irrevocably appoint the Developer as agent and attorney for the purpose of executing such amendments to the Master Deed and all other documents necessary to effectuate the foregoing.

Section 11.2 Relocation of Boundaries of Units and Appurtenant Privacy Areas or Common Elements.

N/A
The Developer reserves the right during the Construction and Sales Period, and without the consent of any other Co-Owner or any mortgagee of any Unit, to relocate any boundaries between Units and/or their appurtenant Privacy Areas where the Units and/or their appurtenant Privacy Areas are located adjacent to each other. Such relocation of boundaries of Unit(s) and/or appurtenant Privacy Area(s) shall be given effect by an appropriate amendment or amendments to this Master Deed in the manner provided by law, which amendment or amendments shall be prepared by and at the sole discretion of Developer, its successors or assigns. In the event an amendment is recorded in order to accomplish such relocation of boundaries of Units and/or appurtenant Privacy Areas, the amendment shall identify the relocated Unit(s) and/or Privacy Area(s) by Unit number(s) and, when appropriate, the percentage of value as set forth herein for the Unit(s) and/or Privacy Area(s) that have been relocated shall be proportionately allocated to the adjusted Unit(s) in order to preserve a total value of one hundred (100%) percent for the entire Project following such amendment to this Master Deed. The precise determination of the readjustments and percentages of value shall be within the sole judgment of Developer. However, the readjustments shall reflect a continuing reasonable relationship among percentages of value based upon the original method of determining percentages of value for the Project.

Any such amendment to the Master Deed shall also contain such further definitions of Common Elements as may be necessary to adequately describe the Units and Privacy Areas in the Condominium Project as modified. All of the Co-Owners and mortgagees of Units and all other persons now or hereafter interested in the Project from time to time shall be deemed to have irrevocably and unanimously consented to any amendment or amendments to this Master Deed recorded by the Developer to effectuate the purposes of this Section 11.2 and, subject to the limitations set forth herein, to any proportionate reallocation of percentages of value of Units which the Developer determines are necessary in connection with any such amendment. All such interested persons irrevocably appoint the Developer as agent and attorney for the purpose of executing such amendments to the Master Deed and all other documents necessary to effectuate the foregoing. Any such amendments may be accomplished without re-recording the entire Master Deed or its Exhibits.

Section 11.3 Limited Common Elements. Limited Common Elements shall be subject to assignment and re-assignment in accordance with Section 39 of the Act, to accomplish the rights to relocate boundaries described in this Article XI or for other purposes.

ARTICLE XII

RESTRICTIONS

All of the Units in the Condominium shall be held, used and enjoyed subject to the following limitations and restrictions:

Section 12.1 Residential Use. No Unit in the Condominium shall be used for other than single family residence purposes and the Limited Common Elements shall be used only for purposes consistent with the use of single family residences. No structure shall be erected, altered, placed or permitted to remain on any Unit other than one (1) single family dwelling with attached garage. All other accessory structures, storage buildings, detached garages, sheds, tents, trailer, shacks and temporary structures are prohibited and shall not be erected, placed or permitted to remain upon any Unit, unless approved by the Association as further provided in this Master Deed. Temporary buildings may be constructed within a Unit during the construction of a permanent dwelling within the Unit, provided that the temporary structures shall be removed from the Unit upon enclosure of the dwelling. No old, used or modular structures shall be placed upon any Unit or anywhere within the Condominium Project. There shall be no oil or gas exploration conducted upon the Condominium Premises, including, but not limited to, the following activities: mining, drilling, laying or maintaining of pipelines (other than utility pipelines installed to serve residential consumers).

Section 12.2 Leasing and Rental.

(a) *Right to Lease.* A Co-Owner may lease the dwelling constructed within the perimeters of his Unit for the purposes set forth in Section 6.1; provided that written disclosure of such lease transaction is submitted to the Board of Directors of the Association in the manner specified in subsection (b) below. With the exception of a first mortgage lender in possession of a Unit as a result of foreclosure or a conveyance or assignment in lieu of foreclosure, no Co-Owner shall lease less than the entire dwelling on his Unit in the Condominium and no tenant shall be permitted to occupy a dwelling except under a lease having an initial term of at least 6 months, unless specifically approved in writing by the Association. 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 may lease any number of Units in the Condominium in its discretion without being required to obtain the approval of the Association.

(b) Leasing Procedures. The leasing of Units in the Project shall conform to the following:

(1) A Co-Owner, including the Developer, desiring to rent or lease a Unit, shall provide the Association, at least 10 days prior to presenting a lease form to a potential lessee, with a written notice of the Co-Owner's intent to lease his Unit, together with a copy of the exact lease form that the Co-Owner intends to use, for the review and approval of the Association. The Association shall be entitled to request that changes be made to the lease form that are necessary to insure that the lease will comply with the Condominium Documents. If the Developer desires to rent Units before the Transitional Control Date, it shall notify either the Advisory Committee or each Co-Owner in writing.

(2) Tenants or non-owner occupants shall comply with all of the provisions of the Condominium Documents and all leases and rental agreements shall incorporate the foregoing requirement.

(3) If the Association determines that the tenant or non-owner occupant has failed to comply with the provisions of the Condominium Documents, the Association may take the following actions:

(i) The Association shall notify the Co-Owner by certified mail of the alleged violation by the tenant or occupant.

(ii) The Co-Owner shall have 15 days from his receipt of such notice to investigate and correct the alleged breach by the tenant or occupant or advise the Association that a violation has not occurred.

(iii) If, at the expiration of the above-referenced 15 day period, the Association believes that the alleged breach is not cured or may be repeated, the Association (or the Co-Owners derivatively on behalf of the Association, if the Association is under the control of the Developer), may institute on behalf of the Association a summary proceeding eviction action against the tenant or non-owner occupant. The Association may simultaneously bring an action for damages against the Co-Owner and tenant or non-owner occupant for breach of the Condominium Documents. The Association may hold both the tenant and the Co-Owner liable for any damages to the General Common Elements caused by the Co-Owner or tenant in connection with the Unit or Condominium Project and for actual legal fees incurred by the Association in connection with legal proceedings hereunder.

(4) When a Co-Owner is in arrears to the Association for assessments, the Association may give written notice of the arrearage to the tenant occupying a Co-Owner's Unit under a lease or rental agreement and the tenant, after receiving the notice, shall deduct from the rental payments due to the Co-Owner the amount of the arrearage and all future assessments as they fall due and shall pay such amounts

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directly to the Association. The deductions shall not constitute a breach of the rental agreement or lease by the tenant. The form of lease used by Co-Owner shall explicitly contain the foregoing provisions.

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Section 12.3 Alterations and Modifications. A Co-Owner shall not make any alterations to the exterior appearance or make structural modifications to the dwelling or Appurtenances or other improvements constructed within the perimeter of his Unit or its appurtenant Privacy Area or make changes in any of the General or Limited Common Elements, or in the Convertible Areas, without the express written approval of the Board of Directors, including without limitation, exterior painting or the erection of antennas, lights, aerials, awnings, doors, shutters, newspaper holders, mailboxes, fences, walls, basketball backboards or other exterior attachments or modifications. If a Co-Owner causes any damage to any General or Limited Common Elements or to any other Unit as a result of making any alterations (regardless of whether or not such alteration was authorized) the Co-Owner shall be responsible for the cost of repairing any damage caused by the Co-Owner, his agents or contractors. If necessary for providing access to any General or Limited Common Elements or other facilities regarding which the Association has the right or obligation to provide maintenance, the Association may remove any coverings, additions or attachments of any nature that restrict such access and the Association will have no responsibility or liability for repairing, replacing or restoring any such materials, nor shall the Association be liable for monetary damages.

Section 12.4 Activities. No immoral, improper, unlawful or offensive activity shall be carried on in any Unit or its appurtenant Privacy Area or upon the Limited or General Common Elements, nor shall anything be done which may be or become an annoyance or a nuisance to the Co-Owners of the Condominium Project. No unreasonably noisy activity shall occur in or on the Common Elements or in any Unit or its appurtenant Privacy Area at any time and disputes among Co-Owners, arising as a result of this provision which cannot be amicably resolved, shall be arbitrated by the Association. No Co-Owner shall conduct or permit any activity or keep or permit to be kept in his Unit or its appurtenant Privacy Area or on the Common Elements anything that will increase the rate of insurance on the Condominium, without the written approval of the Association, and, if approved, the Co-Owner shall pay to the Association the increased insurance premiums resulting from any such activity. Activities which are deemed offensive and are expressly prohibited include, but are not limited to, any activity involving the use of firearms, air rifles, pellet guns, B-B guns, bows and arrows, or other similar dangerous weapons, projectiles or devices.

Section 12.5 Pets. No animals, livestock or poultry of any kind shall be raised, bred or kept in any Unit or its appurtenant Privacy Area or other Limited Common Elements, except dogs, cats or other common household pets. No animal may be kept or bred for any commercial purpose and every permitted pet shall be cared for and restrained so as not to be obnoxious or offensive to other Co-Owners. No animal may be permitted to run loose at any time upon the General Common Elements and an animal shall at all times be leashed and accompanied by some responsible person while on the General Common Elements. No dangerous animal shall be kept and any Co-Owner who causes any animal to be brought or kept upon the Condominium Premise shall indemnify and hold harmless the Association for any loss, damage or liability which the Association may sustain as a result of the presence of such animal on the premises, whether or not the Association has given its permission therefor. No dog which barks and can be heard on any frequent or continuing basis shall be kept in any Unit or its appurtenant Privacy Area or on the Common Elements. No runs, pens or shelters for pets shall be permitted within a Unit or the appurtenant Privacy Area or other Limited Common Elements unless such runs, pens or shelters are located adjacent to an exterior wall of a dwelling or garage on the opposite side of the Unit from the street. The Association may charge all Co-Owners maintaining animals a reasonable additional

assessment to be collected in the manner provided in Article II of the Bylaws in the event that the Association determines such assessment is necessary to defray the Association's costs of accommodating animals within the Condominium. The Association shall have the right to require that any pets be registered with the Association and may adopt such additional reasonable rules and regulations with respect to animals as it deems proper. In the event of any violation of this Section 12.5, the Board of Directors of the Association may assess fines for such violation in accordance with the Bylaws and in accordance with its duly adopted rules and regulations.

Section 12.6 *Aesthetics.* The Limited and General Common Elements shall not be used for the storage of supplies, materials, personal property or trash or refuse of any kind, except in accordance with the duly adopted rules and regulations of the Association. Garage doors shall be kept closed at all times, except as may be reasonably necessary to gain access to or from any garage. No unsightly condition shall be maintained on any porch, courtyard or deck and only furniture and equipment consistent with the normal and reasonable use of such areas shall be permitted to remain there during seasons when such areas are reasonably in use, and no furniture or equipment of any kind shall be stored thereon during seasons when such areas are not reasonably in use. Trash receptacles shall at all times be maintained within garages and shall not be permitted to remain elsewhere on the Common Elements except for such short periods of time as may be reasonably necessary to permit the periodic collection of trash. The Common Elements shall not be used in any way for the drying, shaking or airing of clothing or other fabrics. In general, no activity shall be carried on nor any condition maintained by a Co-Owner, either in his Unit or its appurtenant Privacy Area or upon the Common Elements, which is detrimental to the overall appearance of the Condominium.

Section 12.7 *Vehicles.* No house trailers, commercial vehicles, boat trailers, boats, camping vehicles, camping trailers, motorcycles, all terrain vehicles, snowmobiles, snowmobile trailers or vehicles, other than automobiles or vehicles used primarily for general personal transportation use, may be parked or stored upon the Condominium Premises, unless parked in the garage with the door closed. A motor home or camping vehicle of a size exceeding garage capacity may, however, be parked temporarily in its Owner's driveway (or in an unobtrusive area on the Condominium Premises which may be approved by the Association) for a period not to exceed three (3) days for the purpose of loading and unloading such vehicle prior to and following its use. An Owner shall not park such restricted vehicle within the Condominium for an accumulative time of more than thirty (30) days per calendar year. No inoperable vehicles of any type may be brought or temporarily or permanently stored upon the Condominium Premises. Commercial vehicles and trucks shall not be parked in or about the Condominium (unless the Association, in its discretion, selects an area within the Condominium Premises specifically designed for such vehicles and trucks) except for purposes of making deliveries or pickups in the normal course of business. Co-Owners shall, if required by the Association, register with the Association all cars maintained on the Condominium Premises. Motorized vehicles, other than passenger cars and vans, shall not be used anywhere on the Condominium premises. Overnight parking on the street in the Condominium is prohibited, subject to such exceptions that are adopted from time to time by the Association.

Section 12.8 *Advertising.* Subject to Section 12.16(b) below, no signs or other advertising devices of any kind shall be displayed which are visible from the exterior of the dwelling constructed on a Unit or its appurtenant Privacy Area, except one (1) sign not more than five (5) square feet in area, for the purpose of advertising a Unit for sale or lease, without obtaining prior written permission from the Association, or from the Developer during the Construction and Sales Period. This Section 12.8 shall not apply to the signs erected by the Developer during the Construction and Sales Period.

Section 12.9 Rules and Regulations. It is intended that the Board of Directors of the Association may adopt rules and regulations from time to time to reflect the needs and desires of the majority of the Co-Owners in the Condominium. Reasonable regulations consistent with the Act, this Master Deed and the Bylaws concerning the use of the Common Elements may be adopted and amended from time to time by any Board of Directors prior to the Transitional Control Date. Copies of all such rules, 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 greater than 50% of the Co-Owners in number and value, except that the Co-Owners may not revoke any regulation or amendment prior to the First Annual Meeting of the entire Association. Any rules and regulations adopted by the Association shall not limit Developer's construction, sales or rental activities.

Section 12.10 Right of Access of Association. The Association and its duly authorized agents shall have access to each Unit and its appurtenant Privacy Area, and the dwelling and other Appurtenances and improvements constructed on such Unit or its appurtenant Privacy Area, and any other Limited Common Elements appurtenant thereto from time to time, during reasonable working hours, upon notice to the Co-Owner thereof, as may be necessary for the performance of the maintenance of the Common Elements. In addition, the Association and its agents shall at all times without notice have access to each Unit and its appurtenant Privacy Area, dwelling and Appurtenances, and other improvements constructed thereon, and any Limited Common Elements appurtenant thereto as may be necessary to make emergency repairs to prevent damage to the Common Elements or to another Unit. Each Co-Owner shall be obligated to provide the Association with a means of access to his Unit, its appurtenant Privacy Area, the dwelling and Appurtenances and other improvements constructed on such Unit and its appurtenant Privacy Area and any Limited Common Elements appurtenant thereto during the Co-Owner's absence, and in the event such Co-Owner fails to provide a means of access thereto the Association may gain access in such manner as may be reasonable under the circumstances and shall not be liable to such Co-Owner for any necessary damage thereto or for the repair or replacement of any doors or windows damaged in gaining such access.

Section 12.11 Landscaping. No Co-Owner shall perform any landscaping or plant any trees, shrubs or flowers or plant any ornamental materials upon the General Common Elements without the prior written approval of the Developer or the Association. No Co-Owner shall change the grade of any portion of a Unit or its appurtenant Privacy Area or other Limited Common Elements without the prior written approval of the Developer, and, if required, the Brighton Township Building Department.

Section 12.12 Common Element Maintenance. Walkways, landscaped areas, driveways, roads and parking areas shall not be obstructed nor shall they be used for purposes other than for which they are reasonably and obviously intended. No bicycles, vehicles or other obstructions may be left unattended on or about the Common Elements.

Section 12.13 Co-Owner Maintenance. Each Co-Owner shall maintain his Unit, its appurtenant Privacy Area, the dwelling, Appurtenances, and other improvements constructed thereon 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 General Common Elements including, but not limited to, the telephone, gas, electrical or other utility conduits and systems and any other elements in any Unit or Privacy Area which are appurtenant to or which may affect any other Unit. Each Co-Owner shall provide maintenance for the Septic System and well serving its Unit as may be required by the Livingston County Health Department. Each Co-Owner shall be responsible for the repair, restoration or replacement, as applicable, of any damage to any

Common Elements or damage to any other Co-Owner's Unit, or improvements thereon, resulting from the negligent acts or omissions of a Co-Owner, his family, guests, agents or invitees, except to the extent the Association obtains insurance proceeds; provided, however, that if the insurance proceeds obtained by the Association are not sufficient to pay for such costs, the Association may assess the Co-Owner for the excess amount necessary to pay. No Co-Owner shall fill, dredge or alter a regulated wetland without the required permits from Brighton Township and the Michigan Department of Natural Resources.

Section 12.14 Building Restrictions. Without limiting Developer's discretion to reject plans and specifications submitted by a Co-Owner as provided in Section 12.17 below, all dwellings built within a Unit shall comply with the following restrictions:

(a) **Size.** All dwellings with one story shall contain a minimum of one thousand eight hundred (1,800) square feet of finished floor area. All one and a half story dwellings shall contain a minimum of two thousand (2,000) square feet of finished floor area, with at least one thousand four hundred (1,400) square feet of floor space located on the ground level. All two story dwellings shall contain at least two thousand two hundred (2,200) square feet of finished floor area, with at least one thousand two hundred (1,200) square feet located on the ground floor. All bi-level, tri-level and multi-level dwellings shall contain at least one thousand eight hundred (1,800) square feet on the levels at or above the approximate grade of the street toward which the front of the dwelling faces. For the purposes of this paragraph, "finished floor area" shall mean that floor area finished for the purposes of living, dining, sleeping, cooking, studying or sitting, and shall include the total area of all bathrooms, entranceways, hallways and stairwells connecting any of the finished areas. Basements, attached garages, attics, terraces, unheated porches, breezeways and any portion of the residence which is more than two-thirds (2/3) below ground level shall not be included in computing the finished floor area.

(b) **Exterior Surfaces.** Exterior walls of all structures in the Condominium Project shall be constructed of brick, stone, glass, wood, or other approved materials. Aluminum siding and vinyl siding are expressly prohibited except for use as trim on eaves, overhangs and soffits. All structures shall have one (1) or more offsets in the front wall. The roof on each structure shall be predominately 8 1/2 pitch or greater and no portion of any roof shall be less than 6/12 pitch. There must be at least one (1) gable or hip roof design on the front elevation of each structure. All exterior walls must be covered with a minimum of thirty (30%) percent brick or fieldstone.

(c) **Garages.** All dwellings constructed within a Unit must have one (1) private attached garage for not less than two (2) automobiles, but not more than three (3) automobiles. Garage doors shall not face the street on which the front of the dwelling faces.

(d) **Driveways.** A Co-Owner shall obtain a driveway permit from the Livingston County Road Commission prior to any earth excavation or construction on any unit. All driveways appurtenant to a Unit shall be constructed with hard surfacing of asphalt or concrete and installed prior to occupancy of the dwelling within the Unit, weather permitting; or a cash deposit shall be given to the Developer or Association which guarantees hard surfacing of the driveway within one (1) year of occupancy.

(e) **Fences.** No fence or wall shall be placed, erected or permitted to remain upon any Unit or anywhere within the Condominium Project, however, fences which are required by local ordinance to enclose swimming pools shall be allowed provided they are kept in good condition and repair at all times. Dog runs are allowed as stated in Section 12.5 above.

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APPROVED
Livingston County Health Department
Name _____
Date 8-25-94

Section 12.15 Livingston County Health Department Restrictions. The following restrictions placed on "Windswept Farms" Site Condominium Community by the Livingston County Health Department are not severable and shall not expire under any circumstances unless otherwise amended or approved by the Livingston County Health Department.

(a) There shall be no future subdividing of any building units which would utilize individual onsite sewage disposal and/or water supply systems.

(b) "Windswept Farms" Site Condominium Project has been approved for 49 individual Units as described in Boss Engineering's site plan Job #94126, dated July 15, 1994. The septic and wells shall be located in the area of the approved soil borings as indicated on said plan, which is on file at the Livingston County Health Department.

(c) All wells shall be drilled by a licensed Michigan well driller and be drilled to a depth that will penetrate a minimum of 10 foot protective clay barrier or be drilled to a depth of 100 feet if adequate clay protection is not encountered. The well shall be grouted the entire length of the casing.

(d) The test wells used to determine onsite water supply adequacy have been drilled on Units 15 and 33. If these wells are not intended for use as potable water supplies, they must be properly abandoned according to Part 127, Act 368 of the Groundwater Quality Control Act.

(e) There shall be no underground utility lines located within the areas designated as active and reserve septic systems areas.

(f) The reserve septic locations as designated on the preliminary plan on file at the Livingston County Health Department must be maintained vacant and accessible for future sewage disposal uses.

(g) Well access for Units 10, 11 and 18 may be difficult due to steep slopes in the proposed well locations. Therefore, prior to issuance of any permit, a detailed diagram must be submitted regarding access to these proposed locations.

(h) Prior to issuance of a permit, Unit 27 will require an "as-built" drawing and engineering certification that the Developer has properly prepared both active and reserve septic areas in accordance with Boss Engineering's plan job #94126, dated July 15, 1994.

(i) Individual engineering site plans shall be required for Units 11, 12, 16, 17, 18, 19 and 20. Prior to the issuance of any permits, these site plans must show: a) that the proposed active and reserve septic areas shall be placed in the area approved maintaining all isolation distances and, b) that no portion of the driveway or utility lines shall be proposed and/or placed over any portion of the proposed septic areas and that, c) the active and reserve septic areas, the house and the well location shall be staked out as per the engineered site plans submitted and isolation distances shall be verified by a Livingston County Health Department representative.

(j) Prior to issuance of a permit for Units 16 and 17, the Developer will install structural conduits across the storm water drainage easement for sanitary force main access to

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APPROVED
Livingston County Health Department
Name: [Signature]
Date: 8-25-54

the approved tile field areas. The Developer shall provide to the Livingston County Health Department and Livingston County Drain Commissioner, engineer's certification and as built drawings upon completion of the installation of said conduits. Future homeowners must install their force main through these conduits. Due to the fact that changing elevations are present, pumping will be required. Therefore, the cost of the system will be higher than a conventional sewage disposal system.

(k) The onsite sewage disposal systems for all Units (1 through 49) will require the excavation of slow permeable soils to a more permeable soil ranging between 4 feet to 9 feet in depth. Due to the fact that unsuitable soils will be excavated in the area and replaced with a clean sharp sand, the cost of the system may be higher than a conventional sewage disposal system.

(l) Prior to issuance of any permits, the engineer must give written certification that any additional grades, filling and/or land balancing that has taken place as part of the construction of the development has not affected the placement for either the active or reserve sewage disposal systems.

(m) A 1400 square foot area has been designated on each unit for the active and reserve sewage disposal systems to accommodate a typical four (4) bedroom, single family home. Proposed homes exceeding four (4) bedrooms must show that sufficient area exists for both active and reserve sewage systems which meet all acceptable isolation distances.

Section 12.16 Reserved Rights of Developer.

(a) **Prior Approval by Developer.** The purpose of this Section 12.16(a) is to promote an attractive, harmonious residential development having continuing appeal. Therefore, during the Construction and Sales Period, no buildings, fences, walls, retaining walls, drives, Walkways or other structures or improvements of any kind shall be commenced, erected, maintained nor shall any addition, change or alteration to any structure be made (including in color or design), except interior alterations which do not affect structural elements of the dwelling or Appurtenances or other improvements constructed within any Unit or its appurtenant Privacy Area, nor shall any hedges, trees or substantial plantings be installed or landscaping modifications be made, thereon until plans and specifications acceptable to the Developer, showing the nature, kind, shape, height, materials, color scheme, location and approximate cost of such structure, Appurtenances or other improvements and the grading or landscaping plan of the area to be affected shall have been submitted to and approved in writing by Developer, its successors or assigns. Developer shall have the right to refuse to approve any such plan or specifications, or grading or landscaping plans which are not suitable or desirable in its opinion for aesthetic or other reasons, and in reviewing such plans and specifications, Developer shall have the right to take into consideration the suitability of the proposed structure, improvement or modification, the site upon which it is proposed to be located, and the degree of harmony with the Condominium as a whole. The Developer shall be entitled to charge each applicant a review fee in an amount not to exceed \$250.00, to reimburse the Developer for any actual costs incurred in connection with the review of said applicant's plans, specifications and related materials. Neither Developer nor the Association shall incur any liability whatsoever for approving or failing or refusing to approve all or any part of any submitted plans, specifications or other materials. At the expiration of the Construction and Sales Period, the rights exercisable by Developer under this Section 12.16(a), shall be exercised by the Association.

(b) Developer's Rights In Furtherance of Development and Sales. None of the restrictions contained in this Article XII shall apply to the commercial activities or signs or billboards, if any, of the Developer during the Construction and Sales Period or of the Association in furtherance of its powers and purposes set forth herein and in the Articles of Incorporation, as the same may be amended from time to time. Notwithstanding anything to the contrary contained elsewhere in this Master Deed or the Bylaws, the Developer shall have the right, during the Construction and Sales Period, to maintain a sales office, a business office, a construction office, model units, construction and/or sales trailers, storage areas and parking incident to the foregoing and such access to, from and over the Project as may be reasonable to enable the development and sale of the entire Project. The Developer shall restore the areas utilized by the Developer to habitable status upon its termination of use.

(c) Enforcement of Restrictions. The Condominium Project shall at all times be maintained in a manner consistent with the highest standards of a beautiful, serene, private, residential community for the benefit of the Co-Owners and all persons interested in the Condominium. If at any time the Association fails or refuses to carry out its obligation to provide maintenance with respect to the Condominium Project in a manner consistent with such high standards, then the Developer, or any entity to which it may assign this right, may elect to provide such maintenance as required by this Master Deed or the Bylaws and to charge the cost thereof to the Association as an expense of administration. The Developer shall have the right to enforce this Master Deed and the Bylaws throughout the Construction and Sales Period regardless of whether or not it owns a Unit in the Condominium. The Developer's enforcement rights under this Section 12.16 may include, without limitation, an action to restrain the Association or any Co-Owner from performing any activity prohibited by this Master Deed and/or the Bylaws.

WITNESSES:

Susan M. Viers
Susan M. Viers
Thomas J. Campbell
Thomas J. Campbell

PROGRESSIVE PROPERTIES, INC.,
a Michigan corporation
By Marshall Blau
Marshall Blau
Its: President

STATE OF MICHIGAN)
)SS:
COUNTY OF OAKLAND)

The foregoing instrument was acknowledged before me this 24th day of August, 1994 by Marshall Blau, the President of Progressive Properties, Inc., a Michigan corporation, on behalf of the corporation.

Susan M. Viers
Susan M. Viers
Notary Public, Oakland County, Michigan
My commission expires: May 22, 1999

EXHIBIT "A"
CONDOMINIUM BYLAWS
WINDSWEPT FARMS SITE CONDOMINIUM

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EXHIBIT "A"
CONDOMINIUM BYLAWS
WINDSWEEP FARMS SITE CONDOMINIUM
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EXHIBIT "A"

CONDOMINIUM BYLAWS

WINDSWEPT FARMS SITE CONDOMINIUM

ARTICLE I

ASSOCIATION OF CO-OWNERS

Section 1.1 Formation; Membership. Windswept Farms Site Condominium, (sometimes referred to herein as "Windswept Farms") a residential Condominium Project located in Brighton Township, Livingston County, Michigan, shall be administered by the Windswept Farms Site Condominium Association, which shall be a non-profit corporation, hereinafter called the "Association", organized under the applicable laws of the State of Michigan. The Association shall be responsible for the management, maintenance (which term, for purposes of these Bylaws, shall also mean decoration, repair, renovation, restoration and replacement, unless otherwise specified), operation and administration of the Common Elements, easements and affairs of the Condominium Project in accordance with the Condominium Documents and the laws of the State of Michigan. These Bylaws shall constitute both the Condominium Bylaws referred to in the Master Deed and required by Section 53 of the Act and the Association Bylaws provided for under the Michigan Non-profit Corporation Act. Each Co-Owner shall be a member in the Association and no other person or entity shall be entitled to membership. Co-Owners are sometimes referred to as "Members" in these Bylaws. A Co-Owner's share of the Association's funds and assets cannot be assigned, pledged or transferred in any manner except as an appurtenance to his Unit. The Association shall retain in its files current copies of the Master Deed, all amendments to the Master Deed, and other Condominium Documents for the Condominium Project, all of which shall be available at reasonable hours for review by Co-Owners, prospective purchasers and prospective mortgagees of Units in the Condominium Project. All Co-Owners in the Condominium Project and all persons using or entering upon or acquiring any interest in any Unit therein or the Common Elements thereof shall be subject to the provisions and terms set forth in the Condominium Documents.

Section 1.2 Definitions. Capitalized terms used in these Bylaws without further definition shall have the meanings ascribed to such terms in the Master Deed, or the Act unless the context dictates otherwise.

Section 1.3 Conflicts of Terms and Provisions. In the event there exists any conflict among the terms and provisions contained within the Master Deed or these Bylaws, the terms and provisions of the Master Deed shall control.

ARTICLE II

ASSESSMENTS

Section 2.1 Assessments Against Units and Co-Owners. All expenses arising from the management, administration and operation of the Association in accordance with the authorizations and responsibilities prescribed in the Condominium Documents and the Act shall be levied by the Association against the Units and the Co-Owners thereof, in accordance with the provisions of this Article II.

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Section 2.2 Assessments for Common Elements; Personal Property Taxes Assessed Against the Association. All costs incurred by the Association to satisfy any liability or obligation arising from, caused by, or connected with the Common Elements or the administration of the Condominium Project shall constitute expenditures affecting the administration of the Project, and all sums received as the proceeds of, or pursuant to, any policy of insurance securing the interest of the Co-Owners against liabilities or losses arising within, caused by, or connected with the Common Elements or the administration of the Condominium Project shall constitute receipts affecting the administration of the Condominium Project, within the meaning of Section 54(4) of the Act.

Section 2.3 Determination of Assessments. Assessments shall be determined in accordance with the following provisions:

(a) **Budget.** The Board of Directors of the Association shall establish an annual budget ("Budget") in advance for each fiscal year and such Budget shall project all expenses for the ensuing year which may be required for the proper operation, management and maintenance of the Condominium Project, including a reasonable allowance for contingencies and reserves. An adequate reserve fund for maintenance of the Common Elements that must be repaired or replaced on a periodic basis shall be established in the budget and must be funded by regular annual payments as set forth in Section 2.4 below, rather than by special assessments. At a minimum, the reserve fund shall be equal to 10% of the Association's current annual Budget on a noncumulative basis. Since the minimum standard required by this subparagraph may prove to be inadequate for the Project, the Association of Co-Owners should carefully analyze the Condominium Project to determine if a greater amount should be set aside, or if additional reserves should be established for other purposes from time to time. Upon adoption of a Budget by the Board of Directors, copies of the Budget shall be delivered to each Co-Owner and the assessment for said year shall be established based upon said Budget. The applicable annual assessments, as levied, shall constitute a lien against all Units as of the first day of the fiscal year in which the assessments relate. Failure to deliver a copy of the Budget to each Co-Owner shall not affect or in any way diminish such lien or the liability of any Co-Owner for any existing or future assessments. Should the Board of Directors at any time determine, in its sole discretion that the assessments levied are or may prove to be insufficient: (1) to pay the actual costs of the Condominium Project's operation and management, (2) to provide for maintenance of existing Common Elements, (3) to provide additions, restoration, renovation and replacement to the Common Elements not exceeding \$5,000.00 annually for the entire Condominium Project, or (4) in the event of emergencies, the Board of Directors shall have the authority to increase the general assessments and to levy such additional assessment or assessments as it shall deem to be necessary. The Board of Directors shall also have the authority, without Co-Owner or mortgagee consent, to levy assessments for repair, restoration, renovation and replacement in the event of casualty, pursuant to the provisions of Section 5.4 below. The discretionary authority of the Board of Directors to levy assessments pursuant to this subparagraph shall rest solely with the Board of Directors for the benefit of the Association and its Members, and shall not be enforceable by any creditors of the Association or its Members.

(b) **Special Assessments.** Special assessments, in addition to those required in Section 2.3(a) above, may be made by the Board of Directors from time to time, subject to Co-Owner approval as hereinafter provided, to meet other needs or requirements of the Association, including, but not limited to: (1) assessments for additions to the Common Elements of a cost exceeding \$5,000.00 for the entire Condominium Project per year, (2) assessments to purchase

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a Unit upon foreclosure of the lien for assessments described in Section 2.6 below, or (3) assessments for any other appropriate purpose that could not be covered by the annual assessment. Special assessments referred to in this subparagraph (b) (but not including assessments referred to in Section 2.3(a) above, which shall be levied in the sole discretion of the Board of Directors) shall not be levied without the prior approval of the Co-Owners representing 60% or more of all Co-Owners. The authority to levy assessments pursuant to this subparagraph is solely for the benefit of the Association and its Members and shall not be enforceable by any creditors of the Association or its Members.

(c) Remedial Assessments. If any Co-Owner fails to provide proper maintenance of any Limited Common Element which is appurtenant to his Unit, which failure, in the opinion of the Board of Directors adversely affects the appearance of the Condominium Project as a whole, or the safety, health or welfare of the other Co-Owners of the Condominium Project, the Association may, following notice to such Co-Owner, take any actions reasonably necessary to provide such maintenance for the applicable Limited Common Element, and the cost thereof shall be assessed against the Co-Owner who has the responsibility under the Master Deed or these Bylaws to maintain such Limited Common Element. The Association may also take the actions permitted under Section 4.3(b) of the Master Deed, and the cost(s) thereof shall be assessed as provided in said Section 4.3(b).

(d) Working Capital Contribution. Any Co-Owner who acquires a Unit from the Developer shall pay to the Association, on the date said Unit is conveyed to the Co-owner, an amount equal to the then current annual assessment, which sum constitutes a one-time non-refundable contribution to the Association's working capital account.

Section 2.4 Apportionment of Assessments and Penalty for Default. Unless otherwise provided in these Bylaws or in the Master Deed, all assessments levied against the Co-Owners to cover management, maintenance, operation and administration expenses shall be apportioned among and paid by the Co-Owners in accordance with the respective percentages of value allocated to each Co-Owner's Unit in Article V of the Master Deed, without adjustment for the use or non-use of Limited Common Elements appurtenant to a Unit. Annual assessments determined in accordance with Section 2.3(a) above shall be paid by Co-Owners in one (1) installment, commencing with the acceptance of a deed to or a land contract vendee's interest in a Unit, or with the acquisition of fee simple title to a Unit by any other means. A Co-Owner shall be in default of his assessment obligations if he fails to pay any assessment installment when due. A late charge not to exceed \$25.00 per month shall be assessed automatically by the Association upon any assessments in default for ten (10) or more days until the assessment installment(s) together with the applicable late charges are paid in full. Each Co-Owner (whether one or more persons) shall be, and remain, personally liable for the payment of all assessments (including fines for late payment and costs of collection and enforcement of payment) relating to his Unit which may be levied while such Co-Owner owns the Unit. Payments to satisfy assessment installments in default shall be applied as follows: first, to the costs of collection and enforcement of payment, including reasonable attorneys' fees; second, to any interest charges and fines for late payment on such installments; and third, to the installments in default in the order of their due dates.

Section 2.5 Waiver of Use or Abandonment of Units. No Co-Owner may exempt himself from liability for his assessment obligations by waiving the use or enjoyment of any of the Common Elements or by abandoning his Unit.

Section 2.6 Liens for Unpaid Assessments. The sums assessed by the Association which

remain unpaid, including but not limited to regular assessments, special assessments, fines and late charges, shall constitute a lien upon the Unit or Units in the Project owned by the Co-Owner at the time of the assessment and upon the proceeds of sale of such Unit or Units. Any such unpaid sum shall constitute a lien against the Unit as of the first day of the fiscal year in which the assessment, fine or late charge relates and shall be a lien prior to all claims except real property taxes and first mortgages of record. All charges which the Association may levy against any Co-Owner shall be deemed to be assessments for purposes of this Section 2.6 and Section 108 of the Act.

Section 2.7 Enforcement.

(a) **Remedies.** In addition to any other remedies available to the Association, the Association may enforce the collection of delinquent assessments by a suit at law or by foreclosure on the statutory lien that secures payment of assessments. In the event any Co-Owner defaults in the payment of any annual assessment installment levied against his Unit, the Association shall have the right to declare all unpaid installments of the annual assessment for the pertinent fiscal year to be immediately due and payable. The Association may also discontinue furnishing any utilities or other services to a Co-Owner in default upon seven (7) days' written notice to such Co-Owner. A Co-Owner in default shall not be entitled to utilize any of the General Common Elements of the Project and shall not be entitled to vote at any meeting of the Association until the default is cured; provided, however, this provision shall not operate to deprive any Co-Owner of ingress or egress to and from his Unit or the dwelling or other improvements constructed thereon or in the appurtenant Privacy Area. In a judicial foreclosure action, a receiver may be appointed to collect a reasonable rental for the Unit from the Co-Owner thereof or any persons claiming under him. The Association may also assess fines for late payment or non-payment of assessments in accordance with the provisions of Section 17.4 of these Bylaws. All of these remedies shall be cumulative and not alternative.

(b) **Foreclosure Proceedings.** Each Co-Owner, and every other person who from time to time has any interest in the Project, shall be deemed to have granted to the Association the unqualified right to elect to foreclose the lien securing payment of assessments either by judicial action or by advertisement. The provisions of Michigan law pertaining to foreclosure of mortgages by judicial action and by advertisement, as the same may be amended from time to time, are incorporated herein by reference for the purposes of establishing the alternative procedures to be followed in lien foreclosure actions and the rights and obligations of the parties to such actions. In addition, each Co-Owner and every other person who from time to time has any interest in the Project, shall be deemed to have authorized and empowered the Association to sell or to cause to be sold the Unit 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. Each Co-Owner of a Unit in the Project acknowledges that at the time of acquiring title to such Unit, he was notified of the provisions of this subparagraph and he voluntarily, intelligently and knowingly waived notice of any proceedings brought by the Association to foreclose any assessment liens by advertisement and waived the right to a hearing prior to the sale of the applicable Unit.

(c) **Notices of Action.** Notwithstanding the provisions of Section 2.7(b), the Association shall not commence a judicial foreclosure action or a suit for a money judgment or publish any notice of foreclosure by advertisement, until the expiration of 10 days after mailing, by first class mail, postage prepaid, addressed to the delinquent Co-Owner at his last known address, of a written notice that one or more assessment installments levied against the pertinent

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Unit is or are delinquent and that the Association may invoke any of its remedies under these Bylaws if the default is not cured within 10 days from the date of mailing. Such written notice shall be accompanied by a written affidavit of an authorized representative of the Association that sets forth (i) the affiant's capacity to make the affidavit, (ii) the statutory and other authority for the lien, (iii) the amount outstanding (exclusive of interest, costs, attorney fees and future assessments), (iv) the legal description of the subject Unit(s) and (v) the name(s) of the Co-owner(s) of record. Such affidavit shall be recorded in the office of the Livingston County Register of Deeds prior to the commencement of any foreclosure proceeding. If the delinquency is not cured within the 10 day period, the Association may take such remedial action as may be available to it under these Bylaws and under Michigan law. In the event the Association elects to foreclose the lien by advertisement, the Association shall notify the delinquent Co-Owner of the Association's election and shall inform him that he may request a judicial hearing by bringing suit against the Association.

(d) Expenses of Collection. The expenses incurred by the Association in collecting unpaid assessments, including interest, costs, actual attorneys' 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 defaulting Co-Owner and shall be secured by a lien on his Unit.

Section 2.8 Liability of Mortgagees. Notwithstanding any other provisions of the Condominium Documents, the holder of any first mortgage covering any Unit in the Project which comes into possession of the Unit pursuant to the remedies provided in the mortgage or by deed (or assignment) in lieu of foreclosure, and any purchaser at a foreclosure sale, shall take the property free of any claims for unpaid assessments or charges against the mortgaged Unit which accrue prior to the time such holder comes into possession of the Unit (except for claims for a pro rata share of assessments or charges resulting from a pro rata reallocation of assessments or charges to all Units including the mortgaged Unit).

Section 2.9 Developer's Responsibility for Assessments. The Developer, although a Member of the Association, shall not be responsible at any time for the payment of Association assessments, except with respect to Units owned by the Developer which contain a completed and occupied residential dwelling. A residential dwelling is complete when it has received a certificate of occupancy from Brighton Township and a residential dwelling is occupied if it is being utilized as a residence. In addition, in the event Developer is selling a Unit with a completed residential dwelling thereon by land contract to a Co-Owner, the Co-Owner shall be liable for all assessments and the Developer shall not be deemed the owner of the applicable Unit and shall not be liable for any assessments levied up to and including the date, if any, upon which Developer actually retakes possession of the Unit following extinguishment of all rights of the land contract purchaser in the Unit. However, the Developer shall at all times pay the maintenance expenses pertaining to the Units that it owns, together with a proportionate share of all current maintenance expenses actually incurred by the Association (excluding reserves) for utility maintenance, landscaping, sign lighting and snow removal, but excluding management fees and expenses related to the maintenance and use of Units in the Project that are not owned by the Developer. For purposes of the foregoing sentence, the Developer's proportionate share of such expenses shall be based upon the ratio of all Units owned by the Developer at the time the expense is incurred to the total number of Units then in the Project. In no event shall the Developer be responsible for assessments for deferred maintenance, reserves for maintenance, capital improvements or other special assessments, except with respect to Units that are owned by the Developer which contain completed and occupied residential dwellings. Any assessments levied by the Association against the Developer for other purposes, without the Developer's prior written consent, shall be void

and of no effect. In addition, the Developer shall not be liable for any assessment levied in whole or in part to purchase any Unit from the Developer or to finance any litigation or claims against the Developer, any cost of investigating or preparing such litigation or claim, or any similar or related costs.

Section 2.10 Property Taxes and Special Assessments. All property taxes and special assessments levied by any public taxing authority shall be assessed in accordance with Section 131 of the Act.

Section 2.11 Personal Property Tax Assessment of Association Property. The Association shall be assessed as the person or entity in possession of any tangible personal property of the Condominium owned or possessed in common by the Co-Owners, and personal property taxes based thereon shall be treated as expenses of administration.

Section 2.12 Construction Liens. A construction lien otherwise arising under Act No 497 of the Michigan Public Acts of 1980, as amended, shall be subject to Section 132 of the Act.

Section 2.13 Statement as to Unpaid Assessments. The purchaser of any Unit may request a statement from the Association identifying the amount of any unpaid Association regular or special assessments relating to such Unit. Upon written request to the Association accompanied by a copy of the executed purchase agreement pursuant to which the purchaser holds the right to acquire a Unit, the Association shall provide a written statement identifying any existing unpaid assessments or a written statement that none exist, which statement shall be binding upon the Association for the period stated therein. Upon the payment of the sum identified in the statement within the period identified in the statement, the Association's lien for assessments as to such Unit shall be deemed satisfied; provided, however, if a purchaser fails to request such statement at least five (5) days prior to the closing of the purchase of such Unit, any unpaid assessments and the lien securing them shall be fully enforceable against such purchaser and the Unit itself, to the extent provided by the Act. Under the Act, unpaid assessments constitute a lien upon the Unit and the sale proceeds thereof which has priority over all claims except tax liens in favor of any state or federal taxing authority and sums unpaid on a first mortgage of record, except that past due assessments which are evidenced by a notice of lien, recorded pursuant to Section 2.7 have priority over a first mortgage recorded subsequent to the recording of the notice of the lien.

ARTICLE III

ARBITRATION

Section 3.1 Scope and Election. Disputes, claims or grievances arising out of or relating to the interpretation or the application of the Condominium Documents, or any disputes, claims or grievances arising among or between the Co-Owners and the Association, upon the election and written consent of the parties to any such disputes, claims or grievances (which consent shall include an agreement of the parties that the judgment of any circuit court of the State of Michigan may be rendered upon any award pursuant to such arbitration), and upon written notice to the Association, shall be submitted to arbitration, and the parties shall accept the arbitrator's decision as final and binding, provided that no question affecting the claim of title of any person to any fee or life estate in real estate is involved. The Commercial Arbitration Rules of the American Arbitration Association as amended and in effect from time to time shall be applicable to any such arbitration.

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Section 3.2 Judicial Relief. In the absence of the election and written consent of the parties pursuant to Section 3.1 above, any Co-Owner or the Association may petition the courts to resolve any disputes, claims or grievances.

Section 3.3 Election of Remedies. The election and written consent by the disputing parties to submit any dispute, claim or grievance to arbitration shall preclude such parties from thereafter litigating such dispute, claim or grievance in the courts. Nothing contained in this Article III shall limit the rights of the Association or any Co-Owner, described in Section 144 of the Act.

ARTICLE IV

INSURANCE

Section 4.1 Extent of Coverage. The Association shall, to the extent appropriate in light of the nature of the General Common Elements of the Project, carry fire and extended coverage, vandalism and malicious mischief and liability insurance (in a minimum amount to be determined by the Developer or the Association in its discretion), officers' and directors' liability insurance and workmen's compensation insurance, if applicable, and other insurance the Association may deem applicable, desirable or necessary pertinent to the ownership, use and maintenance of the General Common Elements and such insurance shall be carried and administered in accordance with the following provisions:

(a) **Responsibilities of the Association.** All of the insurance referenced in this Section 4.1 shall be purchased by the Association for the benefit of the Association, and the Co-Owners and their mortgagees, as their interests may appear, and provision shall be made for the issuance of mortgagee endorsements to the mortgagees of Co-Owners.

(b) **Insurance of Common Elements.** All General Common Elements of the Condominium Project shall be insured against fire and other perils covered by a standard extended coverage endorsement, in an amount equal to the current insurable replacement value, excluding foundation and excavation costs, if any, as determined annually by the Board of Directors of the Association in consultation with the Association's insurance carrier and/or its representatives, utilizing commonly employed methods for the reasonable determination of replacement costs.

(c) **Premium Expenses.** All premiums on insurance purchased by the Association pursuant to these Bylaws shall be expenses of administration.

(d) **Proceeds of Insurance Policies.** Proceeds of all insurance policies owned by the Association shall be received by the Association, held in a separate account and distributed to the Association, and the Co-Owners and their mortgagees, as their interest may appear, provided, however, whenever repair, restoration or replacement of any part of the Condominium shall be required as provided in Article V of these Bylaws, the proceeds of any insurance received by the Association as a result of any loss requiring same shall be retained by the Association and applied for such repair, restoration or replacement, as applicable.

Section 4.2 Authority of Association to Settle Insurance Claims. Each Co-Owner, by ownership of a Unit in the Condominium Project, shall be deemed to appoint the Association as his true and lawful attorney-in-fact to act in connection with all matters concerning the maintenance of fire and

extended coverage, vandalism and malicious mischief, liability insurance and workmen's compensation insurance, if applicable, pertinent to the Condominium Project and the General Common Elements appurtenant thereto. Without limiting the foregoing, the Association shall have full power and authority to purchase and maintain such insurance, to collect and remit premiums therefor, to collect insurance proceeds and to distribute the same to the Association, the Co-Owners and respective mortgagees, as their interest may appear (subject always to the Condominium Documents), and/or to utilize said proceeds for required repairs, restoration or replacement, to execute releases of liability and to execute all documents and to do all things on behalf of such Co-Owner and the Condominium as shall be necessary or convenient to accomplish the foregoing purposes.

Section 4.3 Co-Owner Responsibilities. Each Co-Owner shall be responsible for obtaining fire and extended coverage and vandalism and malicious mischief insurance with respect to the dwelling, Appurtenances, and all other improvements constructed or to be constructed within the perimeter of his Unit, any Privacy Area and/or other Limited Common Elements appurtenant thereto and for his personal property located therein or thereon or elsewhere in the Condominium Project. The Association shall have no responsibility whatsoever to provide such insurance. In addition, each Co-Owner shall be obligated to obtain insurance coverage for personal liability (and, where applicable, workmen's compensation insurance) for occurrences within the perimeter of his Unit and any appurtenant Privacy Area and other Limited Common Elements, naming the Association and the Developer as additional insureds, and also for any other personal insurance coverage that the Co-Owner wishes to carry. Each Co-Owner shall deliver certificates of insurance to the Association from time to time to evidence the continued existence of all insurance required to be maintained by the Co-Owner under this Section 4.3. If a Co-Owner fails to obtain such insurance or to provide evidence of such insurance to the Association, the Association may, but is not obligated to, obtain such insurance on behalf of the Co-Owner and the premiums for such insurance shall constitute a lien against the Co-Owner's Unit which may be collected in the same manner that assessments may be collected under Article II of these Bylaws.

Section 4.4 Waiver of Subrogation. The Association, as to all policies which it obtains, and all Co-Owners, as to all policies which they obtain, shall use their best efforts to see that all property and liability insurance carried by the Association and any Co-Owner shall contain appropriate provisions whereby the insurer waives its right of subrogation as to any claims against any Co-Owner or the Association.

Section 4.5 Indemnification. Each individual Co-Owner shall indemnify and hold harmless every other Co-Owner, the Developer and the Association for all damages and costs, including attorney's fees, which the other Co-Owners, the Developer or the Association may suffer as a result of defending any claim arising out of an occurrence on or within an individual Co-Owner's Unit or appurtenant Privacy Area or other Limited Common Elements. Each Co-Owner shall carry insurance to secure the indemnity obligations under this Section 4.5, if required by the Association, or if required by the Developer during the Construction and Sales Period. This Section 4.5 is not intended to give any insurer any subrogation right or any other right or claim against any individual Co-owner.

ARTICLE V

MAINTENANCE

Section 5.1 Co-Owner Responsibility for Maintenance. Each Co-Owner shall be responsible for all maintenance of the dwelling, Appurtenances, and all other improvements, fixtures and personal property within his Unit and the Privacy Area and all other Limited Common Elements

appurtenant thereto. If any damage to the dwelling or other improvements constructed within a Co-Owner's Unit or appurtenant Privacy Area adversely affects the appearance of the Project, the Co-Owner shall proceed to remove, repair or replace the damaged property without delay.

Section 5.2 Association Responsibility for Maintenance. The Association shall be responsible for the maintenance of the General Common Elements. Immediately following a casualty to property for which the Association has such maintenance responsibility, the Association shall obtain reliable and detailed cost estimates to repair, restore or replace, as applicable, the damaged property to a condition comparable to that existing before the damage. If the proceeds of insurance are not sufficient to defray the estimated costs of such repair, restoration or replacement, or if at any time during such repair, restoration or replacement or upon completion of such repair, restoration or replacement, there are insufficient funds for the payment of such repair, restoration or replacement, the Association shall make an assessment against all Co-Owners for an amount, which when combined with available insurance proceeds, shall be sufficient to fully pay for the cost of such repair, restoration or replacement of the damaged property. Any such assessment made by the Board of Directors of the Association shall be governed by Section 2.3(a) of these Bylaws. Nothing contained in this Section 5.2 is intended to require the Developer or the Association to replace mature trees and vegetation with equivalent trees or vegetation.

Section 5.3 Timely Repair, Restoration or Replacement. If any damage to Common Elements or a Unit adversely affects the appearance of the Project, the Association or Co-Owner responsible for the maintenance thereof shall proceed to repair, restore or replace, as applicable, the damaged property without delay, and shall use its best efforts to complete such action within 6 months from the date upon which the property damage occurred.

Section 5.4 Eminent Domain. Section 133 of the Act and the following provisions shall control in the event all or a portion of the Project is subject to eminent domain:

(a) **Taking of a Unit or Related Improvements.** In the event all or a portion of a Unit and/or its appurtenant Privacy Area or other Limited Common Elements or any Appurtenances or other improvements thereon and/or located within said Unit's appurtenant Privacy Area, are taken by eminent domain, the award for such taking shall be paid to the Co-Owner of such Unit and the mortgagee thereof, as their interest may appear. If the entire Unit is taken by eminent domain, on the acceptance of such award by the Co-Owner and his mortgagee, they shall be divested of all interest in the Condominium Project.

(b) **Taking of Common Elements.** If there is a taking of any portion of the General Common Elements, the condemnation proceeds relative to such taking shall be paid to the Co-Owners and their mortgagees in proportion to their respective undivided interest in the General Common Elements unless pursuant to the affirmative vote of Co-Owners representing greater than 50% of the total votes of all Co-Owners qualified to vote, at a meeting duly called for such purpose, the Association is directed to repair, restore or replace the portion so taken or to take such other action as is authorized by a majority vote of the Co-Owners. If the Association is directed by the requisite number of Co-Owners to repair, restore, or replace all or any portion of the General Common Elements taken, the Association shall be entitled to retain the portion of the condemnation proceeds necessary to accomplish the repair, restoration or replacement of the applicable General Common Elements. The Association, acting through its Board of Directors, may negotiate on behalf of all Co-Owners for any condemnation award for General Common Elements and any negotiated settlement approved by the Co-Owners

representing two-thirds (2/3) or more of the total votes of all Co-Owners qualified to vote shall be binding on all Co-Owners.

(c) Continuation of Condominium After Taking. In the event the Condominium Project continues after a taking by eminent domain, then the remaining portion of the Condominium Project shall be resurveyed and the Master Deed amended accordingly, and, if any Unit or its appurtenant Privacy Area or other Limited Common Elements shall have been taken, in whole or part, then Article V of the Master Deed shall also be amended to reflect such taking and to proportionately readjust the percentages of value of the remaining Units, based upon the continuing value of the Condominium being 100%. Such amendment may be effected by an officer of the Association duly authorized by the Board of Directors without the necessity of obtaining the signature or specific approval of any Co-Owner, mortgagee or other person.

(d) Notification of Mortgagees. In the event all or any portion of a Unit in the Condominium, or all or any portion of the Common Elements is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, the Association shall notify each institutional holder of a first mortgage lien on any of the Units in the Condominium that is registered in the Association's book of "Mortgagees of Units" pursuant to Section 6.1 of these Bylaws.

Section 5.5 Notification of FHLMC. In the event any mortgage in the Condominium is held by the Federal Home Loan Mortgage Corporation ("FHLMC") then, upon request therefor by FHLMC, the Association shall give FHLMC written notice, at such address as it may from time to time direct, of any loss to or taking of the Common Elements of the Condominium, if the loss or taking exceeds \$10,000.00 in amount or if the damage or taking relates to a Unit covered by a mortgage purchased in whole or in part by FHLMC and exceeds \$1,000.00.

Section 5.6 Priority of Mortgagee Interests. Nothing contained in the Condominium Documents shall be construed to give a Unit Owner, or any other party, priority over any rights of first mortgagees of Units pursuant to their mortgages with respect to any distribution to Unit Owners of insurance proceeds or condemnation awards for losses to or a taking of Units and/or Common Elements.

ARTICLE VI

MORTGAGES

Section 6.1 Notice to Association. Any Co-Owner who mortgages his Unit shall notify the Association of the name and address of the mortgagee, and the Association shall maintain such information in a book entitled "Mortgages of Units". The Association may, at the written request of a mortgagee of any such Unit, report any unpaid assessments due from the Co-Owner of such Unit. The Association shall give to the holder of any first mortgage covering any Unit written notification of any default in the performance of the obligations of the Co-Owner of such Unit that is not cured within 60 days.

Section 6.2 Insurance. The Association shall notify each mortgagee appearing in the book referenced in Section 6.1 of the name of each company insuring the Condominium against fire, perils covered by extended coverage, and vandalism and malicious mischief and the amounts of such coverage.

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Section 6.3 Notification of Meetings. Upon request submitted to the Association, any institutional holder of a first mortgage lien on a Unit shall be entitled to receive written notification of every meeting of the Members of the Association and to designate a representative to attend such meeting.

ARTICLE VII

VOTING

Section 7.1 Vote. Except as otherwise specified in these Bylaws, each Co-Owner shall be entitled to one vote for each Condominium Unit owned.

Section 7.2 Eligibility to Vote. No Co-Owner, other than the Developer, shall be entitled to vote at any meeting of the Association until he has presented to the Association evidence that the Co-Owner owns a Unit. Except as provided in Section 10.2 of these Bylaws, no Co-Owner, other than the Developer, shall be entitled to vote prior to the date of the First Annual Meeting of members held in accordance with Section 10.2. The vote of each Co-Owner may be cast only by the individual representative designated by such Co-Owner in the notice required in Section 7.3 below or by a proxy given by such individual representative. The Developer shall be the only person entitled to vote at a meeting of the Association until the First Annual Meeting of Members and shall be entitled to vote during such period notwithstanding the fact that the Developer may own no Units at some time or from time to time during such period. At the First Annual Meeting, and thereafter, the Developer shall be entitled to vote for each Unit which it owns.

Section 7.3 Designation of Voting Representative. Each Co-Owner shall file with the Association a written notice designating the individual representative who shall vote at meetings of the Association and receive all notices and other communications from the Association on behalf of the Co-Owner. If a Co-Owner designates himself as the individual representative, he need not file any written notice with the Association. The failure of any Co-Owner to file any written notice shall create a presumption that the Co-Owner has designated himself as the voting representative. The notice shall state the name and address of the individual representative designated, the address of the Unit or Units owned by the Co-Owner and the name and address of each person, firm, corporation, partnership, association, trust or other entity who is the Co-Owner. The notice shall be signed and dated by the Co-Owner. An individual representative may be changed by the Co-Owner at any time by filing a new notice in accordance with this Section 7.3. In the event a Unit is owned by multiple Co-Owners who fail to designate an individual voting representative for such Co-Owners, the Co-Owner whose name first appears on record title shall be deemed to be the individual representative authorized to vote on behalf of all the multiple Co-Owners of the Unit(s) and any vote cast in person or by proxy by said individual representative shall be binding upon all such multiple Co-Owners.

Section 7.4 Quorum. The presence in person or by proxy of Co-Owners representing 35% of the total number of votes of all Co-Owners qualified to vote shall constitute a quorum for holding a meeting of the Members of the Association, except for voting on questions specifically required by the Condominium Documents to require a greater quorum. The written vote of any person furnished at or prior to any duly called meeting at which said person is not otherwise present in person or by proxy shall be counted in determining the presence of a quorum with respect to the question upon which the vote is cast.

Section 7.5 Voting. Votes may be cast in person or by proxy by a writing duly signed by the designated voting representative not present at a given meeting in person or by proxy. Proxies and any written votes must be filed with the secretary of the Association at or before the appointed time of each meeting of the Members of the Association. Cumulative voting shall not be permitted.

Section 7.6 Majority. When an action is to be authorized by vote of the Co-Owners of the Association, the action must be authorized by a majority of the votes cast at a meeting duly called for such purpose, unless a greater percentage vote is required by the Master Deed, these Bylaws or the Act.

ARTICLE VIII

MEETINGS

Section 8.1 Place of Meeting. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Co-Owners as may be designated by the Board of Directors. Meetings of the Association shall be conducted in accordance with generally recognized rules of parliamentary procedure, which are not in conflict with the Condominium Documents or the laws of the State of Michigan.

Section 8.2 First Annual Meeting. The First Annual Meeting of members of the Association may be convened by the Developer in its discretion at any time prior to the date the First Annual Meeting is required to be convened pursuant to this Section 8.2. Notwithstanding the foregoing, the First Annual Meeting must be held (i) within 120 days following the conveyance of legal or equitable title to non-developer Co-Owners of 75% of all Units; or (ii) 54 months from the first conveyance to a non-Developer Co-Owner of legal or equitable title to a Unit, whichever is the earlier to occur. The Developer may call meetings of Members for informative or other appropriate purposes prior to the First Annual Meeting of Members and no such meeting shall be construed as the First Annual Meeting of Members. The date, time and place of such meeting shall be set by the Board of Directors, and at least 10 days written notice thereof shall be given to each Co-Owner's individual representative.

Section 8.3 Annual Meetings. Annual meetings of Association Members shall be held not later than May 30 of each succeeding year following the year in which the First Annual Meeting is held, at a time and place determined by the Board of Directors. At each annual meeting, the Co-Owners shall elect members of the Board of Directors in accordance with Article X of these Bylaws. The Co-Owners may also transact at annual meetings such other Association business as may properly come before them.

Section 8.4 Special Meeting. The President shall call a special meeting of Members as directed by resolution of the Board of Directors or upon presentation to the Association's Secretary of a petition signed by Co-Owners representing 1/3 of the votes of all Co-Owners qualified to vote. Notice of any special meeting shall state the time and place of such meeting and the purposes thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 8.5 Notice of Meetings. The Secretary (or other Association officer in the secretary's absence) shall provide each Co-Owner of record, or, if applicable, a Co-Owner's individual representative, with notice of each annual or special meeting, stating the purpose thereof and the time and place where it is to be held. A notice of an annual or special meeting shall be served at least 10 days but not more than 60 days prior to each meeting. The mailing, postage prepaid, of a notice to the individual representative of each Co-Owner at the address shown in the notice filed with the Association

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under Section 7.3 of these Bylaws shall be deemed properly served. Any Co-Owner or individual representative may waive such notice, by filing with the Association a written waiver of notice signed by such Co-Owner or individual representative.

Section 8.6 Adjournment. If any meeting of Co-Owners cannot be held because a quorum is not in attendance, the Co-Owners who are present may adjourn the meeting to a time not less than 48 hours from the time the original meeting was called. When a meeting is adjourned to another time or place, it is not necessary to give notice of the adjourned meeting if the time and place to which the meeting is adjourned are announced at the meeting at which the adjournment is taken and only such business is transacted at the adjourned meeting as might have been transacted at the original meeting. However, if after the adjournment, the Board of Directors fixes a new record date for the adjourned meeting, a notice of adjourned meeting shall be given to each Co-Owner or Co-Owner's individual representative.

If a meeting is adjourned in accordance with the provisions of this Section 8.6 due to the lack of a quorum, the required quorum at the subsequent meeting shall be two thirds (2/3) of the required quorum for the meeting that was adjourned, provided that the Board of Directors provides each Co-Owner (or Co-Owner's individual representative) with notice of the adjourned meeting in accordance with Section 8.5 above and provided further the subsequent meeting is held within sixty (60) days from the date of the adjourned meeting.

Section 8.7 Action Without Meeting. Any action required or permitted to be taken at a meeting of Members, may be taken without a meeting, without prior notice and without a vote, if all of the Co-Owners (or their individual representatives) entitled to vote thereon consent thereto in writing. If the Association's Articles of Incorporation so provide, any action required or permitted to be taken at any meeting of Members may be taken without a meeting, without prior notice and without a vote, if a written consent, setting forth the actions so taken, is signed by the Co-Owners (or their individual representatives) having not less than the minimum number of votes that would be necessary to authorize or take the action at a meeting at which all Co-Owners entitled to vote thereon were present and voted. Prompt notice of any action that is taken without a meeting by less than unanimous written consent shall be given to the Co-Owners who have not consented in writing.

ARTICLE IX

ADVISORY COMMITTEE

Within one year after the first conveyance to a non-Developer Co-Owner of legal or equitable title to a Unit in the Project or within 120 days following the conveyance to non-Developer Co-Owners of 1/3 of the total number of Units that may be created, whichever first occurs, the Developer shall cause to be established an Advisory Committee consisting of at least three non-Developer Co-Owners. The Committee shall be established in any manner the Developer deems advisable. The purpose of the Advisory Committee shall be to facilitate communications between the temporary Board of Directors and the non-developer Co-Owners and to aid in the transition of control of the Association from the Developer to purchaser Co-Owners. The Advisory Committee shall automatically cease to exist when a majority of the Board of Directors of the Association is elected by non-Developer Co-Owners. The Developer may at any time remove and replace at its discretion any member of the Advisory Committee.

ARTICLE X

BOARD OF DIRECTORS

Section 10.1 Number and Qualification of Directors. The Board of Directors shall initially be comprised of three Directors. At such time as the non-Developer Co-Owners are entitled to elect two members of the Board of Directors in accordance with Section 10.2 below, the Board shall automatically be increased in size from three to five persons. At such time as the Board of Directors is increased in size to five persons, all Directors must be Co-Owners, or officers, partners, trustees or employees of Co-Owners that are entities.

Section 10.2 Election of Directors.

(a) *First Board of Directors.* Until such time as the non-Developer Co-Owners are entitled to elect one of the members of the Board of Directors, the Developer shall select all of the Directors, which persons may be removed or replaced by Developer in its discretion.

(b) *Appointment of Non-developer Co-Owners to Board prior to First Annual Meeting.* Not later than 120 days following the conveyance to non-Developer Co-Owners of legal or equitable title to 25% of the Units that may be created, one member of the Board of Directors shall be elected by non-Developer Co-Owners. The remaining Members of the Board of Directors shall be selected by Developer. Not later than 120 days following the conveyance to non-Developer Co-Owners of legal or equitable title to 50% of the Units that may be created, the Board of Directors shall be increased to five Members and two of the five Directors shall be elected by non-Developer Co-Owners. The remaining Members of the Board of Directors shall be selected by Developer. When the required percentage levels of conveyance have been reached, the Developer shall notify the non-Developer Co-Owners and request that they hold a meeting to elect the required number of Directors. Upon certification by the Co-Owners to the Developer of the Director or Directors elected, the Developer shall immediately appoint such Director or Directors to the Board, to serve until the First Annual Meeting of Co-Owners, unless he is removed pursuant to Section 10.7 or he resigns or becomes incapacitated.

(c) *Election of Directors at and after First Annual Meeting.*

(i) Not later than 120 days following the conveyance to non-Developer Co-Owners of legal or equitable title to 75% of the Units that may be created, the non-developer Co-Owners shall elect all of the Directors on the Board, except that the Developer shall have the right to designate at least one Director so long as the Developer owns and offers for sale at least 10% of the Units in the Project or as long as the Units that remain to be created and sold equal at least 10% of all Units that may be created in the Project. Whenever the 75% conveyance level is achieved, a meeting of Co-Owners shall promptly be convened to effectuate this provision, even if the First Annual Meeting has already occurred.

(ii) Regardless of the percentage of Units which have been conveyed, upon the elapse of 54 months after the first conveyance to a non-Developer Co-Owner of legal or equitable title to a Unit on the Project, and if title to not less than 75% of the Units that may be created has not been conveyed, the non-developer Co-Owners have the right to elect a number of members of the Board of Directors in proportion to the

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percentage of Units they own, and the Developer has the right to elect a number of members of the Board of Directors in proportion to the percentage of Units which are owned by the Developer and for which assessments are payable by the Developer. This election may increase, but shall not reduce, the minimum election and designation rights otherwise established in Section 10.2(b) or 10.2(c)(i) above. Application of this subsection does not require a change in the size of the Board of Directors.

(iii) If the calculation of the percentage of members of the Board of Directors that the non-developer Co-Owners have the right to elect under subsection (ii) above, or if the product of the number of members of the Board of Directors multiplied by the percentage of Units held by the non-developer Co-Owners under subsection (b) results in a right of non-developer Co-Owners to elect a fractional number of members of the Board of Directors, then a fractional election right of 0.5 or greater shall be rounded up to the nearest whole number, which number shall be the number of members of the Board of Directors that the non-developer Co-Owners have the right to elect. After application of this formula, the Developer shall have the right to elect the remaining members of the Board of Directors. Application of this subsection shall not eliminate the right of the Developer to designate one director as provided in subsection (i) above.

(iv) At such time as the non-Developer Co-Owners are entitled to elect all of the Directors, three Directors shall be elected for a term of two years and two Directors shall be elected for a term of one year. At such meeting, all nominees shall stand for election as one slate and the three persons receiving the highest number of votes shall be elected for a term of two years and the two persons receiving the next highest number of votes shall be elected for a term of one year. At each annual meeting held thereafter, either two or three Directors shall be elected depending upon the number of Directors whose terms expire, and the term of office of each Director shall be two years. The Directors shall hold office until their successors have been elected and hold their first meeting.

Section 10.3 Powers and Duties. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and may do all acts and things as are not prohibited by the Condominium Documents or specifically required to be exercised and done by the Co-Owners.

Section 10.4 Specific Powers and Duties. In addition to the duties imposed by these Bylaws or any further duties which may be imposed by resolution of the Co-Owners of the Association, the Board of Directors shall have the following powers and duties:

- (a) To manage and administer the affairs of and maintain the Condominium Project and the Common Elements.
- (b) To collect assessments from the Co-Owners and to expend the proceeds for the purposes of the Association.
- (c) To carry insurance and collect and allocate the proceeds thereof.
- (d) To reconstruct or repair improvements after casualty.

(e) To contract for and employ persons, firms, corporations or other agents to assist in the management, operation, maintenance and administration of the Condominium Project.

(f) To acquire, maintain and improve; and to buy, operate, manage, sell, convey, assign, mortgage or lease any real or personal property (including any Unit in the Condominium and easements, rights-of-way and licenses) on behalf of the Association in furtherance of any of the purposes of the Association.

(g) To borrow money and issue evidences of indebtedness in furtherance of any or all of the purposes of the Association, and to secure the same by mortgage, pledge, or other lien, on property owned by the Association; provided, however, that any such action shall also be approved by the affirmative vote of the Co-Owners (or their individual representatives) representing 75% of the total votes of all Co-Owners qualified to vote.

(h) To establish rules and regulations in accordance with Section 12.9 of the Master Deed.

(i) To establish such committees as the Board of Directors deems necessary, convenient or desirable and to appoint persons thereto for the purpose of implementing the administration of the Condominium and to delegate to such committees any functions or responsibilities which are not by law or the Condominium Documents required to be exclusively performed by the Board.

(j) To enforce the provisions of the Condominium Documents.

Section 10.5 Management Agent. The Board of Directors may employ for the Association a professional management agent (which may include the Developer or any person or entity related thereto) at a reasonable compensation established by the Board to perform such duties and services as the Board shall authorize, including, but not limited to, the duties listed in Sections 10.3 and 10.4, and the Board may delegate to such management agent any other duties or powers which are not by law or by the Condominium Documents required to be exclusively performed by or have the approval of the Board of Directors or the Members of the Association.

Section 10.6 Vacancies. Vacancies in the Board of Directors which occur after the Transitional Control Date caused by any reason other than the removal of a Director by a vote of the Co-Owners of the Association shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum, except that the Developer shall be solely entitled to fill the vacancy of any Director whom it is permitted in the first instance to designate. Each person so elected shall be a Director until a successor is elected at the next annual meeting of the Association. Vacancies among non-developer Co-Owner elected Directors which occur prior to the Transitional Control Date may be filled only through election by non-developer Co-Owners and shall be filled in the manner as specified in Section 10.2(b).

Section 10.7 Removal. At any regular or special meeting of the Association duly called with due notice of the removal action proposed to be taken, any one or more of the Directors elected by the non-Developer Co-Owners may be removed with or without cause by the affirmative vote of the Co-Owners (or their individual representatives) who represent greater than 50% of the total votes of all Co-

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Owners qualified to vote, and a successor may then and there be elected to fill any vacancy thus created. Any Director whose removal has been proposed by a Co-Owner shall be given an opportunity to be heard at the meeting. The Developer may remove and replace any or all of the Directors selected by it at any time or from time to time in its sole discretion. Any Director selected by the non-developer Co-Owners to serve before the First Annual Meeting may also be removed by such Co-Owners before the First Annual Meeting in the manner described in this Section 10.7.

Section 10.8 First Meeting. The first meeting of the elected Board of Directors shall be held within 10 days of election at a time and place fixed by the Directors at the meeting at which such Directors were elected, and no notice shall be necessary in order to legally convene such meeting, provided a majority of the Board shall be present.

Section 10.9 Regular Meetings. Regular meetings of the Board of Directors may be held at such times and places as shall be determined from time to time by a majority of the Directors, but at least two such meetings shall be held during each fiscal year of the Association. Notice of regular meetings of the Board of Directors shall be given to each Director, personally, by mail, telephone or telegraph at least 10 days prior to the date named for such meeting.

Section 10.10 Special Meetings. Special meetings of the Board of Directors may be called by the President on 3 days' notice to each Director, given personally, by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner on the written request of two or more Directors.

Section 10.11 Quorum and Required Vote of Board of Directors. At all meetings of the Board of Directors, a majority of the members of the Board of Directors then in office shall constitute a quorum. The vote of the majority of Directors at a meeting at which a quorum is present constitutes the action of the Board of Directors, unless a greater plurality is required by the Michigan Non-profit Corporation Act, the Articles of Incorporation, the Master Deed or these Bylaws. If a quorum is not present at any meeting of the Board of Directors, the Directors present at such meeting may adjourn the meeting from time to time without notice other than an announcement at the meeting, until the quorum shall be present.

Section 10.12 Consent in Lieu of Meeting. Any action required or permitted to be taken at a meeting of the Board of Directors may be taken without a meeting if all members of the Board of Directors consent in writing. The written consent shall be filed with the minutes of the proceedings of the Board of Directors. The consent has the same effect as a vote of the Board of Directors for all purposes.

Section 10.13 Participation in a Meeting by Telephone. A Director may participate in a meeting by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this Section 10.13 constitutes presence at the meeting.

Section 10.14 Fidelity Bonds. The Board of Directors shall require that all officers and employees of the Association handling or responsible for Association funds furnish adequate fidelity bonds. The premiums on such bonds shall be expenses of administration.

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Section 10.15 Compensation. The Board of Directors shall not receive any compensation for rendering services in their capacity as Directors, unless approved by the Co-Owners (or their individual representatives) who represent 60% or more of the total votes of all Co-Owners qualified to vote.

ARTICLE XI

OFFICERS

Section 11.1 Selection of Officers. The Board of Directors, at a meeting called for such purpose, shall appoint a president, secretary and treasurer. The Board of Directors may also appoint one or more vice-presidents and such other officers, employees and agents as the Board shall deem necessary, which officers, employees and agents shall hold their offices for such terms and shall exercise such powers and perform such duties as shall be determined from time to time by the Board of Directors. Two or more offices, except that of president and vice-president, may be held by one person who may also be a Director. An officer shall be a Co-Owner, or shareholder, officer, director, employee or partner of a Co-Owner that is an entity.

Section 11.2 Term, Removal and Vacancies. Each officer of the Association shall hold office for the term for which he is appointed until his successor is elected or appointed, or until his resignation or removal. Any officer appointed by the Board of Directors may be removed by the Board of Directors with or without cause at any time. Any officer may resign by written notice to the Board of Directors. Any vacancy occurring in any office may be filled by the Board of Directors.

Section 11.3 President. The President shall be a Member of the Board of Directors and shall act as the chief executive officer of the Association. The President shall preside at all meetings of the Association and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of the President of an Association, subject to Section 11.1 above.

Section 11.4 Vice President. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Board of Directors.

Section 11.5 Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the Co-Owners of the Association. He shall have charge of the corporate seal, if any, and of such books and papers as the Board of Directors may direct; and he shall, in general, perform all duties incident to the office of the Secretary.

Section 11.6 Treasurer. The Treasurer shall have responsibility for the Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall be responsible for the deposit of all monies and other valuable effects in the name and to the credit of the Association, in such depositories as may, from time to time, be designated by the Board of Directors.

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ARTICLE XII

SEAL

The Association may (but need not) have a seal. If the Board determines that the Association shall have a seal, then it shall have inscribed thereon the name of the Association, the words "corporate seal", and "Michigan".

ARTICLE XIII

FINANCE

Section 13.1 Records. The Association shall keep detailed books of account showing all expenditures and receipts of administration which shall specify the maintenance and repair expenses of the Common Elements and any other expenses incurred by or on behalf of the Association and the Co-Owners. Such accounts and all other Association records shall be open for inspection by the Co-Owners and their mortgagees during reasonable working hours. The Association shall prepare and distribute to each Co-Owner at least once a year a financial statement, the contents of which shall be determined by the Association. The books of account shall be audited at least annually by qualified independent auditors; provided, however, that such auditors need not be certified public accountants nor does such audit need to be a certified audit. Upon request, any institutional holder of a first mortgage lien on any Unit in the Condominium shall be entitled to receive a copy of such annual audited financial statement within 90 days following the end of the Association's fiscal year. The costs of any such audit and any accounting expenses shall be expenses of administration.

Section 13.2 Fiscal Year. The fiscal year of the Association shall be an annual period commencing on the date initially determined by the Directors. The Association's fiscal year may be changed by the Board of Directors in its discretion.

Section 13.3 Bank Accounts. The Association's funds shall initially be deposited in such bank or savings association as may be designated by the Directors. All checks, drafts and order of payment of money shall be signed in the name of the Association in such manner and by such person or persons as the Board of Directors shall from time to time designate for that purpose. The Association's funds may be invested from time to time in accounts or deposit certificates of such bank or savings association that are insured by the Federal Deposit Insurance Corporation of the Federal Savings and Loan Insurance Corporation and may also be invested in interest-bearing obligations of the United States Government.

ARTICLE XIV

INDEMNIFICATION OF OFFICERS AND DIRECTORS

Section 14.1 Third Party Actions. To the fullest extent permitted by the Michigan Non-profit Corporation Act, the Association shall, subject to Section 14.5 below, indemnify any person who was or is a party defendant or is threatened to be made a party defendant to any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative or investigative (other than an action by or in the right of the Association) by reason of the fact that he is or was a Director or officer of the Association, or is or was serving at the request of the Association as a Director, officer, employee

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or agent of another corporation, partnership, joint venture, trust or other enterprise, against expenses (including actual and reasonable attorney fees), judgments, fines and amounts reasonably paid in settlement actually and reasonably incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Association or its members, and with respect to any criminal action or proceeding, had no reasonable cause to believe his conduct was unlawful. The termination of any action, suit or proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent, shall not, of itself, create a presumption (a) that the person did not act in good faith and in a manner which he reasonably believed to be in or not opposed to the best interests of the Association or its members, and, (b) with respect to any criminal action or proceeding, that the person had reasonable cause to believe that his conduct was unlawful.

Section 14.2 Actions In The Right Of The Association. To the fullest extent permitted by the Michigan Non-profit Corporation Act, the Association shall, subject to Section 14.5 below, indemnify any person who was or is a party defendant to or is threatened to be made a party defendant of any threatened, pending or completed action or suit by or in the right of the Association to procure a judgment in its favor by reason of the fact that he is or was a Director or officer 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 expenses (including actual and reasonable attorney fees) actually and reasonably incurred by him in connection with the defense or settlement of such action or suit and amounts reasonably paid in settlement if he acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Association or its members, except that no indemnification shall be made in respect of any claim, issue or matter as to which such person shall have been adjudged to be liable to the Association unless and only to the extent that the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which such court shall deem proper.

Section 14.3 Insurance. The Association may purchase and maintain insurance on behalf of any person who is or was a Director, employee or agent of the Association, or is or was serving at the request of the Association as a Director, officer, employee or agent against any liability asserted against him and incurred by him in any such capacity or arising out of his status as such, whether or not the Association would have power to indemnify him against such liability under Sections 14.1 and 14.2 above. In addition, the Association may purchase and maintain insurance for its own benefit to indemnify it against any liabilities it may have as a result of its obligations of indemnification made under Sections 14.1 and 14.2 above.

Section 14.4 Expenses Of Successful Defense. To the extent that a person has been successful on the merits or otherwise in defense of any action, suit or proceeding referred to in Sections 14.1 and 14.2 above, or in defense of any claim, issue or matter therein, or to the extent such person incurs expenses (including actual and reasonable attorney fees) in successfully enforcing the provisions of this Article XIV, he shall be indemnified against expenses (including attorney fees) actually and reasonably incurred by him in connection therewith.

Section 14.5 Determination that Indemnification is Proper. Any indemnification under Sections 14.1 and 14.2 above (unless ordered by a court) shall be made by the Association only as authorized in the specific case upon a determination that indemnification of the person is proper under the circumstances, because he has met the applicable standard of conduct set forth in Sections 14.1 or

14.2 above, whichever is applicable. Notwithstanding anything to the contrary contained in this Article XIV, in no event shall any person be entitled to any indemnification under the provisions of this Article XIV if he is adjudged guilty of willful or wanton misconduct or gross negligence in the performance of his duties. The determination to extend such indemnification shall be made in any one (1) of the following ways:

(a) By a majority vote of a quorum of the Board of Directors consisting of Directors who were not parties to such action, suit or proceeding; or

(b) If such quorum described in (a) is not obtainable, then by a majority vote of a committee of Directors who are not parties to the action, suit or proceeding. The committee shall consist of not less than two (2) disinterested Directors; or

(c) If such quorum described in (a) is not obtainable (or, even if obtainable, a quorum of disinterested Directors, so directs), by independent legal counsel in a written opinion.

If the Association determines that full indemnification is not proper under Sections 14.1 or 14.2 above, it may nonetheless determine to make whatever partial indemnification it deems proper. At least 10 days prior to the payment of any indemnification claim which is approved, the Board of Directors shall provide all Co-Owners with written notice thereof.

Section 14.6 Expense Advance. Expenses incurred in defending a civil or criminal action, suit or proceeding described in Sections 14.1 and 14.2 above may be paid by the Association in advance of the final disposition of such action, suit or proceeding as provided in Section 14.4 above upon receipt of an undertaking by or on behalf of the person involved to repay such amount unless it shall ultimately be determined that he is entitled to be indemnified by the Association. At least 10 days prior to advancing any expenses to any person under this Section 14.6, the Board of Directors shall provide all Co-Owners with written notice thereof.

Section 14.7 Former Representatives, Officers, Employees or Agents. The indemnification provided in this Article XIV shall continue as to a person who has ceased to be a Director, officer, employee or agent of the Association and shall inure to the benefit of the heirs, executors and administrators of such person.

Section 14.8 Changes in Michigan Law. In the event of any change of the Michigan statutory provisions applicable to the Association relating to the subject matter of this Article XIV, the indemnification to which any person shall be entitled hereunder arising out of acts or omissions occurring after the effective date of such amendment shall be determined by such changed provisions. No amendment to or repeal of Michigan law with respect to indemnification shall restrict the Association's indemnification undertaking herein with respect to acts or omissions occurring prior to such amendment or repeal. The Board of Directors are authorized to amend this Article XIV to conform to any such changed statutory provisions.

ARTICLE XV

AMENDMENTS

Section 15.1 By Developer. In addition to the rights of amendment provided to the Developer

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in the various Articles of the Master Deed, the Developer may, within two years following the expiration of the Construction and Sales Period, and without the consent of any Co-Owner, mortgagee or any other person, amend these Bylaws provided such amendment or amendments do not materially alter the rights of Co-Owners or mortgagees.

Section 15.2 Proposal. Amendments to these Bylaws may be proposed by the Board of Directors of the Association upon the vote of the majority of the Directors or may be proposed by 1/3 or more in number of the Co-Owners by a written instrument identifying the proposed amendment and signed by the applicable Co-Owners.

Section 15.3 Meeting. If any amendment to these Bylaws is proposed by the Board of Directors or the Co-Owners, a meeting for consideration of the proposal shall be duly called in accordance with the provisions of these Bylaws.

Section 15.4 Voting. These Bylaws may be amended by the Co-Owners at any regular meeting or a special meeting called for such purpose by an affirmative vote of 66-2/3% or more of the total votes of all Co-Owners qualified to vote. No consent of mortgagees shall be required to amend these Bylaws unless such amendment would materially alter or change the rights of such mortgagees, in which event the approval of 66-2/3% of all mortgagees of Units shall be required. Each mortgagee shall have one vote for each mortgage held. Notwithstanding anything to the contrary contained in this Article XV, during the Construction and Sales Period, these Bylaws shall not be amended in any way without the prior written consent of the Developer.

Section 15.5 Effective Date of Amendment. Any amendment to these Bylaws shall become effective upon the recording of such amendment in the office of the Livingston County Register of Deeds.

Section 15.6 Binding Effect. A copy of each amendment to the Bylaws shall be furnished to every member of the Association after its adoption; provided, however, that any amendment to these Bylaws that is adopted in accordance with this Article XV shall be binding upon all persons who have an interest in the Project irrespective of whether such persons actually receive a copy of the amendment.

ARTICLE XVI

COMPLIANCE

The Association or any Co-Owners and all present or future Co-Owners, tenants, future tenants or any other persons acquiring an interest in or using the facilities of the Project in any manner are subject to and shall comply with the Act, as amended, and the mere acquisition, occupancy or rental of any Unit or an interest therein or the utilization of or entry upon the Condominium Premises shall signify that the Condominium Documents are accepted and ratified. In the event the Condominium Documents conflict with the provisions of the Act, the Act shall govern.

ARTICLE XVII

REMEDIES FOR DEFAULT

Any default by a Co-Owner of its obligations under any of the Condominium Documents shall

entitle the Association or another Co-Owner or Co-Owners to the following relief:

Section 17.1 Legal Action. Failure to comply with any of the terms or provisions of the Condominium Documents shall be grounds for relief, which may include, without limitation, an action to recover damages, injunctive relief, foreclosure of lien (if there is a default in the payment of an assessment) or any combination thereof, and such relief may be sought by the Association or, if appropriate, by an aggrieved Co-Owner or Co-Owners.

Section 17.2 Recovery of Costs. In any proceeding arising because of an alleged default by any Co-Owner, the Association, if successful, shall be entitled to recover the costs of the proceeding and such reasonable attorneys' fees (not limited to statutory fees) as may be determined by the court, but in no event shall any Co-Owner be entitled to recover such attorneys' fees.

Section 17.3 Removal and Abatement. The violation of any of the provisions of the Condominium Documents shall also give the Association or its duly authorized agents the right, in addition to the rights set forth above, to enter upon the Common Elements, Limited or General, or into any Unit and the improvements thereon, where reasonably necessary, and summarily remove and abate, at the expense of the Co-Owner in violation, any structure or condition existing or maintained in violation of the provisions of the Condominium Documents. The Association shall have no liability to any Co-Owner arising out of the exercise of its rights under this Section 17.3.

Section 17.4 Assessment of Fines. The violation of any of the provisions of the Condominium Documents by any Co-Owner shall be grounds for the assessment by the Association, acting through its duly constituted Board of Directors, of monetary fines against the applicable Co-Owner. No fine may be assessed unless rules and regulations establishing such fines have first been duly adopted by the Board of Directors of the Association and notice thereof given to all Co-Owners in the same manner as prescribed in Section 8.5 of these Bylaws. Thereafter, fines may be assessed only upon notice to the offending Co-Owner, and an opportunity for such Co-Owner to appear before the Board no less than seven days from the date of the notice and offer evidence in defense of the alleged violation. All fines duly assessed may be collected in the same manner as provided in Article II of these Bylaws. No fine shall be levied for the first violation. No fine shall exceed \$25.00 for the second violation, \$50.00 for the third violation or \$100.00 for any subsequent violation.

Section 17.5 Non-waiver of Rights. The failure of the Association or of any Co-Owner to enforce any right, provision, covenant or condition which may be granted by the Condominium Documents shall not constitute a waiver of the right of the Association or of any such Co-Owner to enforce such right, provision, covenant or condition in the future.

Section 17.6 Cumulative Rights, Remedies and Privileges. All rights, remedies and privileges granted to the Association or any Co-Owner or Co-Owners pursuant to any of the terms, provisions, covenants or conditions of the Condominium Documents shall be deemed to be cumulative and the exercise of any one or more of such rights or remedies shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such other and additional rights, remedies or privileges as may be available to such party under the Condominium Documents or at law or in equity.

Section 17.7 Enforcement of Provisions of Condominium Documents. A Co-Owner may maintain an action against the Association and its officers and Directors to compel such persons to

enforce the terms and provisions of the Condominium Documents. A Co-Owner may maintain an action against any other Co-Owner for injunctive relief or for damages or any combination thereof for noncompliance with the terms and provisions of the Condominium Documents or the Act.

ARTICLE XVIII

RIGHTS RESERVED TO DEVELOPER

Any or all of the rights and powers granted or reserved to the Developer in the Condominium Documents or by law, including the right and power to approve or disapprove any act, use or proposed action or any other matter, may be assigned by the Developer to any other entity or to the Association. Any such assignment or transfer shall be made by an appropriate written instrument in which the assignee or transferee evidences its consent to the acceptance of such powers and rights. Any rights and powers reserved or retained by Developer or its successors and assigns shall expire, at the conclusion of two (2) years following the expiration of the Construction and Sales Period, except as otherwise expressly provided in the Condominium Documents. The immediately preceding sentence dealing with the expiration and termination of certain rights and powers granted or reserved to the Developer are intended to apply, insofar as the Developer is concerned, only to Developer's rights to approve and control the administration of the Condominium and shall not, under any circumstances, be construed to apply to or cause the termination and expiration of any real property rights granted or reserved to the Developer or its successors and assigns in the Master Deed or elsewhere (including, but not limited to, access easements, utility easements and all other easements created and reserved in such documents which shall not be terminable in any manner hereunder) and which shall be governed only in accordance with the terms of the instruments, documents or agreements that created or reserved such property rights.

ARTICLE XIX

SEVERABILITY

In the event that any of the terms, provisions or covenants of these Bylaws or the Condominium Documents are held to be partially or wholly invalid or unenforceable for any reason whatsoever, such invalidity shall not affect, alter, modify or impair in any manner whatsoever any of the other terms, provisions or covenants of such documents or the remaining portions of any terms, provisions or covenants held to be partially invalid or unenforceable.

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