

ASSOCIATION BYLAWS OF
PLYMOUTH COMMONS HOMEOWNERS ASSOCIATION

ARTICLE I

APPLICABILITY OF THE BYLAWS

Section 1. The Bylaws of this Corporation are established to provide rules for the operation of the Association which has been established pursuant to the Declaration of Covenants, Easements, Building and Use Restrictions as recorded in Liber 24554, pages 770 through 781, inclusive, as amended by the First Amendment to the Declaration of Covenants, Easements, Building and Use Restrictions as recorded on April 1, 1991 in Liber 25054, pages 268 through 272, inclusive, as amended by the Second Amendment to the Restrictions as recorded on September 1, 1994 in Liber 27592, pages 754 through 756, inclusive, Wayne County Records (the "Restrictions").

ARTICLE II

DEFINITIONS

Section 1. "Association" shall mean and refer to the PLYMOUTH COMMONS HOMEOWNERS ASSOCIATION, a Michigan non-profit corporation, its successors and assigns.

Section 2. "Lots" shall mean any Lot or proposed Lot shown on the Plats by the Developer which is restricted to residential purposes for the construction thereon of a single-family dwelling unit and shall include such dwelling when built.

Section 3. "Common Area" shall mean those areas designated as the parks, retention ponds and other areas, if any, designated as "Common Areas" by Developer on the Plats of PLYMOUTH COMMONS which are to be owned by the Association and to be devoted to the common use and enjoyment of the Owners of Lots.

Section 4. "Owner" shall mean and refer to the recorded owner, whether one or more persons or entities, of the fee simple

title to any Lot which is a part of the Properties, including land contract sellers, but excluding those having such interest merely as security for the performance of an obligation. In the event more than one person or entity owns and interest in the fee simple title to any Lot, or has an interest as a land contract vendee, the interest of all such persons collectively shall be that of one Owner.

Section 5. "Member" shall mean persons who are Owners of Lots. Qualifications for membership shall be governed by the provisions of Article I of the Restrictions. Each party owning a Lot shall be a member. A party owning multiple lots shall be entitled to a separate membership as to each lot.

ARTICLE III

VOTING, MAJORITY OF OWNERS, QUORUM, PROXIES

Section 1. Voting Rights. Each Member in the Association shall have one vote.

Section 2. Quorum. Except as otherwise herein provided, the presence in person or of proxies entitled to cast sixty (60%) percent of all the votes shall constitute a quorum. In the event the required quorum is not present at such meeting, another meeting may be called upon notice as set forth herein, and the required quorum at such subsequent meeting shall be fifty (50%) percent of the required quorum at the preceding meeting.

Section 3. Proxies. Votes may be cast in person or by proxy. Proxies must be filed with the Secretary before the appointed time of each meeting. Votes may also be cast by a writing duly signed by the member.

ARTICLE IV

QUALIFICATIONS OF MEMBERS

Section 1. Each Lot Owner or land contract vendee of PLYMOUTH COMMONS shall be a member of the Association. No other person or entity shall be entitled to membership.

Section 2. Each Lot Owner or land contract vendee shall have one vote for each Lot owned. Upon transfer of a Lot by the Owner, the new Owner is qualified for membership in the Association upon recording of Deed or Land Contract Assignment with the Register of Deeds for Wayne County, Michigan. The former owner thereupon shall cease to be a member and shall no longer be entitled to any rights or privileges in the Association whatsoever.

ARTICLE V

ADMINISTRATION

Section 1. Association Responsibilities. Owners of the Lots will constitute the Association of Owners (herein after referred to as the "Association") who will have the responsibility of administering the project, approving the annual budget, establishing and collecting monthly assessments.

Section 2. 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 members as may be designated by the Board of Directors.

Section 3. Special Meetings. It shall be the duty of the President to call a special meeting of the members when requested in writing by three (3) members of the Board of Directors or upon a petition signed by twenty-five (25%) percent of the members of the Association. Notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice unless by consent of four-fifths (4/5ths) of the members present at such meeting.

Section 4. Notice of Meeting. After the first annual meeting of members, it shall be the duty of the Secretary to serve a notice of each subsequent annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, upon each members of record, at least ten (10) days prior to such meeting.

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

Section 6. Order of Business. The order of business at all meetings of the owners of units shall be as follows:

- A) Roll Call
- 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) Election of inspectors of election
- G) Election of directors
- H) Unfinished business
- I) New business

Section 7. Voting. Voting at all elections shall be by secret ballot, unless a nomination is made by acclamation.

Section 8. Rules for the Conduct of the Meeting. All meetings of co-owners shall proceed in accordance with the provisions of Robert's Rules of Order.

ARTICLE VI

BOARD OF DIRECTORS

Section 1. Number and Qualification. The affairs of the Association shall be governed by a Board of Directors composed of

five (5) persons, all of whom must be members of the Association, except as provided in Section 2 hereof.

Section 2. Incorporators as Board of Directors. The incorporators shall serve as the first Board of Directors, and they shall maintain, manage and administer the affairs, the real estate and other property of the Association until their term of office terminates as provided in Article VI, section 2 of the Articles of Incorporation. Successive Boards of Directors shall retain all such powers and duties necessary for the administration of the Association.

Section 3. Election and Term of Office. At the first annual meeting of the members of the Association, the term of office of two (2) directors shall be fixed for three (3) years. The term of office of two (2) Directors shall be fixed for two (2) years, and the term of office of one (1) Director shall be fixed at a one (1) year term. At the expiration of the initial term of office of each respective Director, his successor shall be elected to serve a term of three (3) years. The Directors shall hold office until their successors have been elected and hold their first meeting.

Section 4. Vacancies. Any vacancy in any Board of Directors caused by any reason, other than the removal of a Director by a vote of the members of the Association, shall be filled by vote of the majority of remaining Directors, even though they may constitute less than a quorum. Each person so elected shall be a Director until a successor is elected at the next annual meeting of the Association to act for the unexpired term of his predecessor, or until his term would otherwise terminate.

Section 5. Removal of Directors. At any regular or special meeting of the Association duly called, any one or more of the Directors may be removed with or without cause by a majority of the members and a successor may then and there be elected to fill the vacancy thus created. Any Directors whose removal has been proposed by the members shall be given an opportunity to be heard at the meeting.

Section 6. Organization Meeting. The first meeting of a newly elected Board of Directors shall be held within ten (10) days of election at such place as shall be fixed by the Directors at the meeting at which such Directors were elected, and no notice

shall be necessary to the newly elected Directors in order legally to constitute such meeting, providing a majority of the whole board shall be present.

Section 7. 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 (2) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director, personally by mail, telephone or telegraph, at least five (5) days prior to the date named for such meeting.

Section 8. Waiver of Notice. Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meeting of the Board shall be deemed a waiver of notice by him of the time and place thereof. If all Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 9. Quorum. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice.

Section 10. Fidelity Bonds. The Board of Directors shall require that all officers and employees of the Association handling or responsible for the Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be expenses of administration.

ARTICLE VII

OFFICERS

Section 1. Designation. The principal officers of the Association shall be a President, a Vice President, who shall be members of the Board of Directors, and a Secretary and a Treasurer. The Directors may also appoint such other Assistant Treasurers and Assistant Secretaries as in their judgment may be necessary. Any two officers except that of President and Vice President may be held by one person.

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

Section 3. Removal of Officers. Upon an affirmative vote of a majority of the members of the Board of Directors, any officer may be removed, either with or without cause, and his successor elected at any regular meeting of the Board of Directors, or at any special meeting of the Board called for such purpose.

Section 4. 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 the general powers and duties which are usually vested in the office of President of an Association, including but not limited to the power to appoint committees from among 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 do so on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him 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 such books and papers as the Board of Directors may direct; and he shall, in general, perform all the duties incident to the office of the Secretary.

Section 7. Treasurer. The Treasurer shall have responsibility for Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall be responsible for the deposit of all moneys in such depositories as may, from time to time, be designated by the Board of Directors. All funds shall be deposited in a bank to be withdrawn only by designated officers of the Association. In the alternative, operating funds may be withdrawn from appropriate bank accounts by properly designated officers of the professional managing agent, if applicable.

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

ARTICLE VIII

POWERS AND DUTIES OF THE BOARD OF DIRECTORS

Section 1. Powers. The Board of Directors shall have the power to:

- A) To levy assessments for the annual maintenance of the Common Areas and to provide appropriate funds for the operation of the Association. Assessments shall comply with the provisions of Article III, section 20 of the Restrictions.
- B) To establish special assessments as may be needed to cure operating deficits and for capital improvements.
- C) To exercise, administer and enforce the provisions of the Restrictions.

D) To establish rules, regulations and policies for the operation of the Association pursuant to the authority of the Restrictions.

Section 2. Duties. The Board of Directors shall have the following duties:

- A) To establish an annual operating budget.
- B) To establish annual assessments applicable to each member and for purposes of providing funds necessary to fulfill the operating expenses provided in the budget. All assessments, regular or special, must be equally distributed among all members.
- C) To file a lien against the lot of any member who is delinquent in the payment of assessments (regular or special) pursuant to the provisions of Article III, Section 20 of the Restrictions and, if appropriate, to commence appropriate proceedings for the foreclosure of such liens.
- D) To exercise all authorities and obligations delegated to the Association in the Restrictions.

ARTICLE IX

Section 1. Fiscal Year. The fiscal year of the Association shall be on a calendar year basis, or such other basis as may be adopted by the Board of Directors, in accordance with the conditions of the Bylaws.

Section 2. Amendments to the Corporation Bylaws. Amendments to the corporation Bylaws can be proposed by the Board of Directors or by 1/3 of the members. The Bylaws can be amended by an affirmative vote of 2/3 of the members.

