

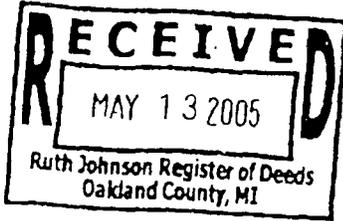
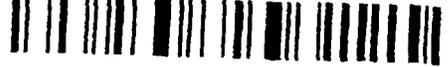
LIBER35506 PG510

OAKLAND COUNTY TREASURERS CERTIFICATE  
I HEREBY CERTIFY that there are no TAX LIENS or TITLES  
held by the state or any individual against the within description  
and all TAXES on same are paid for five years previous to the  
date of this instrument as appears by the records in the office  
except as stated.

137784

LIBER 35506 PAGE 510  
\$289.00 DEED - COMBINED  
\$4.00 REMDUMENTATION

05/16/2005 11:15:32 A.M. RECEIPT# 52932



PATRICK M. DOHANY

PATRICK M. DOHANY, County Treasurer  
Sec. 135, Act 208, 1893 as amended

R #35.80

5/16/05

012674

PAID RECORDED - OAKLAND COUNTY  
RUTH JOHNSON, CLERK/REGISTER OF DEEDS

**MASTER DEED CREATING  
KIRKWAY ESTATES**

IN THE CHARTER TOWNSHIP OF LYON, OAKLAND COUNTY, MICHIGAN  
OAKLAND COUNTY CONDOMINIUM SUBDIVISION PLAN NO. 1741

**EXHIBIT A  
CONDOMINIUM BYLAWS**

**EXHIBIT B  
CONDOMINIUM SUBDIVISION PLAN**

**EXHIBIT C  
AFFIDAVIT OF MAILED NOTICES**

AS REQUIRED BY THE MICHIGAN CONDOMINIUM ACT  
MCL 559.101 et seq., MSA 26.50(101) et seq.

94p  
R

**PREPARED BY:**

Scott D. MacDonald  
Dixon & MacDonald, P.C.  
30665 Northwestern Hwy., Suite 200  
Farmington Hills, Michigan 48334

**WHEN RECORDED, RETURN ORIGINAL TO PREPARER**

OK-G.K.

O.K. - LG



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## MASTER DEED

## KIRKWAY ESTATES

THIS MASTER DEED is made and executed on this 21 day of APRIL, 2005, by RIDGE NINE, L.L.C., a Michigan limited liability company conducting business at 2790 Duffers Lane, Commerce Township, Michigan 48390, and by CURTIS-A&M NORTHVILLE LLC, a Michigan limited liability company conducting business at 29992 Northwestern Hwy., Suite A, Farmington Hills, Michigan 48334 (hereinafter jointly referred to as "Developers") pursuant to the provisions of the Michigan Condominium Act (being Act 59 of the Public Acts of 1978, as amended), hereinafter referred to as the "Act".

RECITALS

The following Recitals are incorporated into this Master Deed:

A. The Developers intend to create a residential site condominium project under the provisions of the Act to be known as Kirkway Estates (hereinafter referred to as the "Condominium," "Project," or "Condominium Project"), pursuant to the Final Planned Development Plan approved by the Charter Township of Lyon (the "Township"), consisting of up to one hundred seventy-nine (179) Units (as hereinafter defined) and to be developed in two Phases (as hereinafter defined) for single family residential land use on the real property legally described in Article II of this Master Deed (the "Property").

B. On or about November 2, 2001, RIDGE NINE, L.L.C. ("RIDGE NINE") executed a certain "Agreement for Sale and Purchase of Land – Phase I and Option – Phase II" (hereinafter, the "Option Agreement," which term shall include all amendments thereto), under which RIDGE NINE agreed to sell that portion of the Property comprising Phase I, and all rights to develop Phase I, to A&M CUSTOM BUILT HOMES, INC. and CURTIS BUILDING COMPANY, INC. ("Buyers"), and further granted said Buyers an option to purchase that portion of the Property comprising Phase II, and the exclusive right to develop Phase II, subject to the timely exercise of said option, which must be exercised by October 26, 2006.

C. CURTIS-A&M NORTHVILLE LLC is the assignee and present successor to all interests of the aforesaid Buyers under the Option Agreement.

D. In accordance with the above recitals, and notwithstanding anything in this Master Deed to the contrary, CURTIS-A&M NORTHVILLE LLC shall have no obligation or responsibility under this Agreement or otherwise to develop Phase II, or to inspect, improve, maintain and/or insure any General or Limited Common Elements therein, or any other portion of Phase II, unless or until CURTIS-A&M NORTHVILLE LLC has exercised its option and consummated its purchase of Phase II as provided in the above-mentioned Option Agreement.

E. The first Phase of the Project ("Phase I") shall consist of up to eighty-six (86) Units, numbered 1-86 on the Condominium Subdivision Plan, which is attached as Exhibit B to

this Master Deed. Notwithstanding the description of Phase I herein contained, no term or provision of this Master Deed shall be construed to limit, restrict or prohibit CURTIS-A&M NORTHVILLE LLC and the Township from mutually agreeing to modify all or any part of said description, or all or any part of the Condominium Subdivision Plan.

F. The second Phase of the Project ("Phase II") shall consist of up to ninety-three (93) additional Units, numbered 87-179 on the Condominium Subdivision Plan. Notwithstanding the description of Phase II herein contained, no term or provision of this Master Deed shall be construed to limit, restrict or prohibit the Developer of Phase II and the Township from mutually agreeing to modify all or any part of said description, or all or any part of the Condominium Subdivision Plan.

G. The Developers desire 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 Project on the Property described in Article II below, together with the improvements located and to be located thereon, and the appurtenances thereto, as a residential Condominium Project under the provisions of the Act.

H. The Project is subject to the terms of a certain Restatement of Planned Development Agreement entered into with the Township and recorded at Liber 35142, Pages 001 through 097, both inclusive, Oakland County Records.

NOW, THEREFORE, the Developers do, upon the recording hereof, establish the Project as a Condominium Project under the Act and do declare that the Project shall, after such establishment, be held, conveyed, hypothecated, encumbered, leased, rented, occupied, improved, or in any other manner utilized, subject to the provision of the Act, and to 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 run with the Property and shall be binding upon all persons (as hereinafter defined) having any right, title or interest in the Property or any part thereof, their heirs, successive owners and assigns; shall inure to the benefit of every portion of the Property and any interest therein; shall inure to the benefit of and be binding upon the Developers, each Co-owner (as hereinafter defined), and each Mortgagee (as hereinafter defined) and their respective successors-in-interest; and may be enforced by the Developer, the Association (as hereinafter defined), or a Co-owner or Mortgagee. In furtherance of the establishment of the Condominium Project, Developers declare as follows:

## ARTICLE I TITLE AND NATURE

Section 1. General. The Condominium Project shall be known as Kirkway Estates, Oakland County Condominium Subdivision Plan No. 1741. The Condominium Project is established in accordance with the Act, consisting of up to one hundred seventy-nine (179) Units to be developed in two Phases on the Property legally described in Article II of this Master Deed and located in the Charter Township of Lyon, Oakland County, Michigan.

Section 2. Units. The Units contained in the Condominium, including the number, boundaries, dimensions and area of each, are set forth completely in the Condominium Subdivision Plan attached as Exhibit B hereto. Each Unit is capable of individual utilization on account 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 his Unit and shall have undivided and inseparable rights to share with other Co-owners the General Common Elements of the Condominium Project.

## ARTICLE II LEGAL DESCRIPTION

Section 1. Property. The Property which is submitted to the Condominium Project established by this Master Deed is legally described as follows:

Part of the Southwest 1/4 and part of the Southeast 1/4 of Section 25, T1N-R7E, Lyon Township, Oakland County, Michigan, more particularly described as follows: Beginning at the South 1/4 corner of Section 25; thence along the South line of said Section 25 and the centerline of 9 Mile Road (66 foot wide Right of Way), S 86°59'14" W, 86.00 feet; thence N 03°05'30" W, 290.00 feet; thence S 86°59'14" W, 572.08 feet; thence S 03°19'58" E, 290.00; thence along the South line of said Section 25 and the centerline of said 9 Mile Road, S 86°59'14" W, 690.00 feet, said point being N 86°59'14" E, 1287.09 feet from the Southwest corner of said Section 25; thence N 03°19'58" W, 1177.07 feet (previously described as 1177.14 feet); thence N 86°58'22" E, 690.00 feet; thence continuing N 86°58'22" E, 2.70 feet, to a point on the West line of the East 40 acres of the Southwest 1/4 of Section 25; thence along said West line of the East 40 acres of the Southwest 1/4 of Section 25, N 03°05'22" W, 1464.79 feet; thence along the East-West 1/4 line of said Section 25, N 86°45'13" E, 659.16 feet, to the center of Section 25; thence continuing along the East-West 1/4 line of said Section 25, N 87°05'41" E, 1196.40 feet; thence along the East line of the West 72 acres of the Southeast 1/4 of Section 25, S 03°01'33" E, 1976.08 feet; thence S 86°40'52" W, 166.87 feet (previously described as S 89°38'20" W, 165.00 feet); thence S 03°01'33" E (previously described as S 00°04'05" E), 660.00 feet; thence along the South line of said Section 25 and the centerline of said 9 Mile Road, S 86°40'52" W (previously described as S 89°38'20" W), 1026.61 feet, to the POINT OF BEGINNING, containing 124.75 acres, more or less, and subject to the rights of the public over the existing 9 Mile Road. Also subject to a 12 foot wide Detroit Edison Easement, as recorded in Liber 37MR, Page 307, Oakland County Records. Also subject to Wetland Conservation Easements "A", "B" and "C", as recorded in Liber 28887, Pages 182-189, Oakland County Records. Also subject to an Ameritech Easement, as recorded in Liber 23929, Pages 514-520, Oakland County Records. Also subject to a 66 foot wide Consumers Power Company Gas Easement, as recorded in Liber 4017, Page 585, Oakland County Records. Also subject to a 75 foot wide Consumers Power Company Gas Easement, as recorded in Liber 8979, Page 656, Oakland County Records. Also subject to a Release of Right of Way to the Oakland County Road Commission, as recorded in Liber 43MR, Page 191, Oakland County Records. Also subject to any other easements or restrictions of record.

21-25-300-015  
 21-25-300-027  
 21-25-400-046  
 21-25-400-047

Section 2. Phase I. That portion of the Property comprising Phase I of the Project is legally described as follows:

A part of the Southwest 1/4 and part of the Southeast 1/4 of Section 25, T-1-N., R-7-E., Lyon Township, Oakland County, Michigan, more particularly described as follows: Beginning at the South 1/4 corner of Section 25; thence along the South line of said Section 25 and the centerline of Nine Mile Road (66 foot wide right-of-way), South 86°59'14" West, 86.00 feet; thence North 03°05'30" West, 290.00 feet; thence South 86°59'14" West, 572.08 feet; thence South 03°19'58" East, 290.00 feet; thence along the South line of said Section 25 and the centerline of said Nine Mile Road, South 86°59'14" West, 690.00 feet, said point being North 86°59'14" East, 1,287.09 feet from the Southwest corner of said Section 25; thence North 03°19'58" West, 1,177.07 feet (previously described as 1,177.14 feet); thence North 86°58'22" East, 690.00 feet; thence continuing North 86°58'22" East, 2.70 feet, to a point on the West line of the East 40 acres of the Southwest 1/4 of Section 25; thence South 77°25'48" East, 69.89 feet; thence North 89°10'40" East, 129.77 feet; thence South 86°03'41" East, 60.19 feet; thence North 89°10'40" East, 280.02 feet; thence North 81°43'33" East, 60.51 feet; thence North 89°10'40" East, 140.00 feet; thence South 46°30'26" East, 55.90 feet; thence South 46°31'38" East, 160.42 feet; thence North 89°10'40" East, 173.90 feet; thence North 44°00'01" East, 149.34 feet; thence North 01°34'03" East, 80.38 feet; thence South 69°48'39" East, 197.18 feet; thence North 43°49'39" East, 94.01 feet; thence North 83°28'02" East, 100.50 feet; thence North 89°10'40" East, 128.85 feet; thence North 65°38'17" East, 64.41 feet; thence North 86°58'27" East, 139.98 feet; thence South 03°01'33" East, 499.08 feet; thence South 86°40'52" West, 166.87 feet (previously described as: South 89°38'20" West, 165.00 feet); thence South 03°01'33" East, (previously described as South 00°04'05" East,) 660.00 feet; thence along the South line of said Section 25 and the centerline of said Nine Mile Road, South 86°40'52" West (previously described as South 89°38'20" West), 1,026.61 feet, to the point of beginning, containing 59.57 acres, more or less, and subject to the rights of the public over the existing Nine Mile Road. Also subject to any other easements or restrictions of record, including the following:

- (a) Pole Line Permit in favor of Detroit Edison Company and the covenants, conditions and restrictions contained in instruments recorded in Liber 37MR, Page 307, Oakland County Records;
- (b) 66-foot wide Consumers Power Company Gas Easement recorded in Liber 4017, Page 585, Oakland County Records;
- (c) 75-foot wide Consumers Power Company Gas Easement recorded in Liber 8979, Page 656, Oakland County Records;
- (d) Wetland Conservation Easement "A" and "B" recorded in Liber 28887, Page 182-189, Oakland County Records;
- (e) Easement in favor of Michigan Bell Telephone/Ameritech recorded in Liber 23929, Page 514-520, and Liber 23929, page 517, Oakland County Records; and

(f) A release of Right-of-Way to the Oakland County Road Commission recorded in Liber 43MR, Page 191, Oakland County Records.

Section 3. Phase II. That portion of the Property comprising Phase II of the Project is legally described as follows:

Part of the Southwest 1/4 and part of the Southeast 1/4 of Section 25, T1N-R7E, Lyon Township, Oakland County, Michigan, more particularly described as follows: Commencing at the South 1/4 corner of Section 25; thence along the South line of said Section 25 and the centerline of 9 Mile Road (66 foot wide Right of Way), N 86°40'52" E (previously described as N 89°38'20" E), 1026.61 feet; thence N 03°01'33" W (previously described as N 00°04'05" W), 660.00 feet; thence N 86°40'52" E, 166.87 feet (previously described as N 89°38'20" E, 165.00 feet); thence N 03°01'33" W, 499.08 feet, to the POINT OF BEGINNING of the Parcel to be described; thence S 86°58'27" W, 139.98 feet; thence S 65°38'17" W, 64.41 feet; thence S 89°10'40" W, 128.85 feet; thence S 83°28'02" W, 100.50 feet; thence S 43°49'39" W, 94.01 feet; thence N 69°48'39" W, 197.18 feet; thence S 01°34'03" W, 80.38 feet; thence S 44°00'01" W, 149.34 feet; thence S 89°10'40" W, 173.90 feet; thence N 46°31'38" W, 160.42 feet; thence N 46°30'26" W, 55.90 feet; thence S 89°10'40" W, 140.00 feet; thence S 81°43'33" W, 60.51 feet; thence S 89°10'40" W, 280.02 feet; thence N 86°03'41" W, 60.19 feet; thence S 89°10'40" W, 129.77 feet; thence N 77°25'48" W, 69.89 feet, to a point on the West line of the East 40 acres of the Southwest 1/4 of Section 25; thence along said West line of the East 40 acres of the Southwest 1/4 of said Section 25, N 03°05'22" W, 1464.79 feet; thence along the East-West 1/4 line of said Section 25, N 86°45'13" E, 659.16 feet, to the Center of Section 25; thence continuing along the East-West 1/4 line of said Section 25, N 87°05'41" E, 1196.40 feet; thence S 03°01'33" E, 1477.00 feet, to the POINT OF BEGINNING, containing 65.18 acres, more or less. Also subject to any other easements or restrictions of record, including the following:

(a) Wetland Conservation Easement "C" recorded in Liber 28887, Page 182-189, Oakland County Records; and

(b) 75-foot wide Consumers Power Company Gas Easement recorded in Liber 8979, Page 656, Oakland County Records.

### ARTICLE III DEFINITIONS

Certain terms are utilized not only in this Master Deed and Exhibits A and B hereto, but 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 (as hereinafter defined) of the Kirkway Estates Condominium Association, a Michigan non-profit corporation, and deeds, mortgages, liens, land contracts, easements and other instruments affecting the establishment of, or transfer of, interests in Kirkway Estates as a Condominium. Wherever used in such documents or any other pertinent instruments, the terms set forth below shall be defined as follows, whether or not such terms are capitalized if the context so requires:

Section 1. Act. The "Act" means the Michigan Condominium Act, being Act 59 of the Public Acts of 1978, as amended.

Section 2. Assessment. "Assessment" means the periodic charges pursuant to Article II of the Condominium Bylaws against each Co-owner and his Ownership Interest (as hereinafter defined) in the Property, representing such Co-owner's proportionate share of the Project's operating expenses which are to be paid by the Co-owner to the Association. Assessments shall include all late payment penalties, interest charges, legal fees or other costs incurred by the Association in its efforts to collect all Assessments (other than Special Assessments, as hereinafter defined) authorized pursuant to this Master Deed.

Section 3. Association. "Association" means Kirkway Estates Condominium Association, which is the non-profit corporation organized under Michigan law of which all Co-owners shall be Members (as hereinafter defined), which corporation shall administer, operate, manage and maintain the Condominium. Any action required of or permitted to the Association may be carried out by its Board of Directors (as hereinafter defined) unless it is specifically reserved to its Members by the Condominium Documents or Michigan law.

Section 4. Board. "Board" or "Board of Directors" means the governing board of the Association.

Section 5. Bylaws. "Bylaws" means Exhibit A hereto, as amended from time to time, being the Bylaws setting forth the substantive rights and obligations of the Co-owners and 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 provided for under the Michigan Nonprofit Corporation Act.

Section 6. Common Elements. "Common Elements," where used without modification, means that part of the Condominium Premises other than the Condominium Units, including both the General and Limited Common Elements described in Article IV hereof.

Section 7. Condominium Documents. "Condominium Documents" means and includes this Master Deed, the Articles of Incorporation, the Bylaws attached as Exhibit A, the Condominium Subdivision Plan attached as Exhibit B, Rules and Regulations, if any, of the Association, and any other documents referred to in or authorized by this Master Deed that affect the rights and obligations of the Co-owners in the Project, as all of the same may be amended from time to time.

Section 8. Condominium Premises. "Condominium Premises" means and includes the Property described in Article II above and its appurtenances, including but not limited to all improvements and structures thereon, and all easements, rights and other appurtenances belonging to Kirkway Estates as described above.

Section 9. Condominium Project, Condominium or Project. "Condominium Project", "Condominium" or "Project" means Kirkway Estates, as a Condominium Project established in conformity with the Act.

Section 10. Condominium Subdivision Plan. "Condominium Subdivision Plan" means Exhibit B hereto, which is the site drawing, the survey, and other drawings depicting the existing and proposed structures and improvements, including their location on the Condominium Premises.

Section 11. Co-owner or Owner. "Co-owner" means a person or persons, firm, corporation, partnership, trust or other legal entity or any combination thereof, including a Developer, who or which owns one or more Units in the Condominium Project. In the absence of a written agreement to the contrary, the purchaser of a Unit under a land contract shall have no right to participate in the management of the Association until the seller thereof has conveyed legal title to said purchaser. The term "Owner", wherever used, shall be synonymous with the term "Co-owner".

Section 12. Consolidating Master Deed. "Consolidating Master Deed" means the final amended Master Deed which shall describe Kirkway Estates as a completed Condominium Project and shall reflect the entire land area added to the Condominium from time to time, and all Units and Common Elements therein, and which shall express Percentages of Value pertinent to each Unit as finally readjusted. Such Consolidating Master Deed, when recorded in the office of the Oakland County Register of Deeds, shall supersede the previously recorded Master Deed for the Condominium and all amendments thereto.

Section 13. Conservation Easement. "Conservation Easement" means the Conservation Easement entered into by Ridge Nine, LLC and the Michigan Department of Environmental Quality (MDEQ) for the protection of the wetland functions and values existing (or established on the property pursuant to MDEQ Permit 98-10-0683) on the easement premises.

Section 14. Convertible Area. "Convertible Area" means a Unit or a portion of the Common Elements of the Condominium Project referred to in the Condominium Documents within which additional Condominium Units or General or Limited Common Elements may be created in accordance with the Act.

Section 15. Developers. "Developers" shall jointly mean CURTIS-A&M NORTHVILLE LLC and RIDGE NINE L.L.C., who have made and executed this Master Deed, and their respective successors and assigns. 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. Notwithstanding anything in this section to the contrary, each Developer's rights and obligations arising hereunder shall be limited in effect to the Property, Common Elements and Units located within such Developer's respective Phase of development, as described in the Recitals to this Master Deed, unless or until CURTIS-A&M NORTHVILLE LLC exercises its option and consummates its purchase of Phase II under the Option Agreement, following which the term "Developer" or "Developers" shall be deemed to refer solely to CURTIS-A&M NORTHVILLE LLC and its successors and assigns.

Section 16. Development and Sales Period. "Development and Sales Period", for the purposes of the Condominium Documents and the rights reserved to the Developers thereunder,

shall be deemed to continue for so long as a Developer continues to own any Unit in the Project or for so long as a Developer owns any Unit which it offers for sale.

Section 17. First Annual Meeting. "First Annual Meeting" means the initial meeting at which non-developer Co-owners are permitted to vote for the election of all members of the Board of Directors and upon all other matters which properly may be brought before the meeting. Such meeting is to be held in the sole discretion of CURTIS-A&M NORTHVILLE LLC after 50% of the Units which may be created are conveyed, but no later than (i) 54 months from the date of the first Unit conveyance, or (ii) 120 days after 75% of all Units which may be created are conveyed, whichever first occurs.

Section 18. General Common Element. "General Common Element" means a Common Element of the Project described in Article IV, Section 1, which is for the use and enjoyment of all Co-owners, subject to such charges as may be assessed to defray the operation costs.

Section 19. Improve, Improved or Improving. "Improve," "improved" or "improving" shall refer to the act of modifying or constructing structures on, features of, and appurtenances to the Property, of every type and kind, including but not limited to waterways, walkways, Sanitary and Storm Sewer System, roads, parking areas, fences, retaining walls, poles, signs, grading, excavation, filling, or similar disturbance to the surface of the land including, without limitation, change of grade, change of ground level, change of drainage pattern or change of stream bed; landscaping, planting, clearing, or removing of trees, shrubs, grass, or plants; and any change or alteration of any previously approved improvement.

Section 20. Improvement(s). "Improvement(s)" shall refer to all structures on, features of, and appurtenances to the Property, of every type and kind, including but not limited to waterways, walkways, Sanitary and Storm Sewer System, roads, parking areas, fences, retaining walls, poles, signs, grading, excavation, filling, or similar disturbance to the surface of the land including, without limitation, change of grade, change of ground level, change of drainage pattern or change of stream bed; landscaping, planting, clearing, or removing of trees, shrubs, grass, or plants; and any change or alteration of any previously approved improvement.

Section 21. Limited Common Element. "Limited Common Element" means a Common Element of the Project described in Article IV, Section 2, which is reserved for the exclusive use of the Co-owners of a specified Unit or Units, at the Developer's election, or by subsequent amendment to this Master Deed.

Section 22. Lot. "Lot" shall mean the yard area surrounding, adjacent and appurtenant to each respective Unit, the horizontal plane of which is delineated on the Condominium Subdivision Plan.

Section 23. Maintain, Maintenance or Maintaining. "Maintain," "maintenance" or "maintaining," with respect to any Unit, improvement or Common Element, shall refer to the act of inspecting, cleaning, decorating, maintaining, repairing and replacing as necessary.

Section 24. Master Deed. "Master Deed" means this instrument as well as its exhibits and amendments, by which the Project is submitted for condominium creation and ownership, as amended from time to time.

Section 25. Member. "Member" means every Co-owner holding a membership in the Association.

Section 26. Mortgage. "Mortgage" means any mortgage or other conveyance of a security interest in a Unit to secure the performance of an obligation, which interest will be released or discharged upon the completion of such performance.

Section 27. Mortgagee. "Mortgagee" means mortgagees of record.

Section 28. Mortgagor. "Mortgagor" means a person who mortgages his property to another (i.e., the maker of a Mortgage).

Section 29. Owner. "Owner" means a person or persons, firm, corporation, partnership, trust or other legal entity or any combination thereof, including a Developer, who or which owns one or more Units in the Condominium Project. In the absence of a written agreement to the contrary, the purchaser of a Unit under a land contract shall have no right to participate in the management of the Association until the seller thereof has conveyed legal title to said purchaser. "Co-Owner" shall be synonymous with "Owner."

Section 30. Ownership Interest. "Ownership Interest" means the interest in a Unit held by a Co-owner.

Section 31. Percentage of Value. "Percentage of Value" means the percentage assigned to each Unit by this Master Deed, which determines the value of a Co-owner's vote at Association meetings when voting by value or by number and value and the proportionate share of each Co-owner in the Common Elements of the Project.

Section 32. Person. "Person" means a natural individual, corporation, partnership or any other entity with the legal right to hold title to real property.

Section 33. Phase. "Phase" means any increment of development of the Property developed by the Developer.

Section 34. Planned Development. "Planned Development" or "PD Agreement" means that certain "Restatement of Planned Development Agreement – Kirkway Estates Single Family Development" with respect to the Planned Development land, which has been executed by Ridge Nine, LLC and Curtis-A&M Northville LLC, as the Developers, and the Township. The Planned Development Agreement is recorded in Liber 35142, Pages 001 through 097, both inclusive, Oakland County Records. The Condominium and the Units established therein are subject to the terms of the Restatement of Planned Development Agreement.

Section 35. Project. "Project" means Kirkway Estates, a condominium development established in conformity with the Act.

Section 36. Property. "Property" means the real property described in Article II hereof and encumbered by this Master Deed.

Section 37. Residence. "Residence" means a detached dwelling intended for use and occupancy by a Single Family (as hereinafter defined) and located within its own Unit.

Section 38. Rules and Regulations. "Rules and Regulations" means the Rules and Regulations adopted by the Board pursuant to Article VI, Section 10 of the Condominium Bylaws, as amended from time to time.

Section 39. Sanitary Sewer System. "Sanitary Sewer System" as used herein, shall include all components of the Sanitary Sewer System throughout the Project, including any lines and easements, whether located within the General Common Elements, Limited Common Elements, or within individual Units.

Section 40. Single Family. "Single Family" shall mean a group of natural persons related to each other by blood or legally related to each other by marriage or adoption.

Section 41. Special Assessment. "Special Assessment" means a charge against a particular Co-owner, directly chargeable to or reimbursable by such Co-owner, equal to the cost incurred by the Association for corrective action performed pursuant to the provisions of the Condominium Documents, or levied by the Association as a fine or penalty for noncompliance with the Condominium Documents, plus interest and other charges added to such fine or penalty as provided for in the Condominium Documents.

Section 42. Storm Sewer System. "Storm Sewer System" as used herein, shall include all components of the Storm Sewer System throughout the Project, including any lines, retention and detention basins, and drainage easements, whether located within the General Common Elements, Limited Common Elements, or within individual Units.

Section 43. Township. "Township" means the Charter Township of Lyon, Oakland County, Michigan, and its successors and assigns.

Section 44. Transitional Control Date. "Transitional Control Date" means the date on which the Board of Directors of the Association takes office pursuant to an election in which the votes that may be cast by eligible Co-owners unaffiliated with the Developers exceed the votes which may be cast by the Developers.

Section 45. Unit, Condominium Unit or Site Condominium Unit. "Unit", "Condominium Unit" or "Site Condominium Unit" each means a single Unit in Kirkway Estates, as such space may be described in Article V, Section 1 hereof and on Exhibit B hereto, and shall have the same meaning as the term "Condominium Unit" as defined in the Act. The term "Unit" as used herein shall be further deemed to include its Lot, the Residence, and all other improvements, structures

and appurtenances located within the boundaries of said Lot (i.e., within the boundaries of the Unit). The Lot, Residence, and all improvements, structures and other appurtenances now or hereafter located within the boundaries of a Unit 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. The Developers do not intend to and are not obligated to install any structures whatsoever within the Units or their appurtenant Limited Common Elements.

#### ARTICLE IV COMMON ELEMENTS

The Common Elements of the Project and the respective responsibilities for the maintenance thereof, are as follows:

Section I. General Common Elements. The General Common Elements are:

- (a) Land. The land described in Article II hereof, and other common areas, if any, not identified as Units or Limited Common Elements.
- (b) Easements. All beneficial ingress, egress and utility easements referred to in the Condominium Subdivision Plan attached as Exhibit B to this Master Deed.
- (c) Electrical. The electrical transmission mains throughout the Project up to the point of lateral connections for Unit service.
- (d) Site Lighting. Lights, if any, designed to provide illumination for the Condominium Premises as a whole.
- (e) Telephone. The telephone system throughout the Project up to the point of lateral connections for Unit service.
- (f) Gas. The gas distribution system throughout the Project up to the point of lateral connections for Unit service.
- (g) Telecommunications. The telecommunications system, if and when any may be installed, up to the point of lateral connections for Unit service.
- (h) Subdivision Entranceway Signs and Landscaping. All signage and landscaping placed at the entrance to the Project as well as a sprinkler system installed to maintain this area.
- (i) Sidewalks. All sidewalks installed within the Condominium Project, unless or until any such sidewalks are accepted for dedication to the public.

(j) Landscaping. Trees, vegetation and landscaping located within General Common Elements.

(k) Sanitary Sewer System. Sanitary Sewer System up to the Unit boundaries.

(l) Storm Sewer System. Storm Sewer System including storm water detention/retention ponds and lines up to the Unit boundaries.

(m) Underground Sprinkler System. Underground sprinkler system to be installed by the Developers and supplied from a separate, designated well.

(n) Open Spaces. The open space areas shown on the Plan, including landscaped open space, natural feature and/or buffer areas, and the wetlands and natural feature areas within the Conservation Easement.

(o) Roads. The roadways located within the boundaries of the Project shall be General Common Elements until said roadways are accepted by the Road Commission of Oakland County for dedication to the public pursuant to the Planned Development Agreement.

(p) Other. Such other elements of the Project not herein designated as General or Limited Common Elements which are not enclosed within the boundaries of a Unit, and which are intended for common use or are necessary to the existence, upkeep, appearance, utility or safety of the Project.

Section 2. Limited Common Elements. Limited Common Elements shall be subject to the exclusive use and enjoyment of the owner of the Unit to which the Limited Common Elements are appurtenant. The Limited Common Elements are as follows:

(a) Electrical Transformers and Utility Leads. Each electrical transformer and utility lead shall be Limited Common Element appurtenant to the Unit or Units which it services.

(b) Sanitary Sewer System. Sanitary Sewer System within the Unit boundaries.

(c) New Limited Common Elements. The Developers reserve the right to designate additional Limited Common Elements appurtenant to particular Units by subsequent Amendments to this Master Deed. The Co-owners and Mortgagees of Condominium Units and all other parties interested in the Project shall be deemed to have irrevocably and unanimously consented to such amendments and irrevocably appoint the Developers or their respective successors as agent and attorney to make any such Amendments to the Master Deed. Limited Common Elements, if any, shall be subject to the exclusive use and enjoyment of the Co-owner of the Unit or Units to which such Limited Common Elements are appurtenant.

Section 3. Responsibilities. The respective responsibilities for the maintenance of the Units and Common Elements are as follows:

(a) Co-owner Responsibilities.

(i) Structures, Improvements and Lots; Association Approval. The responsibility for and the costs of maintenance of each Unit and its Lot shall be borne by the Co-owner of the Unit which is served thereby; provided, however, that the exterior appearance of the Units and Lots, to the extent visible from any other Unit or Common Element in the Project, shall be subject at all times to the approval of the Association and to reasonable aesthetic and maintenance standards prescribed by the Association in duly adopted Rules and Regulations.

(ii) Utility Services. All costs of electricity, propane and natural gas and any other utility services, and the costs of maintaining all utility lateral connections and services leads, shall be borne by the Co-owner of the Unit to which such services are furnished, except to the extent that such services are borne by a utility company or public authority.

(iii) Potable Water. All costs of initial installation and subsequent maintenance of the wells located within each Unit and its Lot shall be separately borne by the Co-owner for the Unit to which they are respectively appurtenant. The Developers may install water mains and connect to a public water system, in which case, private wells will not be permitted and connection to the public water system will be required, at the Co-owners' expense.

(iv) Co-owner Fault. If any Co-owner of a Unit elects to construct or install any improvement to his Unit or a Common Element in the Project that increases the costs of maintenance for which the Association is responsible, the Association may assess the increased costs or expenses against the Unit of such Co-owner. Further, a Co-owner will be deemed to be "at fault," and therefore responsible for the maintenance expenses of a Common Element, if the maintenance undertaken was necessitated by the act or neglect of such Co-owner or his agent, invitee, licensee, family member or pet. The operation and maintenance of Common Elements are further subject to the terms and provisions of all Condominium Documents and all applicable federal, state and local statutes, laws, ordinances and regulations. The expenses contemplated in this paragraph may be assessed as part of the regular assessments and/or special assessments against the Unit of the responsible Co-owner.

(b) Association Responsibilities.

(i) General Common Elements. The costs of maintenance of all General Common Elements shall be borne by the Association, except to the extent of maintenance due to the act or neglect of a Co-owner or his agent, invitee, family member or pet. Notwithstanding the foregoing, the Association may expend funds to maintain, landscape and otherwise improve the General Common Elements, and as necessary to preserve the open spaces contained within the Project, and such costs and expenses shall be costs of operation of the Condominium.

(ii) Roadways Until Public Dedication. The Association shall maintain the roadways in the Project until they are dedicated to the public.

Section 4. Utility Systems. Some or all of the utility lines, systems (including mains and service leads) and equipment and the telecommunications described above may be owned by the local public authority or by the company that is providing the pertinent service. Accordingly, such utility lines, systems and equipment, and the telecommunications, shall be General Common Elements only to the extent of the Co-owners' interest therein, if any, and the Developers make no warranty whatever with respect to the nature or extent of such interest, if any. The extent of the Developers' responsibility will be to see to it that telephone, electric and natural gas mains are installed within reasonable proximity to, but not within, the Units and their Lots. Each Co-owner will be entirely responsible for arranging for and paying all costs in connection with extension of such utilities located within the Units and their respective Lots. In the event that, in the future, it shall be required by a public authority or public authorities or by a majority of Co-owners to install public water mains to serve the Units in this Condominium, then the collective costs assessable to the Condominium Premises as a whole of installation of such mains shall be borne by all Co-owners in proportion to their Percentages of Value. Likewise, in the event that there is a well failure within any Unit, which, in turn, necessitates the installation of such public water mains, then a main or mains sufficient to serve all Units shall be installed and the costs thereof assessable to the Condominium Premises shall be apportioned among all Co-owners as provided in the preceding sentence. In the event of installation of such public water systems, only the mains shall be General Common Elements and lateral connections to serve Units shall be the individual responsibilities of the respective Co-owners.

Section 5. Inseparability and Use of Units and Common Elements. No Co-owner shall use his Unit or the Common Elements in any manner 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. No Limited Common Element may be modified or its use enlarged or diminished by the Association without the written consent of the Co-owner to whose Unit the same is appurtenant. Except as stated in this Master Deed, Units shall not be separable from their Limited Common Elements.

Section 6. Association Approval.

(a) The appearance of all Common Elements, and the exterior appearance of all Units, shall at all times be subject to the approval of the Association, and if such appearance does not conform to reasonable standards established by the Developer during the Development and Sales Period, or by the Association following the Development and Sales Period, then the Developer and/or Association may take whatever action is necessary to achieve the required aesthetic standards and charge the cost to the Co-owner or person, if any, responsible for maintaining the Common Element and/or Unit.

(b) While it is intended that each Co-owner will be solely responsible, except as noted above, for the performance and cost of the maintenance of his Unit, it is nevertheless a matter of concern that a Co-owner may fail to properly maintain his Unit in a proper manner and in accordance with the standards set forth by the Association. In the event a Co-owner fails, as required by the Condominium Documents or any Rules or Regulations promulgated by the Association, to properly and adequately maintain his Unit or any Limited Common Element appurtenant thereto, the Association and the Developers shall have the right, but not the

obligation, to undertake such reasonable uniform, periodic maintenance as they may deem appropriate provided that neither the Association nor the Developers will be obligated to perform any maintenance thereon.

(c) Failure of the Association or the Developers to take any such action shall not be deemed a waiver of the Association's or Developers' right to take any such action at a future time. All costs incurred by the Association and/or the Developers in performing any responsibilities which are required in the first instance to be borne by a Co-owner shall be charged to the affected Co-owner or Co-owners on a reasonably uniform basis and collected in accordance with the Assessment procedures established by the Condominium Bylaws. The lien for non-payment shall attach to any such charges as in all cases of regular Assessments and may be enforced by the use of all means available to the Association under the Condominium Documents and by law for the collection of regular Assessments, including without limitation, legal action, foreclosure of the lien securing payment and the imposition of fines.

#### Section 7. Wetlands.

(a) The wetlands depicted on the attached Exhibit B shall be preserved without interference or improvement, which would in any way alter any portion of said wetlands from their natural state without the specific written consent of the Township. Further, no rubbish, debris, trash, chemicals, fertilizers, petroleum distillates, or other substances of any kind shall be placed on or in the wetlands. If the wetlands are not preserved in accordance with this paragraph, no additional Certificates of Occupancy or additional building permits will be issued by the Township until the Township, in the good faith exercise of reasonable judgment, is satisfied that the wetlands have been returned to an aesthetically pleasing condition and that the Project is in compliance with applicable Township codes and ordinances.

(b) The wetlands must be preserved pursuant to the requirements of the MDEQ permit and the Conservation Easement, with the demarcation of the MDEQ permit and the Conservation Easement boundary by the placement of signage every 100 feet along the entire easement boundary. The signage shall be made of suitable material to withstand the Michigan climate and shall be replaced when needed. The signage must include the following language:

WETLANDS CONSERVATION EASEMENT: NO MOWING, CUTTING, CONSTRUCTION, FILLING, OR DREDGING ALLOWED. QUESTIONS SHOULD BE DIRECTED TO THE MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY, LAND AND WATER MANAGEMENT DIVISION.

(c) The Michigan Department of Environmental Quality and the Township must approve any modification, interference, or improvements to conservation areas in writing.

Section 8. Limitations. Notwithstanding anything in this Master Deed to the contrary, each Developer's rights and obligations arising under this Article IV shall be limited in effect to the Property, Common Elements and Units located within such Developer's respective Phase of development, as described in the Recitals to this Master Deed, unless or until CURTIS-A&M

NORTHVILLE LLC exercises its option and consummates its purchase of Phase II under the Option Agreement, following which the term "Developer" or "Developers" shall be deemed to refer solely to CURTIS-A&M NORTHVILLE LLC and its successors and assigns.

ARTICLE V  
UNIT DESCRIPTIONS, PERCENTAGES OF VALUE AND  
CO-OWNER RESPONSIBILITIES

Section 1. Description of Units. Each Unit in the Condominium Project is described in this paragraph with reference to the Condominium Subdivision Plan of Kirkway Estates as prepared by Boss Engineering, Inc. and attached hereto as Exhibit B. There are 179 Units in the Condominium Project established by this Master Deed. Each Unit shall consist of the land and space located within Lot boundaries as shown on Exhibit B hereto, the horizontal planes of which are delineated with heavy outlines, together with all appurtenances thereto. The Units are currently numbered as Units 1 through 179, inclusive.

Section 2. Percentage of Value. The Percentage of Value of each Unit is equal to the quotient resulting from dividing 100% by the number of Units in the Project. The Percentage of Value assigned to each of the Units is equal. The Percentages of Value were computed on the basis that the comparative characteristics of the Units are such that it is fair and appropriate that each Unit owner votes equally and pays their equal share of the expenses of maintaining the General Common Elements. 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 respective Co-owner in the proceeds and expenses of administration and the value of such Co-owner's vote at meetings of the Association of Co-owners.

ARTICLE VI  
SUBDIVISION, CONSOLIDATION AND OTHER  
MODIFICATIONS OF UNITS AND COMMON ELEMENTS

Notwithstanding any other provision of the Master Deed or the Bylaws, Units in the Condominium may be subdivided, consolidated, modified and the boundaries relocated, in accordance with Sections 48 and 49 of the Act and this Article; such changes in the affected Units shall be promptly reflected in the duly recorded amendment or amendments to this Master Deed.

Section I. By Developers.

(a) Each Developer reserves the sole right during the Development and Sales Period and without the consent of any other Co-owner or Mortgagee of any Unit to:

- (i) Subdivide Units. Subdivide or resubdivide any Units owned by the Developer.
- (ii) Consolidate Contiguous Units. Consolidate under single ownership two or more contiguous Units owned by the Developer.
- (iii) Relocate Boundaries. Relocate any boundaries between adjoining Units owned by the Developer.
- (iv) Readjust Percentages of Value. Readjust Percentages of Value in connection with the subdivision, consolidation or the relocation of boundaries of Units owned by the Developer.
- (v) Modify, Add to or Remove Common Elements. In connection with any subdivision, consolidation or relocation of boundaries of Units owned by the Developer, the Developer may modify, add to or remove Common Elements, and designate or redesignate them as General or Limited Common Elements and shall reallocate the Percentages of Value of the affected Units, as required by the Act. These changes shall be given effect by an appropriate amendment to this Master Deed, which shall be prepared and recorded by and at the expense of the Developer.

(b) Amendments to Effectuate Modifications. Modifications made pursuant to this Section I shall be given effect by appropriate amendments to the Master Deed and Condominium Subdivision Plan, which shall be prepared and recorded by and at the expense of the Developer in accordance with the provisions of Article VIII.

(c) Limitations. Notwithstanding anything in this Master Deed to the contrary, each Developer's rights and obligations arising under this section shall be limited in effect to the Property, Common Elements and Units located within such Developer's respective Phase of development, as described in the Recitals to this Master Deed, unless or until CURTIS-A&M NORTHVILLE LLC exercises its option and consummates its purchase of Phase II under the Option Agreement, following which the term "Developer" or "Developers" shall be deemed to refer solely to CURTIS-A&M NORTHVILLE LLC and its successors and assigns.

Section 2. Co-owner.

(a) Following expiration of the Development and Sales Period, one or more Co-owners may undertake the subdivision, consolidation and/or relocation of boundaries of Units as follows:

(i) Subdivision of Units. The Co-owner of a Unit may subdivide his Unit upon request to the Association in accordance with Section 49 of the Act. Upon receipt of such request, the president of the Association shall cause to be prepared an amendment to the Master Deed, duly subdividing the Unit, separately identifying the resulting Units by number or other designation, designating the General or Limited Common Elements affected in connection therewith, and reallocating the Percentages of Value in accordance with the Co-owner's request. The Co-owner requesting such subdivision shall bear all costs of such amendment. Such subdivision shall not become effective, however, until the amendment to the Master Deed, duly executed by the Association, has been recorded in the office of the Oakland County Register of Deeds. The amendment to the Master Deed and subdivision of a Unit shall be subject to approval by the Township.

(ii) Consolidation of Units; Relocation of Boundaries. A Co-owner or Co-owners may consolidate under single ownership two or more contiguous Units owned by such Co-owner(s) to eliminate boundaries or relocate the boundaries between those Units upon written request to the Association in accordance with Section 48 of the Act. Upon receipt of such request, the president of the Association shall cause to be prepared an amendment to the Master Deed duly relocating the boundaries, identifying the Units involved, reallocating Percentages of Value and providing for conveyance between or among the Co-owners involved in relocation of boundaries. The Co-owners requesting relocation of boundaries shall bear all costs of such amendment. Such relocation or elimination of boundaries shall not become effective, however, until the amendment to the Master Deed has been recorded in the office of the Oakland County Register of Deeds. The amendment to the Master Deed, consolidation of Units and relocation of boundaries shall be subject to approval by the Township.

(b) Modifications made pursuant to this Section 2 shall be given effect by appropriate amendments to this Master Deed and Condominium Subdivision Plan, which shall be prepared and recorded by the Association in accordance with the provisions of Article X. The Co-owner(s) requesting the changes shall bear all costs of preparation and recording of the amendment. The changes shall become effective upon recording of the amendment in the office of the Oakland County Register of Deeds.

Section 3. Limited Common Elements. Limited Common Elements shall be subject to assignment and reassignment in accordance with Section 39 of the Act and in furtherance of the rights to subdivide, consolidate or relocate boundaries described in this Article VI.

Section 4. Construction of Improvements on Units. Subject to the restrictions contained in the Condominium Documents, including the Rules and Regulations of the Project, as amended from time to time, a Co-owner may construct on his Unit one Single-Family Residence. All

construction shall be in accordance with and subject to the Rules and Regulations and all applicable codes, ordinances, statutes, laws, rules, regulations and private use restrictions.

#### ARTICLE VII CONVERTIBLE AREAS

Section 1. Designation of Convertible Areas. The Lots surrounding, adjacent and appurtenant to the respective Units are hereby designated as Convertible Areas within which the Units and Common Elements may be modified as provided herein.

Section 2. The Developers' Right to Modify Units and Common Elements. Each Developer reserves the right, in its sole discretion, during a period of six (6) years after this Master Deed is recorded, to modify the size, location, design or elevation of any Units and/or General or Limited Common Elements appurtenant or geographically proximate to such Units within the Convertible Areas above designated for such purpose, so long as such modifications do not unreasonably impair or diminish the appearance of the Project or the view, privacy or other significant attribute or amenity of any Unit which adjoins or is proximate to the modified Unit or Common Element. However, any modification to the condominium made pursuant to this Article VII that constitutes a change in the site plan approved by the Township for the development of the Condominium shall be subject to approval by the Township as required by the Township Zoning Ordinance, and may additionally require an amendment to the Planned Development Agreement.

Section 3. Compatibility of Improvements. All improvements constructed within the Convertible Areas described above shall be reasonably compatible with the structures on other portions of the Condominium Project. No improvements, other than as otherwise permitted in this Master Deed, may be created on the Convertible Areas.

#### ARTICLE VIII OPERATIVE PROVISIONS

Any expansion or conversion in the Project pursuant to Articles VI or VII above shall be governed by the provisions as set forth below.

Section 1. Amendment of Master Deed and Modification of Percentages of Value. In any amendment or amendments resulting from the exercise of the rights reserved to the Developers in Articles VI and VII, the Unit or Units modified shall be separately identified by number, and the respective Percentages of Value for such Units shall be proportionately reallocated to preserve a total value of 100% for the entire Project resulting from such amendment or amendments to this Master Deed. The precise determination of the readjustments in Percentage of Value shall be within the sole judgment of the Developer making the modification.

Section 2. Redefinition of Common Elements. Such amendments to the Master Deed shall also contain such further definitions and re-definitions of General or Limited Common

Elements as may be necessary to adequately describe, serve and provide access to the additional parcel or parcels being added to (or withdrawn from) the Project by such amendments. In connection with any such amendments, the Developers shall have the right to change the nature of any Common Element previously included in the Project for any purpose reasonably necessary to achieve the purposes of this Article, including, but not limited to, the connection of roadways and sidewalks in the Project to any roadways and sidewalks that may be located on, or planned for the area of future development any contractible area, as the case may be, and to provide access to any Unit that is located on, or planned for the area of future development or the contractible area from the roadways and sidewalks located in the Project. This right must be subject to the approval of the Township if any such modification interferes with any rights granted to the Township in the Common Elements, including rights to access and maintain any easements for utilities granted in the Master Deed.

Section 3. Right to Modify Unit Plans. The Developers further reserve the right to amend and alter the elevations of any Units described in the Condominium Subdivision Plan attached hereto. The nature and appearance of all such altered Units shall be determined by the Developer of the Phase in its sole judgment; but, in no event shall such altered Units deviate substantially from the general development plan approved by the Township of Lyon. All such improvements shall be reasonably compatible with the existing structures in the Project, as determined by said Developer in its sole discretion.

Section 4. Consolidating Master Deed. A Consolidated Master Deed shall be recorded pursuant to the Act when the Project is finally concluded as determined by the Developers in order to incorporate into one set of instruments all successive stages of development. The Consolidated Master Deed, when recorded, shall supersede the previously recorded Master Deed and all amendments thereto.

Section 5. Consent of Interested Person. Except where Township approval is required hereunder, all of the Co-owners and Mortgagees of Units and other persons interested or to become interested in the Project from time to time shall be deemed to have irrevocably and unanimously consented to such amendments to this Master Deed as may be proposed by the Developers to effectuate the purposes of Articles VI or VII, above, and to any proportionate reallocation of Percentages of Value of existing Units which the Developers may determine necessary in conjunction with such amendments. All such interested persons irrevocably appoint the Developers as agent and attorney for the purpose of 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 pertinent portions of this Master Deed and the exhibits hereto.

Section 6. Limitations. Notwithstanding anything in this Master Deed to the contrary, each Developer's rights and obligations arising under this Article VIII shall be limited in effect to the Property, Common Elements and Units located within such Developer's respective Phase of development, as described in the Recitals to this Master Deed, unless or until CURTIS-A&M NORTHVILLE LLC exercises its option and consummates its purchase of Phase II under the

Option Agreement, following which the term "Developer" or "Developers" shall be deemed to refer solely to CURTIS-A&M NORTHVILLE LLC and its successors and assigns.

ARTICLE IX  
EASEMENTS

Section 1. Easement for Maintenance of Encroachments and Utilities. In the event of any encroachments due to shifting, settling or moving of a building or other improvement, or due to survey errors, or construction deviations, reciprocal easements shall exist for the maintenance of such encroachment for so long as such encroachment exists, and for maintenance thereof after rebuilding in the event of any destruction. There shall be easements to, through and over those portions of the land, structures, building and improvements for the continuing maintenance, enlargement of or tapping into all utilities in the Condominium.

Section 2. Rights Retained by Developers.

(a) Dedication of Roadways. The Developers hereby reserve for the benefit of themselves, their successors and assigns, and all future Co-owners of the Property or any portion or portions thereof, an easement for the unrestricted use of all roads and walkways in the Condominium for the purpose of ingress and egress to and from all or any portion of the Property. All expenses of maintenance of any roadway referred to in this Article shall be shared by the Co-owners of Units within the Project in accordance with their Percentages of Value. The Developers also reserve the right at any time during the Development and Sales Period, and for the benefit of the Association thereafter, to dedicate to the public a right-of-way up to 66 feet wide (or a right-of-way of such width as may be required by the local public authority) over any or all of the roadways in Kirkway Estates, shown as General Common Elements in the Condominium Subdivision Plan. Any such right-of-way dedication may be made by the Developers without the consent of any Co-owner, Mortgagee or other person and shall be evidenced by an appropriate amendment to this Master Deed and to the Condominium Subdivision Plan hereto, recorded in the Oakland County Records. Notwithstanding the foregoing, private rights of the Developers, Co-owners and Association in any road right-of-ways shall terminate upon conveyance of the right-of-ways to the Oakland County Road Commission for public road purposes.

(b) Utility and Access Easements. The Developers also hereby reserve for the benefit of themselves, their successors and assigns, and all future Co-owners of the Property or any portion or portions thereof, perpetual easements to utilize, tap, tie into, extend and enlarge all utility mains located in the Condominium, including, but not limited to, water, gas, storm and sanitary sewer mains and for access over the roadway. In the event the Developers, or their successors or assigns, utilize, tap, tie into, extend or enlarge any utilities located in the Condominium or utilize access to the roadway, the Developer engaging in such activity shall be obligated to pay all of the expenses reasonably necessary to restore the Condominium Premises to their state immediately prior to such enlargement. All expenses of maintenance of any utility mains referred to in this section shall be shared by the Co-owners. The Co-owners shall be responsible from time to time for payment of a proportionate share of said expenses which share shall be determined by multiplying such expenses times a fraction, the numerator of which is the

number of Units in this Condominium, and denominator of which is comprised of the numerator plus all other Units in the Condominium that are served by such mains.

(c) Utilities. The Developers reserve the right at any time during the Development and Sales Period, and for the Association thereafter, to grant easements, licenses, dedications, rights-of-entry, and rights-of-way, for utilities over, under and across the Condominium to appropriate governmental agencies or public utility companies and to transfer title of utilities to governmental agencies or to the utility companies, including the Township and/or Oakland County for such purposes or other purposes as may be deemed necessary by the Township and/or Oakland County. Any such easement or transfer of title may be conveyed by a Developer or the Association without the consent of any Co-owner, Mortgagee or other person and shall be evidenced by an appropriate amendment to this Master Deed and to Exhibit B hereto, recorded in the Oakland County Records. Such utility easements shall include, by way of example and not limitation,

(i) Easement in favor of Michigan Bell Telephone/Ameritech recorded in Liber 23929, Page 514-520, Oakland County Records;

(ii) Right of Way Agreement in favor of Michigan Consolidated Gas Co and the covenants, conditions and restrictions contained in instruments recorded in Liber 3366, page 375 and partial release of Right of Way recorded in Liber 8979, Page 656 and Affidavit recorded in Liber 11918, Page 227, Oakland County Records;

(iii) Right of Way in favor of Oakland County and the covenants, conditions and restrictions contained in instruments recorded in Liber 43MR, page 307, Oakland County Records;

(iv) Pole Line Permit in favor of Detroit Edison Company and the covenants, conditions and restrictions contained in instruments recorded in Liber 37 MR, Page 307;

(v) Easement in favor of Consumers Power Company and the covenants, conditions and restrictions contained in instruments recorded in Liber 4017, Page 585, Oakland County Records.

(vi) Easement in favor of Consumers Power Company and the covenants, conditions and restrictions contained in instruments recorded in Liber 8979, Page 656, Oakland County Records.

(d) Easements for Development and Sales Activities. The Developers hereby reserves for the benefit of themselves, their successors and assigns during the Development and Sales Period an easement to, from and over all General Common Elements, Limited Common Elements and Units to carry on any activity in connection with or reasonably related to the development and sale of the Project or Units therein. These activities include but are not limited to maintenance of signs, construction and sales trailers, and construction equipment and supplies anywhere on the Property.

(e) Grant of Additional Easements by Developers. The Developers hereby reserve the right to grant such other easements, licenses, rights-of-entry and rights-of-way over, under, across and through the Project for other lawful purposes as may be necessary for the benefit of the Developers and/or the Project during the Development and Sales Period, as determined in the Developers' sole discretion.

(f) Consent. All of the Co-owners and Mortgagees of Units and other persons interested or to become interested in the Project from time to time shall be deemed to have irrevocably and unanimously consented to such amendments to this Master Deed as may be required to effectuate the foregoing grants of easements or transfer of titles reserved to the Developers.

(g) Phase II Property. Notwithstanding anything herein to the contrary, CURTIS-A&M NORTHVILLE LLC, its successors and assigns, shall have a perpetual easement and right of way over, under, across and through the Phase II Property owned by RIDGE NINE, L.L.C. for the construction and repair of all site improvements and land development improvements which CURTIS-A&M NORTHVILLE LLC may require in connection with the development and improvement of the Project, the Property or any portion thereof.

Section 3. Grant of Easements by Association. The Association, acting through its lawfully constituted Board of Directors (including and Board of Directors acting prior to the Transitional Control Date) shall be empowered and obligated to grant such reasonable easements, licenses, rights-of-entry and rights-of-way over, under and across the Condominium Premises for utility purposes or other lawful purposes as may be necessary for the benefit of the Condominium subject, however, to the approval of the Developers so long as the Development and Sales Period has not expired. No easements created under the Condominium Documents may be modified, nor may any of the obligations with respect thereto be varied, without the consent of each person benefited or burdened thereby.

Section 4. Association Easements for Maintenance, Repair and Replacement. The Developers, the Association, the Township and all public or private utilities shall have such easements over, under, across and through the Condominium Premises, including all Units and Common Elements, as may be necessary to fulfill any responsibilities of maintenance or upkeep which they or any of them are required or permitted to perform under the Condominium Documents or by law or to respond to any emergency or common need of the Condominium; provided, however, that the easements granted hereunder shall not entitle any person other than the Owner thereof to gain entrance to the interior of any dwelling Unit or garage located within a Unit or Lot appurtenant thereto. While it is intended that each Co-owner shall be solely responsible for the performance and costs of all maintenance of the Residence and all other appurtenances and improvements constructed or otherwise located within his Unit and its Lot, it is nevertheless a matter of concern that a Co-owner may fail to properly maintain the exterior of his Unit or any Limited Common Elements appurtenant thereto in a proper manner and in accordance with the standards set forth in this Master Deed, the Bylaws and any Rules and Regulations promulgated by the Association. Therefore, in the event a Co-owner fails as required by this Master Deed, the Bylaws or any Rules and Regulations of the Association, to properly and adequately maintain his Unit or any Limited Common Elements, improvements or

appurtenances thereto, the Association (and/or the Developers during the Development and Sale Period) and/or the Township shall have the right, and all necessary easements in furtherance thereof (but not the obligation), to take whatever action or actions it deems desirable to so maintain the Unit (including the exteriors of any structures located therein), its appurtenances or any of its Limited Common Elements, all at the expense of the Co-owner of the Unit. Neither the Developers nor the Association or the Township shall be liable to the Owner of any Unit or any other person, in trespass or in any other form of action, for the exercise of rights pursuant to the provisions of this Section or any other provision of the Condominium Documents which grant such easements, rights of entry or other means of access. Failure of the Association, Township or the Developers to take any such action shall not be deemed a waiver of the Association's, Township's, or the Developers' right to take any such action at a future time. All costs incurred by the Association, Township or the Developers in performing any responsibilities which are required, in the first instance to be borne by the Co-owner, shall be assessed against such Co-owner and shall be due and payable with his monthly Assessment next falling due; further, the lien for non-payment shall attach as in all cases of regular Assessments and such Assessments may be enforced by the use of all means available to the Association under the Condominium Documents and by law for the collection of regular Assessments including, without limitation, legal action, foreclosure of the lien securing payment and imposition of fines. If the Township exercises its rights under this paragraph, the Township may add to the actual cost of repair or maintenance a sum not to exceed twenty-five percent (25%) thereof, to cover the administrative costs associated with the undertaking. All costs not paid shall bear interest at the rate of three quarters of one percent (.75%) per month until paid. The Township shall have a lien on the Unit of the Co-owner for costs. The lien may be enforced by the Township in the same manner as provided by law for enforcement of delinquent Special Assessment.

Section 5. Telecommunications Easements. The Association, acting through its duly constituted Board of Directors and subject to the Developers' approval during the Development 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 (collectively "Telecommunications") to the Project or any Unit therein. Notwithstanding the foregoing, in no event shall the Board of Directors enter into any contract or agreement or grant any easement, license or right of entry or do any other act or thing 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 same 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 6. Support Easements. Every part of a Condominium Unit and its appurtenances that contributes to the structural, lateral or subjacent support of Common Elements and other Units shall be burdened with an easement of support for the benefit of the Common Elements and other

Condominium Units. These absolute duties of support cannot be delegated to independent contractors.

Section 7. Grant of Additional Easements by the Association. The Association, acting through its lawfully constituted Board of Directors (including any Board of Directors acting prior to the Transitional Control Date) shall be empowered and obligated to grant such easements, license, rights-of-entry and rights-of-way over, under, across and through the Project for utility purposes, access purposes or other lawful purposes as may be necessary for the benefit of the Project. Said power is subject, however, to the approval of the Developers during the Development and Sales Period.

Section 8. Easements Granted to the Township and Other Public Authorities. Notwithstanding any other provision contained in this Master Deed, the following easements, licenses, rights and privileges are granted to the Township and its officers, employees and agents, and its successors, assigns and transferees with respect to the Condominium Project. These easements, licenses, rights and privileges shall not be modified or rescinded without the express written permission of the Township.

(a) Utility Easements. The Township, its officers, employees, agents, contractors and designated representatives are granted a permanent non-exclusive easement for the unrestricted use of all roads, walkways or pathways, utility easements, General Common Elements and Limited Common Elements for the purpose of ingress, egress, inspection for public purposes, access to utility easements, including but not limited to water, Sanitary Sewer System, Storm Sewer System, electric, gas and Telecommunications easements.

(b) Utility Equipment and Services. The Township and the County of Oakland (referred to as the "Grantees"), and their respective successors, assigns, transferees, officers, employees, agents, contractors and designated representatives, are granted a perpetual and permanent non-exclusive easement over, under and across the Condominium Property for the purpose of development, establishment, construction, extension, relocation, maintenance and removal of utilities, in any size, form, shape or capacity, including but not limited to the water service system, Sanitary Sewer System, Storm Sewer System, electric, gas and Telecommunications utilities.

(c) The Grantees, their respective officers, employees and agents, are granted a non-exclusive easement over General Common Elements, Limited Common Elements and Units, to the extent necessary, to install, maintain, repair, replace or remove machinery or equipment connected to the Sanitary Sewer System or Storm Sewer System, including, but not limited to grinder pumps and valves, and for the purpose of developing, establishing, constructing, repairing and maintaining the water supply system and related appurtenances, in any size, form, shape or capacity.

(d) The Grantees shall have the right to sell, assign, transfer and convey this easement to any other governmental Unit.

(e) No Co-owner in the Condominium shall build or convey to others the permission to build any permanent structures on the easements granted to the Grantees hereunder.

(f) No Co-owner in the Condominium shall build or place on the area covered by the easement any other type of structure, fixture or object, or engage in any activity or take any action, or convey any property interest or right, that would in any way either actually or threaten to impair, obstruct, or adversely affect the rights of the Grantees under the foregoing easements.

(g) The Grantees and their respective agents, contractors and designated representatives shall have right-of-entry on, and to gain access to, the easement property.

(h) All Co-owners in the Condominium release the Grantees and their respective successors, assigns and transferees, from any and all claims or damages in any way arising from or instant to the construction and maintenance of the easements granted to the Grantees hereunder or otherwise arising from or instant to the exercise by a Grantee of its rights under the foregoing easements, and all Co-owners covenant not to sue the Grantees for any such damages.

(i) Developers hereby reserve for the benefit of the Grantees and any public or private emergency service agency, an easement to, from and over all General Common Elements, Limited Common Elements and Units in the Project for use by the Grantees and public or private emergency vehicles. Said easement shall be for purposes of ingress and egress to provide, without limitation, fire and police protection, ambulance and rescue services and other lawful governmental or private emergency services to the Project and Co-owners.

(j) The rights granted to the Grantees and their successors and assigns, under this Section 8 may not, however, be amended without the express written consent of each such Grantee hereunder. Any purported amendment or modification of the rights granted thereunder shall be void and without legal effect unless agreed to in writing by each Grantee, its successors or assigns

Section 9. Wetland Conservation Easements. Developer hereby reserves permanent easements in favor of the Association for the preservation of the Wetland Conservation Easements identified on the Condominium Subdivision Plan and in a certain Wetland Conservation Easement "A" and "B" recorded in Liber 28887, Page 182, Oakland County Records. Notwithstanding anything herein to the contrary, no trees or other vegetation may be removed from the Wetland Conservation Easements except that which is dead or diseased.

Section 10. Modifications. No easements created under the Condominium Documents may be modified, or obligations with respect thereto varied, without the consent of each person benefited thereby.

Section 11. Easements are Appurtenant. The benefits and burdens of the easements hereby reserved, created or provided for shall be appurtenant to and run with the land.

ARTICLE X  
AMENDMENT

This Master Deed and the Condominium Subdivision Plan may be amended with the consent of 66-2/3% of the Co-owners, except as hereinafter set forth:

Section 1. Modification for Units or Common Elements. No Unit dimension may be modified in any material way without the consent of the Co-owner of such Unit nor may the nature or extent of Limited Common Elements or the responsibility for maintenance thereof be modified in any material way without the written consent of the Co-owner of any Unit to which the same are appurtenant, except as otherwise expressly provided in the Master Deed or in the Bylaws to the contrary.

Section 2. Mortgagee Consent. Whenever a proposed amendment would materially alter or change the rights of Mortgagees generally, then such amendments shall require the approval of 66-2/3% of all first Mortgagees of record allocating one vote for each mortgage held.

Section 3. By Developers. Prior to 1 year after expiration of the Development and Sales Period, the Developers may by written consent, and without the consent of any Co-owner or and 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 as do not materially affect any rights of any Co-owner or Mortgagees in the Project.

Section 4. Change in Percentage 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 like consent; thus, any change in such matter shall require unanimity of action of all Co-owner, except as provided in this Master Deed or in the Bylaws.

Section 5. Termination, Vacation, Revocation or Abandonment. The Condominium Project may not be terminated, vacated, revoked or abandoned without the written consent of the Developers and 80% of non-Developer Co-owners. The agreement of the required number of Co-owners and Mortgagees to terminate the Project shall be evidenced by their signing of the termination agreement or ratification of it. The termination shall become effective only when notice of the agreement is recorded. On recording an instrument terminating the Project, the Property constituting the Project shall be owned by the Co-owners as tenants in common in proportion to their undivided interests in the Common Elements immediately before recordation. As long as the tenancy in common lasts, each Co-owner or the heirs, successors, or assigns shall have an exclusive right of occupancy of that portion of the Property that formerly constituted said Co-owner's Condominium Unit. On recording an instrument terminating the Project, any rights the Co-owners may have to the assets of the Association shall be in proportion to their undivided interests in the Common Elements immediately before recordation, except that

common profits shall be distributed in accordance with the Condominium Documents and the Michigan Condominium Act. Notification of termination by first-class mail shall be made to all parties interested in the Project, including escrow agents, land contract vendors, creditors, lienholders, and prospective purchasers who have deposited funds. Proof of dissolution must be submitted to the administrator. Notwithstanding anything herein to the contrary, the Project shall not be terminated without the specific, written consent of the Township. Any termination of the Project attempted in violation of this Article shall be void *ab initio*.

Section 6. Developer Approval. During the Development and Sales Period, the Condominium Documents shall not be amended nor shall the provisions thereof be modified in any way without the written consent of the Developers.

Section 7. Township Approval. Any provision of the Condominium Documents to the contrary notwithstanding, no provision of the Condominium Documents that grants any right of approval or other right to the Township shall be amended or revoked without the consent of the Township, its successors and assigns. In addition, the Association shall not be terminated without the consent of the Township.

Section 8. Limitations. Notwithstanding anything in this Master Deed to the contrary, each Developer's rights and obligations arising under this Article X shall be limited in effect to the Property, Common Elements and Units located within such Developer's respective Phase of development, as described in the Recitals to this Master Deed, unless or until CURTIS-A&M NORTHVILLE LLC exercises its option and consummates its purchase of Phase II under the Option Agreement, following which the term "Developer" or "Developers" shall be deemed to refer solely to CURTIS-A&M NORTHVILLE LLC and its successors and assigns.

Section 9. Recordation of Amendments. All amendments to the Master Deed, Bylaws, or Condominium Subdivision Plan shall be recorded in the public records of Oakland County, Michigan.

Section 10. Effect of Improper Amendment. Any amendment of the Master Deed, Bylaws or Condominium Subdivision Plan attempted in violation of this Article shall be void *ab initio*.

#### ARTICLE XI ASSIGNMENT

Any or all of the rights and powers granted or reserved to the Developers 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 each such Developer to any other entity or to the Association. Any such assignment or transfer shall be made by appropriate instrument in writing and duly recorded in the office the Oakland County Register of Deeds. Upon expiration of the Development and Sales Period, the Developers shall be deemed to have assigned all of their rights of approval and consent to the Association, and the Association shall be deemed to have unreservedly accepted such assignment.

ARTICLE XII  
MISCELLANEOUS PROVISIONS

Section 1. Special Assessment Districts. Upon approval by an affirmative vote of not less than fifty-one percent (51%) of all Co-owners, the Association shall be empowered to sign petitions requesting providing, for improvements financed by special assessment district pursuant to provision of applicable Michigan statutes providing for improvements financed by Special Assessments. In the event that a special assessment road project is established pursuant to applicable Michigan law, the collective costs assessable to the Condominium Premises as a whole shall be borne by all Co-owners in proportion to their Percentages of Value.

Section 2. Township's Right to Cure Certain Maintenance Deficiencies.

(a) The costs of maintenance of the Storm Sewer System, including, without limitation, any detention basin and drainage easements, shall be borne by the Association. In the event that the Association fails to provide adequate maintenance of the Storm Sewer System, the Township may serve written notice of such failure upon the Association. Such written notice shall contain a demand that the deficiencies of maintenance be cured within a stated reasonable time period.

(b) The costs of maintenance of the Common Elements shall be allocated to the Association and the Co-owners as provided for in Article IV. In the event that the Association or the Co-owners fail to provide adequate maintenance of the Common Elements as herein required, the Township may serve written notice of such failure upon the Association. Such written notice shall contain a demand that the deficiencies of maintenance be cured within a stated reasonable time period.

(c) If such deficiencies are not cured in accordance with subdivisions (a) and (b) of this Section 2, the Township may undertake such maintenance, pursuant to the easements granted to the Township in Article IX, and the costs thereof plus a 25% administrative fee may be assessed against the Co-owners and collected as a special assessment as provided by statute on the next annual Township tax roll.

Section 3. Term. The covenants, conditions and restrictions of this Master Deed shall run with and bind the Property and every portion thereof, and shall inure to the benefit of and be enforceable by the Association, Developers, Co-owners, Mortgagees, and their respective legal representatives, heirs, successors and assigns, in perpetuity unless otherwise stated herein.

Section 4. Notices. Any notice permitted or required to be delivered as provided herein shall be in writing and may be delivered either personally or by mail, unless otherwise specified. If delivery is made by mail, it shall be deemed to have been delivered two (2) business days after a copy of the same has been deposited in the United States mail, postage prepaid, addressed to any person at the address given by such person to the Association for the purpose of service of such notice, or with respect to Co-owners, to the Residence of such person if no address has been

given to the Association. Such address may be changed from time to time by notice in writing to the Association.

Section 5. Interpretation.

(a) Restrictions Construed Together. All of the provisions of this Master Deed shall be liberally construed together to promote and effectuate the fundamental concepts of the Property as set forth in the Recitals to this Master Deed. Said Recitals are incorporated into this Master Deed. The Restrictions shall be construed and governed by the laws of the State of Michigan.

(b) Restrictions Severable. Notwithstanding the provisions in Section 3(b) of this Article, each of the provisions of this Master Deed shall be deemed independent and severable, and the invalidity or partial invalidity of any provision or portion thereof shall not affect the validity or enforceability of any other provision.

(c) Captions. All captions and titles used in this Master Deed are intended solely for convenience of reference and shall not affect that which is set forth in any of the provisions hereof.

(d) Time Periods. Except as otherwise expressly provided herein, any reference in this Master Deed to time for performance of obligations or to elapsed time shall mean consecutive calendar days, months, or years, as applicable.

(e) Other Rules of Construction. Whenever any reference herein is made to one gender, the same shall include a reference to any and all genders where the same would be appropriate; similarly, whenever a reference is made herein to the singular, a reference shall also be included to the plural where the same would be appropriate and vice versa.

(f) The Planned Development Agreement shall govern to the extent that it differs from or contradicts any terms or provisions of the Condominium Documents.

Section 6. Constructive Notice and Acceptance. Every person who owns, occupies or acquires any right, title, estate or interest in or to any portion of the Property does and shall be conclusively deemed to have consented and agreed to every limitation, restriction, easement, reservation, condition and covenant contained herein, whether or not any reference to this Master Deed is contained in the instrument by which such person acquired an interest in the Property, or any portion thereof.

Section 7. No Representations or Warranties. No representations or warranties of any kind, express or implied, have been given or made by the Developers or their agents or employees in connection with the Property or any portion of the Property, or any improvement thereon, its physical conditions, zoning, compliance with applicable laws, fitness for intended use, or in connection with the subdivision, sale, operation, maintenance, cost of maintenance, taxes or regulation thereof, except as specifically and expressly set forth in this Master Deed.

Section 8. Association Approval, Action or Consent. Any reference in this Master Deed to approval by the Association, and any provision requiring action by or the consent of the Association, shall be deemed to require such approval, action or consent of or by the Board of Directors of the Association, acting without a vote of the Members, unless this Master Deed expressly provides for or requires such approval, action or consent to be submitted to a vote of the Members of the Association.

Section 9. Indemnification. In the event that a construction lien or liens is or are recorded against the Phase II Property prior to CURTIS-A&M NORTHVILLE LLC exercising its option and consummating its purchase of such Phase II Property, then RIDGE NINE, L.L.C. shall indemnify and hold CURTIS-A&M NORTHVILLE LLC harmless from and against any liabilities, losses, claims or damages, including but not limited to actual attorneys' fees, which CURTIS-A&M NORTHVILLE LLC shall incur as a consequence of the filing of such lien or liens. RIDGE NINE, L.L.C. represents and warrants to CURTIS-A&M NORTHVILLE LLC that all contractors will be paid promptly.

Each of the above-stated reservations, covenants, easements, and restrictions shall run with the land from the effective date of this Master Deed. The effective date of this Master Deed shall be the date upon which the Developers have affixed their legal signature.

**DEVELOPER OF PHASE I AND OPTIONEE OF PHASE II:**

CURTIS-A&M NORTHVILLE LLC  
A Michigan Limited Liability Company

By: Its Authorized Member  
Curtis Investments III, LLC  
A Michigan Limited Liability Company

  
\_\_\_\_\_

By: Mark Menuck  
Its: Authorized Member

STATE OF MICHIGAN     )  
COUNTY OF OAKLAND   ) ss.

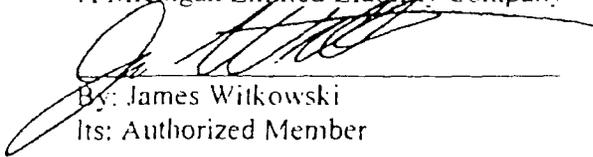
On this 21 day of APRIL, 2005, before me, a Notary Public, in and for the said county, personally appeared to me by Mark Menuck on behalf of Curtis Investments III, LLC, acting as the Authorized Member of Curtis A&M Northville LLC, known to be the same person described herein and who executed the within instrument, who acknowledged the ~~same to be~~ his free act and deed.

**SCOTT D. MacDONALD**  
Notary Public, State of Michigan  
County of Oakland  
My Commission Expires Aug. 28, 2010  
Acting in the County of OAKLAND

  
\_\_\_\_\_, Notary Public  
Oakland County Michigan  
Acting in Oakland County, Michigan  
My commission expires:

DEVELOPER AND OPTIONOR OF PHASE II:

RIDGE NINE, L.L.C.  
A Michigan Limited Liability Company

  
By: James Witkowski  
Its: Authorized Member

STATE OF MICHIGAN     )  
COUNTY OF OAKLAND   ) ss.

On this 21<sup>ST</sup> day of APRIL, 2005, before me, personally came the above named James Witkowski, known by me to be said person, who being first duly sworn, and as an Authorized Member of Ridge Nine, L.L.C., a Michigan limited liability company, executed this Master Deed as his free act and deed pursuant to authority therein residing.

**SCOTT D. MacDONALD**  
Notary Public, State of Michigan  
County of Oakland  
My Commission Expires Aug. 28, 2010  
Acting in the County of OAKLAND

  
SCOTT D. MacDONALD, Notary Public  
Oakland County Michigan  
Acting in Oakland County, Michigan  
My commission expires: 8/28/2010

**EXHIBIT A**  
**TO THE MASTER DEED**

**BYLAWS OF KIRKWAY ESTATES**  
**IN THE CHARTER TOWNSHIP OF LYON, OAKLAND COUNTY, MICHIGAN**

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**KIRKWAY ESTATES  
BYLAWS**

ARTICLE I  
ASSOCIATION OF CO-OWNERS

Kirkway Estates, a residential Condominium Project located in Lyon Township, Oakland County, Michigan, shall be administered by an Association of Co-owners which shall be a non-profit corporation, hereinafter called the "Association", organized under the applicable laws of the State of Michigan, and responsible for the management, maintenance, 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 Bylaws referred to in the Master Deed and required by Section 3(8) of the Act and the Bylaws provided for under the Michigan Nonprofit Corporation Act. Each Co-owner shall be entitled to membership and no other person or entity shall be entitled to membership. The share of a Co-owner in the funds and assets of the Association cannot be assigned, pledged or transferred in any manner except as an appurtenance to his Unit. The Association shall keep current copies of the Master Deed, all amendments to the Master Deed, and other Condominium Documents for the Condominium Project available at reasonable hours to 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 aforesaid Condominium Documents.

ARTICLE II  
ASSESSMENTS

All expenses arising from the management, administration, maintenance and operation of the Association in pursuance of its authorizations and responsibilities as set forth 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 following provisions:

Section 1. Assessments for Common Elements. All costs incurred by the Association in satisfaction of any liability arising within, caused by, or connected with the General 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-owner against liabilities or losses arising within, caused by, or connected with the General 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. Determination of Assessments. Assessments shall be determined in accordance with the following provision:

(a) Budget. The Board of Directors of the Association shall establish an annual budget in advance for each fiscal year and such budget shall project all expenses for the forthcoming 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, repairs and replacement of those General Common Elements that must be repaired or replaced on a periodic basis shall be established in the budget and must be funded by regular monthly payments as set forth in Section 3 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 non-cumulative basis. Since the minimum standard required by this subparagraph may prove to be inadequate for this particular project, the Association of Co-owner should carefully analyze the Condominium Project to determine if a greater amount should be set aside, or if additional reserve funds should be established for other purposes from time to time. Upon adoption of an annual 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, although the failure to deliver a copy of the budget to each Co-owner shall not affect or in any way diminish the liability of any Co-owner for any existing or future assessments. Should the Board of Directors at any time decide, in the sole discretion of the Board of Directors: (1) that the assessments levied are or may prove to be insufficient to pay the costs of operation, and management of the Condominium, (2) to provide repairs or replacements of existing General Common Elements, (3) to provide additions to the General Common Elements not exceeding \$1,000.00 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 assessment or to levy such additional assessment or assessments as it shall deem to be necessary. The Board of Directors also shall have the authority, without Co-owner consent, to levy assessments pursuant to the provision of Article V, Section 3 hereof. 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 the members thereof, and shall not be enforceable by and creditors of the Association or of the members thereof. Notwithstanding any of the provisions of these Bylaws to the contrary, the annual assessment for each Unit may not exceed \$150.00 per year unless this Subsection has been amended to increase this ceiling. This Subsection may be amended only with the approval of two-thirds (2/3) of the Co-owner of record.

(b) Special Assessments. Special assessments, in addition to those required in subparagraph (a) above, may be made by the Board of Directors from time to time and approved by the Co-owners as hereinafter provided to meet other requirements of the Association, including, but not limited to: (1) assessments for additions to the General Common Elements of a cost exceeding \$1,000.00 for the entire Condominium Project per year, (2) assessments to purchase a Unit upon foreclosure of the lien for assessments described in Section 5 hereof, or (3) assessments for any other appropriate purpose not elsewhere herein described. Special assessments referred to in this subparagraph (b) (but not including those assessments referred to in subparagraph 2 (a) above, which shall be levied in the sole discretion of the Board of Directors) shall not be levied without the prior approval of more than 60% of all Co-owner. The authority to levy assessments pursuant to this subparagraph is solely for the benefit of the Association and the members thereof and shall not be enforceable by any creditors of the Association or of the members thereof.

Section 3. Apportionment of Assessments and Penalty for Default. Unless otherwise provided herein or in the Master Deed, all assessments levied against the Co-owners to cover expenses of administration shall be apportioned among and paid by the Co-owners in accordance with the Percentage of Value allocated to each Unit in Article V of the Master Deed, without increase or decrease for the existence of any rights to the use of Limited Common Elements appurtenant to a Unit. The Association shall have a lien on any Unit for assessments which are due and owing for the Unit as provided for under Section 108 of the Act. Annual assessments as determined in accordance with Article II, Section 2(a) above shall be payable by Co-owners in four equal quarterly installments, commencing with 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. The payment of assessment shall be in default if such assessment, or any part thereof, is not paid to the Association in full on or before the due date for such payment. Each installment in default for 10 or more days may bear interest from the initial due date thereof at the rate of 7% per annum Unit each installment is paid in full. The Association may assess reasonable automatic late charges or may, pursuant to Article XX hereof, levy fines for late payment of assessments in addition to such interest. Each Co-owner (whether one or more persons) shall be, and remain, personally liable for the payment of all assessments (including fines for payment) pertinent to his Unit which may be levied while such Co-owner is the owner thereof, except a land contract purchaser from any Co-owner including Developer shall be so personally liable and such land contract seller shall not be personally liable for all such assessment levied up to and including the date upon which such land contract seller actually takes possession of the Unit following extinguishment of all rights of the land contract purchaser in the Unit. Payments on account of installments of assessments in default shall be applied as follows: first, to costs of collection and enforcement of payment, including reasonable attorney's fees' second, to any interest charges and fined for late payment on such installments' and third, to installments in default in order of their due dates.

Section 4. Waiver of Use or Abandonment of Unit. No Co-owner may exempt himself from liability for his contribution toward the expenses of administration by waiver of the use or enjoyment of any of the Common Elements or by the abandonment of his Unit.

Section 5. Enforcement.

(a) Remedies. In addition to any other remedies available to the Association, the Association may enforce collection of delinquent assessments by a suit at law for a money judgment or by foreclosure of the statutory lien that secures payment of assessments. In the event of default by any Co-owner in the payment of any installment of the annual assessment levied against his Unit, the Association shall have the right to declare all unpaid installments of the annual assessment for the pertinent fiscal year immediately due and payable. The Association also may discontinue the furnishing of any utilities or other services to a Co-owner in default upon 7 days written notice to such Co-owner of its intention to do so. 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 so long as such default continues; however, this provision shall not operate to deprive any Co-owner of ingress or egress to and from his Unit. 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 Article XX 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 obligation of the parties to such actions. Further, 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 the title to such Unit, he was notified of the provision of this subparagraph and that he voluntarily, intelligently and knowingly waived notice of any proceedings brought by the Association to foreclose by advertisement the lien for nonpayment of assessments and a hearing on the same prior to the sale of the subject Unit.

(c) Notice of Action. Notwithstanding the foregoing, neither a judicial foreclosure action nor a suit at law for a money judgment shall be commenced, nor shall any notice of foreclosure by advertisement be published, until the expiration of 10 days after mailing, by first class mail, postage prepaid, addressed to the delinquent Co-owner(s) at his or their last known address, a written notice that one or more installments of the annual assessment levied against the pertinent Unit is or are delinquent and that the Association may invoke any of its remedies hereunder if the default is not cured within 10 days after 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 affinity's capacity to make the affidavit, (ii) the statutory and other authority for the lien, (iii) the amount outstanding (exclusive of interest, costs attorney's fees and future assessments), (iv) the legal description of the subject Unit (s) of record. Such affidavit shall be recorded in the office of the Oakland County Register of Deeds prior to commencement of any foreclosure proceeding, but it need not have been recorded as of the date of mailing as aforesaid. If the delinquency is not cured within the 10- day period, the Association may take such remedial action as may be available to it hereunder or under Michigan law. In the event the Association elects to foreclose the lien by advertisement, the Association shall so notify the delinquent Co-owner and shall inform his that he may request a judicial hearing by bringing suit against the Association.

(d) Expenses of Collection. The expenses incurred in collecting unpaid assessments, including interest, costs actual attorney's 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 Co-owner in default and shall be secured by the lien on his Unit.

Section 6. Liability of Mortgagee. 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, or 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 such assessments or charges resulting from a pro rata reallocation of such assessments or charges to all Units including the mortgaged Unit).

Section 7. Developer's Responsibility for Assessments. After the conveyance of title of the first Unit closed after the date on which the Master Deed is recorded, the Developer of the Condominium shall not be responsible at any time for payment of the regular Association assessments. However, the Developer shall in no event be liable for any assessment levied in whole or in part to purchase any Unit from the Developer or to finance any litigation or other claims against the Developer, any cost of investigating or preparing such litigation or claim or any similar related costs.

Section 8. 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. The acceptance of a conveyance or the execution of a land contract by any owner or purchaser of a Condominium Unit shall constitute the agreement by such owner or purchaser, his or her heirs, executors, administrators, or assigns, that the Board of Directors of the Association shall be vested with full power and authority to obligate all Co-owner to participate in a special assessment district, sign petitions requesting said special assessment, and consider and otherwise act on all assessment issues on behalf of the Association and all Co-owner; provided, that prior to signature by the Association on a petition for improvement, the desirability of said improvement shall be approved by an affirmative vote of not less than fifty-one percent (51%) of all Co-owner. No consent of mortgagees shall be required for approval of said improvement.

Section 9. 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-owner, and personal property taxes based thereon shall be treated as expenses of administration.

Section 10. Construction Lien. 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 11. Statement as to Unpaid Assessments. The purchaser of any Unit may request a statement of the Association as to the amount of any unpaid Association assessments thereon, whether regular or special 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 of such unpaid assessments as may exist or a statement that none exist, which statement shall be binding upon the Association for the period stated therein. Upon the payment of that sum within the period stated, the Association's lien for assessments as to such Unit shall be deemed satisfied; provided, however that the failure of a

purchaser to request such statement at least 5 days prior to the closing of the purchase of such Unit shall render any unpaid assessments and the lien securing the same 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 proceeds of sale thereof prior to all claims except real property taxes and first mortgages of record.

ARTICLE III  
ARBITRATION

Section 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-owner 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 thereto 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 hereafter, shall be applicable to any such arbitration.

Section 2. Judicial Relief. In the absence of the election and written consent of the parties pursuant to Section 1 above, no Co-owner or the Association shall be precluded from petitioning the courts to resolve any such disputes, claims or grievances.

Section 3. Election of Remedies. Such election and written consent by Co-owner or the Association to submit any such dispute, claim or grievance to arbitration shall preclude such parties from litigating such dispute, claim or grievance in the courts.

ARTICLE IV  
INSURANCE

Section 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, but in no event less than \$1,000,000 per occurrence), officers' and directors' liability insurance, and workmen's compensation insurance, if applicable and any 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 Association. All such insurance shall be purchased by the Association for the benefit of the Association, the Developer and the Co-owner and their

mortgagees, as their interests may appear, and provision shall be made for the issuance of certificates of mortgagee endorsements to the mortgagees of Co-owner.

(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, if applicable and appropriate, in an amount equal to the current insurable replacement value, excluding foundation and excavation costs, as determined annually by the Board of the Association. The Association shall not be responsible, in any way, for maintaining insurance with respect to Limited Common Elements.

(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-owner and their mortgagees, as their interests may appear; provided, however, whenever repair or reconstruction 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 repair, replacement or reconstruction of the Project unless all of the institutional holders of first mortgages on Units in the Project have given their prior written approval.

Section 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, with such insurer as may, from time to time, provide such insurance for the Condominium Project. Without limitation on the generality of the foregoing, the Association and said attorney shall have full power and authority to purchase and maintain such insurance, to collect and remit premiums therefore, to collect proceeds and to distribute the same to the Association, the Co-owner and respective mortgagees, as their interest may appear (subject always to the Condominium Documents), 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 the accomplishment of the foregoing.

Section 3. Responsibilities of Co-owners. Each Co-owner shall be obligated and responsible for such insurance on his Unit as he deems appropriate with respect to the residence and all other improvements constructed or to be constructed within the perimeter of his Condominium Unit and its Lot and for his personal property located therein or thereon or elsewhere on the Condominium Project. There is no responsibility on the part of the Association to insure any of such improvements whatsoever. All such insurance shall be carried by each Co-owner in an amount deemed reasonable and appropriate for his situation. Each Co-owner shall deliver certificates of insurance to the Association from time to time to evidence thereof to the Association, the Association may obtain such insurance on behalf of such Co-owner and the

premiums therefore shall constitute a lien against the Co-owner's Unit which may be collected from the Co-owner in the same manner that Association assessments may be collected in accordance with Article II hereof. Each Co-owner also shall be obligated to obtain insurance coverage for his personal liability for occurrences within the perimeter of his Unit and appurtenant Lot or the improvements located thereon (naming the Association and the Developer as insureds), and also for any other personal insurance coverage that the Co-owner wishes to carry. Each Co-owner shall furnish evidence of such coverage to the Association or the Developer upon request. The Association shall under no circumstances have any obligation to obtain any of the insurance coverage described in this Section 3 or any liability to any person for failure to do so.

Section 4. Waiver of Right of Subrogation. The Association and all Co-owner shall use their best efforts to cause all property and liability insurance carried by the Association or any Co-owner to contain appropriate provisions whereby the insurer waives its right of subrogation as to any claims against any Co-owner or the Association.

Section 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 attorneys' fees, which such other Co-owner, the Developer or the Association may suffer as a result of defending any claim arising out of an occurrence on or within such individual Co-owner's Unit or appurtenant Lot and shall carry insurance to secure this indemnity if so required by the Association (or the Developer during the Development and Sales Period). This Section 5 shall not be construed to give any insurer any subrogation right or other right or claim against any individual Co-owner, however.

## ARTICLE V RECONSTRUCTION OR REPAIR

Section 1. Responsibility for Reconstruction or Repair. If any part of the Condominium Premises shall be damaged, the determination of whether or not it shall be reconstructed or repaired and the responsibility therefore, shall be as follows:

(a) General Common Elements. If the damaged property is a General Common Element the damaged property shall be rebuilt or repaired unless all of the Co-owners and all of the institutional holders or mortgagees on any Unit in the Project unanimously agree to the contrary. If it is the wish of the Co-owners, institutional holders or mortgagees to not re-build to specifications of the original site plan, approval of the Township is required.

(b) Unit or Improvements Thereon. If the damaged property is a Unit or Lot or any improvements thereon, the Co-owner of such Unit alone shall determine whether to rebuild or repair the damaged property, subject to the rights of any mortgagee or other person or entity having an interest in such property, and such Co-owner shall be responsible for any reconstruction or repair that he elects to make. The Co-owner shall in any event remove all debris and restore his Unit and the improvements thereon to a clean and slightly condition

satisfactory to the Association and in accordance with the provisions of Article VI hereof as soon as reasonably possible following the occurrence of damage.

Section 2. Repair in Accordance with Master Deed, Etc. Any such reconstruction or repair shall be substantially in accordance with the Master Deed and the original plans and specifications for any damaged improvements located within the Unit unless the Co-owners shall unanimously decide otherwise.

Section 3. Association Responsibility for Repair. Immediately after the occurrence of a casualty causing damage to property for which the Association has the responsibility of maintenance, the Association shall obtain reliable and detailed estimates of the cost to place the damaged property in a condition as good as that existing before the damage. If the proceeds of insurance are not sufficient to defray the estimated cost of reconstruction or repair required to be performed by the Association, or if at any time during such reconstruction or repair, or upon completion of such reconstruction or repair, the funds for the payment of the cost thereof are insufficient, assessment shall be made against all Co-owner for the cost of reconstruction or repair of the damaged property in sufficient amounts to provide funds to pay the estimated or actual cost of repair. This provision shall not be construed to require replacement of mature trees and vegetation with equivalent trees or vegetation.

Section 4. Timely Reconstruction and Repair. If damage to the General Common Elements adversely affects the appearance of the Project, the Association shall proceed with replacement of the damaged property without delay.

Section 5. Eminent Domain. The following provisions shall control upon any taking by eminent domain:

(a) Taking of Unit or Improvements Thereon. In the event of any taking of all or any portion of a Unit or any improvements thereon by eminent domain, the award for such taking shall be paid to the Co-owner of such Unit and the mortgagee thereof, as their interests may appear, notwithstanding any provision of the Act to the contrary. If a Co-owner's entire Unit is taken by eminent domain, such Co-owner and his mortgagee shall, after acceptance of the condemnation award therefore, be divested of all interest in the Condominium Project.

(b) Taking of General Common Elements. If there is any 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 interests in the General Common Elements and the affirmative vote of more than 50% of the Co-owners shall determine whether to rebuild, repair or replace the portion so taken or to take such other action as they deem appropriate.

(c) Continuation of Condominium After Taking. In the event the Condominium Project continues after 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 shall be taken, 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 Co-owners

based upon the continuing value of the Condominium of 100%. Such amendment may be effected by an officer of the Association duly authorized by the Board of Directors without the necessity of execution or specific approval thereof by the Co-owners.

(d) Notification of Mortgagees. In the event any Unit in the Condominium, or any portion thereof, or the Common Elements or any portion thereof, 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 promptly shall so notify each institutional holder of a first mortgage lien on any of the Units in the Condominium.

(e) Applicability of the Act. To the extent not inconsistent with the foregoing provision, Section 133 of the Act shall control upon any taking by eminent domain.

Section 6. Priority of Mortgagee Interest. Nothing contained in the Condominium Documents shall be construed to give a Co-owner or any other party priority over any rights of first mortgagees of Condominium Units pursuant to their mortgages in the case of a distribution to Co-owner of insurance proceeds or condemnation awards for losses to or a taking of Condominium Units and/or Common Elements.

## ARTICLE VI RESTRICTIONS

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

Section 1. Residential Use. No Unit in the Condominium shall be used for other than Single-Family residential purposes and the Common Elements shall be used only for purposes consistent with Single-Family residential use.

### Section 2. Leasing and Rental.

(a) Right to Lease. A Co-owner may lease his Unit for the same purposes set forth in Section 1 of this Article VI; 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 the lender in possession of a Unit following a default of a first mortgage, foreclosure or deed or other arrangement in lieu of foreclosure, no Co-owner shall lease less than an entire Unit in the Condominium and no tenant shall be permitted to occupy except under a lease the initial term of which is 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 his discretion.

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

(1) A Co-owner, including the Developer, desiring to rent or lease a Unit, shall disclose that fact in writing to the Association at least 10 days before presenting a lease form to a potential lessee and, at the same time, shall supply the Association with a copy of the exact lease form for its review for its compliance with the Condominium Documents. If the Developer desires to rent Units before the Transitional Control Date, he shall notify either the Advisory Committee or each Co-owner in writing.

(2) Tenants and non-owner occupants shall comply with all of the conditions of the Condominium Documents and all leases and rental agreements shall so state.

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

(i) The Association shall notify the Co-owner by certified mail advising of the alleged violation by the tenant.

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

(iii) If after 15 days the Association believes that the alleged breach is not cured or may be repeated, it may institute on its behalf or derivatively by the Co-owner on behalf of the Association, if it is under the control of the Developer, an action for eviction against the tenant or non-owner occupant and simultaneously for money damages in the same action against the Co-owner and tenant or non-owner occupant for breach of the conditions of the Condominium Documents. The relief provided for in this subparagraph may be by summary proceeding. 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.

(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 rental payments due the Co-owner the arrearage and future assessments as they fall due and pay them to the Association. The deductions shall not constitute a breach of the rental agreement or lease by the tenant.

### Section 3. Architectural Control.

(a) Approvals Required. No building, structure or other improvement shall be constructed within a Condominium Unit or elsewhere within the Condominium Project, nor shall any exterior modification be made to any existing buildings, structure or improvement, unless plans and specifications therefore, containing such detail as the Developer may reasonably request, have been first approved in writing by the Developer. All dwellings in the Kirkway

Estates shall conform to the Architectural and General Site Design Guidelines of the Kirkway Estates Planned Development Agreement, Exhibit M. No construction may take place prior to obtaining required permits and approvals from the Charter Township of Lyon. Developer shall have the right to refuse to approve any such plans or specifications, color and/or material specifications, grading or landscaping plans, or building location plans which are not suitable or desirable in its opinion for aesthetic or other reasons, and in passing upon such plans and specifications it 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 constructed, the proposed location within the Unit and the location of structures within adjoining Units and the degree of harmony thereof with the Condominium as a whole.

(b) Construction Materials. The majority of the exterior walls of all residences shall be brick, stone or wood. Only brick, stone or wood shall be permitted on the front elevation. No more than 50% of the side and rear facades may consist of vinyl siding or a natural cement stucco. Dryvit or similar material may not extend closer than ten (10) feet to the ground to avoid excessive accelerated deterioration. Wood must consist of individual natural board, hardiplank or similar siding made from Portland cement, ground sand and cellulose fiber. Texture T-111 and aluminum siding are prohibited. Window, door and house trim (including shutters) shall be wood, vinyl clad wood or vinyl. All chimneys shall have flues lining their entire height and shall be brick enclosed for the entire height; direct vent fireplaces are permitted; prefabricated metal chimneys are prohibited. Driveways shall be constructed of asphalt paving, brick pavers or concrete at the time of construction of the dwelling served thereby, weather permitting, or as soon thereafter as possible. Exterior colors must be natural and subdued. Proposed exterior paint and stain colors shall be submitted to the Developer for approval. Fences shall be subject to Township and Developer approval. Stockade fences are not permitted. All garages shall be attached to the dwelling, have side entry, and able to accommodate at least two (2) vehicles. Garage doors shall be either panelized wood, panelized steel or panelized aluminum. Roof material shall be either 25-year asphalt dimensional shingles or cedar shakes. No single-level flat roofs shall be permitted on the main body of any dwelling or other structure. The roof shall have a minimum pitch of 8 on 12 (i.e., 8" rise for every 12" horizontal, or steeper). Flat roofs may be installed for Florida rooms, porches or patios if they are architecturally compatible with the residence. No window or wall mounted air conditioners are permitted on the front façade. All residence's exterior air conditioning equipment shall be located so as to minimize noise to adjacent homes and shall be screened by landscaping to as to not be visible from the road or adjacent residences.

(c) Size of Residences. No residence shall be hereinafter constructed on any Unit having less than 2500 square feet of finished living area for a one story ranch, 2700 square feet for a one and a half story and 2800 square feet for a two story home as calculated on exterior dimensions.

(d) Setbacks.

(1) Minimum Front Setback. The minimum front setback for Residences constructed on Units located within the Condominium Project shall be 30 feet, except that a

minimum front setback of 25 feet shall be required on Units numbered 39-44, 149-154 and 111-115 on the Condominium Subdivision Plan.

(2) Minimum Side Setback. To accommodate side entry garages, Residences may be offset to one side of the Lot. Accordingly, the minimum side setback shall be 5 feet provided that the combination of both side setbacks is 30 feet, and provided further that the minimum separation between Residences is 30 feet. The required setbacks on each Lot and garage orientation are specified on the Condominium Subdivision Plan.

(3) Minimum Rear Setback. The minimum rear yard setback shall be 30 feet.

(4) Minimum Setback from Nine Mile Road. Lots shall be set back a minimum of 50 feet from the planned right-of-way line for Nine Mile Road (the planned right-of-way is 120 feet, 60 feet each side of the road centerline).

(e) General. The purpose of this Section is to assure the continued maintenance of the Condominium as a beautiful and harmonious residential development, and shall be binding upon both the Association and upon all Co-owners. Developer's rights under this Article VI, Section 3 may, in the Developer's discretion, be assigned to the Association or other successors to the Developer. The Developer, in its sole discretion, may elect to make changes without the necessity of prior consent from the Association or any other person or entity, subject only to the express limitations contained in the Condominium Documents.

Section 4. Alterations and Modifications of Units and Common Elements. No Co-owner shall make alterations, modifications or changes in any of the Units or Common Elements, Limited or General, without the express written approval of the Board of Directors (and the Developer during the Development and Sales period), including, without limitation, the erection of antennas of any sort (including dish antennas), lights, aerials, awnings, newspaper holders, basketball backboards, mailboxes, flag poles or other exterior attachments or modifications. No attachment, appliance or other item may be installed which is designed to kill or repel insects or other animals by light or humanly audible sound.

Section 5. Activities. No immoral, improper, unlawful or offensive activity shall be carried on in any Unit or upon the Common Elements nor shall anything be done which may be or become an annoyance or a nuisance to the Co-owners of the Condominium. No unreasonably noisy activity shall occur in or on the Common Elements or in any Unit 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 do or permit anything to be done or keep or permit to be kept in his Unit or on the Common Elements anything that will increase the rate of insurance on the Condominium without the written approval of the Association, and each Co-owner shall pay to the Association the increased cost of insurance premiums resulting from any such activity or the maintenance of any such condition even if approved. Activities which are deemed offensive and are expressly prohibited include, but are not limited to, the following: 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 6. Pets. No animals, including household pets, shall be maintained by any Co-owner unless specifically approved in writing by the Association which consent, if given, shall be revocable at any time for infraction of the rules with respect to animals. No animal may be kept or bred for any commercial purpose and shall have such care and restraint so as not to be obnoxious or offensive on account of noise, odor or unsanitary conditions. No animal may be permitted to run loose at any time upon the Common Elements and any animal shall at all times be leashed and attended by some responsible person while on the Common Elements. No savage or dangerous animal shall be kept and any Co-owner who causes any animal to be brought or kept upon the premises of the Condominium shall indemnify and hold harmless the Association for any loss, damage or liability which the Association may sustain as the result of the presence of such animal on the premises, whether or not the Association has given its permission therefore. Each Co-owner shall be responsible for collection and disposition of all fecal matter deposited by any pet maintained by such Co-owner. No dog which barks and can be heard on any frequent or continuing basis shall be kept in any Unit or on the Common Elements even if permission was previously granted to maintain the pets on the premises. The Association may charge all Co-owners maintaining animals a reasonable additional assessment to be collected in the manner provided in Article II of these Bylaws in the event that the Association determines such assessment necessary to defray the maintenance cost to the Association of accommodating animals within the Condominium. The Association may, without liability to the owner thereof, remove or cause to be removed any animal from the Condominium which it determines to be in violation of the restrictions imposed by this Section. The Association shall have the right to require that any pets be registered with it and may adopt such additional reasonable rules and regulations with respect to animals as it may deem proper. In the event of any violation of this Section, the Board of Directors of the Association may assess fines for such violation in accordance with these Bylaws and in accordance with duly adopted rules and regulations of the Association.

Section 7. Aesthetics. The Common Elements, both Limited and General, shall not be used for storage of supplies, materials, personal property or trash or refuse of any kind, except as provided in duly adopted rules and regulations of the Association. Trash receptacles shall be maintained in areas designated therefore at all times 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 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 condition maintained by a Co-owner, either in his Unit or upon the Common Elements, which is detrimental to the appearance of the Condominium. Without written approval by the Association, no Co-owner shall change in any way the exterior appearance of the residence and other improvements and appurtenances located within his Unit. Thus, in connection with any maintenance, repair, replacement, decoration or redecoration of such residence, improvements or appurtenances, no Co-owner shall modify the design, material or color of any such item including, without limitation, windows, doors, screens, roofs, siding or any other component which is visible from a Common Element or other Unit.

Section 8. Vehicles. Except if parked in garages with the garage door closed, 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 purposes, may parked or stored upon the Common Elements of the Condominium. All vehicles shall be parked in garages to the extent possible. Any extra automobiles shall be parked within Unit or Lot boundaries which have been approved for such purposes by the Association which approval shall not be unreasonably withheld. The Association may require reasonable screening of such supplementary parking areas within any Unit or Lot. Garage doors shall be kept closed when not in use. No inoperable vehicles of any type may be brought or stored upon the Condominium Property either temporarily or permanently. Commercial vehicles and trucks shall not be parked in or about the Condominium (except as above provided) unless while making deliveries or pickups in the normal course of business. Co-owner shall, if the Association shall require, register with the Association all cars maintained on the Condominium Premises. The Association may make reasonable rules and regulations in implementation of this Section. The purpose of this Section is to accommodate reasonable Co-owner parking but to avoid unsightly conditions which may detract from the appearance of the Condominium as a whole.

Section 9. Advertising. No signs or other advertising devices of any kind shall be displayed which are visible from the exterior of a Unit or on the Common Elements, including “For Sale” signs, without written permission from the Association and, during the Development and Sales Period, from the Developer. No off site “lead in” signage shall be permitted within the Township which advertises the sale of the Units within the Project.

Section 10. Rules and Regulations. It is intended that the Board of Directors of the Association may make 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, the Master Deed and these Bylaws concerning the use of the Common Elements may be made and amended from time to time by any Board of Directors of the Association, including the first Board of Directors (or its successors) prior to the Transitional Control Date. Copies of all such rules, regulations and amendments thereto shall be furnished to all Co-owners.

Section 11. Right of Access of Association. The Association or its duly authorized agents shall have access easements to reach such utility easements which may now or hereafter be located within each Unit and any Limited Common Elements appurtenant thereto from time to time, during reasonable working hours, upon notice to the Co-owner thereof, as may be necessary to carry out any responsibilities imposed on the Association by the Condominium Documents. The Association or its agents shall also have access to easements located within the Units and Limited Common Elements appurtenant thereto as may be necessary to respond to emergencies. 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 damage the Unit or Limited Common Elements thereto caused thereby. This provision, in and of itself, shall not be construed to permit access to the interiors of residences or other structures.

Section 12. Landscaping.

(a) Conformance with the Approved Landscape Plan. The Developer will install landscaping in accordance with the Kirkway Estates Planned Development Agreement and the

Landscape Plan attached as Exhibit E thereto. To ensure consistency with the approved Landscape Plan, modifications of types and specific locations of plantings shall require the approval of the Township Planner. Modifications and additional details may be required by the Township at the time of site plan to adapt the landscaping to the site plan or condominium plan approved by the Township.

(b) Preservation of Trees. Every effort must be made (1) to preserve existing trees within the boundaries of each Unit and within open spaces, and (2) to design the location of walks, drives, Residences and other Improvements in a manner which limits the number of trees to be removed. Trees and flora located in the Project may be cleared and cut only as follows:

i. Except as set forth in 12(b)(ii) and 12(b)(iii) below, no trees on any Unit may be removed from the area of the Unit that is within 20 feet of the Unit boundary without the prior written consent of the Developer, so as to preserve an undisturbed 20 foot wide belt within the perimeter of the Unit, and no trees may be removed from any General or Limited Common Element without the prior consent of the Developer.

ii. The provisions of 12(b)(i), above, notwithstanding, trees and flora of all sizes may be cleared and removed from the area of a Unit within a 15 foot belt of the footprint of a Residence the location of which has been approved by the Developer in writing. Prior to any cutting or clearing on a Unit, both the approved footprint and 15 foot belt must be staked for approval of the clear-cut area by the Developer.

iii. The provisions of 12(b)(ii), above, notwithstanding, trees and flora of any size may be cleared from the area in which the paved surface of the driveway for a Unit will be constructed according to the plans approved by the Developer.

iv. Additional areas from which existing trees may be removed by the Developers without additional Township approval include the proposed road and utility easements, road improvements and rights-of-way.

v. Existing trees, including dead or diseased, shall not be removed from the Conservation Easements without prior written permission of the MDEQ and the Township. Existing dead and diseased trees may be removed from the remaining wooded areas of the Property.

vi. To the extent possible, existing trees along Nine Mile Road shall be preserved to maintain the natural appearance along the road. Dead trees, nuisance trees, and trees that are located within areas designated for roadway improvements or that could block driver vision may be removed with prior Township approval.

vii. Remaining trees shall be carefully protected during the construction process by erection of protective barriers to avoid physical damage and, in particular, compaction of the soil over the root systems. Excavations and fill near existing trees shall only be done after appropriate measures are undertaken to ensure that the trees are preserved.

(c) Installation by Co-owners. Except for landscaping around existing buildings at the time the Master Deed was recorded and which is hereby specifically approved, no Co-owner shall perform any landscaping or plant any trees, shrubs or flowers or place any ornamental materials upon the Common Elements, Limited or General, without the prior written approval of the Association and, during the Development and Sales Period, the Developer. In addition, each Co-owner shall be responsible for the following:

i. Planting Material Sizes. Planting materials are to be of a high quality and substantial size to provide a degree of maturity to the appearance of the landscaping immediately upon installation. Evergreen trees should be a minimum of six (6) feet in height, and canopy trees should have a minimum caliper of two (2) inches.

ii. Lawn Areas. All areas of a Unit not landscaped with plant materials or hard surfaces or kept as natural wooded areas shall be established as lawn areas by sodding or seeding. Preservation of wooded rear yard areas in their natural condition is strongly encouraged.

iii. Edging and Mulching Materials. The use of natural cut sod edging to define planting beds is strongly encouraged. Edging materials made of steel, aluminum or plastic may be used to define planting beds.

iv. Berms and Boulders. The creation of landscaped berms, boulder outcroppings, raised beds and other creative landscape design is strongly encouraged.

v. Irrigation. Installation of an underground sprinkler system of each Unit is strongly encouraged.

vi. Landscape Screening. All exterior air conditioning equipment, utility meters and utility boxes must be screened from view from the road and adjacent Residences. The garage doors of a Residence must be visually screened from view from the road to the greatest extent possible by placing evergreen landscape materials in strategic positions.

vii. Retaining Walls. All retaining walls shall be of natural stone. Wooden tie, block and unilock type walls are permitted with prior written consent of the Developer.

viii. Landscape Lighting. Subdued lighting which highlights landscaping features and architectural elements is strongly encouraged. Lighting shall be unobtrusive with careful attention given to both high quality lighting fixtures and the effects of the lighting itself.

ix. Completion of Landscaping. Installation of landscaping prior to occupancy is strongly encouraged. The cost of landscaping can usually be included in the mortgage of the home. Landscape installation shall be completed, meaning finish-graded and suitably planted, within one hundred eighty (180) days after the exterior of the Residence has been substantially completed, weather permitting, including the area lying between the sidewalk and the road, except such portion thereof as is used for driveways and walks.

Section 13. Common Element Maintenance. Sidewalks, yards, landscaped areas, driveways, and parking areas shall not be obstructed nor shall they be used for purposes other than that for which they are reasonably and obviously intended. No bicycles, vehicles, chairs or other obstructions may be left unattended on or about the Common Elements.

Section 14. Co-owner Maintenance. Each Co-owner shall maintain his Unit and any Limited Common Elements appurtenant thereto for which he has maintenance responsibility in a safe, clean and sanitary condition. Each Co-owner shall also use due care to avoid damaging any of the Common Elements including, but not limited to, the telephone, water, gas, plumbing, electrical or other utility conduits and systems and any other Common Elements which are appurtenant to or which may affect any other Unit. Each Co-owner shall be responsible for damages or costs to the Association resulting from negligent damage to or misuse of any of the Common Elements by him, or his family, guest, agents or invitees, unless such damages or costs are covered by insurance carried by the Association (in which case there shall be no such responsibility, unless reimbursement to the Association is limited by virtue of a deductible provision, in which case the responsible Co-owner shall bear the expense to the extent of the deductible amount). Each individual Co-owner shall indemnify the Association and all other Co-owners against such damages and costs, including attorneys' fees, and all such costs or damages to the Association may be assessed to and collected from the responsible Co-owner in the manner provided in Article II hereof.

Section 15. Reserved Rights of Developer.

(a) Prior Approval by Developer. During the Development and Sales Period, no buildings, fences, walls, retaining walls, drives, walks or other structures or improvements 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 any Unit. Nor shall any hedges, trees or substantial plantings or landscaping modifications be made. Unit plans and specifications, acceptable to the Developer, showing the nature, kind, shape, height, materials, color scheme, location and approximate cost of such structure or improvement and the grading or landscaping plan of the area to be affected shall have been submitted to and approved in writing by the Developer, its successors or assigns, and a copy of said plans and specifications, as finally approved, lodged permanently with the Developer. The Developer shall have the right to refuse to approve any such plan or specifications, grading or landscaping, it 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 effect the same, and the degree of harmony proposed to effect the same, and the degree of harmony thereof with the Condominium as a whole. The purpose of this Section is to assure the continued maintenance of the Condominium as a beautiful and harmonious residential development, and shall be binding upon both the Association and upon all Co-owners.

(b) Developer's Rights in Furtherance of Development and Sales. None of the restrictions contained in this Article VI shall apply to the commercial activities or signs or billboards, if any, of the Developer during the Development and Sales Period or of the Association in furtherance of its powers and purposes set forth herein and in its Articles of Incorporation, as the same may be amended from time to time. Notwithstanding anything to the

contrary elsewhere herein contained, Developer shall have the right to maintain a sales office, model Units, advertising display signs, storage areas and reasonable parking incident to the foregoing and such access to, from and over the Project as may be reasonable to enable development and sale of the entire Project by the Developer and may continue to do so during the entire Development and Sales Period.

(c) Enforcement of Bylaws. 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-owner and all persons interested in the Condominium. If at any time the Association fails or refuses to carry out its obligation to maintain, repair, replace and landscape the General Common Elements in a manner consistent with the maintenance of such high standards, then the Developer, or any person to whom it may assign this right, at its option, may elect to maintain, repair and/or replace any Common Elements and/or to do any landscaping required by these Bylaws and to charge the cost thereof to the Association as an expense of administration. The Developer shall have the right to enforce these Bylaws throughout the Development and Sales Period which right of enforcement shall include (without limitation) an action to restrain the Association or any Co-owner from any activity prohibited by these Bylaws.

Section 16. Public Health Requirements. The provisions hereinafter set forth have been required by the Michigan Department of Public Health and the Oakland County Health Division. Permits for the installation of wells must be issued. All wells installed for private water supply must, except as set forth below, penetrate an adequate protective clay overburden and prospective building site owners are hereby advised of and agree to this requirement. When an adequate aquaculture cannot be demonstrated, additional safeguards in the form of increased distances and/or depth requirements may be required. According to the submitted test well results, it is estimated by the Michigan Department of Public Health, the Oakland County Health Division and the Developer that water wells will need to be drilled to a depth of approximately fifty (50') feet to be sufficiently deep to penetrate an aquaclude.

All residential dwellings shall be served by an appropriate potable water supply system constructed in accordance with the Groundwater Quality Control provisions of the Michigan Public Health code P. A. 368 of 1978, as amended, and, in particular, with Part 127 thereof. All wells on individual sites shall be drilled by a Well Driller licensed by the State of Michigan to a depth of not less than that required by law and a complete well log form for each such potable water well shall be submitted to the Oakland County Health Division within sixty (60) days following completion of such well. A well drilled in accordance with this provision shall be deemed to be an appropriate water supply system.

Section 17. Non-Disturbance of Wetland Conservation Areas. The wetlands must be preserved pursuant to the requirements of the MDEQ permit 01-63-0045-P and the Conservation Easement, with the demarcation of the Conservation Easement boundary by the placement of signage every 100 feet along the entire easement boundary. The signage shall be made of suitable material to withstand the Michigan climate and shall be replaced when needed. The signage must include the following language:

WETLANDS CONSERVATION EASEMENT: NO MOWING, CUTTING, CONSTRUCTION, FILLING, OR DREDGING ALLOWED. QUESTIONS SHOULD BE DIRECTED TO THE MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY, LAND AND WATER MANAGEMENT DIVISION.

The Michigan Department of Environmental Quality and the Township must approve any modification, interference, or improvements to conservation areas in writing.

Section 18. Preservation of Open and Wooded Spaces. The open and wooded spaces depicted on the Condominium Subdivision Plan shall be preserved without interference, Improvement, excavation, fill or other work which would in any way alter any portion of said open spaces from their natural state without the specific written consent of the Township. Further, no rubbish, debris, trash, chemicals, fertilizers, petroleum distillates, or other substances of any kind shall be placed on or in the open spaces. Existing trees, including dead or diseased, shall not be removed from the conservation area without prior written approval of the Michigan Department of Environmental Quality and the Township. If the open spaces are not preserved in accordance with this paragraph, no additional Certificates of Occupancy or additional building permits will be issued by the Township until the Township, in the good faith exercise of reasonable judgment, is satisfied that the open spaces have been returned to an aesthetically pleasing condition and is in compliance with applicable Township codes and ordinances.

Section 19. Open Spaces, Recreation Facilities, and Paths. Common open spaces and paths shall be provided as proposed on the plans. Mowed paths shall be maintained as noted on the Plans for the benefit and use of pedestrians. The paths shall be minimum of five (5) feet in width, except in wetlands where the Michigan Department of Environmental Quality requires maximum width of three (3) feet. A pedestrian sign shall be installed by the Developer at each location where a path crosses a road.

Section 20. Water Softeners. So as to maintain permitted discharge limits in the municipal waste water treatment plant, the use of sodium chloride in water softeners is prohibited. Potassium chloride or such other process as approved by the Township Building Official is permitted. Water softener backwash shall not be discharged into the sanitary sewer system.

## ARTICLE VII MORTGAGES

Section 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 entitle "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 in the Project 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 2. Insurance. The Association shall notify each mortgagee appearing in sad book 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.

Section 3. Notification of Meetings. Upon request submitted to the Association, any institutional holder of a first mortgage lien on any Unit in the Condominium 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 VIII VOTING

Section 1. Vote. Except as limited in these Bylaws, each Co-owner shall be entitled to one vote for each Condominium Unit owned.

Section 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 evidence of ownership of a Unit in the Condominium Project to the Association. Except as provided in Article XI, Section 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 2 of Article IX. 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 3 of this Article VIII 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 and after the first annual meeting the Developer shall be entitled to one vote for each Unit which it owns.

Section 3. Designation of Voting Representative. Each Co-owner shall file a written notice with the Association 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 such Co-owner. Such notice shall state the name and address of the individual representative designated, the number or numbers of the Condominium Unit or Units owned by the Co-owner, and the name and address of each person, forum, corporation, partnership, Association, trust or other entity who is the Co-owners. Such notice shall be signed and dated by the Co-owner. The individual representative designated may be changed by the Co-owner at any time by filing a new notice in the manner herein provided.

Section 4. Quorum. The presence in person or by proxy of 35% of the 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 meeting 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 5. Voting. Votes may be cast only in person or 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.

Section 6. Majority. A majority, except where otherwise provided herein, shall consist of more than 50% of those qualified to vote and present in person or by proxy (or written vote, if applicable) at a given meeting of the members of the Association. Whenever provided specifically herein, a majority may be required to exceed the simple majority herein above set forth.

## ARTICLE IX MEETINGS

Section 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-owner as may be designated by the Board of Directors. Meetings of the Association shall be conducted in accordance with Sturgis' Code of Parliamentary Procedure, Roberts Rules of Order or some other generally recognized manual of Parliamentary procedure, when not otherwise in conflict with the Condominium Documents (as defined in the Master Deed) or the laws of the State of Michigan.

Section 2. First Annual Meeting. The first annual meeting of members of the Association may be convened only by the Developer and may be called at any time after more than 50% of the Units that may be created in Kirkway Estates have been sold and the purchasers thereof qualified as members of the Association. In no event, however, shall such meeting be called later than 120 days after the conveyance of legal or equitable title to non-developer Co-owner of 75% of all Units that may be created or 54 months after the first conveyance of legal or equitable title to a non-developer Co-owner of Unit in the Project, whichever first occurs. 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.

Section 3. Annual Meetings. Annual meetings of members of the Association shall be held on the third Tuesday of March each succeeding year after the year in which the first annual meeting is held, at such time and place as shall be determined by the Board of Directors' provided, however, that the second annual meeting shall not be held sooner than 8 months after the date of the first annual meeting. At such meetings there shall be elected by ballot of the Co-owners a Board of Directors in accordance with the requirements of Article XI of these Bylaws. The Co-owners may also transact at annual meetings such other business of the Association as may properly come before them.

Section 4. Special Meetings. It shall be the duty of the President to call a special meeting of the Co-owners as directed by resolution of the Board of Directors or upon a petition signed by 1/3 of the Co-owners presented to the Secretary of the Association. 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 5. Notice of Meetings. It shall be the duty of the Secretary (or other Association officer in the Secretary's absence) to serve a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, upon each Co-owner of record, at least 10 days but not more than 60 days prior to such meeting. The mailing, postage prepaid, of a notice to the representative of each Co-owner at the address shown in the notice required to be filed with the Association by Article VIII, Section 3 of these Bylaws shall be deemed notice served. Any member may, by written waiver of notice signed by such member, waive such notice, and such waiver, when filed in the records of the Association, shall be deemed due notice.

Section 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.

Section 7. Order of Business. The order of business at all meetings of the members shall be as follows: (a) roll call to determine the voting power represented at the meeting; (b) proof of notice of meeting or waiver of notice; (c) reading of minutes of preceding meeting; (d) reports of officers; (e) reports of committees; (f) appointment of inspectors of election (at annual meeting or special meetings held for the purpose of electing directors or officers); (g) election of Directors (at annual meeting or special meetings held for such purpose); (h) unfinished business; and (i) new business. Meetings of members shall be chaired by the most senior officer of the Association present at such meeting. For purposes of this Section, the order of seniority of officers shall be President, Vice President, Secretary and Treasurer.

Section 8. Action Without Meeting. Any action which may be taken at a meeting of the members (except for the election or removal of Directors) may be taken without a meeting by written ballot of the members. Ballots shall be solicited in the same manner as provided in Section 5 for giving of notice of meetings of members. Such solicitations shall specify (a) the number of responses needed to meet the quorum requirements; (b) the percentage of approvals necessary to approve the action; and (c) the time by which ballots must be received in order to be counted. The form of written ballot shall afford an opportunity to specify a choice between approval and disapproval of each matter and shall provide that, where the member specifies a choice, the vote shall be cast in accordance therewith. Approval by written ballot shall be constituted by receipt, within the time period specified in the solicitation, of (i) a number of ballots which equals or exceeds the quorum which would be required if the action were taken at a meeting; and (ii) a number of approvals which equals or exceeds the number of votes which would be required for approval if the action were taken at a meeting at which the total number of votes cast was the same as the total number of ballots cast.

Section 9. Consent of Absentees. The transactions at any meeting of members, either annual or special, however called and noticed, shall be as valid as though made at a meeting duly held after regular call and notice, if a quorum is present either in person or by proxy; and if, either before or after the meeting, each of the members not present in person or by proxy, signs a written waiver of notice, or a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 10. Minutes; Presumption of Notice. Minutes or a similar record of the proceedings of meetings of members, when signed by the President or Secretary, shall be presumed truthfully to evidence the matters set forth therein. A recitation in the minutes of any such meeting that notice of the meeting was properly given shall be prima facie evidence that such notice was given.

ARTICLE X  
ADVISORY COMMITTEE

Within 1 year after conveyance of legal or equitable title to the first Unit in the Condominium to a purchaser or within 120 days after conveyance to purchasers of one-third of the Units which may be created, whichever first occurs, the Developer shall cause to be established an Advisory Committee consisting of at least 2 non-Developer Co-owners. The Committee shall be established and perpetuated 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 other Co-owners and to aid in the transition of control of the Association from the Developer to purchaser Co-owners. The advisory Committee shall cease to exist automatically when the non-developer Co-owners have the voting strength to elect a majority of the board of Directors of the Association. The Developer may remove and replace at its discretion at any time any member of the Advisory Committee who has not been elected thereto by the Co-owners.

ARTICLE XI  
BOARD OF DIRECTORS

Section 1. Board of Directors. The business, property, and affairs of the Association shall be managed by a Board of Directors (the "Board") to be elected in the manner described in the Condominium Bylaws; provided, that the directors designated in the Articles of Incorporation shall serve until such time as their successors have been duly elected and qualified at the initial meeting of members. All actions of the first Board designated in the Articles of Incorporation or any successors to such directors selected by the Developer before the initial meeting of members shall be binding upon the Association in the same manner as though such actions had been authorized by a Board of Directors elected by the members of the Association, so long as such actions are within the scope of the powers and duties that may be exercised by a Board as provided in the Condominium Documents. A service contract or management agreement entered into between the Association and the Developer or affiliates of the Developer shall be voidable

without cause by the Board on the Transitional Control Date or within 90 days after the initial meeting has been held, and on 30 days' notice at any time thereafter for cause.

Section 2. Board Composition. Not later than 120 days after conveyance of legal or equitable title to non-Developer Co-owners of 25 percent of the Units that may be created in the Project, at least one director and not less than one-fourth of the Board of Directors of the Association shall be elected by non-Developer Co-owners. Not later than 120 days after conveyance of legal or equitable title to non-Developer Co-owners of 50 percent of the Units that may be created in the Project, not less than one-third of the Board of Directors shall be elected by non-Developer Co-owners. Not later than 120 days after conveyance of legal or equitable title to non-Developer Co-owners of 75 percent of the Units that may be created in the Project, and before conveyance of 90 percent of such Units, the non-Developer Co-owners shall elect all Directors on the Board except that the Developer shall have the right to designate at least one director as long as the Developer owns and offers for sale at least 10 percent of the units in the Project or as long as 10 percent of the Units remain that may be created.

Section 3. Owner Control. If 75 percent of the Units that may be created in the Project, have not been conveyed within 54 months after the first conveyance of legal or equitable title to a non-Developer Co-owner, the non-Developer Co-owners shall have the right to elect the percentage of members of the Board of Directors of the Association equal to the percentage of Units they hold, and the Developer will have the right to elect the percentage of members of the Board equal to the percentage of Units that 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 of directors otherwise established in section 2. Application of this provision does not require a change in the size of the Board as designated in the Bylaws.

Section 4. Mathematical Calculations. If the calculation of the percentage of members of the Board that the non-Developer Co-owners have a right to elect, or the product of the number of members of the Board multiplied by the percentage of Units held by the non-Developer Co-owners results in a right of non-Developer Co-owners to elect a fractional number of members of the Board, then a fractional election right of 0.5 or greater shall be rounded up to the nearest whole number. After application of this formula, the Developer shall have the right to elect the remaining members of the Board. Application of this provision shall not eliminate the right of the Developer to designate at least one member as provided in section 2.

Section 5. 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 required thereby to be exercised and done by the Co-owner.

Section 6. Other Duties. In addition to the foregoing duties imposed by these Bylaws or any further duties which may be imposed by resolution of the members of the Association, the Board of Directors shall be responsible specifically for the following:

(a) To manage and administer the affairs of and to maintain the Condominium Project and the General Common Elements thereof.

(b) To levy and collect assessments from the members of the Association and to use the proceeds thereof for the purposes of the Association.

(c) To carry insurance and collect and allocate the proceeds thereof.

(d) To rebuild 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 affirmative vote of 75% of all of the members of the Association in number and in value.

(h) To make rules and regulations in accordance with Article VI, Section 10 of these Bylaws.

(i) To establish such committees as it 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 require to be performed by the Board.

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

Section 7. 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 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 3 and 4 of this Article, 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 performed by or have the approval of the Board of Directors or the members of the Association. In no event shall the Board be authorized to enter into any contract with a professional management agent, or any other contract providing for services by the Developer, sponsor or builder, in which the maximum term is greater than 3 years or which is not terminable by the Association upon 90

days' written notice thereof to the other party and no such contract shall violate the provisions of Section 55 of the Act.

Section 8. 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 members 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 elected shall be a director until a successor is elected at the next annual meeting of the members of the Association. Vacancies among non-Developer Co-owners 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 specified in Section 2(b) of this Article.

Section 9. 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 may be removed with or without cause by the affirmative vote of more than 50% of all the Co-owners qualified to vote and a successor may then and there be elected to fill any vacancy thus created. The quorum requirement of the purpose of filling such vacancy shall be the normal 35% requirement set forth in Article VIII, Section 4. Any director whose removal has been proposed by the Co-owners 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. Likewise, any director selected by the non-Developer Co-owner to serve before the first annual meeting may be removed before the first annual meeting in the same manner set forth in this paragraph for removal of directors generally.

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

Section 11. 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. 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 12. 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 and on like notice on the written request of two directors.

Section 13. Waiver of Notice. Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meetings of the Board

shall be deemed a waiver of notice by him of the time and place thereof. If all the directors are present at any meeting of the board, no notice shall be required and any business may be transacted at such meeting.

Section 14. Quorum. At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the acts of the majority of the directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting to a subsequent time upon 24 hours prior written notice delivered to all directors not present. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice. The joinder of a director in the action of a meeting by signing and concurring in the minutes thereof, shall constitute the presence of such director for purposes of determining a quorum.

Section 15. First Board of Directors. The actions of the first Board of Directors of the Association or any successors thereto selected or elected before the Transitional Control Date shall be binding upon the Association so long as such actions are within the scope of the powers and duties which may be exercised generally by the Board of Directors as provided in the Condominium Documents.

Section 16. Fidelity Bonds. The Board of Directors shall require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be expenses of administration.

## ARTICLE XII OFFICERS

Section 1. Officers. The principal officers of the Association shall be a President, who shall be a member of the Board of Directors, a Vice President, a Secretary and a Treasurer. The directors may appoint an Assistant Treasurer, and an Assistant Secretary, and such other officers as in their judgment may be necessary. Any two offices except that of President and Vice President may be held by one person.

(a) President. The President shall be the chief executive officer of the Association. He 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, including, but not limited to, the power to appoint committees from among the members of the Association from time to time as he may in his discretion deem appropriate to assist in the conduct of the affairs of the Association.

(b) 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 so do 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.

(c) Secretary. The Secretary shall keep the minutes of all meeting of the Board of Directors and the minutes of all meetings of the members 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.

(d) Treasurer. The Treasurer shall have responsibility for the Association's 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, and in such depositories as may, from time to time, be designated by the Board of Directors.

Section 2. Election. The officers of the Association shall be elected annually by the Board of Directors at the organizational meeting of each new Board and shall hold office at the pleasure of the Board.

Section 3. Removal. Upon affirmative vote of a majority of the members of the Board of Directors, any officer may be removed either with or without cause, and his successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board called for such purpose. No such removal action may be taken however, unless the matter shall have been included in the notice of such meeting. The officer who is proposed to be removed shall be given an opportunity to be heard at the meeting.

Section 4. Duties. The officers shall have such other duties, powers and responsibilities as shall, from time to time, be authorized by the Board of Directors.

#### ARTICLE XIII 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 he Association, the words "corporate seal", and "Michigan".

#### ARTICLE XIV FINANCE

Section 1. Records. The Association shall keep detailed books of account showing all expenditures and receipts of administration, and 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-owner. Such accounts and all other Association records shall be open for inspection by the Co-owner 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 defined 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. Any institutional holder of 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 upon request therefore. The costs of any such audit and any accounting expenses shall be expenses of administration.

Section 2. Fiscal Year. The fiscal year of the Association shall be an annual period commencing on such date as may be initially determined by the directors. The commencement date of the fiscal year shall be subject to change by the directors for accounting reasons or other good cause.

Section 3. Bank. Funds of the Association shall be initially deposited in such bank or savings Association as may be designated by the directors and shall be withdrawn only upon the check or order of such officers, employees or agents as are designated by resolution of the Board of Directors from time to time. The funds may be invested from time to time in accounts or deposit certificates of such bank or savings Association as are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation and may also be invested in interest bearing obligations of the United States Government.

ARTICLE XV  
INDEMNIFICATION OF OFFICERS AND DIRECTORS

Every director and officer of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party or in which he may become involved by reason of his being or having been a director or officer of the Association, whether or not he is a director or officer at the time such expenses are incurred, except in such cases wherein the misconduct or gross negligence in the performance of his duties; provided that, in the event of any claim for reimbursement or indemnification hereunder based upon a settlement by the director or officer seeking such reimbursement or indemnification, the indemnification herein shall apply only if the Board of Directors (with the director seeking reimbursement abstaining) approves such settlement and reimbursement as being in the best interest of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled. At least 10 days prior to payment of any indemnification which it has approved, the Board of Directors shall notify all Co-owners thereof. Further, the Board of Directors is authorized to carry officers' and directors' liability insurance covering acts of the officers and Directors of the Association in such amounts as it shall deem appropriate.

ARTICLE XVI  
AMENDMENTS

Section 1. Proposal. Amendments to these Bylaws may be proposed by the Board of Directors of the Association acting upon the vote of the majority of the directors or may be proposed by 1/3 or more of the Co-owners by instrument in writing signed by them.

Section 2. Meeting. Upon any such amendment being proposed, a meeting for consideration of the same shall be duly called in accordance with the provisions of these Bylaws.

Section 3. Voting. These Bylaws may be amended by the Co-owners at any regular annual meeting or a special meeting called for such purpose by an affirmative vote of not less than 66-2/3 % of all Co-owners. 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 the mortgagees shall be required, with each mortgagee to have one vote of each first mortgage held.

Section 4. By Developer. Prior to the Transitional Control Date, these Bylaws may be amended by the Developer without approval from any other person so long as any such amendment does not materially alter or change the right of a Co-owner or mortgagee.

Section 5. When Effective. Any amendment to these Bylaws shall become effective upon recording of such amendment in the office of the Oakland County Register of Deeds.

Section 6. Binding. A copy of each amendment to the Bylaws shall be furnished to every member of the Association after adoption; provided, however, that any amendment to these Bylaws that is adopted in accordance with this Article 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 XVII  
COMPLIANCE

The Association and all present or future Co-owners, tenants, future tenants, or any other persons acquiring an interest in or suing 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 XVIII  
DEFINITIONS

All terms used herein shall have the same meaning as set forth in the Master Deed to which these Bylaws are attached as an Exhibit or as set forth in the Act.

ARTICLE XIX  
REMEDIES FOR DEFAULT

Any default by a Co-owner shall entitle the Association or another Co-owner or Co-owner to the following relief:

Section 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 intending to limit the same, an action to recover sums due for damages, injunctive relief, foreclosure of lien (if default in payment of 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 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 attorney's 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 attorney's fees.

Section 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 or into any Unit (but not into any dwelling or related garage), at the expense of the Co-owner in violation, any structure, thing or condition existing or maintained contrary to the provisions of the Condominium Documents. The Association shall have no liability to any Co-owner arising out of the exercise of its removal and abatement power authorized herein.

Section 4. Assessment of Fines. The violation of any of the provision of the Condominium Documents by any Co-owner shall be grounds of assessment by the Association, acting through its duly constituted Board of Directors, of monetary fines for such violations. No fine may be assessed unless in accordance with the provisions of Article XX hereof.

Section 5. Non-waiver of Right. 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 6. Cumulative Rights, Remedies and Privileges. All rights, remedies and privileges granted to the Association or any Co-owner of Co-owner pursuant to any terms,

provisions, covenants or conditions of the aforesaid Condominium Documents shall be deemed to be cumulative and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be available to such party at law or in equity.

Section 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 XX ASSESSMENT OF FINES

Section 1. General. The violation by any Co-owner, occupant or guest of any provisions of the Condominium Documents including any duly adopted rules and regulations shall be grounds for assessment by the Association, acting through its duly constituted Board of Directors, of monetary fines against the involved Co-owner. Such Co-owner shall be deemed responsible for such violations whether they occur as a result of his personal actions or the actions of his family, guests, tenants or any other person admitted through such Co-owner to the Condominium Premises.

Section 2. Procedures. Upon any such violation being alleged by the Board, the following procedures will be followed:

(a) Notice. Notice of the violation, including the Condominium Document provision violated, together with a description of the factual nature of the alleged offense set forth with such reasonable specificity as will place set forth with such reasonable specificity as will place the Co-owner on notice as to the violation, shall be sent by first class mail, postage prepaid, or personally delivered to the representative of said Co-owner at the address as shown in the notice required to be filed with the Association pursuant to Article VIII, Section 3 of these Bylaws.

(b) Opportunity to Defend. The offending Co-owner shall have an opportunity to appear before the Board and offer evidence in defense of the alleged violation. The appearance before the board shall be at its next scheduled meeting but in no event shall the Co-owner be required to appear less than 10 days from the date of the notice.

(c) Default. Failure to respond to the notice of violation constitutes a default.

(d) Hearing and Decision. Upon appearance by the Co-owner before the Board and presentation of evidence of defense, or, in the event of he Co-owner's default, the Board

shall, by majority vote of a quorum of the Board, decide whether a violation has occurred. The Board's decision is final.

Section 3. Amounts. Upon violation of any of the provisions of the Condominium Documents and after default of the offending Co-owner or upon the decision of the board as recited above, the following fines shall be levied:

- (a) First Violation. No fine shall be levied.
- (b) Second Violation. Twenty - Five Dollars (\$25.00) fine.
- (c) Third Violation. Fifty Dollars (\$50.00) fine.
- (d) Fourth and Subsequent Violations. One Hundred Dollars (\$100.00) fine.

Section 4. Collection. The fines levied pursuant to Section 3 above shall be assessed against the Co-owner and shall be due and payable together with the regular Condominium assessment on the first of the next following month. Failure to pay the fine will subject the Co-owner to all liabilities set forth in the Condominium Documents including, without limitation, those described in Article II and this Article XX of these Bylaws.

ARTICLE XXI  
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 or thing, may be assigned by it to any other entity or to the Association. Any such assignment or transfer shall be made by appropriate instrument in writing in which the assignee or transferee shall join for the purpose of evidencing its acceptance of such powers and rights and such assignee or transferee shall thereupon have the same rights and powers as herein given and reserved to the Developer. Any rights and powers reserved or granted to the Developer or its successors shall terminate, if not sooner assigned to the Association, at the conclusion of the Development and Sales Period as defined in Article III of the Master Deed. The immediately preceding sentence dealing with the termination of certain rights and powers granted or reserved to the Developer is intended to apply, insofar as the Developer is concerned, only to the 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 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 their creation or reservation and not hereby).

ARTICLE XXII  
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 holding 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.

# *Michigan Department of Labor & Economic Growth*

## *Filing Endorsement*

*This is to Certify that the ARTICLES OF INCORPORATION - NONPROFIT*

*for*

*KIRKWAY ESTATES CONDOMINIUM ASSOCIATION, INC.*

*ID NUMBER: 793432*

*received by facsimile transmission on June 8, 2005 is hereby endorsed filed on June 9, 2005 by the Administrator. The document is effective on the date filed, unless a subsequent effective date within 90 days after received date is stated in the document.*



*In testimony whereof, I have hereunto set my hand and affixed the Seal of the Department, in the City of Lansing, this 28th day of June, 2005.*

A handwritten signature in black ink, appearing to read "Andrew G. Mitchell".

*, Director*

*Bureau of Commercial Services*

**MICHIGAN DEPARTMENT OF LABOR & ECONOMIC GROWTH  
BUREAU OF COMMERCIAL SERVICES**

Date Received

(FOR BUREAU USE ONLY)

This document is effective on the date filed, unless a subsequent effective date within 90 days after received date is stated in the document.

Name

Scott D. MacDonald

Address

30665 Northwestern Hwy #200

City

State

Zip Code

Farmington Hills, Michigan 48334

EFFECTIVE DATE:

☞ Document will be returned to the name and address you enter above. ☞  
If left blank document will be mailed to the registered office.

**ARTICLES OF INCORPORATION**

**For use by Domestic Nonprofit Corporations**

(Please read information and instructions on the last page)

Pursuant to the provisions of Act 162, Public Acts of 1982, the undersigned corporation executes the following Articles:

**ARTICLE I**

The name of the corporation is:

Kirkway Estates Condominium Association, Inc.

**ARTICLE II**

The purpose or purposes for which the corporation is organized are:

Please see the Addendum to these Articles of Incorporation, which is attached hereto and made a part hereof by reference.

**ARTICLE III**

1. The corporation is organized upon a \_\_\_\_\_ nonstock \_\_\_\_\_ basis.  
(Stock or Nonstock)

2. If organized on a stock basis, the total number of shares which the corporation has authority to issue is

N/A

\_\_\_\_\_ . If the shares are, or are to be, divided into classes, the designation of each class, the number of shares in each class, and the relative rights, preferences and limitations of the shares of each class are as follows:

ARTICLE III (cont.)

3. a. If organized on a nonstock basis, the description and value of its real property assets are: (if none, insert "none")

The corporation possesses no real property as of its date of incorporation.

b. The description and value of its personal property assets are: (if none, insert "none")

The corporation possesses no personal property assets as of its date of incorporation.

c. The corporation is to be financed under the following general plan:

The corporation is to be financed by the assessment of members to defray the costs, expenses, and losses of the condominium.

d. The corporation is organized on a membership basis. (Membership or Directorship)

ARTICLE IV

1. The address of the registered office is:

29992 Northwestern Hwy., Suite A Farmington Hills, Michigan 48334
(StreetAddress) (City) (ZIP Code)

2. The mailing address of the registered office, if different than above:

(Street Address or P.O. Box) (City) Michigan (ZIP Code)

3. The name of the resident agent at the registered office is:

Mark Menuck

ARTICLE V

The name(s) and address(es) of the incorporator(s) is (are) as follows:

Name Residence or Business Address

Curtis A&M Northville LLC, a Michigan limited liability company conducting business at 29992 Northwestern Hwy., Suite A, Farmington Hills, Michigan 48334

Use space below for additional Articles or for continuation of previous Articles. Please identify any Article being continued or added. Attach additional pages if needed.

Please see the Addendum to these Articles of Incorporation, which is attached hereto and made a part hereof by reference.

I, (We), the incorporator(s) sign my (our) name(s) this 7<sup>th</sup> day of June, 2005

Curtis A&M-Northville LLC  
A Michigan Limited Liability Company  
By its Authorized Member.

Curtis Investments III, LLC  
A Michigan Limited Liability Company

/s/ Mark Menuck

By: Mark Menuck  
Its: Authorized Member

**ADDENDUM TO ARTICLES OF INCORPORATION**  
**KIRKWAY ESTATES CONDOMINIUM ASSOCIATION, INC.**

A Michigan Nonprofit Corporation

**ARTICLE II**

**Section 1.** The purposes for which the corporation is formed are to provide an entity pursuant to the Michigan Condominium Act, MCLA 559.101 et seq., MSA 26.50(101) et seq., for the operation of condominium property in Oakland County, Michigan, and, in furtherance of such operation,

- 1.1 to maintain, operate, and manage the condominium buildings and improvements;
- 1.2 to levy and collect assessments from members to defray the costs, expenses, and losses of the condominium;
- 1.3 to employ personnel, to contract for the maintenance, administration, and management of the condominium, and to delegate necessary powers and duties to such personnel;
- 1.4 to purchase insurance on the common elements of the condominium and to collect and allocate the proceeds;
- 1.5 to make and enforce reasonable rules and regulations concerning the use of the condominium property in furtherance of the master deed and bylaws;
- 1.6 to authorize and approve the signing of contracts, deeds, and easements affecting the common elements; and
- 1.7 in general, to carry on any other business in connection with these purposes, with all the powers conferred on nonprofit corporations by Michigan law.

**Section 2.** All funds and the titles to all properties acquired by the corporation and their proceeds shall be held in trust for the members in accordance with the provisions of the bylaws of the association.

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**ARTICLE VI**

The term of the corporation shall be perpetual.

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## ARTICLE VII

**Section 1.** The corporation is organized on a membership basis, and each co-owner of record of a unit in the condominium, including the developer until all units have been sold, shall be a member of the corporation. Membership shall not be assigned, pledged, encumbered, or transferred in any manner except as an appurtenance of a unit. The director named in these Articles of Incorporation shall also be a member of the corporation until his successors have been elected and qualified.

**Section 2.** Each member of the corporation shall be entitled to one vote, the value and the manner of exercise of which are to be determined in accordance with the bylaws of the corporation.

## ARTICLE VIII

Any action required or permitted by the Michigan Condominium Act to be taken at an annual or special meeting of members may be taken without a meeting, without prior notice, and without a vote if the number of members with the minimum number of votes that would be necessary to authorize or take the action at a meeting at which all members entitled to vote were present and voted consent to the action in writing. Prompt notice of the taking of corporate action without a meeting by less than unanimous consent shall be given to members who have not consented in writing.

## ARTICLE IX

No contract or other transaction between this corporation and any other corporation, firm, or association shall be subject to cancellation (other than as provided by MCLA 559.101 et seq., MSA 26.50(101) et seq.) because one or more of the directors or officers of the corporation are interested in or are directors or officers of the other corporation, firm, or association. Any individual director or officer may be a party to or may be interested in any contract or transaction of the corporation. However, the contract or other transaction must be fair and reasonable to the corporation when it is authorized, approved, or ratified, and the individual must disclose the material facts about the relationship or interest to the board or committee before it authorizes, approves, or ratifies the contract or transaction by a sufficient vote that does not include the vote of the interested director or officer. Any person who becomes a director or an officer of the corporation is relieved from any liability that might otherwise exist from contracting with the corporation for the benefit of that person or any firm, association, or corporation in which the person is otherwise interested in as stated in this Article IX.

## ARTICLE X

**Section 1.** The members of the board shall be volunteer directors within the meaning of 1987 PA 170 (codified as amended in scattered sections of MCLA Chapter 450). A volunteer director shall not be personally liable to the corporation or to its members for monetary damages for a breach of the director's fiduciary duty arising under applicable law. However, this article shall not eliminate or limit the liability of a director for any of the following:

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- 1.1 a breach of the director's duty of loyalty to the corporation or its members;
- 1.2 acts or omissions not in good faith or that involve intentional misconduct or knowing violation of law;
- 1.3 a violation of MCLA 450.2551(1), MSA 21.197(551)(1);
- 1.4 a transaction from which the director derived an improper personal benefit;
- 1.5 an act or omission that is grossly negligent; or
- 1.6 an act or omission occurring before this document is filed.

**Section 2.** A volunteer director shall be personally liable for monetary damages for a breach of fiduciary duty as a director to the corporation and its members to the extent stated in this Article X. Any repeal or modification of this article shall not adversely affect any right or protection of any volunteer director regarding any acts or omissions occurring before the repeal or modification.

#### ARTICLE XI

These articles may be amended only by an affirmative vote of at least two-thirds of the entire membership of the corporation. No amendment may change the qualifications for membership or the voting rights of members without the unanimous consent of the membership.

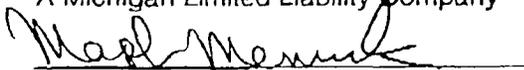
#### ARTICLE XII

If the existence of the corporation is terminated for any reason, all assets of the corporation remaining after the payment of obligations imposed by applicable law shall be distributed among the members of the corporation according to each member's interest in the common elements of the condominium project.

Signed this 7<sup>th</sup> day of June, 2005.

**KIRKWAY ESTATES CONDOMINIUM ASSOCIATION, INC.**  
A Michigan Nonprofit Corporation

By its Authorized Member:  
Curtis Investments III, LLC  
A Michigan Limited Liability Company



By: Mark Menuck  
Its: Authorized Member

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# Kirkway Estates Condominium Association

## Rules & Regulations

As stated in Master Deed, Exhibit A, Bylaws, Article VI, Section 10

“It is intended that the Board of Directors of the Association may make 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, the Master Deed and these Bylaws concerning the use of the Common Elements may be made and amended from time to time by any Board of Directors of the Association, including the First Board of Directors (or its successors) prior to the Transitional Control Date. Copies of all such rules, regulations and amendments thereto shall be furnished to all Co-owners.”

The Rules & Regulations listed herein are a supplement to the Association governing documents and related documents of Kirkway Estates Condominium Association. We hope you will recognize the following Rules & Regulations as additional tools to keep Kirkway Estates beautiful, and make the community a pleasant living environment for all its residents.

These Rules & Regulations have been promulgated and approved by the Board of Directors for Kirkway Estates Condominium Association in accordance with the governing documents.

## Rule Enforcement and Violation

As stated in Master Deed, Exhibit A, Bylaws, Article XIX, Section 4&5

“The violation of any of the provision of the Condominium Documents by any Co-owner shall be grounds of assessment by the Association, acting through its duly constituted Board of Directors, of monetary fines for such violations. No fine may be assessed unless in accordance with the provisions of Article XX hereof.”

“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.

Assessment of Fines as stated in Master Deed, Exhibit A, Bylaws, Article XX

### Section I.

“General. The violation by any Co-owner, occupant or guest of any provisions of the Condominium Documents including any duly adopted rules and regulations shall be grounds for assessment by the Association, acting through its duly constituted Board of Directors, of monetary fines against the involved Co-owner. Such Co-owner shall be deemed responsible for such violations whether they occur as a result of his personal actions or the actions of his family, guests, tenants or any other person admitted through such Co-owner to the Condominium Premises.”

## Section 2

“Procedures. Upon any such violation being alleged by the Board, the following procedures will be followed:

- (a) Notice. Notice of the violation, including the Condominium Document provision violated, together with a description of the factual nature of the alleged offense set forth with such reasonable specificity as will place set forth with such reasonable specificity as will place the Co-owner on notice as to the violation, shall be sent by first class mail, postage prepaid, or personally delivered to the representative of said Co-owner at the address as shown in the notice required to be filed with the Association pursuant to Article VIII, Section 3 of these Bylaws.
- (b) Opportunity to Defend. The offending Co-owner shall have an opportunity to appear before the Board and offer evidence in defense of the alleged violation. The appearance before the board shall be at its next scheduled meeting but in no event shall the Co-owner be required to appear less than 10 days from the date of the notice.
- (c) Default Failure to respond to the notice of violation constitutes a default
- (d) Hearing and Decision. Upon appearance by the Co-Owner before the Board and presentation of evidence of defense, or, in the event of the Co-owner's default, the Board shall, by majority vote of quorum of the Board, decide whether a violation has occurred. The Board's decision is final.”

## Section 3.

“Amounts. Upon violation of any of the provisions of the Condominium Documents and after default of the offending Co-owner or upon the decision of the board as recited above, the following fines shall be levied:

- (a) First Violation. No fine shall be levied.
- (b) Second Violation Twenty - Five Dollars (\$25.00) fine.
- (c) Third Violation. Fifty Dollars (\$50.00) fine.
- (d) Fourth and Subsequent Violations. One Hundred Dollars (\$100.00) fine.

## Section 4.

“Collection. The fines levied pursuant to Section 3 above shall be assessed against the Co-owner and shall be due and payable together with the regular Condominium assessment on the first of the next following month. Failure to pay the fine will subject the Co-owner to all liabilities set forth in the Condominium Documents including, without limitation, those described in Article II and this Article XX of these Bylaws”

### Expense of Collection as stated in Master Deed, Exhibit A, Bylaws, Article II

“The expenses incurred in collecting unpaid assessments, including interest, costs actual attorney's 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 Co-owner in default and shall be secured by the lien on his Unit.”

### **Activities**

As stated in Master Deed, Exhibit A, Bylaws, Article VI, Section 5

“No immoral, improper, unlawful or offensive activity shall be carried on in any Unit or upon the Common Elements nor shall anything be done which may be or become an annoyance or a nuisance to the Co-owners of the Condominium. No unreasonably noisy activity shall occur in or on the Common Elements or in any Unit 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 do or permit anything to be done or keep or permit to be kept in his Unit or on the Common Elements anything that will increase the rate of insurance on the Condominium without the written approval of the Association, and each Co-owner shall pay to the Association the increased cost of insurance premiums resulting from any such activity or the maintenance of any such condition even if approved. Activities which are deemed offensive and are expressly prohibited include, but are not limited to the following: 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.”

### **Advertising**

As stated in Master Deed, Exhibit A, Bylaws, Article VI, Section 9  
(See also architectural policies)

“No signs or other advertising devices of any kind shall be displayed which are visible from the exterior of a Unit or on the Common Elements, including “For Sale” signs, without written permission from the Association and, during the Development and Sales Period, from the Developer. No off site “lead in” signage shall be permitted within the Township which advertises the sale of the Units within the Project.”

**Adopted – Effective Immediately**

**Temporary signs advertising community or owner garage sales will be permitted to a limited extent as permitted by local governing bodies and approved by the Board of Directors upon submittal of written request.**

### **Aesthetics**

As stated in Master Deed, Exhibit A, Bylaws, Article VI, Section 7

“The Common Elements, both Limited and General, shall not be used for storage of supplies, materials, personal property or trash or refuse of any kind, except as provided in duly adopted rules and regulations of the Association. Trash receptacles shall be maintained in areas designated therefore at all times 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 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 condition maintained by a Co-owner, either in his Unit or upon the Common Elements, which is detrimental to the appearance of the Condominium. Without written approval by the Association, no Co-owner shall change in any way the exterior appearance of the residence and other improvements and appurtenances located within his Unit. Thus, in connection with any maintenance, repair, replacement, decoration or redecoration of such residence, improvements or appurtenances, no Co-owner shall modify the design, material or color of any such item including, without limitation, windows, doors, screens, roofs, siding or any other component which is visible from a Common Element or other Unit.”

**Alteration and Modification Policy**  
**Development and Sales Period**

As stated in Master Deed, Exhibit A, Bylaws, Article VI, Section 15

“During the Development and Sales Period, no buildings, fences, walls, retaining walls, drives, walks or other structures or improvements 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 any Unit. Nor shall any hedges, trees or substantial plantings or landscaping modifications be made. Unit plans and specifications, acceptable to the Developer, showing the nature, kind, shape, height, materials, color scheme, location and approximate cost of such structure or improvement and the grading or landscaping plan of the area to be affected shall have been submitted to and approved in writing by the Developer, its successors or assigns, and a copy of said plans and specifications, as finally approved, lodged permanently with the Developer. The Developer shall have the right to refuse to approve any such plan or specifications, grading or landscaping, it 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 effect the same, and the degree of harmony proposed to effect the same, and the degree of harmony thereof with the Condominium as a whole. The purpose of this Section is to assure the continued maintenance of the Condominium as a beautiful and harmonious residential development and shall be binding upon both the Association and upon all Co-owners.”

**Alteration and Modification Policy**  
**Adopted – Effective Immediately**

“As of June 30, 2012, all previously installed buildings, fences, walls, retaining walls, drives, walks or other structures or improvements including any hedges, trees or substantial plantings or landscaping modifications that have been completed and are in compliance with local ordinances are deemed to be “APPROVED”. Documentation of existing conditions as of June 30, 2012 will be requested of each owner and/or completed by the association.

As of July 1, 2012, a completed Kirkway Estates Alteration and Modification Form, along with all required additional documentation will have to be submitted to the Board of Directors or it’s assignees for written approval prior to commencement of installation of construction.”

**Animals or Pets**

As stated in Master Deed, Exhibit A, Bylaws, Article VI, Section 6

“No animals, including household pets, shall be maintained by any Co-owner unless specifically approved in writing by the Association which consent, if given, shall be revocable at any time for infraction of the rules with respect to animals. No animal may be kept or bred for any commercial purpose and shall have such care and restraint so as not to be obnoxious or offensive on account of noise, odor or unsanitary conditions. No animal may be permitted to run loose at any time upon the Common Elements and any animal shall at all times be leashed and attended by some responsible person while on the Common Elements. No savage or dangerous animal shall be kept and any Co-owner who causes any animal to be brought or kept upon the premises of the Condominium shall indemnify and hold harmless the Association for any loss, damage or liability which the Association may sustain as the result of the presence of such animal on the premises, whether or not the Association has given its permission therefore. Each Co-owner shall be responsible for collection and disposition of all fecal matter deposited by any pet maintained by such Co-owner. No dog which

barks and can be heard on any frequent or continuing basis shall be kept in any Unit or on the Common Elements even if permission was previously granted to maintain the pets on the premises. The Association may charge all Co-owners maintaining animals a reasonable additional assessment to be collected in the manner provided in Article 11 of these Bylaws in the event that the Association determines such assessment necessary to defray the maintenance cost to the Association of accommodating animals within the Condominium. The Association may, without liability to the owner thereof, remove or cause to be removed any animal from the Condominium which it determines to be in violation of the restrictions imposed by this Section. The Association shall have the right to require that any pets be registered with it and may adopt such additional reasonable rules and regulations with respect to animals as it may deem proper. In the event of any violation of this Section, the Board of Directors of the Association may assess fines for such violation in accordance with these Bylaw and in accordance with duly adopted rules and regulations of the Association.”

#### Adopted – Effective Immediately

All pets must be registered with the Association. All pets must be on a leash not to exceed ten (10) feet in length and must be attended by a responsible person while on the Common Elements.

An Owner shall not be permitted to install within the exterior yards of a Unit, any cables, wires, ropes or other device which is intended to physically constrict the movement of a dog, with the exception of a so-called "invisible" fence. The boundaries of any invisible fence shall be limited to the rear yard and the portion of the side yard of a Unit which is located between the rear boundary of a Unit and the front wall of the dwelling and a dog shall not be allowed unleashed in either the front yard of a Unit or the Common Elements.

#### Assessments

As stated in Master Deed, Exhibit A, Bylaws, Article II, Section 3

Annual assessments as determined in accordance with Article II, Section 2(a) above shall be payable by Co-owners in four equal quarterly installments, commencing with 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. The payment of assessment shall be in default if such assessment, or any part thereof, is not paid to the Association in full on or before the due date for such payment. Each installment in default for 10 or more days may bear interest from the initial due date thereof at the rate of 7% per annum. Each installment is paid in full. The Association may assess reasonable automatic late charges or may, pursuant to Article XX hereof, levy fines for late payment of assessments in addition to such interest. Each Co-owner (whether one or more persons) shall be, and remain, personally liable for the payment of all assessments (including fines for payment) pertinent to his Unit which may be levied while such Co-owner is the owner thereof, except a land contract purchaser from any Co-owner including Developer shall be so personally liable and such land contract seller shall not be personally liable for all such assessment levied up to and including the date upon which such land contract seller actually takes possession of the Unit following extinguishment of all rights of the land contract purchaser in the Unit. Payments on account of installments of assessments in default shall be applied as follows: first, to costs of collection and enforcement of payment, including reasonable attorney's fees; second, to any interest charges and fines for late payment on such installments; and third, to installments in default in order of their due dates.

**Adopted – Effective Immediately**

2012 and prior assessment having been collected monthly and in order to comply with the Master Deed, the following policy has been adopted.

Effective January 1, 2013, all assessments shall be payable by Co-owners in four equal quarterly installments.

**Assessment – Collection Policy**  
**Adopted – Effective Immediately**

Each installment in default for 10 or more days will be charged a late fee of \$25 on a monthly basis until all fees, including late charges, are paid in full. Any Association account that becomes delinquent in an amount equal to or greater than three months Association fees shall be subject to a lien, and all applicable legal fees for the placement of a lien and the subsequent collection of the delinquency will be assessed to the corresponding homeowner account. Any account that remains delinquent and exceeds an amount equal to or greater than six months Association fees shall be subject to foreclosure action, and all applicable fees shall be charged to the homeowner account as defined in the Association Documents. The Association may also discontinue the furnishing of any utilities or other services upon seven (7) days' written notice. A Homeowner while in default of payment will not be entitled to vote at any meeting of the Association.

**Common Elements**

As stated in Master Deed, Exhibit A, Bylaws, Article VI, Section 13

“Sidewalks, yards, landscaped areas, driveways, and parking areas shall not be obstructed nor shall they be used for purposes other than that for which they are reasonably and obviously intended. No bicycles, vehicles, chairs or other obstructions may be left unattended on or about the Common Elements.”

**Co-owner Maintenance**

As stated in Master Deed, Exhibit A, Bylaws, Article VI, Section 14

“Each Co-owner shall maintain his Unit and any Limited Common Elements appurtenant thereto for which he has maintenance responsibility in a safe, clean and sanitary condition. Each Co-owner shall also use due care to avoid damaging any of the Common Elements including, but not limited to, the telephone, water, gas, plumbing, electrical or other utility conduits and systems and any other Common Elements which are appurtenant to or which may affect any other Unit. Each Co-owner shall be responsible for damages or costs to the Association resulting from negligent damage to or misuse of any of the Common Elements by him, or his family, guest, agents or invitees, unless such damages or costs are covered by insurance carried by the Association (in which case there shall be no such responsibility, unless reimbursement to the Association is limited by virtue of a deductible provision, in which case the responsible Co-owner shall bear the expense to the extent of the deductible amount). Each individual Co-owner shall indemnify the Association and all other Co-owners against such damages and costs, including attorneys' fees, and all such costs or damages to the Association may be assessed to and collected from the responsible Co-owner in the manner provided in Article II hereof.”

### **Insurance Coverage**

As stated in Master Deed, Exhibit A, Bylaws, Article IX, Section 3

“Each Co-owner shall be obligated and responsible for such insurance on his Unit as he deems appropriate with respect to the residence and all other improvements constructed or to be constructed within the perimeter of his Condominium Unit and its Lot and for his personal property located therein or thereon or elsewhere on the Condominium Project. There is no responsibility on the part of the Association to insure any of such improvements whatsoever. All such insurance shall be carried by each Co-owner in an amount deemed reasonable and appropriate for his situation Each Co-owner shall deliver certificates of insurance to the Association from time to time to evidence thereof to the Association, the Association may obtain such insurance on behalf of such Co-owner and the premiums therefore shall constitute a lien against the Co-owner's Unit which may be collected from the Co-owner in the same manner that Association assessments may be collected in accordance with Article II hereof. Each Co-owner also shall be obligated to obtain insurance coverage for his personal liability for occurrences within the perimeter of his Unit and appurtenant Lot or the improvements located thereon (naming the Association and the Developer as insureds), and also for any other personal insurance coverage that the Co-owner wishes to carry. Each Co-owner shall furnish evidence of such coverage to the Association or the Developer upon request. The Association shall under no circumstances have any obligation to obtain any of the insurance coverage described in this Section 3 or any liability to any person for failure to do so.”

### **Landscaping – by Co-owners**

As stated in Master Deed, Exhibit A, Bylaws, Article VI, Section 12

See also Alterations and Modifications Above

“Except for landscaping around existing buildings at the time the Master Deed was recorded and which is hereby specifically approved, no Co-owner shall perform any landscaping or plant any trees, shrubs or flowers or place any ornamental materials upon the Common Elements, Limited or General, without the prior written approval of the Association and, during the Development and Sales Period, the Developer. In addition, each Co-owner shall be responsible for the following:

- i. **Planting Material Sizes.** Planting materials are to be of a high quality and substantial size to provide a degree of maturity to the appearance of the landscaping immediately upon installation. Evergreen trees should be a minimum of six (6) feet in height, and canopy trees should have a minimum caliper of two (2) inches.
- ii. **Lawn Areas.** All areas of a Unit not landscaped with plant materials or hard surfaces or kept as natural wooded areas shall be established as lawn areas by sodding or seeding. Preservation of wooded rear yard areas in their natural condition is strongly encouraged.
- iii. **Edging and Mulching. Materials.** The use of natural cut sod edging to define planting beds is strongly encouraged. Edging materials made of steel, aluminum or plastic may be used to define planting beds.
- iv. **Berms and Boulders.** The creation of landscaped berms, boulder outcroppings, raised beds and other creative landscape design is strongly encouraged.
- v. **Irrigation.** Installation of an underground sprinkler system of each Unit is strongly encouraged.
- vi. **Landscape Screening.** All exterior air conditioning equipment, utility meters and utility boxes must be screened from view from the road and adjacent Residences. The garage doors of a Residence must be visually screened from view from the road to the greatest extent possible by placing evergreen landscape materials in strategic positions.

- vii. Retaining Walls. All retaining walls shall be of natural stone. Wooden tie, block and unilock type walls are permitted with prior written consent of the Developer.
- viii. Landscape Lighting. Subdued lighting which highlights landscaping features and architectural elements is strongly encouraged. Lighting shall be unobtrusive with careful attention given to both high Quality lighting fixtures and the effects of the lighting itself
- ix. Completion of Landscaping. Installation of landscaping prior to occupancy is strongly encouraged. The cost of landscaping can usually be included in the mortgage of the home. Landscape installation shall be completed, meaning finish-graded and suitably planted, within one hundred eighty (J 80) days after the exterior of the Residence has been substantially completed, weather permitting, including the area lying between the sidewalk and the road, except such portion thereof as is used for driveways and walks.”

Adopted – Effective Immediately

To date, the Developer has not complied with or enforced the provisions of Section 12 of the Bylaws. Therefore, the Board of Directors of Kirkway Estates Condominium Association has adopted the following policy:

As of June 30, 2012, all previously installed buildings, fences, walls, retaining walls, drives, walks or other structures or improvements including any hedges, trees or substantial plantings or landscaping modifications that have been completed and are in compliance with local ordinances are deemed to be “APPROVED”.

As of July 1, 2012, a completed Alteration and Modification Form, along with all required additional documentation will have to be submitted to the Board of Directors or it’s assignees for written approval prior to commencement of installation or construction.

No Owner shall cut down or trim any tree located on Kirkway Estates without prior written approval of the Association.

**Preservation of Open and Wooded Spaces**

As stated in Master Deed, Exhibit A, Bylaws, Article VI, Section 18

“The open and wooded spaces depicted on the Condominium Subdivision Plan shall be preserved without interference, Improvement, excavation, fill or other work which would in any way alter any portion of said open spaces from their natural state without the specific written consent of the Township. Further, no rubbish, debris, trash, chemicals, fertilizers, petroleum distillates, or other substances of any kind shall be placed on or in the open spaces. Existing trees, including dead or diseased, shall not be removed from the conservation area without prior written approval of the Michigan Department of Environmental Quality and the Township. If the open spaces are not preserved in accordance with this paragraph, no additional Certificates of Occupancy or additional building permits will be issued by the Township until the Township, in the good faith exercise of reasonable judgment, is satisfied that the open spaces have been returned to an aesthetically pleasing condition and is in compliance with applicable Township codes and ordinances.”

**Water Softeners**

As stated in Master Deed, Exhibit A, Bylaws, Article VI, Section 20

“So as to maintain permitted discharge limits in the municipal waste water treatment plant, the use of sodium chloride in water softeners is prohibited. Potassium chloride or such other process as

approved by the Township Building Official is permitted. Water softener back wash shall not be discharged into the sanitary sewer system”

### **Weapons**

#### **Adopted – Effective Immediately**

No Owner shall use, or permit the use by any occupant, agent, employee, invitee, guest or member of his or her family of any firearms, air rifles, pellet guns, B-B guns, bows and arrows, sling shots or other similar weapons, projectiles or devices anywhere on or about Kirkway Estates.

### **Wetlands**

#### **As stated in Master Deed, Exhibit A, Bylaws, Article VI, Section 17**

“Non-Disturbance of Wetland Conservation Areas. The wetlands must be preserved pursuant to the requirements of the MDEQ permit OI-63-0045-P and the Conservation Easement.”

### **Vehicles.**

#### **As stated in Master Deed, Exhibit A, Bylaws, Article VI, Section**

Except if parked in garages with the garage door closed, 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 purposes, may parked or stored upon the Common Elements of the Condominium. All vehicles shall be parked in garages to the extent possible. Any extra automobiles shall be parked within Unit or Lot boundaries which have been approved for such purposes by the Association which approval shall not be unreasonably withheld. The Association may require reasonable screening of such supplementary parking areas within any Unit or Lot. Garage doors shall be kept closed when not in use. No inoperable vehicles of any type may be brought or stored upon the Condominium Property either temporarily or permanently. Commercial vehicles and trucks shall not be parked in or about the Condominium (except as above provided) unless while making deliveries or pickups in the normal course of business. Co-owner shall, if the Association shall require, register with the Association all cars maintained on the Condominium Premises. The Association may make reasonable rules and regulations in implementation of this Section. The purpose of this Section is to accommodate reasonable Co-owner parking but to avoid unsightly conditions which may detract from the appearance of the Condominium as a whole.