

BY-LAWS

COLONY FARMS SUBDIVISION ASSOCIATION, INC.

ARTICLE I

Section 1. This Corporation is organized for the purposes of administering and enforcing the provisions of the Subdivision Agreements of Colony Farms Subdivision #1 and Colony Farms Subdivision #2, relating to land in the Township of Plymouth, County of Wayne, State of Michigan, and as recorded in the Wayne County Records.

ARTICLE II

Section 1. Qualification and membership in the Corporation and the manner of admission to the Corporation shall be as follows:

Each lot owner of a lot in Colony Farms Subdivision #1 and Colony Farms Subdivision #2 shall be a member of the Corporation and no other person or entity shall be entitled to membership; except that incorporators of the Corporation shall be members of the Corporation until such time as their membership shall terminate as hereinafter provided.

Membership in the Corporation (except with respect to any non-lot-owner incorporator) shall be established by the acquisition of fee simple title to a lot in the Subdivisions and by recording with the County Register of Deeds a deed or other instrument establishing a change of record title to said lot and the furnishing of evidence of same satisfactory to the Corporation. A new lot owner shall thereby become a member of the corporation and membership of the prior lot owner shall thereby be terminated. Non-lot owner incorporators shall continue to be members of the Corporation until the earlier of September 1, 1977 or the sale by the developer of the Subdivisions of eighty (80%) percent of the lots therein.

The share of a member in the funds and assets of the Corporation cannot be assigned, pledged, encumbered or transferred except as an appurtenance to his lot in the Subdivision.

Section 2. Voting. Each lot owner in the subdivision shall be entitled to one vote, the value of which shall be as set forth in Exhibit "C" to the recorded Subdivision Agreement, as the same shall be amended. Voting by the co-owners of the condominium lot (Lot Number 41) in Colony Farms Subdivision #1 shall be exercised by the Condominium Co-Owners Association through its duly elected officers.

ARTICLE III

MEETINGS

Section 1. Meetings of the Corporation shall be held at the principal office of the Corporation or at such other suitable place convenient to the lot owners as may be designated by the Board of Directors. Meetings of the Corporation shall be conducted in accordance with Roberts Rules of Order when not otherwise in conflict with the Articles of Incorporation and By-Laws of the Corporation, or the laws of the state of Michigan.

Section 2. Annual meetings of the members of the Corporation shall be held within 90 days after the end of the calendar year. The date, time and place of such meeting shall be set by the Board of Directors and at least ten days written notice shall be given to each lot owner as set forth above. Until the earlier of September 1, 1977 or until the sale of eighty (80%) percent of the lots in the Subdivisions, the directors named in the Articles of Incorporation shall continue in office. Thereafter, there shall be elected by ballot of the co-owners, a Board of Directors in accordance with the requirements of Article IV of the by-laws. The lot owners may also transact such other business as to the Corporation as may properly come before said meeting.

Section 3. It shall be the duty of the President of the Association to call a special meeting of the lot owners as directed by resolution of the Board of Directors, or upon a petition signed by lot owners representing twenty (20%) percent of the value of votes which might be cast at any such meeting. Notice of any special meeting shall state the time and place of such meeting, and the purposes thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 4. 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 on each lot owner of record, at least seven (7) days but not more than sixty (60) days prior to such meeting. The mailing, postage prepaid, of a notice to the last known address of each lot owner shall be deemed properly served. Any member may, by waiver of notice, signed by such member, or by attendance at such a meeting, waive such notice.

Section 5. If any meeting of lot owners cannot be held because a quorum is not in attendance, the owners who are present may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

ARTICLE IV

BOARD OF DIRECTORS

Section 1. The affairs of the Corporation shall be governed by a Board of Directors, all of whom must be members of the corporation, except for the first Board of Directors designated in the Articles of Incorporation of the Association. Directors shall serve without compensation.

Section 2. The first Board of Directors designated in the Articles of Incorporation shall be composed of three (3) persons and such first Board of Directors shall manage the affairs of the Corporation until a successor Board is elected at the first meeting of members, convened in accordance with the provisions of Article III. The term of office of each director shall be one year. The directors shall hold office until their successors have been elected and hold their first meeting.

Section 3. The Board of Directors shall have all powers and duties necessary for the administration of the affairs of the Association, and may do all such acts and things as are not, by law or these By-Laws, prohibited or directed to be exercised and done by lot owners directly.

Section 4. In addition to the foregoing duties imposed by these By-Laws 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 hold title to common areas within the subdivisions (including improvements thereon) and personal property used in connection with maintenance and upkeep of said common areas, said title being held as trustee, agent and nominee for lot owners in said subdivisions.

b. If assessed against the corporation, to pay real and personal property taxes and maintenance fees on behalf of the lot owners in the subdivisions, as trustee, agent and nominee for said lot owners.

c. To levy and collect assessments against and from the lot owners of the subdivisions and to use the proceeds thereof for purposes of the Corporation.

d. To carry insurance and to collect and allocate the proceeds thereof.

e. To rebuild any improvements on the common areas after casualty.

f. To contract for and employ persons, firms, corporations, or partnerships to assist in the management, operation, maintenance or administration of said common areas.

g. To make and enforce reasonable regulations concerning the use and enjoyment of said common areas.

h. To own, maintain and approve, and to buy, sell, convey, assign, mortgage or lease any real or personal property for the purpose of providing benefit to the lot owners and in furtherance of any of the purposes of the Corporation.

i. To borrow money and issue evidences of indebtedness in furtherance of any and all of the objects of the corporation and to secure same by a mortgage, pledge or other lien.

j. To establish, operate and to name the members of the architectural committee, established to enforce the provisions of Article X of the Subdivision Agreement.

k. In general, to enter into activity, to make and perform any contract, and to exercise any and all powers necessary, incidental or convenient to the administration, management, maintenance, repair and operation of the common areas (including improvements thereto) and to accomplish any of the corporate purposes in all such activities, acting as trustee, agent and nominee for the lot owners in the subdivisions.

Section 5. The Board of Directors shall propose regulations respecting the use and enjoyment of the parks and common areas (including improvements thereon) of the Subdivision and such other regulations as are necessary for the maintenance and control of parks and common areas, and improvements. All such regulations and amendments thereto shall be approved by not less than a majority of the members of the Association before same shall become effective. Members not present at meetings considering such regulations or amendments thereto may request their approval in writing. Any regulations proposed by the first Board of Directors and approved by the original members of the Association prior to the first annual meeting of members, shall be binding upon all subsequent members, unless duly amended as provided herein.

Section 6. The Board of Directors may employ, for the Association, a management agent at compensation established by the Board, to perform such duties and services as the Board shall authorize, including those duties listed in Sections 3 and 4 of this Article.

Section 7. Vacancies on the Board of Directors (including the first Board of Directors named in the Articles of Incorporation) 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 a majority of remaining directors, even though they may constitute less than a quorum. Each person so elected shall be a director until a successor is elected at the next annual meeting of the Association to act for the unexpired term of his predecessor (or for a full term if the predecessor's term would have expired at the time of such annual meeting).

Section 8. At any regular or special meeting of the Association duly called, any one or more of the directors may be removed with or without cause by a majority if the co-owners and a successor may then and there be elected to fill the vacancy thus created. Any director whose removal has been proposed by the lot owners shall be given an opportunity to be heard at the meeting.

Section 9. 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. No notice shall be necessary to the newly elected directors in order legally to constitute such meeting, providing a majority of the whole board shall be present.

Section 10. Regular meetings of the board of directors may be held at such times and places as shall be determined from time to time by a majority of the directors, but at least two such meetings shall be held during each fiscal year. Notice of regular meetings of the board of directors shall be given to each director, personally, by mail, telephone or telegraph, at least ten (10) days prior to the date named for such meeting.

Section 11. Special meetings of the Board of Directors may be called by the president on three (3) days notice to each director, given personally, by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting. 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 one director.

Section 12. Before or at any meeting of the board of directors, any director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the board shall be deemed a waiver of notice by 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 13. 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 from time to time. 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 14. All of the actions (including, without limitation, the adoption of these By-Laws and any Rules and Regulations for the Corporation, and any undertakings or contracts entered into with others on behalf of the Corporation) of the first board of directors of the Association named in its Articles of Incorporation or any successors thereto elected before the first annual meeting of members shall be binding upon the Association in the same manner as though such actions had been authorized by a board of directors duly elected by the members of the Association at the first or any subsequent annual meeting of the members so long as such actions are within the scope of the powers and duties which may be exercised by the Board of Directors as provided in the Articles of Incorporation or the By-Laws of the Association.

Section 15. 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 V

OFFICERS

Section 1. 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, all of whom shall serve without compensation. The directors may appoint an assistant treasurer, and an assistant secretary, and such other officers as in their judgment may be necessary. Any two offices except that of president and vice president may be held by one person.

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

Section 3. Upon an 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.

Section 4. The president shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of the president of the 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.

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

Section 6. 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 shall have charge of the corporate seal and of such books and papers as the Board of Directors may direct; and he shall in general, perform all duties incident to the office of the secretary.

Section 7. The treasurer shall have responsibility for Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall be responsible for the deposit of all monies and other valuable effects in the name and to the credit, of the Association, in such depositories as may from time to time be designated by the Board of Directors.

Section 8. The officers shall have such duties, powers and responsibilities as shall from time to time be authorized by the Board of Directors.

ARTICLE VI

ARCHITECTURAL COMMITTEE

Section 1. The architectural committee shall be appointed by the board of directors and shall be composed of not less than three (3) nor more than five (5) persons. Membership on the

architectural control committee may, but need not be limited to lot owners in the Subdivision; the committee may, in addition, employ a professional architect or others in order to assist them in the discharge of their duties.

Section 2. A majority of the members of the committee shall constitute a quorum and shall have power to act on behalf of the committee. The committee may act without necessity of the meeting, providing the actions of the committee shall be evidenced by written instrument setting forth the action to be taken and signed by all the members of the committee.

Section 3. The committee shall discharge its duties in accordance with the provisions of the Subdivision Agreement and more specifically, with Article X thereof.

Section 4. If a lot owner shall have submitted to the committee plans and specifications in accordance with Article X for a dwelling house and the committee shall have neither approved such plans and specifications within thirty (30) days of the date of their submission, nor notified the lot owner of its objections within thirty (30) days, then said plans and specifications shall be deemed approved by the committee. This shall apply either to original plans and specification or revised plans and specifications, as submitted to the committee.

Section 5. If a lot owner shall have submitted to the committee plans and specifications in accordance with Article X which do not relate to the construction of a dwelling house, the committee shall have ten (10) days within which to approve or object to said plans and specifications, and upon failure to either approve or object to said plans and specifications, within ten (10) days, said plans shall be deemed approved by the committee. This shall apply either to original plans and specifications or to revised plans and specifications which do not include the construction of a dwelling house.

Section 6. Whenever a lot owner shall complete an improvement, they shall notify the architectural committee in writing, so that the committee may inspect the improvement for the purpose of ascertaining whether it complies with the plans and specifications approved by the committee. Upon failure to advise the lot owner of any objections within thirty (30) days of said notice, said improvement shall have been deemed to have been in compliance.

ARTICLE VII

NATURE OF LOT OWNERS' OBLIGATIONS

Section 1. By acceptance of a title to a lot in the Subdivision, lot owner shall be deemed to have read, agreed to and subscribed to the covenants, restrictions and conditions set forth in the Subdivision Agreement. Said lot owner understands that the covenants, restrictions and conditions are intended to benefit all owners of lots in the Subdivision, to enure to and to pass with each and every parcel or part thereof in the subdivision, and to bind the respective successors in interest of the developer, and to create restrictive covenants running with the title to the lots or portions thereof.

ARTICLE VIII

SEAL

Section 1. The Corporation shall have a seal which shall be inscribed thereon the name of the corporation and the words "Corporate Seal" and "Michigan".

ARTICLE IX

FINANCE

Section 1. The fiscal year of the corporation 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 2. The funds of the corporation shall be deposited in such bank as may be designated by the Directors and shall be withdrawn only upon a check or order of such officers, employees or agents as are designated by resolution of the Board of Directors from time to time.

ARTICLE X

INDEMNIFICATION OF OFFICERS AND DIRECTORS

Every director and every officer of the corporation shall be indemnified by the corporation against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party, or in which he may become involved, by reason of his being or having been a Director or Officer of the Corporation, whether or not he is a Director or Officer at the time such expenses are incurred, except in such cases wherein the Director or Officer is adjudged guilty of willful misfeasance or malfeasance 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 only apply if the Board of Directors (with the Director seeking reimbursement abstaining) approves such settlement and reimbursement as being in the best interests of the corporation. 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.

ARTICLE XI

AMENDMENTS

Section 1. These By-Laws may be amended by the Association at a duly constituted meeting for such purpose, by an affirmative vote of lot owners constituting a majority of value as set forth in the Subdivision Agreements, as amended.

Section 2. At any meeting held to consider such amendments to these by-laws, the written vote of any member of the Association shall be recognized if such member is not in attendance at such meeting or if not represented by proxy, provided that such written vote is delivered to the Secretary of the Association at or prior to such meeting.