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SALLY REYNOLDS
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AMENDED AND RESTATED MASTER DEED OF STONE RIDGE SITE CONDOMINIUM

A SINGLE FAMILY RESIDENTIAL CONDOMINIUM LIVINGSTON COUNTY CONDOMINIUM SUBDIVISION PLAN NO. 338

This Amended and Restated Master Deed is made and executed this <u>26th</u> day of <u>flugust</u>, 2011 by **S.E. MICHIGAN LAND HOLDING LLC**, a Michigan limited liability company, the address of which is 51237 Danview Technology Court, Shelby Township, Michigan 48315.

WITNESSETH:

WHEREAS, on June 1, 2005, Stone Ridge Communities, L.L.C., a Michigan limited liability company, recorded a Master Deed in Liber 4811, Pages 0478 through 0550, both inclusive, Livingston County Records, to establish Stone Ridge Site Condominium as a residential condominium, said condominium being identified as Livingston County Condominium Subdivision Plan No. 338, which Master Deed was amended by a First Amendment recorded in Liber 4990, Pages 0109 through 0180, both inclusive, Livingston County Records, and a Second Amendment to Master Deed recorded as instrument no. 2006R-004442 in Livingston County Records (such Master Deed, as so amended, is referred to herein as the "Original Master Deed"); and

WHEREAS, Stone Ridge Communities, L.L.C. assigned (the "Assignment") all of its rights, but none of its obligations, as a Developer of the Condominium to S.E. Michigan Land Holding LLC, a Michigan limited liability company (the "Developer"); and

WHEREAS, Developer pursuant to its rights as Developer under the Master Deed, and being the holder of more than two-thirds of the votes of the Co-owners of the Condominium Project by reason of Developer's ownership of more than two-thirds of the Units located in the Condominium Project, and with the consent of the Co-owners of Units 28, 100, 113 and 152 as to the change in the dimensions of such Units as depicted on the Condominium Subdivision Plan attached hereto, desires to amend and restate the Original Master Deed;

WHEREAS, Developer desires, by recording this Amended and Restated Master Deed (hereinafter referred to as the "Master Deed"), together with the Condominium Bylaws attached

hereto as **Exhibit A** and the Condominium Subdivision Plan attached hereto as **Exhibit B** (both of which are hereby incorporated by reference and made a part hereof), to confirm the real property described in Article II below, together with the improvements located thereon, and the appurtenances thereto, as a condominium under the provisions of the Michigan Condominium Act (being MCLA 559.101 <u>et</u>. <u>seq</u>.); and

WHEREAS, Green Oak Township has approved this Amended and Restated Master Deed.

NOW, THEREFORE, upon the recording hereof, Developer confirms Stone Ridge Site Condominium as a Condominium under the Condominium Act and declares that the Condominium shall be held, conveyed, hypothecated, encumbered, leased, rented, occupied, improved, or in any other manner utilized, subject to the provisions of said Act, and to the covenants, conditions, restrictions, uses, limitations, and affirmative obligations set forth in this Master Deed and the Exhibits hereto, all of which shall be deemed to run with the land and shall be a burden and a benefit to Developer, its successors and assigns, and any persons acquiring or owning an interest in the said real property, their grantees, successors, heirs, executors, administrators and assigns.

ARTICLE I TITLE AND NATURE

The Condominium shall be known as Stone Ridge Site Condominium, Livingston County Condominium Subdivision Plan No. 338. The number, boundaries, dimensions and volume of each Unit in the Condominium are set forth in the Condominium Subdivision Plan attached hereto as **Exhibit B**. Each Unit is capable of individual use, having its own access to a Common Element of the Condominium. Each Co-owner in the Condominium shall have an exclusive right to his Unit and shall have undivided and inseparable rights to share with other Co-owners the Common Elements of the Condominium as designated by the Master Deed. Co-owners shall have voting rights in Stone Ridge Condominium Homeowners Association as set forth herein and in the Bylaws and Articles of Incorporation of such Association. Nothing in this Master Deed shall be construed to impose upon Developer any legal obligation to build, install or deliver any structure or improvement which is labeled "need not be built" on the Condominium Subdivision Plan attached as **Exhibit B**. The plans and specifications for the Project will be filed with Green Oak Township.

ARTICLE II LEGAL DESCRIPTION

The land which comprises the Condominium established by this Master Deed is a parcel of land located in Green Oak Township, County of Livingston, State of Michigan, and described as follows:

Part of the North Half of Section 33, Town 1 North, Range 6 East, Green Oak Township, Livingston County, Michigan, described as: Commencing at the Northeast Corner of Section 33; thence along the East Line of Section 33 and the Centerline of Marshall Road, South 02°32'15" East 1913.21 feet to a Point of

Beginning; thence continuing along said line, South 02 °32'15" East 727.09 feet to the East Quarter Corner of Section 33; thence along the East-West Quarter Line of Section 33, South 87 °33'51" West 2730.43 feet to the Center of Section 33, as monumented; thence continuing along the East-West Quarter Line of Section 33, South 87 °31'52" West 1354.79 feet to the Southeast Corner of "Mar-Bru Subdivision" as recorded in Liber 10 of Plats, Page 41, Livingston County Records; thence along the East Line of "Mar-Bru Subdivision", North 02 °29'16" West 522.72 feet (recorded as North 02°41' West 521.97 feet) to the Northeast Corner of "Mar-Bru Subdivision"; thence North 00°00'58" East 708.06 feet; thence along the South Line of the abandoned Railroad, 99.00 feet wide, North 86°17'36" East 1332.24 feet to the North-South Quarter Line of Section 33; thence continuing along the abandoned Railroad, the South Line, and the Westerly and Easterly extensions of "Sand Crane Crossing", a Subdivision, as recorded in Liber 27 of Plats, Pages 47, 48, 49, and 50, Livingston County Records, North 86°17'36" East 2428.25 feet; thence South 02°32'15" East 581.00 feet; thence North 88°28'32" East 293.55 feet to the Point of Beginning.

ARTICLE III DEFINITIONS

Certain terms used in this Master Deed and the Exhibits hereto, and in the Articles of Incorporation and Bylaws of Stone Ridge Condominium Homeowners Association are defined as follows:

- (a) The "Act" or "Condominium Act" means Act 59 of the Public Acts of Michigan of 1978, as amended.
- (b) "Association" means Stone Ridge Condominium Homeowners Association, a Michigan nonprofit corporation, of which all Co-owners shall be members, which Association shall administer, operate, manage and maintain the Condominium. Any action required of or permitted to the Association shall be exercisable by its Board of Directors unless specifically reserved to its members by the Condominium Documents or the laws of the State of Michigan.
- (c) "Bylaws" means **Exhibit A** hereto, which are the Bylaws required for the Condominium and also the Bylaws required for the Association as a nonprofit corporation.
- (d) "Common Elements" means the portions of the Condominium other than the Condominium Units.
- (e) "Condominium", "Condominium Project" or "Project" means Stone Ridge Site Condominium as a condominium established pursuant to the provisions of the Act, and includes the land and the buildings, all improvements and structures thereon, and all easements, rights and appurtenances belonging to the Condominium.
- (f) "Condominium Documents", wherever used, means and includes this Master Deed and the Exhibits hereto and the Articles of Incorporation of the Association.

- (g) "Condominium Unit" or "Unit" means the volume of space constituting a single complete Unit designed and intended for separate ownership and use in the Condominium as such space may be described on **Exhibit B** hereto and all structures and improvements within such space (except for those improvements which constitute General Common Elements or Limited Common Elements).
- (h) "Condominium Subdivision Plan" or "Plan" means the Plan attached to this Master Deed as **Exhibit B**. The Plan assigns a number to each Condominium Unit and includes a description of the nature, location and approximate size of certain Common Elements.
- (i) "Co-owner" or "Owner" means a person, firm, corporation, partnership, association, trust or other legal entity or any combination thereof who or which owns one or more Units in the Condominium. Developer is a Co-owner as long as Developer owns one or more Units.
- (j) "Developer" means S.E. Michigan Land Holding LLC, a Michigan limited liability company, and its successors or assigns. All development rights reserved to Developer herein are assignable in writing; provided, however, that conveyances of Units by Developer, including the conveyance of Units to a "successor developer" pursuant to Section 135 of the Act, shall not serve to assign Developer's development rights unless the instrument of conveyance expressly so states. Notwithstanding anything to the contrary contained in the Condominium Documents, S.E. Michigan Land Holding LLC did not, pursuant to the Assignment or otherwise, assume or agree to perform any of the obligations of the Developer under the Master Deed (including any Exhibits thereto), the Act or the Rules promulgated by the Michigan Department of Energy, Labor & Economic Growth and as a result, neither S.E. Michigan Land Holding LLC nor any of its successors or assigns shall be liable for performing any such obligations except (i) to the extent S.E. Michigan Land Holding LLC or any of its successors or assigns expressly assumes in writing any such obligations and (ii) S.E. Michigan Land Holding LLC shall be responsible for paying those sums payable by the Developer under Section 8 of Article II of the Bylaws that become payable after the recordation of this Master Deed.
- (k) "Development and Sales Period" means the period beginning on June 1, 2005 and continuing until the date neither Developer nor any "successor developer," as defined by the Act, owns any Unit.
- (l) "First Mortgagee" means a Mortgagee who holds a recorded first mortgage on one or more Units.
- (m) "General Common Elements" means the Common Elements other than the Limited Common Elements.
- (n) "Limited Common Elements" means a portion of the Common Elements reserved in this Master Deed for the exclusive use of less than all of the Co-owners.
- (o) "Mortgagee" means the named mortgagee or owner of any mortgage on all or any portion of this Condominium.

- (p) "Percentage of Value" means the percentage assigned to each Condominium Unit in this Master Deed. The Percentages of Value of all Units shall total one hundred percent (100%). Percentages of Value shall be determinative only with respect to those matters to which they are specifically deemed to relate either in the Condominium Documents or in the Act.
- (q) "Person" means an individual, firm, corporation, partnership, association, trust, the state or an agency of the state or other legal entity, or any combination thereof.
- (r) "Residence" means a residential dwelling, together with an attached garage, constructed within the perimeter of a Unit in accordance with the architectural and building specifications and use restrictions set forth in this Master Deed.
- (s) "Structure" means any Residence, detached garage, building, driveway, parking area, structure, dwelling, garage, shed, outbuilding, fence, wall, gazebo, hedge, in ground or above ground swimming pool, antenna or satellite dish or any other improvement of a permanent or substantial nature constructed within the perimeter of a Unit.
- (t) "Transitional Control Date" means the date on which the Board of Directors of the Association takes office pursuant to an election in which the votes which may be cast by eligible Co-owners unaffiliated with Developer exceed the votes which may be cast by Developer.

ARTICLE IV COMMON ELEMENTS

The Common Elements of the Condominium described in **Exhibit B** attached hereto and the respective responsibilities for maintenance, decoration, repair, replacement, restoration or renovation thereof are as follows:

(a) The General Common Elements are:

- (1) The land described in Article II hereof (excluding any part thereof included in the Units described in Article VI below and on the Plan) and beneficial easements, if any, including any walkways, parks, landscaped areas and berms, open areas, and entrance areas, except to the extent any of the foregoing are designated herein or in the Plan as Limited Common Elements or are located within Units.
- (2) The roads throughout the Condominium, designated on the Plan, so long as neither Developer nor the Association has dedicated the roads to public use through the acceptance of such a dedication by the applicable governmental entity.
- (3) The electrical (including lighting, if installed), gas, water (including the water wells and related well house), sanitary sewer (including the wastewater treatment plant, lift stations and infiltration beds), storm water drainage (including storm sewers and retention and/or detention ponds), telephone, telecommunications, plumbing and cable television, if any, networks or systems throughout the Condominium, up to their point of connection with a Unit boundary (except for the portion of any lead that services only one Unit) and also that portion of such networks or systems contained within a Unit to the

extent that the portion within the Unit also services other Units. Some or all of the foregoing systems and networks (including mains and service leads) described in this subsection (3) may be owned by the local public authority, municipality or utility company or other private company that is providing the pertinent service. Accordingly, such systems and networks shall be General Common Elements only to the extent of the Co-owners' interest therein, if any, and Developer makes no warranty whatsoever with respect to the nature and extent of such interest, if any.

- (4) All beneficial utility and drainage easements, if any.
- (5) The improved entranceway(s), including lighting and street identification monuments.
- (6) All sidewalks. No walkways installed within a Unit which lead to the Unit or any portion thereof will be considered as a General Common Element.
- (7) The clubhouse identified on the Condominium Subdivision Plan and all related equipment and furnishings and the gazebo, playscape and basketball court not enclosed within the boundaries of a Unit.
- (8) Such other elements of the Condominium not herein designated as Limited Common Elements which are not enclosed within the boundaries of a Unit.
- (b) The Limited Common Elements are:
- (1) That portion of a utility lead (including a storm sewer or telecommunication lead) servicing only one Unit and located outside of such Unit shall constitute a Limited Common Element appurtenant to such Unit.
- (c) The respective responsibilities for the maintenance, decoration, repair and replacement of the Common Elements and Units are as follows:
 - (1) The Association shall maintain, repair and replace all Common Elements, and the expense thereof shall be assessed to the Co-owners in proportion to the Percentages of Value stated in Article VI hereof, subject to any provision of the Condominium Documents expressly to the contrary.
 - (2) It is anticipated that separate Residences will be constructed entirely within the Units depicted on the Plan. The responsibility for, and the costs of maintenance, decoration, repair and replacement of a Residence and all other improvements within each Unit (other than General Common Elements which the Co-owner is not responsible for maintaining under this Master Deed) shall be borne by the Co-owner of the Unit which is served thereby; provided, however, that the structure, exterior color or appearance of any Residence and any other improvements within a Unit shall not be constructed or changed without the prior written specific approval of such construction or change from Developer (and the Architectural Control Committee, as the case may be), as more fully set forth in Article VI of the Bylaws. The Residences and other improvements within each Unit shall

conform in all respects to the architectural and building specifications and use restrictions provided in the Bylaws, this Master Deed, the rules and regulations, if any, of the Association and applicable ordinances of Green Oak Township.

- (3) The cost of repair of damage to a Common Element caused by a Co-owner, or family member or invitee of a Co-owner, shall be assessed against the Co-owner.
- (4)The Association shall be responsible for snow removal from the roads located within the Condominium until such time as the roads have been dedicated to public use. Each Co-owner shall, to the extent any governmental authority is not otherwise responsible and the Association is not otherwise responsible under Section 1 of Article V of the Bylaws, be responsible for maintaining, repairing and replacing, at his expense, (i) the General Common Element area (or dedicated road right-of-way), if any, lying between such Co-owner's Unit and the adjoining road pavement (including lawn, landscaping, trees, sidewalks and driveway aprons) and (ii) the portion, if any, of any General Common Element sidewalk located within such Co-owner's Unit. Each Co-owner shall also be responsible for snow removal from the portion, if any, of any General Common Element sidewalk located within such Co-owner's Unit, the drive approach and the driveway installed on his Unit, the service walk between said driveway and the entrance to the Residence constructed within his Unit, any porch installed on said Residence and any stairs leading to said porch, and all other portions of such Co-owner's Unit. Each Co-owner shall be responsible for maintaining, repairing and replacing that portion of any utility lead that constitutes a Limited Common Element appurtenant to such Co-owner's Unit.
- The Condominium Project is not serviced by a public sanitary sewer system or public water system. A common sanitary sewer/wastewater treatment system (the "Wastewater System") that services the Condominium Project, including the wastewater treatment plant and the sanitary sewer mains that constitute General Common Elements, and a well water system that services the Condominium Project, including wells, a well house and water mains that constitute General Common Elements (the "Well System"; the Wastewater System and Well System are collectively referred to herein as the "Private Systems"), have been constructed within the Project. The Association shall be responsible for the operation, maintenance, repair and replacement of the Private Systems and the detention ponds located within the Project ("Detention Ponds") in strict conformance with all applicable statutes, ordinances, rules and regulations of the State of Michigan, Livingston County and other governmental units and agencies thereof having jurisdiction. The Association shall hire one or more license/certified operators in accordance with guidelines of the County or the Michigan Department of Natural Resources and Environment ("MDNRE") to operate the Private Systems. This Master Deed and other restrictive covenants shall inform Co-owners that the Township is not responsible for the operation, maintenance or repair of the utilities serving the Project. All costs associated with the maintenance, repair and/or replacement of the Private Systems or Detention Ponds shall be costs of administration of the Association, and shall be assessed to the Co-owners in accordance with the Bylaws. In the event that the Association fails to provide adequate maintenance, repair or replacement of the well house, wastewater treatment plant and/or any Detention Pond, the Township may serve written notice of such failure upon the Association. Such written notice shall contain a demand that deficiencies of maintenance, repair or replacement be cured within a stated reasonable time period.

If such deficiencies are not cured within such time period, the Township may undertake such maintenance, repair or replacement and the costs thereof, plus an administrative fee to be determined by the Township, but not exceeding 25% of such costs, may be assessed against the Co-owners and collected as a special assessment on the next annual Township tax roll. The Association shall defend, indemnify and hold harmless the Township and its officials and employees for expenses arising out of the failure of the Association to properly maintain the well house, the wastewater treatment plant and/or any Detention Pond. Neither the well house nor the wastewater treatment plant may be disconnected without Township approval.

Except as otherwise provided below, each Co-owner of a Unit that contains a completed residential dwelling (as determined under Section 8 of Article II of the Bylaws and excluding any model or spec homes owned by Developer) shall pay to the Association equal, uniform charges for water and wastewater service furnished to all such Units in the Condominium Project, as such charges are determined and modified from time to time by the Association. Notwithstanding the foregoing, the Association may elect at any time to charge each Co-owner that acquires title to his Unit on or after the date of recordation of this Master Deed for water and wastewater service furnished to such Unit based on periodic readings by the Association of the water meter(s) installed within the Unit, which water meter(s) shall be purchased and installed at the cost of such Co-owner, and rates established and modified from time to time by the Association, provided that any such election made prior to the Transitional Control Date shall require the consent of the Developer and any such election made after the Transitional Control Date shall require the consent of Co-owners owning at least seventy-five percent (75%) of the Units in the Project. If the Association, with the required consents, makes the election described in the immediately preceding sentence, each Co-owner of a Unit that was purchased prior to the recordation of this Master Deed and that contains a completed residential dwelling may elect to be charged for water and wastewater service in the manner provided for in the immediately preceding sentence, in which event, water meters(s) shall be purchased and installed within such Co-owner's Unit at such Co-owner's expense; if any such Co-owner does not elect to be charged for water and wastewater service to his Unit in the manner provided for in the immediately preceding sentence, the periodic charge payable to the Association by such Co-owner for water and wastewater service furnished to such Co-owner's Unit shall thereafter be equal to twice the average charge payable for the period in question by Co-owners whose charges for water and wastewater service are determined pursuant to the immediately preceding sentence. The Association shall be responsible for maintaining, repairing and replacing, as necessary, water meters installed within Units and the Association shall have an easement over and across Units in order to read, maintain, repair and/or replace water meters installed therein.

Charges for water and wastewater service shall be billed monthly, or on such other periodic basis as may be determined from time to time by the Association. A Co-owner shall pay the bill for water and wastewater charges issued with respect to such Co-owner's Unit within sixty (60) days after the date of such bill. If a Co-owner fails to pay any such bill within such sixty (60) day period, such Co-owner shall also pay a late charge of 10% of such bill. All water and wastewater charges shall be deemed to be assessments by the Association for all purposes of the Condominium Documents. The Association may discontinue the furnishing of water and/or wastewater service to a Unit if a Co-owner is in default of payment of a bill for water and

wastewater charges issued with respect to the Unit upon thirty (30) days' written notice to such Co-owner of its intention to do so.

Each Co-owner who acquires his Unit after the date of recordation of this Master Deed shall, prior to the issuance of a building permit for the construction of a Residence on such Coowner's Unit, pay to the Association the sum of \$3,500.00, as such sum may be modified from time to time by the Developer (the "Wastewater/Well Reserve Sum"), which Wastewater/Well Reserve Sums shall, except as otherwise provided below, be held in a separate account with a bank or savings association as is insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation and shall not be commingled with any other funds of the Association and shall be used only for the purposes of making unanticipated major repairs or replacements to the Wastewater System or well system or providing such escrow or other surety or security required by the MDNRE with respect to the Wastewater System or Well System, whether in the form of cash, a letter of credit, a bond, or otherwise. If the MDNRE requires any such escrow, surety or security, and the Association fails to furnish the same, Developer may, in its sole discretion and without any obligation to do so, elect to furnish such escrow, surety or security. If Developer elects to furnish any such escrow, surety or security, the Association shall immediately release to the Developer all Wastewater/Well Reserve Sums previously received by it and not previously released to Developer in connection with Developer's election to furnish any other escrow, surety or security described above and not applied to major repairs or replacements as described above, but in no event more than the amount of such escrow, surety or security furnished by the Developer, and thereafter the Association shall promptly turn over to the Developer all Wastewater/Well Reserve Sums subsequently received by the Association until the aggregate amount of Wastewater/Well Reserve Sums received by the Developer with respect to such escrow, surety or security equals the amount of such escrow, surety or security furnished by the Developer, in which event the Developer shall deposit the aggregate amount of Wastewater/Well Reserve Sums received by it with respect to such escrow, surety or security with MDNRE (or the holder of such escrow, surety or security) in exchange for the return of such escrow, surety or security to the Developer. If two or more elections are made by the Developer pursuant to the immediately preceding sentence, Wastewater/Well Reserve Sums shall be deemed to have been received by the Developer (a) first with respect to the first such election made by the Developer until the Developer has received an amount equal to the amount of the escrow, surety or security furnished by the Developer pursuant to such first election, (b) second with respect to the second election made by the Developer pursuant to the immediately preceding sentence until the Developer has received an amount equal to the amount of the escrow, surety or security furnished by Developer pursuant to such second election, and (c) if applicable, then with respect to any other elections made by the Developer pursuant to the immediately preceding sentence, in the order in which such elections were made until Developer has received an amount equal to the amount of the escrow, surety or security furnished by the Developer pursuant to such other election. All Wastewater/Well Reserve Sums shall be deemed to be assessments by the Association for all purposes of the Condominium Documents.

The Developer reserves the right, without the consent of the Association or any Co-owners or Mortgagees or other persons interested or to become interested in the Condominium from time to time, for a period of twenty (20) years after the date of recordation of this Master Deed, to (i) enter, on behalf of itself and/or the Association, into an agreement or agreements with the owners

of parcels located outside of the Condominium or any governmental authorities allowing such owners or governmental authorities to connect to and use the Wastewater System upon such terms and conditions as the Developer, in its sole discretion, deems appropriate, which terms and conditions may include but are not limited to (A) the charges payable for wastewater services provided to any such parcel or governmental authority, and (B) tap or connection fees payable to the Developer by the owners of any such parcel or governmental authorities, all such tap or connection fees to belong to and be the property of the Developer and neither the Association nor any of the Co-owners shall have any rights to all or any portion of any such tap or connection fees, and (ii) amend this Master Deed to implement, reflect and/or facilitate any of the terms or provisions or intent of any such agreement. In addition, the Developer shall have the right to connect to and use the Wastewater System for the benefit of any parcels located outside of the Condominium that are now or hereafter owned by the Developer without the payment of any tap or connection fee provided that charges for wastewater service furnished to any such parcel owned by the Developer shall be determined in a manner materially consistent with the determination of wastewater service charges for Units located within the Condominium. The Association, all Coowners and Mortgagees and persons interested or to become interested in the Condominium from time to time shall be deemed to have irrevocably and unanimously consented to any such amendments to this Master Deed or agreements and the execution and delivery thereof. All such interested persons irrevocably appoint Developer or its successors or assigns as agent and attorney for the purpose of executing any such amendment or agreement.

The private roads as shown on the Condominium Subdivision Plan shall be regularly maintained, replaced, repaired and resurfaced as necessary by the Association. Preventative maintenance of the roads in the Condominium on a regular basis is necessary in order the maximize the useful life of the roads and to minimize repair and replacement costs. The roads shall be maintained by the Association in such manner as will allow unobstructed access throughout the Condominium. All repairs to the roads and the roads' drainage system shall conform to Green Oak Township private road standards and specifications for construction in effect at the time of repair. As an absolute minimum standard, snow plowing of roads by the Association shall take place when accumulated snow measures two (2) inches in depth; however, the Board of Directors of the Association, in its discretion, may establish a more stringent standard for the plowing of snow. In the event the Association fails to provide adequate maintenance, repair, replacement and/or snow plowing of the private roads, the Township may serve written notice of such failure upon the Association. Such written notice shall contain a demand that deficiencies of maintenance, repair, replacement and/or snow plowing be cured within a stated reasonable time. If such deficiencies are not cured, the Township may undertake such maintenance, repair, replacement and/or snow plowing and the costs thereof plus an administrative fee to be determined by the Township, but not exceeding 25% of such costs, may be assessed against the Co-owners and collected as a special assessment on the next annual Township tax roll. The Association shall defend, indemnify and hold harmless the Township and its officials and employees for expenses arising out of the failure of the Association to properly maintain the roads in the Condominium. Neither Green Oak Township nor the Board of County Road Commissioners of the County of Livingston has the responsibility for the construction or maintenance and upkeep of the roads within the Condominium.

(f) Each Co-owner shall be responsible to supply and maintain a mailbox within his Unit. A standard mailbox or mailboxes may be specified by the Developer for use by all Co-owners.

ARTICLE V USE OF PREMISES

Each Unit shall, except as otherwise provided in the Bylaws, only be used for residential purposes. All Residences, Structures and other improvements constructed in the Unit shall comply with the terms, provisions and conditions of this Master Deed and the Bylaws. No person shall use any Unit or the Common Elements in any manner inconsistent with the purposes of the Condominium or in any manner which will interfere with or impair the rights of any other Coowner in the use and enjoyment of his Unit or any Common Element.

ARTICLE VI CONDOMINIUM UNIT DESCRIPTION AND PERCENTAGE OF VALUE

The Condominium initially consists of one-hundred thirty-six (136) residential Units, numbered 1 through 16, both inclusive, 18, 19, 21, 22, 24, 25, 27, 28, 29, 31, 32, 34 through 81, both inclusive, 83,85, 86, 88 through 94, both inclusive, 96, 97, 99 through 104, both inclusive, 106 through 110, both inclusive, 112 through 136, both inclusive, 138, 139, 140, 142, 143, 144, 146, 148, 149, and 151 through 154, both inclusive. Each Unit is described in this Article VI with reference to the Condominium Subdivision Plan as prepared by Lake Engineering & Environmental, a copy of which is attached hereto as **Exhibit B**. Each Unit shall include all that space contained within the Unit boundaries as shown on the Plan and delineated with heavy outlines. For all purposes, individual Units may hereafter be defined and described by reference to this Master Deed and the individual number assigned to the Unit in the Plan.

The Percentage of Value assigned to each Unit shall be determinative of the proportionate share of each respective Co-owner in the proceeds and expenses of the Association and the Value of such Co-owner's vote at meetings of the Association and the undivided interest of the Co-owner in the Common Elements. The total percentage value of the Condominium is one hundred percent (100%).

The Percentages of Value assigned to the Units shall be equal. This determination was made after reviewing the comparative characteristics of each Unit in the Project that would affect maintenance costs and concluding that there are no material differences.

ARTICLE VII EASEMENTS, RESTRICTIONS AND AGREEMENTS

The Condominium is subject to the following easements, restrictions and agreements:

(a) Developer (on its behalf and on behalf of its successors or assigns) hereby reserves permanent easements for ingress and egress over the roads and walks in the Condominium and permanent easements to use, tap into, enlarge or extend all roads, walks and utility lines in the Condominium, including, without limitation, all communications, water, gas, electric, storm and

sanitary sewer lines, and any pumps, sprinklers or water detention areas, all of which easements shall be for the benefit of any property adjacent to the Condominium which Developer or any of its affiliates (or any of their respective successors or assigns) may now or hereafter own. These easements shall run with the land in perpetuity. Developer has no financial obligation to support such easements.

- (b) By recordation of this Master Deed, Developer reserves the right and power to dedicate all the roads in the Condominium to public use, and all persons acquiring any interest in the Condominium, including without limitation all Co-owners and Mortgagees, shall be deemed irrevocably to have appointed Developer and its successors or assigns as agent and attorney-in-fact to make such dedication and to act in behalf of all Co-owners and their Mortgagees in any statutory or special assessment proceedings with respect to the dedicated roads. After certificates of occupancy are issued for Residences in one hundred percent (100%) of the Units in the Condominium, the foregoing rights and powers may be exercised by the Association. Nothing herein shall be deemed to impose any obligation upon Developer or the Association to dedicate any or all of the roads within the Condominium to public use, and, in fact, Developer intends that the roads within the Condominium shall be private roads.
- (c) Upon approval by an affirmative vote of not less than fifty-one percent (51%) of all Co-owners, in number and in value, the Association shall be vested with the power and authority to sign petitions requesting establishment of a special assessment district pursuant to provisions of applicable Michigan statutes for improvement of public roads within or adjacent to the Condominium. In the event that a special assessment road improvement project is established pursuant to applicable Michigan law, the collective costs assessable to the Condominium as a whole shall be borne by all Co-owners in accordance with their Percentages of Value.
- (d) Developer reserves the right and power to grant easements over, or dedicate, portions of any of the Common Elements for utility, drainage, street, safety or construction purposes, and all persons acquiring any interest in the Condominium, including without limitation all Co-owners and Mortgagees shall be deemed to have appointed Developer and its successors or assigns as agent and attorney-in-fact to make such easements or dedications. After certificates of occupancy are issued for Residences in one hundred percent (100%) of the Units that may be created in the Condominium, the foregoing right and power may be exercised by the Association.
- (e) If any portion of a Unit or Common Element encroaches upon another Unit or Common Element due to shifting, settling, or moving of a building, or due to survey errors or construction deviations, reconstruction or repair, reciprocal easements shall exist for the maintenance of such encroachment for as long as such encroachment exists, and for maintenance thereof after rebuilding in the event of any destruction. The foregoing easement shall not, however, be construed to permit any encroachment by a non-appurtenant Common Element or Unit upon another Unit or upon the air space and subsurface contained in the other Unit as shown on the Condominium Subdivision Plan. There shall be permanent, non-exclusive easements to, through and over those portions of the Units and the land, Residences and improvements contained therein and the Common Elements for the installation, maintenance and servicing of all utilities in the Condominium, including, but not limited to, lighting, heating, power, sewer, water, communications, telephone and cable television lines.

- (f) There shall be easements to and in favor of the Association, and its officers, directors, agents and designees (and Developer prior to the expiration of the Development and Sales Period), in, on and over all Units, for access to the Units and the exterior of each of the Residences and appurtenances that are constructed within each Unit to conduct any activities authorized by this Master Deed or the Condominium Bylaws.
- Developer, the Association and all public and private utility companies shall have such easements over, under, across and through the Condominium, including all Units and Common Elements, as may be necessary or desirable to develop, construct, market and operate the Condominium, to exercise or fulfill their rights or responsibilities of maintenance, repair and replacement of common amenities or improvements (whether or not such common amenities or improvements are integrated into the Project) and also to exercise or fulfill any rights or responsibilities of maintenance, repair, decoration or replacement which they or any of them are required or permitted to perform under the Condominium Documents or by law or to respond to any emergency or common need of the Condominium. While it is intended that each Owner shall, except for those Common Elements which the Association is responsible for maintaining, repairing and replacing, be solely responsible for the performance and costs of all maintenance, repair and replacement of and decoration of the Residence and all other appurtenances and improvements constructed or otherwise located within his Unit, including any sidewalk located thereon, it is nevertheless a matter of concern that an Owner may fail to properly maintain his Unit or any improvements located therein in a proper manner and in accordance with the standards set forth in this Master Deed, the Bylaws and any rules and regulations promulgated by the Association. Therefore, in the event an Owner fails, as required by this Master Deed, the Bylaws or any rules and regulations promulgated by the Association, to properly and adequately maintain, decorate, repair, replace or otherwise keep his Unit or any improvements or appurtenances located therein, including any sidewalk located thereon, the Association (and/or Developer during the Development and Sales Period) shall have the right, and all necessary easements in furtherance thereof, (but not the obligation) to take whatever action or actions it deems desirable to so maintain, decorate, repair or replace the Residence or any other improvements located within the Unit, or its appurtenances, all at the expense of the Owner of the Unit. Neither Developer nor the Association shall be liable to the Owner of any Unit or any other person, in trespass or in any other form of action, for the exercise of rights pursuant to the provisions of this Article or any other provision of the Condominium Documents which grant such easements, rights of entry or other means of access. Failure of the Association (or Developer) to take any such action shall not be deemed a waiver of the Association's (or Developer's) right to take any such action at a future time. All costs incurred by the Association or Developer in performing any responsibilities which are required, in the first instance, to be borne by any Owner shall be assessed against such Owner and shall be due and payable with his regular assessment next falling due; further, the lien for nonpayment shall attach as in all cases of regular assessments and such assessments may be enforced by the use of all means available to the Association under the Condominium Documents and by law for the collection of regular assessments including, without limitation, legal action, foreclosure of the lien securing payment and imposition of fines.
- (h) Easements for the construction, installation and maintenance of utilities, and for drainage facilities, are reserved, or have been granted, as shown on the Plan. Within all of the foregoing easements, unless the necessary approvals are obtained from the Green Oak Township,

the County of Livingston and any other applicable governmental entity or utility company and except for the paving necessary for each Residence's driveway, no Structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of such service facilities and utilities, including underground electrical and telephone local distribution systems and water, sanitary and storm sewer systems, or which may change, obstruct or retard the flow or direction of water drainage in and through the easements, nor shall any change, which may obstruct or retard the flow of surface water or be detrimental to the property of others, be made by the occupant in the finished grade of any Unit once established by the builder upon completion of construction of the Residence thereon. The easement area of each Unit and all improvements in it shall be maintained (in a presentable condition continuously) by the Unit Co-owner, except for those improvements for which a public authority or utility company is responsible, and the Unit Co-owner shall be liable for damage to service facilities and utilities thereon, including damage to water, sanitary, storm, electric, gas, and telephone distribution lines, sewers and facilities therein. Except as may be otherwise provided herein, each Unit Co-owner shall maintain the surface area of easements within the Co-owner's Unit, to keep weeds out, to keep the area free of trash and debris, and to take such action as may be necessary to eliminate or minimize surface erosion.

- (i) The architectural and building specifications and use restrictions set forth in Article VI of the Bylaws govern the development and use of each Unit in the Condominium along with the provisions of this Master Deed and the Condominium Subdivision Plan. All improvements made within any Unit, including the construction of a Residence and any other Structure, and the use and occupancy thereof, shall comply fully with the architectural and building specifications and use restrictions established by Article VI of the Bylaws. The terms, provisions, restrictions and conditions of Article VI of the Bylaws are incorporated fully herein by this reference.
- (j) There shall exist for the benefit of Green Oak Township or any emergency or public service agencies or authorities, an easement over all roads and driveways in the Condominium for use by the Township and/or emergency or service vehicles. Said easement shall be for purposes of ingress and egress to provide, without limitation, fire and police protection, ambulance and rescue services, school bus and mail package delivery, and other lawful governmental or private emergency or other reasonable and necessary services to the Condominium Project and Co-owners thereof. The granting of these easements shall not be construed as a dedication of any streets, roads or driveways to the public.
- (k) Any activity within the Open Spaces identified on the Condominium Subdivision Plan that will significantly impair or interfere with the natural and scenic values of the Open Spaces is prohibited. The cost of maintenance and/or restoration of the Open Spaces shall be borne by the Association. In the event the Association fails to provide adequate maintenance or restoration of the Open Spaces or the Township determines that all or any portion of the Open Spaces constitutes a public nuisance, the Township may serve written notice of such failure or such determination upon the Association. Such written notice shall contain a demand that the deficiencies of maintenance and restoration or condition of nuisance be cured within a stated reasonable time period. If such deficiencies are not cured, the Township may undertake such maintenance or restoration and the cost thereof plus an administrative fee of 25% of such cost shall

be assessed against the Co-owners and collected as a special assessment on the next following annual Township tax roll.

- (1) Green Oak Township shall have the right to use the utility easements as depicted on Exhibit B, and any replats, to construct, extend, enlarge or tie into the Township's water system upon the execution of all appropriate agreements between the parties and a resolution from Green Oak Township. The easement shall also be used for inspection, maintenance and testing services. The right to use the easement is a condition of installation of the water system; the Township shall restore any areas of the Condominium disturbed by the Township to like condition as existed prior to commencement of the Township's construction or maintenance activities. At the time of execution of this Master Deed, the Township does not have plans to install a municipal water supply system. Upon Green Oak Township supplying public water to the Condominium, each Unit must connect to the system and pay the assessment fee for hook-up established by Green Oak Township at the time of hook-up.
- (m) Green Oak Township shall have permanent easements to construct, extend, enlarge or tie into the Township sewer system. The easement shall also be used for inspection, maintenance, and testing services. The right to use the easement is a condition of installation of the wastewater treatment system; the Township shall restore any areas of the Condominium disturbed by the Township to like condition as existed prior to commencement of the Township's construction or maintenance activities. At the time of execution of this Master Deed, the Township does not have plans to install a municipal sewer system.
- (n) There shall exist a 30 foot easement in favor of Green Oak Township along the north property boundary lines for trails, as depicted on Exhibit B.
- (o) The Condominium is subject to that certain Planned Unit Development Agreement executed as of March 11, 2005 by Green Oak Township and Stone Ridge Communities, L.L.C., as amended by a First Amendment to Plan Unit Development Agreement (the "PUD Agreement"). The PUD Agreement includes certain development, construction and use restrictions or requirements that are binding on the Developer and all Co-owners in the Condominium to the extent applicable.
- (p) Developer reserves the right to expand and enlarge the "easements" described above by amending this Master Deed and the Plan attached as **Exhibit B** pursuant to the right of amendment reserved in Article VIII, Section (c) without the consent of any Co-owner or Mortgagee.

ARTICLE VIII AMENDMENTS

This Master Deed and any Exhibit hereto may be amended in the following manner:

(a) Amendments may be made and recorded by Developer or by the Association without the approval of any Co-owner or Mortgagee if the amendment does not materially alter or change the rights of a Co-owner or Mortgagee.

- (b) If the amendment will materially change the rights of the Co-owners or Mortgagees, then such amendment requires the consent of not less than two-thirds (2/3) in value of the votes of the Co-owners and First Mortgagees. A First Mortgagee shall have one vote for each mortgage held. Notwithstanding anything to the contrary contained herein, First Mortgagees are entitled to vote on amendments to this Master Deed or any Exhibit hereto only under the following circumstances:
 - (1) Termination of the Condominium;
 - (2) A change in the method or formula used in 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 declaration 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 Condominium as a whole or a Unit subject to the Mortgagee's mortgage or reallocation of responsibility for obtaining or maintaining, or both, insurance from the Association to the Unit subject to the Mortgagee's mortgage;
 - (5) The modification or elimination of an easement benefiting 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; or
 - (7) Amendments requiring the consent of all affected Mortgagees under Section (d) of this Article VIII.
- (c) Notwithstanding Sections (a) or (b) above, but subject to the limitation of Section (d) below, Developer reserves the right to materially amend this Master Deed or any of its Exhibits for any of the following purposes without the consent of Co-owners or Mortgagees:
 - (1) To eliminate unsold Units and to modify the locations, types and sizes of unsold Units and the General and/or Limited Common Elements adjoining or appurtenant to unsold Units;
 - (2) To correct arithmetic errors, typographical errors, survey errors, or any similar errors in this Master Deed, Plan or Condominium Bylaws;
 - (3) To clarify or explain the provisions of this Master Deed or its Exhibits;
 - (4) To comply with the Act or rules promulgated thereunder or with any requirements of any governmental or quasi-governmental agency or any financing institution providing or proposing to provide a mortgage on any Unit or to satisfy the title requirements of any title insurer insuring or proposing to insure title to any Unit;

- (5) To make any other amendment expressly permitted by this Master Deed or the Bylaws;
 - (6) To make, define or limit easements affecting the Condominium; or
- (7) To record an "as-built" Condominium Subdivision Plan and/or Consolidating Master Deed.
- (d) Notwithstanding any other provisions of this Article VIII, the method or formula used to determine the Percentages of Value for Units in the Condominium, as described above, may not be modified without the consent of each affected Co-owner and Mortgagee. A Co-owner's Condominium Unit dimensions or appurtenant Limited Common Elements may not be modified without the Co-owner's consent. No amendment can be made that changes the rights reserved to Developer under the Condominium Documents without the written consent of Developer as long as Developer owns any Units in the Condominium, nor can an amendment ever be made that terminates, limits or impairs the easements or other real property rights reserved in favor of Developer under this Master Deed.
- (e) Any amendment to this Master Deed or any of the Exhibits hereto shall become effective upon the recordation of such amendment in the office of the Livingston County Register of Deeds.
- (f) Notwithstanding anything to the contrary contained in any of the Condominium Documents (i) any amendment or modification to this Master Deed or any Exhibit hereto shall require the prior written consent of Developer during the Development and Sales Period and (ii) regardless of whether the Development and Sales Period has expired, any amendment to Section (d) of Article IV or Article IX of this Master Deed shall require the prior written consent of the Developer.
- (g) Notwithstanding anything to the contrary, Sections (h), (j), (k), (l) or (m) of Article VI of this Master Deed shall not be amended, and no amendments to the Bylaws may be made, without the consent of the Township, which consent shall not be unreasonably withheld or delayed.

ARTICLE IX SUBDIVISION, CONSOLIDATION AND OTHER MODIFICATIONS OF UNITS

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

(a) <u>By Developer</u>. Developer reserves the sole right (without the consent of any other Co-owner or any mortgagee of any Unit) to take the following actions:

- (1) <u>Subdivide Units</u>. Subdivide or re-subdivide any Units which it owns and in connection therewith to install utility conduits and connections and any other improvements reasonably necessary to effect the subdivision, any or all of which may be designated by Developer as General or Limited Common Elements; such installation shall not disturb any utility connections serving Units other than temporarily. Such subdivision or re-subdivision of Units shall be given effect by an appropriate amendment or amendments to this Master Deed in the manner provided by law, which amendment or amendments shall be prepared by and at the sole discretion of Developer, its successors or assigns.
- (2) <u>Consolidate Contiguous Units</u>. Consolidate under single ownership two or more Units. Such consolidation of Units shall be given effect by an appropriate amendment or amendments to this Master Deed in the manner provided by law, which amendment or amendments shall be prepared by and at the sole discretion of Developer, its successors or assigns.
- (3) Relocate Boundaries. Relocate any boundaries between adjoining Units, separated only by Unit perimeters or other Common Elements not necessary for the reasonable use of Units other than those subject to the relocation. The relocation of such boundaries shall be given effect by an appropriate amendment or amendments to this Master Deed in the manner provided by law, which amendment or amendments shall be prepared by and at the sole discretion of Developer, its successors or assigns.
- (4) Amendments to Effectuate Modifications. In any amendment or amendments resulting from the exercise of the rights reserved to Developer above, each portion of the Unit or Units resulting from such subdivision, consolidation or relocation of boundaries shall be separately identified by number. Such amendment or amendments to this Master Deed shall also contain such further definitions of General or Limited Common Elements as may be necessary to adequately describe the Units in the Condominium Project as so modified. All of the Co-owners and Mortgagees of Units and other persons interested or to become interested in the Project from time to time shall be deemed to have irrevocably and unanimously consented to such amendment or amendments of this Master Deed to effectuate the foregoing.
- (b) Relocation of Boundaries of Adjoining Units by Co-owners. Boundaries between adjoining Units may be relocated at the request of Co-owners of such Units with the approval of Mortgagees of the affected Units and Green Oak Township. Upon written application of the Co-owners of the adjoining Units, and upon the approval of the affected Mortgagees and the Township, the Board of Directors of the Association shall prepare and execute an amendment to the Master Deed relocating boundaries. Such amendment shall identify the Units that are being relocated by the agreement of the Co-owners. Such amendment shall contain and constitute the conveyance between those Co-owners. All of the Co-owners and Mortgagees of Units and other persons interested or to become interested in the Project from time to time shall be deemed to have irrevocably and unanimously consented to such amendment or amendments of this Master Deed to effectuate the foregoing. The costs incurred by the Association in preparing and recording such

amendment shall be borne equally by the Co-owners who have requested the relocation of boundaries.

- (c) <u>Conformity with Laws and Ordinances</u>. All actions taken under this Article IX must comply with all applicable laws and ordinances and any subdivision, consolidation or relocation of the boundaries between Units pursuant to this Article IX shall require the approval of Green Oak Township.
- (d) <u>Limited Common Elements</u>. Limited Common Elements, if any are created, shall be subject to assignment and reassignment in accordance with Section 39 of the Act and in furtherance of the rights to consolidate Units or relocate boundaries described in this Article IX.

ARTICLE X DEVELOPER'S RIGHT TO USE FACILITIES

Until the end of the Development and Sales Period, Developer, its successors and assigns, agents and employees may maintain such offices, model units, reasonable parking, storage areas and other facilities on the Condominium as it deems necessary to facilitate the development and sale of the Condominium Project, including but not limited to maintaining a sales office in the clubhouse and sales signage throughout the Project, including signage attached or adjacent to the clubhouse. Throughout the entire duration of the Development and Sales Period, Developer, its successors and assigns, agents and employees shall have such access to, from and over the Condominium as may be reasonable to enable the development and sale of the Condominium Project, as it may be expanded. Developer shall pay the cost related to such use and restore the facilities to habitable status upon termination for such use.

ARTICLE XI ASSIGNMENT

Any or all of the rights and powers granted or reserved to Developer in the Condominium Documents or by law, including the power to approve or disapprove any act, use or proposed action or any other matter or thing, may be assigned by it to any other entity or to the Association. Any such assignment or transfer shall be made by appropriate instrument in writing duly recorded in the office of the Livingston County Register of Deeds.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, Developer has caused this Amended and Restated Master Deed to be executed the day and year first above written.

	E. MICHIGAN LAND HOLDING LLC, a chigan limited hability company
By Its:	Anthony F. Lombardo
STATE OF MICHIGAN) ss. COUNTY OF MACOMB)	
The foregoing instrument was acknowled AV GV ST, 2011 by Anthony F. Holding LLC, a Michigan limited liability compared to the	Lombardo, the manager of S.E. Michigan Land
Mark Paul Roebuck Notary Public, State of Michigan, County of Macomb My Commission Expires: July 8, 2017 Acting in the County of Macomb	MACOMB County, Michigan My commission expires: 7/8/2017 Acting in MACOMB County, MI

PREPARED BY AND WHEN RECORDED RETURN TO:

Timothy M. Koltun, Esq. Clark Hill PLC 500 Woodward Avenue, Suite 3500 Detroit, Michigan 48226-3435

[Signature Page to Master Deed of Stone Ridge Site Condominium]

STONE RIDGE SITE CONDOMINIUM

EXHIBIT A

BYLAWS

ARTICLE I

ASSOCIATION OF CO-OWNERS

Stone Ridge Site Condominium, a residential Condominium Project located in Green Oak Township, Livingston County, Michigan, shall be administered by an Association of Co-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 Project in accordance with the Condominium Documents and the laws of the State of Michigan. These Bylaws shall constitute both the Bylaws referred to in the Master Deed and required by Section 8 of the Act and the Bylaws provided for under the Michigan Nonprofit Corporation Act. Each Co-owner shall be entitled to membership and no other person or entity shall be entitled to membership. The share of a Co-owner in the funds and assets of the Association cannot be assigned, pledged or transferred in any manner except as an appurtenance to his Unit. The Association shall keep current copies of the Master Deed, all amendments to the Master Deed, and other Condominium Documents for the Condominium Project available at reasonable hours to Co-owners, prospective purchasers and prospective Mortgagees of Units in the Condominium Project. All Co-owners in the Condominium Project and all persons using or entering upon or acquiring any interest in any Unit therein or the Common Elements thereof shall be subject to the provisions and terms set forth in the aforesaid Condominium Documents.

ARTICLE II ASSESSMENTS

All expenses arising from the management, administration and operation of the Association in pursuance of its authorizations and responsibilities as set forth in the Condominium Documents and the Act shall be levied by the Association against the Units and the Co-owners thereof in accordance with the following provisions:

Section 1. <u>Assessments for Common Elements</u>. 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 Project shall constitute expenditures affecting the administration of the Project, and all sums received as the proceeds of, or pursuant to, any policy of insurance securing the interest of the Co-owners against liabilities or losses arising within, caused by, or connected with the Common Elements or the administration of the Condominium Project shall constitute receipts affecting the administration of the Condominium Project, within the meaning of Section 54(4) of the Act.

- Section 2. <u>Determination of Assessments</u>. Assessments shall be determined in accordance with the following provisions:
 - Annual Budget. The Board of Directors of the Association shall establish an annual budget in advance for each fiscal year and such budget shall project all expenses for the forthcoming year which may be required for the proper operation, management and maintenance of the Condominium Project, including a reasonable allowance for contingencies and reserves. An adequate reserve fund for major repairs and replacements of those Common Elements which the Association is responsible for repairing and replacing under the Master Deed shall be established in the budget and must be funded by regular payments as set forth in Section 3 below rather than by special assessments. At a minimum, the reserve fund shall be equal to ten percent (10%) of the Association's current annual budget on a noncumulative basis. The minimum standard required by this subsection may prove to be inadequate for a particular project. The Association of Co-owners should carefully analyze the Condominium Project to determine if a greater amount should be set aside, or if additional reserve funds should be established for other purposes. Upon adoption of an annual budget by the Board of Directors, copies of the budget shall be delivered to each Co-owner and the assessment for said year shall be established based upon said budget, although failure to deliver a copy of the budget to each Co-owner shall not affect or in any way diminish the liability of any Co-owner for any existing or future assessments. Should the Board of Directors at any time decide, in the sole discretion of the Board of Directors: (1) that the assessments levied are or may prove to be insufficient to pay the costs of operation and management of the Condominium, (2) to provide repairs or replacements of existing Common Elements, (3) to provide additions to the Common Elements not exceeding Five Thousand Dollars (\$5,000.00) annually for the entire Condominium Project, or (4) in the event of emergencies, the Board of Directors shall have the authority to increase the general assessment or to levy such additional assessment or assessments as it shall deem to be necessary. The Board of Directors also shall have the authority, without a Coowner's consent, to levy assessments pursuant to the provisions of Article V, Section 3 hereof regarding the Association's responsibilities for repair and maintenance. The discretionary authority of the Board of Directors to levy assessments pursuant to this subparagraph shall rest solely with the Board of Directors for the benefit of the Association and the members thereof, and shall not be enforceable by any creditors of the Association or of the members thereof.
 - (b) Special Assessments. Special assessments, in addition to those required in subparagraph (a) above, may be made by the Board of Directors from time to time and approved by the Co-owners as hereinafter provided to meet other requirements of the Association, including, but not limited to: (1) assessments for additions to the Common Elements of a cost exceeding Five Thousand Dollars (\$5,000.00) for the entire Condominium Project per year, (2) assessments to purchase a Unit upon foreclosure of the lien for assessments described in Section 5 hereof, or (3) assessments for any other appropriate purpose not elsewhere herein described. Special assessments referred to in this subparagraph (b) (but not including those assessments referred to in subparagraph 2(a) above, which shall be levied in the sole discretion of the Board of Directors) shall not be levied without the prior approval of more than sixty percent (60%) of all Co-

owners. The authority to levy assessments pursuant to this subparagraph is solely for the benefit of the Association and the members thereof and shall not be enforceable by any creditors of the Association or of the members thereof.

- Apportionment of Assessments and Penalty for Default. Unless otherwise Section 3. provided herein or in the Master Deed, all assessments levied against the Co-owners to cover expenses of administration shall be apportioned among and paid by the Co-owners in accordance with the Percentage of Value allocated to each Unit in Article VI of the Master Deed, without increase or decrease for the existence of any rights to the use of Limited Common Elements appurtenant to a Unit. Annual assessments as determined in accordance with Article II, Section 2(a) above shall be payable by Co-owners either in semi-annual installments or monthly, quarterly, or annually in the discretion of the Board of Directors, subject to Section 7 below, commencing with such Co-owner's acceptance of a deed to or a land contract vendee's interest in a Unit, or with the acquisition of fee simple title to a Unit by any other means. The payment of 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 fee of Twenty-Five Dollars (\$25.00) shall be imposed on each installment which is in default for ten (10) or more days. In addition, each installment in default for ten or more days shall bear interest from the initial due date thereof at the rate of seven percent (7%) per annum until such installment is paid in full. The Association may increase or assess such other reasonable automatic late charges or may, pursuant to Article XIX hereof, levy additional fines for late payment of assessments as the Association deems necessary from time to time. Each Co-owner (whether one or more persons) shall be, and remain, personally liable for the payment of all assessments (including fines for late payment and costs of collection and enforcement of payment) pertinent to his Unit which may be levied while such Co-owner is the owner thereof, except a land contract purchaser who constitutes a Co-owner shall be so personally liable and such land contract seller shall not be personally liable for all such assessments levied up to and including the date upon which such land contract seller actually takes possession of the Unit following extinguishment of all rights of the land contract purchaser in the Unit. Payments on account of installments of assessments in default shall be applied as follows: first, to costs of collection and enforcement of payment, including reasonable attorneys' fees; second, to any interest, charges and fines for late payment on such installments; and third, to installments in default in order of their due dates.
- Section 4. <u>Waiver of Use or Abandonment of Unit</u>. No Co-owner may exempt himself from liability for his contribution toward the expenses of administration by waiver of the use or enjoyment of any of the Common Elements or by the abandonment of his Unit.
- Section 5. <u>Liens.</u> Sums assessed to a Co-owner by the Association that are unpaid, together with interest on such sums, collection and late charges, advances made by the Association for taxes or other liens to protect its lien, attorney fees, and fines in accordance with the Condominium Documents, constitute a lien upon the Unit or Units in the Condominium Project owned by the Co-owner at the time of the assessment before all other liens except tax liens on the Unit in favor of any state or federal taxing authority and sums unpaid on a first mortgage of record, except that past due assessments that are evidenced by a notice of lien, recorded as set forth in Section 6 below, have priority over a first mortgage recorded subsequent to recording of the notice of lien. The lien upon each Unit owned by the Co-owner shall be in the amount assessed against the Unit, plus a proportionate share of the total of all other unpaid

assessments attributable to Units no longer owned by the Co-owner but which became due while the Co-owner had title to the Units.

Section 6. <u>Enforcement.</u>

- Remedies. In addition to any other remedies available to the Association, the Association may enforce collection of delinquent assessments by a suit at law for a money judgment or by foreclosure of the statutory lien that secures payment of assessments. An action for money damages and foreclosure may be combined in one action. An action to recover money judgments for unpaid assessments may be maintained without foreclosing or waiving the lien. In the event of default by any Coowner in the payment of any installment of the annual assessment levied against his Unit, the Association shall have the right to declare all unpaid installments of the annual assessment for the pertinent fiscal year immediately due and payable. The Association also may discontinue the furnishing of services to a Co-owner in default upon seven (7) days' written notice to such Co-owner of its intention to do so. A Co-owner in default shall not be entitled to utilize any of the General Common Elements of the Project and shall not be entitled to vote at any meeting of the Association so long as such default continues; provided, however, this provision shall not operate to deprive any Co-owner of ingress or egress to and from his Unit. In a judicial foreclosure action, a receiver may be appointed to collect a reasonable rental for the Unit from the Co-owner thereof or any persons claiming under him, and may be empowered to take possession of the Unit if not occupied by the Co-owner and to lease the Unit and to collect and apply the rental therefrom. The Association may also assess fines for late payment or nonpayment of assessments in accordance with the provisions of Article XIX of these Bylaws. All of these remedies shall be cumulative and not alternative.
- Foreclosure Proceedings. Each Co-owner, and every other person who (b) from time to time has any interest in the Project, shall be deemed to have granted to the Association the unqualified right to elect to foreclose the lien securing payment of assessments either by judicial action or by advertisement. The provisions of Michigan law pertaining to foreclosure of mortgages by judicial action and by advertisement, as the same may be amended from time to time, are incorporated herein by reference for the purposes of establishing the alternative procedures to be followed in lien foreclosure actions and the rights and obligations of the parties to such actions, provided, however, that notwithstanding the foregoing, the Association shall be entitled to reasonable interest, expenses, costs and attorney's fees for foreclosure by advertisement or judicial action. The Association, acting on behalf of all Co-owners, may bid in at the foreclosure sale and acquire, hold, lease, mortgage or sell the Unit with respect to which the assessment(s) is or are delinquent and to receive, hold and distribute the proceeds of any such lease, mortgage or sale in accordance with the priorities established by applicable law. The redemption period for foreclosure is six months from the date of sale unless the Unit is abandoned, in which event the redemption period is one month from the date of sale. The Co-owner of a Unit subject to foreclosure, and any purchaser, grantee, successor, or assignee of such Co-owner's interest in the Unit, is liable for assessments by the Association chargeable to the Unit that become due before expiration of the period of

redemption, together with interest, advances made by the Association for taxes or other liens to protect the Association's lien, costs and attorney fees incurred in their collection.

- (c) Power of Sale. Further, each Co-owner and every other person who from time to time has any interest in the Project shall be deemed to have authorized and empowered the Association to sell or to cause to be sold the Unit with respect to which the assessment(s) is or are delinquent at public sale in accordance with the statutes providing therefor and to receive, hold and distribute the proceeds of such sale in accordance with the priorities established by applicable law. Each Co-owner of a Unit in the Project acknowledges that at the time of acquiring title to such Unit, he was notified of the provisions of this subparagraph and that he voluntarily, intelligently and knowingly waived notice of any proceedings brought by the Association to foreclose by advertisement the lien for nonpayment of assessments and a hearing on the same prior to the sale of the subject Unit.
- (d) <u>Notice of Lien</u>. The Association may not commence proceedings to foreclose a lien for unpaid assessments without recording and serving a notice of lien in the following manner:
 - (1) The notice of lien shall set forth the legal description of the Unit or Units to which the lien attaches, the name of the Co-owner of record thereof, the amount due the Association as of the date of notice, exclusive of interest, costs, attorney's fees and future assessments.
 - (2) The notice of lien shall be in recordable form, executed by an authorized representative of the Association, and may contain such other information as the Association deems appropriate.
 - (3) The notice of lien shall be recorded in the office of the Livingston County Register of Deeds and shall be served upon the delinquent Co-owner by first class mail, postage prepaid, addressed to the last known address of the Co-owner at least ten (10) days in advance of the commencement of the foreclosure proceedings.
- (e) <u>Expenses of Collection</u>. The expenses incurred in collecting unpaid assessments, including interest, costs, actual attorneys' fees (not limited to statutory fees) and advances for taxes or other liens paid by the Association to protect its lien, shall be chargeable to the Co-owner in default and shall be secured by the lien on his Unit.
- Section 7. <u>Liability of Mortgagee</u>. Notwithstanding any of the provisions of the Condominium Documents, if the holder of any first mortgage covering, or other purchaser of, any Unit in the Condominium Project obtains title to the Unit as a result of foreclosure of the first mortgage, such person, and its heirs, representatives, successors and assigns, are not liable for the assessments chargeable to such Unit which became due prior to the acquisition of title to the Unit by such person.
- Section 8. <u>Developer's Responsibility for Assessments</u>. Developer, although a member of the Association, shall not be responsible at any time for the payment of Association

assessments, except with respect to Units owned by Developer which contain a completed and occupied residential dwelling. A residential dwelling is complete when it has received a certificate of occupancy from the Township and a residential dwelling is occupied if it is occupied as a residence. Model and "spec" homes shall not constitute completed and occupied dwellings. In addition, in the event Developer is selling a Unit with a completed residential dwelling thereon by land contract to a Co-owner, the Co-owner shall be liable for all assessments and Developer shall not be liable for any assessments levied up to and including the date, if any, upon which Developer actually retakes possession of the Unit following extinguishment of all rights of the land contract purchaser in the Unit. However, Developer shall at all times pay expenses of maintaining the Units that it owns, together with a proportionate share of all current maintenance expenses actually incurred by the Association from time to time (excluding reserves) for street maintenance and snow removal only, but in any event excluding management fees and expenses related to the maintenance, repair and use of Units in the Project that are not owned by Developer. For purposes of the foregoing sentence, Developer's proportionate share of such expenses shall be based upon the ratio of all Units owned by Developer at the time the expense is incurred (excluding Units that were sold on land contract and as to which Developer has not retaken possession ("Land Contract Units")) to the total number of Units in the Project. In no event shall Developer be responsible for assessments for deferred maintenance, reserves for replacements, capital improvements or other special assessments, except with respect to non-Land Contract Units that are owned by Developer which contain completed and occupied residential dwellings. Any assessments levied by the Association against Developer for other purposes, without Developer's prior written consent, shall be void and of no effect. In addition, Developer shall not be liable for any assessment levied in whole or in part to purchase any Unit from Developer or to finance any litigation or claims against Developer, any cost of investigating or preparing such litigation or claim or any similar or related costs.

- Section 9. <u>Property Taxes and Special Assessments</u>. All property taxes and special assessments levied by any public taxing authority shall be assessed in accordance with Section 131 of the Act.
- Section 10. <u>Special Water and Sewer Assessments</u>. Co-owners shall be responsible for any special water and sewer assessments that may be levied by Green Oak Township against the Units in the Condominium upon the establishment of a sewer assessment district that includes the Condominium.
- Section 11. <u>Personal Property Tax Assessment of Association Property</u>. The Association shall be assessed as the person or entity in possession of any tangible personal property of the Condominium owned or possessed in common by the Co-owners, and personal property taxes based thereon shall be treated as expenses of administration.
- Section 12. <u>Construction Lien</u>. A construction lien otherwise arising under Act No. 497 of the Michigan Public Acts of 1980, as amended, shall be subject to Section 132 of the Act.
- Section 13. <u>Statement as to Unpaid Assessments</u>. The purchaser or grantee of any Unit may request a statement of the Association as to the amount of any unpaid Association assessments thereon, whether regular or special, interest, late charges, fines, costs and attorney fees thereon. Upon written request to the Association accompanied by a copy of the executed

purchase agreement pursuant to which the purchaser or grantee holds the right to acquire a Unit, the Association shall provide a written statement of such unpaid assessments and related charges 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 or grantee 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, costs, fines, late charges and attorney fees incurred in the collection of such assessments, and the lien securing the same fully enforceable against such purchaser or grantee and the Unit itself, to the extent provided by the Act.

Section 14. Payment of Unpaid Assessments at Time of Sale. Upon the sale or conveyance of a Unit, all unpaid assessments, interest, late charges, fines, costs and attorneys' fees against such Unit shall be paid out of the sale price or by the purchaser in preference over any other assessments or charges of whatever nature except (a) amounts due the State of Michigan, or any subdivision thereof, or any municipality for taxes and special assessments due and unpaid on the Unit and (b) payments due under a first mortgage having priority thereto.

Section 15. Foreclosure of First Mortgage. The Mortgagee of a first mortgage of record of a Unit shall give notice to the Association of the commencement of foreclosure of the first mortgage by advertisement by serving a copy of the published notice of foreclosure sale required by statute upon the Association by certified mail, return receipt requested, addressed to the resident agent of the Association at the agent's address as shown on the records of the Michigan Department of Energy, Labor & Economic Growth, Bureau of Commercial Services, Corporation Division, or to the address the Association provides to the Mortgagee, if any, in those cases where the address is not registered, within ten days after the first publication of the notice. The Mortgagee of a first mortgage of record of a Unit shall give notice to the Association of intent to commence foreclosure of the first mortgage by judicial action by serving a notice setting forth the names of the mortgagors, the Mortgagee, and the foreclosing assignee of a recorded assignment of the mortgage; the date of the mortgage and the date the mortgage was recorded; the amount claimed to be due on the mortgage on the date of the notice; and a description of the mortgaged premises that substantially conforms with the description contained in the mortgage, upon the Association by certified mail, return receipt requested, addressed to the resident agent of the Association at the agent's address as shown on the records of the Michigan Department of Energy, Labor & Economic Growth, Bureau of Commercial Services, Corporation Division, or to the address the Association provides to the Mortgagee, if any, in those cases where the address is not registered, not less than ten days before commencement of the judicial action. Failure of the Mortgagee to provide notice as required by this Section shall only provide the Association with legal recourse and will not, in any event, invalidate any foreclosure proceeding between the Mortgagee and mortgagor.

ARTICLE III ARBITRATION

Section 1. <u>Scope and Election</u>. 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 Co-owners or between Co-owners and the

Association shall, upon the election and written consent of the parties to any such disputes, claims or grievances (which consent shall include an agreement of the parties that the judgment of any Circuit Court in the State of Michigan may be rendered upon any award pursuant to such arbitration) and written notice to the Association, be submitted to arbitration and the parties thereto shall accept the arbitrator's decision as final and binding. At the exclusive option of the Association, a contract to settle by arbitration shall be executed by Developer with respect to any claim that might be the subject of a civil action against Developer, which claim arises out of or relates to the Common Elements of the Condominium Project if the amount of the claim is Ten Thousand Dollars (\$10,000.00) or less. At the exclusive option of a Co-owner, any claim which might be the subject of a civil action against Developer which involves an amount less than Two Thousand Five Hundred Dollars (\$2,500.00) and arises out of or relates to a Co-owner's Unit or the Project, shall be settled by binding arbitration. The Commercial Arbitration Rules of the American Arbitration Association as amended and in effect from time to time hereafter shall be applicable to any such arbitration.

- Section 2. <u>Judicial Relief.</u> In the absence of the election and written consent of the parties pursuant to Section 1 above, no Co-owner or the Association shall be precluded from petitioning the courts to resolve any such disputes, claims or grievances.
- Section 3. <u>Election of Remedies</u>. The election and written consent by parties pursuant to Section 1 above to submit any dispute, claim or grievance to arbitration shall preclude such parties from litigating such dispute, claim or grievance in the courts.

ARTICLE IV INSURANCE

- Section 1. <u>Extent of Coverage</u>. The Association shall, to the extent appropriate in light of the nature of the Common Elements of the Project, carry fire and extended coverage, vandalism and malicious mischief and commercial general liability insurance (in a minimum amount to be determined by Developer or the Association in its discretion, but in no event less than \$1,000,000 per occurrence), officers' and directors' liability insurance, and workmen's compensation insurance, if applicable, and any other insurance the Association may deem applicable, desirable or necessary, pertinent to the ownership, use and maintenance of the Common Elements and such insurance shall be carried and administered in accordance with the following provisions:
 - (a) <u>Responsibilities of Association</u>. All such insurance shall be purchased by the Association for the benefit of the Association, Developer and the Co-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 Co-owners.
 - (b) <u>Insurance of Common Elements</u>. All Common Elements shall be insured against fire (if appropriate) and other perils covered by a standard extended coverage endorsement, if applicable and appropriate, in an amount equal to the current insurable replacement value, excluding foundation and excavation costs, as determined annually by the Board of Directors of the Association.

- (c) <u>Premium Expenses</u>. All premiums on insurance purchased by the Association pursuant to these Bylaws shall be expenses of administration.
- (d) Proceeds of Insurance Policies. Proceeds of all insurance policies owned by the Association shall be received by the Association, held in a separate account and distributed to the Association and the Co-owners and their Mortgagees, as their interests may appear; provided, however, whenever repair or reconstruction of damaged portions of the Condominium shall be required as provided in Article V of these Bylaws, the insurance proceeds received by the Association as a result of any loss requiring repair or reconstruction shall be applied to such repair or reconstruction and in no event shall hazard insurance proceeds be used for any purpose other than for repair, replacement or reconstruction of the Project unless all of the institutional holders of first mortgages on Units in the Project have given their prior written approval.
- (e) <u>Insurance Certificates</u>. Certificates of insurance maintained by the Association shall be issued to each Co-owner and Mortgagee upon request.
- Section 2. <u>Authority of Association to Settle Insurance Claims</u>. Each Co-owner appoints the Association as his true and lawful attorney-in-fact to act in connection with all matters concerning the maintenance of fire and extended coverage, vandalism and malicious mischief, liability insurance and workmen's compensation insurance, if applicable, pertinent to the Condominium Project and the General Common Elements appurtenant thereto, with such insurer as may, from time to time, provide such insurance for the Condominium Project. 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 the same to the Association, the Co-owners and respective Mortgagees, as their interests may appear (subject to limiting or defining provisions of the Condominium Documents), to execute releases of liability and to execute all documents and to do all things on behalf of the Association and any of its Co-owners as shall be necessary or convenient to accomplish the foregoing.
- Section 3. <u>Insurance Responsibilities of Co-owners</u>. Each Co-owner shall be obligated and responsible for obtaining fire and extended coverage and vandalism and malicious mischief insurance with respect to the buildings and all other improvements constructed or to be constructed within the perimeter of his Unit (other than Common Elements) and for his personal property located therein or thereon or elsewhere on the Condominium Project. There is no responsibility on the part of the Association to insure any of such improvements whatsoever. All such insurance shall be carried by each Co-owner in an amount equal to the maximum insurable replacement value, excluding foundation and excavation costs. Each Co-owner also shall be obligated to obtain insurance coverage for his personal liability for occurrences within the boundaries of his Unit and the improvements located therein (naming the Association and Developer as additional insureds thereunder), and also for any other personal insurance coverage that the Co-owner wishes to carry. The liability insurance described in this Section 3 shall be carried in such minimum amounts as may be specified by Developer (and thereafter by the Association).

Each Co-owner shall, on or before the annual anniversary dates of the issuance of any insurance required to be maintained by such Co-owner under this Section 3, deliver certificates

of such insurance to the Association. If a Co-owner fails to obtain any such insurance (which may be assumed to be the case if the Co-owner fails to timely provide evidence thereof to the Association), the Association may obtain such insurance on behalf of such Co-owner and the premiums therefor (if not reimbursed by the Co-owner on demand) shall constitute a lien against the Co-owner's Unit which may be collected from the Co-owner in the same manner that Association assessments may be collected in accordance with Article II hereof.

The Association shall under no circumstance have any obligation to obtain any of the insurance coverage described in this Section 3 or incur any liability to any person for failure to do so. The Association may elect, however, through its Board of Directors, to undertake the responsibility for obtaining the insurance described in this Section 3, or any portion thereof, exclusive of insurance covering the contents located within a Co-owner's residence, and the cost of the insurance shall be included as an expense item in the Association budget. All Co-owners shall be notified of the Board's election to obtain the insurance at least sixty (60) days prior to its effective date which notification shall include a description of the coverage and the name and address of the insurer. Each Co-owner shall also be provided a certificate of insurance as soon as it is available from the insurer. Co-owners may obtain supplementary insurance but in no event shall any such insurance coverage undertaken by a Co-owner permit a Co-owner to withhold payment of the share of the Association assessment that relates to the equivalent insurance carried by the Association. The Association also shall not reimburse Co-owners for the cost of premiums resulting from the early cancellation of an insurance policy. To the extent a Co-owner does or permits anything to be done or kept within his Unit that will increase the rate of insurance each Co-owner shall pay to the Association, the increased cost of insurance premiums resulting from any such activity or the maintenance of any such condition shall be charged to the Co-owner responsible for such activity or condition.

- Section 4. <u>Waiver of Rights of Subrogation</u>. The Association and all Co-owners shall cause all property and liability insurance carried by the Association or any Co-owner to contain appropriate provisions whereby the insurer waives its right of subrogation as to any claims against any Co-owner or the Association.
- Section 5. <u>Additional Insurance</u>. The Association may, as an expense of administration, purchase an umbrella insurance policy which covers any risk required hereunder which was not covered due to lapse or failure to procure.
- Section 6. <u>Modifications to Insurance Requirements and Criteria</u>. The Board of Directors of the Association may, with the consent of thirty-three and one-third percent (33-1/3%) of the Co-owners, revise the types, amounts, provisions, specifications and other provisions of this Article IV, except where prohibited by the Act.
- Section 7. <u>Indemnification</u>. Each individual Co-owner shall indemnify and hold harmless every other Co-owner, Developer and the Association for all damages and costs, including attorneys' fees, which such other Co-owners, Developer or the Association may suffer as a result of defending any claim arising out of an occurrence on or within such individual Co-owner's Unit and shall carry insurance to secure this indemnity if so required by Developer (and thereafter the Association). This Section 7 shall not, however, be construed to give any insurer any subrogation right or other right or claim against any individual Co-owner.

ARTICLE V RECONSTRUCTION OR REPAIR

- Section 1. <u>Responsibility for Reconstruction or Repair</u>. If any part of the Condominium Premises shall be damaged as a result of fire, vandalism, weather or other natural or person caused phenomenon or casualty, the determination of whether or not it shall be reconstructed or repaired, and the responsibility therefor, shall be as follows:
 - (a) <u>General Common Elements</u>. If the damaged property is a General Common Element, the damaged property shall be rebuilt or repaired by the Association unless all of the Co-owners and all of the institutional holders of mortgages on any Unit in the Project unanimously agree to the contrary.
 - Unit or Improvements Thereon. If the damaged property is a Unit or any improvements thereon (other than General Common Elements) or an appurtenant Limited Common Element, the Co-owner of the affected Unit alone shall determine whether to rebuild or repair the damaged property, subject to the rights of any Mortgagee or other person or entity having an interest in such property, and such Co-owner shall be responsible for any reconstruction or repair that he elects to make. The Co-owner shall in any event remove all debris and restore his Unit and the improvements thereon (other than General Common Elements) and the appurtenant Limited Common Elements to a clean and sightly 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. In the event that a Co-owner has failed to repair, restore, demolish or remove the improvements on the Co-owner's Unit (other than General Common Elements) or an appurtenant Limited Common Element under this Section, the Association shall have the right (but not the obligation) to undertake reasonable repair, restoration, demolition or removal and shall have the right to place a lien on the affected Unit for the amounts expended by the Association for that purpose which may be foreclosed as provided for in these Bylaws.
- Section 2. <u>Repair in Accordance with Master Deed</u>. Reconstruction or repair shall be substantially in accordance with the Master Deed, the Condominium Subdivision Plan attached thereto as Exhibit B and the original plans and specifications for any damaged improvements located within the Unit or damaged appurtenant Limited Common Elements unless the Coowners shall unanimously decide otherwise.
- Section 3. Association Responsibility for Repair. Immediately after the occurrence of a casualty causing damage to property for which the Association has the responsibility of maintenance, repair and 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 cost of reconstruction or repair required to be performed by the Association, or if at any time during such reconstruction or repair, or upon completion of such reconstruction or repair, the funds for the payment of the cost thereof are insufficient, assessment shall be made against all Co-owners for the cost of reconstruction or repair of the damaged property in sufficient amounts to provide

funds to pay the estimated or actual cost of repair. This provision shall not be construed to require replacement of mature trees and vegetation with equivalent trees or vegetation.

- Section 4. <u>Timely Reconstruction and Repair</u>. If damage to the General Common Elements adversely affects the appearance of the Project, the Association shall proceed with replacement of the damaged property without delay.
- Section 5. <u>Eminent Domain</u>. The following provisions shall control upon any taking by eminent domain:
 - (a) <u>Taking of Unit or Improvements Thereon</u>. In the event of any taking of all or any portion of a Unit or any improvements thereon (other than General Common Elements) or any Limited Common Elements appurtenant thereto by eminent domain, the award for such taking shall be paid to the Co-owner of the affected Unit and the Mortgagee thereof, as their interests may appear, notwithstanding any provision of the Act to the contrary. If a Co-owner's entire Unit is taken by eminent domain, such Co-owner and his Mortgagee shall, after acceptance of the condemnation award therefor, be divested of all interest in the Condominium Project.
 - (b) <u>Taking of General Common Elements</u>. If there is any taking of any portion of the General Common Elements, the condemnation proceeds relative to such taking shall be paid to the Co-owners and their Mortgagees in proportion to their respective interests in the General Common Elements and the affirmative vote of more than 50% of the Co-owners shall determine whether to rebuild, repair or replace the portion so taken or to take such other action as they deem appropriate.
 - (c) <u>Continuation of Condominium After Taking</u>. In the event the Condominium Project continues after taking by eminent domain, then the remaining portion of the Condominium Project shall be resurveyed and the Master Deed amended accordingly, and, if any Unit shall have been taken, then Article VI of the Master Deed shall also be amended to reflect such taking and to proportionately readjust the Percentages of Value of the remaining Units based upon the continuing value of the Condominium of 100%. Such amendment may be effected by an officer of the Association duly authorized by the Board of Directors without the necessity of execution or specific approval thereof by any Co-owner.
 - (d) <u>Notification of Mortgagees</u>. In the event any Unit in the Condominium, or any portion thereof, or the Common Elements or any portion thereof, is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, the Association promptly shall so notify each institutional holder of a first mortgage lien on any of the Units in the Condominium.
 - (e) Applicability of the Act. To the extent not inconsistent with the foregoing provisions, Section 133 of the Act shall control upon any taking by eminent domain.
- Section 6. <u>Priority of Mortgagee Interests</u>. Nothing contained in the Condominium Documents shall be construed to give a Co-owner or any other party priority over any rights of First Mortgagees of Condominium Units pursuant to their mortgages in the case of a distribution

to Co-owners of insurance proceeds or condemnation awards for losses to or a taking of Condominium Units and/or Common Elements.

Section 7. <u>Notification of FHLMC, FNMA, Etc.</u> In the event any mortgage in the Condominium is held by the Federal Home Loan Mortgage Corporation ("FHLMC"), Federal National Mortgage Association ("FNMA"), Government National Mortgage Association ("GNMA"), the Michigan State Housing Development Authority ("MSHDA"), or insured by the Veterans Administration ("VA"), Department of Housing and Urban Development ("HUD"), Federal Housing Association ("FHA") or any private or public mortgage insurance program, then the Association shall give the aforementioned parties written notice, at such address as they 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 Ten Thousand Dollars (\$10,000.00) in amount or damage to a Condominium Unit or dwelling covered by a mortgage purchased, held or insured by them.

ARTICLE VI ARCHITECTURAL AND BUILDING AND USE RESTRICTIONS

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

- Section 1. Architectural Standards. All improvements made within any Unit or outside the boundaries of a Unit, including, without limitation, landscaping, construction of a Residence or Structure (such as a deck or garage), and the use and occupancy thereof, shall comply fully with these Architectural and Building and Use Restrictions. As set forth more specifically in this Article VI, if the Structure or Residence to be built within the Unit or outside the boundaries of a Unit is not to be constructed by Developer or an affiliate thereof, then before construction of any improvements are made to a Unit or outside the boundaries of a Unit, plans and specifications prepared and sealed by a licensed Michigan architect, including grading, site, landscaping and irrigation plans, showing the nature, size, shape, elevations, height, materials, color scheme, and location of all improvements, shall be submitted to and approved in writing by Developer (or the Architectural Control Committee, as the case may be), as more fully set forth in Section 2, below. In addition to all of the other restrictions and requirements of this Article VI, in no event may a Co-owner construct any Structure or other improvements outside the boundaries of a Unit. Developer intends by these restrictions to create and perpetuate a private residential condominium community.
- Section 2. <u>Restrictions and Requirements</u>. No Structure or Residence shall be constructed or located within any Unit or outside the boundaries of a Unit, except as follows:

A. <u>Review Procedures and Submission Requirements.</u>

1. Developer hereby reserves to itself (and, to the Association, acting through its Architectural Control Committee, as more fully set forth below), the right to approve, disapprove and otherwise pass upon the design, appearance, construction or other attributes of any Structure or Residence proposed to be erected or maintained within a Unit or the Project, and no Structure or Residence shall be permitted or allowed to be constructed or erected within a Unit or the Project unless the same has received, in writing, the approval of Developer (or the Association, acting through its Architectural Control Committee, as more fully set forth below),

pursuant to the terms and conditions of this Article VI. In addition to the approvals required by and the other restrictions contained in this Article VI, all Structures and Residences erected or maintained within a Unit or the Project shall comply with all of the requirements of Green Oak Township imposed as part of its site plan approval for the Project.

- 2. There shall be a two (2) step submittal process for obtaining the approval of Developer (or the Architectural Control Committee, as the case may be), for any Structure or Residence to be erected, constructed, maintained or rebuilt within any Unit or in any other part of the Project. Developer's approval in writing of each of the submittals must be obtained before construction of any Structure or Residence may be commenced. If appropriate, Developer may waive or modify the process in order to expedite the review process, although in no event shall Developer be obligated to modify or waive the process.
- (a) The first step will be the application for "Concept Approval". In connection with seeking Concept Approval, the Co-owner or his representative shall submit: (i) a conceptual site plan showing the location of all proposed Structures within the Unit; (ii) a conceptual floor plan; and (iii) conceptual front and rear elevation drawings of the proposed Residence, including a description of desired colors and types of exterior materials. Concept Approval shall be deemed to have been granted when Developer has approved, in writing, all of the foregoing submissions.
- (b) The second step will be application for Final Approval. In connection with seeking Final Approval, the Co-owner or his representative shall submit: (i) all prints, plans and other items required to be submitted to Green Oak Township to procure a building permit; (ii) a dimensioned site plan sealed by a registered engineer licensed to do business in the State of Michigan, showing setbacks, existing and proposed elevations, and all trees within the Unit having a diameter at ground level of three inches (3") or more, including an indication as to which trees are to be removed; (iii) complete building plans sealed by a registered architect licensed to do business in the State of Michigan; (iv) actual samples of bricks, shingles, stain materials and colors; (v) a construction schedule specifying completion dates for foundations, rough-in, and the Structure with a completed exterior as a whole; (vi) plans for landscaping within the Unit; and (vii) any other materials required by Developer. Final Approval shall be deemed to have been granted when Developer has approved, in writing, all of the foregoing submissions.
- (c) No approval shall be effective unless given by Developer, in writing. If a Structure or any aspect or feature thereof is not in strict conformity with the requirements or restrictions set forth in this Article VI, any such nonconformity shall be permitted only if it is specifically mentioned as such in the submissions to Developer, and Developer specifically approves or waives the same, in writing.
- 3. No alteration, modification, substitution or other variance from the designs, plans, specifications and other submission matters which have been approved by Developer (including but not limited to any alteration, modification or addition to any Residence or Structure previously installed or constructed other than interior alterations to a Residence or other building) shall be permitted within any Unit or elsewhere in the Project unless the Coowner thereof obtains Developer's written approval for such variation. So long as any such

variance is minimal, the Co-owner need not go through the entire submittal process described in Paragraph 2, above, but in any event, the Co-owner must submit sufficient information (including, without limitation, material samples) as Developer determines, in its sole discretion, is required to permit Developer to decide whether or not to approve or deny the variance request. Developer's approval of any variance must be obtained irrespective of the fact that the need for the variance arises for reasons beyond the Co-owner's control (e.g., material shortages or the like). If a variance is required from Green Oak Township, or any other governmental agency or department, it will be the Co-owner's responsibility to seek and obtain such variance.

- 4. In making any of the submissions required or contemplated in Article VI, Section 2, Paragraph A.2, the Co-owner shall cause four (4) copies thereof to be submitted to Developer. Two copies shall be returned to the Co-owner after Developer has approved or disapproved the submission, and the other two copies shall be retained by Developer for its files.
- 5. Developer shall designate in writing from time to time one or more Persons (each such Person is referred to herein as a "Designee") who shall each be the agent of Developer who evaluates and renders decisions on behalf of Developer with respect to matters submitted to Developer pursuant to Article VI, Section 2, Paragraph A.2. NO CO-OWNER OR REPRESENTATIVE THEREOF MAY RELY UPON ANY APPROVAL OR OTHER STATEMENT RENDERED OR MADE BY ANY AGENT OR EMPLOYEE OF DEVELOPER OTHER THAN A DESIGNEE. No agent, employee, consultant, attorney or other representative or adviser of or to Developer shall have any liability with respect to decisions made, actions taken or opinions rendered relative to matters submitted to Developer hereunder.
- 6. Developer reserves the right to assign, delegate or otherwise transfer its rights and powers of approval as provided in this Article VI, including, without limitation, an assignment of such rights and powers to the Architectural Control Committee described herein or to any Mortgagee.
- B. <u>Restrictions and Requirements</u>. The following rules, regulations, restrictions and requirements shall apply to each and every Unit in the Project, and no Structure shall be erected, constructed or maintained on any Unit or elsewhere in the Project which is in contravention of such rules, regulations, restrictions and requirements, except to the extent any non-conformity has been waived by Developer pursuant to Part E of this Article VI, Section 2.
 - 1. Each Residence shall have living area not less than:
 - (a) Small Home Sites 900 square feet;
 - (b) Other Home Sites 1,400 square feet

"Living area" means the actual area within the outer surfaces of the outside walls of the Residence, including any finished living area which is above an enclosed porch or garage, but excluding a garage, basement, deck, balcony, patio or unheated porch. "Small Home Sites" means Units 28, 113, 152 and 153. "Other Home Sites" shall mean all of the Units other than Small Home Sites.

- 2. Old and/or preexisting buildings may not be moved onto any Unit and no used materials except reclaimed brick may be used in construction and used materials may be used in the interior of a building. Metal and flat roofs are prohibited.
- 3. Except as may be permitted by Green Oak Township, no Residence, building, decks or other structure shall be placed, erected, installed or located on any Unit nearer to the front, side or rear Unit line than the distances set forth below, provided that structures detached from the Residence and decks may encroach into the rear yard setback set forth below:
 - (a) The minimum front yard setback is twenty-five (25) feet.
- (b) Except as otherwise provided in the site plan for the Project approved by Green Oak Township, the minimum rear yard setback is twenty-five (25) feet.
- (c) Except as otherwise provided in the site plan for the Project approved by Green Oak Township, the minimum side yard setback is five (5) feet on each side of the Unit for Small Home Sites and seven and one-half (7½) feet on each side of the Unit for Other Home Sites.

Front, rear and side yard setbacks smaller than above shall only be permitted if a variance from the setback or setbacks is granted by Developer. A variance from the Township is also necessary. Approval of a variance by Developer of setbacks of less than those established above will only be permitted if the grade, soil or other physical conditions pertaining to a Unit justify such variance.

4. Upon the completion of a Residence within any Unit, the Coowners thereof shall, subject to all applicable municipal ordinances, cause the Unit to be finish graded and sodded and suitably landscaped as soon after completion as weather permits. All landscaping in the Condominium shall be of an aesthetically pleasing nature and shall be well maintained at all times. Notwithstanding anything to the contrary herein, basic landscaping, including finish grading and the laying of sod or, if approved by Developer, seeding or hydroseeding, must be completed within 90 days of the later of the closing on the Unit and Township approval of the final grade of the Unit, weather permitting, and if weather does not so permit, then as soon as thereafter as weather permits and otherwise conform to plans prepared by Co-owner and approved by Developer, but in no event shall such basic landscaping be required to be completed earlier than July 15th of a year if the closing on the Unit occurred during the period commencing on November 1st of the immediately preceding calendar year and ending April 15th of the year in question. Notwithstanding the foregoing, if the Unit is finish graded and sodded or, if approved by Developer, seeded or hydroseeded by an entity affiliated with Developer, then basic landscaping must be completed within ninety (90) days of the later of (i) the completion of finish grading and sod installation or, if approved by Developer, seeding or hydroseeding and (ii) the closing on the Unit, weather permitting, and if weather does not so permit, then as soon thereafter as weather permits and otherwise conform to plans prepared by Co-owner and approved by Developer, but in no event shall such basic landscaping be required to be completed earlier than July 15th of a year if the closing on the Unit occurred during the period commencing on November 1st of the immediately preceding calendar year and ending

April 15th of the year in question. Use of seed and hydroseed is expressly prohibited unless approved by Developer.

Each Co-Owner shall plant, install and maintain within his Unit a minimum of two trees. One tree must be located in the front yard area and the other within the rear yard area of the Unit. All trees shall be a minimum of 2.5 inches in caliper, and must be one or more of the following types: maple, oak, elm, pine, birch, spruce, wild cherry, Douglas fir or tulip tree. The trees shall be installed within the same time period applicable to the laying of sod or seeding or hydroseeding as provided above.

No shrubs or foliage shall be permitted on any Unit within five (5) feet of any transformer enclosure or secondary connection pedestals. One vegetable/flower/herb garden may be installed within a Unit provided that (a) the maximum size of such garden may not exceed ten feet by twelve feet and (b) such garden shall be located within that portion of the side yard setback of the Unit located behind the rear of the Residence, and plans for such garden must be submitted to and approved by Developer.

- Only generally recognized, domesticated household pets shall be kept or maintained within any Unit. No other types of animals or fowl shall be kept or maintained within any Unit, and household pets shall be confined to the Unit, unless accompanied by the Owner or a responsible person and appropriately restrained. Any pets kept in the Condominium shall have such care and restraint as not to be obnoxious on account of noise, odor or unsanitary conditions. Pets causing a nuisance or destruction shall be restrained or removed from the Project. No savage or dangerous animal shall be kept. Each Co-owner shall be responsible for collection and proper disposition of all fecal matter deposited by any pet maintained by such Co-owner, which collection shall be done immediately in the case of fecal matter deposited in the Common Elements and promptly in the case of fecal matter deposited within the Unit. No dog or other pet which barks or otherwise makes objectionable noise and can be heard on a frequent or continuing basis shall be kept in any Unit or on the Common Elements. All pets will be kept in strict accordance with all local laws and ordinances. Any person who causes or permits an animal to be brought or kept on the Condominium shall indemnify the Association and hold it harmless from any loss, damage or liability which the Association may sustain as a result of the presence of such animal within the Condominium. The Association may require that any pets be registered with it.
 - 6. No dog runs shall be permitted.
- 7. No deck, patio, paved area, wall or hedge of any kind shall be erected or maintained within any Unit, except for a deck, paved area, wall or hedge meeting Green Oak Township ordinance requirements and which is approved by Developer, in writing. No paved area (other than (a) driveways, walkways and sidewalks and (b) brick pavers or concrete not exceeding two feet in width that abut either side of a driveway), wall or hedge shall be located nearer to any front Unit boundary line than is permitted for Residences under Paragraph B.3 above and any patio shall be located in the rear yard of the Unit. No deck, patio, paved area, wall or hedge shall be maintained or erected which blocks or hinders vision at street intersections. Patios must be constructed of concrete or brick pavers. Decks and associated steps must be constructed of wood and/or Trex or similar materials. Deck rails must be

constructed of wood/aluminum/wrought iron or similar materials. Solid privacy walls on decks are permitted as long as they are constructed of the same material as the deck and the total height does not exceed six feet.

- 8. No fencing of any type is allowed within any Unit, except for (a) (i) a decorative fence that does not extend beyond the rear yard of the Unit and does not exceed a maximum height of six feet and/or (ii) a privacy fence that provides screening for swimming pools and (b) that meets Green Oak Township ordinance requirements and is approved by Developer, in writing. A Co-owner shall also obtain such permits and other approvals as may be required for such fencing by Green Oak Township. Nothing contained in the foregoing shall prohibit the installation of so-called "invisible" fencing which is installed underground provided the plans therefor are approved by Developer in writing.
- 9. In-ground swimming pools, Jacuzzis and hot tubs may be installed as permitted by Green Oak Township. Above-ground swimming pools are permitted provided they have a minimum of two foot wide decking surrounding the entire perimeter of the pool. Free-standing swimming pools are not permitted except for vinyl kiddy pools that do not exceed 100 square feet in size. All mechanical equipment related to a swimming pool must be located in the rear yard of the Unit and must be fully screened.
- 10. No tent, shack, shed, barn, tree house or other similar outbuilding or structure shall be placed in any Unit at any time, either temporarily or permanently, except (a) as otherwise provided in this Article VI, (b) for a shed meeting Green Oak Township ordinance requirements and which is otherwise approved by Developer, in writing, and (c) a detached garage that (i) is architecturally harmonious with the Residence constructed on such Unit, (ii) meets Green Oak Township ordinance requirements and (iii) is otherwise approved by Developer, in writing. Plans for swimming or bathhouses must be specifically approved by Developer and Green Oak Township. Notwithstanding the foregoing, camping out in a tent that is erected in the rear yard of a Unit behind a fence installed pursuant to Section 2B8 above is permitted provided that such activity is on a temporary, infrequent basis and does not become or constitute a nuisance or unreasonable source of annoyance to the occupants of other Units.
- 11. Trailers (camping, house, boat, jet ski, snowmobile or otherwise), trucks, aircraft, commercial vehicles, inoperative vehicles, boats, mobile homes, campers, jet skis, snowmobiles or other recreational vehicles or other vehicles except motorcycles, passenger cars, passenger vans, pick-up trucks and sport utility vehicles shall not be parked or maintained within any Unit unless in a suitable private garage with the garage door closed and which garage is built in accordance with the restrictions set forth herein, nor shall any of the same be parked upon any street or road within the Condominium except for commercial vehicles when present on business and then only for a limited period of time reasonably necessary to conduct the business. Notwithstanding the foregoing, the Co-owners of a Unit may park a boat or snowmobile trailer, camper, camping trailer or recreational vehicle (ATV) in the driveway of their Unit for occasional periods of no longer than seventy-two (72) hours (or such longer period of time as may be approved in writing by the Association Board of Directors) to permit the loading or unloading or cleaning or pre- or post-use maintenance of such vehicles; provided that the Board of Directors shall have the right to adopt further rules regulating this matter to the extent deemed necessary by the Board. In the event that any street or road within the

Condominium is private, motorcycles, passenger cars, passenger vans, pick-up trucks and sport utility vehicles may only park on one side of such street or road within the Condominium, which side shall be determined by Developer. The side of the street or road that parking is prohibited on shall be identified by appropriate signage. No dismantling or assembling of motor vehicles, boats, trailers, recreational vehicles or other machinery or equipment will be permitted within a Unit outside of a Residence except in a garage with the garage door closed. Notwithstanding anything to the contrary contained herein, the provisions of this paragraph shall not apply to Developer or to any builder which Developer may designate during the Development and Sales Period or during such periods as any Residence may be used for model or display purposes.

- 12. It shall be the sole responsibility of each Co-owner to take all steps necessary to prevent his Unit and any Residence or Structure located therein (other than Common Elements which the Association is responsible for maintaining under the Master Deed) and appurtenant Limited Common Elements or General Common Elements which such Coowner is responsible for maintaining under the Master Deed from becoming unsightly or unkempt or from falling into a state of disrepair so as to decrease the beauty of the Condominium. In furtherance thereof, each Co-owner will keep all shrubs, trees, grass and plantings of every kind within his Unit and any other Common Element which such Co-owner is responsible for maintaining under the Master Deed pruned, free of trash and other unsightly material (including excessive or tall weeds). No lawn ornaments, sculptures or statues shall be placed or permitted to remain within any Unit without the prior written permission of Developer unless such item is placed within the rear yard of a Unit that is completely enclosed by a fence and such item is no taller than the fence. Each Co-owner shall promptly remove any trees that die or become seriously diseased thereafter. All Co-owners should be aware that Green Oak Township may have ordinances which require the Township's approval before any trees can be removed from the Unit. In no event may any tree of more than six (6) inch caliper be removed from any Unit or Common Element without the written consent of Developer.
- unreasonable smells, noise or aesthetics, shall be carried on within any Unit or the Common Elements nor shall anything be done thereon tending to cause embarrassment, discomfort, annoyance or nuisance to the occupants or Co-owners of Units. There shall not be maintained any animal or device or thing of any sort whose normal activities or existence is in any way noxious, noisy, dangerous, unsightly, unpleasant or of a nature as may diminish or destroy the reasonable enjoyment of Units or the Common Elements. The Board of Directors of the Association shall be the final arbiter of whether a particular animal, device, or thing is in violation of the foregoing restrictions. Notwithstanding anything to the contrary contained herein, the provisions of this paragraph shall not apply to Developer or to any other builder which Developer may designate during the Development and Sales Period or during such periods as any Residence may be used for model or display purposes. No laundry, clothes or other items shall be hung or left outside for drying or airing. No above-ground, in-ground or underground exterior fuel tank may be placed within a Unit.
- 14. All driveways and approaches shall be constructed with concrete, asphalt or brick pavers with suitable subbase support and otherwise approved by Developer and shall be completed prior to occupancy, except to the extent prohibited by strikes or weather conditions, in which case the paving shall be completed within thirty (30) days of the termination

of the strike or adverse weather. Each Co-owner shall place three (3) inches of asphalt or four (4) inches of concrete in the road right-of-way for driveway approaches from the edge of the paved road. Developer may waive this requirement due to unavailability or excessive cost of materials.

- 15. Developer reserves the right (on its own behalf and on behalf of its agents, employees and designees, and on behalf of the Association) to enter upon any Unit for the purpose of mowing, removing, clearing, cutting or pruning any underbrush, weeds or other unsightly or inappropriate growth which, in the sole discretion of Developer, detracts from the overall beauty, setting or safety of the Project; provided that Developer shall provide the Coowners of the Unit with reasonable notice of its intended action. The Co-owners of the Unit shall be obligated to reimburse Developer for the cost of any such activities. Such entrance or other action as aforesaid shall not be deemed a trespass. Developer and its designees likewise may enter within a Unit to remove any trash or debris which has collected or accumulated within such Unit, at the Co-owner's expense, and without such entrance and removal being deemed a trespass. The provisions of this paragraph shall not be construed as imposing any obligation on Developer or the Association to mow, clear, cut or prune any Unit, or to provide garbage or trash removal services and any charge imposed upon a Co-owner pursuant to this provision shall become a lien upon the Co-owner's Unit. The Association may, at its option, from time to time, enter into a contract with a third party to provide garbage and trash removal services for all of the Units in the Project. All amounts payable by the Association under any such contract shall constitute expenditures affecting the administration of the Project.
- 16. The grade of any Unit in the Condominium may not be changed from the grading plan approved by the Township (which grading plan may be subsequently amended from time to time as conditions require), without the written consent of the Board of Directors and any governmental authority having jurisdiction. It shall be the responsibility of each Co-owner to maintain the surface drainage grades of the Co-owner's Unit as established by the builder or contractor that builds the Residence on the Unit. Additionally, each Co-owner covenants not to change the surface grade of the Co-owner's Unit in a manner which will materially increase or decrease the storm water flowing onto or off of that Co-owner's Unit or block, pond or obstruct surface water. The Association shall enforce this covenant and may enter upon any of the Units in the Condominium to correct any violation of this covenant and shall charge the costs of the correction to the Co-owner, and such costs shall be a lien upon the Unit.
- 17. No external air conditioning unit shall be placed in or attached to a window or wall of any Structure. A compressor or other component of an air conditioning system, heating system or similar system shall be located within the rear yard of the Unit.
- 18. No basketball backboard or basket may be attached to a Residence. Ground-mounted basketball poles must be located at least thirty feet from the road adjacent to the Unit and at least five feet from the side boundary line of the Unit. No fluorescent or bright colors are permitted for either the pole or backboard. Portable basketball poles may be located within a Unit provided they satisfy the location and other requirements applicable to ground-mounted poles.

- 19. All Residences shall be connected to the Project's water and sanitary sewer systems. No well or septic system shall be installed on any Unit.
- 20. The use of any BB gun, firearm, air rifle, pellet gun, bow and arrow, slingshot or any other weapon of any kind is prohibited in the Condominium.
- No signs shall be erected or maintained within any Unit or 21. Common Element except (a) with the written permission of Developer, (b) as may be required by legal proceedings, (c) property identification signs, subject to other provisions of this Paragraph 21, (d) a Co-owner may, after the expiration of the Development and Sales Period, erect one sign of normal and usual size, shape and material advertising the Unit for sale or rent, but in no event may the sign exceed two feet by three feet in size, (e) an Owner may temporarily place one sign of normal and usual size, shape and material within such Co-owner's Unit advertising an "open house" of the Unit, provided that the sign does not in any event exceed two feet by three feet and the sign may only be displayed during actual open house hours, (f) a Co-owner may temporarily place one sign within such Co-owner's Unit advertising a "garage sale", provided that the sign does not exceed two feet by three feet in size and the sign may only be displayed during the actual garage sale hours, or (g) political signs may be erected within a Unit by the Co-owners thereof advocating the election of one or more political candidates or the sponsorship of a political party, issue or proposal provided that such signs may not exceed two feet by three feet in size and will not be erected more than sixty (60) days in advance of the election or vote to which they pertain and are removed within fifteen (15) days after the election or vote. If permission is granted by Developer under subparagraph (a) above, Developer reserves the right to restrict size, color and content of such signs. All property identification signs, mailboxes, delivery receptacles, yard lights and the like shall be of a standard color, size and style determined by Developer and shall be erected only in areas designated by Developer. Nothing in these Bylaws shall prevent a Co-owner from displaying a single United States flag of a size not greater than three feet by five feet anywhere on the exterior of the Residence constructed within his Unit. No ground mounted flag pole may be installed within a Unit without the written approval of Developer, which approval may be withheld in Developer's sole discretion.
- No Co-owner shall install or erect any sort of antenna (including 22. dish antennas) upon or over any General Common Element. Co-owners shall have the right to install within their Units (i) antennas designed to receive television broadcast signals; (ii) antennas measuring one meter (39.37 inches) or less in diameter or diagonally and designed to receive direct broadcast satellite services, including direct-to-home satellite service, or to receive or transmit fixed wireless signals via satellite, and (iii) antennas measuring one meter (39.37 inches) or less in diameter or diagonally used to receive video programming from multichannel multipoint distribution (wireless cable) providers, including multi-channel multipoint distribution services, instructional television fixed services and local multipoint distribution services; provided that any such antenna shall be installed behind the Residence constructed within the Unit in a location that is, to the maximum extent possible, shielded from view from the road while still permitting reception of an acceptable quality signal. If an acceptable quality signal cannot be obtained from a location at the rear of the Residence, the Co-owner shall submit to Developer for its approval, which approval may not be unreasonably withheld or delayed, an alternative location or locations for the installation of the antenna that will provide an acceptable quality signal. In no event shall an antenna permitted by this provision be installed in front of a

Residence unless the Co-owner can demonstrate that an acceptable quality signal cannot be obtained from a location at the rear or side of the Residence. The Association shall have the right to impose rules requiring that any installed antenna be painted in a specified color so that the antenna blends into its surroundings. This provision applicable to antennas is intended to comply with applicable rules and regulations promulgated by the Federal Communications Commission (the "FCC Rules") and shall be automatically amended and revised to the extent required to remain in compliance with future modifications to the FCC Rules. Co-owners are urged to restrict the antenna installed upon their Unit to a dish design measuring not more than 18 inches in diameter. The connecting cable or wires servicing the control device inside a Residence for any such antenna may not be routed along the exterior façade of the Residence; penetration of each cable or wire into a Residence shall be at the point of attachment of the antenna and all such cables and wires shall be routed within the interior of the Residence. Notwithstanding the foregoing, if an antenna is installed on a chimney or roof, the connecting cables or wires servicing the control device inside of the Unit for such antenna shall be routed along the exterior facade of the building in a manner and at locations approved by Developer to a point of penetration approved by Developer. All antenna must be installed in accordance with the National Electric Code, including the requirement that all antenna be grounded, and all other applicable laws.

- 23. The stockpiling and storage of building and landscaping materials, equipment and/or firewood shall not be permitted within any Unit or Common Element except if such materials, equipment and/or firewood are stored against the rear of the Residence and are used within a reasonable length of time, but in no event shall the storage of landscape material extend for a period of more than thirty (30) days. This provision shall not apply to Developer or any builder which Developer may designate during the Development and Sales Period.
- 24. No Unit or Common Element shall be used or maintained as a dumping ground for rubbish or debris of any kind and no refuse pile, compost heap, or other unsightly or objectionable materials shall be allowed to remain within any Unit. Trash and other forms of waste shall not be kept within any Unit or Common Element except in closed sanitary containers properly concealed from public view, which containers shall not be stored outside except between dusk on the day before trash is collected and dusk of the day on which trash is collected.
- 25. No Unit in the Condominium shall be used for other than single-family residential purposes. No business, trade, profession or commercial activity of any kind, including but not limited to breeding of animals for commercial purposes, shall be conducted within any Residence or otherwise within any Unit in the Condominium and no part of any Unit, Residence or Structure shall be used for any activity which is otherwise precluded by local municipal ordinance; provided, however, this prohibition shall not apply to (a) use of computer(s) for maintaining personal and/or business record keeping, (b) participating in personal, business or professional telephone calls or correspondence in the Residence, and (c) occasional meetings at the Residence with a customer, client or employee provided that no more than one additional vehicle is parked within a Unit or elsewhere in the Condominium in connection with such meeting, but is meant to prohibit the stocking and selling of inventory, use of any Residence or Structure for meetings (except as otherwise provided in (c) above) with customers, clients or employees in connection with the promotion of any business or the

products or services of the business or as more particularly described in the local municipal ordinance(s) governing such activities. Notwithstanding the foregoing, a Unit, including any Residence located therein, may be used for the operation of a children's day care facility and shall not be subject to the parking limitations described in this subsection 25, provided that any such facility is permitted under, and operated in accordance with, local ordinances and all other applicable laws and the Unit is also used for single-family residential purposes.

- 26. No Unit shall be subdivided or its boundary lines changed, except as otherwise provided in the Master Deed.
- All exterior lighting, including lamps, posts, and fixtures, for any Residence, garage or other structure or otherwise installed within the Condominium must receive prior written approval from Developer and shall be located and be of such intensity so as not to create a nuisance to neighboring Units.
- 28. All utilities such as water mains, sanitary sewers, storm sewers, gas mains, electric and telephone local distribution lines, cable television lines, and all connections to same, either private or otherwise, shall be installed underground. However, above-ground transformers, pedestals and other above-ground electric and telephone utility installations and distribution systems and surface and off-site drainage channels and facilities, as well as street lighting stanchions, shall be permitted.
- 29. (a) Except as otherwise provided below, a Co-owner may lease his Unit for the same purposes set forth in Section 2.B.25 of this Article VI; provided that such lease shall be in writing and written disclosure of such lease transaction is submitted to the Board of Directors of the Association in the manner specified in subparagraph (b) below. With the exception of a lender in possession of a Unit following a default of a first mortgage, foreclosure or deed or other arrangement in lieu of foreclosure, no Co-owner shall lease less than an entire Unit in the Condominium and no tenant shall be permitted to occupy except under a lease the initial term of which is at least six (6) months unless specifically approved in writing by the Association. The terms of all leases, occupancy agreements and occupancy arrangements shall incorporate, or be deemed to incorporate, all of the provisions of the Condominium Documents. Developer may lease any number of Units in the Condominium in its discretion.
- (b) The leasing of Units in the Project shall conform to the following provisions:
- (1) A Co-owner, including Developer, 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 to a potential lessee and, at the same time, shall supply the Association with a copy of the exact lease form for its review for its compliance with the Condominium Documents. A Co-owner shall also notify the Association when in fact a lease has been entered into.
- (2) Tenants and non-owner occupants shall comply with all of the conditions of the Condominium Documents and all leases and rental agreements shall so state.

- (3) If the Association determines that the tenant or non owner occupant has failed to comply with the conditions of the Condominium Documents, the Association shall take the following action:
- (i) The Association shall notify the Co-owner by certified mail advising of the alleged violation by the tenant.
- (ii) The Co-owner shall have fifteen (15) days after receipt of such notice to investigate and correct the alleged breach by the tenant or advise the Association that a violation has not occurred.
- (iii) If after fifteen (15) days the Association believes that the alleged breach is not cured or may be repeated, it may institute on its behalf or derivatively by the Co-owners on behalf of the Association, if it is under the control of Developer, an action for eviction against the tenant or non-owner occupant and simultaneously for money damages in the same action against the Co-owner and tenant or non-owner occupant for breach of the conditions of the Condominium Documents. The relief provided for in this subparagraph may be by summary proceeding. The Association may hold both the tenant and the Co-owner liable for any damages to the General Common Elements caused by the Co-owner or tenant in connection with the Unit or Condominium Project.
- (4) When a Co-owner is in arrears to the Association for assessments, the Association may give written notice of the arrearage to a tenant occupying a Co-owner's Unit under a lease or rental agreement and the tenant, after receiving the notice, shall deduct from rental payments due the Co-owner the arrearage and future assessments as they fall due and pay them to the Association. The deductions shall not constitute a breach of the rental agreement or lease by the tenant. If a tenant, after being so notified by the Association, fails or refuses to remit rent otherwise due the Co-owner to the Association, then the Association may do the following:
- (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 subparagraph (b)(3)(iii) above.
- 30. The Common Elements shall not be obstructed in any way nor shall they be used for purposes other than that for which they are reasonably and obviously intended. No bicycles, vehicles, chairs or other obstructions or personal property may be left unattended on or about the Common Elements nor shall any Co-owner erect, place or maintain any ornament, sculpture, statue or improvement upon the General Common Elements of the Project.
- 31. It is intended that the Board of Directors of the Association may make rules and regulations from time to time to reflect the needs and desires of the majority of the Co-owners in the Condominium. Reasonable rules and regulations consistent with the Act, the Master Deed and these Bylaws concerning the use of the Common Elements may be made

and amended from time to time by any Board of Directors of the Association, including the first Board of Directors (or its successors), provided that no such rule or regulation or amendment thereto may be made or revoked during the Development and Sales Period without Developer's written consent. Copies of all such rules, regulations and amendments thereto shall be furnished to all Co-owners and to all other parties who are entitled to use the amenity or area affected by the rules, regulations or amendments thereto. Any such rule, regulation or amendment may, subject to Developer's written consent during the Development and Sales Period, be revoked at any time by the affirmative vote of a majority of the Co-owners.

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

33. Developer hereby reserves the following rights:

(a) None of the restrictions contained in this Article VI shall apply to the commercial activities or signs or billboards, if any, of Developer during the Development and Sales Period or of the Association in furtherance of its powers and purposes set forth herein and in its Articles of Incorporation, as the same may be amended from time to time. Notwithstanding anything to the contrary elsewhere herein contained, Developer shall have the right to maintain a sales office, a business office, a construction office, model units, advertising display signs, storage areas and reasonable parking incident to the foregoing and such access to, from and over the Project as may be reasonable to enable development and sale by Developer of the entire Project, including but not limited to maintaining a sales office in the clubhouse and sales signage throughout the Project, including signage attached or adjacent to the clubhouse. Developer may continue to exercise these rights as long as Developer, or its successors and assigns own any unsold Unit in the Project.

(b) The Condominium Project shall at all times be maintained in a manner consistent with the highest standards of a beautiful, serene, private residential community for the benefit of the Co-owners and all persons interested in the Condominium. If at any time, the Association fails or refuses to carry out its obligation to maintain, repair, replace and landscape in a manner consistent with the maintenance of such high standards as interpreted by Developer, then Developer, or any person to whom it may assign this right, at its option, may elect to maintain, repair and or replace any Common Elements and/or to do any landscaping

required by these Bylaws and to charge the cost thereof to the Association as an expense of administration. So long as Developer (or its successors and assigns) own any unsold Unit in the Project, Developer shall have the right to enforce these Bylaws which right of enforcement shall include, without limitation, an action to restrain the Association or any Co-owner from any activity prohibited by these Bylaws.

- 34. No Residences, improvements or Structures, including but not limited to any decks, may be constructed or maintained over or on any easements; provided, however, that after the aforementioned utilities have been installed, such areas may be sodded. All other planting or improvements within a Unit of any type over or on said easements shall be allowed only upon prior written approval of the Board of Directors (and Developer during the Development and Sales Period) and only so long as they do not interfere with, obstruct, hinder or impair the drainage plan of the Condominium Project, and so long as access is granted, without charge or liability for damages, for the maintenance of the utilities and underground drainage lines so installed, surface drainage and/or for the installation of additional facilities.
- 35. No auxiliary generator shall be visible from the road. Any such generator must have landscape screening installed within thirty (30) days of the installation of such generator, which screening shall be approved by Developer prior to installation of such generator. Such generator shall also be located so as to (a) cause minimal disturbance to occupants of adjacent Units, (b) provide maximum ventilation, and (c) not interfere with ventilation of adjacent Units.
- 36. Play equipment such as swings and jungle gyms may be installed within the rear yard of a Unit provided that Developer approves plans and specifications therefor submitted by the Co-owners of such Unit. Any approved play structure must be maintained by the Co-owners in good and safe condition and repair and in compliance with all applicable laws.
- 37. An awning may be installed over a deck or patio located within a Unit provided that (a) such awning is fully retractable, (b) the color of the awning must match or blend with the color of the adjoining Residence, (c) Developer approves the plans and specifications for the awning submitted by the Co-owners of such Unit, and (d) such awning complies with all applicable laws.
- 38. The Association shall undertake and/or supervise and control any programs of use, maintenance or restoration of the Open Spaces which it determines to be appropriate to preserve the desirable features of the natural environment or restore previously existing features of the environment of the Open Spaces which may have deteriorated. Any maintenance or restoration shall be conducted after the approval, if applicable, of the MDNRE, the Township or as otherwise required by applicable law, including Part 303 of the Natural Resources Environmental Act, MCL 324.30301 et seq. and the Inland Lakes and Streams Act of 1972, P.A. 1972 No. 346, as amended, or their successor enactments. The following uses and practices, though not an exhaustive recital of consistent uses and practices, are desirable and not precluded:
- (a) The establishment of a system of trails constructed through or over portions of the Open Spaces (subject, as to wetlands, the approval of the MDNRE as

provided by applicable law) or in a manner which protects the Open Spaces through low-impact activities of hiking and observation;

- (b) The use by all Co-owners of the Open Spaces for passive recreation and hiking along the trail system established or to be established within the Open Spaces;
- (c) The removal of dead or dying vegetation and debris within the Open Spaces so that the enjoyment of the Open Spaces by the Co-owners may be enhanced, and, if considered desirable by the Association, to replace any removed vegetation with native plant materials;

The following uses and practices, though not an exhaustive recital of inconsistent uses and practices, are inconsistent with the intent and the purposes of this Section and are therefore prohibited;

- (d) Any commercial or industrial use or activity within the Open Spaces/wetlands;
- (e) The construction of any building, structures or other improvements, including utility poles, except in connection with the construction of a trial system provided for herein;
- (f) The dumping or other disposal of any refuse in the Open Spaces/wetlands;
- (g) Any use or activity that causes or presents a substantial risk of causing soil erosion;
- (h) The cutting of live trees or other plant materials, except as necessary to control or prevent imminent fire hazard or to restore natural habitat areas or promote native vegetation;
- (i) The construction, maintenance or erection of any signs or billboards within the Open Spaces/wetlands, except for non-obtrusive trail signs of any type and character consistent with a system of natural trails;
- (j) The use of off-road vehicles, whether self-propelled or powered by engines;
- (k) Chemical spraying of emergent wetland vegetation except to protect native plant materials; or
- (1) The introduction of non-native plant or animal species which may compete with or result in the decline or elimination of native species of plants and animals.

- 39. No lawn area located within a Unit or portion thereof may be fertilized with any compound which contains the nutrient phosphorous, unless a soil test submitted to and approved by the Association discloses a material phosphorous deficiency.
- 40. No Co-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) A Co-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 Co-owner shall provide a copy of this Master Deed (including Exhibits A and B hereto) and any amendments to the Master Deed, to the proposed purchaser or lessee. In the event a Co-owner shall fail to notify the Association of the proposed sale or lease or in the event a Co-owner shall fail to provide the prospective purchaser or lessee with a copy of the Master Deed referred to above, such Co-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 provisions shall not be construed so as to relieve the purchaser or lessee of his obligations to comply with the provisions of the Condominium Documents.
- (b) The Developer shall not be subject to this Section on the sale or, to the extent provided for in Article VI, Section 2(b), the lease of any Unit in the Condominium which it owns, and the 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.
- C. Requirements, Restrictions and Regulations Relative to Construction Activities. Developer reserves the right to establish and enforce such rules and regulations relative to the performance of construction activities within the Project (whether or not in connection with the construction, repair or maintenance of a Residence or other Structure) as Developer determines to be appropriate in order to maintain the tranquility, appearance and desirability of the Project. Unless waived by Developer, in writing, the following rules, regulations, restrictions and requirements shall apply to any construction or site improvement activities within the Project, including landscaping, that may be carried out by any person, including any Co-owner or any contractor of a Co-owner throughout the duration of the Development and Sales Period; provided that the Association shall have the right to enforce similar rules after the Development and Sales Period:
- 1. Construction of a Residence must commence within twelve (12) months after a Co-owner acquires the Unit, in strict accordance with the construction schedule submitted to and approved by Developer pursuant to Part A of this Article VI, Section 2. Prior to commencement of construction, the Co-owner must obtain all permits or approvals required by Green Oak Township and any and all other governmental agencies.
- 2. Once commenced, all construction activity shall be carried out with all reasonable diligence, and the exterior of all Residences or other Structures must be

completed as soon as practical after construction commences and in any event within twelve (12) months after such commencement, except where such completion is impossible or would result in exceptional hardship due to strikes, fires, national emergencies or natural calamities.

- 3. Construction activities shall be carried on only during those hours not prohibited by Green Oak Township ordinance.
- 4. (a) No Structure shall be constructed on any Unit in the Project unless prior to the commencement of construction thereof, the Co-owner and the general contractor or builder thereof enter into an agreement, in form and substance acceptable to Developer, whereby they agree to: (i) maintain a dumpster within the Unit during construction; (ii) deposit all trash, garbage, scraps and other disposable items therein; (iii) keep the Unit in a sightly and clean condition during construction; (iv) remove from the Unit the dumpster and all trash, garbage, scraps or other debris arising during such construction activities and otherwise restore the Unit to a sightly and clean condition promptly after completion of construction; and (v) to the extent reasonably possible, keep all dirt, mud and other debris from accumulating on any road during and after the course of construction, including cleaning or sweeping the road at intervals specified by Developer and by cleaning the road again upon completion of construction. Developer shall have the authority to determine whether or not a Co-owner or a Co-owner's general contractor or builder is in compliance with the foregoing requirements and obligations.
- (b) If for any reason Developer does not require the execution of such an agreement, each Co-owner of a Unit and the general contractor or builder of any Structure or Residence on a Unit nevertheless shall observe and perform the requirements and obligations set forth in this Article VI, Section 2, Part C.
- (c) In the event that the Co-owner, general contractor or builder fails to observe or perform any responsibility or obligation under this paragraph or under any agreement entered into as provided under this paragraph, Developer shall have the right (but not the obligation) to enter upon the Unit and correct or rectify such failure, including the installation or relocation of a dumpster, disposal of debris and/or the sweeping or cleaning of a road or roads that Developer determines to have been affected, in Developer's sole discretion. Developer shall be entitled to be reimbursed by the Co-owner and the general contractor or builder for all costs incurred by Developer in connection with correcting or rectifying such failure, which reimbursement may be billed by Developer to the Co-owner, which bill shall be payable by the Co-owner within five (5) days after the submission thereof. If the Co-owner, general contractor or builder fail(s) to pay such bill, in full, within such five (5) day period, Developer shall have all rights provided under these Condominium Bylaws, including, without limitation, the right to file and foreclose a lien against the Unit, the right to collect interest on the unpaid amount and the right to collect any legal fees and costs incurred in connection with the collection of such unpaid amounts.
- (d) Developer intends, but is not obligated, to provide as much advance notice as is reasonably possible (but in no event more than five (5) days advance notice) prior to taking any corrective or rectifying action under subparagraph (c), above which would entail an expense in excess of One Hundred Fifty Dollars (\$150.00). If dirt, mud or debris accumulates on a road and could be attributable to construction activities on more than one Unit,

Developer shall have the right, in its sole discretion, to determine the extent to which the same is attributable to each Unit, and to apportion the cost of cleaning, sweeping or otherwise removing the mud or debris among the relevant Units.

- (e) The location of the dumpster required under this paragraph shall be shown on the final site plan submitted under Part A of this Article VI, Section 2, and shall be subject to Developer's approval. Developer intends to approve only locations that render the dumpster as unobtrusive as reasonably possible.
- (f) It shall be the responsibility of each Co-owner of a Unit to maintain and preserve all such trees within such Unit, which responsibility shall include welling trees, if necessary.

D. Standard for Developer's Approvals; Exculpation from Liability.

In reviewing and approving plans, drawings, specifications, submissions and other matters to be approved or waived by Developer under this Article VI, Developer intends to ensure that the Structures, Residences and other features embodied or reflected therein meet the requirements set forth in this Article VI; provided, however, Developer reserves the right to waive or modify such restrictions or requirements pursuant to Part E of this Article VI, Section 2. In addition to ensuring that all Structures, Residences and other features comply with the requirements and restrictions of Part B, of this Article VI, Section 2, Developer (or the Architectural Control Committee after control thereof has been transferred by Developer) shall have the right to base its approval or disapproval of any plans, designs, specifications, submissions or other matters on such other factors, including completely aesthetic considerations, as Developer (or the Architectural Control Committee after control thereof has been transferred by Developer), deem appropriate, in its sole discretion. Developer or the Architectural Control Committee, as the case may be, shall be deemed to have the broadest discretion in determining what Residences, fences, walls, hedges or other Structures are appropriate. In no event shall either Developer (or the agents, offices, employees or consultants thereof), or any member of the Architectural Control Committee have any liability whatsoever to anyone for any act or omission contemplated herein, including, without limitation, the approval or disapproval of plans, drawings, specifications, elevations of the Residences, fences, walls, hedges or other Structures subject thereto, whether such alleged liability is based on negligence, tort, express or implied contract, fiduciary duty or otherwise. In no event shall any party have the right to impose liability on or otherwise judicially contest Developer or other persons for any decision (or alleged failure to make a decision) relative to the approval or disapproval of a Structure or any aspect or other matter as to which Developer reserves the right to approve or waive under this Article VI. Developer's approval (or the Architectural Control Committee's approval, as the case may be) of a Structure or other matter shall not be construed as a representation or warranty that the Structure, Residence or other matter is properly designed or that it is in conformity with the ordinances or other requirements of Green Oak Township or any other governmental authority. Any obligation or duty to ascertain any such non-conformities, or to advise the Co-owner or any other person of the same (even if known), is hereby disclaimed.

E. Developer's Right to Waive or Amend Restrictions and Regulations.

Notwithstanding anything herein to the contrary, Developer reserves to itself, in its capacity as Developer (and to its successors and assigns to whom this right is assigned in writing, and the Architectural Control Committee, as the case may be), the right to approve any Structure, Residence or activity otherwise proscribed or prohibited hereunder, or to waive any rule, regulation, restriction or requirement provided for in this Article VI or elsewhere in the Condominium Documents, in Developer's sole discretion. In no event, however, shall Developer be deemed to have waived or be estopped from asserting its right to require strict and full compliance with all of the rules, regulations, restrictions and requirements set forth herein, unless Developer indicates its intent and agreement to do so in writing, and, in the case of an approval of nonconforming Structures, the requirements of Article VI, Section 2, Paragraph A.2 of these Bylaws are met.

F. Architectural Control Committee.

Upon the later of: (i) the expiration of the Development and Sales Period; and (ii) the date when certificates of occupancy have been issued for Residences on one hundred percent (100%) of the Units in the Project (the "Transfer Date"), or at such earlier time as Developer, in its sole discretion may elect, Developer will assign, transfer and delegate to an Architectural Control Committee all of Developer's rights to approve, waive or refuse to approve plans, specifications, drawings, elevations, submissions or other matters with respect to the construction or location of any Structure on any unit or any other matter which Developer may approve or waive as provided in this Article VI. The assignment will automatically occur on the Transfer Date, and Developer shall have no further responsibilities with respect to such matters. The Architectural Control Committee shall be comprised of up to three (3) members to be appointed by the Board of Directors.

41. Developer reserves the right to, prior to the expiration of the Development and Sales Period and without the consent of any Co-owner, Mortgagee or any other person interested or to become interested in the Project, create additional restrictions and/or to revise or eliminate restrictions in connection with the development of the Condominium Project by amending this Article VI and recording such amendment with the County Register of Deeds.

ARTICLE VII MORTGAGES, MORTGAGE INSURERS AND MORTGAGE GUARANTORS

- Section 1. <u>Notice to Association</u>. Any Co-owner who mortgages his Unit shall notify the Association of the name and address of the Mortgagee, and the Association shall maintain such information in a book entitled "Mortgages of Units". The Association may, at the written request of a Mortgagee of any such Unit, report any unpaid assessments due from the Co-owner of such Unit. The Association shall give to the holder of any first mortgage covering any Unit in the Project written notification of any default in the performance of the obligations of the Co-owner of such Unit that is not cured within sixty (60) days.
- Section 2. <u>Insurance</u>. 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. <u>Notification of Meetings</u>. 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.
- Section 4. <u>Applicability to Mortgage Insurers and Guarantors</u>. Any of the rights in the Condominium Documents which are granted to First Mortgagees shall also be extended to insurers and guarantors of such mortgages, provided that they have given the Association notice of their interests. However, when voting rights are attributed to a Mortgagee, only one vote may be cast per mortgage as to the mortgage in question regardless of the number of Mortgagees, assignees, insurers and guarantors interested in the mortgage.
- Section 5. <u>Notification of Amendments and Other Matters</u>. All holders of first mortgages and insurers and guarantors thereof who have requested notice, are entitled to timely written notice of: (a) any amendment affecting a Unit in which they have an interest, (b) any amendment effecting a change in the General Common Elements or Limited Common Element appurtenant to a Unit in which they have an interest, (c) a material change in the voting rights or use of a Unit in which they have an interest, (d) any proposed termination of the Condominium, (e) any condemnation or casualty loss which affects a material portion of the Condominium or a Unit in which they have an interest or (f) any lapse, cancellation or material modification of any insurance policy maintained by the Association.

ARTICLE VIII VOTING

- Section 1. <u>Vote</u>. Except as limited in these Bylaws, each Co-owner shall be entitled to one vote for each Condominium Unit owned.
- Section 2. <u>Eligibility to Vote</u>. No Co-owner, other than Developer, shall be entitled to vote at any meeting of the Association until he has presented evidence of ownership of a Unit in the Condominium Project to the Association. Except as provided in Article XI, Section 2 of these Bylaws, no Co-owner, other than Developer, shall be entitled to vote prior to the date of the First Annual Meeting of members held in accordance with Section 2 of Article IX. The vote of each Co-owner may be cast only by the individual representative designated by such Co-owner in the notice required in Section 3 of this Article VIII below or by a proxy given by such individual representative. Developer shall be the only person entitled to vote at a meeting of the Association until the First Annual Meeting of members and shall be entitled to vote during such period notwithstanding the fact that Developer may own no Units at some time or from time to time during such period. At and after the First Annual Meeting, Developer shall be entitled to one vote for each Unit which it owns.
- Section 3. <u>Designation of Voting Representative</u>. Each Co-owner shall file a written notice with the Association designating the individual representative who shall vote at meetings of the Association and receive all notices and other communications from the Association on behalf of such Co-owner. Such notice shall state the name and address of the individual representative designated, the number or numbers of the Condominium Unit or Units owned by the Co-owner, and the name and address of each person, firm, corporation, partnership, association, trust or other entity who is the Co-owner. Such notice shall be signed and dated by

the Co-owner. The individual representative designated may be changed by the Co-owner at any time by filing a new notice in the manner herein provided.

- Section 4. Quorum. The presence in person or by proxy of thirty-five percent (35%) of the Co-owners qualified to vote shall constitute a quorum for holding a meeting of the members of the Association, except for voting on questions specifically required by the Condominium Documents to require a greater quorum. The written vote of any person furnished at or prior to any duly called meeting at which meeting said person is not otherwise present in person or by proxy shall be counted in determining the presence of a quorum with respect to the question upon which the vote is cast.
- Section 5. <u>Voting</u>. Votes may be cast only in person or in writing duly signed by the designated voting representative not present at a given meeting in person or by proxy. Proxies and any written votes must be filed with the Secretary of the Association at or before the appointed time of each meeting of the members of the Association. Cumulative voting shall not be permitted.
- Section 6. <u>Majority</u>. A majority, except where otherwise provided herein, shall consist of more than fifty percent (50%) of those qualified to vote and present in person or by proxy (or written vote, if applicable) at a given meeting of the members of the Association. Whenever provided specifically herein, a majority may be required to exceed the simple majority hereinabove set forth.

ARTICLE IX MEETINGS

- Section 1. <u>Place of Meeting</u>. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Co-owners as may be designated by the Board of Directors. Meetings of the Association shall be conducted in accordance with Sturgis Code of Parliamentary Procedure, Roberts Rules of Order or some other generally recognized manual of parliamentary procedure, when not otherwise in conflict with the Condominium Documents or the laws of the State of Michigan.
- Section 2. First Annual Meeting. The First Annual Meeting of members of the Association may be convened only by Developer and may be called at any time after more than fifty percent (50%) of the total number of Units that may be created in the Condominium have been sold and the purchasers thereof qualified as members of the Association. In no event, however, shall such meeting be called later than one hundred twenty (120) days after the conveyance of legal or equitable title to non-developer Co-owners of seventy-five percent (75%) of the total number of Units that may be created in the Condominium or fifty-four (54) months after the first conveyance of legal or equitable title to a non-developer Co-owner of a Unit in the Project, whichever first occurs. Developer may call meetings of members for informative or other appropriate purposes prior to the First Annual Meeting of members and no such meeting shall be construed as the First Annual Meeting of members. The date, time and place of such meeting shall be set by the Board of Directors, and at least ten (10) days' written notice thereof shall be given to each Co-owner.

- Section 3. <u>Annual Meetings</u>. Annual meetings of members of the Association shall be held on a date chosen by the Board of Directors of the Association in each succeeding year after the year in which the First Annual Meeting is held, at such time and place as shall be determined by the Board of Directors; provided, however, that the second annual meeting shall not be held sooner than eight (8) months after the date of the First Annual Meeting. At such meetings there shall be elected by ballot of the Co-owners a Board of Directors in accordance with the requirements of Article XI of these Bylaws. The Co-owners may also transact at annual meetings such other business of the Association as may properly come before them.
- Section 4. <u>Special Meetings</u>. It shall be the duty of the President to call a special meeting of the Co-owners as directed by resolution of the Board of Directors or upon a petition signed by one-third (1/3) of the Co-owners presented to the Secretary of the Association. Notice of any special meeting shall state the time and place of such meeting and the purposes thereof. No business shall be transacted at a special meeting except as stated in the notice.
- Section 5. Notice of Meetings. It shall be the duty of the Secretary (or other Association officer in the Secretary's absence) to serve a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, upon each Co-owner of record, at least 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 Co-owner at the address shown in the notice required to be filed with the Association by Article VIII, Section 3 of these Bylaws shall be deemed notice served. Any member may, by written waiver of notice signed by such member, waive such notice, and such waiver, when filed in the records of the Association, shall be deemed due notice.
- Section 6. <u>Adjournment</u>. If any meeting of Co-owners cannot be held because a quorum is not in attendance, the Co-owners who are present may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.
- Section 7. Order of Business. The order of business at all meetings of the members shall be as follows: (a) roll call to determine the voting power represented at the meeting; (b) proof of notice of meeting or waiver of notice; (c) reading of minutes of preceding meeting; (d) reports of officers; (e) reports of committees; (f) appointment of inspectors of election (at annual meetings or special meetings held for the purpose of electing Directors or officers); (g) election of Directors (at annual meeting or special meetings held for such purpose); (h) unfinished business; and (i) new business. Meetings of members shall be chaired by the most senior officer of the Association present at such meeting. For purposes of this Section, the order of seniority of officers shall be President, Vice President, Secretary and Treasurer.
- Section 8. Action Without Meeting. Any action which may be taken at a meeting of the members (except for the election or removal of Directors) may be taken without a meeting by written ballot of the members. Ballots shall be solicited in the same manner as provided in Section 5 for the giving of notice of meetings of members. Such solicitations shall specify (a) the number of responses needed to meet the quorum requirements; (b) the percentage of approvals necessary to approve the action; and (c) the time by which ballots must be received in order to be counted. The form of written ballot shall afford an opportunity to specify a choice between approval and disapproval of each matter and shall provide that, where the member specifies a

choice, the vote shall be cast in accordance therewith. Approval by written ballot shall be constituted by receipt, within the time period specified in the solicitation, of (i) a number of ballots which equals or exceeds the quorum which would be required if the action were taken at a meeting; and (ii) a number of approvals which equals or exceeds the number of votes which would be required for approval if the action were taken at a meeting at which the total number of votes cast was the same as the total number of ballots cast.

Section 9. <u>Consent of Absentees</u>. The transactions at any meeting of members, either annual or special, however called and noticed, shall be as valid as though made at a meeting duly held after regular call and notice, if a quorum is present either in person or by proxy or by absentee ballot; and if, either before or after the meeting, each of the members not present in person or by proxy or by 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 10. <u>Minutes, Presumption of Notice</u>. Minutes or a similar record of the proceedings of meetings of members, when signed by the President or Secretary, shall be presumed truthfully to evidence the matters set forth therein. A recitation in the minutes of any such meeting that notice of the meeting was properly given shall be prima facie evidence that such notice was given.

ARTICLE X ADVISORY COMMITTEE

Within one (1) year after conveyance of legal or equitable title to the first Unit in the Condominium to a purchaser or within one hundred twenty (120) days after conveyance to purchasers of one-third (1/3) of the total number of Units which may be created in the Project, whichever first occurs, Developer shall cause to be established an Advisory Committee consisting of at least three (3) non-developer Co-owners. The Committee shall be established and perpetuated in any manner Developer deems advisable except that if more than fifty percent (50%) of the non-developer Co-owners petition the Board of Directors for an election to select the Advisory Committee, then an election for such purpose shall be held. The purpose of the Advisory Committee shall be to facilitate communications between the temporary Board of Directors and the other Co-owners and to aid in the transition of control of the Association from Developer to purchaser Co-owners. The Advisory Committee shall cease to exist automatically when the non-developer Co-owners have the voting strength to elect a majority of the Board of Directors of the Association. Developer may remove and replace (at its discretion and at any time) any member of the Advisory Committee who has not been elected thereto by the Co-owners.

ARTICLE XI BOARD OF DIRECTORS

Section 1. <u>Number and Qualification of Directors</u>. The Board of Directors shall be comprised of five (5) members, all of whom must be members of the Association or officers, partners, trustees, employees or agents of members of the Association, except for the first Board of Directors and any successors thereto appointed by the Developer. Directors shall serve without compensation.

Section 2. <u>Election of Directors</u>.

- (a) <u>First Board of Directors</u>. The first Board of Directors, or its successors as selected by Developer, shall manage the affairs of the Association until the appointment of the first non-developer Co-owners to the Board. Elections for non-developer Co-owner Directors shall be held as provided in subparagraphs (b) and (c) below.
- Appointment of Non-Developer Co-owners to Board Prior to First Annual (b) Meeting. Not later than one hundred twenty (120) days after conveyance of legal or equitable title to non-Developer Co-owners of twenty-five percent (25%) in number of the Units that may be created, one (1) of the five (5) Directors shall be selected by non-Developer Co-owners. Not later than one hundred twenty (120) days after conveyance of legal or equitable title to non-Developer Co-owners of fifty percent (50%) in number of the Units that may be created, two (2) of the five (5) Directors shall be selected by non-Developer Co-owners. When the required number of conveyances has been reached, Developer shall notify the non-Developer Co-owners and request that they hold a meeting and elect the required Directors. Upon certification by the Co-owners to Developer of the Directors so elected, Developer shall then immediately appoint such Directors to the Board to serve for a term that expires on the earlier of one (1) year after the date of election of such Directors and the date of the First Annual Meeting of members, unless any such Director is removed pursuant to Section 7 of this Article or he resigns or becomes incapacitated. The non-Developer Co-owners shall, thereafter until such time as the First Annual Meeting is held and Directors are elected pursuant to subsection (c) below, hold meetings on an annual basis to elect and certify the Directors that the non-Developer Co-owners are entitled to elect pursuant to this subsection (b), each of which shall hold office for a term that expires on the earlier of one (1) year after the date of election of such Director and the First Annual Meeting of members.

(c) <u>Election of Directors at and After First Annual Meeting</u>.

- (i) Not later than one hundred twenty (120) days after conveyance of legal or equitable title to non-developer Co-owners of seventy-five percent (75%) in number of the Units that may be created, the non-Developer Co-owners shall elect all Directors on the Board, except that Developer shall have the right to designate at least one (1) Director as long as Developer owns and offers for sale at least ten percent (10%) of the Units in the Project or as long as ten percent (10%) of the Units remain that may be created. Whenever the required conveyance level is achieved, a meeting of Co-owners shall be promptly convened to effectuate this provision, even if the First Annual Meeting has already occurred.
- (ii) Upon the expiration of fifty-four (54) months after the first conveyance of legal or equitable title to a non-Developer Co-owner of a Unit in the Project, if title to less than seventy-five percent (75%) of the Units that may be created has been conveyed, the non-Developer Co-owners have the right to elect a number of members of the Board of Directors equal to the percentage of Units they own, and Developer has the right to elect a number of members of the Board of Directors equal to the percentage of Units which are owned by Developer and

for which all assessments are payable by Developer. This election may increase, but shall not reduce, the minimum election and designation rights otherwise established in subsection (i). Application of this subsection does not require a change in the size of the Board of Directors.

- (iii) If the calculation of the percentage of members of the Board of Directors that the non-Developer Co-owners have the right to elect under subsection (ii), or if the product of the number of members of the Board of Directors multiplied by the percentage of Units held by the non-Developer Co-owners under subsection (b) results in a right of non-Developer Co-owners to elect a fractional number of members of the Board of Directors, then a fractional election right of 0.5 or greater shall be rounded up to the nearest whole number, which number shall be the number of members of the Board of Directors that the non-Developer Co-owners have the right to elect. After application of this formula Developer shall have the right to elect the remaining members of the Board of Directors. Application of this subsection shall not eliminate the right of Developer to designate one (1) Director as provided in subsection (i).
- At the First Annual Meeting, three (3) Directors shall be elected for a term of two (2) years and two (2) Directors shall be elected for a term of one (1) year. At such meeting all nominees shall stand for election as one slate and the three (3) persons receiving the highest number of votes shall be elected for a term of two (2) years and the two (2) persons receiving the next highest number of votes shall be elected for a term of one (1) year. At each annual meeting held thereafter, either three (3) or two (2) Directors shall be elected depending upon the number of Directors whose terms expire. After the First Annual Meeting, the term of office of each Director (except for the two (2) Directors elected at the First Annual Meeting whose term is one (1) year) shall be two (2) years. The Directors shall hold office until their successors have been elected and hold their first meeting. Notwithstanding anything to the contrary contained herein, if, as of the date of the First Annual Meeting, Developer has the right to designate one or two of the Directors pursuant to this subsection (c), such Developer seat or seats shall not be up for election by the non-Developer Co-owners but shall be designated by Developer, and Developer designated Director or Directors shall be deemed to be one or two, depending on how many Directors Developer has the right to designate, of the initial two (2) year term seats (meaning the non-Developer Co-owners will at the First Annual Meeting initially elect only one or two Directors, depending on the number of Directors that the Developer has the right to designate, for a two (2) year term and two Directors for a one (1) year term). If Developer designated two (2) of the Directors at the First Annual Meeting, when Developer only has the right to designate one (1) Director, Developer shall cause one of Developer designated Directors to resign, and the remaining Directors shall appoint a non-Developer Co-owner to fill the position of the former Developer designated Director until the next annual meeting, at which time such Director seat shall be filled by election of the non-Developer Coowners for a two (2) year term. When Developer no longer has the right to designate any Director (e.g., Developer no longer owns and offers for sale at least

ten percent (10%) of the Units in the Project and less than ten percent (10%) of the Units remain that may be created), Developer designated Director shall cease to serve and the remaining Directors shall appoint a non-Developer Co-owner to fill the position of the former Developer designated Director until the next annual meeting, at which time such Directorship seat shall be filled by election of the non-Developer Co-owners for a two (2) year term.

- (v) Once the Co-owners have acquired the right to elect a majority of the Board of Directors, annual meetings of Co-owners to elect Directors and conduct other business shall be held in accordance with the provisions of Article IX, Section 3 hereof.
- (d) <u>Conveyance to a Residential Builder</u>. For purposes of calculating the timing of events described in this Section 2, conveyance by Developer to a residential builder, even though not an affiliate of Developer, is not considered a sale to a non-Developer Co-owner until such time as the residential builder conveys that Unit with a completed Residence on it or until it contains a completed Residence which is occupied.
- Section 3. <u>Powers and Duties</u>. The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and may do all acts and things as are not prohibited by the Condominium Documents or required thereby to be exercised and done by the Co-owners.
- Section 4. <u>Other Duties</u>. In addition to the foregoing duties imposed by these Bylaws or any further duties which may be imposed by resolution of the members of the Association, the Board of Directors shall be responsible specifically for the following:
 - (a) To manage and administer the affairs of and to maintain the Condominium Project and the General Common Elements thereof;
 - (b) To levy and collect assessments from the members of the Association and to use the proceeds thereof for the purposes of the Association;
 - (c) To carry insurance and collect and allocate the proceeds thereof;
 - (d) To rebuild improvements after casualty, subject to all of the other applicable provisions of the Condominium Documents;
 - (e) To contract for and employ persons, firms, corporations or other agents to assist in the management, operation, maintenance and administration of the Condominium Project;
 - (f) To acquire, maintain and improve, and to buy, operate, manage, sell, convey, assign, mortgage or lease any real or personal property (including any Unit in the Condominium and easements, rights-of-way and licenses) on behalf of the Association in furtherance of any of the purposes of the Association;

- (g) To borrow money and issue evidences of indebtedness in furtherance of any or all of the purposes of the Association, and to secure the same by mortgage, pledge, or other lien on property owned by the Association; provided, however, that any such action shall also be approved by affirmative vote of seventy five percent (75%) of all of the members of the Association in number and in value;
- (h) To make rules and regulations in accordance with Article VI, Section 2, Paragraph B.31 of these Bylaws;
- (i) To establish such committees as it deems necessary, convenient or desirable and to appoint persons thereto for the purpose of implementing the administration of the Condominium and to delegate to such committees any functions or responsibilities which are not by law or the Condominium Documents required to be performed by the Board; and
 - (j) 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 may include Developer or any person or entity related thereto) at reasonable compensation established by the Board to perform such duties and services as the Board shall authorize, including, but not limited to, the duties listed in Sections 3 and 4 of this Article, and the Board may delegate to such management agent any other duties or powers which are not by law or by the Condominium Documents required to be performed by or have the approval of the Board of Directors or the members of the Association. In no event shall the Board be authorized to enter into any contract with a professional management agent, or any other contract providing for services by Developer, sponsor or builder, 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 and no such contract shall violate the provisions of Section 55 of the Act.
- Section 6. <u>Vacancies</u>. Vacancies in the Board of Directors which occur after the Transitional Control Date caused by any reason other than the removal of a Director by a vote of the members of the Association shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum, except that Developer shall be solely entitled to fill the vacancy of any Director whom it is permitted in the first instance to designate. Each person so elected shall be a Director until a successor is elected at the next annual meeting of the members of the Association. Vacancies among non-Developer Co-owner elected Directors which occur prior to the Transitional Control Date may be filled only through election by non-Developer Co-owners and shall be filled in the manner specified in Section 2(b) of this Article.
- Section 7. <u>Removal</u>. At any regular or special meeting of the Association duly called with due notice of the removal action proposed to be taken, any one or more of the Directors may be removed with or without cause by the affirmative vote of more than fifty percent (50%) of all of the Co-owners qualified to vote and a successor may then and there be elected to fill any vacancy thus created. The quorum requirement for the purpose of filling such vacancy shall be the normal thirty-five percent (35%) requirement set forth in Article VIII, Section 4. Any Director whose removal has been proposed by the Co-owners shall be given an opportunity to be

heard at the meeting. Developer may remove and replace any or all of the Directors selected by it at anytime or from time to time in its sole discretion. Likewise, any Director selected by the non-Developer Co-owners to serve before the First Annual Meeting may be removed before the First Annual Meeting in the same manner set forth in this section for removal of Directors generally.

- Section 8. <u>First Meeting</u>. The first meeting of a 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 to legally constitute such meeting, providing a majority of the whole Board shall be present.
- Section 9. <u>Regular Meetings</u>. Regular meetings of the Board of Directors may be held at such times and places as shall be determined from time to time by a majority of the Directors, but at least two (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.
- Section 10. <u>Special Meetings</u>. Special meetings of the Board of Directors may be called by the President on three (3) days notice to each given personally, by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of two (2) Directors.
- Section 11. <u>Waiver of Notice</u>. Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meetings of the Board shall be deemed a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.
- Section 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 be less than a quorum present, the majority of those 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. <u>First Board of Directors</u>. The actions of the first Board of Directors of the Association or any successors thereto selected before the Transitional Control Date shall be binding upon the Association so long as such actions are within the scope of the powers and duties which may be exercised generally by the Board of Directors as provided in the Condominium Documents.

Section 14. <u>Fidelity Bonds</u>. The Board of Directors shall require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be expenses of administration.

ARTICLE XII OFFICERS

- Section 1. <u>Officers</u>. The principal officers of the Association shall be a President, who shall be a member of the Board of Directors, a Vice President, a Secretary and a Treasurer. The Directors may appoint an Assistant Treasurer, and an Assistant Secretary, and such other officers as in their judgment may be necessary. Any two offices except that of President and Vice President may be held by one (1) person.
 - (a) President. The President shall be the chief executive officer of the Association. The President shall preside 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 he may in his discretion deem appropriate to assist in the conduct of the affairs of the Association.
 - (b) <u>Vice President</u>. The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board to do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him or her by the Board of Directors.
 - (c) <u>Secretary</u>. 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; he or she shall have charge of the corporate seal, if any, and of such books and papers as the Board of Directors may direct; and he shall, in general, perform all duties incident to the office of the Secretary.
 - (d) <u>Treasurer</u>. The Treasurer shall have responsibility for the Association's funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. 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 2. <u>Election</u>. 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. <u>Removal</u>. Upon affirmative vote of a majority of the members of the Board of Directors, any officer may be removed either with or without cause, and his successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board

called for such purpose. No such removal action may be taken, however, unless the matter shall have been included in the notice of such meeting. The officer who is proposed to be removed shall be given an opportunity to be heard at the meeting.

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

ARTICLE XIII SEAL

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

ARTICLE XIV FINANCES

- Section 1. Records. The Association shall keep detailed books of account showing all expenditures and receipts affecting the Condominium Project and its administration, and which shall specify operating expenses of the Condominium Project, including but not limited to the maintenance and repair expenses of the Common Elements and any other expenses incurred by or on behalf of the Association and the Co-owners. Such accounts and all other Association records shall be open for inspection by the Co-owners and their Mortgagees during normal business hours. The Association shall prepare and distribute to each Co-owner at least once a year a financial statement, the contents of which shall be defined by the Association. The financial statement for the Association's fiscal year shall be prepared within 90 days following the end of such fiscal year. The books of account shall be audited at least annually by qualified independent auditors; provided, however, that such auditors need not be certified public accountants nor does such audit need to be a certified audit. Any First Mortgagee and any other agency or corporation which has an interest or prospective interest in the Condominium shall be entitled to receive a copy of such annual audited financial statement within a reasonable time after the Association is provided with a written request therefor. The costs of any such audit and any accounting expenses shall be expenses of administration. The Association shall make available for inspection upon request, during normal business hours, to Co-owners and First Mortgagees, current copies of the Condominium Documents and the rules and regulations, if any, made pursuant to Article VI, Section 2, Paragraph B.31 of these Bylaws. The Association shall make available for inspection upon request, during normal business hours, to prospective purchasers of Units current copies of the Condominium Documents, the rules and regulations, if any, made pursuant to Article VI, Section 2, Paragraph B.31 of these Bylaws, and the most recently audited financial statement of the Association.
- Section 2. <u>Fiscal Year</u>. The fiscal year of the Association shall be an annual period commencing on such date as may be initially determined by the Directors. The commencement date of the fiscal year shall be subject to change by the Directors for accounting reasons or other good cause.
- Section 3. <u>Bank</u>. Funds of the Association shall be initially deposited in such bank or savings association as may be designated by the Directors and shall be withdrawn only upon the

check or order of such officers, employees or agents as are designated by resolution of the Board of Directors from time to time. The funds may be invested from time to time in accounts or deposit certificates of such bank or savings association as are insured by the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation or their current statutory successors and may also be invested in interest bearing obligations of the United States Government.

ARTICLE XV INDEMNIFICATION OF OFFICERS AND DIRECTORS

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

ARTICLE XVI COMPLIANCE

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

ARTICLE XVII DEFINITIONS

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

ARTICLE XVIII

REMEDIES FOR DEFAULT

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

- Section 1. <u>Legal Action</u>. Failure to comply with any of the terms or provisions of the Condominium Documents shall be grounds for relief, which may include, without intending to limit the same, an action to recover sums due for damages, injunctive relief, foreclosure of lien (if default in payment of assessment) or any combination thereof, and such relief may be sought by the Association or, if appropriate, by an aggrieved Co-owner or Co-owners.
- Section 2. <u>Recovery of Costs</u>. In any proceeding arising because of an alleged default by any Co-owner, the Association, if successful, shall be entitled to recover the costs of the proceeding and such reasonable attorneys' fees (not limited to statutory fees) as may be determined by the court.
- Section 3. Removal and Abatement. The violation of any of the provisions of the Condominium Documents shall also give the Association or its duly authorized agents the right, in addition to the rights set forth above, to enter upon the Common Elements or into any Unit, where reasonably necessary, and summarily remove and abate, at the expense of the Co-owner in violation, any structure, thing or condition existing or maintained contrary to the provisions of the Condominium Documents. The Association shall have no liability to any Co-owner arising out of the exercise of its removal and abatement power authorized herein.
- Section 4. <u>Assessment of Fines</u>. The violation of any of the provisions of the Condominium Documents by any Co-owner shall be grounds for assessment by the Association, acting through its duly constituted Board of Directors, of monetary fines for such violations. No fine may be assessed unless in accordance with the provisions of Article XIX below.
- Section 5. <u>Non-Waiver of Right</u>. The failure of the Association or of any Co-owner to enforce any right, provision, covenant or condition which may be granted by the Condominium Documents shall not constitute a waiver of the right of the Association or of any such Co-owner to enforce such right, provision, covenant or condition in the future.
- Section 6. <u>Cumulative Rights, Remedies and Privileges</u>. All rights, remedies and privileges granted to the Association or any Co-owner or Co-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.
- Section 7. <u>Enforcement of Provisions of Condominium Documents</u>. A Co-owner may maintain an action against the Association and its officers and Directors to compel such persons to enforce the terms and provisions of the Condominium Documents. A Co-owner may maintain an action against any other Co-owner for injunctive relief or for damages or any combination thereof for noncompliance with the terms and provisions of the Condominium Documents or the Act. The Association, if successful in defending any action maintained by a

Co-owner against the Association, shall be entitled to recover the costs of the proceeding and such reasonable attorneys' fees (not limited to statutory fees) as may be determined by the court.

ARTICLE XIX ASSESSMENT OF FINES

- Section 1. <u>General</u>. The violation by any Co-owner, occupant or guest of any provisions of the Condominium Documents, including any duly adopted rules and regulations, shall be grounds for assessment by the Association, acting through its duly constituted Board of Directors, of monetary fines against the involved Co-owner. Such Co-owner shall be deemed responsible for such violations whether they occur as a result of his personal actions or the actions of his family, guests, tenants or any other person admitted through such Co-owner to the Condominium.
- Section 2. <u>Procedures</u>. Upon any such violation being alleged by the Board, the following procedures will be followed:
 - (a) <u>Notice</u>. 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 Co-owner on notice as to the violation, shall be sent by first class mail, postage prepaid, or personally delivered to the representative of said Co-owner at the address as shown in the notice required to be filed with the Association pursuant to Article VIII, Section 3 of these Bylaws.
 - (b) Opportunity to Defend. The offending Co-owner shall have an opportunity to appear before the Board and offer evidence in defense of the alleged violation. The appearance before the Board shall be at its next scheduled meeting but in no event shall the Co-owner be required to appear less than ten (10) days from the date of the Notice.
 - (c) <u>Default</u>. Failure to respond to the notice of violation constitutes a default.
 - (d) <u>Hearing and Decision</u>. Upon appearance by the Co-owner before the Board and presentation of evidence of defense, or, in the event of the Co-owner's default, the Board shall, by majority vote of a quorum of the Board, decide whether a violation has occurred. The Board's decision is final.
- Section 3. <u>Amounts</u>. Upon violation of any of the provisions of the Condominium Documents and after default of the offending Co-owner or upon the decision of the Board as recited above, the following fines shall be levied:
 - (a) First Violation. No fine shall be levied.
 - (b) <u>Second Violation</u>. A fine of Seventy-Five Dollars (\$75.00).
 - (c) <u>Third Violation</u>. A fine of One Hundred Dollars (\$100.00).

(d) <u>Fourth Violation and Subsequent Violations</u>. A fine of One Hundred and Fifty Dollars (\$150.00) for each violation.

The Association, acting through its Board of Directors, may increase or decrease the fine schedule set forth above by Board resolution after giving prior written notice to the Co-owners of the proposed change. The resolution and a proof of notice shall then be recorded in Livingston County Records and the new schedule shall be effective upon recording.

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

ARTICLE XX JUDICIAL ACTIONS AND CLAIMS

Actions on behalf of and against the Co-owners shall be brought in the name of the Association. Subject to the express limitations on actions in these Bylaws and in the Association's Articles of Incorporation, the Association may assert, defend or settle claims on behalf of all Co-owners in connection with the Common Elements of the Condominium. As provided in the Articles of Incorporation of the Association, the commencement of any civil action (other than one to enforce these Bylaws or collect delinquent assessments) shall require the approval of a majority in number and in value of the Co-owners, and shall be governed by the requirements of this Article. The requirements of this Article will ensure that the Co-owners are fully informed regarding the prospects and likely costs of any civil actions actually filed by the Association. These requirements are imposed in order to reduce both the cost of litigation and the risk of improvident litigation, and in order to avoid the waste of the Association's assets in litigation where reasonable and prudent alternatives to the litigation exist. Each Co-owner shall have standing to sue to enforce the requirements of this Article. The following procedures and requirements apply to the Association's commencement of any civil action other than an action to enforce these Bylaws or to collect delinquent assessments:

- Section 1. <u>Board of Directors' Recommendation to Co-owners</u>. The Association's Board of Directors shall be responsible in the first instance for recommending to the Co-owners that a civil action be filed, and supervising and directing any civil actions that are filed.
- Section 2. <u>Litigation Evaluation Meeting</u>. Before an attorney is engaged for purposes of filing a civil action on behalf of the Association, the Board of Directors shall call a special meeting of the Co-owners ("Litigation Evaluation Meeting") for the express purpose of evaluating the merits of the proposed civil action. The written notice to the Co-owners of the date, time and place of the Litigation Evaluation Meeting shall be sent to all Co-owners not less than twenty (20) days before the date of the meeting and shall include the following information copied onto 8-1/2" x 11" paper:
 - (a) A certified resolution of the Board of Directors setting forth in detail the concerns of the Board of Directors giving rise to the need to file a civil action and further certifying that:

- (i) it is in the best interests of the Association to file a lawsuit;
- (ii) that at least one member of the Board of Directors has personally made a good faith effort to negotiate a settlement with the putative defendant(s) on behalf of the Association, without success;
- (iii) litigation is the only prudent, feasible and reasonable alternative; and
- (iv) the Board of Directors' proposed attorney for the civil action is of the written opinion that litigation is the Association's most reasonable and prudent alternative.
- (b) A written summary of the relevant experience of the attorney ("Litigation Attorney") the Board of Directors recommends be retained to represent the Association in the proposed civil action, including the following information: (i) the number of years the Litigation Attorney has practiced law; and (ii) the experience of the Litigation Attorney in representing condominium and homeowners associations.
- (c) The Litigation Attorney's written estimate of the amount of the Association's likely recovery in the proposed lawsuit, net of legal fees, court costs, expert witness fees and all other expenses expected to be incurred in the litigation.
- (d) The Litigation Attorney's written estimate of the cost of the civil action through a trial on the merits of the case ("Total Estimated Cost"). The Total Estimated Cost of the civil action shall including the Litigation Attorney's expected fees, court costs, expert witness fees, and all other expenses expected to be incurred in the civil action.
 - (e) The Litigation Attorney's proposed written fee agreement.
- (f) The amount to be specially assessed against each Unit in the Condominium to fund the estimated cost of the civil action both in total and on a monthly per Unit basis, as required by Section 6 of this Article.
- Section 3. <u>Independent Expert Opinion</u>. If the lawsuit relates to the condition of any of the Common Elements of the Condominium, the Board of Directors shall obtain a written independent expert opinion as to reasonable and practical alternative approaches to repairing the problems with the Common Elements, which shall set forth the estimated costs and expected viability of each alternative. In obtaining the independent expert opinion required by the preceding sentence, the Board of Directors shall conduct its own investigation as to the qualifications of any expert and shall not retain any expert recommended by the Litigation Attorney or any other attorney with whom the Board of Directors consults. The purpose of the independent expert opinion is to avoid any potential confusion regarding the condition of the Common Elements that might be created by a report prepared as an instrument of advocacy for use in a civil action. The independent expert opinion will ensure that the Co-owners have a realistic appraisal of the condition of the Common Elements, the likely cost of repairs to or replacement of the same, and the reasonable and prudent repair and replacement alternatives.

The independent expert opinion shall be sent to all Co-owners with the written notice of the Litigation Evaluation Meeting.

- Section 4. <u>Fee Agreement with Litigation Attorney</u>. The Association shall have a written fee agreement with the Litigation Attorney, and any other attorney retained to handle the proposed civil action. The Association shall not enter into any fee agreement that is a combination of the retained attorney's hourly rate and a contingent fee arrangement unless the existence of the agreement is disclosed to the Co-owners in the text of the Association's written notice to the Co-owners of the Litigation Evaluation Meeting.
- Section 5. <u>Co-owner Vote Required</u>. At the Litigation Evaluation Meeting the Co-owners shall vote on whether to authorize the Board of Directors to proceed with the proposed civil action and whether the matter should be handled by the Litigation Attorney. The commencement of any civil action by the Association (other than a suit to enforce these Bylaws or collect delinquent assessments) shall require the approval of a majority in number and in value of the Co-owners. Any proxies to be voted at the Litigation Evaluation Meeting must be signed at least seven (7) days prior to the Litigation Evaluation Meeting. Notwithstanding any other provision of the Condominium Documents, no litigation shall be initiated by the Association against Developer until such litigation has been approved by an affirmative vote of seventy-five percent (75%) of all members of the Association in number and value attained after a Litigation Evaluation Meeting held specifically for the purpose of approving such action.
- Section 6. <u>Litigation Special Assessment</u>. All legal fees incurred in pursuit of any civil action that is subject to Sections 1 through 10 of this Article shall be paid by special assessment of the Co-owners ("Litigation Special Assessment"). The Litigation Special Assessment shall be approved at the Litigation Evaluation Meeting (or any subsequent duly called and noticed meeting) by a majority in number and in value of all Co-owners in the amount of the estimated total cost of the civil action. If the Litigation Attorney proposed by the Board of Directors is not retained, the Litigation Special Assessment shall in an amount equal to the estimated total cost of the civil action, as estimated by the attorney actually retained by the Association. The Litigation Special Assessment shall be apportioned to the Co-owners in accordance with their respective percentage of value interests in the Condominium and shall be collected from the Co-owners on a monthly basis. The total amount of the Litigation Special Assessment shall be collected monthly over a period not to exceed twenty-four (24) months.
- Section 7. <u>Attorney's Written Report</u>. During the course of any civil action authorized by the Co-owners pursuant to this Article, the retained attorney shall submit a written report ("Attorney's Written Report") to the Board of Directors every thirty (30) days setting forth:
 - (a) The attorney's fees, the fees of any experts retained by the attorney, and all other costs of the litigation during the thirty (30) day period immediately preceding the date of the Attorney's Written Report ("Reporting Period").
 - (b) All actions taken in the civil action during the Reporting Period, together with copies of all pleadings, court papers and correspondence filed with the court or sent to opposing counsel during the Reporting Period.

- (c) A detailed description of all discussions with opposing counsel during the Reporting Period, written and oral, including, but not limited to, settlement discussions.
- (d) The costs incurred in the civil action through the date of the written report, as compared to the attorney's estimated total cost of the civil action.
- (e) Whether the originally estimated total cost of the civil action remains accurate.
- Section 8. <u>Monthly Board Meetings</u>. The Board of Directors shall meet monthly during the course of any civil action to discuss and review:
 - (a) the status of the litigation;
 - (b) the status of settlement efforts, if any; and
 - (c) the Attorney's Written Report.
- Section 9. <u>Changes in the Litigation Special Assessment</u>. If, at any time during the course of a civil action, the Board of Directors determines that the originally estimated total cost of the civil action or any revision thereof is inaccurate, the Board of Directors shall immediately prepare a revised estimate of the total cost of the civil action. If the revised estimate exceeds the Litigation Special Assessment previously approved by the Co-owners, the Board of Directors shall call a special meeting of the Co-owners to review the status of the litigation, and to allow the Co-owners to vote on whether to continue the civil action and increase the Litigation Special Assessment. The meeting shall have the same quorum and voting requirements as a Litigation Evaluation Meeting.
- Section 10. <u>Disclosure of Litigation Expenses</u>. The attorneys' fees, court costs, expert witness fees and all other expenses of any civil action filed by the Association ("Litigation Expenses") shall be fully disclosed to Co-owners in the Association's annual budget. The Litigation Expenses for each civil action filed by the Association shall be listed as a separate line item captioned "Litigation Expenses" in the Association's annual budget.

ARTICLE XXI RIGHTS RESERVED TO DEVELOPER

Any or all of the rights and powers granted or reserved to Developer in the Condominium Documents or by law, including the right and power to approve or disapprove any act, use, or proposed action or any other matter or thing, may be assigned by it to any other entity or entities or to the Association. Any such assignment or transfer shall be made by appropriate instrument in writing in which the assignee or transferee shall join for the purpose of evidencing its acceptance of such powers and rights and such assignee or transferee shall thereupon have the same rights and powers as herein given and reserved to Developer. Any rights and powers reserved or granted to Developer or its successors shall terminate, if not sooner assigned to the Association, upon the expiration of the Development and Sales Period. The immediately preceding sentence dealing with the termination of certain rights and powers granted or reserved to Developer is intended to apply, insofar as Developer is concerned, only to Developer's rights

to approve and control the administration of the Condominium and shall not, under any circumstances, be construed to apply to or cause the termination of any rights of Developer under Articles VII, VIII(c) or (f), or IX of the Master Deed or any amendments to the Master Deed made pursuant to any such Sections, or any real property rights granted or reserved to Developer or its successors and assigns in the Master Deed or elsewhere (including, but not limited to, access easements, utility easements and all other interests or easements created, excepted or reserved in such documents) which shall not be terminable in any manner hereunder and which shall be governed only in accordance with the terms of their creation, exception or reservation and not hereby.

ARTICLE XXII SEVERABILITY

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

REPLAT NO. 3 OF

REPLAT NO. 3 OF

LUNKGSTON COUNTY CONDOMINIUM SUBDIVISION PLAN NO. 338

EXHIBIT B TO THE MASTER DEED OF

STONE RIDGE SITE CONDOMINIUM

PART OF THE NORTH I/2 OF SECTION 33, TW-ROE,

BORD OF THE NORTH I/2 DE SECTION 33, TW-ROE,

GREEN CAN TOWNSHIP, LIVINGSTON COUNTY, MICHIGAN

<u>DEVELOPER:</u> S.E. MICHIGAN LAND HOLDING, LLC. SIZ37 DANVIEW TECHNOLOGY CT. SHELBY, MICHIGAN 68315

SURVEYOR:
PETER P. PALCZYNSKI, P.S.
AMBIT LAND SURVEYORS INC.
691 WING STREET
PLYMOUTH, MI 48170

ENGINEER: LAKE ENGINEERING ASSOCIATES, LLC. 92 EAST SHORE DRIVE WHITMORE LAKE, MICHIGAN 48189

Part of the North Half of Station 33, Tonal North, Bauer & East, Office Oak Yarden Charles, Charles Charles, Charles Charles, Cha

SHEET NO. SHEET INDEX: HE

CONDOMINAM SUBDIVISION PLANS SHALL BE ALMBERED CONSECUTIVELY WHEN RECORDED BY THE REGISTER OF DEEDS AND SHALL BE DESIGNATED LIVINGSTON COUNTY SUBDIVISION PLAN NO. 333. THIS MAMBER MICH BE PROPERLY SHAWNON OF THIS SHEET AND ON SHEET 2 IN THE SURVEYOR'S CENTIFICATE.

ATTENTION: LIVINGSTON COUNTY REGISTER OF DEEDS

COMED SHEET
COMPOSITE SERVEY PLAN
SERVEY P

ICENSED PROFESSIONAL ENGINEER NO. 47156 NGINEER *

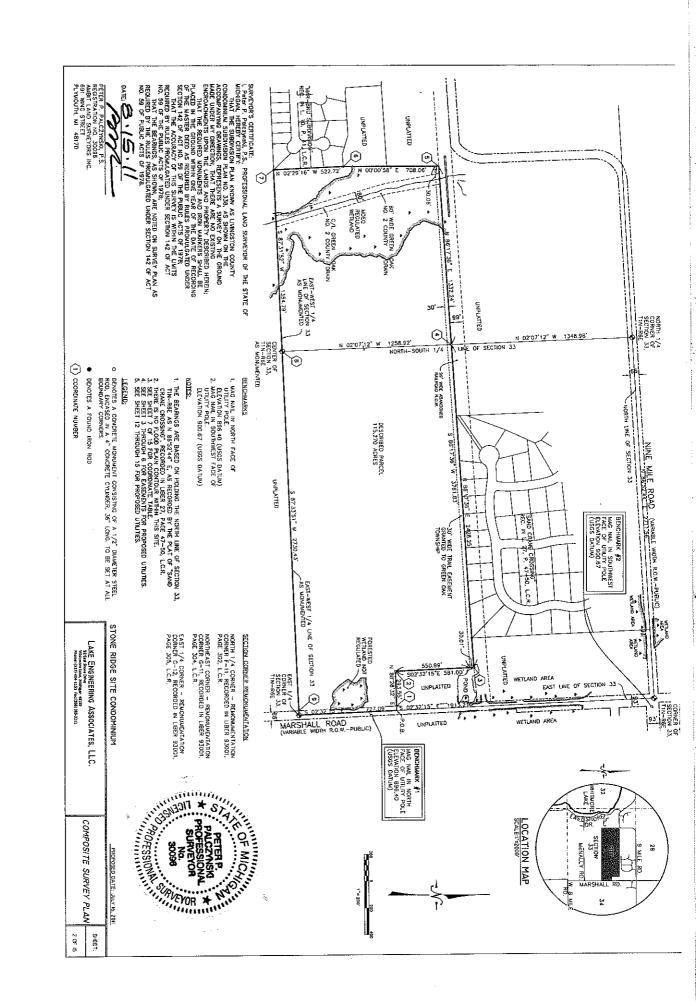
STONE RIDGE SITE CONDOMINIUM

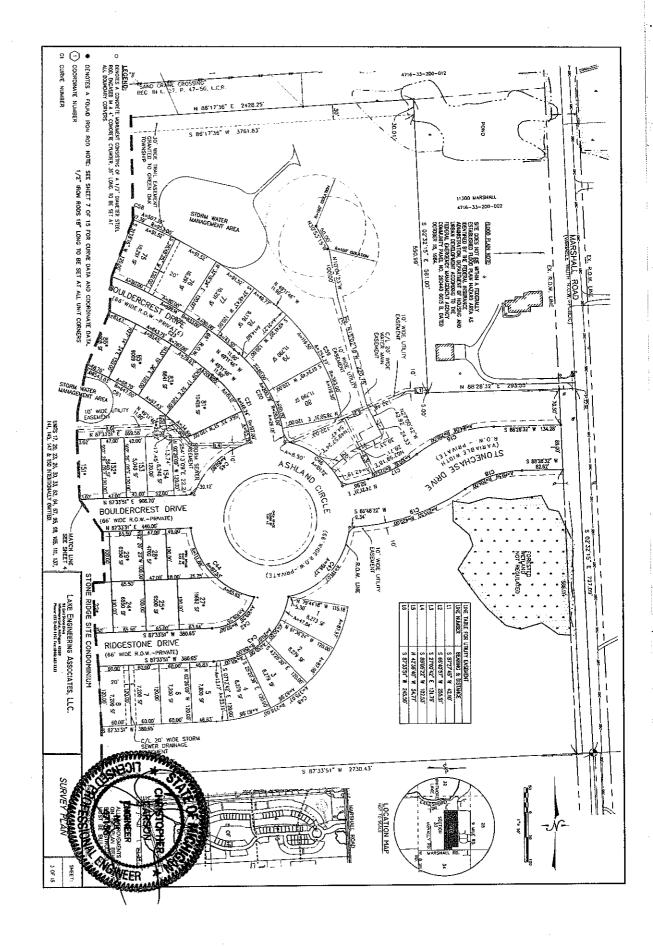
COVER SHEET

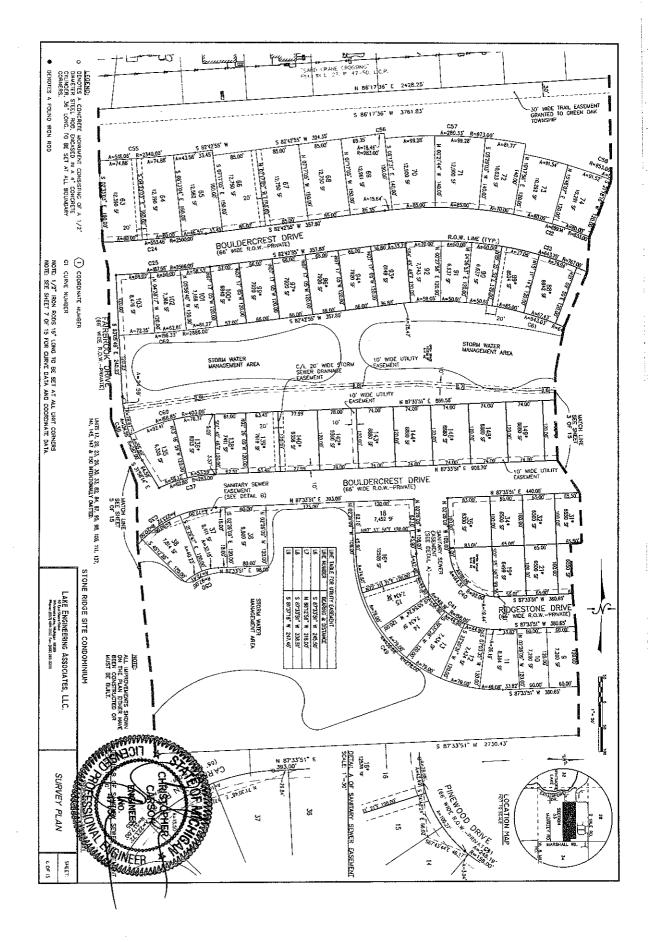
PROPOSED DATE: JULY 16, 2011

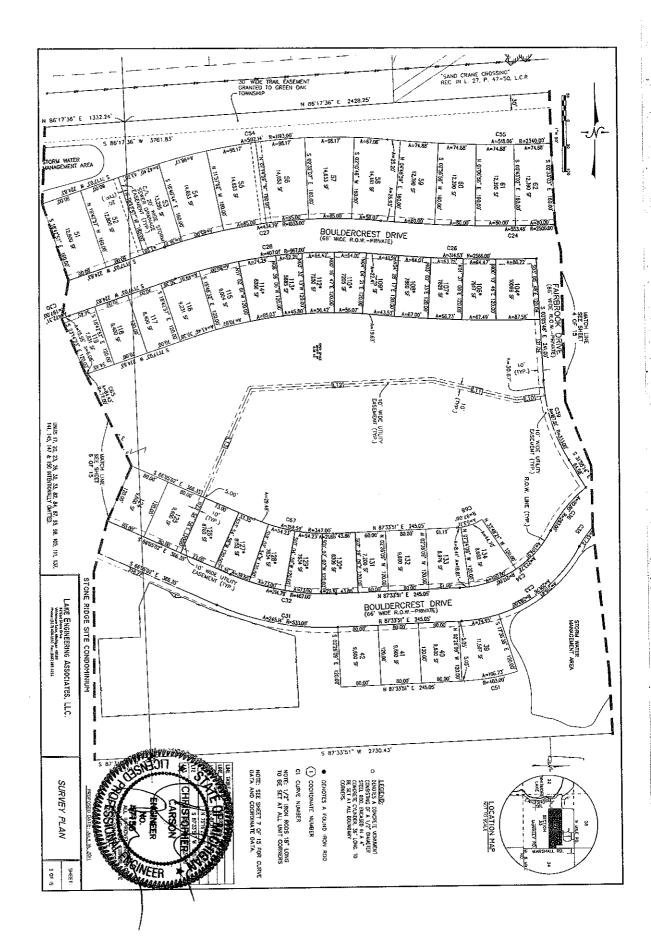
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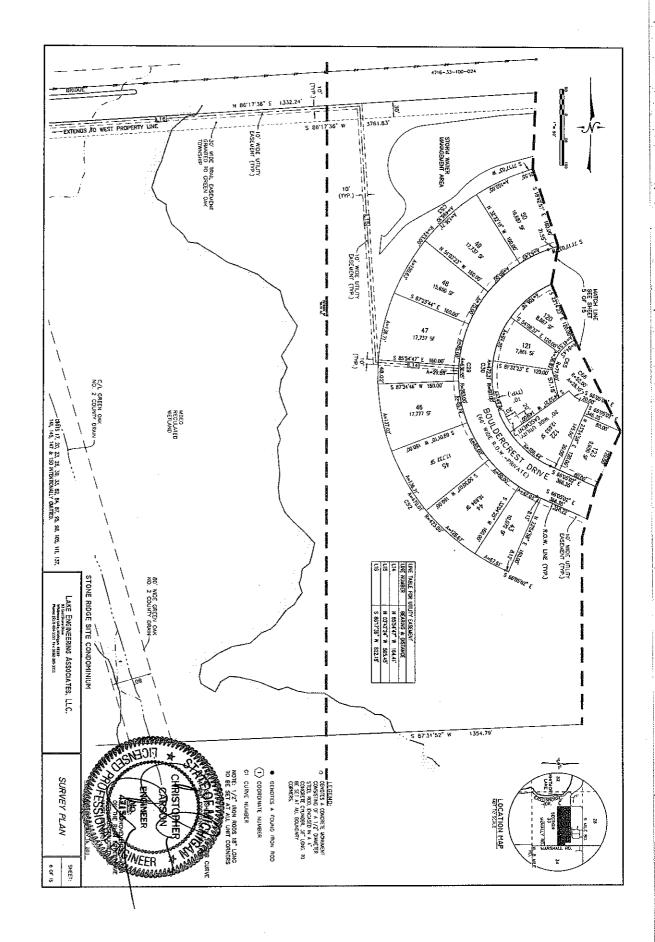
- OF 65

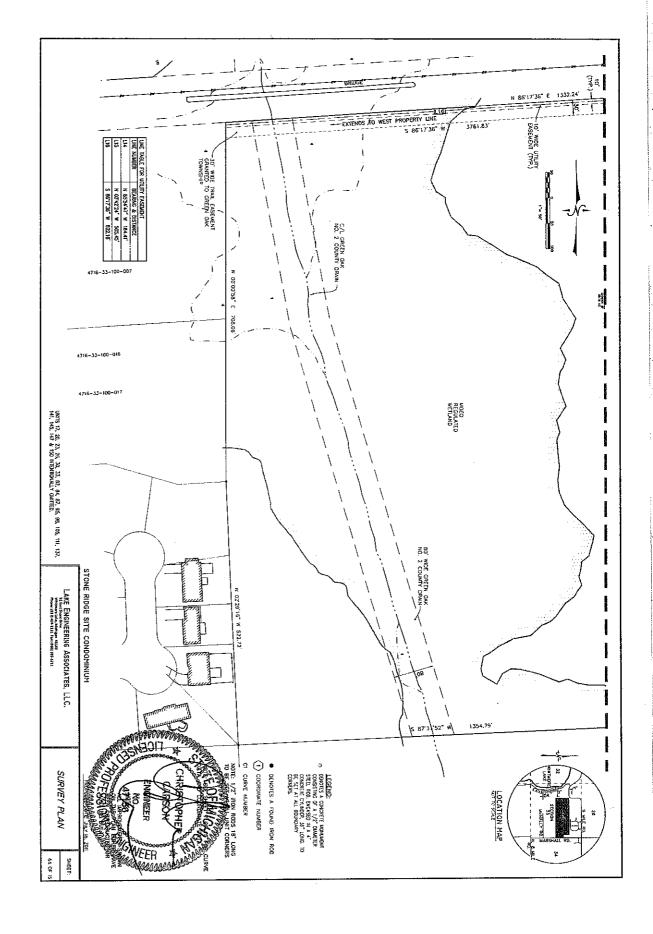








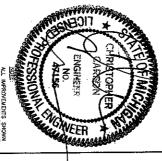




UNITS 17, 20, 23, 26, 30, 33, 82, 84, 87, 85, 98, 105, 111, 137, 141, 145, 147 & 150 INTENTIONALLY OMITTED.

LAKE ENGINEERING ASSOCIATES, LLC. 125615000 Diver June 12561500 Diver June 1256 ASSOCIATES, LLC. WINDERS 1256 ASSOCIATES AND INSIGN 18561111

STONE RIDGE SITE CONDOMINIUM



PROPOSED DATE: APRIL 2011 SHEET:

7 OF 15

CURVE TABLE & COORDINATE TABLE

ALL IMPROVEMENTS SHOWN ON THE PLAN EITHER HAVE BEEN CONSTRUCTED OR MUST BE BURLT.

