

MILLWOOD VILLAGE

AMENDED AND RESTATED BYLAWS

(EXHIBIT "A" TO THE MASTER DEED)

ARTICLE I ASSOCIATION OF OWNERS

MILLWOOD VILLAGE, a residential Condominium located in the City of Westland, Wayne County, Michigan, shall be administered by an association of Owners which shall be a nonprofit 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 in accordance with the Master Deed, these Amended and Restated Bylaws, the Articles of Incorporation, and duly adopted rules and regulations of the Association, and the laws of the State of Michigan. These Amended and Restated Bylaws shall constitute both the Amended and Restated Bylaws referred to in the Master Deed and required by Section 3(8) of Act No. 59 of the Michigan Public Acts of 1978, as amended (hereinafter the "Act") and the Amended and Restated Bylaws provided for under the Michigan Nonprofit Corporation Act. Each Owner shall be a member of the Association and no other person or entity shall be entitled to membership. The share of an Owner in the funds and assets of the Association cannot be assigned, pledged or transferred in any manner except as an appurtenance to the Owner's Unit in the Condominium. An Owner selling a Unit shall not be entitled to any refund whatsoever from the Association with respect to any reserve or other asset of the Association. The Association shall keep current copies of the Master Deed, all amendments to the Master Deed and other Condominium Documents for the Condominium available at reasonable hours to Owners, prospective purchasers and prospective mortgagees of Units in the Condominium. All Owners in the Condominium 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.

RECORDED AND INDEXED

DATE **SEP 29 2003**

BY D. P. L. n/c
DANIEL P. LANE
PLAT ENGINEER

ARTICLE II

ASSESSMENTS

All expenses arising from the management, administration and operation of the Association in pursuance of its authority and responsibilities as set forth in the Condominium Documents and the Act shall be levied by the Association against the Units and the 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 Common Elements or the administration of the Condominium shall constitute expenditures affecting the administration of the Condominium, and all sums received as the proceeds of, or pursuant to, a policy of insurance securing the interest of the Owners against liabilities or losses arising within, caused by, or connected with the Common Elements or the administration of the Condominium shall constitute receipts affecting the administration of the Condominium within the meaning of Section 54(4) of the Act.

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

(a) Budget. The Board of Directors of the Association shall establish an annual budget 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, including a reasonable allowance for contingencies and reserves. Failure or delay of the Board of Directors to prepare or adopt a budget for any fiscal year shall not constitute a waiver or release in any manner of a Unit Owner's obligation to pay the allocable share of the common expenses as herein provided whenever the same shall be determined and, in the absence of any annual budget or adjusted budget, each Unit Owner shall continue to pay each quarterly installment at the quarterly rate established for the previous fiscal year until notified of the quarterly payment which is due more than ten (10) days after such new annual or adjusted budget is adopted.

An adequate reserve fund for maintenance, repair and replacement of those Common Elements that must be replaced on a periodic basis shall be established in the budget and must be funded by regular quarterly payments as set forth in Section 3 below rather than by special assessments. At a minimum, the reserve fund shall be equal to ten (10%) percent of the Association's current annual budget on a non-cumulative basis. The funds contained in such reserve fund shall be used for major repairs and replacements of Common Elements. Since the minimum standard required by this Section may prove to be inadequate for this particular Condominium, the Association from time to time should carefully analyze the Condominium to determine if a greater amount should be set aside or if reserve funds should be established for other purposes. The Board of Directors may establish such other reserve funds as it deems appropriate from time to time.

Upon adoption of an annual budget by the Board of Directors, copies of said budget shall be delivered to each Owner and the assessment for said year shall be established based upon said budget, although the delivery of a copy of the budget to each

Owner shall not affect the liability of any Owner for any existing or future assessments. Should the Board of Directors at any time determine, 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, management, maintenance and capital repair of the Condominium, (2) to provide replacements of existing Common Elements, (3) to provide additions to the Common Elements not exceeding Five Thousand Dollars (\$5,000.00), in the aggregate, annually, 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 or special assessment or assessments without Owner approval as it shall deem to be necessary. The Board of Directors also shall have the authority, without Owner consent, to levy assessments pursuant to the provisions of Article V, Section 3 hereof. The discretionary authority of the Board of Directors to levy general, additional or special assessments pursuant to this subsection shall rest solely with the Board of Directors for the benefit of the Association and the members thereof, and shall not be enforceable by any creditors of the Association or the members thereof.

(b) Special Assessments. Special assessments, in addition to those referenced in subsection (a) of this Section 2, may be made by the Board of Directors from time to time and approved by the Owners as hereinafter provided to meet other needs or requirements of the Association, including, but not limited to: (1) assessments for additions to (and not repair or replacement of) the Common Elements of an aggregate cost exceeding Five Thousand Dollars (\$5,000.00) per year, (2) assessments to purchase a Unit upon foreclosure of the lien for assessments described in Section 5 hereof, (3) assessments to purchase a Unit for use as a resident manager's Unit, or (4) assessments for any other appropriate purpose not elsewhere herein described. Special assessments referred to in this subsection (b) (but not including those assessments referred to in subsection 2(a) above which may be levied in the sole discretion of the Board of Directors) shall not be levied without the prior approval of more than sixty (60%) percent of all Owners. The authority to levy assessments pursuant to this subsection is solely for the benefit of the Association and the members thereof and shall not be enforceable by any creditors of the Association or the members thereof.

Section 3. Apportionment of Assessments; Default in Payment. Unless otherwise provided herein or in the Master Deed, all assessments levied against the Owners to cover expenses of administration shall be apportioned among and paid by the Owners without increase or decrease for the existence of any rights to the use of Limited Common Elements appurtenant to a Unit. Any unusual expenses of administration, as may be determined in the sole discretion of the Board of Directors, which benefit less than all of the Units in the Condominium may be specially assessed against the Unit or Units so benefitted and may be allocated to the benefitted Unit or Units.

Annual assessments as determined in accordance with Article II, Section 2(a) above (but not additional or special assessments which shall be payable as the Board of Directors elects) shall be payable by the Owners in four (4) equal quarterly installments, commencing with acceptance of a Deed to, or a land contract purchaser's interest in, a Unit, or with the acquisition of fee simple title to a Unit by any other means. Quarterly installments of the annual assessment are due on the first day of each calendar quarter.

The payment of an 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. A late charge in the amount of Fifteen Dollars (\$15.00) per month, or such other amount as may be determined by the Board of Directors, effective upon fifteen (15) days notice to the members of the Association, shall be assessed automatically by the Association upon any assessment in default for ten (10) or more days until paid in full. Such late charge shall not be deemed to be a penalty or interest upon the funds due to the Association but is intended to constitute a reasonable estimate of the administrative costs and other damages incurred by the Association in connection with the late payment of assessments. Assessments in default shall bear interest at the rate of seven (7%) percent per annum or such higher rate as may be allowed by law until paid in full. All payments shall be applied first against late charges, attorney fees, interest, expenses of collection, and costs and thereafter against assessments in order of oldest delinquency.

Each Owner (whether one or more persons) shall be and remain personally liable for the payment of all assessments (including late charges and costs of collection and enforcement of payment) pertinent to the Owner's Unit which may be levied while such Owner is the owner thereof. In addition to an Owner who is also a land contract seller, the land contract purchaser shall be personally liable for the payment of all assessments (including late charges and costs of collection and enforcement of payment) pertinent to the subject Unit which are levied up to and including the date upon which the land contract seller actually takes possession of the Unit following extinguishment of all rights of the land contract purchaser in the Unit.

Section 4. Waiver of Use or Abandonment of Unit; Uncompleted Repair Work. No Owner may exempt himself or herself from liability for contribution toward the expenses of administration by waiver of the use or enjoyment of any of the Common Elements, or by the abandonment of the Owner's Unit, or because of uncompleted repair work, or the failure of the Association to provide services and/or management to the Condominium or to the Owner.

Section 5. Enforcement. The Association may enforce collection of delinquent assessments by a suit at law for a money judgment and/or by foreclosure of the statutory lien that secures payment of assessments, in accordance with the Act. Pursuant to Section 139 of the Act, no Owner may assert in answer or set-off to a complaint brought by the Association for nonpayment of assessments the fact that the Association or its agents have not provided the services or management to the Owner.

The expenses incurred in collecting unpaid assessments, including interest, expenses of collection, 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 Owner in default and shall be secured by the lien on the Owner's Unit. In the event of default by any Owner in the payment of any installment of the annual assessment levied against the Owner's Unit, and/or in the event of default by any Owner in the payment of any installment and/or portion of any additional or special assessment levied against the Owner's Unit, or any other obligation of an Owner which, according to these Amended and Restated Bylaws, may be assessed to and collected from the

responsible Owner in the manner provided in Article II hereof, the Association shall have the right to declare all unpaid installments of the annual assessment for the applicable fiscal year (and for any future fiscal year in which said delinquency continues) and/or all unpaid portions or installments of the additional or special assessment, if applicable, immediately due and payable which shall also be secured by the lien on the Owner's Unit. The Association also may discontinue the furnishing of any utility or other services to an Owner in default upon seven (7) days written notice to such Owner of its intention to do so. An Owner in default shall not be entitled to utilize any of the General Common Elements of the Condominium, shall not be entitled to vote at any meeting of the Association or sign any petition for any purpose prescribed by the Condominium Documents or by law, and shall not be entitled to run for election or serve as a director or be appointed or serve as an officer of the Association so long as such default continues; provided, however, this provision shall not operate to deprive any Owner of ingress or egress to and from the Owner's Unit. In a judicial foreclosure action, a receiver may be appointed to collect a reasonable rental for the Unit from the Owner thereof or any persons claiming under such Owner as provided by the Act.

Each Owner, and every other person who from time to time has any interest in the Condominium, shall be deemed to have granted to the Association the unqualified right to elect to foreclose such lien either by judicial action or by advertisement. The provisions of Michigan law pertaining to foreclosure of mortgages by judicial action and by advertisement, as the same may be amended from time to time, are incorporated herein by reference for the purposes of establishing the alternative procedures to be followed in lien foreclosure actions and the rights and obligations of the parties to such actions. Further, each Owner and every other person who from time to time has any interest in the Condominium 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 Owner who acquires title to a Unit acknowledges that at the time of acquiring title to the Owner's Unit, the Owner was notified of the provisions of this Section and that the Owner 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. The Association, acting on behalf of all Owners, may bid in at the foreclosure sale and acquire, hold, lease, mortgage or convey the Unit.

Notwithstanding the foregoing, neither a judicial foreclosure action shall be commenced, nor shall any notice of foreclosure by advertisement be published, until the expiration of ten (10) days after mailing, by first class mail, postage prepaid, addressed to the delinquent Owner(s) at his/her or their last known address of a written notice that one or more installments of the annual assessment and/or a portion or all of an additional or a special 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 ten (10) days after the date of mailing. In the case of a contemplated foreclosure, either judicial or by advertisement, such written notice shall be accompanied by a written Affidavit of an authorized representative of the Association that sets forth (i) the Affiant's capacity to make the Affidavit, (ii) the statutory and other authority for the lien, (iii) the amount outstanding

(exclusive of interest, costs, attorney fees and future assessments), (iv) the legal description of the subject Unit(s), and (v) the name(s) of the Owner(s) of record. Such Affidavit shall be recorded in the office of the Register of Deeds in the County in which the Condominium is located 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 ten (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 Owner and shall inform the Owner that he/she may request a judicial hearing by bringing suit against the Association.

Section 6. Liability of Mortgagee. Notwithstanding any other provisions of the Condominium Documents, the holder of any first mortgage covering any Unit in the Condominium 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 in regard to said first mortgage, 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 and except for assessments that have priority over the first mortgage under Section 108 of the Act).

Section 7. Property Taxes and Special Assessments. All property taxes and special assessments levied by any public taxing authority shall be assessed in accordance with Section 131 of the Act.

Section 8. 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 Owners, and personal property taxes based thereon shall be treated as expenses of administration.

Section 9. Construction Lien. A construction lien otherwise arising under the Construction Lien Act, No. 497 of the Michigan Public Acts of 1980, as amended, shall be subject to Section 132 of the Act, as amended.

Section 10. Statement as to Unpaid Assessments. Pursuant to the provisions of the Act, the purchaser of any Unit may request a statement of the Association as to the outstanding amount of any unpaid Association assessments, interest, late charges, fines, costs, and attorney fees thereon, whether annual, additional or special, and related collection costs. 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 the Unit, the Association shall provide a written statement of such unpaid assessments, interest, late charges, fines, costs, attorney fees and related collection or other costs 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 five

(5) days prior to the closing of the purchase of such Unit shall render any unpaid assessments together with interest, late charges, fines, costs, and attorney fees incurred in the collection thereof, and the lien securing same fully enforceable against such purchaser and the Unit itself, to the extent provided by the Act. Under the Act, unpaid assessments, interest, collection and late charges, advances made by the Association for taxes or other liens to protect its liens, fines, costs, and attorney fees incurred in the collection thereof 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 having priority. The Association may charge such reasonable amounts for preparation of such a statement as the Association shall, in its discretion, determine.

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 Owners, or between an Owner or Owners and the Association, shall, upon the election and written consent of the parties to any such disputes, claims or grievances, and written notice to the Association, if applicable, be submitted to arbitration and the parties thereto shall accept the arbitrators' 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. Any agreement to arbitrate pursuant to the provisions of this Article III, Section 1 shall include an agreement between the parties that the judgment of any Circuit Court of the State of Michigan may be rendered upon any award rendered pursuant to such arbitration.

Section 2. Judicial Relief. In the absence of the election and written consent of the parties pursuant to Section 1 above, no Owner nor the Association shall be precluded from petitioning the Courts to resolve any such disputes, claims or grievances.

Section 3. Election of Remedies. Election by the parties to any such disputes, claims or grievances to submit such disputes, claims or grievances to arbitration shall preclude such parties from litigating such disputes, claims or grievances 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, carry a standard "all risk" insurance policy, which includes, among other things, fire and extended coverage, vandalism and malicious mischief and liability insurance, and worker's compensation insurance, if applicable, pertinent to the ownership, use and maintenance of the General Common

Elements, and such insurance, other than title insurance, shall be carried and administered in accordance with the following provisions:

(a) Responsibilities of Association and of Owners. All such insurance shall be purchased by the Association for the benefit of the Association, and the Owners 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 Owners. Each Owner shall obtain and maintain adequate insurance coverage at the Owner's own expense upon the building and all other improvements constructed or to be constructed within the perimeter of the Owner's Unit and its appurtenant Limited Common Element yard area, for his personal property located therein or thereon or elsewhere in the Condominium and for the Owner's personal liability as set forth in this subsection. It shall be each Owner's responsibility to determine by personal investigation or from the Owner's own insurance advisor the nature and extent of insurance coverage adequate to recompense the Owner for foreseeable losses to any of the foregoing, for the Owner's personal liability for occurrences within the Owner's Unit or upon the Limited Common Element yard area appurtenant to the Owner's Unit, and also for alternative living expense in the event of fire and/or other casualty, and the Association shall have absolutely no responsibility for obtaining such coverages. Each Owner shall file a copy of such insurance policy, or policies, including all endorsements thereon, or, in the Association's discretion, certificates of insurance or other satisfactory evidence of insurance, with the Association in order that the Association may be assured that such insurance coverage is in effect. The Association, as to all policies which it obtains, and all Owners, as to all policies which they obtain, shall use their best efforts to see that all property and liability insurance carried by the Association or any Owner shall contain appropriate provisions whereby the insurer waives its right of subrogation as to any claims against any Owner or the Association. The liability insurance carried by the Association shall, where appropriate, contain cross-liability endorsements to cover liability of the Owners as a group to another Owner.

(b) Insurance of General Common Elements. All General Common Elements shall be insured against fire and other perils covered by a standard extended coverage endorsement, in an amount equal to the current insurable replacement value, excluding foundation and excavation costs, as determined annually by the Board of Directors of the Association in consultation with the Association's insurance carrier and/or its representatives in light of commonly employed methods for the reasonable determination of replacement costs. The Association shall not be responsible, in any way, for maintaining insurance with respect to Limited Common Elements. Such coverage shall be effected upon an agreed-amount basis for the entire Condominium with appropriate inflation riders in order that no co-insurance provisions shall be invoked by the insurance carrier in a manner that will cause loss payments to be reduced below the actual amount of any loss (except in the unlikely event of total Project destruction if the insurance proceeds failed, for some reason, to be equal to the total cost of replacement). All information in the Association's records regarding insurance coverage shall be made available to all Owners and mortgagees upon request and reasonable notice during normal business hours so that Owners shall be enabled to judge the adequacy of coverage and, upon the taking of due Association procedures, to direct the Board at a properly constituted meeting, to change the nature and extent of any applicable coverages, if so determined.

Upon such annual re-evaluation and effectuation of coverage, the Association shall notify all Owners of the nature and extent of all changes in coverages.

(c) Premium Expenses. All premiums on insurance purchased by the Association pursuant to these Amended and Restated 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 Owners 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 Amended and Restated Bylaws, the proceeds of any insurance received by the Association as a result of any loss requiring the repair or reconstruction shall be applied for such repair or reconstruction and in no event shall hazard insurance proceeds be used for any purpose other than repair, replacement or reconstruction of the Condominium unless at least sixty-seven percent (67%) of the institutional holders of first mortgages on Units in the Condominium have given their prior written approval, if one or more Units are tenantable, or if at least fifty-one percent (51%) of the institutional holders of first mortgages have given their written approval, if no Unit is tenantable.

Section 2. Authority of Association to Settle Insurance Claims. Each Owner, by ownership of a Unit in the Condominium, shall be deemed to appoint the Association as the Owner's 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 workers' compensation insurance, if applicable, pertinent to the General Common Elements with such insurer as may, from time to time, provide such insurance for the Condominium. Without limitation on the generality of the foregoing, the Association as said attorney shall have full power and authority to purchase and maintain such insurance, to collect and remit premiums therefor, to collect proceeds and to distribute same to the Association, the Owners and their respective mortgagees, as their interests 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 Owners and the Condominium as shall be necessary or convenient to the accomplishment of the foregoing.

ARTICLE V

RECONSTRUCTION OR REPAIR

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

(a) General Common Element. If the damaged property is a General Common Element, the Association shall be responsible to rebuild or repair the damaged property unless it is determined by at least eighty percent (80%) of the Owners that the Condominium shall be terminated and at least sixty-seven percent (67%) of those

institutional holders of a first mortgage lien on any Unit in the Condominium have given their prior written approval for such termination.

(b) Single Unit or Improvements Thereon. If the damaged property is a single Unit or the Limited Common Element yard area appurtenant to a Unit or any improvement(s) thereon, the 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 any interest in such property, and such Owner shall be responsible for any reconstruction or repair that he elects to make. The 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 the damage.

(c) No Unit Tenantable. In the event the Condominium is so damaged that no Unit is tenantable, the damaged property shall not be rebuilt and the Condominium shall be terminated, if at least fifty-one percent (51%) of those holders of first mortgages on the Condominium Units have approved such termination, unless eighty (80%) percent or more of all of the Owners agree to reconstruction by vote or in writing within ninety (90) days after the destruction.

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 plans and specifications for the Condominium to a condition as comparable as possible to the condition existing prior to damage unless the Owners shall unanimously decide otherwise.

Section 3. Association Responsibility for Repair. The Association shall be responsible for reconstruction, repair and maintenance of the General Common Elements as provided in the Master Deed and any incidental damage (as that term is hereinafter defined) to a Unit caused by such General Common Elements or the reconstruction, repair or maintenance thereof. Notwithstanding anything herein to the contrary, the responsibility of the Association for "incidental damage" to a Unit under the provisions of this Section 3 shall not exceed the sum of \$1,000.00. "Incidental damage" shall be defined as damage incurred to the Unit interior and any damage to the contents of a Unit. Any "incidental damage" to a Unit as described in this Section 3 in excess of \$1,000.00 shall be borne by the Owner of the Unit, except that the Association shall have the option, in the sole discretion of the Board of Directors, to reimburse the Owner for all or any portion of the incidental damage, regardless of whether the Association has insurance that covers incidental damage and/or items in excess of the aforesaid \$1,000.00. In the event that the Owner shall have insurance which covers "incidental damage" as herein defined, the Association shall not be liable for any "incidental damage" and the insurance carrier of the Owner shall have no right of subrogation against the Association. Immediately after a casualty causing damage to property for which the Association has the responsibility of maintenance, repair or reconstruction, 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 costs 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 costs thereof are insufficient, assessments shall be made against the Owners who are responsible for the costs of reconstruction or repair of the damaged property (as provided in the Master Deed), except as may otherwise be permitted in the Amended and Restated Bylaws, in sufficient amounts to provide funds to pay the estimated or actual costs of repair, which may be collected in accordance with Article II herein. This provision shall not be construed to require replacement of mature trees and vegetation with equivalent trees or vegetation.

Section 4. Owner Responsibility for Repair. Each Owner shall be responsible for the reconstruction, repair and maintenance of the Owner's Unit and all structures located within the perimeter of the Unit or the appurtenant Limited Common Element yard area. If any portion of a Unit or any structure located within the perimeter of the Unit or the appurtenant Limited Common Element yard area is covered by insurance held by the Association for the benefit of the Owner, the Owner shall be entitled to receive the proceeds of insurance relative thereto and if there is a mortgagee endorsement, the proceeds shall be payable to the Owner and the mortgagee jointly. In the event damage to an Owner's Unit or the appurtenant Limited Common Element yard area is covered by insurance held by the Association for the benefit of the Owner, the Owner shall begin reconstruction or repair of the damage upon receipt of the insurance proceeds from the Association, unless the Owner is entitled to elect, and by a signed writing delivered to the Association has elected, not to reconstruct or repair in accordance with Section 1(b) of this Article V and has commenced to otherwise comply with Section 1(b) above and Section 5 below of this Article V. In the event of substantial damage to or destruction of any Unit or any part of the Common Elements, the Association promptly shall so notify each institutional holder of a first mortgage lien on any of the Units in the Condominium.

Section 5. Timely Reconstruction and Repair. If damage to Common Elements or a Unit adversely affects the appearance of the Condominium, the Association or Owner responsible for the reconstruction, repair and maintenance thereof shall, without delay, proceed with and complete the reconstruction, repair or maintenance, as applicable, of the damaged property (or, if the Owner is entitled to elect, and by a signed writing delivered to the Association has elected, not to reconstruct or repair in accordance with Section 1(b) of this Article V, the removal of all debris and the restoration of the Unit to a clean and slightly condition satisfactory to the Association), and shall complete such replacement, repair, removal or restoration, as applicable, within six (6) months after the date of occurrence which caused damage to the property.

Section 6. Eminent Domain. Section 133 of the Act and the following provisions shall control upon any taking by eminent domain:

(a) Taking of Entire Unit. In the event of any taking of an entire Unit by eminent domain, the award for such taking shall be paid to the Owner of such Unit and the mortgagee thereof, as their interests may appear. After acceptance of such award by the Owner and his mortgagee, they shall be divested of all interest in the Condominium. In the event that any condemnation award shall become payable to any Owner whose Unit is not wholly taken by eminent domain, then such award shall be paid by the condemning authority to the Owner and his mortgagee, as their interests may appear.

(b) Taking of Less than Entire Unit. If the taking of a portion of a Unit makes it impractical to rebuild the partially taken Unit to make it habitable, then the entire undivided interest in the Common Elements appertaining to that Unit shall thenceforth appertain to the remaining Units, and shall be allocated to them in proportion to their respective undivided interests in the Common Elements. The remaining portion of that Unit shall thenceforth be a Common Element.

(c) Taking of Common Elements. If there is any taking of any portion of the Condominium other than any Unit, the condemnation proceeds relative to such taking shall be paid to the Owners and their mortgagees in proportion to their respective interests in the Common Elements and the affirmative vote of more than fifty (50%) percent of all of the Owners shall determine whether to rebuild, repair or replace the portion so taken or to take such other action as they deem appropriate.

(d) Continuation of Condominium After Taking. In the event the Condominium continues after taking by eminent domain, then the remaining portion of the Condominium shall be re-surveyed and the Master Deed amended accordingly, and, if any Unit shall have been 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 Owners based upon the continuing value of the Condominium of one hundred (100%) percent. 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 any Owner, but only with the prior written approval of all holders of first mortgage liens on individual Units in the Condominium.

(e) 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.

Section 7. Mortgages Held by FHLMC; Other Institutional Holders. In the event any mortgage in the Condominium is held by the Federal Home Loan Mortgage Corporation ("FHLMC") then, upon request therefor by FHLMC, the Association shall give it written notice at such address as it may, from time to time, direct of any loss to or taking of the Common Elements of the Condominium if the loss or taking exceeds \$10,000.00 in amount or if damage to a Unit covered by a mortgage purchased in whole or in part by FHLMC exceeds \$1,000.00. The Association shall provide such other reasonable notice as may be required, from time to time, by other institutional holders of mortgages upon Units.

Section 8. Priority of Mortgagee Interests. Nothing contained in the Condominium Documents shall be construed to give an Owner, or any other party, priority over any rights of first mortgagees of Units in the Condominium pursuant to their mortgages in the case of a distribution to Owners of insurance proceeds or condemnation awards for losses to or a taking of Units and/or Common Elements.

ARTICLE VI RESTRICTIONS

Section 1. Residential Use. No Unit in the Condominium shall be used for other than residential purposes and the Common Elements shall only be used for purposes consistent with those set forth in this Section 1 and the ordinances of the City of Westland. No more than one (1) private residence dwelling structure may be constructed upon any Unit. No residential Unit shall be used for commercial or business offices; provided, however, that this shall not be deemed to ban an Owner from operating a home-based business which does not have any on-site employees other than Unit residents, does not produce odors, noises, or other affects noticeable outside of the Unit, and does not involve the manufacture of goods or sale of goods from inventory. A child care facility licensed by the State of Michigan shall be permitted to the extent that it complies with any laws governing same. The provisions of this Section shall not be construed to prohibit an Owner from maintaining a personal professional library, keeping personal, professional or business records or handling personal business or professional telephone calls in that Owner's Unit.

Section 2. Leasing and Rental.

(a) Right to Lease. An 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 provided to the Board of Directors of the Association in the manner provided in subsection (b) below. No Owner shall lease less than an entire Unit in the Condominium and no tenant shall be permitted to occupy except under a written lease. Such written lease shall: (i) require the lessee to comply with the Condominium Documents and rules and regulations of the Association; (ii) provide that failure to comply with the Condominium Documents and rules and regulations constitutes a default under the lease, and (iii) provide that the Board of Directors has the power to terminate the lease or to institute an action to evict the tenant and for money damages after fifteen (15) days' prior written notice to the Owner of the Unit, in the event of a default by the tenant in the performance of the lease. Each Owner shall, promptly following the execution of any lease of a Unit, forward a conformed copy thereof to the Board of Directors. Copies of all leases in effect as of the effective date of these Amended and Restated Bylaws shall be provided to the Association within fourteen (14) days of said effective date. Under no circumstances shall transient tenants be accommodated. "Transient tenant" is someone who occupies a Unit for less than the minimum period required above regardless of whether or not compensation is paid. 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. Tenants and non-Owner occupants shall comply with all of the conditions of the Condominium Documents and all leases, rental agreements, and occupancy agreements shall so state.

(b) Leasing Procedures and Administrative Fees. An Owner desiring to rent or lease a Unit shall disclose that fact in writing to the Association at least ten (10) days before presenting a lease form or otherwise agreeing to grant possession of a Unit to a potential lessee of the Unit 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. Owners who do not live in the Unit they own must keep the Association informed of their current correct address and phone number(s). The Board of Directors may charge such reasonable administrative fees for reviewing, approving, and monitoring lease transactions in accordance with this Article VI, Section 2 as the Board, in its discretion, may establish. Any such administrative fees shall be assessed to and collected from the leasing Owner in the same manner as the collection of assessments under Article II hereof. This provision shall also apply to occupancy agreements.

c) Violation of Condominium Documents by Tenants and Non-Owner Occupants. 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 actions:

(i) The Association shall notify the Owner by certified mail advising of the alleged violation by the tenant or non-Owner occupant. The Owner shall have fifteen (15) days after receipt of the notice to investigate and correct the alleged breach by the tenant or non-Owner occupant or advise the Association that a violation has not occurred.

(ii) If after fifteen (15) days the Association believes that the alleged breach is not cured or may be repeated, it may institute on its behalf an action for both eviction against the tenant or non-Owner occupant and, simultaneously, for money damages against the Owner and tenant or non-Owner occupant for breach of the conditions of the Condominium Documents. The relief provided for in this section may be by summary proceeding. The Association may hold both the tenant or non-Owner occupant and the Owner liable for any damages to the Common Elements caused by the Owner or tenant or non-Owner occupant in connection with the Unit or Condominium Project and for actual legal fees and costs incurred by the Association in connection with legal proceedings hereunder.

(d) Arrearage in Condominium Assessments. When an Owner is in arrears to the Association for assessments, the Association may give written notice of the arrearage to a tenant or non-Owner occupant occupying an Owner's Unit under a lease, rental or occupancy agreement and the tenant or non-Owner occupant, after receiving the notice, shall deduct from rental payments due the Owner the arrearage and future assessments as they fall due and pay them to the Association. The deductions do not constitute a breach of the rental agreement, lease or occupancy agreement by the tenant or non-Owner occupant. If the tenant, after being notified, fails or refuses to remit to the Association rent otherwise due the Owner, then the Association may:

(i) Issue a statutory notice to quit for non-payment of rent to the tenant and shall have the right to enforce that notice by summary proceeding.

(ii) Initiate proceedings pursuant to subsection (c) (3) of this Section 2.

The form of lease used by any Owner shall explicitly contain the foregoing provisions of this subsection (d).

Section 3. Minimum Square Feet; Other Building Requirements. The minimum area of any residence constructed within any Unit shall be 1400 square feet for a ranch-style residence and 1600 square feet for a two-story or cape cod-style residence, exclusive of finished living areas as calculated on exterior dimensions, exclusive of porches, patios, garages and basements. Out-buildings of all kinds are prohibited within the Condominium. All dwellings must have attached garages with an area of no less than 360 square feet and no more than 600 square feet.

Section 4. Exterior Finishes. All residential structures built in a Unit shall have exterior finishes of woodboard siding, brick, vinyl, aluminum and /or plywood siding.

Section 5. Alterations and Modifications of Units and Common Elements.

(a) No Owner may construct upon his Unit or in the appurtenant Limited Common Element yard area any dwelling structure or other improvement or appurtenance, nor change in any way the exterior appearance of any such dwelling structure, improvement or appurtenance, including, without limitation, exterior painting, lights, aerials or antennas (except those antennas referred to in Section 5(b) below), awnings, doors, shutters, newspaper holders, mailboxes, hot tubs and jacuzzis, basketball backboards or other exterior attachments or modifications, without written approval by the Board of Directors (which approval shall be in recordable form). Without limiting the generality of the foregoing, in connection with any maintenance, repair, replacement, decoration or redecoration of such dwelling structure, improvement or appurtenance, no Owner shall modify the design, material or color of any window, door, screen, roof, siding or other component which is visible from a Common Element or another Unit without the written approval of the Board of Directors. The Board of Directors, in its discretion, may require that an Owner requesting Board approval pursuant to this Section 5 submit for its review plans and specifications, containing such detail as the Board of Directors may reasonably request. 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. Notwithstanding having obtained such approval by the Board of Directors, the Owner shall obtain any required building permits and shall, otherwise, comply with all building requirements of the City. No Owner may make changes in any of the General Common Elements without the express written approval of the Board of Directors. The Board may only approve such modifications as do not impair the soundness, safety, utility or appearance of the Condominium Project. The Association shall not be liable to any person or entity for mistake in judgment, negligence or nonfeasance arising out of or in connection with the approval or disapproval or failure to approve any such plans, specifications, and plot plan. No action shall be brought or maintained by anyone whatsoever against the Association for or on account of his or her failure to bring any action for any breach of these covenants.

(b) Notwithstanding the provisions of Section 5(a) above, the following three (3) types and sizes of antennas may be installed in the Unit or an appurtenant Limited

Common Element area, subject to the provisions of this Section and any written rules and regulations promulgated by the Board of Directors of the Association under Article VI, Section 16 of these Amended and Restated Bylaws: (1) Direct broadcast satellite antennas ("Satellite Dishes") one meter or less in diameter; (2) Television broadcast antennas of any size; and (3) Multi-point distribution service antennas (sometimes called wireless cable or MDS antennas) one meter or less in diameter. Antenna installation on general common element areas is prohibited. The rules and regulations promulgated by the Board of Directors governing installation, maintenance or use of antennas shall not impair reception of an acceptable quality signal, unreasonably prevent or delay installation, maintenance or use of an antenna, or unreasonably increase the cost of installing, maintaining or using an antenna. Such rules and regulations may provide for, among other things, placement preferences, screening and camouflaging or painting of antennas. Such rules and regulations may contain exceptions or provisions related to safety, provided that the safety rationale is clearly articulated therein. Antenna masts, if any, may be no higher than necessary to receive acceptable quality signals, and may not extend more than twelve (12) feet above the roof line without preapproval, due to safety concerns. An Owner desiring to install an antenna must notify the Association prior to installation by submitting a notice in the form prescribed by the Association. If the proposed installation complies with this Section 5(b) and all rules and regulations regarding installation and placement of antennas, installation may begin immediately; if the installation will not comply, or is in any way not routine in accordance with this Section 5 and the rules and regulations, then the Association and Owner shall meet promptly and within seven (7) days after receipt of the notice by the Association, if possible, to discuss the installation. The Association may prohibit Owners from installing the aforementioned satellite dishes and/or antennas if the Association provides the Owner(s) access to a central antenna facility that does not impair the viewers' rights under Section 207 of the Federal Communication Commission ("FCC") rules. This Section is intended to comply with the rule governing antennas adopted by the FCC effective October 14, 1996, as amended by FCC Orders released September 25, 1998 and November 20, 1998, and is subject to review and revision to conform to any changes in the FCC rules or the Telecommunications Act of 1996, and this Section may be modified through rules and regulations promulgated by the Board of Directors pursuant to Section 16 of this Article VI.

(c) The Owner shall be responsible for the maintenance and repair of any such modification or improvement. In the event that the Owner fails to maintain and/or repair said modification or improvement to the satisfaction of the Association, the Association may undertake to maintain and/or repair same and assess the Owner the costs thereof and collect same from the Owner in the same manner as provided for the collection of assessments in Article II hereof. The Owner shall indemnify and hold the Association harmless from and against any and all costs, damages, and liabilities incurred in regard to said modification and/or improvement and (except with respect to antennas referred to in Section 5(b) above) shall be obligated to execute a Modification Agreement, if requested by the Association, as a condition for approval of such modification and/or improvement. No Owner shall in any way restrict access to any plumbing, water line, water line valves, water meter, sprinkler system valves, sump pump, or any element which affects an Association responsibility in any way. Should access to any facilities of any sort be

required, the Association may remove any coverings or attachments of any nature that restrict such access and will have no responsibility for repairing, replacing or reinstalling any materials, whether or not installation thereof has been approved hereunder, that are damaged in the course of gaining such access, nor shall the Association be responsible for monetary damages of any sort arising out of actions taken to gain necessary access.

Section 6. Activities. No immoral, improper, unlawful or offensive activity shall be carried on in any Unit or upon the Common Elements, Limited or General, nor shall anything be done which may be or become an annoyance or a nuisance to the Owners of the Condominium. No unreasonably noisy activity shall be carried on in or on the Common Elements or in any Unit at any time and disputes among Owners, arising as a result of this provision, which cannot be amicably resolved, may be arbitrated by the Association. No Owner shall do or permit anything to be done or keep or permit to be kept in the Owner's 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 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. No Owner shall use or permit to be brought into the buildings in the Condominium any flammable oils or fluids such as gasoline, kerosene, naphtha, benzene, or other explosives or articles deemed to be extra-hazardous to life, limb or property, without in each case obtaining the written consent of the Association. 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, illegal fireworks, or other similar dangerous weapons, projectiles or devices.

Section 7. Pets. No animal may be kept or bred for any commercial purpose. Any animal shall have such care and restraint so as not to be obnoxious or offensive on account of noise, odor or unsanitary conditions. No dog houses or tethering of animals shall be permitted on the Common Elements, Limited or General. 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 in person by some responsible person while on the Common Elements, Limited or General. The Board of Directors may, in its discretion, designate certain portions of the General Common Elements of the Project wherein such animals may be walked and/or exercised. Nothing herein contained shall be construed to require the Board of Directors to so designate a portion of the General Common Elements for the walking and/or exercising of animals. No savage or dangerous animal shall be kept and any 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 (including costs and attorney fees) which the Association may sustain as a result of the presence of such animal on the premises, whether or not the Association has given its permission therefor, and the Association may assess and collect from the responsible Owner such losses and/or damages in the manner provided in Article II hereof. Each Owner shall be responsible for the immediate collection and disposition of all fecal matter deposited by any pet maintained by such 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. The Association may charge all Owners maintaining animals a reasonable additional assessment to be collected in the manner provided in Article II of these Amended and

Restated 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 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. The Association may, after notice and hearing, 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 7 or by any applicable rules and regulations of the Association, although such hearing shall not be a condition precedent to the institution of legal proceedings to remove said animal. The Association may also assess fines for such violation of the restrictions imposed by this Section 7 or by any applicable rules and regulations of the Association. The provisions of this Section 7 shall not apply to small animals that are constantly caged, such as small birds or fish.

Section 8. Aesthetics. The Common Elements, Limited or 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 therefor 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. Vacant Units and their appurtenant yard areas must be neatly maintained with weeds cut and without accumulation of natural or other debris. In general, no activity shall be carried on nor condition maintained by an Owner, either in his Unit or on the Common Elements, which is detrimental to the appearance of the Condominium.

Section 9. Vehicles. No house trailers, commercial vehicles, boat trailers, boats, camping vehicles, camping trailers, motorcycles, all-terrain vehicles, snowmobiles, snowmobile trailers or vehicles, other than automobiles, vehicles and trucks designed and used primarily for personal transportation purposes, may be parked or stored upon any portion of the Condominium Premises which is visible from another Unit or the General Common Elements, except in the Unit garage, as provided in duly adopted rules and regulations of the Association or as specifically approved by the Board of Directors. All vehicles shall be parked in garages to the extent possible. Garage doors shall be kept closed when not in use. Nothing herein contained shall be construed to require the Association to approve the parking of such vehicles as are described in the first sentence of this Section or to designate an area therefor. The Association shall not be responsible for any damages, costs, or other liability arising from any failure to approve the parking of such vehicles or to designate an area therefor. Any non-assigned parking areas shall be reserved for the general use of the Owners and their guests. Commercial vehicles and trucks (except trucks designed and used primarily for personal transportation as herein below provided) shall not be parked in or about the Condominium (except as above provided) unless while making deliveries or pick-ups in the normal course of business. For purposes of this Section, "commercial vehicle" means any vehicle that has any one of the following characteristics: (a) more than two (2) axles; (b) gross vehicle weight rating in excess of 10,000 pounds; (c) visibly equipped with or carrying equipment or materials used in a business; or (d) carrying a sign advertising or identifying a business.

Noncommercial truck models such as the Suburban, Blazer, Bravada, Jeep and GMC/Jimmy, pickups, vans, and similar vehicles that are designed and used primarily for personal transportation shall be permissible, except as may be otherwise prohibited herein. Nonoperational vehicles or vehicles with expired license plates shall not be parked or stored on the Condominium Premises without the written permission of the Board of Directors. Non-emergency maintenance or repair of motor vehicles shall not be permitted on the Condominium Premises unless specifically approved by the Board of Directors. The Association may cause vehicles parked or stored in violation of this Section 9 or of any applicable rules and regulations of the Association to be removed from the Condominium Premises and the cost of such removal may be assessed to, and collected from, the Owner of the Unit responsible for the presence of the vehicle in the manner provided in Article II hereof. Owners shall, if the Association shall require, register with the Association all vehicles maintained on the Condominium Premises. The Board of Directors may promulgate reasonable rules and regulations governing the parking of vehicles in the Condominium consistent with the provisions hereof.

Section 10. Advertising. No signs or other advertising devices shall be displayed which are visible from the exterior of a Unit or on the Common Elements, including "For Sale" signs and "Open" signs, without written permission from the Association.

Section 11. Landscaping. All landscaping installed within a Unit and its appurtenant Limited Common Element yard area shall be designed, developed and constructed so as to be harmonious, complimentary and dignified. No Co-owner shall perform any landscaping or plant any trees, shrubs or flowers or place any ornamental materials upon the General Common Elements unless approved by the Association in writing. Any such approved landscaping performed by the Owner, and any such trees, shrubs, or flowers planted by the Owner, shall be performed and/or planted, as the case may be, in a manner consistent with the landscaping in other portions of the Condominium Premises. The Owner shall be responsible for the maintenance of any such approved landscaping performed by the Owner and any such trees, shrubs, or flowers planted by the Owner. In the event that such Owner fails to adequately maintain such landscaping performed by the Owner, and any such trees, shrubs, or flowers planted by the Owner, to the satisfaction of the Association, the Association shall have the right to perform such maintenance and assess and collect from the Owner the cost thereof in the manner provided in Article II hereof. The Owner shall also be liable for any damages to the General Common Elements arising from the performance of such landscaping or the planting of such trees, shrubs, or flowers, or the continued maintenance thereof.

Section 12. Driveways and Garages. All driveways shall be paved with asphalt or concrete. All garages shall be attached to the dwelling structure. No vehicular ingress and egress from Cowan Road to any Unit shall be permitted.

Section 13. Swimming Pools. No above ground swimming pool shall be erected or maintained upon any Unit or in its appurtenant Limited Common Element yard area.

Section 14. Fences. No fence shall be erected or maintained in the front, side or rear of any Unit or its appurtenant Limited Common Element yard area.

Section 15. Trees. It shall be the responsibility of each Owner to maintain and preserve all large trees on his Unit and its appurtenant Limited Common Element yard area, which responsibility includes welling trees, if necessary. Easements and right-of-ways, as set forth in Article X, Section 7 of the Master Deed, have been reserved in and over strips of land twenty-five (25) feet in width along the rear of each Limited Common Element yard area for the maintenance and preservation of trees in the Project. No tree shall be removed from within the twenty-five (25) foot easement along the rear Limited Common Element yard area appurtenant to each Unit without the prior written consent of the Board of Directors.

Section 16. Rules and Regulations. Reasonable rules or regulations which are consistent with the Act, the Master Deed and these Amended and Restated Bylaws, concerning the use and operation of the Condominium may be made and amended from time to time by the Board of Directors of the Association. Copies of all such rules and/or regulations and amendments thereto shall be furnished to all Owners and shall become effective thirty (30) days after mailing or delivery thereof to the designated voting representative of each Owner. Any such rule or regulation or amendment may be revoked at any time by the affirmative vote of more than fifty (50%) percent of all Owners.

Section 17. Common Element Maintenance. Sidewalks, yards, landscaped areas, driveways, roads and parking areas shall not be obstructed nor shall they be used for purposes other than for which they are reasonably and obviously intended. No bicycles, vehicles, chairs, or benches may be left unattended on or about the Common Elements. Use of the open space areas and any other General Common Element amenities in the Condominium may be limited to such times and in such manner as the Association shall determine by duly adopted regulations; provided, however, that the use of such areas and amenities shall be limited to resident Owners who are members in good standing of the Association and to the tenants, land contract purchasers and/or other non-Owner occupants of Units in which the Owner does not reside and/or such guests as may be permitted by the rules and regulations promulgated by the Association; provided, further, however, that the nonresident Owners of such Units are members in good standing of the Association.

Section 18. Owner Maintenance. Each Owner shall maintain his/her Unit and the Limited Common Element yard area appurtenant thereto for which he/she has maintenance responsibility in a safe, clean and sanitary condition. In the event that an Owner fails to properly maintain, repair or replace an item for which he or she has maintenance, repair and/or replacement responsibility under the terms of the Master Deed, these Amended and Restated Bylaws, or any other Condominium Document, the Association may, in the sole discretion of the Board of Directors and at its option, perform any such maintenance, repair and replacement following the giving of three (3) days written notice thereof to the responsible Owner of its intent to do so (except in the case of an emergency repair with which the Association may proceed without prior notice). The Association may assess the costs thereof to the Owner of the Unit as provided in Section 19 herein below. The stated right of the Association to perform such maintenance, repair and replacement shall not be deemed an obligation of the Association, but, rather, is in the sole discretion of the Board of Directors. Each Owner shall also use due care to avoid

damaging any of the Common Elements including, but not limited to, the telephone, water, plumbing, electrical or other utility conduits and systems and any other elements in any Unit which are appurtenant to or which may affect any other Unit. Each Owner shall be responsible for damages or costs to the Association, or to other Owners, as the case may be, resulting from negligent damage to or misuse of any of the Common Elements by the Owner, or his/her family, guests, tenants, land contract purchasers, 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 full reimbursement to the Association is excluded by virtue of a deductible provision, in which case the responsible Owner shall bear the expense to the extent of the deductible amount). Any costs or damages to the Association or to other Owners, as the case may be, may be assessed to and collected from the responsible Owner in the manner provided in Article II hereof. The Owners shall have the responsibility to report to the Association any Common Element which has been damaged or which is otherwise in need of maintenance, repair or replacement.

Section 19. Right of Access of Association. The Association or its duly authorized agents shall have access to each Unit and any Limited Common Element yard area appurtenant thereto from time to time, during reasonable working hours, upon notice to the Owner thereof, as may be necessary for the maintenance, repair or replacement of any of the General Common Elements. The Association or its agents shall also have access to each Unit and any Limited Common Element yard area appurtenant thereto at all times without notice as may be necessary to make emergency repairs, to prevent damage to the Common Elements or to another Unit and/or to protect the safety and/or welfare of the inhabitants of the Condominium. The Association may gain access in such manner as may be reasonable under the circumstances, including without notice, and shall not be liable to such Owner for any necessary damage to his Unit or any appurtenant Limited Common Element yard area caused thereby. This provision, in and of itself, shall not be construed to permit access to the interiors of dwellings or other Unit structures. In the event that it is necessary for the Association to gain access to a Unit or its appurtenant Limited Common Element yard area to make repairs, to prevent damage to the Common Elements or to another Unit or to protect the safety and welfare of the inhabitants of the Condominium, the costs, expenses, damages, and/or attorney fees incurred by the Association in such undertaking shall be assessed to the responsible Owner and collected in the same manner as provided in Article II of these Amended and Restated Bylaws.

Section 20. Disposition of Interest in Unit by Sale or Lease. No Owner may dispose of a Unit in the Condominium, or any interest therein, by a sale or lease without complying with the following terms or conditions:

(a) Notice to Association; Owner to Provide Condominium Documents to Purchaser or Tenant. An Owner intending to make a sale or lease of a Unit in the Condominium, or any interest therein, shall give written notice of such intention delivered to the Association at its registered office and shall furnish the name and address of the intended purchaser or lessee and such other information as the Association may reasonably require. Prior to the sale or lease of a Unit, the selling or leasing Owner shall provide a copy of the Condominium Master Deed (including Exhibits "A" and "B" thereto)

and any amendments to the Master Deed, the Articles of Incorporation and any amendment thereto, and the rules and regulations, as amended, if any, to the proposed purchaser or lessee, and such selling or leasing Owner shall provide the Association with a written acknowledgment or receipt signed by the proposed purchaser or lessee acknowledging receipt of said Condominium Documents. In the event an Owner shall fail to notify the Association of the proposed sale or lease or in the event an Owner shall fail to provide the prospective purchaser or lessee with a copy of the Master Deed and other documents referred to above, such Owner shall be liable for all costs and expenses, including attorney fees, that may be incurred by the Association as a result thereof or by reason of any noncompliance of such purchaser or lessee with the terms, provisions and restrictions set forth in the Master Deed; provided, however, that this provision shall not be construed so as to relieve the purchaser or lessee of his/her obligations to comply with the provisions of the Condominium Documents.

(b) Mortgagees not Subject to Section. A holder of any mortgage which comes into possession of a Unit pursuant to the remedies provided in the mortgage, or foreclosure of the mortgage, or deed in lieu of foreclosure, shall not be subject to the provisions of this Section 20.

Section 21. Restrictions not Applicable to the Association. None of the restrictions contained in this Article VI shall apply to the activities 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.

Section 22. Telephone Numbers of Occupants of Units. Upon the request of the Association, the telephone numbers of all occupants of Units shall be supplied to the Association.

Section 23. Assessment of Costs of Enforcement. Any and all costs, damages, expenses and/or attorneys fees incurred by the Association in enforcing any of the restrictions set forth in this Article VI and/or rules and regulations promulgated by the Board of Directors of the Association under Article VI, Section 16 of these Amended and Restated Bylaws, and any costs, expenses, and attorneys' fees incurred in collecting said costs, damages, expenses, and/or attorneys' fees, and any expenses incurred as a result of the conduct of less than all those entitled to occupy the Condominium Project, or by their licensees or invitees, may be assessed to and collected from the responsible Owner in the manner provided in Article II hereof.

ARTICLE VII **MORTGAGES**

Section 1. Notice to Association. Any Owner who mortgages his/her Unit shall notify the Association of the name and address of the mortgagee, and the Association shall maintain such information in a book entitled "Mortgages of Units". The Association may, at the written request of the mortgagee of any such Unit, report any unpaid assessments due from the Owner of such Unit to the holder of any first mortgage covering such Unit.

The Association also shall give to the holder of any first mortgage covering any Unit in the Condominium written notification of any other default in the performance of the obligations of the Owner of such Unit that is not cured within sixty (60) days.

Section 2. Insurance. The Association shall notify each mortgagee appearing in said 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 Amended and Restated Bylaws, each Owner shall be entitled to one (1) vote for each Unit in the Condominium owned.

Section 2. Eligibility to Vote. No Owner shall be entitled to vote at any meeting of the Association until he/she has presented a deed or other evidence of ownership of a Unit in the Condominium to the Association. The vote of each Owner may be cast only by the individual representative designated by such Owner in the notice required in Section 3 of this Article VIII or by a proxy given by such individual representative.

Section 3. Designation of Voting Representative. Each Owner shall file a written notice with the Association designating the individual representative who shall vote at meetings of the Association, sign petitions and receive all notices and other communications from the Association on behalf of such Owner. Such notice shall state the name, address and telephone number of the individual representative designated, the number or numbers of the Unit or Units owned by the Owner, and the name, address and telephone number of each person, firm, corporation, limited liability company, limited liability partnership, partnership, association, trust, or other entity who is the Owner. Such notice shall be signed and dated by the Owner. The individual representative designated may be changed by the Owner at any time by filing a new notice in the manner herein provided, but the designation of a non-Owner as a designated voting representative shall not entitle that non-Owner to serve as an officer or director of the Association, unless otherwise permitted under these Amended and Restated Bylaws.

Section 4. Quorum. The presence in person or by proxy of thirty-five (35%) percent of the Owners qualified to vote shall constitute a quorum for holding a meeting of the members of the Association, except for voting on questions specifically provided herein to require a greater quorum. The written absentee ballot 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 ballot is cast.

Section 5. Voting. Votes may be cast in person or by proxy or by a written absentee ballot duly signed by the designated voting representative not present at a given meeting in person or by proxy. Proxies and any absentee ballots must be filed with the Secretary of the Association, or such other person as the Association shall designate, at or before the appointed time of each meeting of the members of the Association. Cumulative voting shall not be permitted.

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

ARTICLE IX MEETINGS

Section 1. Place of Meeting. Meetings of the Association shall be held at such suitable place convenient to the Owners as may be designated by the Board of Directors. Meetings of the Association shall be conducted in accordance with Roberts Rules of Order, or some other generally recognized manual of parliamentary procedure, when not otherwise in conflict with the Condominium Documents or the laws of the State of Michigan.

Section 2. Annual Meetings. There shall be an annual meeting of members of the Association which shall be held during the month of March, at such date, time and place as shall be determined by the Board of Directors. At such meetings there shall be elected by vote of the Owners, a Board of Directors in accordance with the requirements of Article X of these Amended and Restated Bylaws. The Owners may also transact at annual meetings such other business of the Association as may properly come before them.

Section 3. Special Meetings. It shall be the duty of the President to call a special meeting of the Owners as directed by resolution of the Board of Directors. The President shall also call a special meeting upon a petition signed by one-third (1/3) of the Owners in number 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 4. 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 of the time and place where it is to be held, upon each Owner of record, at least ten (10) days but not more than sixty (60) days prior to such meeting. The mailing, postage prepaid, of a notice to the representative of each

Owner at the address shown in the notice required to be filed with the Association by Article VIII, Section 3 of these Amended and Restated Bylaws shall be deemed notice served. In lieu thereof, said notice may also be hand delivered to a Unit if the Unit address is designated as the voting representative's address, and/or the Owner is a resident of the Unit. Electronic transmittal of such notice, such as facsimile, E-mail and the like, may be deemed notice served in the sole discretion of the Board so long as written or electronic confirmation of receipt of the notice is returned to and received by the Association from the designated voting representative. 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 5. Adjournment. If any meeting of Owners cannot be held because a quorum is not in attendance, the Owners who are present may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called to attempt to obtain a quorum.

Section 6. 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 inspector of elections (at annual meetings or special meetings held for the purpose of election of directors or officers); (g) election of directors (at annual meetings or special meetings held for such a 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 6, the order of seniority of officers shall be President, Vice President, Secretary, and Treasurer.

Section 7. Action Without Meeting. Any action which may be taken at a meeting of the members of the Association (except for the election or removal of directors) may be taken without a meeting, with or without prior notice, by written consent of the members. Written consents may be solicited in the same manner as provided in Section 4 above for the giving of notice of meetings of members. Such solicitation may specify the percentage of consents necessary to approve the action, and the time by which consents must be received in order to be counted. The form of written consents shall afford an opportunity to consent (in writing) to each matter and shall provide that, where the member specifies his or her consent, the vote shall be cast in accordance therewith. Approval by written consent shall be constituted by receipt within the time period specified in the solicitation of a number of written consents which equals or exceeds the minimum number of votes which would be required for approval if the action were taken at a meeting at which all members entitled to vote were present and voted.

Section 8. Consent of Absentees. The transactions of 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 be present either in person or by proxy or by absentee ballot; and if, either before or after the meeting, each of the members not present in person or by proxy, or absentee ballot, 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 9. 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 to truthfully 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

BOARD OF DIRECTORS

Section 1. Qualifications of Directors. The affairs of the Association shall be governed by a Board of Directors, all of whom must be members in good standing of the Association. Good standing shall be deemed to include a member who is current in all financial obligations owing to the Association and who is not in default of any of the provisions of the Condominium Documents. If a member of the Association is a partnership or corporation, then any partner or employee of the partnership, or officer, director, or employee of the corporation shall be qualified to serve as a director. Directors shall serve without compensation.

Section 2. Number and Election of Directors. The Board of Directors shall be composed of five (5) persons. The term of office of each director shall be two (2) years and the terms of the respective directors have been previously staggered. At each annual meeting of the members held, either two (2) or three (3) directors shall be elected, depending upon the number of directors whose terms expire. The directors shall hold office until their successors have been elected and hold their first meeting.

Section 3. Powers and Duties. All powers, duties and authorities vested in or delegated to the Association shall be exercised by the Board of Directors. 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 Owners, including, without limitation, having easement rights to, through, over, and under the Limited Common Elements and the Units for the exercise of its maintenance functions.

Section 4. Other Duties. In addition to the foregoing duties imposed by these Amended and Restated 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 to administer the affairs of, and to maintain, the Condominium and the Common Elements thereof.

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

- (c) To carry insurance and to collect and to 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 Condominium's management, operation, maintenance and administration.
- (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; provided, however, that the purchase of any Unit in the Condominium for use by a resident manager shall be approved by an affirmative vote of more than sixty (60%) percent of all Owners .
- (g) To grant easements, rights of entry, rights of way, and licenses to, through, over, and with respect to Association property and/or the Common Elements of the Condominium on behalf of the members of the Association in furtherance of any of the purposes of the Association and to dedicate to the public any portion of the Common Elements of the Condominium; provided, however, that any such action shall also be approved by affirmative vote of more than sixty (60%) percent of all Owners. The aforementioned sixty (60%) percent approval requirement shall not apply to sub-paragraph (h) below.
- (h) To grant such easements, licenses and other rights of entry, use and access, and to enter into any contract or agreement, including wiring agreements, utility 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 fees as may be necessary, convenient or desirable to provide for telecommunications, video text, broad band cable, satellite dish, earth antenna and similar services (collectively "Telecommunications") to the Condominium 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 would violate any provision of any federal, state or local law or ordinance. Any and all sums paid by any Telecommunications or any 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, within the meaning of the Act, and shall be paid over to and shall be the property of the Association.
- (i) To borrow money and issue evidences of indebtedness in furtherance of any and 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 seventy-five (75%) percent of all Owners.
- (j) To make and enforce reasonable rules and regulations in accordance with Article VI, Section 16 of these Amended and Restated Bylaws and to make and enforce resolutions and policies in furtherance of any or all of the purposes of the Association or of the Condominium Documents.

(k) 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 by the Condominium Documents required to be performed by the Board.

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

Section 5. Management Agent. The Board of Directors may employ for the Association a professional management agent (which shall not be an Owner or resident or affiliated with an Owner or resident) at a reasonable compensation established by the Board to perform such duties and services as the Board shall authorize, including, but not limited to, the duties listed in Sections 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 in which the maximum term is greater than three (3) years or which is not terminable by the Association upon ninety (90) days' written notice thereof to the other party.

Section 6. Vacancies. Vacancies in the Board of Directors 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. Each person so elected shall serve until the next annual meeting of members, at which the Owners shall elect a director to serve the balance of the term of such directorship.

Section 7. Removal by Owners. At any regular or special meeting of the Association duly called with due notice of the removal action proposed to be taken, any one (1) or more of the directors may be removed with or without cause by the affirmative vote of more than fifty (50%) percent of all of the Owners qualified to vote and a successor may then and there be elected to fill the vacancy thus created. Any director whose removal has been proposed by the Owners shall be given an opportunity to be heard at the meeting.

Section 8. First Meeting. The first meeting of the newly elected Board of Directors shall be held within ten (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, provided a majority of the whole Board shall be present.

Section 9. Regular Meetings. Regular meetings of the Board of Directors may be held at such times and places as shall be determined from time-to-time by a majority of the Board of Directors, but at least two (2) 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 ten (10) days prior to the date named for such meeting. Said notice may also be hand delivered or electronically transmitted, i.e., via facsimile, E-mail or the like, so long as written or electronic confirmation of receipt of the notice is returned by the director.

Section 10. Special Meetings. Special meetings of the Board of Directors may be called by the President upon three (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. Said notice may also be hand delivered or electronically transmitted, i.e., via facsimile, E-mail or the like, so long as written or electronic confirmation of receipt of the notice is returned by the director. 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 (2) directors.

Section 11. 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 meeting of the Board shall be deemed a waiver of notice by the director 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 12. 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 is less than a quorum present, the majority of those persons present may adjourn the meeting to a subsequent time upon twenty-four (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 13. Closing of Board of Directors' Meetings to Members; Privileged Minutes. The Board of Directors, in its discretion, may close a portion or all of any meeting of the Board of Directors to the members of the Association or may permit members of the Association to attend a portion or all of any meeting of the Board of Directors. Any member of the Association shall have the right to inspect, and make copies of, the minutes of the meetings of the Board of Directors; provided, however, that no member of the Association shall be entitled to review or copy any minutes of meetings of the Board of Directors to the extent that said minutes reference privileged communications between the Board of Directors and counsel for the Association, or any other matter to which a privilege against disclosure pertains under Michigan Statute, common law, the Michigan Rules of Evidence, or the Michigan Court Rules.

Section 14. Action by Written Consent. Any action permitted to be taken by the Board of Directors at a meeting of the Board shall be valid if consented to in writing by the requisite majority of the Board of Directors.

Section 15. Participation in a Meeting by Telephone. A director may participate in a meeting by means of conference telephone or similar communications equipment by means of which all persons participating in the meeting can hear each other. Participation in a meeting pursuant to this Section constitutes presence at the meeting.

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 XI **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, Secretary and a Treasurer. Both the President and the Vice-President must be members of the Association; other officers may, but need not be, members of the Association. Any such members serving as officers shall be in good standing of the Association. The directors may appoint an Assistant Treasurer and an Assistant Secretary and such other officers as in their judgment may be necessary. Any two (2) offices except that of President and Vice-President may be held by one (1) person. Officers shall be compensated only upon the affirmative vote of more than sixty (60%) percent of all Owners.

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 a 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. President. The President shall be the chief executive officer of the Association. The President shall preside and may vote at all meetings of the Association and of the Board of Directors. The President 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 the President may in the President's discretion deem appropriate to assist in the conduct of the affairs of the Association.

Section 5. Vice-President. The Vice-President shall take the place of the President and perform the President's duties whenever the President shall be absent or unable to act. If neither the President nor the Vice-President is able to act, the Board of Directors shall appoint some other member of the Board to do so on an interim basis. The Vice-President shall also perform such other duties as shall from time to time be imposed upon the Vice-President by the Board of Directors.

Section 6. Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the members of the Association; the Secretary shall have charge of the corporate seal, if any, and of such books and papers as the Board of Directors may direct; the Secretary shall, in general, perform all duties incident to the office of the Secretary.

Section 7. Treasurer. The Treasurer shall have responsibility for the Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. The Treasurer 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 8. 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 XII SEAL

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

ARTICLE XIII FINANCE

Section 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 Owners. The non-privileged Association books, records, and contracts concerning the administration and operation of the Condominium shall be open for inspection by the Owners and their mortgagees during reasonable working hours, subject to such reasonable inspection procedures as may be established by the Board of Directors from time to time. The Association shall prepare and distribute to each 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 reviewed or audited at least annually by qualified independent auditors; provided, however, that such auditors need not be certified public accountants nor does there need to be a certified audit. Any institutional holder of a first mortgage lien on any Unit in the Condominium shall be entitled to receive a copy of such annual financial statement within ninety (90) days following the end of the Association's fiscal year upon request therefor. The cost of any such review or 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. Absent such

determination by the Board of Directors, the fiscal year of the Association shall be the calendar year. The commencement date of the fiscal year shall be subject to change by the directors for accounting reasons or other good cause.

Section 3. Depositories. The funds of the Association shall be initially deposited in such bank, savings association or money market accounts as may be approved by the Board of 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 banks or savings associations as are insured by the Federal Deposit Insurance Corporation and may also be invested in interest-bearing obligations of the United States Government or in such other depositories as may be adequately insured in the discretion of the Board of Directors.

ARTICLE XIV

INDEMNIFICATION OF OFFICERS AND DIRECTORS;

DIRECTORS' AND OFFICERS' INSURANCE

Section 1. Indemnification of Directors and Officers. Every director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including actual and reasonable counsel fees and amounts paid in settlement incurred by or imposed upon the director or officer in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative and whether formal or informal, to which the director or officer may be a party or in which he/she may become involved by reason of his/her being or having been a director or officer of the Association, whether or not he/she is a director or officer at the time such expenses are incurred, except in such cases wherein the director or officer is adjudged guilty of willful or wanton misconduct or gross negligence in the performance of the director's or officer's duties, and except as otherwise prohibited by law; 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 ten (10) days prior to payment of any indemnification which it has approved, the Board of Directors shall notify all Owners thereof.

Section 2. Directors' and Officers' Insurance. The Association shall provide liability insurance for every director and every officer of the Association for the same purposes provided above in Section 1 and in such amounts as may reasonably insure against potential liability arising out of the performance of their respective duties. With the prior written consent of the Association, a director or an officer of the Association may waive any liability insurance for such director's or officer's personal benefit or other applicable statutory indemnification. No director or officer shall collect for the same expense or liability under Section 1 above and under this Section 2; however, to the extent

that the liability insurance provided herein to a director or officer was not waived by such director or officer and is inadequate to pay any expenses or liabilities which otherwise properly are indemnified under the terms hereof, a director or officer shall be reimbursed or indemnified only for such excess amounts under Section 1 hereof or other applicable statutory indemnification.

ARTICLE XV AMENDMENTS

Section 1. Proposal. Amendments to these Amended and Restated Bylaws may be proposed by the Board of Directors of the Association acting upon the vote of the majority of the directors or by one-third (1/3) or more of the Owners or by an 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 Amended and Restated Bylaws.

Section 3. Voting. These Amended and Restated Bylaws may be amended by the Owners at any regular annual meeting or a special meeting called for such purpose by an affirmative vote of not less than sixty-six and two-thirds percent (66-2/3%) of all Owners. No consent of mortgagees shall be required to amend these Amended and Restated Bylaws unless such amendment would materially alter or change the rights of such mortgagees, in which event the approval of sixty-six and two-thirds percent (66-2/3%) of mortgagees shall be required with each mortgagee to have one (1) vote for each mortgage held.

Section 4. Mortgagee Approval Requirement. In the event a proposed amendment materially changes the rights of the mortgagees as described in subsection (e) of this Section 4, the amendment shall require the approval of sixty-six and two-thirds percent (66-2/3%) of the mortgagees, with each mortgagee who holds a duly recorded mortgage or assignment of mortgage on the date on which the proposed amendment is approved by the requisite number of Owners (the "Control Date") to have one (1) vote for each Unit that is subject to its mortgage. Mortgagees are not required to appear at any meeting of Owners but their approval shall be solicited through written ballots and any mortgagee's ballot not returned within ninety (90) days of mailing shall be counted as approval for the change. In the event mortgagee approval is required, the following procedures shall be taken within thirty (30) days after the Control Date:

(a) The Association shall give notice to each mortgagee entitled to vote containing the following information:

1. A copy of the amendment(s) as passed by the Owners.
2. A statement of the date the amendment was approved by the required number of Owners.

- 3. An envelope addressed to the entity authorized by the Board of Directors for tabulating mortgagee votes.
- 4. A statement containing the following language:

 "A review of the Association records reveals that you are the holder of 1 or more mortgages recorded against title to 1 or more Units in this Condominium Project. The Owners of the Condominium adopted the attached amendment to the Condominium Documents on [insert Control Date]. Pursuant to the terms of the Condominium Documents and/or the Michigan Condominium Act, you are entitled to vote on the amendment. You have 1 vote for each Unit that is subject to your mortgage or mortgages.

 "The amendment will be considered approved by mortgagees if it is approved by 66-2/3% of the mortgagees. In order to vote, you must indicate your approval or rejection on the enclosed ballot, sign it, and return it not later than 90 days from [insert Control Date]. Failure to timely return a ballot will constitute a vote for approval. If you oppose the amendment, you must vote against it."
- 5. A ballot providing spaces for approving or rejecting the amendment and a space for the signature of the mortgagee or an officer of the mortgagee.
- 6. A statement of the number of Units subject to the mortgage or mortgages of the mortgagee.
- 7. The date by which the mortgagee must return the ballot.

(b) The Association shall mail the required notice to the mortgagee at the address provided in the mortgage or assignment for notices by certified mail, return receipt requested, postmarked within 30 days after the Control Date.

(c) The amendment is considered to be approved by the mortgagees if it is approved by sixty-six and two-thirds percent (66-2/3%) of the mortgagees whose ballots are received, or are considered to be received, in accordance with this Section 4, by the entity authorized by the Board of Directors to tabulate votes not later than one hundred (100) days after the Control Date. In determining the one hundred (100) days, the Control Date itself shall not be counted but the one-hundredth (100th) day shall be included unless the one-hundredth (100th) day is a day in which mail is not regularly delivered by the United States Postal Service, such as a weekend or a holiday, in which case the last day of the one hundred (100) days shall be the next day that mail is delivered by the United States Postal Service.

(d) The Association shall maintain a copy of the mortgagee notice, proof(s) of mailing of the notice, and the returned mortgagee ballots for a period of two (2) years after the Control Date.

(e) Notwithstanding any provision to the contrary, mortgagees are entitled to vote on amendments to the Condominium Documents only under the following circumstances:

1. Termination of the Condominium Project.
2. A change in the method or formula used to determine the percentage of value assigned to a Unit subject to the mortgagee's mortgage.
3. A reallocation of responsibility for maintenance, repair, replacement or decoration for a Unit, its appurtenant Limited Common Elements, or the General Common Elements from the Association to the Unit subject to the mortgagee's mortgage.
4. Elimination of a requirement for the Association to maintain insurance on the Project as a whole or on a Unit which is subject to the mortgagee's mortgage. A reallocation of responsibility for obtaining or maintaining, or both, insurance from the Association to the Unit which is subject to the mortgagee's mortgage.
5. The modification or elimination of an easement benefitting the Unit subject to the mortgagee's mortgage.
6. The partial or complete modification, imposition, or removal of leasing restrictions for Units in the Condominium Project.

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

Section 6. Binding. A copy of each amendment to these Amended and Restated Bylaws shall be furnished to every member of the Association after adoption; provided, however, that any amendment to these Amended and Restated Bylaws that is adopted in accordance with this Article shall be binding upon all persons who have an interest in the Condominium irrespective of whether such persons actually receive a copy of the amendment.

ARTICLE XVI **COMPLIANCE**

The Association and all present or future Owners, tenants, land contract purchasers, or any other persons acquiring an interest in or using the facilities of the Condominium in any manner are subject to and shall comply with the Act, as amended, and with the Condominium Documents, 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. In the event any provision of these Amended and Restated Bylaws conflicts with any provision of the Master Deed, the provisions of the Master Deed shall govern.

ARTICLE XVII

DEFINITIONS

All terms used herein shall have the same meaning as set forth in the Master Deed to which these Amended and Restated Bylaws are attached as an Exhibit or as set forth in the Act. Whenever any reference herein is made to one gender, the same shall include a reference to any and all genders where 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.

ARTICLE XVIII

REMEDIES FOR DEFAULT

Section 1. Relief Available. Any default by an Owner shall entitle the Association or another Owner or Owners to the following relief:

(a) Legal Action. Failure to comply with any of the terms and provisions of the Condominium Documents or the Act, including any of the rules and regulations promulgated by the Board of Directors of the Association hereunder, 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 Owner or Owners.

(b) Recovery of Costs. In the event of a default of the Condominium Documents by an Owner, lessee, tenant, non-Owner resident and/or guest, the Association shall be entitled to recover from the Owner, lessee, tenant, non-Owner resident and/or guest, the pre-litigation costs and attorney fees incurred in obtaining their compliance with the Condominium Documents. In any proceeding arising because of an alleged default by any Owner, lessee, tenant, non-Owner resident and/or guest, the Association, if successful, shall be entitled to recover the costs of the proceeding and such reasonable attorney fees, (not limited to statutory fees) as may be determined by the Court, but in no event shall any Owner be entitled to recover such attorney fees. The Association, if successful, shall also be entitled to recoup the costs and attorney's fees incurred in defending any claim, counterclaim or other matter from the Owner asserting the claim, counterclaim or other matter.

(c) Removal and Abatement. The violation of any of the provisions of the Condominium Documents, including the rules and regulations promulgated by the Board of Directors of the Association hereunder, shall also give the Association, or its duly authorized agents, the right, in addition to the rights set forth above, to enter upon the

Common Elements, Limited or General, or into any Unit, where reasonably necessary, and summarily remove and abate, at the expense of the Owner in violation, any structure, thing or condition existing or maintained contrary to the provisions of the Condominium Documents; provided, however, that judicial proceedings shall be instituted before items of construction are altered or demolished pursuant to this subsection. The Association shall have no liability to any Owner arising out of the exercise of its removal and abatement power authorized herein.

(d) Assessment of Fines. The violation of any of the provisions of the Condominium Documents, including any of the rules and regulations promulgated by the Board of Directors of the Association hereunder, by any Owner, his tenant or non-Owner occupant of his Unit, in addition to the rights set forth above, shall be grounds for assessment by the Association of a monetary fine for such violation against said Owner. No fine may be assessed except in accordance with Article XIX below.

Section 2. Non-waiver of Right. The failure of the Association or of any 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 Owner to enforce such right, provision, covenant or condition in the future.

Section 3. Cumulative Rights, Remedies, and Privileges. All rights, remedies and privileges granted to the Association or any Owner or Owners 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.

ARTICLE XIX

ASSESSMENT OF FINES

Section 1. General. The violation by any 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 Owner. Such 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 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 the Owner on notice as to the violation ("Notice"), shall be sent by first class mail, postage prepaid, or personally

delivered to the Owner's representative at the address as shown in the notice required to be filed with the Association pursuant to Article VIII, Section 3 above.

(b) Opportunity to Defend. The offending 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 Owner be required to appear less than ten (10) days from the date of the service of the Notice.

(c) Default. Failure to respond to the Notice of violation at, or before the time of, the Board meeting described in subsection (b) of this Section 2 constitutes a default.

(d) Hearing and Decision. Upon appearance by the Owner before the Board and presentation of evidence in defense, or, in the event of the Owner's default, the Board shall, by majority vote of a quorum of the Board, decide whether a violation has occurred and shall so notify such Owner within ten (10) days of its decision. The Board's decision is final and non-appealable.

Section 3. Amounts. Upon violation of any of the provisions of the Condominium Documents, and upon the decision of the Board as recited above, the Board may levy such fines as it from time to time shall establish in rules and regulations adopted and published to the Owners in accordance with Article VI, Section 16 above, or in the absence of any applicable rules and regulations, in accordance with the following schedule:

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

Section 4. Collection. The fines levied pursuant to Section 3 above shall be assessed against the Owner and shall be due and payable to the Association, together with the next quarterly installment of the annual Condominium assessment, on the first day of the next following quarter. The Association will have all of the rights and remedies for the collection of any unpaid fine as are set forth in Article II above.

ARTICLE XX

SEVERABILITY

In the event that any of the terms, provisions, or covenants of these Amended and Restated 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.