

HUNTERS PARK CONDOMINIUM

EXHIBIT A

BY-LAWS

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ARTICLE I

ASSOCIATION OF CO-OWNERS

HUNTERS PARK CONDOMINIUM, a Residential Condominium Project located in the Township of Plymouth, Wayne County, Michigan, shall be administered by an Association of Co-Owners, which shall be a non-profit corporation, hereinafter called the "Association," organized under the applicable Laws of the State of Michigan, and responsible for the management, maintenance, operation and administration of the Common Elements, easements and affairs of the Condominium Project in accordance with the Condominium Documents and the Laws of the State of Michigan. These By-Laws shall constitute both the Condominium By-Laws referred to in the Master Deed and required by Section 3(8) of the Act and the Association By-Laws referred to in the Master Deed and 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 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. Assessments for Common Elements.** All costs incurred by the Association in satisfaction of any liability arising within, caused by, or connected with the Common Elements or the administration of the Condominium 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. Determination of Assessments.** Assessments shall be determined in accordance with the following provisions:

(a) **Budget.** The Board of Directors of the Association shall establish an annual budget in advance for each fiscal year and such budget shall project all expenses for the forthcoming year which may be required for the proper operation, management and maintenance of the Condominium Project, including a reasonable allowance for contingencies and reserves. An adequate reserve fund for maintenance, repairs and replacement of those Common Elements that must be replaced on a periodic basis shall be established in the budget and must be funded by regular monthly payments as set forth in Section 3 below, rather than by special assessments. At a minimum, the reserve fund shall be equal to 10% of the Association's current annual budget on a noncumulative basis. Since the minimum standard required by this Section may prove to be inadequate for this particular project, the Association of Co-Owners shall carefully analyze the Condominium Project to determine if a greater amount should be set aside, or if additional reserve funds should be established for other purposes from time to time. Upon adoption of an annual budget by the Board of Directors, copies of the budget shall be delivered to each Co-Owner and the assessment for said year shall be established based upon said budget, although the delivery of 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 determine, in the sole discretion of the Board of Directors: (1) That the assessments levied are or may prove to be insufficient to pay the costs of operation and management of the Condominium; (2) To provide replacements of existing Common Elements; (3) To provide additions to the Common Elements not exceeding \$1,000 annually for the entire Condominium Project; or (4) In the event of emergencies, the Board of Directors shall have the authority to increase the general assessment or to levy such additional assessment or assessments as it shall deem to be necessary. The Board of Directors also shall have the authority, without Co-Owner consent, to levy assessments pursuant to the provisions of Article V, Section 4 hereof. The discretionary authority of the Board of Directors to levy

assessments pursuant to this subparagraph shall rest solely with the Board of Directors for the benefit of the Association and the members thereof, and shall not be enforceable by any creditors of the Association or 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 needs or requirements of the Association, including, but not limited to: (1) Assessments for additions to the Common Elements of a cost exceeding \$1,000 for the entire Condominium Project per year; (2) Assessments to purchase a Unit upon foreclosure of the lien for assessments described in Section 6 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 66% of all Co-Owners in number and in value. 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 the members thereof.

**Section 3. Apportionment of Assessments and Penalty for Default.** Unless otherwise provided herein and in Article IV, Section 3 of the Master Deed, all assessments levied against the Co-Owners to cover expenses of administration shall be apportioned among and paid by the Co-Owners in accordance with the percentage of value allocated to each Unit in Article V of the Master Deed, without increase or decrease for the existence of any rights to the use of Common Elements. Annual assessments as determined in accordance with Article II, Section 2(a) above shall be payable by Co-Owners in 12 equal monthly installments, commencing with acceptance of a deed to or a land contract vendee's interest in a Unit, or with the acquisition of fee simple title to a Unit by any other means. The payment of 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. Each installment in default for ten or more days shall bear interest from the initial due date thereof at the rate of 7% per annum until each installment is paid in full. The Association may, pursuant to Article XIX, Section (4) hereof, levy fines for the late payment in addition to such interest. Each Co-Owner (whether 1 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 from any Co-Owner, including Developer, 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 attorney 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 date.

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

**Section 5. Enforcement.**

(a) **Remedies.** The Association may enforce collection of delinquent assessments by a suit at law for a money judgment or by foreclosure of the statutory lien that secures payment of assessments. In the event of default by any Co-Owner in the payment of any installment of the annual assessment levied against his Unit, the Association shall have the right to declare all unpaid installments of the annual assessment for the pertinent fiscal year immediately due and payable. The Association also may discontinue the furnishing of any utilities or other services to a Co-Owner in default upon seven 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. The Association may also assess fines for late payment or non-payment of assessments in accordance with the provisions of Article XIX(4) of these By-Laws. All of these remedies shall be cumulative and not alternative.

(b) **Foreclosure Proceedings.** Each Co-Owner, and every other person who from time to time has any interest in the Project, shall be deemed to have granted to the Association the unqualified right to elect to foreclose the lien securing payment of assessments either by judicial action or by advertisement. The provisions of Michigan law pertaining to foreclosure of mortgages by judicial action and by advertisement, as the same may be amended from time to time, are incorporated herein by reference for the purposes of establishing the alternative procedures to be followed in lien foreclosure actions and the rights and obligations of the parties to such actions. Further, each Co-Owner and every other person who from time to time has any interest in the Project, shall

be deemed to have authorized and empowered the Association to sell or to cause to be sold the Unit with respect to which the assessment(s) is or are delinquent and to receive, hold and distribute the proceeds of such sale in accordance with the priorities established by applicable law. Each Co-Owner of a Unit in the Project acknowledges that at the time of acquiring title to such Unit, he was notified of the provisions of this Section and that he voluntarily, intelligently and knowingly waived notice of any proceedings brought by the Association to foreclose by advertisement the lien for nonpayment of assessments and a hearing on the same prior to the sale of the subject unit.

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

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

**Section 6. Liability of Mortgagee.** Notwithstanding any other provisions of the Condominium Documents, the holder of any first mortgage covering any Unit in the Project which comes into possession of the Unit pursuant to the remedies provided in the mortgage, or any purchaser at a foreclosure sale, shall take the

property free of any claims for unpaid assessments or charges against the mortgaged Unit which accrue prior to the time such holder comes into possession of the Unit (except for claims for a pro rata share of such assessments or charges resulting from a pro rata reallocation of such assessments or charges to all Units including the mortgaged Unit).

**Section 7. Developer's Responsibility for Assessments.** The Developer of the Condominium, although a member of the Association, shall not be responsible at any time for payment of the monthly Association assessments, except with respect to completed Units that it owns. A completed Unit is one with respect to which a certificate of occupancy has been issued by the Township.

**Section 8. Property Taxes and Special Assessments.** All property taxes and special assessments levied by any public taxing authority shall be assessed in accordance with Section 131 of the Act.

**Section 9. Personal Property Tax Assessment of Association Property.** The Association shall be assessed as the person or entity in possession of any tangible personal property of the Condominium owned or possessed in common by the Co-Owners, and personal property taxes based thereon shall be treated as expenses of administration.

**Section 10. Construction Lien.** A construction lien otherwise arising under Act No. 179 of the Michigan Public Acts of 1981, as amended, or Act No. 497 of the Michigan Public Acts of 1980, as amended, shall be subject to Section 132 of the Act.

**Section 11. Statement as to Unpaid Assessments.** The purchaser of any Unit may request a statement of the Association as to the amount of any unpaid Association assessments thereon, whether regular or special. Upon written request to the Association accompanied by a copy of the executed purchase agreement pursuant to which the purchaser holds the right to acquire a Unit, the Association shall provide a written statement of such unpaid assessments as may exist or a statement that none exist, which statement shall be binding upon the Association for the period stated therein. Upon the payment of that sum within the period stated, the Association's lien for assessments as to such Unit shall be deemed satisfied; provided, however, that the failure of a purchaser to request such statement at least five days prior to the closing of the purchase of such Unit shall render any unpaid assessments and the lien securing same fully enforceable against such purchaser and the Unit itself, to the extent provided by the Act. Under the Act, unpaid assessments constitute a lien upon the Unit and the proceeds of sale thereof prior to all claims except real property taxes and first mortgages of record.

## ARTICLE III

### ARBITRATION

**Section 1. Scope and Election.** Disputes, claims or grievances arising out of or relating to the interpretation or the application of the Condominium Documents, or any disputes, claims or grievances arising among or between the Co-Owners and the Association, upon the election and written consent of the parties to any such disputes, claims or grievances (which consent shall include an agreement of the parties that the judgment of any circuit court of the State of Michigan may be rendered upon any award pursuant to such arbitration), and upon written notice to the Association, shall be submitted to arbitration and the parties thereto shall accept the arbitrator's decision as final and binding, provided that no question affecting the claim of title of any person to any fee or life estate in real estate is involved. The Commercial Arbitration Rules of the American Arbitration Association as amended and in effect from time to time hereafter shall be applicable to any such arbitration.

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

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

## ARTICLE IV

### INSURANCE

**Section 1. Extent of Coverage.** The Association shall carry fire and extended coverage, vandalism and malicious mischief and liability insurance, and workmen's compensation insurance, if applicable, pertinent to the ownership, use and maintenance of the Common Elements and certain other portions of the Condominium Project, as set forth below, and such insurance, other than title insurance, shall be carried and administered in accordance with the following provisions:

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

(b) **Insurance of Common Elements and Fixtures.** All Common Elements of the Condominium Project shall be insured against fire and other perils covered by a standard extended coverage endorsement, in an amount equal to the current insurable replacement value, including foundation and excavation costs, as determined annually by the Board of Directors of the Association.

(c) **Premium Expenses.** All premiums upon insurance purchased by the Association pursuant to these By-Laws 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 the Condominium shall be required as provided in Article V of these By-Laws, the proceeds of any insurance received by the Association as a result of any loss requiring repair or reconstruction shall be applied for such repair or reconstruction.

**Section 3. Responsibility of Co-Owners.** Each Co-Owner shall be obligated and responsible for obtaining "all risk" property coverage and vandalism and malicious mischief insurance with respect to his residential dwelling and all other improvements constructed or to be constructed within the perimeter of his Condominium Unit and for his personal property located therein or thereon or elsewhere on the Condominium. 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 perimeter of his Unit for the improvements located thereon, and also for alternative living expenses in the event of casualty. The Association shall under no circumstances have any obligation to obtain any of the insurance coverage described in this Section 3 or any liability to any person for failure to do so.

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

## ARTICLE V

### RECONSTRUCTION OR REPAIR

**Section 1. Determination to Reconstruct or Repair.** If any part of the Condominium Premises shall be damaged, the determina-



tion of whether or not it shall be reconstructed or repaired and the responsibility therefor, shall be made in the following manner:

(a) **General Common Elements.** If the damaged property is a General Common Element, the property shall be rebuilt or repaired by the Association, unless it is determined by an affirmative vote of 80% of the Co-Owners in the Condominium that it shall not be repaired, and the Township of Plymouth does not require its repair.

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

**Section 2. Repair in Accordance with Plans and Specifications.** Any such reconstruction or repair shall be substantially in accordance with the Master Deed and the plans and specifications for the Project to a condition as comparable as possible to the condition existing prior to damage, unless the Co-Owners shall unanimously decide otherwise.

**Section 3. Co-Owner Responsibility for Repair.**

(a) **Definition of Co-Owner Responsibility.** If the damage is only to a part of a Unit which is the responsibility of a Co-Owner to maintain and repair, it shall be the responsibility of the Co-Owner to repair such damage in accordance with Subsection (b) hereof.

(b) **Damage to Unit.** Each Co-Owner shall be responsible for the reconstruction, repair and maintenance of his Unit.

**Section 4. Association Responsibility for Repair.** Except as provided in Section 3 hereof, the Association shall be responsible for the reconstruction, repair and maintenance of the Common Elements and any incidental damage to a Unit caused by such Common Elements or the reconstruction, repair or maintenance thereof. Immediately after a casualty causing damage to property for which the Association has the responsibility of reconstruction, the Association shall obtain reliable and detailed estimates of the cost to replace the damaged property in a condition as good as that existing before the damage. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction or repair required to be performed by the Association, or if at any time during such reconstruction or repair, or upon completion of

such reconstruction or repair, the funds or 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.

**Section 5. Timely Reconstruction and Repair.** If damage to Common Elements or a Unit adversely affects the appearance of the Project, the Association or Co-Owner responsible for the reconstruction, repair and maintenance thereof shall proceed with replacement of the damaged property without delay, and shall complete such replacement within six months after the date of the occurrence which caused damage to the property.

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

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

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

(c) **Continuation of Condominium After Taking.** In the event the Condominium Project continues after taking by eminent domain, then the remaining portion of the Condominium Project shall be re-surveyed and the Master Deed amended accordingly, and, if any Unit shall have been taken, then Article V of the Master Deed shall also be amended to reflect such taking and to proportionately readjust the percentages of value of the remaining Co-Owners based upon the continuing value of the Condominium of 100%. Such amendment may be effected by an officer of the Association duly authorized by the Board of Directors without the necessity of execution or specific approval thereof by any Co-Owner.

(d) **Notification of Mortgages.** In the event any Unit in the Condominium or any portion thereof, or the Common Elements or any portion thereof, is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, the Association promptly shall so notify each institutional holder of a first mortgage lien on any of the Units in the Condominium.

**Section 7. Notification of FHLMC.** In the event any mortgage in the Condominium is held by Federal Home Loan Mortgage Corporation ("FHLMC") then, upon request therefor by FHLMC, the Association shall give it written notice of such address as it may, from time to time, direct of any loss to or taking of the Common Elements of the Condominium if the loss or taking exceeds \$10,000.00 in amount or damage to a Condominium Unit covered by a mortgage purchased in whole or in part by FHLMC exceeds \$1,000.00.

## ARTICLE VI

### RESTRICTIONS

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

#### Section 1. Residential Use.

(a) No Unit in the Condominium shall be used for other than single-family residential purposes as described by the Township of Plymouth, and the Common Elements shall be used only for purposes consistent with single-family residential use.

(b) **Building Size and Height:** No building or structure shall exceed two stories in height, and all buildings or structures shall be constructed within the perimeter of a unit. All buildings and structures shall be in conformity with the following minimum size standards as to living area measured by the external walls:

(1) **One Story/Ranch:** 1,100 square feet.

(2) **Multi-Story:** 1,400 square feet.

Garages, porches and breezeways shall not be included in computing minimum size requirements. No part of a single story or ranch structure that is below ground level shall be included in computing minimum size requirements. No part of any other structure that is more than one-half below ground level shall be included in computing minimum size requirements. All buildings shall be constructed by a licensed contractor and completed within one (1) year from the date of issuance of a building permit by the Township of Plymouth Building Department. All unused building materials and temporary construction shall be removed from the premises within

sixty (60) days after substantial completion of the structure. The portion of the surface of the earth which is disturbed by excavation and other construction work shall be finish graded and seeded or covered with other landscaping as soon as the construction work and weather permit.

(b) **Garages:** All single family dwellings shall have two-car attached garages, and with written approval from the Developer or the Association as hereinafter provided in Section 3, may have three-car attached garages. Carports and detached garages shall not be erected, placed or permitted to remain on any unit. All driveways shall be surfaced with asphalt, concrete or paving bricks at the time of construction of the dwelling served thereby, weather permitting, or as soon thereafter as is possible.

(c) **Temporary Structures:** No old or used structure of any kind shall be placed upon any unit. No temporary structure of any character, such as tent, camper, mobile home, trailer, shack, barn and/or other out-building of any design whatsoever shall be erected or placed upon any Unit prior to construction of the main residence, nor shall any such structure be occupied as living quarters at any time. This provision shall not prevent the use of temporary structures incidental to and during construction of the main residence, provided that such temporary structures shall be removed from the premises immediately upon completion of the main residence.

(d) **Accessory Buildings:** No accessory building or other out-building shall be permitted on any Unit without the prior written approval of the Developer or the Association.

(e) **Swimming Pools:** All swimming pools shall be below ground, except children's play pools, hot tubs and jacuzzi tubs.

(f) **Fences:** No Co-Owner shall construct or cause to be constructed any fence of any nature upon his Unit or the Common Elements without the prior written approval of the Developer or the Association, as set forth in Section 3 of this Article. Perimeter fences along the exterior lines of the limited Common Elements adjacent to another Unit shall be permitted with the approval of the Developer or the Association. Fences erected to screen patios, enclose child play areas and fenced dog runs shall be permitted with advance written approval of the Developer or the Association as to size, location and fencing materials. All dog runs must be attached to the rear of the dwelling to allow direct access from the house, deck or patio. Perimeter fences around swimming pools shall be required to be constructed in accordance with all applicable building codes. Fences shall not be located within the front set-back of the structure to be located on each Unit, and shall not exceed five (5) feet in height, except around swimming pools and tennis courts. Fences shall be used primarily for limited enclosure purposes. All fencing and/or screening shall be

made of materials which are architecturally compatible with the main residence, specifically excluding snow fencing, plywood, gray cyclone and gray chain link.

(g) **Antenna:** No radio, television or other antenna or aerial shall be permitted on the exterior of any dwelling constructed on any Unit in the Condominium, except small satellite dishes will be allowed.

## Section 2. Leasing and Rental.

(a) **Right to Lease:** A Co-Owner may lease his Unit for the same purposes set forth in Section 1 of this Article VI, provided that written disclosure of such lease transaction is submitted to the Board of Directors of the Association in the manner specified in Subsection (b) below. With the exception of 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. The terms of all leases, occupancy agreements and occupancy arrangements shall incorporate, or be deemed to incorporate, all of the provisions of the Condominium Documents. The Developer may lease any number of Units in the Condominium, in its discretion.

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

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

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

(3) If the Association determines that the tenant or non-co-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 the Developer, an action for eviction against the tenant or non-co-owner, and simultaneously for money damages in the same action against the Co-Owner and tenant or non-co-owner occupant for breach of the conditions of the Condominium Documents. The relief provided for in this Section may be by summary proceeding. The Association may hold both the tenant and the Co-Owner liable for any damage to the 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.

**Section 3. Architectural Control.** No dwelling, structure or other improvement shall be constructed within a Condominium Unit or elsewhere within the Condominium, nor shall any exterior modification be made to any existing dwelling, structure or improvement, unless plans and specifications therefor containing such detail as the Developer may reasonably require have first been approved by the Developer. Construction of any dwelling or other improvements must also receive any necessary approvals from the local public authority. The Developer shall have the right to refuse to approve any such plans or specifications or grading or landscaping plans which are not suitable or desirable in its opinion for aesthetic or other reasons; and in passing upon such plans and specifications, it shall have the right to take into consideration the suitability of the proposed structure, improvement or modification, proposed exterior materials (which may include wood, with limited amounts of vinyl siding and textured plywood siding, such as T-111, brick and stone, but no brick laminate) and exterior colors which shall blend in with existing residences and the natural surroundings, the site upon which it is proposed to be constructed, the location of the dwelling within each unit, and the degree of harmony thereof with the Condominium

as a whole. No log, panelized, modular, manufactured or any other type of residential housing constructed off-site will be permitted. All dwellings must be constructed on-site. The purpose of this Section is to assure the continued maintenance of the Condominium as a beautiful and harmonious residential development, and shall be binding upon both the Association and upon all Co-Owners. The Developer's rights under this Article VI, Section 3 may, in the Developer's discretion, be assigned to the Association or other successor by the Developer.

**Section 4. Changes in Common Elements.** Except as provided in Article VI, Section 3 above with respect to the Developer, no Co-Owner shall make changes in any of the General Common Elements without the express written approval of the Board of Directors of the Association and the Township of Plymouth, if applicable.

**Section 5. Activities.** No immoral, improper, unlawful or offensive activity shall be carried on in any Unit or upon the Common Elements, Limited or General, nor shall anything be done which may be or become an annoyance or a nuisance to the Co-Owners of the Condominium. No unreasonably noisy activity shall occur in or on the Common Elements or in any Unit at any time. No Co-Owner shall do or permit anything to be done or keep or permit to be kept in his Unit or on the Common Elements anything that will increase the rate of insurance on the Condominium without the written approval of the Association, and each Co-Owner shall pay to the Association the increased cost of insurance premiums resulting from any such activity or the maintenance of any such condition, even if approved. Activities which are deemed offensive and are expressly prohibited include, but are not limited to the following: Any activity involving the use of firearms, air rifles, pellet guns, B-B guns, bows and arrows or other similar dangerous weapons, projectiles or devices.

**Section 6. Pets.** Subject to the provisions of this Section 6, Co-Owners shall be entitled to keep pets of a domestic nature within their units. No pet or animal may be kept or bred for any commercial purpose. Pets shall have such care and restraint so as not to be obnoxious or offensive on account of noise, odor or unsanitary conditions. In the event a Co-Owner's pet causes unnecessary and unreasonable disturbance or annoyance to other Co-Owners, one or more, and such Co-Owner(s) files a written complaint with the Association specifying the cause of such disturbance or annoyance, the Board of Directors, after notice and opportunity for hearing before the Board to the Co-Owner keeping the pet, may, if it determines that such pet is in fact causing unnecessary and unreasonable disturbance or annoyance, require the Co-Owner to remove the pet from his Unit and the Condominium, or impose such other restrictions on the keeping of such pet as are reasonable. No pet or animal may be permitted to run loose at any time upon the General Common Elements, and any animal shall at all times be leashed and attended by some responsible person while on the

General Common Elements. Dog houses may be built, but must be approved by the Developer or Association prior to construction. No savage or dangerous animal shall be kept, and any Co-Owner who causes any animal to be brought or kept upon the Condominium premises shall indemnify and hold harmless the Association for any loss, damage or liability which the Association may sustain as the result of the presence of such animal on the premises, whether or not the Association has given its permission therefor. Each Co-Owner shall be responsible for collection and disposition of all fecal matter disposed by any pet maintained by such Co-Owner. No dog which barks and can be heard on any frequent or continuing basis shall be kept in any Unit or on the Common Elements. The Association may charge all Co-Owners maintaining animals a reasonable additional assessment to be collected in the manner provided in Article II of these By-Laws, in the event that the Association determines such assessment necessary to defray the maintenance cost of the Association of accommodating animals within the Condominium. The Association may, without liability to the Co-Owner thereof, remove or cause to be removed any animal from the Condominium which it determines to be in violation of the restrictions imposed by this Section. The Association shall have the right to require that any pets be registered with it and may adopt such additional reasonable rules and regulations with respect to animals as it may deem proper. In the event of any violation of this Section, the Board of Directors of the Association may assess fines for such violation in accordance with these By-Laws and in accordance with duly adopted rules and regulations of the Association.

**Section 7. Aesthetics.** The General Common Element shall not be used for storage of supplies, materials, personal property or trash or refuse of any kind, except as provided in duly adopted rules and regulations of the Association. No unsightly condition shall be maintained on any patio, porch or deck, and only furniture and equipment consistent with the normal and reasonable use of such areas shall be permitted to remain there. Trash receptacles shall be maintained in areas designed therefor at all times and shall not be permitted to remain elsewhere on the Common Elements, except for such short periods of time as may be reasonably necessary to permit periodic collection of trash. In general, no activity shall be carried on nor condition maintained by a Co-Owner, either in his Unit or upon the Common Elements, which is detrimental to the appearance of the Condominium.

**Section 8. Vehicles.** No house trailers, commercial vehicles (except cars, pickup trucks or standard sized vans), boat trailers, boats, camping vehicles, camping trailers, motorcycles, all terrain vehicles, snowmobiles, snowmobile trailers or vehicles, other than automobiles or vehicles used primarily for general personal transportation purposes, may be parked or stored upon the premises of the Condominium for more than 48 hours unless parked in an area specifically designated therefor by the Association. No inoperable



vehicles of any type may be brought or stored upon the Condominium Premises, either temporarily or permanently. Commercial vehicles and trucks shall not be parked in or about the Condominium (except as above provided) unless while making deliveries or pickups in the normal course of business. Co-Owners shall, if the Association shall require, register with the Association all cars maintained on the Condominium Premises. Use of motorized vehicles anywhere on the Condominium Premises, other than passenger cars, authorized maintenance vehicles and commercial vehicles as provided in this Section 8, is absolutely prohibited.

**Section 9. Advertising.** No signs or other advertising devices of any kind shall be displayed which are visible from the exterior of a Unit or on the Common Elements, including "For Sale" signs, without written permission from the Association, and during the Construction and Sales Period, from the Developer.

**Section 10. Rules and Regulations.** It is intended that the Board of Directors of the Association may make rules and regulations from time to time to reflect the needs and desires of the majority of the Co-Owners in the Condominium. Reasonable regulations consistent with the Act, the Master Deed and these By-Laws concerning the use of the Common Elements may be made and amended from time to time by any Board of Directors of the Association, including the first Board of Directors (or its successors) prior to the Transitional Control Date. All copies of such rules, regulations and amendments thereto shall be furnished to all Co-Owners.

**Section 11. Landscaping.** No Co-Owner shall perform any landscaping or plant any trees, shrubs or flowers or place any ornamental materials upon the Common Elements without the prior written approval of the Association.

**Section 12. Common Element Maintenance.** Sidewalks, yards, landscaped areas, driveways, roads, parking areas, porches, patios and decks shall not be obstructed, nor shall they be used for purposes other than for which they are reasonably and obviously intended.

**Section 13. Co-Owner Maintenance.** Each Co-Owner shall maintain his Unit for which he has maintenance responsibility in a safe, clean and sanitary condition. Each Co-Owner shall also use due care to avoid damaging any of the Common Elements including, but not limited to, the telephone, water, gas, plumbing, electrical or other utility conduits and systems, and any other elements in any Unit which are appurtenant to or which may affect any other Unit. Each Co-Owner shall be responsible for damages or costs to the Association resulting from negligent damage to or misuse of any of the Common Elements by him or his family, 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 excluded by virtue of a deductible provision, in which case the responsible Co-Owner shall bear the expense to the extent of the deductible amount). Any costs or damages to the Association may be assessed to and collected from the responsible Co-Owner in the manner provided in Article II hereof.

#### **Section 14. Reserved Rights of Developer.**

(a) **Prior Approval by Developer:** During the Construction and Sales Period, no buildings, fences, walls, retaining walls, drives, walks or other structures or improvements shall be commenced, erected, maintained, nor shall any addition to, or change or alteration to any structure be made (including in color or design), except interior alterations which do not affect structural elements of any Unit, nor shall any hedges, trees or substantial plantings or landscaping modifications be made until plans and specifications acceptable to the Developer, showing the nature, kind, shape, height, materials, color, scheme, location and approximate cost of such structure or improvement and the grading or landscaping plan of the area to be affected shall have been submitted to and approved in writing by Developer, its successors or assigns, and a copy of said plans and specifications, as finally approved, lodged permanently with Developer. Developer shall have the right to refuse to approve any such plan or specifications, or grading or landscaping plans which are not suitable or desirable in its opinion for aesthetic or other reasons; and in passing upon such plans, specifications, grading or landscaping, it shall have the right to take into consideration the suitability of the proposed structure, improvement or modification, the site upon which it is proposed to effect the same, and the degree of harmony thereof with the Condominium as a whole and any adjoining properties under development or proposed to be developed by Developer. The purpose of this Section is to assure the continued maintenance of the Condominium as a beautiful and harmonious residential development, and shall be binding upon both the Association and upon all Co-Owners.

(b) **Developer's Rights in Furtherance of Development and Sales.** None of the restrictions contained in this Article VI shall apply to the commercial activities or signs or billboards, if any, of the Developer during the construction and Sales Period or of the Association in furtherance of its powers and purposes set forth herein and in its Articles of Incorporation and By-Laws, 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, storage areas and reasonable parking incident to the foregoing and such access to, from and over the Project as may be reasonable to enable development and sale of the entire Project by Developer; and may continue to do so during

the entire Construction and Sales Period. Developer shall restore the areas so utilized to habitable status upon termination of use.

(c) **Enforcement of By-Laws:** 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, then Developer, or any entity to which 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 By-Laws and to charge the cost thereof to the Association as an expense of administration. The Developer shall have the right to enforce these By-Laws throughout the Construction and Sales Period, notwithstanding that it may no longer own a Unit in the Condominium, which right of enforcement shall include (without limitation) an action to restrain the Association or any Co-Owner from any activity prohibited by these By-Laws.

## ARTICLE VII

### MORTGAGES

**Section 1. Notice to Association.** Any Co-Owner who mortgages his Unit shall notify the Association of the name and address of the mortgagee, and the Association shall maintain such information in a book 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.

## ARTICLE VIII

### VOTING

**Section 1. Vote.** Except as limited in these By-Laws, each Co-Owner shall be entitled to one vote for each Condominium Unit owned when voting by number and one vote, the value of which shall equal the total of the percentages allocated to the Unit owned by such Co-Owner as set forth in Article V of the Master Deed, when voting by value. Voting shall be by value, except in those instances when voting is specifically required to be both in value and in number.

**Section 2. Eligibility to Vote.** No Co-Owner, other than the Developer, shall be entitled to vote at any meeting of the Association until he has presented evidence of ownership of a Unit

in the Condominium Project to the Association. Except as provided in Article XI, Section 2 of these By-Laws, no Co-Owner, other than the Developer, shall be entitled to vote prior to the date of the First Annual Meeting of Members held in accordance with Section 2 of Article IX. The vote of each Co-Owner may be cast only by the individual representative designated by such Co-Owner in the notice required in Section 3 of this Article VIII below or by a proxy given by such individual representative. The Developer shall be the only person entitled to vote at a meeting of the Association until the First Annual Meeting of Members, and shall be entitled to vote during such period, notwithstanding the fact that the Developer may own no Units at some time or from time to time during such period. At and after the First Annual Meeting, the Developer shall be entitled to vote for each Unit which it owns.

**Section 3. Designation of Voting Representative.** Each Co-Owner shall file a written notice with the Association designating the individual representative who shall vote at meetings of the Association and receive all notices and other communications from the Association on behalf of such Co-Owner. Such notice shall state the name and address of the individual representative designated, the number or numbers of the Condominium Unit or Units owned by the Co-Owner, and the name and address of each person, 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 35% of the Co-Owners in number and in value qualified to vote shall constitute a quorum for holding a meeting of the members of the Association, except for voting on questions specifically required by the Condominium Documents to require a greater quorum. The written vote of any person furnished at or prior to any duly called meeting at which meeting said person is not otherwise present in person or by proxy shall be counted in determining the presence of a quorum with respect to the question upon which the vote is cast.

**Section 5. Voting.** Votes may be cast only in person or by a writing duly signed by the designated voting representative not present at a given meeting in person or by proxy. Proxies and any written votes must be filed with the secretary of the Association at or before the appointed time of each meeting of the members of the Association. Cumulative voting shall not be permitted.

**Section 6. Majority.** A majority, except where otherwise provided herein, shall consist of more than 50% in value 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 and

may require such majority to be one of both number and value of designated voting representatives present in person or by proxy, or by written vote, if applicable, at a given meeting of the members of the Association.

## ARTICLE IX

### MEETINGS

**Section 1. Place of Meeting.** Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Co-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 (as defined in the Master Deed) or the Laws of the State of Michigan.

**Section 2. First Annual Meeting.** The First Annual Meeting of the members of the Association may be convened only by Developer and may be called at any time after more than 50% in number of the Units in HUNTERS PARK CONDOMINIUM (determined with reference to the recorded Consolidating Master Deed) have been sold and the purchasers thereof qualified as members of the Association. In no event, however, shall such meeting be called later than 120 days after the conveyance of legal or equitable title to non-developer Co-Owners of 75% in number of all Units that may be created, or 54 months after the first conveyance of legal or equitable title to a non-developer Co-Owner of 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. The phrase "Units that may be created" as used in this paragraph and elsewhere in the Condominium Documents refers to the maximum number of Units which the Developer is permitted under the Condominium Documents as may be amended; to include in the Condominium.

**Section 3. Annual Meetings.** Annual meetings of members of the Association shall be held 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. 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 By-Laws. The Co-Owners may also transact at annual meetings such other business of the Association as may properly come before them.

**Section 4. Special Meetings.** It shall be the duty of the President to call a special meeting of the Co-Owners as directed by resolution of the Board of Directors or upon a petition signed by 1/3 of the Co-Owners presented to the Secretary of the Association. Notice of any special meeting shall state the time and place of such meeting and the purposes thereof. No business shall be transacted at a special meeting except as stated in the notice.

**Section 5. Notice of Meetings.** It shall be the duty of the Secretary (or other Association officer in the Secretary's absence) to serve a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, upon each Co-Owner of record, at least 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 By-Laws, shall be deemed notice served. Any member may, by written waiver of notice signed by such member, waive such notice, and such waiver, when filed in the records of the Association, shall be deemed due notice.

**Section 6. Adjournment.** If any meeting of Co-Owners cannot be held because a quorum is not in attendance, the Co-Owners who are present may adjourn the meeting to a time not less than 48 hours from the time the original meeting was called.

**Section 7. Order of Business.** The order of business at all meetings of the members shall be as follows: (a) Roll call to determine the voting power represented at the meeting; (b) Proof of notice of meeting or waiver of notice; (c) Reading of minutes of preceding meeting; (d) Reports of officers; (e) Reports of Committees; (f) Appointment of inspectors of election [at annual 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. Consent of Absentees.** The transactions at any meeting of members, either annual or special, however called and noticed, shall be as valid as though made at a meeting duly held after regular call and notice, if a quorum is present either in person or by proxy; and if, either before or after the meeting each of the members not present in person or by proxy, signs a written waiver of notice, or a consent to the holding of such meeting or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

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

## ARTICLE X

### ADVISORY COMMITTEE

Within 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 that may be created, whichever first occurs, the 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 the Developer deems advisable, except that if more than 50% in value 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 non-developer Co-Owners and to aid the transition of control of the Association from the Developer to purchaser Co-Owners. The Advisory Committee shall cease to exist automatically when the non-developer Co-Owners have the voting strength to elect a majority of the Board of Directors of the Association. The Developer may

remove and replace, at its discretion, at any time, any member of the Advisory Committee who has not been elected thereto by the Co-Owners.

## ARTICLE XI

### BOARD OF DIRECTORS

**Section 1. Number and Qualification of Directors.** The Board of Directors shall initially be comprised of three (3) members and shall continue to be so comprised until enlarged to five (5) members in accordance with the provisions of Section 2 hereof. Thereafter, the affairs of the Association shall be governed by a Board of five (5) Directors, 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. Directors shall serve without compensation.

### Section 2. Election of Directors.

(a) **First Board of Directors:** The first Board of Directors, or its successors as selected by the Developer, shall manage the affairs of the Association until the appointment of the first non-developer Co-Owners to the Board. Immediately prior to the appointment of the first non-developer Co-Owners to the Board, the Board shall be increased in size from three (3) persons to five (5) persons. Thereafter, elections for non-developer Co-Owner Directors shall be held as provided in Subsections (b) and (c) below.

(b) **Appointment of Non-Developer Co-Owners to Board Prior to First Annual Meeting:** Not later than 120 days after conveyance of legal or equitable title to non-developer Co-Owners of 33% in number of the Units that may be created, one of the five Directors shall be selected by non-developer Co-Owners. Not later than 120 days after conveyance of legal or equitable title to non-developer Co-Owners of 50% in number of the Units that may be created, two of the five Directors shall be elected by non-developer Co-Owners. When the required percentage of conveyances has been reached, the Developer shall notify the non-developer Co-Owners and convene a meeting so that the Co-Owners can elect the required Director or Directors, as the case may be. Upon certification by the Co-Owners to the Developer of the Director or Directors so elected, the Developer shall then immediately appoint such Director or Directors to the Board to serve until the First Annual Meeting of members, unless he is removed pursuant to Section 7 of this Article, or he resigns or becomes incapacitated.

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



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

(ii) Regardless of the percentage of Units which have been conveyed, upon the elapse of 54 months after the first conveyance of legal or equitable title to a non-developer Co-Owner of a Unit in the Project, 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 the 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 the Developer. This election may increase, but shall not reduce, the minimum election and designation rights otherwise established in subsection (a). Application of this subsection shall 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 of the non-developer Co-Owners have the right to elect under subsection (b), or if the product of the number of members of the Board of Directors multiplied by the percentage of Units held by the non-developer Co-Owners under subsection (b) results in a right of non-developer Co-Owners to elect a fractional number of members of the Board of Directors, then a fractional election right of 0.5 or greater shall be rounded up to the nearest whole number, which number shall be the number of members of the Board of Directors that the non-developer Co-Owners have the right to elect. After application of this formula the Developer shall have the right to elect the remaining members of the Board of Directors. Application of this subsection shall not eliminate the right of the Developer to designate one member as provided in Section (a).

(iv) At the First Annual Meeting, two Directors shall be elected for a term of two years and three Directors shall be elected for a term of one year. At such meeting, all nominees shall stand for election as one slate and the two persons receiving the highest number of votes shall be elected for a term of two years and the three persons receiving the next highest number of votes shall be elected for a term of one year. At each annual meeting held thereafter, either two or three Directors shall be elected, depending upon the number of Directors whose terms expire. After the first Annual Meeting, the term of office (except for three of the Directors elected at the First Annual Meeting) of each

Director shall be two years. The Directors shall hold office until their successors have been elected and hold their first meeting.

(v) Once the Co-Owners have acquired the right hereunder 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 XI, Section 2 hereof.

**Section 3. Powers and Duties.** The Board of Directors shall have the powers and duties necessary for the administration of the affairs of the Association and may do all acts and things as are not prohibited by the Condominium Documents or required thereby to be exercised and done by the Co-Owners.

**Section 4. Other Duties.** 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 manage and administer the affairs of and to maintain the Condominium Project and the Common Elements thereof.

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

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

(d) To rebuild improvements after casualty.

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

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

(g) To borrow money and issue evidences of indebtedness in furtherance of any or all of the purposes of the business of the Association, and to secure the same by mortgage, pledge or other lien, on property owned by the Association; provided, however, that any such action shall also be approved by affirmative vote of 75% of all of the members of the Association in number and in value.

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

(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.

(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 the Developer or any person or entity related thereto) with 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 of the members of the Association. In no event shall the Board be authorized to enter into any contract with a professional management agent, or any other contract providing for services by the Developer, sponsor or builder, in which the maximum term is greater than three years, or which is not terminable by the Association upon 90 days written notice thereof to the other party, and no such contract shall violate the provisions of Section 55 of the Act.

**Section 6. Vacancies.** Vacancies in the Board of Directors which occur after the Transitional Control Date caused by any reason other than the removal of a Director by a vote of the members of the Association shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum, except that the Developer shall be solely entitled to fill the vacancy of any Director whom it is permitted in the first instance to designate. Each person so elected shall be a Director until a successor is elected at the next annual meeting of the Association. Vacancies among non-developer Co-Owner elected Directors which occur prior to the Transitional Control Date may be filled only through election by non-developer Co-Owners and shall be filled in the manner specified in Section 2(b) of this Article.

**Section 7. Removal.** At any regular or special meeting of the Association duly called with due notice of the removal action proposed to be taken, any one or more of the Directors may be removed with or without cause by the affirmative vote of more than 50% in value of all of the Co-Owners 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 35% requirement set forth in Article VIII, Section 4. Any Director whose removal has been proposed by the Co-Owners shall be

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

**Section 8. First Meeting.** The first meeting of a newly elected Board of Directors shall be held within ten days of election, at such place as shall be fixed by the Directors at the meeting at which such Directors were elected, and no notice shall be necessary to the newly elected Directors in order legally to constitute such meeting, providing a majority of the whole Board shall be present.

**Section 9. Regular Meetings.** Regular meetings of the Board of Directors may be held at such times and places as shall be determined from time to time by a majority of the Directors, but at least two such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director, personally, by mail, telephone or telegraph, at least ten days prior to the date named for such meeting.

**Section 10. Special Meetings.** Special meetings of the Board of Directors may be called by the President on three days notice to each Director, given personally, by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of two Directors.

**Section 11. Waiver of Notice.** Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any 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 which a quorum is present shall be the acts of the Board of Directors. If at any meeting of the Board of Directors there be less than a quorum present, the majority of those present may adjourn the meeting to a subsequent time upon 24 hours prior written notice delivered to all Directors not present. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice. The joinder of a Director in

the action of a meeting by signing and concurring in the minutes thereof, shall constitute the presence of such Director for purposes of determining a quorum.

**Section 13. First Board of Directors.** The actions of the first Board of Directors of the Association named in its Articles of Incorporation or any successor thereto selected or elected before the Transitional Control Date shall be binding upon the Association, so long as such actions are within the scope of the powers and duties which may be exercised generally by the Board of Directors as provided in the Condominium Documents.

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

## ARTICLE XII

### OFFICERS

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

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

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

**Section 4. President.** The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of the President of an association, including, but not limited to: The power to appoint committees from among the

members of the Association from time to time as he may in his discretion deem appropriate to assist in the conduct of the affairs of the Association.

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

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

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

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

#### ARTICLE 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

##### FINANCE

**Section 1. Records.** The Association shall keep detailed books of account showing all expenditures and receipts of administration which shall specify the maintenance and repair expenses of the Common Elements and any other expenses incurred by or on behalf of the Association and the Co-Owners. Such accounts

and all other Association records shall be open for inspection by the Co-Owners and their mortgagees during reasonable working hours. The Association shall prepare and distribute to each Co-Owner, at least once a year, a financial statement, the contents of which shall be defined by the Association. The books of account shall be audited at least annually by qualified independent auditors; provided, however, that such auditors need not be certified public accountants, nor does such audit need to be a certified audit. Any institutional holder of a first mortgage lien on any Unit in the Condominium shall be entitled to receive a copy of such annual audited financial statement within 90 days following the end of the Association's fiscal year upon request therefor. The cost of any such audit and any accounting expenses shall be expenses of administration.

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

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

## ARTICLE XV

### INDEMNIFICATION OF OFFICERS AND DIRECTORS

Every Director and officer of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party or in which he may become involved by reason of his being or having been a Director or officer of the Association, whether or not he is a Director or officer at the time such expenses are incurred, except in such cases wherein the Director or officer is adjudged guilty of willful or 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 days prior to payment of any indemnification which it has approved, the Board of Directors shall notify all Co-Owners thereof. Further, the Board of Directors is authorized to carry officers' and directors' liability insurance covering acts of the officers and directors of the Association in such amounts as it shall deem appropriate.

## ARTICLE XVI

### AMENDMENTS

**Section 1. Proposal.** Amendments to these By-Laws may be proposed by the Board of Directors of the Association acting upon the vote of the majority of the Directors, or may be proposed by one-third or more in number of the Co-Owners by instrument in writing signed by them.

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

**Section 3. Voting.** These By-Laws may be amended by the Co-Owners at any regular annual meeting or a special meeting called for such purpose by an affirmative vote of not less than 66 2/3% of all Co-Owners. No consent of mortgagees shall be required to amend these By-Laws unless such amendment would materially alter or change the rights of such mortgagees, in which event the approval of 66 2/3% of mortgagees shall be required with each mortgagee to have one vote for each mortgage held.

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

**Section 5. When Effective.** Any amendment to these By-Laws shall become effective upon recording of such amendment in the office of the Wayne County Register of Deeds.

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



## ARTICLE XVII

### COMPLIANCE

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

## ARTICLE XVIII

### DEFINITIONS

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

## ARTICLE XIX

### REMEDIES FOR DEFAULT

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

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

(2) **Recovery of Costs.** In any proceeding arising because of an alleged default by any Co-Owner, the Association, if successful, shall be entitled to recover the costs of the proceeding and such reasonable attorney fees (not limited to statutory fees) as may be determined by the court.

(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 Limited Common Elements, 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.

(4) **Assessment of Fines.** 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 rules and regulations establishing such fine have first been duly adopted by the Board of Directors of the Association and notice thereof given to all Co-Owners in the same manner as prescribed in Article IX, Section 4 of these By-Laws. Thereafter, fines may be assessed only upon notice to the offending Co-Owners as prescribed in said Article IX, Section 4, and an opportunity for such Co-Owner to appear before the Board no less than seven days from the date of the notice and offer evidence in defense of the alleged violation. All fines duly assessed may be collected in the same manner as provided in Article II of these By-Laws. No fine shall be levied for the first violation. No fine shall exceed \$25.00 for the second violation, \$50.00 for the third violation or \$100.00 for any subsequent violation.

(5) **Non-Waiver of Right.** The failure of the Association or of any Co-Owner to enforce any right, provision, covenant or condition which may be granted by the Condominium Documents shall not constitute a waiver of the right of the Association or of any such Co-Owner to enforce such right, provision, covenant or condition in the future.

(6) **Cumulative Rights, Remedies and Privileges.** All rights, remedies and privileges granted to the Association or any Co-Owner or Co-Owners pursuant to any 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.

(7) **Enforcement of Provisions of Condominium Documents.** A Co-Owner may maintain an action against the Association and its officers and Directors to compel such persons to enforce the terms and provisions of the Condominium Documents. A Co-Owner may maintain an action against any other Co-Owner for injunctive relief or for damages or any combination thereof for noncompliance with the terms and provisions of the Condominium Documents or the Act.

## ARTICLE XX

### ASSESSMENT OF FINES

**Section 1. General.** The violation of any Co-Owner occupant or guest of any of the provisions of the Condominium Documents, including any duly adopted rules and regulations, shall be grounds for assessment by the Association, acting through its duly constituted Board of Directors, of monetary fines against the involved Co-Owner. Such Co-Owner shall be deemed responsible for such violations whether they occur as a result of his personal actions or the actions of his family, guests, tenants or any other person admitted through such Co-Owner to the Condominium Premises. No fines may be levied against the Developer during the Construction and Sales Period.

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

(a) **Notice.** Notice of the violation, including a true copy of the Condominium Document provision violated, citing the Article and Section Numbers, 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 By-Laws.

(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 seven days from the date of the notice.

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

(d) **Hearing and Decision.** Upon appearance by the Co-Owner before the Board and presentation of evidence of defense, or in the event of the Co-Owner's default, the Board shall, by majority vote of a quorum of the Board, decide whether a violation has occurred. The Board's decision is final.

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

- (a) First violation: No fine shall be levied
- (b) Second violation: Twenty-five Dollar (\$25.00) fine
- (c) Third violation: Fifty Dollar (\$50.00) fine
- (d) Fourth violation and subsequent violations: One Hundred Dollar (\$100.00) fine.

**Section 4. Collection.** The fines levied pursuant to Section 3 above shall be assessed against the Co-Owner and shall be due and payable together with the regular Condominium Assessment on the first of the next following month. Failure to pay the fine will subject the Co-Owner to all liabilities set forth in the Condominium Document, including, without limitations, those described in Article II and Article XIX of the By-Laws.

#### ARTICLE XXI

##### RIGHTS RESERVED TO DEVELOPER

Any or all of the rights and powers granted or reserved to the Developer in the Condominium Documents or by law, including the right and power to approve or disapprove any act, use, or proposed action or any other matter or thing, may be assigned by it to any other entity or to the Association. Any such assignment or transfer shall be made by appropriate instrument in writing in which the assignee or transferee shall join for the purpose of evidencing its acceptance of such powers and rights, and such assignee or transferee shall thereupon have the same rights and powers as herein given and reserved to the Developer. Any rights and powers reserved or granted to the Developer or its successors shall terminate, if not sooner assigned to the Association, at the conclusion of the construction and Sales Period as defined in Article III of the Master Deed. The immediately preceding sentence dealing with the termination of certain rights and powers granted or reserved to the Developer is intended to apply, insofar as the Developer is concerned, only to the Developer's rights to approve and control the administration of the Condominium, and shall not, under any circumstances, be construed to apply to or cause the termination of any real property rights granted or reserved to the Developer or its successors and assigns in the Master Deed or elsewhere (including, but not limited to, access easements, utility easements and all other easements created and served in such documents which shall not be terminable in any manner hereunder and which shall be governed only in accordance with the terms of their creation or reservation and not hereby).

**ARTICLE XXII**

**SEVERABILITY**

In the event that any of the terms, provisions or covenants of these By-Laws 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.