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Wayne County Records. Wayne County Condominium  
Subdivision Plan No. 598. Registration No. 203-099985.

2003 MAR 10 P 2:58

BERNARD J. YOUNGBLOOD  
REGISTER OF DEEDS  
WAYNE COUNTY MI

## SPRINGWATER PARK

### FIRST AMENDMENT TO MASTER DEED

On this 10<sup>th</sup> day of March, 2003, Springwater Development, L.L.C., a Michigan Limited Liability Company, whose address is 32400 Telegraph Road, Suite 100, Bingham Farms, Michigan 48025-2460, Developer of Springwater Park, a Condominium Project established pursuant to the Master Deed thereof, recorded in Liber 33320, Pages 659-783, inclusive, Wayne County Records, and known as Springwater Park, Wayne County Condominium Subdivision Plan 598, hereby amends the Master Deed of Springwater Park, pursuant to the authority reserved in Article VI of said Master Deed, for the purpose of enlarging the Condominium from 80 Units to 118 Units, by the addition of land as described in Section 1 below, and to change Article X in regard to the Easements and Restrictions sections therein to set forth more detail about the shared easements with the newly established Springwater Park II, Wayne County Condominium Subdivision Plan 693, and to clarify the provisions of the documents recorded pursuant to the Haggerty Road Planned Unit Development Agreement.

Pursuant to the authority reserved in Article IX, Section 3 of said Master Deed, this Amendment shall also serve to reassign Unit numbers 63, 64, 66 and 67 in Building 6, whose respective locations (including their respective garages) were erroneously depicted on the Condominium Subdivision Plan (Exhibit "B" to the initial Master Deed) of Springwater Park, and to reassign their appurtenant Limited Common Element driveways whose respective locations were also erroneously depicted on said Condominium Subdivision. The Unit numbers and driveway assignments as set forth on Sheets 3, and/or Sheets 25, 26, 27, 28, 29 and 30 of Replat 1 of the Condominium Subdivision Plan of Springwater Park, as attached hereto, now depict the correct locations of Units 63, 64, 66 and 67 in Building 6, (including their respective garages), along with their appurtenant Limited Common Element driveways, and they match the locations of the Units which their respective Co-owners and subsequently have occupied and possessed and/or will occupy and possess pursuant to the recorded Warranty Deeds conveying the Units to said Co-owners.

Said Master Deed is amended in the following manner:

1. The land which is being added to the Condominium by this Amendment is more particularly described as follows:

**LEGAL DESCRIPTION LAND ADDED FOR REPLAT NO. 1**

LAND LOCATED IN PART OF THE N.E. 1/4 OF SECTION 13, T. 1 S., R. 8 E., TOWNSHIP OF NORTHLAKE, WAYNE COUNTY, MICHIGAN BEING PART OF LOTS 5 AND 6 "WILLIS SUB." RECORDED IN LIBER 41, PAGE 87, WAYNE COUNTY RECORDS MORE PARTICULARLY DESCRIBED AS:

BEGINNING AT A POINT DISTANT S. 00°05'36" W. 528.00 FEET ALONG THE EAST LINE OF SAID SECTION 13, SAID LINE ALSO BEING THE CENTERLINE OF HAGGERTY ROAD (60 FEET WIDE, 1/2 WIDTH) AND N. 84°56'26" W. 60.23 FEET TO A POINT ALONG THE WEST RIGHT-OF-WAY LINE OF SAID HAGGERTY ROAD AND ALONG SAID RIGHT-OF-WAY S. 00°05'36" W. 528.43 TO A POINT ALONG THE NORTH LINE OF "COUNTRY CLUB VILLAGE OF NORTHLAKE II", WAYNE COUNTY CONDOMINIUM SUBDIVISION PLAN NO. 253 AND ALONG SAID NORTH LINE N. 85°29'46" W. 599.44 FEET FROM THE NORTHEAST CORNER OF SAID SECTION 13; THENCE FROM SAID POINT OF BEGINNING AND CONTINUING ALONG SAID NORTH LINE OF "COUNTRY CLUB VILLAGE OF NORTHLAKE II" N. 85°29'46" W. 286.03 FEET; THENCE N. 00°06'46" E. 81.46 FEET; THENCE N. 55°50'00" W. 156.00 FEET; THENCE N. 38°10'00" W. 104.83 FEET; THENCE N. 40°50'00" E. 205.05 FEET; THENCE N. 49°10'00" W. 60.78 FEET; THENCE N. 39°42'32" E. 160.56 FEET; THENCE 58.55 FEET ALONG THE ARC OF A CURVE TO THE LEFT, RADIUS 915.00 FEET, CENTRAL ANGLE 03°40'00" AND A CHORD BEARING OF S. 47°20'00" E. 58.55 FEET; THENCE S. 49°10'00" E. 107.83 FEET; THENCE 43.98 FEET ALONG THE ARC OF A CURVE TO THE LEFT, RADIUS 105.00 FEET, CENTRAL ANGLE OF 24°00'00" AND A CHORD BEARING OF S. 61°10'00" E. 43.66 FEET; THENCE S. 73°10'00" E. 122.14 FEET; THENCE 9.39 FEET ALONG THE ARC OF A CURVE TO THE LEFT, RADIUS 365.00 FEET, CENTRAL ANGLE OF 01°28'29", AND A CHORD BEARING OF S. 73°54'14" E. 9.39 FEET; THENCE ALONG THE WEST LINE OF LOTS 3 AND 4 ALSO BEING THE EAST LINE OF LOT 5 OF SAID "WILLIS SUB" THE FOLLOWING TWO (2) COURSES S. 00°06'45" W. 152.87 AND S. 00°04'17" W. 270.26 FEET TO THE POINT OF BEGINNING CONTAINING 4.22 ACRES OF LAND.

Item Nos.

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2. First Amended Article II of said Master Deed of Springwater Park as set forth below, shall, upon recordation in the office of the Wayne County Register of Deeds of this Amendment, replace and supersede Article II of the Master Deed as recorded, and the originally recorded Article II shall be of no further force or effect.

**FIRST AMENDED ARTICLE II OF THE MASTER DEED  
OF SPRINGWATER PARK**

**ARTICLE II  
LEGAL DESCRIPTION**

The land which is submitted to the Condominium established by this Master Deed is particularly described as follows:

LAND LOCATED IN PART OF THE N.E. 1/4 OF SECTION 13, T. 1 S., R. 8 E., TOWNSHIP OF NORTHLAKE, WAYNE COUNTY, MICHIGAN BEING LOTS 3, 4, 5, AND 6 "WILLIS SUB." RECORDED IN LIBER 41, PAGE 87, WAYNE COUNTY RECORDS MORE PARTICULARLY DESCRIBED AS:

BEGINNING AT A POINT DISTANT S. 00°05'36" W. 528.00 FEET ALONG THE EAST LINE OF SAID SECTION 13, SAID LINE ALSO BEING THE CENTERLINE OF HAGGERTY ROAD AND N. 84°56'26" W. 60.23 FEET FROM THE NORTHEAST CORNER OF SAID SECTION 13; THENCE FROM SAID POINT OF BEGINNING AND ALONG THE WEST RIGHT-OF-WAY LINE OF HAGGERTY ROAD (60 FEET WIDE, 1/2 WIDTH) S. 00°05'36" W. 528.43 FEET; THENCE ALONG THE NORTH LINE OF "COUNTRY CLUB VILLAGE OF NORTHLAKE II" WAYNE COUNTY CONDOMINIUM SUBDIVISION PLAN NO. 253 N. 85°29'46" W. 885.47 FEET; THENCE N. 00°06'46" E. 81.46 FEET; THENCE N. 55°50'00" W. 156.00 FEET; THENCE N. 38°10'00" W. 104.83 FEET; THENCE N. 40°50'00" E. 205.05 FEET; THENCE N. 49°10'00" W. 60.78 FEET; THENCE N. 39°42'32" E. 160.56 FEET; THENCE 58.55 FEET ALONG THE ARC OF A CURVE TO THE LEFT, RADIUS 915.00 FEET, CENTRAL ANGLE 03°40'00" AND A CHORD BEARING OF S. 47°20'00" E. 58.55 FEET; THENCE S. 49°10'00" E. 107.83 FEET; THENCE 43.98 FEET ALONG THE ARC OF A CURVE TO THE LEFT, RADIUS 105.00 FEET, CENTRAL ANGLE OF 24°00'00" AND A CHORD BEARING OF S. 61°10'00" E. 43.66 FEET; THENCE S. 73°10'00" E. 122.14 FEET; THENCE 9.39 FEET ALONG THE ARC OF A CURVE TO THE LEFT, RADIUS 365.00 FEET, CENTRAL ANGLE OF 01°28'29", AND A CHORD BEARING OF S. 73°54'14" E. 9.39 FEET; THENCE ALONG THE WEST LINE OF SAID LOT 3 "WILLIS SUB" N. 00°06'46" E. 111.13 FEET; THENCE ALONG THE NORTH LINE OF SAID LOT 3 S. 84°56'26" E. 599.93 FEET TO THE POINT OF BEGINNING CONTAINING 11.51 ACRES OF LAND.

Item Nos.

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3. First Amended Article X of said Master Deed of Springwater Park as set forth below, shall, upon recordation in the office of the Wayne County Register of Deeds of this Amendment, replace and supersede Article X of the Master Deed as recorded, and the originally recorded Article X shall be of no further force or effect.

## ARTICLE X

### EASEMENTS AND RESTRICTIONS

Section 1. Easement for Maintenance of Encroachments and Utilities. In the event any portion of a Unit or Common Element encroaches upon another Unit or Common Element due to shifting, settling or movement of a building, or due to survey errors, or construction deviations, reciprocal easements shall exist for the maintenance of such encroachment for so long as such encroachment exists, and for maintenance thereof after rebuilding in the event of any destruction. There shall be easements to, through and over those portions of the land, structures, buildings, improvements, and walls (including interior Unit walls) contained therein for the continuing maintenance and repair of all utilities in the Condominium. There shall exist easements of support with respect to any Unit interior wall which supports a Common Element.

Section 2. Cross Easements over Roads and Common Elements of Springwater Park II and of this Condominium.

- A. Ingress and Egress Easement Granted to this Condominium Over Springwater Drive and Other Common Elements of Springwater Park II. Pursuant to the Master Deed of Springwater Park II, an adjacent condominium project, recorded at Liber 37475, pages 785-903, inclusive, Wayne County Records, a permanent non-exclusive easement has been granted to this Condominium Association, its agents, employees, members and invitees; and to the Co-owners of this Condominium Project, their tenants, guests and invitees; over that portion of Springwater Drive located within Springwater Park II for ingress and egress to this Condominium, and over any General Common Element (or future General Common Element) sidewalks, other roads, wetlands, woodlands and open spaces of which are or which may in the future be located within Springwater Park II. Said easement over Springwater Drive is intended for vehicular and non-vehicular ingress and egress to this Condominium. The easement granted this Condominium Project over any General Common Element sidewalks, other drives, wetlands, woodlands and open spaces is intended for only non-vehicular, pedestrian access for the use and enjoyment of the wetlands, woodlands and open spaces, if any. All expenses of maintenance, repair, replacement of that portion of Springwater Drive located within Springwater Park II, including, without limitation, snow removal and resurfacing, shall be shared by this Condominium and by Springwater Park II, and by any developed portions of the land described as the Area of Future Development of Springwater Park II, or any portion or portions thereof, and any land withdrawn from this Condominium from time to time as reserved in Article VII of the initial Master Deed of this Condominium, and whose closest means of access to a public road is over such private road. The adjacent commercial parcels also have an easement for the use of Springwater Drive and must pay 25% of said expenses as described in further detail in Section 5.C. hereinbelow. The Co-owners of this Condominium shall be responsible from time to time for payment of a proportionate share of 75% said expenses (that being the combined portion due by both Springwater Park and Springwater Park II, as provided by the Declaration, described in Section 5, B. hereinbelow) to be paid as a cost of administration by this Association, which share shall be determined by multiplying such expenses times a fraction, the numerator of which is the number of Units in this Condominium, and the denominator of which is comprised of the number of such Units, plus all of the Units in Springwater Park II, and the number of dwellings in any developed portion of the land described as the Area of Future Development of Springwater Park II, or any portion or portions thereof, and any land withdrawn from this Condominium from time to time as reserved in Article VII of this Master Deed, and whose closest means of access to a public road is over such private road. It is not intended that this Condominium bear any

expenses of maintenance, repair and replacement for the non-vehicular use of any Common Element sidewalks, other drives, wetlands, woodlands and open spaces in Springwater Park II. The ingress and egress easement granted this Condominium Project over Springwater Drive shall not negate the reserved right to dedicate a public right-of way over Springwater Drive or to transfer title thereto as reserved in Article X, Section 3 of the Master Deed of Springwater Park II.

- B. Easement Retained by Developer Over Roads and Other Common Elements in this Condominium. Developer reserves for the benefit of itself, its successors and assigns, and all future owners of any land that may be withdrawn from time to time as reserved in Article VII above, an easement for the unrestricted use of all roads in this Condominium for the purpose of ingress and egress to and from all or any portion of any land that may be withdrawn from time to time as reserved in Article VII above, and which lies outside the Condominium. All expenses of maintenance, repair, replacement and resurfacing of any road referred to in this Article X, Section 2.B. shall be shared by this Condominium and any developed portions of any land withdrawn from the Condominium from time to time as reserved in Article VII above, and whose closest means of access to a public road is over such road or roads. The Co-owners of this Condominium shall be responsible from time to time for payment of a proportionate share of said expenses, which share shall be determined by multiplying such expenses times a fraction, the numerator of which is the number of dwelling Units in this Condominium, and the denominator of which is comprised of the number of such Units plus all of the dwellings in any land that may be withdrawn from time to time as reserved in Article VII above, which lies outside this Condominium and whose closest means of access to a public road is over such road.
- C. Easement Granted to Springwater Park II Over Springwater Drive and Other Common Elements in this Condominium. Developer reserves for the benefit of the Co-owners of the adjacent Condominium Project, Springwater Park II, Wayne County Condominium Subdivision Plan No. 693, their tenants, guests and invitees, for the benefit of Springwater Park II Association, a Michigan Nonprofit Corporation, the Association of Co-owners established to administer the aforesigned adjacent Springwater Park II, and its agents, employees, members and invitees, a permanent non-exclusive easement over that portion of Springwater Drive located within this Condominium Project for ingress and egress to Springwater Park II, and over any General Common Element sidewalks, other roads, wetlands, woodlands and open spaces of which are located within this Condominium Project. Said easement over Springwater Drive is intended for vehicular and non-vehicular ingress and egress to Springwater Park II. Said easement over any General Common Element sidewalks, other drives, wetlands, woodlands and open

spaces is intended for only non-vehicular, pedestrian access for the use and enjoyment of any wetlands, woodlands and open spaces in this Condominium Project. All expenses of maintenance, repair, replacement of that portion of Springwater Drive located within this Condominium Project, including, without limitation, snow removal and resurfacing, shall be shared by this Condominium and by Springwater Park II, and by any developed portions of any land withdrawn from this Condominium from time to time as reserved in Article VII of the initial Master Deed, and whose closest means of access to a public road is over such private road. The adjacent commercial parcels also have an easement for the use of Springwater Drive and must pay 25% of said expenses as described in further detail in Section 5.C. hereinbelow. The Co-owners of Springwater Park II shall be responsible from time to time for payment of a proportionate share of 75% of said expenses (that being the combined portion due by both Springwater Park and Springwater Park II, as provided by the Declaration, described in Section 5, B. hereinbelow), which share shall be determined by multiplying such expenses times a fraction, the numerator of which is the number of Units in Springwater Park II, and the denominator of which is comprised of the number of such Units, plus all of the Units in this Condominium, and the number of dwellings in any developed portion of any land withdrawn from this Condominium from time to time as reserved in Article VII of this Master Deed, and whose closest means of access to a public road is over such private road. It is not intended that Springwater Park II bear any expenses of maintenance, repair and replacement for the non-vehicular use of any Common Element sidewalks, other drives, wetlands, woodlands and open spaces in this Condominium. The ingress and egress easement over Springwater Drive shall not negate the reserved right to dedicate a public right-of way over Springwater Drive or to transfer title thereto as reserved in Article X, Section 3 hereinbelow.

Section 3. Reservation of Right to Dedicate Public Right-of Way Over Roadways or to Transfer Title. The Developer reserves the right at any time during the Construction and Sales Period, and the Association shall have the right thereafter, to dedicate to the public a right-of-way of such width as may be required by the local public authority over any or all of the roadways in Springwater Park shown as General Common Elements in the Condominium Subdivision Plan or to transfer title of the roadways to the local public authority. Any such right-of-way dedication or transfer of title may be made by the Developer or the Association, as the case may be, without the consent of any Co-owner, mortgagee or other person and shall be evidenced by an appropriate amendment to this Master Deed and to the Condominium Subdivision Plan hereto, recorded in the Wayne County Records. All of the Co-owners and mortgagees of Units and other persons interested or to become interested in the Condominium from time to time shall be deemed to have irrevocably and unanimously consented to such amendment or amendments of this Master Deed to effectuate the foregoing right-of-way dedication or transfer of title. This right of dedication and transfer of title in no way whatsoever obligates the Developer to construct or install the roads in a manner suitable for acceptance of such dedication by the appropriate municipal authority.

Section 4. Cross Easements for Utilities, Retention Area, Certain Amenities, and for Surface Drainage of Springwater Park II and this Condominium.

- A. Easement Granted to this Condominium for Use of Utilities and for Surface Drainage in Springwater Park II. Pursuant to the Master Deed of Springwater Park II, the adjacent condominium project, recorded at Liber 37475, pages 785-903, inclusive, Wayne County Records, as amended, a permanent non-exclusive easement has been granted to the Association, its agents, employees, members and invitees, and to the Co-owners of this Condominium Project, their tenants, guests and invitees, to utilize, tap, tie into, extend, and enlarge all utility mains located in Springwater Park II, including, but not limited to, telephone, electric, water, gas, cable television, video text, broad band cable, satellite dish, earth antenna and other telecommunications systems, storm and sanitary sewer mains, and for surface drainage.

All expenses of maintenance, upkeep, repair and replacement of said utility mains, shall be shared by this Condominium and by Springwater Park II, and any developed portions of any land withdrawn from time to time as reserved in Article VII of this Master Deed, which are served by such utility mains. The Co-owners of this Condominium shall be responsible from time to time for payment of a proportionate share of said expenses to be paid as a cost of administration by this Association, which share shall be determined by multiplying such expenses times a fraction, the numerator of which is the number of Units in this Condominium, and the denominator of which is comprised of the number of such Units, plus all of the Units in Springwater Park II, and the number of dwellings in any developed portion of any land withdrawn from this Condominium from time to time as reserved in Article VII of this Master Deed, which are serviced by such utility mains. If any such expenses are borne by a governmental agency or public utility, they shall be excluded from the above described cost sharing. The portion of said shared expenses related to the utility mains shall only be applicable to said utility mains and all expenses of maintenance, upkeep, repair and replacement of utility leads shall be borne by the respective Condominium Association and/or owners of the land on which such lead or leads are located and which such lead or leads service, including Springwater Park II [adjacent Condominium], and any land withdrawn from time to time as reserved in Article VII of this Master Deed. This easement includes the authority of this Condominium to modify the landscaping and/or grade in any portion of the premises of Springwater Park II [adjacent Condominium], if necessary in order to preserve and/or facilitate surface drainage in any portion or all of this Condominium, including any land withdrawn from time to time as reserved in Article VII of this Master Deed. The person or entity performing such aforescribed modification(s) shall bear all costs of such modification(s), and any such modification to the landscaping and/or grade in the premises

of this Condominium shall not impair the surface drainage in Springwater Park II [adjacent Condominium].

- B. Easement Retained by Developer and for Springwater Park II [Adjacent Condominium] to Tap Into Retention Area, Utilities and for Surface Drainage in this Condominium. Developer also hereby reserves for the benefit of itself, its successors and assigns, for all future owners of any land that may be withdrawn from time to time as reserved in Article VII above, or any portion or portions thereof, and for the benefit of the Co-owners of the adjacent condominium project, Springwater Park II, Wayne County Condominium Subdivision Plan No. 693, their tenants, guests and invitees, for the benefit of Springwater Park II Association, a Michigan Nonprofit Corporation, the Association of Co-owners established to administer the aforesigned adjacent Springwater Park II, and its agents, employees, and invitees, perpetual easements to utilize, tap, tie into, extend, and enlarge the retention area and/or all utility mains located on this Condominium Premises, including, but not limited to, telephone, electric, water, gas, cable television, video text, broad band cable, satellite dish, earth antenna and other telecommunications systems, and storm and sanitary sewer mains. In the event that the Developer, its successors and assigns, utilizes, taps, ties into, extends or enlarges the retention area and/or any utilities located on the Condominium Premises, it shall be obligated to pay all of the expenses reasonably necessary to restore the Condominium Premises to their state immediately prior to such utilization, tapping, tying in, extension or enlargement.

All expenses of maintenance, upkeep, repair and replacement of the retention area and the utility mains described in this Article X, Section 4.B. shall be shared by this Condominium and any developed portions of any land withdrawn from time to time as reserved in Article VII of this Master Deed, which are served by such utility mains. The adjacent commercial parcels also have an easement for the use of the retention area and the utility mains and must pay 25% of said expenses as described in further detail in the HPUD Declaration described in Section 5.B. hereinbelow. The Co-owners of this Condominium shall be responsible from time to time for payment of a proportionate share of 75% said expenses (that being the combined portion due by both Springwater Park and Springwater Park II, as provided by the Declaration, described in Section 5.C. hereinbelow), which share shall be determined by multiplying said expenses times a fraction, the numerator of which is the number of dwelling Units in this Condominium, and the denominator of which is comprised of the number of such Units plus all of the Units in Springwater Park II, all completed dwellings on any land withdrawn from time to time as reserved in Article VII of this Master Deed, which are serviced by such retention area and/or such utility mains; provided, however, that the foregoing expenses are to be so paid and shared only if such expenses are not borne by a governmental agency or public utility. Said expense sharing shall be applicable only to the utility mains and all expenses

of maintenance, upkeep, repair and replacement of utility leads shall be borne by the Association to the extent such leads are located in the Condominium, and by the owner or owners, or any association of owners, as the case may be, of the land described as Springwater Park II, of any land withdrawn from time to time as reserved in Article VII of this Master Deed, upon which are located the Units which such lead or leads service.

Developer also hereby reserves for the benefit of itself, its successors and assigns, and for the benefit of the Co-owners of the adjacent condominium project, Springwater Park II, Wayne County Condominium Subdivision Plan No. 693, their tenants, guests and invitees, for the benefit of Springwater Park II Association, a Michigan Nonprofit Corporation, the Association of Co-owners established to administer the aforeslated adjacent Springwater Park II, and its agents, employees, and invitees, a perpetual easement to modify the landscaping and/or grade in any portion of this Condominium's Premises in order to preserve and/or facilitate surface drainage in a portion or all of the land withdrawn from time to time as reserved in Article VII of this Master Deed, and any portion or all of the land contained in Springwater Park II. The party responsible for the modifications, i.e the Developer, its successors and assigns, and/or Springwater Park II Association, as the case may be, shall bear all costs of such modifications. Any such modification to the landscaping and/or grade in the Condominium Premises under the provisions of this Article X, Section 4.B., shall not impair the surface drainage in this Condominium.

Section 5. Haggerty Road Planned Unit Development Agreement; Declaration of Easements, Covenants and Restrictions; and Shared Facilities.

A. Haggerty Road Planned Unit Development Agreement and the Haggerty Road Development Association. The Developer, its successors and assigns, and all Units, Co-owners and members of the Condominium Association, are bound by the terms, provisions and conditions of the Haggerty Road Planned Unit Development Agreement (hereinafter "HPUD") dated April 28, 1999, and entered into between Grand Sakwa of Springwaters, L.L.C., a Michigan Limited Liability Company, and the Township of Northville, a Michigan Municipal Corporation, recorded in Liber 32950, Pages 10 -47, inclusive, Wayne County Records. The terms of the HPUD, and any amendment thereto made in accordance with the terms thereof, shall supersede and control over any provisions set forth in this Master Deed, or any amendments hereto, which are contrary to the HPUD, as it may be amended. The HPUD governs this Condominium Project, Springwater Park II, the adjacent two (2) commercial sites and the adjacent subdivision, Brookstone Village Subdivision No. 2, and its terms, provisions and conditions shall run with the land and bind such land and inure to the benefit of the successors and assigns thereof.

B. Declaration of Covenants, Restrictions and Easements. Pursuant to the HPUD, a Declaration of Covenants, Restrictions and Easements (or similarly titled document, hereinafter "HPUD Declaration") which has been or will be recorded in the Wayne County Records, and its terms, provisions and conditions shall run with the land and bind and inure to the benefit of this Condominium, including all Units contained herein and in Springwater Park II, which is the adjacent condominium project, the commercial sites and the Subdivision. The HPUD Declaration addresses the formation of the Haggerty Road Development Association, the members of which consist of this Condominium Association; Springwater Park II Association, a Michigan Nonprofit Corporation, which is the Association of Co-owners established to administer the aforesaid adjacent Springwater Park II; and the owners of the commercial sites, and which addresses and coordinates the shared maintenance obligations established in the HPUD. The HPUD and/or the HPUD Declaration establishes easements for Springwater Drive, the retention area located in this Condominium, and allocates the costs of shared maintenance obligations, including landscaping of such shared areas, among this Condominium Association, Springwater Park II Association, and the two (2) commercial sites. The Co-owners of this Condominium shall be represented in the Haggerty Road Development Association through the Board of Directors of the Condominium Association or a designated director. As a member of the Haggerty Road Development Association, each Co-owner of this Condominium shall be subject to assessments for the costs of the shared maintenance obligations, as further discussed hereinbelow. In the event that the respective members of Haggerty Road Development Association fail to pay their required pro rata share of the costs of maintenance, repair and replacement of any of the facilities which they share with another of those developments, the individual members of the respective associations, together with the respective association itself and/or the Haggerty Road Development Association, have the right to bring an action at law or in equity for non-payment of such assessment; to place a lien upon such property for any payment which is not made or assessment not paid when due; to foreclose such lien in a manner set forth within the governing documents of the delinquent association; and bring an action against the Unit or owner of the specific property who has failed to make such payment; to obtain a judgment against such party in a court of competent jurisdiction; and to satisfy such judgment by means of lien and foreclosure of such lien against the property or otherwise; to collect in addition to all other sums due and owing actual attorney fees incurred as a result of such non-payments as well as all actual costs; and to take such other action as allowed by the HPUD, the HPUD Declaration or by law.

C. Springwater Drive (Private) Shared Use Agreement. A Declaration of Restriction for Private Road Construction was entered into on April 26, 1999 for Springwater Drive (private) which is or will be recorded in the Wayne County Records, and which contains restrictions and covenants running with the land and binding all Condominium Units within this Condominium and within Springwater Park II, and the owners of the two (2) adjoining commercial parcels. The owners, successors and assigns of the two (2) commercial parcels have been granted a

perpetual easement for ingress and egress by pedestrian or vehicular traffic over Springwater Drive (private), including emergency and government owed vehicles, together with the Co-owners of this Condominium, Springwater Park II, and their respective tenants, guests and invitees. As provided in the HPUD Declaration described in B hereinabove, as amended, this Condominium Association, Springwater Park II Association, and the two (2) commercial parcels shall pay a pro rata portion of the property taxes and special assessments, if any, and a pro rata share of the costs of maintaining Springwater Drive (private), including, but not limited to filling chuck holes, re-grading, re-paving, re-surfacing, cutting of weeds, maintenance of drainage ditches, inspection, and the removal of snow and ice to the Haggerty Road Development Association referred to in subsection A hereinabove. In the event the Haggerty Road Development Association is not operative, the two (2) commercial parcels shall reimburse the Condominium Association for their pro rata share of these costs. This Condominium Association, the Springwater Park II Association, and the commercial sites will also be responsible for maintaining street signs properly identifying the road pursuant to Township ordinances. The pro rata share shall be as specified in the HPUD Declaration, as may be amended, which is discussed in Part B above. If the road is not maintained safely and convenient for vehicular travel, the Township has the right to perform the necessary work, upon thirty (30) days written notice to the this Condominium Association, the Springwater Park II Association, and to the commercial sites, and charge this Condominium Association, the Springwater Park II Association, and the commercial sites for all costs and expenses incurred. The Township shall have the right, in addition to other methods of collection, to collect such charges incurred as any other Township property tax or assessment which shall be a lien on the parcels. In the event of a failure to pay its pro rata share, this Condominium Association, the Springwater Park II Association, or either commercial owner may file a lien for non-payment of any incurred expenses against the property owned by the non-paying party(ies) or take any other collection action allowed by law. As provided in the Declaration of Restriction for Private Road Construction and Maintenance, this Condominium Association, the Springwater Park II Association and the commercial owner(s) shall indemnify, save and keep the Township harmless against all liability and claims, court costs and attorney fees, arising out of injuries or damages caused as a result of the performance of the terms of the Declaration of Restriction for Private Road Construction.

D. Shared Use of Retention Area. The retention area located within this Condominium Project is also subject to utilization by Springwater Park II and by the two (2) adjacent commercial sites as provided by the HPUD. Springwater Park II and the commercial sites shall pay their pro rata share of the expenses of the maintenance, repair, replacement and insurance of the retention area to the Haggerty Road Development Association referred to in subsection A hereinabove, or to this Association directly if the Haggerty Road Development Association is not operative. The pro rata share shall be as specified in the HPUD Declaration, as may be amended, which is discussed in Part B above.

E. Shared Open Spaces. This Condominium Project, the adjacent condominium project, Springwater Park II, and the adjacent Subdivision, Brookstone Subdivision Village No. 2, contain, or may contain if expanded in size to include same, open spaces, which may also include pedestrian walkways, bike paths and/or boardwalk crossings to be constructed therein, which are established for the shared use and enjoyment of the members, tenants, guests, and invitees, of both Condominium Associations and of the Subdivision Association. This Association and Springwater Park II Association each shall pay the costs of maintenance, repair and replacement of the open spaces and any pedestrian walkway, bike path and/or boardwalk crossings contained or constructed within the development which they administer. Any other development which is entitled to use and enjoy same shall not be required to contribute to the costs of maintenance, repair and replacement of same. However, any costs incurred by the Township associated with the improvement, maintenance, repair and replacement of any open space areas, bike paths or pedestrian walkway within any project, shall be billed to the respective association, as provided by the HPUD and or the HPUD Declaration. The owners of individual lots in the subdivision, their tenants, guests and invitees shall also have a non-vehicular perpetual easement to traverse through the Condominium premises for ingress and egress to the adjacent the commercial sites.

F. Responsibility for Landscape Improvements in Public Right-of-Way. Pursuant to the Landscape Maintenance Agreement dated April 26, 1999, and attached as Exhibit "J" to the HPUD, the responsibility for maintaining the landscape improvements and column located within the County public rights-of-way along 6 Mile Road and Haggerty Road, and to maintain the landscape plans and related facilities, shall be shared by both Condominium Associations, the homeowners association established to administer Brookstone Village Subdivision No. 2, and the two (2) commercial sites at no expense to the Township, including, without limitation, mowing grassy areas, removal of debris, periodic inspection to ensure good condition of landscape improvements, and repair or replacement of damaged or dead landscape. The Haggerty Road Development Association referred to in subsection A hereinabove may contract for the necessary maintenance, repair and replacement of the landscape improvements and charge and collect the pro rata shares due and owing by this Condominium Association, the Springwater Park II Association, the homeowners association and the commercial sites pursuant to the HPUD, and/or HPUD Declaration. This Condominium Association, Springwater Park II Association, the homeowners association and the two (2) commercial sites shall also indemnify, save harmless and defend the County and the Township for claims, suits and judgments arising out of the maintenance of the landscape improvements located in the rights-of-way, to the extent provided in the Landscape Maintenance Agreement. The Township has been granted an irrevocable license to enter upon this Condominium Project, the adjacent condominium project, Springwater Park II, at reasonable times to the extent necessary to inspect, repair, maintain, remove and install landscape and related improvements, upon written notice to the associations and/or commercial sites of their failure to properly perform

their obligations under the Landscape Maintenance Agreement. The Township may also demand that the deficiencies be cured within a specified reasonable time, and at the request of the associations and commercial sites, a hearing may be established by the Township to determine whether additional time to effectuate the repairs is required. Any costs incurred by the Township thereby shall be paid by this Condominium Association, the Springwater Park II Association, the homeowners association and the commercial sites and shall be assessed to each member of this Condominium Association, the Springwater Park II Association, the homeowners association and the commercial sites, and placed on the tax rolls in the same manner as any property tax or assessment.

G. Liability Insurance and Indemnification of Township. Pursuant to the HPUD, this Condominium Association shall maintain liability insurance in sufficient amounts for the purpose of defending itself, the Co-owners, the Developer, and the Township from the burden of any liability resulting from accidents which may cause death or injury to anyone, or damage any property with respect to the open spaces, any sidewalks and bike paths, or private roads of this Condominium Project. The amount of such insurance shall be reviewed every two (2) years so that the amount of insurance obtained by the Condominium Association would have a present value of One Million Dollars (\$1,000,000) using 1999 as the base year for determining present value at the time of execution of the HPUD in future years. Such liability insurance shall name the Developer, the Association and the Township as additional insureds in that amount. This Condominium Association shall also indemnify and hold harmless the Township from any claims of liability that may be brought with regard to injury to persons or property which occurs upon any sidewalks, bike paths, open space areas or private roads contained in this Condominium Project, which are not due to the sole acts or omissions or gross negligence of the Township.

Section 6. Reservation of Right to Grant Easements for Utilities. The Developer reserves the right at any time during the Construction and Sales Period, and the Association shall have the right thereafter, to grant easements for utilities over, under and across the Condominium to appropriate governmental agencies or public utility companies and to transfer title of the utilities to governmental agencies or to utility companies. Any such easement or transfer of title may be conveyed by the Developer without the consent of any Co-owner, mortgagee or other person and shall be evidenced by an appropriate amendment to this Master Deed and to Exhibit "B" hereto, recorded in the Wayne County Register of Deeds. All of the Co-owners and mortgagees of Units and other persons interested or to become interested in the Project from time to time shall be deemed to have irrevocably and unanimously consented to such amendments to this Master Deed as may be required to effectuate the foregoing grant of easement or transfer of title.

Section 7. Grant of Easements by Association. The Association, acting through its lawfully constituted Board of Directors (including any Board of Directors acting prior to the

First Annual Meeting), shall be empowered and obligated to grant such easements, licenses, rights-of-entry and rights-of-way over, under, and across the Condominium Premises for utility purposes, access purposes or other lawful purposes as may be necessary for the benefit of the Condominium; subject, however, to the approval of the Developer so long as the Construction and Sales Period has not expired.

**Section 8. Association and Developer Easements for Maintenance, Repair and Replacement.** The Developer, the Association, and all public or private utilities shall have such easements over, under, across and through the Condominium Premises, including all Units and Common Elements, as may be necessary to fulfill any responsibilities of maintenance, repair, decoration, replacement or upkeep which they or any of them are required or permitted to perform under the Condominium Documents or by law or to respond to any emergency or common need of the Condominium. These easements include, without any implication of limitation, the right of the Association to obtain access during reasonable hours and upon reasonable notice to sprinkler controls, valves and meters and other Common Elements located within any Unit or its appurtenant Limited Common Elements. Neither the Developer nor the Association shall be liable to the owner of any Unit or any other person, in trespass or in any other form of action, for the exercise of rights pursuant to the provisions of this Section or any other provision of the Condominium Documents which grant such easements, rights of entry or other means of access. Failure of the Association (or the Developer) to take any such action shall not be deemed a waiver of the Association's (or the Developer's) right to take any such action at a future time. All costs incurred by the Association or the Developer in performing any responsibilities which are required, in the first instance to be borne by any Co-owner, shall be assessed against such Co-owner and shall be due and payable with his installment of the annual assessment next falling due; further, the lien for nonpayment shall attach as in all cases of annual assessments and such assessments may be enforced by the use of all means available to the Association under the Condominium Documents and by law for the collection of annual assessments including, without limitation, legal action and foreclosure of the lien securing payment as provided for in Article II of the Bylaws (Exhibit "A" hereto) and the Act.

**Section 9. Telecommunications Agreements and Security.** The Association, acting through its duly constituted Board of Directors and subject to the Developer's approval during the Construction and Sales Period, shall have the power to grant such easements, licenses and other rights of entry, use and access and to enter into any contract or agreement, including wiring agreements, utility agreements, right-of-way agreements, access agreements and multi-Unit agreements and, to the extent allowed by law, contracts for sharing of any installation or periodic subscriber service fees and agreement for the provision of security services as may be necessary, convenient or desirable to provide for telecommunications, videotext, broad band cable, satellite dish, antenna, multichannel multipoint distribution service and similar services (collectively "Telecommunications") to the Condominium or any Unit therein and security services to the extent the Board deems it necessary. Notwithstanding the foregoing, in no event shall the Board of Directors enter into any contract or agreement or grant any easement, license or right of entry or do any

other act or thing which will violate any provision of any Federal, State or local law or ordinance. Any and all sums paid by any Telecommunications or any other company or entity in connection with such service, including fees, if any, for the privilege of installing same, or sharing periodic subscriber service fees, shall be receipts affecting the administration of the Condominium within the meaning of the Act and shall be paid over to and shall be the property of the Developer during the Construction and Sales Period and, thereafter, the Association.

Section 10. Sharing of Expenses. For purposes of certain sections contained in this Article X, the calculation of any fraction for the sharing of pertinent expenses between Units in the Condominium and dwellings constructed in any land that may be withdrawn from time to time as reserved in Article VII above, shall include only those Units and dwellings for which a certificate of occupancy has been issued by the Township.

Section 11. Existing Easements, Rights of Way and Building and Use Restrictions of Record; Government Limitations. The Developer declares that the Condominium shall be established and shall exist subject to all: (a) easements, rights-of-way and, insofar as they are valid and enforceable, building and use restrictions, if any, as are of record on the date this Master Deed, as amended, is recorded in the office of the Wayne County Register of Deeds; and (b) all valid government limitations as may be applicable to the Condominium and/or the Condominium Premises. All such easements and rights-of-way of which the Developer has actual knowledge are shown or referenced upon the Condominium Subdivision Plan. The Developer intends, and expressly reserves the right, to convey all individual Units in the Condominium by a warranty deed made subject to all easements, rights-of-way and building and use restrictions then of record and all valid applicable government limitations.

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4. Sheets 1, 2, 3, 4, Sheets 9, 10, 11, 12, 13, 14, 15, 16, and Sheets 31, 32, 33, 34, 35 and 36 of the Condominium Subdivision Plan of Springwater Park, as attached hereto, shall, upon recordation in the office of the Wayne County Register of Deeds of this Amendment, replace and supersede originally recorded Sheets 1, 2, 3, 4, Sheets 9, 10, 11, 12, 13, 14, 15, 16, and Sheets 31, 32, 33, 34, 35 and 36 of the Condominium Subdivision Plan of Springwater Park, as amended, and the aforescribed originally recorded and amended Sheets shall be of no further force or effect.

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5. Sheets 3, and 25, 26, 27, 28, 29 and 30 of the Condominium Subdivision Plan of Springwater Park, as attached hereto, are being hereby amended to depict the correct location of Units 63, 64, 66 and 67 in Building 6, including their respective garages, along with their appurtenant Limited Common Element driveways, and Sheets 3, and 25, 26, 27, 28, 29 and 30 shall, upon recordation in the office of the Wayne County Register of Deeds of this Amendment, replace and supersede originally recorded Sheets 3, and 25, 26, 27, 28, 29, 30 of the Condominium Subdivision Plan of Springwater Park, as amended, and the aforescribed originally recorded and amended Sheets shall be of no further force or effect.

In all other respects, other than as hereinabove indicated, the initial Master Deed of Springwater Park, including the Bylaws and the Condominium Subdivision Plan respectively attached thereto as Exhibits "A" and "B", recorded and amended as aforesaid, is hereby ratified, confirmed and redeclared.

**SPRINGWATER DEVELOPMENT, L.L.C.,**  
a Michigan Limited Liability Company.

By:

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Scott R. Jacobson

Its: Member

STATE OF MICHIGAN )  
COUNTY OF OAKLAND )  
 ) ss.

On this 10<sup>th</sup> day of March, 2003, the foregoing First Amendment to Master Deed was acknowledged before me by Scott R. Jacobson, member of Springwater Development, L.L.C., on behalf of said Limited Liability Company.

Charmaine Dickson, Notary Public  
Dakland County, Michigan  
My Commission Expires: 11/14/06

First Amendment to Master Deed  
Drafted by and When Recorded Return to:  
ROBERT M. MEISNER, ESQ.  
MEISNER & ASSOCIATES, P.C.  
30200 Telegraph Road, Suite 467  
Bingham Farms, Michigan 48025-4506  
(248) 644-4433

Charmaine Dickson  
Notary Public, Oakland County, MI  
My Commission Expires November 14, 2006

2003 FEB 20 P I: 25

Recorded February 20, 2003  
Liber 37475, Pages 785-903,  
Wayne County Records.  
Wayne County Condominium  
Subdivision Plan No. 693.  
Registration No. 203-071337.

BERNARD J. YOUNGBLOOD  
REGISTER OF DEEDS  
WAYNE COUNTY, MI.

## SPRINGWATER PARK II

### MASTER DEED

This Master Deed is made and executed on this 12<sup>th</sup> day of December, 2002, by Springwater Development, L.L.C., a Michigan Limited Liability Company, hereinafter referred to as "Developer", whose address is 32400 Telegraph Road, Suite 100, Bingham Farms, Michigan 48025-2460, in pursuance of the provisions of the Michigan Condominium Act (being Act 59 of the Public Acts of 1978, as amended), hereinafter referred to as the "Act".

#### WITNESSETH:

**WHEREAS**, the Developer desires by recording this Master Deed, together with the Bylaws attached hereto as Exhibit "A" and together with the Condominium Subdivision Plan attached hereto as Exhibit "B" (both of which are hereby incorporated by reference and made a part hereof), to establish the real property described in Article II below, together with the improvements located and to be located thereon, and the appurtenances thereto, as a residential Condominium under the provisions of the Act.

**NOW, THEREFORE**, the Developer does, upon the recording hereof, establish Springwater Park II as a Condominium under the Act and does declare that Springwater Park II (hereinafter referred to as the "Condominium", "Project" or the "Condominium Project") shall, after such establishment, be held, conveyed, hypothecated, encumbered, leased, rented, occupied, improved, or in any other manner utilized, subject to the provisions of the Act, and as same may be amended, and to the covenants, conditions, restrictions, uses, limitations and affirmative obligations set forth in this Master Deed and Exhibits "A" and "B" hereto, all of which shall be deemed to run with the land and shall be a burden and a benefit to the Developer, its successors and assigns, and any persons acquiring or owning an interest in the Condominium Premises, their grantees, successors, heirs, personal representatives and assigns. In furtherance of the establishment of the Condominium, it is provided as follows:

## ARTICLE I

### TITLE AND NATURE

The Condominium shall be known as Springwater Park II, Wayne County Condominium Subdivision Plan No. 693. The architectural plans and specifications for each Unit constructed or to be constructed in the Condominium have been or will be filed with the Township of Northville, Wayne County, Michigan. The Condominium is established in accordance with the Act. The buildings and Units contained in the Condominium, including the number, boundaries, dimensions, volume and area of each Unit therein, and the approximate location of Units not yet constructed, and the designation of Common Elements as General Common Elements or Limited Common Elements are set forth completely in the Condominium Subdivision Plan attached as Exhibit "B" hereto and/or in Article IV of this Master Deed. Each building contains individual Units created for residential purposes and each Unit is capable of individual utilization on account of having its own entrance from and exit to a Common Element of the Condominium. Each Co-owner in the Condominium shall have an exclusive right to his Unit and shall have an undivided and inseparable interest with the other Co-owners in the Common Elements of the Condominium and shall share with the other Co-owners the Common Elements of the Condominium as provided in this Master Deed. The provisions of this Master Deed, including, but without limitation, the purposes of the Condominium, shall not be construed to give rise to any warranty or representation, express or implied, as to the composition or physical condition of the Condominium, other than that which is expressly provided herein.

## ARTICLE II

### LEGAL DESCRIPTION

The land which is submitted to the Condominium established by this Master Deed is particularly described as follows:

LAND LOCATED IN PART OF THE N.E. 1/4 OF SECTION 13, T. 1 S., R. 8 E., TOWNSHIP OF NORTHVILLE, WAYNE COUNTY, MICHIGAN, BEING PART OF LOTS 5, 6 AND 7 "WILLIS SUBDIVISION" RECORDED IN LIBER 41, PAGE 87 WAYNE COUNTY RECORDS, MORE PARTICULARLY DESCRIBED AS:

COMMENCING AT THE N. 1/4 CORNER OF SECTION 13 AND PROCEEDING S. 84°56'24" E. 1306.77 FEET ALONG THE NORTH LINE OF SECTION 13, SAID LINE ALSO BEING THE CENTERLINE OF SIX MILE ROAD (120 FEET WIDE); THENCE S. 05°23'36" W. 60.00 FEET TO THE POINT OF BEGINNING LOCATED ON THE SOUTH RIGHT-OF-WAY LINE OF SIX MILE ROAD; THENCE ALONG SAID SOUTH LINE OF SIX MILE ROAD S. 84°56'24" E. 213.07 FEET; THENCE 42.40 FEET ALONG THE ARC OF A CURVE TO THE RIGHT, RADIUS 75.00 FEET, CENTRAL ANGLE 32°23'33" AND A CHORD THAT BEARS S. 21°15'23" W. 41.84 FEET; THENCE 36.75 FEET ALONG THE ARC OF A REVERSE CURVE TO THE LEFT, RADIUS 65.00 FEET, CENTRAL ANGLE 32°23'33" AND A CHORD THAT BEARS S. 21°15'23" W. 36.26 FEET; THENCE S. 05°03'36" W. 73.61 FEET; THENCE 95.85 FEET ALONG THE ARC OF A CURVE TO THE LEFT, RADIUS 135.97 FEET, CENTRAL

ANGLE 40°23'36" AND A CHORD THAT BEARS S. 15°08'12" E. 93.89 FEET; THENCE S. 35°20'00" E. 154.23 FEET; THENCE 55.89 FEET ALONG THE ARC OF A CURVE TO THE LEFT, RADIUS 315.00 FEET, CENTRAL ANGLE 10°10'00" AND A CHORD THAT BEARS S. 40°25'00" E. 55.82 FEET; THENCE S. 45°30'00" E. 63.46 FEET; THENCE S. 39°42'32" W. 160.56 FEET; THENCE S. 49°10'00" E. 60.78 FEET; THENCE S. 40°50'00" W. 205.05 FEET; THENCE N. 38°10'00" W. 360.44 FEET; THENCE N. 15°46'15" E. 162.45 FEET; THENCE N. 21°14'02" W. 63.02 FEET; THENCE 64.59 FEET ALONG THE ARC OF A CURVE TO THE RIGHT, RADIUS 167.72 FEET, CENTRAL ANGLE 22°03'55" AND A CHORD BEARING OF N. 74°37'24" W. 64.19 FEET; THENCE N. 63°35'26" W. 28.34 FEET; THENCE N. 26°24'34" E. 229.41 FEET; THENCE N. 05°03'36" E. 53.39 FEET TO THE POINT OF BEGINNING CONTAINING 4.43 ACRES MORE OR LESS.

ITEM NO. \_\_\_\_\_

## ARTICLE III

### DEFINITIONS

Certain terms are utilized not only in this Master Deed and Exhibits "A" and "B" hereto, but are or may be used in various other instruments such as, by way of example and not limitation, the Articles of Incorporation and rules and regulations of Springwater Park II Association, a Michigan Nonprofit Corporation, and deeds, mortgages, liens, land contracts, easements and other instruments affecting the establishment of, or transfer of, interests in Springwater Park II as a condominium. Wherever used in such documents or any other pertinent instruments, the terms set forth below shall be defined as follows:

Section 1. Act. "Act" means the Michigan Condominium Act, being Act 59 of the Public Acts of 1978, as amended.

Section 2. Arbitration Association. "Arbitration Association" means the American Arbitration Association or its successor.

Section 3. Association. "Association" means Springwater Park II Association, which is the nonprofit corporation organized under Michigan law of which all Co-owners shall be members, which corporation shall administer, operate, manage and maintain the Condominium. Any action required of or permitted to the Association shall be exercisable by its Board of Directors unless specifically reserved to its members by the Condominium Documents or the laws of the State of Michigan.

Section 4. Board of Directors or Board. "Board of Directors" or "Board" means the Board of Directors of Springwater Park II Association, a Michigan nonprofit corporation organized to manage, maintain and administer the Condominium.

Section 5. Bylaws. "Bylaws" means Exhibit "A" hereto, being the Bylaws setting forth the substantive rights and obligations of the Co-owners and required by Section 3(8) of the Act

to be recorded as part of the Master Deed. The Bylaws shall also constitute the Corporate Bylaws of the Association as provided for under the Michigan Nonprofit Corporation Act.

Section 6. Common Elements. "Common Elements", where used without modification, means both the General and Limited Common Elements described in Article IV hereof.

Section 7. Condominium Documents. "Condominium Documents" wherever used means and includes this Master Deed and Exhibits "A" and "B" hereto, and the Articles of Incorporation, Bylaws and rules and regulations, if any, of the Association as all of the same may be amended from time to time.

Section 8. Condominium Premises. "Condominium Premises" means and includes the land described in Article II above, and the buildings, improvements and structures thereon, and all easements, rights and appurtenances belonging to Springwater Park II as described above.

Section 9. Condominium Project, Condominium or Project. "Condominium Project", "Condominium" or "Project" means Springwater Park II as a Condominium established in conformity with the provisions of the Act.

Section 10. Condominium Subdivision Plan. "Condominium Subdivision Plan" means the Condominium Subdivision Plan of Springwater Park II as surveyed by Zeimet/Wozniak & Associates, Inc., of 28450 Franklin Road, Southfield, Michigan 48034, which is attached as Exhibit "B" hereto, and all amendments and re-plats thereof which from time to time may be recorded in the office of the Wayne County Register of Deeds.

Section 11. Construction and Sales Period. "Construction and Sales Period" means the period commencing with the recording of the Master Deed and, unless earlier terminated by the Developer in a signed writing in recordable form which the Developer causes to be delivered to the Association, continuing as long as the Developer owns any Unit in the Condominium and/or which it offers for sale, continues to construct or proposes to construct additional Units in the Condominium or has the right in accordance with the Act and Article VI of this Master Deed to add to the Condominium the Area of Future Development, or any portion thereof, and to construct additional Units therein, whichever date shall last occur, and thereafter, in any such event, for the applicable warranty period in regard to all such Units.

Section 12. Co-owner. "Co-owner" means a person, firm, corporation, partnership, limited liability company, limited liability partnership, association, trust or other legal entity or any combination thereof who or which own one or more Units in the Condominium, and shall include a land contract vendee. The term "Owner", wherever used, shall be synonymous with the term "Co-owner", unless otherwise specified.

Section 13. Developer. "Developer" means Springwater Development, L.L.C., a Michigan Limited Liability Company, which has made and executed this Master Deed, and its successors and assigns. Both successors and assigns shall always be deemed to be included

within the term "Developer" whenever, however, and wherever such term is used in the Condominium Documents.

Section 14. First Annual Meeting. "First Annual Meeting" means the initial meeting at which non-Developer Co-owners are permitted to vote for the election of all directors and upon all other matters which may properly be brought before the meeting. Such meeting is to be held: (a) in the Developer's sole discretion either before or after fifty (50%) percent of the Units which may be created are sold, or (b) mandatorily after the elapse of fifty-four (54) months from the date of the first Unit conveyance, or (c) mandatorily after seventy-five (75%) percent of all Units which may be created are sold, whichever first occurs.

Section 15. HPUD or Haggerty Road Planned Unit Development Agreement. "HPUD" or "Haggerty Road Planned Unit Development Agreement" means the agreement entered into between Grand Sakwa of Springwaters, L.L.C., a Michigan Limited Liability Company, and the Township of Northville, a Michigan Municipal Corporation, dated April 28, 1999, and recorded with the Wayne County Register of Deeds office which is referenced in Article X, Section 5 hereinbelow, and which governs and shall be binding on the Developers, successors and assigns of this Condominium Project, of the adjacent two (2) proposed commercial sites, and of the adjacent subdivision, Brookstone Village Subdivision No. 2.

Section 16. Master Deed; Consolidating Master Deed. "Master Deed" means this Master Deed, as the same from time to time hereafter may be amended by one or more instrument(s) duly executed and acknowledged in accordance with the requirements of the Master Deed, the Act and other applicable laws, if any, of the State of Michigan, and duly recorded in the office of the Wayne County Register of Deeds, being the Condominium Document recording the Condominium Project which is required by Section 8 of the Act. "Consolidating Master Deed" means the final amended Master Deed which, if and when recorded in the office of the Wayne County Register of Deeds, shall describe Springwater Park II as a completed Condominium Project and shall reflect the entire land area added to the Condominium from time to time, and all Units and Common Elements therein, and which shall express percentages of value pertinent to each Unit as finally re-adjusted. If a Consolidating Master Deed is required pursuant to an expansion of the Condominium under Article VI hereinbelow, such Consolidating Master Deed, when recorded in the office of the Wayne County Register of Deeds, shall supersede the previously recorded Master Deed for the Condominium and all prior amendments thereto and restatements thereof.

Section 17. Springwater Park. "Springwater Park" means the adjacent Condominium Project which is located southeasterly of this Condominium Project pursuant to the Master Deed thereof recorded at Liber 33320, Pages 659-783, inclusive, as amended, Wayne County Records, and known as Wayne County Subdivision Plan Number 598.

Section 18. Transitional Control Date. "Transitional Control Date" means the date on which a Board of Directors of the Association takes office pursuant to an election in which the votes which may be cast by eligible Co-owners unaffiliated with the Developer exceed the votes which may be cast by the Developer.

Section 19. Unit or Condominium Unit. "Unit" or "Condominium Unit" each mean the enclosed space constituting a single complete residential Unit in Springwater Park II as such space may be described in Exhibit "B" hereto and in Article V, Section 1 below, and shall have the same meaning as the term "Condominium Unit" as defined in the Act.

Other terms which may be utilized in the Condominium Documents and which are not defined hereinabove shall have the meanings as provided in the Act.

Whenever any reference herein is made to one gender, the same shall include a reference to any and all genders where same would be appropriate; similarly, whenever a reference is made herein to the singular, a reference shall also be included to the plural where the same would be appropriate.

## ARTICLE IV

### COMMON ELEMENTS AND MAINTENANCE, REPAIR AND REPLACEMENT RESPONSIBILITIES

The Common Elements of the Condominium, described in Exhibit "B" attached hereto, and the respective responsibilities for maintenance, decoration, repair or replacement thereof, and for the off-site beneficial easements, as described in Section 4 hereinbelow of this Article IV, are as follows::

Section 1. General Common Elements. The General Common Elements are:

- (a) Land. The land described in Article II hereof, including the roads, walkways, drives not identified as Limited Common Elements, landscaping and other common areas, when included as a part of the Condominium (subject to the rights of the public, if any, over any portions of rights-of-way). Notwithstanding the foregoing, the Association may, in its discretion, assign General Common Element parking spaces, if any, to individual Co-owners on an equitable basis as may be determined by the Board of Directors, subject to the provisions of Article VI, Section 8 of the Bylaws (Exhibit "A" hereto). Further, the Developer may, in its discretion, assign General Common element parking spaces to individual Co-owners on an equitable basis as may be determined by the Developer at any time during the Construction and Sales Period, which assignment

shall supersede any assignment by the Association to the extent there is a conflict.

- (b) Proposed Open Spaces, Woodlands and Wetlands. In the event the Condominium is expanded to include the pertinent Area of Future Development as depicted on Exhibit "B" hereto, open spaces, woodlands and wetlands may be contained in the Condominium, which may also include any pedestrian walkway, bike path and/or boardwalk crossings to be constructed therein. No improvement of any kind whatsoever may be installed or constructed within the open spaces without the prior approval of the Township of Northville.
- (c) Electrical. The electrical transmission system throughout the Condominium, including that contained within Unit walls, up to the point of connection with, but not including, electrical fixtures, plugs and switches within any Unit.
- (d) Telephone. The telephone system throughout the Condominium up to the point of entry to each Unit.
- (e) Gas. The gas distribution system throughout the Condominium, including that contained within Unit walls, up to the point of connection with gas fixtures within any Unit.
- (f) Water. The water distribution system throughout the Condominium, including that contained within Unit walls, up to the point of connection with the fixtures or their apparatuses (i.e. hoses, etc.) for and contained in an individual Unit.
- (g) Sanitary Sewer. The sanitary sewer system throughout the Condominium, including that contained within Unit walls, up to the point of connection with plumbing fixtures within any Unit.
- (h) Telecommunications. The telecommunications system, if and when it may be installed, up to, but not including, connections to provide service to individual Units.
- (i) Underground Lawn Irrigation System. The underground lawn irrigation system throughout the Condominium, the control clocks, water shut-off valves and water meters located in Limited Common Element water meter rooms or on the exteriors of buildings throughout the Condominium.

- (j) Storm Sewer. The storm sewer system throughout the Project as depicted on Exhibit "B" attached hereto.
- (k) Site Lighting. The site lighting contained throughout the Condominium including the house meters for same located on the buildings' exteriors.
- (l) Foundations and Structural Components. Foundations, supporting columns, Unit perimeter walls (excluding windows and doors therein), roofs, ceilings and floor construction between Unit levels.
- (m) Centralized Mail Box System. The centralized mail box system as depicted on Exhibit "B" hereto.
- (n) Entranceway Signage. The entranceway signage depicting the Condominium Development adjacent to Six Mile Road as located in the Condominium.
- (o) Other. Such other elements of the Condominium not herein designated as General or Limited Common Elements which are not enclosed within the boundaries of a Unit, and which are intended for common use or necessary to the existence, upkeep and safety of the Condominium.

Some or all of the utility lines, systems (including mains and service leads) and equipment, the cable television system, and the telecommunications system, if and when constructed, described above may be owned by the local public authority or by the company that is providing the pertinent service. Accordingly, such utility lines, systems and equipment, and the cable television and telecommunications systems, if and when constructed, shall be General Common Elements only to the extent of the Co-owners' interest therein, if any, and Developer makes no warranty whatsoever with respect to the nature or extent of such interest, if any.

Section 2. Limited Common Elements. The Limited Common Elements shall be subject to the exclusive use and enjoyment of the Co-owner or Co-owners of the Unit or Units to which the Limited Common Elements are appurtenant. The Limited Common Elements are as follows:

- (a) Porches and Walkways. Each porch and each walkway extending therefrom in the Condominium are restricted in use to the Co-owner of the Unit(s) which open(s) onto such porch, as depicted on Exhibit "B" hereto.
- (b) Balconies. Each balcony appurtenant to such Unit, as depicted on Exhibit "B" hereto, is restricted in use to the Co-owner of the Unit which opens onto such balcony.

- (c) Patios for the "200 Type" Units, Only. Each "200 type" Unit, as depicted on Exhibit "B" hereto, will have a Limited Common Element patio appurtenant to such Unit as depicted on Exhibit "B" hereto, is restricted in use to the Co-owner of the Unit which opens onto such patio.
- (d) Driveways; Garage Doors and Electric Openers, and Garage Floors. The driveway to the garage(s), the garage door, electric opener and garage floor shall be limited in use to the Co-owner(s) of the Unit to which the garage and appurtenant driveway are attached.
- (e) Air Conditioner Compressors and Pads. Each air conditioner compressor and pad, if any, located outside of a Unit shall be limited in use to the Co-owner of the Unit which such compressor services.
- (f) Unit Windows, Doors and Doorwalls. Unit windows, doors and doorwalls, if any, and storms and screens therefor, shall be limited in use to the Co-owners of Units which they service.
- (g) Exterior Photocell Lights. The exterior photocell light attached to each Unit and/or garage shall be limited in use to the Co-owner of the Unit to which the exterior photocell light is attached.
- (h) Water Meter Room. The water meter room containing the fire suppression system controls, irrigation controls and meters and the domestic water meters located in each building shall be limited in use to the Co-owners of the Units which are located in the building in which the water meter room is contained.
- (i) Sump Pump(s). The sump pump(s) located in each building shall be limited in use to the Units which are located in the building in which the sump pump(s) is contained.
- (j) Attic Areas. The attic areas located above the uppermost floors of each building are limited in use to those Units located directly under with access to the attic space appurtenant to their Unit. Co-owners may not use their attic space for storage of personal property since they were not designed for weight bearing purposes.
- (k) Interior Surfaces. The interior surfaces of Unit perimeter walls, ceilings and floors contained within a Unit shall be subject to the exclusive use and enjoyment of the Co-owner of such Unit.

Section 3. Responsibilities. The respective responsibilities for the maintenance, decoration, repair and replacement of the Common Elements and other areas, unless

undertaken by the Haggerty Road Development Association as provided in Article X, Section 5 hereinbelow, are as follows:

- (a) Proposed Open Spaces, Woodlands and Wetlands. In the event the Condominium is expanded to include the open spaces, woodlands and wetlands as provided in Section 1 (b) hereinabove, no improvement shall be installed or constructed within the Open Space Areas without prior approval of the Township of Northville Building Department. The open space parks and areas may only be used for recreation and open space purposes. The costs of maintenance, repair and replacement of the open spaces, woodlands, wetlands, and any pedestrian walkway, bike path and/or boardwalk crossings shall be borne by the Association.
- (b) Landscape and Woodlands Preservation. The costs of maintenance, repair and replacement of all landscaping at the Condominium, unless specifically delegated to a Co-owner through duly adopted rules and regulations of the Association, shall be borne by the Association. Only low phosphorus fertilizers shall be used at the Condominium. Any trees required by the approved Landscape Plan (attached as Exhibit "J" to the Haggerty Road Planned Unit Development Agreement) located within the Condominium Project and/or at entrance to the Condominium Project which become unhealthy or die shall be replaced by the Association with a similar type and size as the type and size initially required. Any dead grass on the perimeter of the Project, visible from Haggerty Road or from Six Mile Road, shall be replaced within the next period suitable for planting of grass as provided by any written notice received from Northville Township. All tree and woodland maintenance, repair, replacement and relocation shall be performed in accordance with the terms and requirements of Article 23 of the Northville Township Zoning Ordinance: Tree and Woodlands Replacement as may be amended.
- (c) Patios for the "200 Type" Units, Only. The maintenance, repair and replacement of the patios appurtenant to the "200 type" Units referenced in Article IV, Section 2 (c) hereinabove shall be borne by the Co-owner of the Unit to which the patio is attached. Any such maintenance, repair and replacement shall be performed in accordance with rules and regulations of the Association, if any, regulating materials, color, and any other related aspects of the patio.
- (c) Driveways; Garage Doors and Electric Openers, and Garage Floors. The costs of maintenance, repair and replacement of the driveways, and repair and replacement (but not maintenance) of the garage floors, referenced in this Article IV, Section 2 (d) hereinabove, shall be borne by the Association. The costs of maintenance of each garage floor and of

maintenance, repair and replacement of each garage door and electric garage door opener referenced in Article IV, Section 2(d) hereinabove shall be borne by the Co-owner of the Unit to which such Limited Common Elements are appurtenant; provided, however, that the Association shall have the responsibility to paint the garage doors; and provided, further, that any maintenance, repair and/or replacement of the garage doors which creates a change in the exterior appearance of said Limited Common Element shall be subject to the prior, express written approval of the Board of Directors of the Association, pursuant to the provisions of Article VI, Section 3 of the Bylaws (Exhibit "A" hereto) and subject to the written approval of the Developer during the Construction and Sales Period pursuant to the provisions of Article VI, Section 16 of the Bylaws.

- (c) Air Conditioner Compressors and Pads. The costs of maintenance, repair and replacement of each air conditioner compressor, if any, referenced in Article IV, Section 2(e) hereinabove shall be borne by the Co-owner of the Unit to which such air conditioner compressor is appurtenant. The costs of maintenance, repair and replacement of the pad, if any, under each air conditioner compressor shall be borne by the Association.
- (d) Unit Windows, Doors and Doorwalls. The costs of maintenance, repair and replacement of all Unit windows, doors, doorwalls, if any, and storms and screens therefor, as referenced in Article IV, Section 2(f) hereinabove shall be borne by the Co-owner of the Unit to which such Limited Common Elements are appurtenant. The style and color of each door, storm door, screen door, window, screen window and/or storm window described herein shall be subject to the prior express written approval of the Board of Directors of the Association, pursuant to the provisions of Article VI, Section 3 of the Bylaws (Exhibit "A" hereto) and subject to the written approval of the Developer during the Construction and Sales Period pursuant to the provisions of Article VI, Section 16 of the Bylaws.
- (e) Exterior Photocell Lights. The costs of electricity, maintenance, repair, and replacement of each exterior photocell light referenced in Article IV, Section 2(g) hereinabove shall be borne by the Co-owner of the Unit to which each photocell light is attached.
- (f) Interior Surfaces. The costs of decoration and maintenance (but not repair or replacement except in cases of Co-owner fault) of all surfaces referenced in Article IV, Section 2(j) hereinabove shall be borne by the Co-owner of each Unit to which such Limited Common Elements are

appurtenant. Notwithstanding anything herein to the contrary, the costs of repair and replacement of any drywall damaged from the inside of the Unit shall be borne by the Co-owner of the Unit.

- (g) Other Common Elements. The costs of maintenance, repair and replacement of all General and Limited Common Elements other than as described above shall be borne by the Association, subject to any provisions of the Bylaws (Exhibit "A" hereto) expressly to the contrary.
- (h) Public Utilities. Public utilities furnishing services such as electricity and telephone to the Condominium shall have access to the Common Elements and Condominium Units as may be reasonable for the reconstruction, repair or maintenance of such services, and any costs incurred in opening and repairing any wall of the Condominium to reconstruct, repair or maintain such service shall be borne by the individual Co-owners and/or by the Association, as the case may be, as set forth in the provisions of this Article IV, Section 3.

Section 4. Responsibilities for Off-Site Beneficial Easements. The respective responsibilities for the maintenance, decoration, repair and replacement of the off-site beneficial easements, are as follows:

- (a) Shared Common Elements of and with the Adjacent Condominium, Springwater Park, Wayne County Condominium Subdivision Plan No. 598.
  - (i) Springwater Drive. The costs of maintenance, repair and replacement of the portion of the private road designated as Springwater Drive which is located in the adjacent Condominium, Springwater Park, shall be shared by this Condominium and by the adjacent Condominium, Springwater Park, in accordance with the cost sharing formula established in Article X, Section 2.A. hereinbelow. Likewise, the costs of maintenance, repair and replacement of the portion of the private road designated as Springwater Drive which is located in this Condominium shall be shared by this Condominium and by the adjacent Condominium, Springwater Park, in accordance with the cost sharing formula established in Article X, Section 2.C. hereinbelow.
  - (ii) Utility Mains and Retention Area. The costs of maintenance, repair and replacement of the shared utility mains and retention area located in the adjacent Condominium, Springwater Park, shall be shared by this Condominium and by the adjacent Condominium, Springwater Park, in accordance with the cost sharing formula established in Article X, Section 4.A. hereinbelow.

Likewise, the costs of maintenance, repair and replacement of the shared utility mains located in the this Condominium Project shall be shared by this Condominium and by the adjacent Condominium, Springwater Park, in accordance with the cost sharing formula established in Article X, Section 4.B. hereinbelow

Section 5. Use of Units and Common Elements. No Co-owner shall use his Unit or the Common Elements in any manner inconsistent with the purposes of the Condominium or in any manner which will interfere with or impair the rights of any other Co-owner in the use and enjoyment of his Unit or the Common Elements.

## ARTICLE V

### UNIT DESCRIPTION AND PERCENTAGE OF VALUE

Section 1. Description of Units. Each Unit in the Condominium is described in this Section with reference to the Condominium Subdivision Plan of Springwater Park II as surveyed by Zeimet/Wozniak & Associates, Inc., and which Plan is attached hereto as Exhibit "B".

Each "100 type" Unit, as depicted on Exhibit "B" hereto, shall include: (1) with respect to garage level of each Unit, all that space contained within the unpainted surfaces of the garage floor and walls and the uncovered underside of the first-floor joists, including the stairwells; and (2) with respect to the upper floors of each Unit, all that space contained within the interior finished unpainted walls and ceilings and from the finished sub-floor, including the stairwells, all as shown on the floor plans and sections in Exhibit "B" hereto and delineated with heavy outlines.

Each "200 type" Unit, as depicted on Exhibit "B" hereto, shall include: (1) with respect to the lower level of each Unit, all that space contained within the finished surface of the concrete slab and the interior finished unpainted walls and ceilings of the first floor, including the stairwells; (2) with respect to the first floor of each Unit, all that space contained within the unpainted surfaces of the garage floor and walls and the uncovered underside of the first-floor joists, and all that space contained within the interior finished unpainted walls and ceilings and from the finished sub-floor, including the stairwells; and (3) with respect to the upper floors of each Unit, all that space contained within the interior finished unpainted walls and ceilings and from the finished sub-floor, including the stairwells, all as shown on the floor plans and sections in Exhibit "B" hereto and delineated with heavy outlines.

Each "300 type" Unit, as depicted on Exhibit "B" hereto, shall include: (1) with respect to the garage portion of each Unit, all that space contained within the unpainted surfaces of the garage floor concrete slab and the walls and the uncovered underside of the first-floor

joists, including the stairwells; and (2) with respect to the upper floors of each Unit, all that space contained within the interior finished unpainted walls and ceilings and from the finished sub-floor, including the stairwells, all as shown on the floor plans and sections in Exhibit "B" hereto and delineated with heavy outlines.

Notwithstanding anything hereinabove to the contrary, although within the boundaries of a Unit for purposes of computation of square footage in the Condominium Subdivision Plan, the Co-owner of a Unit shall not own or tamper with any structural components contributing to the support of the building in which such Unit is located, including but not limited to support columns, nor any pipes, wires, conduits, ducts, flues, shafts or public utility lines situated within such Unit which service or comprise the Common Elements or a Unit or Units in addition to the Unit where located. Easements for the existence, maintenance and repair of all such structural components shall exist for the benefit of the Association and, to the extent applicable, the Developer during the Construction and Sales Period.

Section 2. Percentages of Value. The percentage of value assigned to each Unit shall be equal. The determination that percentages of value shall be equal was made after reviewing the comparative characteristics of each Unit in the Condominium which would affect maintenance costs and value and concluding that there are not material differences among the Units insofar as the allocation of percentages of value is concerned. The percentage of value assigned to each Unit shall be determinative of each Co-owner's undivided interest in the Common Elements, the proportionate share of each respective Co-owner in the proceeds and expenses of administration and the value of such Co-owner's vote at meetings of the Association of Co-owners. The total value of the Project is one hundred percent (100%). Each Unit number as it appears on the Condominium Subdivision Plan.

Section 3. Modification of Units and Common Elements by Developer. The size, location, nature, style, type, design or elevation of Units and/or General or Limited Common Elements appurtenant or geographically proximate to any Units described in Exhibit "B", as same may be revised or amended from time to time, may be modified, in Developer's sole discretion, by amendment to this Master Deed effected solely by the Developer and its successors without the consent of any person so long as such modifications do not unreasonably impair or diminish the appearance of the Condominium or the privacy or other significant attribute or amenity of any Unit which adjoins or is proximate to the modified Unit or Limited Common Element. All of the Co-owners and mortgagees of Units and other persons interested or to become interested in the Condominium from time to time shall be deemed to have unanimously consented to such amendment or amendments to this Master Deed to effectuate the foregoing. All such interested persons irrevocably appoint Developer or its successors and assigns as agent and attorney for the purpose of execution of such amendment or amendments to the Master Deed and all other documents necessary to effectuate the foregoing.

Section 4. Relocation of Boundaries of Adjoining Units by Co-owners. Boundaries between adjoining Condominium Units may be relocated at the request of the Co-owners of

such adjoining Condominium Units and upon approval of the affected mortgagees of these Units. Upon written application of the Co-owners of the adjoining Condominium Units, and upon the approval of said affected mortgagees, the Board of Directors of the Association shall forthwith prepare and execute an amendment to the Master Deed duly relocating the boundaries pursuant to the Condominium Documents and the Act. Such an amendment to the Master Deed shall identify the Condominium Units involved and shall state that the boundaries between those Condominium Units are being relocated by agreement of the Co-owners thereof and such amendment shall contain the conveyance between those Co-owners. All of the Co-owners and mortgagees of Units and other persons interested or to become interested in the Condominium from time to time shall be deemed to have irrevocably and unanimously consented to such amendment of this Master Deed to effectuate the foregoing. All such interested persons irrevocably appoint the Association, through its Board of Directors, as agent and attorney for the purpose of execution of such amendment to the Master Deed and all other documents necessary to effectuate the foregoing. Such amendment may be effected without the necessity of re-recording an entire Master Deed or the Exhibits thereto and may incorporate by reference all or any pertinent portions of this Master Deed and the Exhibits hereto. The amendment shall be delivered to the Co-owners of the Condominium Units involved upon payment by them of all reasonable costs for the preparation and recording thereof which may be assessed to and collected from the responsible Co-owner(s) in the manner provided in Article II of the Bylaws attached hereto as Exhibit "A".

## ARTICLE VI

### EXPANSION OF CONDOMINIUM

Section 1. Area of Future Development. The Condominium Project established pursuant to the initial Master Deed of Springwater Park II and consisting of fifty-four (54) Units is intended to be the first phase of an expandable Condominium under the Act to contain units in its entirety of up to one hundred fourteen (114) Units. Additional Units, if any, will be constructed upon all or some portion or portions of the following described land:

LAND LOCATED IN PART OF THE N.E. 1/4 OF SECTION 13, T. 1 S., R. 8 E., TOWNSHIP OF NORTHLAKE, WAYNE COUNTY, MICHIGAN, BEING PART OF LOTS 6 AND 7 "WILLIS SUBDIVISION" RECORDED IN LIBER 41 PAGE 87 WAYNE COUNTY RECORDS AND PART OF LOTS 8 AND 9 "WOLFBROOK ESTATES" RECORDED IN LIBER 69, PAGE 19 WAYNE COUNTY RECORDS, MORE PARTICULARLY DESCRIBED AS:

COMMENCING AT THE N. 1/4 CORNER OF SECTION 13 AND PROCEEDING S. 84°56'24" E. 705.21 FEET ALONG THE NORTH LINE OF SECTION 13, SAID LINE ALSO BEING THE CENTERLINE OF SIX MILE ROAD (120 FEET WDE); THENCE S. 05°03'36" W. 60.00 FEET TO THE POINT OF BEGINNING LOCATED ON THE SOUTH RIGHT-OF-WAY LINE OF SIX MILE ROAD; THENCE ALONG SAID SOUTH LINE OF SIX MILE ROAD S. 84°56'24" E. 601.56 FEET; THENCE S. 05°03'36" W. 53.39 FEET; THENCE S. 26°24'34" W. 229.41 FEET; THENCE S. 63°35'26" E. 28.34 FEET; THENCE 64.59 FEET ALONG THE ARC OF A CURVE TO THE LEFT RADIUS 167.72 FEET, CENTRAL ANGLE 22°03'55" AND A CHORD THAT BEARS S. 74°37'24" E. 64.19 FEET; THENCE S. 21°14'02" E. 63.02 FEET; THENCE S. 15°46'15" W. 162.45 FEET; THENCE S. 38°10'00" E. 84.27 FEET; THENCE THE FOLLOWING THREE (3) COURSES ALONG "BROOKSTONE VILLAGE SUBDIVISION

NO. 2" RECORDED IN LIBER 116, PAGES 64 AND 65 WAYNE COUNTY RECORDS S. 84°43'26" W. 182.21 FEET, N. 83°50'26" W. 90.03 FEET AND S. 88°30'00" W. 191.95 FEET; THENCE THE FOLLOWING TWO (2) COURSES ALONG "BROOKSTONE VILLAGE SUBDIVISION" RECORDED IN LIBER 109, PAGE 8 THROUGH 13 INCLUSIVE WAYNE COUNTY RECORDS N. 85°24'09" W. 151.35 FEET AND N. 00°17'44" E. 622.66 FEET TO THE POINT OF BEGINNING CONTAINING 7.93 ACRES MORE OR LESS, AND SUBJECT TO ALL OTHER LAWFUL EASEMENTS, RESTRICTIONS, AND RIGHT-OF-WAYS OF RECORD AND ALL GOVERNMENTAL LIMITATIONS.

ITEM NO. \_\_\_\_\_

(hereinafter referred to as "Area of Future Development").

Section 2. Increase in Number of Units. Any other provisions of this Master Deed notwithstanding, the number of Units in the Condominium may, at the option of the Developer or its successors or assigns, from time to time, within a period ending no later than six (6) years from the date of recording this Master Deed, be increased by the addition to this Condominium of any portion of the Area of Future Development and the construction of residential Units thereon, and/or by the convertible process described in Article VIII hereinbelow. This period may be extended with the prior approval of sixty-six and two-thirds (66-2/3%) of all Co-owners eligible to vote. The location, nature, appearance, design (interior and exterior) and structural components of all such additional Units as may be constructed thereon shall be determined by the Developer in its sole discretion. One-hundred percent (100%) of all additional Unit areas will be devoted to residential use.

Section 3. Expansion Not Mandatory. Nothing herein contained shall in any way obligate Developer to enlarge the Condominium beyond the phase established by this Master Deed and Developer (or its successors and assigns) may, in its discretion, establish all or a portion of said Area of Future Development as a rental development, a separate Condominium Project (or Projects), or any other form of development or retain same as undeveloped land. There are no restrictions on the election of the Developer to expand the Condominium other than as explicitly set forth herein. There is no obligation on the part of the Developer to add to the Condominium all or any portion of the Area of Future Development described in this Article VI nor is there any obligation to add portions thereof in any particular order nor to construct particular improvements thereon in any specific locations.

## ARTICLE VII

### CONTRACTION OF CONDOMINIUM

Section 1. Contractible Area. Although the Condominium established pursuant to this Master Deed of Springwater Park II consists of fifty-four (54) Units, and this Condominium may be expanded to contain a maximum of one hundred and fourteen (114) Units as provided in Article VI hereinabove and in Article VIII hereinbelow, the Developer hereby reserves the right within a period ending no later than six (6) years from the date of recording of this Master Deed to contract the size of the Condominium so as to contain eight (8) Units or more by withdrawing Units 9-54, by withdrawing any Units added pursuant to an expansion under

Article VI, by withdrawing the roads and/or utilities which are not needed to service the remaining Units (unless use and access easements are provided), or any portion thereof, from the Condominium (labeled "need not be built" on the Condominium Subdivision Plan, as may be amended, attached hereto as Exhibit "B" and hereinafter referred to as "Contractible Area"). Developer reserves the right to use a portion of the land so withdrawn to establish, in its sole discretion, a rental development, a separate condominium project (or projects), or any other form of development. Developer further reserves the right, subsequent to such withdrawal but prior to six (6) years from the date of recording this Master Deed, to expand the Project so reduced to include all or any portion of the land so withdrawn.

Section 2. Decrease in Number of Units. Any other provisions of this Master Deed to the contrary notwithstanding, the number of Units in this Condominium Project may, at the option of the Developer or its successors or assigns, from time to time, within a period no later than six (6) years from the date of recording this Master Deed, be reduced to no less than eight (8) Units by withdrawing any Units identified as the Contractible Area from the Condominium. This period may be extended with the prior approval of sixty-six and two-thirds percent (66-2/3%) of all Co-owners who are eligible to vote. There are no restrictions on the election of the Developer to contract the size of the Condominium other than as explicitly set forth herein. There is no obligation on the part of the Developer to withdraw portions of the Contractible Area from the Condominium in any particular order.

Section 3. Statutory Right to Contract Undeveloped Portions of Condominium. The Act provides that, if the Developer has not completed development and construction of the entire Condominium Project as may be expanded, including proposed improvements whether identified as "must be built" or "need not be built" in this Master Deed and/or on Exhibit "B" hereto, the Developer, its successors or assigns have the right to withdraw from the Project all undeveloped portions of the Project without the prior consent of any Co-owners, mortgagees of Units in the Project, or any other party having an interest in the Project during a period ending six (6) years from the date the Developer exercised its rights with respect to either expansion, contraction or convertibility, whichever right was exercised last, or within ten (10) years from the date of commencement of construction of the Condominium Project if no expansion, contraction or conversion has occurred. The undeveloped portions of the Project withdrawn shall also automatically be granted easements for utility and access purposes through the Condominium Project for the benefit of the undeveloped portions of the Project. If the Developer does not withdraw the undeveloped portions of the Project from the Project before the expiration of the six (6) year time period previously described, i.e., six (6) years from the date of the last expansion, contraction or conversion of this Project, or within ten (10) years from the date of commencement of construction, if no expansion, contraction or conversion has occurred, such lands shall remain part of the Project as General Common Elements and all rights to construct Units upon that land shall cease. In such event, if it becomes necessary to adjust percentages of value as a result of fewer Units existing, a Co-owner or the Association may bring an action to require revisions to the percentages of value pursuant to the Act.

## ARTICLE VIII

### CONVERTIBLE AREA

Section 1. Convertible Area. The Developer intends to construct the Units in the Condominium as indicated on the Condominium Subdivision Plan (Exhibit "B" hereto). However, the Developer hereby reserves the right to convert the area designated as a Unit, the General Common Element areas immediately adjacent to the Units and/or immediately adjacent to the Limited Common Elements and/or the area designated as the convertible area on Exhibit "B" hereto, as the need arises, in order to create additional Common Elements, to make reasonable changes to Unit types and sizes, Limited Common Element types and sizes, and to increase or decrease the immediately adjacent common area sizes accordingly. The Developer further hereby reserves the right to create additional Limited Common Elements within any portion of the Condominium and/or to designate those Common Elements therein which may be subsequently assigned as Limited Common Elements.

Section 2. Time Period in Which to Exercise Option to Convert. The Developer's option to convert certain areas of the Condominium as provided in Section 1 above shall expire six (6) years from the date of recording of this Master Deed and may be exercised at one time or at different times within said six (6) year period as the Developer, in its sole discretion, may elect. This period may be extended with the prior approval of sixty-six and two-thirds (66-2/3%) of all Co-owners eligible to vote.

Section 3. Conversion Not Mandatory. Nothing herein contained shall in any way obligate Developer to convert the Convertible Area. There are no restrictions on the election of the Developer to convert the Convertible Area other than as explicitly set forth herein. There is no obligation on the part of the Developer to convert the Convertible Area described in this Article VIII in any particular order nor to construct particular improvements thereon in any specific locations.

## ARTICLE IX

### OPERATIVE PROVISIONS

Any expansion, contraction or conversion in the Project pursuant to Articles VI, VII or VIII above shall be governed by the provisions as set forth below:

Section 1. Amendment of Master Deed and Modification of Percentages of Value. Such expansion, contraction or conversion of this Condominium Project shall be given effect by an appropriate amendment or amendments to this Master Deed in the manner provided by law, which amendment or amendments shall be prepared by and at the discretion of the Developer or its successors and assigns and in which the percentages of value set forth in Article V hereof shall be proportionately readjusted in order to preserve a total value of one

hundred percent (100%) for the entire Condominium resulting from such amendment or amendments to this Master Deed. The precise determination of the readjustment in the percentages of value shall be made within the sole judgment of Developer. Such readjustments, however, shall reflect a continuing reasonable relationship among percentages of value based upon the method of original determination of percentages of value for the Condominium.

Section 2. Redefinition of Common Elements. Such amendment or amendments to the Master Deed shall also contain such further definitions and redefinitions of General or Limited Common Elements as may be necessary to adequately describe, serve and provide access to the additional parcel or parcels being added or converted in Springwater Park II by such amendment pursuant to Articles VI, VII or VIII above. In connection with any such amendment(s), Developer shall have the right to change the nature of any Common Element previously included in the Condominium for any purpose reasonably necessary to achieve the purposes of said Articles, including, but not limited to, the connection of roadways in the Condominium to any roadways that may be located on, or planned for the parcel or parcels of the Area of Future Development or the Contractible Area withdrawn from the Condominium, and to provide access to any Unit that is located on, or planned for said parcel or parcels of the Area of Future Development or the Contractible Area from the roadways located in the Condominium.

Section 3. Consolidating Master Deed. In the event this Master Deed is amended from time to time to expand the size of the Condominium, as provided in Article VI hereinabove, a Consolidating Master Deed shall be recorded pursuant to the Act when the Condominium is finally concluded as determined by Developer in order to incorporate into one set of instruments all successive stages of development. The Consolidating Master Deed, when recorded, shall supersede the previously recorded Master Deed and all amendments thereto.

Section 4. Consent of Interested Persons. All of the Co-owners and mortgagees of Units and other persons interested or to become interested in the Condominium from time to time shall be deemed to have irrevocably and unanimously consented to such amendment or amendments to this Master Deed to effectuate the purposes of Articles VI, VII or VIII above and to any proportionate reallocation of percentages of value of existing Units which Developer or its successors and assigns may determine necessary in conjunction with such amendment or amendments. All such interested persons irrevocably appoint Developer or its successors and assigns as agent and attorney for the purpose of execution of such amendment or amendments to the Master Deed and all other documents necessary to effectuate the foregoing. Such amendments may be effected without the necessity of rerecording the entire Master Deed or the Exhibits hereto and may incorporate by reference the entire Master Deed or the Exhibits hereto and any pertinent portions of this Master Deed and the Exhibits hereto.

## ARTICLE X

### EASEMENTS AND RESTRICTIONS

Section 1. Easement for Maintenance of Encroachments and Utilities. In the event any portion of a Unit or Common Element encroaches upon another Unit or Common Element due to shifting, settling or movement of a building, or due to survey errors, or construction deviations, reciprocal easements shall exist for the maintenance of such encroachment for so long as such encroachment exists, and for maintenance thereof after rebuilding in the event of any destruction. There shall be easements to, through and over those portions of the land, structures, buildings, improvements, and walls (including interior Unit walls) contained therein for the continuing maintenance and repair of all utilities in the Condominium. There shall exist easements of support with respect to any Unit interior wall which supports a Common Element.

Section 2. Cross Easements over Roads and Common Elements of Springwater Park and of this Condominium.

- A. Ingress and Egress Easement Granted to this Condominium Over Springwater Drive and Other Common Elements of Springwater Park. Pursuant to the Master Deed of Springwater Park, an adjacent condominium project, recorded at Liber 33320, pages 659-783 inclusive, Wayne County Records, as amended, a permanent non-exclusive easement has been granted to this Condominium Association, its agents, employees, members and invitees; and to the Co-owners of this Condominium Project, their tenants, guests and invitees; over that portion of Springwater Drive located within Springwater Park for ingress and egress to this Condominium, and over the General Common Element sidewalks, other roads, wetlands, woodlands and open spaces of which are located within Springwater Park. Said easement over Springwater Drive is intended for vehicular and non-vehicular ingress and egress to this Condominium. The easement granted this Condominium Project over the General Common Element sidewalks, other drives, wetlands, woodlands and open spaces is intended for only non-vehicular, pedestrian access for the use and enjoyment of the wetlands, woodlands and open spaces. All expenses of maintenance, repair, replacement of that portion of Springwater Drive located within Springwater Park, including, without limitation, snow removal and resurfacing, shall be shared by this Condominium and by Springwater Park, and by any developed portions of the land described in Article VI or any portion or portions thereof, including any land withdrawn from this Condominium from time to time as reserved in Article VII of the initial Master Deed, and whose closest means of access to a public road is over such private road. The Co-owners of this Condominium shall be responsible from time to time for payment of a proportionate share of said expenses to be paid as a cost of administration by the Association, which share shall be determined by multiplying such expenses

times a fraction, the numerator of which is the number of Units in this Condominium, and the denominator of which is comprised of the number of such Units, plus all of the Units in Springwater Park, and the number of dwellings in any developed portion of the land described in Article VI of this Master Deed, or any portion or portions thereof, including any land withdrawn from this Condominium from time to time as reserved in Article VII of this Master Deed, and whose closest means of access to a public road is over such private road. It is not intended that this Condominium bear any expenses of maintenance, repair and replacement for the non-vehicular use of the Common Element sidewalks, other drives, wetlands, woodlands and open spaces in Springwater Park. The ingress and egress easement granted this Condominium Project over Springwater Drive shall not negate the reserved right to dedicate a public right-of way over Springwater Drive or to transfer title thereto as reserved in Article X, Section 3 of the Master Deed of Springwater Park.

- B. Easement Retained by Developer Over Roads and Other Common Elements in this Condominium. Developer reserves for the benefit of itself, its successors and assigns, and all future owners of the land described in Article VI or any portion or portions thereof, including any land that may be withdrawn from time to time as reserved in Article VII above, an easement for the unrestricted use of all roads in this Condominium for the purpose of ingress and egress to and from all or any portion of the parcel described in Article VI or any portion or portions thereof, including any land withdrawn from the Condominium from time to time pursuant to Article VII hereinabove, and which lies outside the Condominium. All expenses of maintenance, repair, replacement and resurfacing of any road referred to in this Article X, Section 2.B. shall be shared by this Condominium and any developed portions of the land described in Article VI or any portion or portions thereof, including any land withdrawn from the Condominium from time to time as reserved in Article VII above, and whose closest means of access to a public road is over such road or roads. The Co-owners of this Condominium shall be responsible from time to time for payment of a proportionate share of said expenses, which share shall be determined by multiplying such expenses times a fraction; the numerator of which is the number of dwelling Units in this Condominium, and the denominator of which is comprised of the number of such Units plus all of the dwellings in any land described in Article VI or any portion or portions thereof, including any land that may be withdrawn from time to time as reserved in Article VII above, which lies outside this Condominium and whose closest means of access to a public road is over such road.
- C. Easement Granted to Springwater Park Over Springwater Drive and Other Common Elements in this Condominium. Developer reserves for the benefit of the Co-owners of the adjacent Condominium Project, Springwater Park, Wayne County Condominium Subdivision Plan No. 598, their tenants, guests and invitees, for the benefit of Springwater Park Association, a Michigan Nonprofit

Corporation, the Association of Co-owners established to administer the aforested adjacent Springwater Park, and its agents, employees, members and invitees, a permanent non-exclusive easement over that portion of Springwater Drive located within this Condominium Project for ingress and egress to Springwater Park, and over the General Common Element sidewalks, other roads, wetlands, woodlands and open spaces of which are located within this Condominium Project. Said easement over Springwater Drive is intended for vehicular and non-vehicular ingress and egress to Springwater Park. Said easement over General Common Element sidewalks, other drives, wetlands, woodlands and open spaces is intended for only non-vehicular, pedestrian access for the use and enjoyment of the wetlands, woodlands and open spaces in this Condominium Project. All expenses of maintenance, repair, replacement of that portion of Springwater Drive located within this Condominium Project, including, without limitation, snow removal and resurfacing, shall be shared by this Condominium and by Springwater Park, and by any developed portions of the land described in Article VI or any portion or portions thereof, including any land withdrawn from this Condominium from time to time as reserved in Article VII of the initial Master Deed, and whose closest means of access to a public road is over such private road. The Co-owners of Springwater Park shall be responsible from time to time for payment of a proportionate share of said expenses, which share shall be determined by multiplying such expenses times a fraction, the numerator of which is the number of Units in Springwater Park, and the denominator of which is comprised of the number of such Units, plus all of the Units in this Condominium, and the number of dwellings in any developed portion of the land described in Article VI of this Master Deed, or any portion or portions thereof, including any land withdrawn from this Condominium from time to time as reserved in Article VII of this Master Deed, and whose closest means of access to a public road is over such private road. It is not intended that Springwater Park bear any expenses of maintenance, repair and replacement for the non-vehicular use of the Common Element sidewalks, other drives, wetlands, woodlands and open spaces in this Condominium. The ingress and egress easement over Springwater Drive shall not negate the reserved right to dedicate a public right-of way over Springwater Drive or to transfer title thereto as reserved in Article X, Section 3 hereinbelow.

Section 3. Reservation of Right to Dedicate Public Right-of Way Over Roadways or to Transfer Title. The Developer reserves the right at any time during the Construction and Sales Period, and the Association shall have the right thereafter, to dedicate to the public a right-of-way of such width as may be required by the local public authority over any or all of the roadways in Springwater Park II shown as General Common Elements in the Condominium Subdivision Plan or to transfer title of the roadways to the local public authority. Any such right-of-way dedication or transfer of title may be made by the Developer or the Association, as the case may be, without the consent of any Co-owner, mortgagee or other person and

shall be evidenced by an appropriate amendment to this Master Deed and to the Condominium Subdivision Plan hereto, recorded in the Wayne County Records. All of the Co-owners and mortgagees of Units and other persons interested or to become interested in the Condominium from time to time shall be deemed to have irrevocably and unanimously consented to such amendment or amendments of this Master Deed to effectuate the foregoing right-of-way dedication or transfer of title. This right of dedication and transfer of title in no way whatsoever obligates the Developer to construct or install the roads in a manner suitable for acceptance of such dedication by the appropriate municipal authority.

Section 4. Cross Easements for Utilities, Retention Area, Certain Amenities, and for Surface Drainage of Springwater Park and this Condominium.

- A. Easement Granted to this Condominium for Use of Utilities, Retention Area, and for Surface Drainage in Springwater Park. Pursuant to the Master Deed of Springwater Park, the adjacent condominium project, recorded at Liber 33320, pages 659-783, inclusive, Wayne County Records, as amended, a permanent non-exclusive easement has been granted to the Association, its agents, employees, members and invitees, and to the Co-owners of this Condominium Project, their tenants, guests and invitees, to utilize, tap, tie into, extend, and enlarge all utility mains and the retention area located in Springwater Park, including, but not limited to, telephone, electric, water, gas, cable television, video text, broad band cable, satellite dish, earth antenna and other telecommunications systems, storm and sanitary sewer mains, and retention area, and for surface drainage.

All expenses of maintenance, upkeep, repair and replacement of said utility mains and retention area, shall be shared by this Condominium and by Springwater Park, and any developed portions of the land described in Article VI of this Master Deed, including any land withdrawn from time to time as reserved in Article VII of this Master Deed, which are served by such utility mains and retention area. The Co-owners of this Condominium shall be responsible from time to time for payment of a proportionate share of said expenses to be paid as a cost of administration by this Association, which share shall be determined by multiplying such expenses times a fraction, the numerator of which is the number of Units in this Condominium, and the denominator of which is comprised of the number of such Units, plus all of the Units in Springwater Park, and the number of dwellings in any developed portion of the land described in Article VI of this Master Deed, or any portion or portions thereof, including any land withdrawn from this Condominium from time to time as reserved in Article VII of this Master Deed, which are serviced by such utility mains and/or retention area. If any such expenses are borne by a governmental agency or public utility, they shall be excluded from the above described cost sharing. The portion of said shared expenses related to the utility mains shall

only be applicable to said utility mains and all expenses of maintenance, upkeep, repair and replacement of utility leads shall be borne by the respective Condominium Association and/or owners of the land on which such lead or leads are located and which such lead or leads service, including Springwater Park [adjacent Condominium], by any land described in Article VI of this Master Deed, and by any land withdrawn from time to time as reserved in Article VII of this Master Deed. This easement includes the authority of this Condominium to modify the landscaping and/or grade in any portion of the premises of Springwater Park [adjacent Condominium], if necessary in order to preserve and/or facilitate surface drainage in any portion or all of this Condominium, including any land withdrawn from time to time as reserved in Article VII of this Master Deed. The person or entity performing such aforescribed modification(s) shall bear all costs of such modification(s), and any such modification to the landscaping and/or grade in the premises of this Condominium shall not impair the surface drainage in Springwater Park [adjacent Condominium].

- B. Easement Retained by Developer and for Springwater Park [Adjacent Condominium] to Tap Into Utilities and for Surface Drainage in this Condominium. Developer also hereby reserves for the benefit of itself, its successors and assigns, for all future owners of the land described in Article VI, including any land that may be withdrawn from time to time as reserved in Article VII above, or any portion or portions thereof, and for the benefit of the Co-owners of the adjacent condominium project, Springwater Park, Wayne County Condominium Subdivision Plan No. 598, their tenants, guests and invitees, for the benefit of Springwater Park Association, a Michigan Nonprofit Corporation, the Association of Co-owners established to administer the aforesated adjacent Springwater Park, and its agents, employees, and invitees, perpetual easements to utilize, tap, tie into, extend, and enlarge all utility mains located on this Condominium Premises, including, but not limited to, telephone, electric, water, gas, cable television, video text, broad band cable, satellite dish, earth antenna and other telecommunications systems, and storm and sanitary sewer mains. In the event that the Developer, its successors and assigns, utilizes, taps, ties into, extends or enlarges any utilities located on the Condominium Premises, it shall be obligated to pay all of the expenses reasonably necessary to restore the Condominium Premises to their state immediately prior to such utilization, tapping, tying in, extension or enlargement.

All expenses of maintenance, upkeep, repair and replacement of the utility mains described in this Article X, Section 4.B. shall be shared by this Condominium and any developed portions of the land described in Article VI of this Master Deed, including any land withdrawn from time to time as reserved in Article VII of this Master Deed, which are served by such utility mains. The Co-owners of this Condominium shall be responsible, from time to time, for payment

of a proportionate share of said expenses, which share shall be determined by multiplying said expenses times a fraction, the numerator of which is the number of dwelling Units in this Condominium, and the denominator of which is comprised of the number of such Units plus all of the Units in Springwater Park, all completed dwellings on the land described in Article VI of this Master Deed, including any land withdrawn from time to time as reserved in Article VII of this Master Deed, which are serviced by such utility mains; provided, however, that the foregoing expenses are to be so paid and shared only if such expenses are not borne by a governmental agency or public utility. Said expense sharing shall be applicable only to the utility mains and all expenses of maintenance, upkeep, repair and replacement of utility leads shall be borne by the Association to the extent such leads are located in the Condominium, and by the owner or owners, or any association of owners, as the case may be, of the land described as Springwater Park, of the land described in Article VI of this Master Deed, including any land withdrawn from time to time as reserved in Article VII of this Master Deed, upon which are located the Units which such lead or leads service.

Developer also hereby reserves for the benefit of itself, its successors and assigns, and for the benefit of the Co-owners of the adjacent condominium project, Springwater Park, Wayne County Condominium Subdivision Plan No. 598, their tenants, guests and invitees, for the benefit of Springwater Park Association, a Michigan Nonprofit Corporation, the Association of Co-owners established to administer the aforesated adjacent Springwater Park, and its agents, employees, and invitees, a perpetual easement to modify the landscaping and/or grade in any portion of the Condominium Premises in order to preserve and/or facilitate surface drainage in a portion or all of the land described in Article VI of this Master Deed, including any land withdrawn from time to time as reserved in Article VII of this Master Deed, and any portion or all of the land contained in Springwater Park. The party responsible for the modifications, i.e the Developer, its successors and assigns, and/or Springwater Park Association, as the case may be, shall bear all costs of such modifications. Any such modification to the landscaping and/or grade in the Condominium Premises under the provisions of this Article X, Section 4.B., shall not impair the surface drainage in this Condominium.

Section 5. Haggerty Road Planned Unit Development Agreement; Declaration of Easements, Covenants and Restrictions; and Shared Facilities.

A. Haggerty Road Planned Unit Development Agreement and the Haggerty Road Development Association. The Developer, its successors and assigns, and all Units, Co-owners and members of the Condominium Association, are bound by the terms, provisions and conditions of the Haggerty Road Planned Unit Development Agreement

(hereinafter "HPUD") dated April 28, 1999, and entered into between Grand Sakwa of Springwaters, L.L.C., a Michigan Limited Liability Company, and the Township of Northville, a Michigan Municipal Corporation, recorded in Liber 32950, Pages 10 -47, inclusive, Wayne County Records. The terms of the HPUD, and any amendment thereto made in accordance with the terms thereof, shall supersede and control over any provisions set forth in this Master Deed, or any amendments hereto, which are contrary to the HPUD, as it may be amended. The HPUD governs this Condominium Project, the adjacent two (2) commercial sites and the adjacent subdivision, Brookstone Village Subdivision No. 2, and its terms, provisions and conditions shall run with the land and bind such land and inure to the benefit of the successors and assigns thereof.

B. Declaration of Covenants, Restrictions and Easements. Pursuant to the HPUD, a Declaration of Covenants, Restrictions and Easements (or similarly titled document, hereinafter "HPUD Declaration") which has been or will be recorded in the Wayne County Records, and its terms, provisions and conditions shall run with the land and bind and inure to the benefit of this Condominium, including all Units contained herein and in Springwater Park, which is the adjacent condominium project, the commercial sites and the Subdivision. The HPUD Declaration addresses the formation of the Haggerty Road Development Association, the members of which consist of this Condominium Association; Springwater Park Association, a Michigan Nonprofit Corporation, which is the Association of Co-owners established to administer the aforesighted adjacent Springwater Park; and the owners of the commercial sites, and which addresses and coordinates the shared maintenance obligations established in the HPUD. The HPUD and/or the HPUD Declaration establishes easements for Springwater Drive, the retention area located in Springwater Park, and allocates the costs of shared maintenance obligations, including landscaping of such shared areas, among this Condominium Association, Springwater Park Association, and the two (2) commercial sites. The Co-owners of this Condominium shall be represented in the Haggerty Road Development Association through the Board of Directors of the Condominium Association or a designated director. As a member of the Haggerty Road Development Association, each Co-owner of this Condominium shall be subject to assessments for the costs of the shared maintenance obligations, as further discussed hereinbelow. In the event that the respective members of Haggerty Road Development Association fail to pay their required pro rata share of the costs of maintenance, repair and replacement of any of the facilities which they share with another of those developments, the individual members of the respective associations, together with the respective association itself and/or the Haggerty Road Development Association, have the right to bring an action at law or in equity for non-payment of such assessment; to place a lien upon such property for any payment which is not made or assessment not paid when due; to foreclose such lien in a manner set forth within the governing documents of the delinquent association; and bring an action against the Unit or owner of the specific property who has failed to make such payment; to obtain a

judgment against such party in a court of competent jurisdiction; and to satisfy such judgment by means of lien and foreclosure of such lien against the property or otherwise; to collect in addition to all other sums due and owing actual attorney fees incurred as a result of such non-payments as well as all actual costs; and to take such other action as allowed by the HPUD, the HPUD Declaration or by law.

C. Springwater Drive (Private) Shared Use Agreement. A Declaration of Restriction for Private Road Construction was entered into on April 26, 1999 for Springwater Drive (private) which is or will be recorded in the Wayne County Records, and which contains restrictions and covenants running with the land and binding all Condominium Units within this Condominium, and the owners of the two (2) adjoining commercial parcels. The owners, successors and assigns of the two (2) commercial parcels have been granted a perpetual easement for ingress and egress by pedestrian or vehicular traffic over Springwater Drive (private), including emergency and government owned vehicles, together with the Co-owners of the Condominium and their tenants, guests and invitees. The Condominium Association, Springwater Park Association, and the two (2) commercial parcels shall pay a pro rata portion of the property taxes and special assessments, if any, and a pro rata share of the costs of maintaining Springwater Drive (private), including, but not limited to filling chuck holes, re-grading, re-paving, re-surfacing, cutting of weeds, maintenance of drainage ditches, inspection, and the removal of snow and ice to the Haggerty Road Development Association referred to in subsection A hereinabove. In the event the Haggerty Road Development Association is not formed or operative, the two (2) commercial parcels shall reimburse the Condominium Association for their pro rata share of these costs. This Condominium Association, the Springwater Park Association, and the commercial sites will also be responsible for maintaining street signs properly identifying the road pursuant to Township ordinances. The pro rata share shall be as specified in the HPUD Declaration, as may be amended, which is discussed in Part B above. If the road is not maintained safely and convenient for vehicular travel, the Township has the right to perform the necessary work, upon thirty (30) days written notice to the this Condominium Association, the Springwater Park Association, and to the commercial sites, and charge this Condominium Association, the Springwater Park Association, and the commercial sites for all costs and expenses incurred. The Township shall have the right, in addition to other methods of collection, to collect such charges incurred as any other Township property tax or assessment which shall be a lien on the parcels. In the event of a failure to pay its pro rata share, this Condominium Association, the Springwater Park Association, or either commercial owner may file a lien for non-payment of any incurred expenses against the property owned by the non-paying party(ies) or take any other collection action allowed by law. As provided in the Declaration of Restriction for Private Road Construction and Maintenance, this Condominium Association, the Springwater Park Association and the commercial owner(s) shall indemnify, save and keep the Township harmless against all liability and claims, court costs and attorney fees, arising out of injuries or damages caused as a

result of the performance of the terms of the Declaration of Restriction for Private Road Construction.

D. Shared Use of Retention Area. The retention area located within the adjacent condominium project, Springwater Park, is also subject to utilization by this Condominium Project and by the two (2) adjacent commercial sites as provided by the HPUD. The commercial sites shall pay their pro rata share of the expenses of the maintenance, repair, replacement and insurance of the retention area to the Haggerty Road Development Association referred to in subsection A hereinabove, or to Springwater Park Association directly if the Haggerty Road Development Association is not formed or operative. The pro rata share shall be as specified in the HPUD Declaration, as may be amended, which is discussed in Part B above.

E. Shared Open Spaces. This Condominium Project, the adjacent condominium project, Springwater Park, and the adjacent Subdivision, Brookstone Subdivision Village No. 2, contain, or may contain if expanded in size to include same, open spaces, which may also include pedestrian walkways, bike paths and/or boardwalk crossings to be constructed therein, which are established for the shared use and enjoyment of the members, tenants, guests, and invitees, of both Condominium Associations and of the Subdivision Association. This Association and Springwater Park Association each shall pay the costs of maintenance, repair and replacement of the open spaces and any pedestrian walkway, bike path and/or boardwalk crossings contained or constructed within the development which they administer. Any other development which is entitled to use and enjoy same shall not be required to contribute to the costs of maintenance, repair and replacement of same. However, any costs incurred by the Township associated with the improvement, maintenance, repair and replacement of any open space areas, bike paths or pedestrian walkway within any project, shall be billed to the respective association, as provided by the HPUD and or the HPUD Declaration. The owners of individual lots in the subdivision, their tenants, guests and invitees shall also have a non-vehicular perpetual easement to traverse through the Condominium premises for ingress and egress to the adjacent the commercial sites.

F. Responsibility for Landscape Improvements in Public Right-of-Way. Pursuant to the Landscape Maintenance Agreement dated April 26, 1999, and attached as Exhibit "J" to the HPUD, the responsibility for maintaining the landscape improvements and column located within the County public rights-of-way along 6 Mile Road and Haggerty Road, and to maintain the landscape plans and related facilities, shall be shared by both Condominium Associations, the homeowners association established to administer Brookstone Village Subdivision No. 2, and the two (2) commercial sites at no expense to the Township, including, without limitation, mowing grassy areas, removal of debris, periodic inspection to ensure good condition of landscape

improvements, and repair or replacement of damaged or dead landscape. The Haggerty Road Development Association referred to in subsection A hereinabove may contract for the necessary maintenance, repair and replacement of the landscape improvements and charge and collect the pro rata shares due and owing by this Condominium Association, the Springwater Park Association, the homeowners association and the commercial sites pursuant to the HPUD, and/or HPUD Declaration. The Condominium Association, homeowners association and commercial sites shall also indemnify, save harmless and defend the County and the Township for claims, suits and judgments arising out of the maintenance of the landscape improvements located in the rights-of-way, to the extent provided in the Landscape Maintenance Agreement. The Township has been granted an irrevocable license to enter this Condominium Project, the adjacent condominium project, Springwater Park, at reasonable times to the extent necessary to inspect, repair, maintain, remove and install landscape and related improvements, upon written notice to the associations and/or commercial sites of their failure to properly perform their obligations under the Landscape Maintenance Agreement. The Township may also demand that the deficiencies be cured within a specified reasonable time, and at the request of the associations and commercial sites, a hearing may be established by the Township to determine whether additional time to effectuate the repairs is required. Any costs incurred by the Township thereby shall be paid by this Condominium Association, the Springwater Park Association, the homeowners association and the commercial sites and shall be assessed to each member of this Condominium Association, the Springwater Park Association, the homeowners association and the commercial sites, and placed on the tax rolls in the same manner as any property tax or assessment.

**G. Liability Insurance and Indemnification of Township.** Pursuant to the HPUD, this Condominium Association shall maintain liability insurance in sufficient amounts for the purpose of defending itself, the Co-owners, the Developer, and the Township from the burden of any liability resulting from accidents which may cause death or injury to anyone, or damage any property with respect to the open spaces, any sidewalks and bike paths, or private roads of this Condominium Project. The amount of such insurance shall be reviewed every two (2) years so that the amount of insurance obtained by the Condominium Association would have a present value of One Million Dollars (\$1,000,000) using 1999 as the base year for determining present value at the time of execution of the HPUD in future years. Such liability insurance shall name the Developer, the Association and the Township as additional insureds in that amount. This Condominium Association shall also indemnify and hold harmless the Township from any claims of liability that may be brought with regard to injury to persons or property which occurs upon any sidewalks, bike paths, open space areas or private roads contained in this Condominium Project, which are not due to the sole acts or omissions or gross negligence of the Township.

Section 6. Reservation of Right to Grant Easements for Utilities. The Developer reserves the right at any time during the Construction and Sales Period, and the Association shall have the right thereafter, to grant easements for utilities over, under and across the Condominium to appropriate governmental agencies or public utility companies and to transfer title of the utilities to governmental agencies or to utility companies. Any such easement or transfer of title may be conveyed by the Developer without the consent of any Co-owner, mortgagee or other person and shall be evidenced by an appropriate amendment to this Master Deed and to Exhibit "B" hereto, recorded in the Wayne County Register of Deeds. All of the Co-owners and mortgagees of Units and other persons interested or to become interested in the Project from time to time shall be deemed to have irrevocably and unanimously consented to such amendments to this Master Deed as may be required to effectuate the foregoing grant of easement or transfer of title.

Section 7. Grant of Easements by Association. The Association, acting through its lawfully constituted Board of Directors (including any Board of Directors acting prior to the First Annual Meeting), shall be empowered and obligated to grant such easements, licenses, rights-of-entry and rights-of-way over, under, and across the Condominium Premises for utility purposes, access purposes or other lawful purposes as may be necessary for the benefit of the Condominium; subject, however, to the approval of the Developer so long as the Construction and Sales Period has not expired.

Section 8. Association and Developer Easements for Maintenance, Repair and Replacement. The Developer, the Association, and all public or private utilities shall have such easements over, under, across and through the Condominium Premises, including all Units and Common Elements, as may be necessary to fulfill any responsibilities of maintenance, repair, decoration, replacement or upkeep which they or any of them are required or permitted to perform under the Condominium Documents or by law or to respond to any emergency or common need of the Condominium. These easements include, without any implication of limitation, the right of the Association to obtain access during reasonable hours and upon reasonable notice to sprinkler controls, valves and meters and other Common Elements located within any Unit or its appurtenant Limited Common Elements. Neither the Developer nor the Association shall be liable to the owner of any Unit or any other person, in trespass or in any other form of action, for the exercise of rights pursuant to the provisions of this Section or any other provision of the Condominium Documents which grant such easements, rights of entry or other means of access. Failure of the Association (or the Developer) to take any such action shall not be deemed a waiver of the Association's (or the Developer's) right to take any such action at a future time. All costs incurred by the Association or the Developer in performing any responsibilities which are required, in the first instance to be borne by any Co-owner, shall be assessed against such Co-owner and shall be due and payable with his installment of the annual assessment next falling due; further, the lien for nonpayment shall attach as in all cases of annual assessments and such assessments may be enforced by the use of all means available to the Association under the Condominium

Documents and by law for the collection of annual assessments including, without limitation, legal action and foreclosure of the lien securing payment as provided for in Article II of the Bylaws (Exhibit "A" hereto) and the Act.

**Section 9. Telecommunications Agreements and Security.** The Association, acting through its duly constituted Board of Directors and subject to the Developer's approval during the Construction and Sales Period, shall have the power to grant such easements, licenses and other rights of entry, use and access and to enter into any contract or agreement, including wiring agreements, utility agreements, right-of-way agreements, access agreements and multi-Unit agreements and, to the extent allowed by law, contracts for sharing of any installation or periodic subscriber service fees and agreement for the provision of security services as may be necessary, convenient or desirable to provide for telecommunications, videotext, broad band cable, satellite dish, antenna, multichannel multipoint distribution service and similar services (collectively "Telecommunications") to the Condominium or any Unit therein and security services to the extent the Board deems it necessary. Notwithstanding the foregoing, in no event shall the Board of Directors enter into any contract or agreement or grant any easement, license or right of entry or do any other act or thing which will violate any provision of any Federal, State or local law or ordinance. Any and all sums paid by any Telecommunications or any other company or entity in connection with such service, including fees, if any, for the privilege of installing same, or sharing periodic subscriber service fees, shall be receipts affecting the administration of the Condominium within the meaning of the Act and shall be paid over to and shall be the property of the Developer during the Construction and Sales Period and, thereafter, the Association.

**Section 10. Sharing of Expenses.** For purposes of certain sections contained in this Article X, the calculation of any fraction for the sharing of pertinent expenses between Units in the Condominium and dwellings constructed in the Area of Future Development of this Condominium (Article VI), according to the number of Units in this Condominium and the dwellings on the land described in Article VI, or any portion or portions thereof, including any land that may be withdrawn from time to time as reserved in Article VII above, shall include only those Units and dwellings for which a certificate of occupancy has been issued by the Township.

**Section 11. Existing Easements, Rights of Way and Building and Use Restrictions of Record; Government Limitations.** The Developer declares that the Condominium shall be established and shall exist subject to all: (a) easements, rights-of-way and, insofar as they are valid and enforceable, building and use restrictions, if any, as are of record on the date this Master Deed, as amended, is recorded in the office of the Wayne County Register of Deeds; and (b) all valid government limitations as may be applicable to the Condominium and/or the Condominium Premises. All such easements and rights-of-way of which the Developer has actual knowledge are shown or referenced upon the Condominium Subdivision Plan. The

Developer intends, and expressly reserves the right, to convey all individual Units in the Condominium by a warranty deed made subject to all easements, rights-of-way and building and use restrictions then of record and all valid applicable government limitations.

## ARTICLE XI

### AMENDMENT

This Master Deed and the Condominium Subdivision Plan (Exhibit "B" to said Master Deed) may be amended with the consent of sixty-six and two-thirds percent (66-2/3%) of all of the Co-owners entitled to vote, except as hereinafter set forth:

Section 1. Modification of Units or Common Elements. No Unit dimension may be modified without the consent of the Co-owner or mortgagee of such Unit nor may the nature or extent of Limited Common Elements or the responsibility for maintenance, repair or replacement thereof be modified in any material way without the written consent of the Co-owner or mortgagee of each Unit to which the same are appurtenant.

Section 2. Change in Percentage of Value. The method or formula utilized to determine the percentage of value assigned to any Unit for the purpose of determining the value of the vote of any Co-owner and the corresponding proportion of common expenses assessed against such Co-owner shall not be modified without the written consent of such Co-owner and his mortgagee nor shall the percentage of value assigned to any Unit be modified without like consent, except as provided in Article V, Section 7(c) of the Bylaws and except as provided in Article V and Article VI hereof.

Section 3. Mortgagee Approval Requirement. Notwithstanding any other provision of the Condominium Documents to the contrary, mortgagees are entitled to vote on amendments to the Condominium Documents only when and as required by the Act. Moreover, insofar as permitted by the Act, this Master Deed shall be construed to reserve to the Developer during the Construction and Sales Period, and to the Co-owners thereafter, the right to amend this Master Deed and/or the Condominium Subdivision Plan without the consent of mortgagees, if the amendment does not materially alter or change the rights of mortgagees generally, or as may be otherwise described in the Act, notwithstanding that the subject matter of the amendment is one which in the absence of this sentence would require that mortgagees be afforded the opportunity to vote on the amendment. If, notwithstanding the preceding sentences, mortgagee approval of a proposed amendment to the Master Deed and/or Condominium Subdivision Plan is required by the Act, the amendment shall require the approval of sixty-six and two-thirds percent (66-2/3%) of the mortgagees of Units entitled to vote thereon. Mortgagees are not required to appear at any meeting of Co-owners but their approval shall be solicited through written ballots in accordance with the procedures provided in the Act.

Section 4. By Developer. Prior to one (1) year after expiration of the Construction and Sales Period described in Article III, Section 11 above, the Developer may, without the consent of any Co-owner or any other person, amend this Master Deed and the Condominium Subdivision Plan attached as Exhibit "B" in order to correct Unit types and/or styles (subject to Section 1 of this Article XI), to correct survey or other errors made in such documents and to make such other amendments to such instruments and to the Bylaws attached hereto as Exhibit "A" as do not materially affect any rights of any Co-owners or mortgagees in the Condominium, including, but not limited to, amendments for the purpose of facilitating conventional mortgage loan financing for existing or prospective Co-owners and to enable the purchase of such mortgage loans by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association and/or any other agency of the Federal government or of the State of Michigan, and to comply with amendments to the "Act."

Section 5. Termination, Vacation, Revocation and Abandonment. The Condominium may not be terminated, vacated, revoked or abandoned without the written consent of the Developer (during the Construction and Sales Period) together with eighty percent (80%) of the non-Developer Co-owners, and as otherwise allowed by law.

Section 6. Developer Approval. During the Construction and Sales Period, Article V, Article VI, Article VII, Article VIII, Article IX, Article X and this Article XI shall not be amended nor shall the provisions thereof be modified by any other amendment to this Master Deed without the written consent of the Developer. During the time period referenced in the preceding sentence, no other portion of this Master Deed, nor the Bylaws attached hereto as Exhibit "A", nor the Subdivision Plan attached hereto as Exhibit "B" may be amended in any manner so as to materially affect and/or impair the rights of the Developer, unless said amendment has received the prior written consent of the Developer together with the requisite number of affirmative votes. No easements created under the Condominium Documents may be modified or obligations with respect thereto varied without the consent of each owner benefitted thereby.

## ARTICLE XII

### ASSIGNMENT AND COMPLIANCE

Any or all of the rights and powers granted or reserved to the Developer in the Condominium Documents or by law, including the power to approve or disapprove any act, use or proposed action or any other matter or thing, may be assigned by the Developer to any other entity or to the Association. Any such assignment or transfer shall be made by appropriate instrument in writing duly recorded in the Office of the Wayne County Register of Deeds. In the event that any provision of this Master Deed conflicts with any provision of the

Bylaws and Condominium Subdivision Plan, the provisions of the Master Deed shall govern.

**WITNESSES:**

~~SPRINGWATER DEVELOPMENT, LLC,  
a Michigan Limited Liability Company.~~

By:

Scott R. Jacobson  
Its: Member

Angel of Feuer  
Angel of Feuer  
Don MARCHER  
Don MARCHER

STATE OF MICHIGAN )  
COUNTY OF OAKLAND )  
 ) ss.

On this 12 day of December, 2002, the foregoing Master Deed was acknowledged before me by Scott R. Jacobson, member of Springwater Development, L.L.C., a Michigan Limited Liability Company, on behalf of said Limited Liability Company.

ANGELA J. FENZEL  
NOTARY PUBLIC WAYNE CO., MI  
MY COMMISSION EXPIRES MAY 17, 2024

Angela Pezel, Notary Public  
Wayne County, Michigan  
My Commission Expires: 11/17/04

Master Deed Drafted by:

When Recorded Return to:

ROBERT M. MEISNER, ESQ.

ROBERT W. MEISNER, ESQ.  
MEISNER & ASSOCIATES, P.C.

ME.G.NET 44000 SW 163, Ft. Lauderdale, FL 33309  
30200 Telegraph Road, Suite 467

Bingham Farms  
(248) 644-4433

SMMS244/MP/sep/19/development/Setting up the Back-Office/MasterRecord 12.12.02

# SPRINGWATER PARK II

## EXHIBIT "A"

## BYLAWS

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### ARTICLE I

#### ASSOCIATION OF CO-OWNERS

Springwater Park II, a residential Condominium located in the Township of Northville, County of Wayne, State of Michigan, shall be administered by an Association of Co-owners which shall be a nonprofit corporation, hereinafter called the "Association", organized under the applicable laws of the State of Michigan, and responsible for the management, maintenance, operation and administration of the Common Elements, easements and affairs of the Condominium in accordance with the Master Deed, these Bylaws, the Articles of Incorporation, and duly adopted rules and regulations of the Association, and the laws of the State of Michigan. These Bylaws shall constitute both the Bylaws referred to in the Master Deed and required by Section 3(8) of the Act and the Bylaws provided for under the Michigan Nonprofit Corporation Act. Each Co-owner, including the Developer, shall be a member of the Association 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 in the Condominium. A Co-owner selling a Unit shall not be entitled to any refund whatsoever from the Association with respect to any reserve or other asset of the Association. The Association shall keep current copies of the Master Deed, all amendments to the Master Deed and other Condominium Documents for the Condominium available at reasonable hours to Co-owners, prospective purchasers and prospective mortgagees of Units in the Condominium. All Co-owners in the Condominium and all persons using or entering upon or acquiring any interest in any Unit therein or the Common Elements thereof shall be subject to the provisions and terms set forth in the aforesaid Condominium Documents.

## ARTICLE II

### ASSESSMENTS

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

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

- (a) Budget. The Board of Directors of the Association shall establish an annual budget in advance for each fiscal year and such budget shall project all expenses for the forthcoming year which may be required for the proper operation, management and maintenance of the Condominium, and the off-site areas for which this Condominium bears maintenance, repair and replacement responsibility either in part or entirely as provided in the Master Deed, including a reasonable allowance for contingencies and reserves. Failure or delay of the Board of Directors to prepare or adopt a budget for any fiscal year shall not constitute a waiver or release in any manner of a Unit Co-owner's obligation to pay the allocable share of the common expenses as herein provided whenever the same shall be determined and, in the absence of any annual budget or adjusted budget, each Unit Co-owner shall continue to pay each monthly or other periodic installment at the monthly or periodic rate established for the previous fiscal year until notified of the monthly or periodic payment which is due more than ten (10) days after such new annual or adjusted budget is adopted. An adequate reserve fund for maintenance, repair and replacement of those Common Elements, that must be replaced on a periodic basis shall be established in the budget and must be funded by regular monthly payments as set forth in Section 3 below rather than by additional or special assessments. At a minimum, the

reserve fund shall be equal to ten (10%) percent 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 Condominium, the Association of Co-owners should carefully analyze the Condominium 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. The funds contained in such reserve fund shall be used for major repairs and replacements of Common elements and the off-site areas for which this Condominium bears maintenance, repair and replacement responsibility either in part or entirely. The Board of Directors may establish such other reserve funds as it may deem appropriate from time to time. Upon adoption of an annual budget by the Board of Directors, copies of said budget shall be delivered to each 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 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, management, maintenance and capital repair of the Condominium, (2) to provide additions to the Common Elements not exceeding Twenty Five Thousand Dollars (\$25,000.00), in the aggregate, annually, or (3) in the event of emergencies, the Board of Directors shall have the authority to increase the general assessment or to levy such additional or special assessment or assessments without Co-owner approval as it shall deem to be necessary. The Board of Directors shall also have the authority, without Co-owner consent, to levy assessments pursuant to the provisions of Article V, Section 5 hereof. The discretionary authority of the Board of Directors to levy general, additional or special assessments pursuant to this subsection shall rest solely with the Board of Directors for the benefit of the Association and the members thereof, and shall not be enforceable by any creditors of the Association or the members thereof.

- (b) Special Assessments. Special assessments, other than those referenced in subsection (a) of this Section 2, subject to Article VII of these Bylaws, 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 an aggregate cost exceeding \$25,000.00 per year, (2) assessments to purchase a Unit upon foreclosure of the lien for assessments

described in Section 5 hereof, or (3) assessments for any other appropriate purpose not elsewhere herein described. Special assessments referred to in this subsection (b) (but not including those assessments referred to in subsection 2(a) above which may be levied in the sole discretion of the Board of Directors) shall not be levied without the prior approval of more than sixty percent (60%) of all Co-owners. The authority to levy assessments pursuant to this subsection is solely for the benefit of the Association and the members thereof and shall not be enforceable by any creditors of the Association or the members thereof.

**Section 3. Apportionment of Assessments; Default in Payment.** Unless otherwise provided herein, 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 Limited Common Elements appurtenant to a Unit. Any unusual expenses of administration, as may be determined in the sole discretion of the Board of Directors, which benefit less than all of the Condominium Units in the Condominium may be specially assessed against the Condominium Unit or Condominium Units so benefitted and may be allocated to the benefitted Condominium Unit or Units in the proportion which the percentage of value of the benefitted Condominium Unit bears to the total percentages of value of all Condominium Units so specially benefitted. Annual assessments as determined in accordance with Article II, Section 2(a) above shall be payable by the Co-owners in twelve (12) equal monthly installments, commencing with acceptance of a Deed to, or a land contract purchaser's interest in, a Unit, or with the acquisition of fee simple title to a Unit by any other means. The payment of an assessment shall be in default if such assessment, or any part thereof, is not paid to the Association in full on or before the due date for such payment. A late charge in the amount of \$15.00 per month, or such other amount as may be determined by the Board of Directors; effective upon fifteen (15) days notice to the members of the Association, shall be assessed automatically by the Association upon any assessment in default until paid in full. Such late charge shall not be deemed to be a penalty or interest upon the funds due to the Association but is intended to constitute a reasonable estimate of the administrative costs and other damages incurred by the Association in connection with the late payment of assessments. Assessments in default shall bear interest at the rate of seven (7%) percent per annum or such higher rate as may be allowed by law until paid in full. Payments on account of installments of assessments in default shall be applied first, to any late charges on such installments; second, to costs of collection and enforcement of payment, including reasonable attorney's fees as the Association shall determine in its sole discretion and finally to installments in default in order of their due dates, earliest to latest.

Each Co-owner (whether one or more persons) shall be, and remain, personally liable for the payment of all assessments (including late charges and costs of collection

and enforcement of payment) pertinent to his Unit which may be levied while such Co-owner is the owner thereof. In addition to a Co-owner who is also a land contract seller, the land contract purchaser shall be personally liable for the payment of all assessments (including late charges and costs of collection and enforcement of payment) pertinent to the subject Condominium Unit which are levied up to and including the date upon which the land contract seller actually takes possession of the Unit following extinguishment of all rights of the land contract purchaser in the Unit.

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

Section 5. Enforcement. 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, or both in accordance with the Act. Pursuant to Section 139 of the Act, no Co-owner may assert in answer or set-off to a complaint brought by the Association for nonpayment of assessments the fact that the Association or its agents have not provided the services or management to the Co-owner.

Each Co-owner, and every other person who from time to time has any interest in the Condominium, shall be deemed to have granted to the Association the unqualified right to elect to foreclose such lien either by judicial action or by advertisement. The provisions of Michigan law pertaining to foreclosure of mortgages by judicial action and by advertisement, as the same may be amended from time to time, are incorporated herein by reference for the purposes of establishing the alternative procedures to be followed in lien foreclosure actions and the rights and obligations of the parties to such actions. Further, each Co-owner and every other person who from time to time has any interest in the Condominium, shall be deemed to have authorized and empowered the Association to sell or to cause to be sold the Unit with respect to which the assessment(s) is or are delinquent and to receive, hold and distribute the proceeds of such sale in accordance with the priorities established by applicable law. The Association, acting on behalf of all Co-owners, may bid in at the foreclosure sale, and acquire, hold, lease, mortgage or convey the Condominium Unit. Each Co-owner of a Unit in the Condominium 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.

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 (10) 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 and/or a portion or all of a special or additional assessment levied against the pertinent Unit is or are delinquent and that the Association may invoke any of its remedies hereunder if the default is not cured within ten (10) days after the date of mailing. 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 Condominium is located prior to commencement of any foreclosure proceeding, but it need not have been recorded as of the date of mailing as aforesaid. If the delinquency is not cured within the ten (10) day period, the Association may take such remedial action as may be available to it hereunder or under Michigan law. In the event the Association elects to foreclose the lien by advertisement, the Association shall so notify the Co-owner and shall inform the Co-owner that he may request a judicial hearing by bringing suit against the Association.

The expenses incurred in collecting unpaid assessments, including interest, costs, actual attorney's fees (not limited to statutory fees) and advances for taxes or other liens paid by the Association to protect its lien, shall be chargeable to the Co-owner in default and shall be secured by the lien on his Unit. In the event of default by any Co-owner in the payment of any installment of the annual assessment levied against his Unit, and/or in the event of default by any Co-owner in the payment of any installment and/or portion of any additional or special assessment levied against his Unit, or any other obligation of a Co-owner which, according to these Bylaws, may be assessed and collected from the responsible Co-owner in the manner provided in Article II hereof, the Association shall have the right to declare all unpaid installments of the annual assessment for the applicable fiscal year (and for any future fiscal year in which said delinquency continues) and/or all unpaid portions or installments of the additional or special assessment, if applicable, immediately due and payable. The Association also may discontinue the furnishing of any utility or other services to a Co-owner in default upon seven (7) days written notice to such Co-owner of its intention to do so. A Co-owner in default shall not be entitled to utilize any of the General Common Elements of the Condominium, shall not be entitled to vote at any meeting of the Association, or sign any petition for any purpose prescribed by the Condominium Documents or by law, and shall not be entitled to run for election or serve as a director or be appointed or serve as an officer of the Association so long as such default continues; provided, however, this provision shall not operate to deprive any 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 as provided by the Act.

Section 6. Liability of Mortgagee. Notwithstanding any other provisions of the Condominium Documents, the holder of any first mortgage covering any Unit in the Condominium which comes into possession of the Unit pursuant to the remedies provided in the mortgage or by deed (or assignment) in lieu of foreclosure, or any purchaser at a foreclosure sale in regard to said first mortgage, shall take the property free of any claims for unpaid assessments or charges against the mortgaged Unit which accrue prior to the time such holder comes into possession of the Unit (except for claims for a pro rata share of such assessments or charges resulting from a pro rata reallocation of such assessments or charges to all Units including the mortgaged Unit and except for assessments that have priority over the first mortgage under Section 108 of the Act).

Section 7. Developer's Responsibility For Assessments. During the Construction and Sales Period, the Developer, although a member of the Association, shall not be responsible at any time for: (a) payment of the Association assessments, except with respect to completed and occupied Units that it owns; nor (b) payment of any Association expenses whatsoever with respect to Units which are not completed Units, notwithstanding the fact that any Unit which is not a completed Unit may have been included in the Master Deed. A completed Unit is one with respect to which a Certificate of Occupancy has been issued by the Township of Northville. Certificates of Occupancy may be obtained by the Developer at such times prior to actual occupancy as the Developer, in its discretion, may determine. An occupied Unit is one which is occupied as a residence. The Developer, however, shall independently insure, maintain, repair and replace Units it owns and/or offers for sale for which it is not required to pay Association assessments, whether or not any such Unit is a completed Unit, and shall bear the cost thereof. During the Construction and Sales Period, the Developer also shall pay a proportionate share of expenses actually incurred by the Association from time to time for the current administration, insurance and maintenance of the Common Elements for which the Association is assigned the responsibility of repair, net of the proceeds of any insurance or Co-owner recovery, and shall also pay a proportionate share of the general administrative expenses of the Association incurred prior to the Transitional Code Date. The Developer's proportionate share of such expenses shall be determined based upon the ratio of completed Units the Developer owns and/or offers for sale at the time the expense is incurred to the total number of Units in the Condominium. Any assessment levied or expense claim made by the Association against the Developer for any other purpose, in whole or in indivisible part, is hereby determined to be in respect of a common expense which benefits the completed and sold Units, only, and shall be void without the Developer's consent. Without limiting the foregoing, in no event shall the Developer be responsible for payment, during the Construction and Sales Period, of any amount which, in whole or in indivisible part, is to finance deferred maintenance, reserves for replacement, capital improvements, the purchase of any Unit from the Developer, the cost of any litigation or claim against the Developer, its directors, officers, agents, principals, assigns, affiliates and/or the first Board of Directors of the Association or any directors of the Association appointed by the Developer, or any cost of investigating and/or preparing any such litigation or claim, or for any other special purpose, except with respect to completed

and occupied Units that it owns. Notwithstanding the foregoing, the Developer shall be responsible to fund any deficit or shortage in the Association's reserve fund for major repairs and replacements which exists at the Transitional Control Date as the result of the Developer's limited responsibility for assessments, as provided in this Section.

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 the Construction Lien Act, No. 497 of the Michigan Public Acts of 1980, as amended, shall be subject to Section 132 of the Act, as amended.

Section 11. Statement as to Unpaid Assessments. Pursuant to the provisions of the Act, the purchaser of any Condominium Unit may request a statement of the Association as to the outstanding amount of any unpaid Association assessments, interest, late charges, fines, costs, and attorney fees thereon, whether annual, additional or special, and related collection costs. Upon written request to the Association, accompanied by a copy of the executed purchase agreement pursuant to which the purchaser holds the right to acquire the Unit, the Association shall provide a written statement of such unpaid assessments, interest, late charges, fines, costs, attorney fees and related collection or other costs as may exist or a statement that none exist, which statement shall be binding upon the Association for the period stated therein. Upon the payment of that sum within the period stated, the Association's lien for assessments as to such Unit shall be deemed satisfied; provided, however, that the failure of a purchaser to request such statement at least five (5) days prior to the closing of the purchase of such Unit shall render any unpaid assessments together with interest, late charges, fines, costs, and attorney fees incurred in the collection thereof, and the lien securing same fully enforceable against such purchaser and the Unit itself, to the extent provided by the Act. Under the Act, unpaid assessments, interest, collection and late charges, advances made by the Association for taxes or other liens to protect its liens, fines, costs, and attorney fees incurred in the collection thereof constitute a lien upon the Unit and the proceeds of sale thereof prior to all claims except real property taxes and first mortgages of record having priority. The Association may charge such reasonable amounts for preparation of such a statement as the Association shall, in its discretion, determine.

Section 12. Association Remedies Not Applicable to Default by Developer. Neither the late charge applicable to assessments the payment of which are in default, as

Co-owners in accordance with Article VII hereinbelow. Such vote may only be taken at a meeting of the Co-owners and no proxies or absentee ballots shall be permitted to be used, notwithstanding the provisions of Article VII hereinbelow.

## ARTICLE IV

### INSURANCE

Section 1. Extent of Coverage. The Association shall carry a standard "all risk" insurance policy, which includes, among other things, fire and extended coverage, vandalism and malicious mischief and liability insurance, and worker's compensation insurance, if applicable, pertinent to the ownership, use and maintenance of the Common Elements of the Condominium, and to cover its risks and liabilities attendant to its responsibilities to obtain liability insurance for and to indemnify the Township as required by the HPUD and set forth in Article X, Section 5 of the Master Deed, and such insurance, other than title insurance, shall be carried and administered in accordance with the following provisions:

- (a) Responsibilities of Association and of Co-owners. 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. Each Co-owner shall obtain insurance coverage at his own expense upon his Unit. It shall be each Co-owner's responsibility to determine by personal investigation or from his own insurance advisor the nature and extent of insurance coverage adequate to recompense him for his foreseeable losses and thereafter to obtain insurance coverage for his personal property and any additional fixtures, equipment and trim (as referred to in subsection (b) below) located within his Unit or elsewhere on the Condominium and for his personal liability for occurrences within his Unit or upon Limited Common Elements appurtenant to his Unit and also for alternative living expense in the event of fire or other casualty, and the Association shall have absolutely no responsibility for obtaining such coverages. Each Co-owner shall file a copy of such insurance policy, or policies, including all endorsements thereon, or, in the Association's discretion, certificates of insurance or other satisfactory evidence of insurance, with the Association in order that the Association may be assured that such insurance coverage is in effect. The Association, as to all policies which it obtains, and all Co-owners, as to all policies which they obtain, shall use their best efforts to see

that all property and liability insurance carried by the Association or any Co-owner shall contain appropriate provisions whereby the insurer waives its right of subrogation as to any claims against any Co-owner or the Association.

- (b) Insurance of Common Elements. All Common Elements of the Condominium shall be insured against fire and other perils covered by a standard extended coverage endorsement, in an amount equal to the current insurable replacement value, excluding foundation and excavation costs, as determined annually by the Board of Directors of the Association in consultation with the Association's insurance carrier and/or its representatives in light of commonly employed methods for the reasonable determination of replacement costs. Such coverage shall be effected upon an agreed-amount basis for the entire Condominium with appropriate inflation riders in order that no co-insurance provisions shall be invoked by the insurance carrier in a manner that will cause loss payments to be reduced below the actual amount of any loss (except in the unlikely event of total Project destruction if the insurance proceeds failed, for some reason, to be equal to the total cost of replacement). All information in the Association's records regarding insurance coverage shall be made available to all Co-owners upon request and reasonable notice during normal business hours so that Co-owners shall be enabled to judge the adequacy of coverage and, upon the taking of due Association procedures, to direct the Board at a properly constituted meeting, to change the nature and extent of any applicable coverages, if so determined. Upon such annual re-evaluation and effectuation of coverage, the Association shall notify all Co-owners of the nature and extent of all changes in coverages. Such coverage shall also include interior walls within any Unit and the pipes, wires, conduits and ducts contained therein and shall further include all fixtures, equipment and trim within a Unit which were furnished with the Unit as standard items in accord with the plans and specifications thereof as are on file with the Township (or such replacements thereof as do not exceed the cost of such standard items). It shall be each Co-owner's responsibility to obtain insurance coverage for all fixtures, equipment, trim and other items or attachments within the Unit or any Limited Common Elements appurtenant thereto which were installed in addition to said standard items (or as replacements for such standard items to the extent that replacement cost exceeded the original cost of such standard items) whether installed originally by the Developer or subsequently by the Co-owner, and the Association shall have no responsibility whatsoever for obtaining such coverage unless agreed specifically and separately between the Association and the Co-owner.

in writing; provided, however, that any such agreement between the Association and the Co-owner shall provide that any additional premium cost to the Association attributable thereto shall be assessed to and borne solely by said Co-owner and collected as part of the assessments against said Co-owner under Article II hereof. This provision shall not preclude the Association from obtaining such coverage on its own initiative.

- (c) Premium Expenses. All premiums on insurance purchased by the Association pursuant to these Bylaws shall be expenses of administration.
- (d) Proceeds of Insurance Policies. Proceeds of all insurance policies owned by the Association shall be received by the Association, held in a separate account and distributed to the Association, and the Co-owners and their mortgagees as their interests may appear; provided, however, whenever repair or reconstruction of the Condominium shall be required as provided in Article V of these Bylaws, the proceeds of any insurance received by the Association as a result of any loss requiring the repair or reconstruction shall be applied for such repair or reconstruction and in no event shall hazard insurance proceeds be used for any purpose other than repair, replacement or reconstruction of the Condominium unless all of the institutional holders of first mortgages on Units in the Condominium have given their prior written approval.

Section 2. Authority of Association to Settle Insurance Claims. Each Co-owner, by ownership of a Unit in the Condominium, shall be deemed to appoint the Association as his true and lawful attorney-in-fact to act in connection with all matters concerning the maintenance of fire and extended coverage, vandalism and malicious mischief, liability insurance and workers' compensation insurance, if applicable, pertinent to the Condominium, his Unit and the Common Elements appurtenant thereto with such insurer as may, from time to time, provide such insurance for the Condominium. Without limitation on the generality of the foregoing, the Association as said attorney shall have full power and authority to purchase and maintain such insurance, to collect and remit premiums therefor, to collect proceeds and to distribute same to the Association, the Co-owners and respective mortgagees, as their interests may appear (subject always to the Condominium Documents); to execute releases of liability and to execute all documents and to do all things on behalf of such Co-owners and the Condominium as shall be necessary or convenient to the accomplishment of the foregoing.

## ARTICLE V

### RECONSTRUCTION OR REPAIR

Section 1. Responsibility for Reconstruction or Repair. In the event any part of the Condominium property shall be damaged, the determination of whether or not it shall be reconstructed or repaired shall be made in the following manner:

- (a) Partial Damage. In the event the damaged property is a Common Element or a Unit, the property shall be rebuilt or repaired if any Unit in the Condominium is tenantable, unless it is determined by unanimous vote of all of the Co-owners in the Condominium that the Condominium shall be terminated and each institutional holder of a first mortgage lien on any Unit in the Condominium has given its prior written approval for such termination.
- (b) Total Destruction. In the event the Condominium is so damaged that no Unit is tenantable, the damaged property shall not be rebuilt and the Condominium shall be terminated, unless eighty percent (80%) or more of all of the Co-owners agree to reconstruction by vote or in writing within ninety (90) days after the destruction and such termination shall also have received the approval of at least fifty one percent (51%) of those holders of first mortgages on the Condominium Units.

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

Section 3. Co-owner and Association Responsibilities. In the event 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 Section 4 hereof. In all other cases, the responsibility for reconstruction and repair shall be that of the Association in accordance with Section 5 of this Article V.

Section 4. Co-owner Responsibility for Repair. Each Co-owner shall be responsible for the reconstruction, repair and maintenance of windows, doors and doorwalls, if any, appurtenant to his Unit and of the interior of his Unit, including, but not limited to, floor coverings, wall coverings, window shades, draperies, interior walls (but not any Common Elements therein which are otherwise designated as the responsibility of the

Association in Article IV, Section 3 of the Master Deed), interior trim, furniture, light fixtures and all appliances (including their hoses or other apparatuses), whether free-standing or built-in. In the event that damage to interior walls within a Co-owner's Unit, or to pipes, wire, conduits, ducts or other Common Elements therein, or to any fixtures, equipment and trim which are standard items within a Unit is covered by insurance held by the Association, then the reconstruction or repair shall be the responsibility of the Association in accordance with Section 5 of this Article V. If any other interior portion of a Unit is covered by insurance held by the Association for the benefit of the Co-owner, the Co-owner shall be entitled to receive the proceeds of insurance relative thereto and if there is a mortgagee endorsement, the proceeds shall be payable to the Co-owner and the mortgagee jointly. In the event of substantial damage to or destruction of any Unit or any part of the Common Elements, the Association promptly shall so notify each institutional holder of a first mortgage lien on any of the Units in the Condominium.

Section 5. Association Responsibility for Repair. Except as provided in Section 4 hereof, the Association shall be responsible for the maintenance, repair and reconstruction of the Common Elements (except as specifically otherwise provided in the Master Deed). In no event shall the Association be responsible for any damage to the contents of a Condominium Unit and/or any personal property of the Co-owner. Immediately after a casualty causing damage to property for which the Association has the responsibility of maintenance, repair and reconstruction, the Association shall obtain reliable and detailed estimates of the cost to place the damaged property in a condition as good as that existing before the damage. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction or repair required to be performed by the Association, or if at any time during such reconstruction or repair, or upon completion of such reconstruction or repair, the funds for the payment of the costs thereof are insufficient, assessments shall be made against all Co-owners, except as may otherwise be permitted in the Bylaws, 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, which may be collected in accordance with Article II herein. This provision shall not be construed to require replacement of mature trees and vegetation with equivalent trees or vegetation.

Section 6. Timely Reconstruction and Repair. If damage to Common Elements or a Unit adversely affects the appearance of the Condominium, 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 (6) months after the date of the occurrence which caused damage to the property.

Section 7. Eminent Domain. Section 133 of the Act and the following provisions shall control upon any taking by eminent domain:

- (a) Taking of Entire Unit. In the event of any taking of an entire Unit by eminent domain, the award for such taking shall be paid to the owner of such Unit and the mortgagee thereof, as their interests may appear. After acceptance of such award by the owner and his mortgagee, they shall be divested of all interest in the Condominium. In the event that any condemnation award shall become payable to any 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 fifty percent (50%) of all of the Co-owners shall determine whether to rebuild, repair or replace the portion so taken or to take such other action as they deem appropriate.
- (c) Continuation of Condominium After Taking. In the event the Condominium continues after taking by eminent domain, then the remaining portion of the Condominium shall be resurveyed 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 one hundred (100%) percent. Such amendment may be effected by an officer of the Association duly authorized by the Board of Directors without the necessity of execution or specific approval thereof by any Co-owner.
- (d) Notification of Mortgagees. In the event any Unit in the Condominium, or any portion thereof, or the Common Elements or any portion thereof, is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, the Association promptly shall so notify each institutional holder of a first mortgage lien on any of the Units in the Condominium.

Section 8. Mortgages Held By FHLMC; Other Institutional Holders. In the event any mortgage in the Condominium is held by the Federal Home Loan Mortgage Corporation ("FHLMC") then, upon request therefor by FHLMC, the Association shall give it written notice at such address as it may, from time to time, direct of any loss to or taking of the Common Elements of the Condominium if the loss or taking exceeds \$10,000.00 in

amount or if damage to a Condominium Unit covered by a mortgage purchased in whole or in part by FHLMC exceeds \$1,000.00. The Association shall provide such other reasonable notice as may be required, from time to time, by other institutional holders of mortgages upon Units.

Section 9. Priority of Mortgagee Interests. Nothing contained in the Condominium Documents shall be construed to give a Condominium Unit owner, or any other party, priority over any rights of first mortgagees of Condominium Units pursuant to their mortgages in the case of a distribution to Condominium Unit owners of insurance proceeds or condemnation awards for losses to or a taking of Condominium Units and/or Common Elements.

## ARTICLE VI

### RESTRICTIONS

Section 1. Residential Use. No Unit in the Condominium shall be used for other than residential purposes and the Common Elements shall only be used for purposes consistent with those set forth in this Section 1. No residential Unit shall be used for commercial or business purposes; provided, however, that this shall not be deemed to ban a Co-owner from operating a home-based business which does not have any on-site employees other than Unit residents, does not produce odors, noises, or other affects noticeable outside of the Unit, and does not involve the manufacture of goods or sale of goods from inventory. A family day care which gives care to fewer than seven (7) minor children and which is licensed by the State of Michigan shall be permitted to the extent that it complies with any laws governing same. The Association may also provide a Unit or a Common Element to be used by a janitor, or resident manager, as the case may be. The provisions of this Section shall not be construed to prohibit a Co-owner from maintaining a personal professional library, keeping personal, professional or business records or handling personal business or professional telephone calls in that Co-owner's Unit.

#### 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. No Co-owner shall lease less than an entire Unit in the Condominium and no tenant shall be permitted to occupy except under a written lease, the initial term of which is at least twelve (12) months, unless specifically approved in writing by the Association. Such written lease shall (i) require the lessee to comply with the Condominium Documents and rules and regulations of the

Association; (ii) provide that failure to comply with the Condominium Documents and rules and regulations constitutes a default under the lease, and (iii) provide that the Board of Directors has the power to terminate the lease or to institute an action to evict the tenant and for money damages after fifteen (15) days prior written notice to the Condominium Unit Co-owner, in the event of a default by the tenant in the performance of the lease. The Board of Directors may suggest or require a standard form lease for use by Unit Co-owners. Each Co-owner of a Condominium Unit shall, promptly following the execution of any lease of a Condominium Unit, forward a conformed copy thereof to the Board of Directors. Under no circumstances shall transient tenants be accommodated. "Transient tenant" is someone who occupies a Unit for less than the minimum period required above regardless of whether or not compensation is paid. The terms of all leases, occupancy agreements and occupancy arrangements shall incorporate, or be deemed to incorporate, all of the provisions of the Condominium Documents. Tenants and nonCo-owner occupants shall comply with all of the conditions of the Condominium Documents and all leases, rental agreements, and occupancy agreements shall so state. The Developer may lease any number of Units in the Condominium and for such term(s) as it, in its discretion, may elect.

- (b) Leasing Procedures. 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 or otherwise agreeing to grant possession of a Condominium Unit to a potential lessee of the Unit and, at the same time, shall supply the Association with a copy of the exact lease form for its review for its compliance with the Condominium Documents. Co-owners who do not live in the Unit they own must keep the Association informed of their current correct address and phone number(s). If no lease form is to be used, then the Co-owner or the Developer shall supply the Association with the name and address of the potential lessee, along with the rental amount and due dates under the proposed agreement. The Board of Directors may charge such reasonable administrative fees for reviewing, approving, and monitoring lease transactions in accordance with this Article VI, Section 2 as the Board, in its discretion, may establish. Any such administrative fees shall be assessed to and collected from the leasing Co-owner in the same manner as the collection of assessments under Article II hereof. This provision shall also apply to occupancy agreements.

- (c) Violation of Condominium Documents by Tenants or NonCo-owner Occupants. If the Association determines that the tenant or nonCo-owner occupant has failed to comply with the conditions of the Condominium Documents, the Association shall take the following action:
- (1) The Association shall notify the Co-owner by certified mail advising of the alleged violation by the tenant or nonCo-owner occupant.
  - (2) The Co-owner shall have fifteen (15) days after receipt of such notice to investigate and correct the alleged breach by the tenant or nonCo-owner occupant or advise the Association that a violation has not occurred.
  - (3) If after fifteen (15) days the Association believes that the alleged breach is not cured or may be repeated, it may institute on its own 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 nonCo-owner occupant and simultaneously for money damages in the same action against the Co-owner and tenant or nonCo-owner occupant for breach of the conditions of the Condominium Documents. The relief set forth in this subsection may be by summary proceeding. The Association may hold both the tenant or nonCo-owner occupant and the Co-owner liable for any damages caused by the Co-owner or tenant or nonCo-owner occupant in connection with the Condominium Unit or the Condominium and for actual legal fees and costs incurred by the Association in connection with legal proceedings hereunder.
- (d) Arrearage in Condominium Assessments. When a Co-owner is in arrearage to the Association for assessments, the Association may give written notice of the arrearage to a tenant or nonCo-owner occupant occupying a Co-owner's Condominium Unit under a lease, rental or occupancy agreement and the tenant or nonCo-owner occupant, 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 do not constitute a breach of the rental agreement, lease or occupancy agreement by the tenant or nonCo-owner occupant. If the tenant, after being notified, fails or refuses to remit rent otherwise due the Co-owner to the Association, then the Association may do the following:

- (1) Issue a statutory notice to quit for non-payment of rent to the tenant and shall have the right to enforce that notice by summary proceeding.
- (2) Initiate proceedings pursuant to subsection (c) (3) of this Section 2.

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

- (e) Partial Exception for First Mortgagees. Notwithstanding anything to the contrary herein:
- (1) This Section shall not be construed so as to condition or impair any Co-owner assignment of an existing Unit lease or occupancy agreement to the holder of a first mortgage upon the Unit as additional security for a loan; and,
  - (2) The holder of a first mortgage upon a Unit who purchases the Unit upon foreclosure of the mortgage, or who acquires title to the Unit by a deed delivered in lieu of foreclosure of the mortgage, for a period of three (3) years to commence sixty (60) days after the holder acquires the right to occupy and possess the Unit under applicable law, shall be exempt from the following lease requirements and restrictions of this Article VI, Section 2, to wit:
    - A. The minimum lease term, as is required by Section 2(a) above; provided, that no person shall be permitted to possess and occupy any Unit under a lease or occupancy agreement for a term which is less than thirty (30) days, and every such person shall remain a "Transient Tenant" within the meaning of Section 2(a); and,
    - B. Any requirement concerning the form and content of any lease, or as to the Association's prior review and approval thereof, but only insofar as Section 2 shall impose requirements which are in excess of those provided in Section 1.12 of the Act.

The exceptions contained in this Section 2(e)(2) also shall include and benefit the successors and assigns of every such holder; provided, however, that a person (but specifically excepting a lending institution

or its affiliate which acquires the Unit for disposition) which acquires the Unit for use as his personal residence, primary or secondary, or as rental property to be held for investment purposes shall not be an "assignee" for the purposes of this Section.

Section 3. Alterations and Modifications of Units and Common Elements.

- (a) No Co-owner shall make alterations in exterior appearance or make structural modifications to his Unit (including interior walls through or in which there exist easements for support or utilities) or make changes in any of the Common Elements, Limited or General, without the express written approval of the Developer during the Construction and Sales Period, and, thereafter, the Board of Directors (which approval shall be in recordable form), including, without limitation, exterior painting, lights, aerials or antennas (except those antennas referred to in Section 3(b) below), awnings, doors, shutters, newspaper holders, mailboxes, hot tubs and jacuzzis, basketball backboards or other exterior attachments or modifications, nor shall any Co-owner damage or make modifications or attachments to walls between Units which in any way impair sound conditioning provisions. Notwithstanding having obtained such approval by the Board of Directors and of the Developer, if required, the Co-owner shall obtain any required building permits and shall, otherwise, comply with all building requirements of the Township. The Board may only approve such modifications as do not impair the soundness, safety, utility or appearance of the Condominium Project. No attachment, appliance or other item may be installed which is designed to kill or repel insects or other animals by light or humanly audible sound.
- (b) Notwithstanding the provisions of Section 3(a) above, the following three (3) types and sizes of antennas may be installed in the Unit or on limited common element areas for which the Co-owner has direct or indirect ownership and exclusive use or control, subject to the provisions of this Section and any written rules and regulations promulgated by the Board of Directors of the Association under Article VI, Section 12 of these Bylaws: (1) Direct broadcast satellite antennas ("Satellite Dishes") one meter or less in diameter; (2) Television broadcast antennas of any size; and (3) Multi-point distribution service antennas (sometimes called wireless cable or MDS antennas) one meter or less in diameter. The rules and regulations promulgated by the Board of Directors governing

installation, maintenance or use of antennas shall not impair reception of an acceptable quality signal, unreasonably prevent or delay installation, maintenance or use of an antenna, or unreasonably increase the cost of installing, maintaining or using an antenna. Such rules and regulations may provide for, among other things, placement preferences, screening and camouflaging or painting of antennas. Such rules and regulations may contain exceptions or provisions related to safety, provided that the safety rationale is clearly articulated therein. Antenna masts, if any, may be no higher than necessary to receive acceptable quality signals, and may not extend more than twelve (12) feet above the roofline without preapproval, due to safety concerns. A Co-owner desiring to install an antenna must notify the Association prior to installation by submitting a notice in the form prescribed by the Association. If the proposed installation complies with this Section 3(b) and all rules and regulations regarding installation and placement of antennas, installation may begin immediately; if the installation will not comply, or is in any way not routine in accordance with this Section and the rules and regulations, then the Association and Co-owner shall meet promptly and within seven (7) days after receipt of the notice by the Association, if possible, to discuss the installation. The Association may prohibit Co-owners from installing the aforementioned satellite dishes and/or antennas if the Association provides the Co-owner(s) with access to a central antenna facility that does not impair the viewers' rights under Section 207 of the Federal Communication Commission ("FCC") rules. This Section is intended to comply with the rule governing antennas adopted by the FCC effective October 14, 1996, as amended by FCC Orders released September 25, 1998 and November 20, 1998, and is subject to review and revision to conform to any changes in the content of the FCC rules or the Telecommunications Act of 1996, and this Section may be modified through rules and regulations promulgated by the Board of Directors pursuant to Section 11 of this Article VI.

- (c) The Co-owner shall be responsible for the maintenance and repair of any such modification or improvement. In the event that the Co-owner fails to maintain and/or repair said modification or improvement to the satisfaction of the Association, the Association may undertake to maintain and/or repair same and assess the Co-owner the costs thereof and collect same from the Co-owner in the same manner as provided for the collection of assessments in Article II hereof. The Co-owner shall indemnify and hold the Association harmless from and against any and all costs, damages,

and liabilities incurred in regard to said modification and/or improvement and (except with respect to antennas referred to in Section 3(b) above) shall be obligated to execute a Modification Agreement, if requested by the Association, as a condition for approval of such modification and/or improvement. No Co-owner shall in any way restrict access to any plumbing, water line, water line valves, water meter, sprinkler system valves, or any element which affects an Association responsibility in any way. Should access to any facilities of any sort be required, the Association may remove any coverings or attachments of any nature that restrict such access and will have no responsibility for repairing, replacing or reinstalling any materials, whether or not installation thereof has been approved hereunder, that are damaged in the course of gaining such access, nor shall the Association be responsible for monetary damages of any sort arising out of actions taken to gain necessary access.

Section 4. 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, sling shots, illegal fireworks, or other similar dangerous weapons, projectiles or devices.

Section 5. Pets. No reptiles and no animals, including household pets, shall be maintained by any Co-owner unless specifically approved in writing by the Association, except that a Co-owner may maintain one (1) domesticated dog and/or one (1) domesticated cat in his Condominium Unit. No animal may be kept or bred for any commercial purpose. Any animal shall have such care and restraint so as not to be obnoxious or offensive on account of noise, odor or unsanitary conditions. No animal may be permitted to run loose at any time upon the Common Elements and any animal shall at all times be leashed and attended in person by some responsible person while on the Common Elements, Limited or General. The Board of Directors may, in its discretion, designate certain portions of the General Common Elements of the Project wherein such animals may be walked and/or exercised and the Board of Directors may, in its discretion, designate certain portions of the General Common Elements of the Condominium wherein dog runs may be constructed. Nothing herein contained shall be construed to require the Board of Directors to so designate a portion of the General Common Elements for the

walking and/or exercising of animals and/or for the construction of dog runs. No savage or dangerous animal shall be kept and any Co-owner who causes any animal to be brought or kept upon the premises of the Condominium shall indemnify and hold harmless the Association for any loss, damage or liability (including costs and attorney fees) which the Association may sustain as a result of the presence of such animal on the premises, whether or not the Association has given its permission therefor, and the Association may assess and collect from the responsible Co-owner such losses and/or damages in the manner provided in Article II hereof. Each Co-owner shall be responsible for collection and disposition of all fecal matter deposited 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 Bylaws in the event that the Association determines such assessment necessary to defray the maintenance cost to the Association of accommodating animals within the Condominium. The Association shall have the right to require that any pets be registered with it and may adopt such additional reasonable rules and regulations with respect to animals as it may deem proper. The Association may, after notice and hearing, without liability to the owner thereof, remove or cause to be removed any animal from the Condominium which it determines to be in violation of the restrictions imposed by this Section or by any applicable rules and regulations of the Association, although such hearing shall not be a condition precedent to the institution of legal proceedings to remove said animal. The Association may also assess fines for such violation of the restrictions imposed by this Section or by any applicable rules and regulations of the Association. The term "animal" or "pet" as used in this Section 5 shall not include small domesticated animals which are constantly caged, such as small birds or fish.

Section 6. Aesthetics. The Common Elements, Limited or General, shall not be used for storage of supplies, materials, personal property or trash or refuse of any kind, except as provided in duly adopted rules and regulations of the Association. Garage doors shall be kept closed at all times except as may be reasonably necessary to gain access to or from any garage. No unsightly condition shall be maintained on any patio, deck, porch or other Limited Common Element, and only furniture and equipment consistent with the normal and reasonable use of such areas shall be permitted to remain there during seasons when such areas are reasonably in use and no furniture or equipment of any kind shall be stored thereon during seasons when such areas are not reasonably in use, except as may be provided in rules and regulations of the Association. Trash receptacles shall be maintained in areas designated therefor at all times and shall not be permitted to remain elsewhere on the Common Elements except for such short periods of time as may be reasonably necessary to permit periodic collection of trash. Trash shall be picked up at the curb-side and shall not be taken or collected at a designated centralized area pursuant to the HPUD. The Common Elements shall not be used in any way for the drying, shaking or airing of clothing or other fabrics. There shall be no outdoor cooking or barbecues except in areas designated therefor by the Board of Directors. Nothing herein contained shall be construed to require the Board of Directors to so designate an area for outdoor

cooking or barbecues. In general, no activity shall be carried on nor condition maintained by the Co-owner either in his Unit or upon the Common Elements, which is detrimental to the appearance of the Condominium.

**Section 7. Common Element Maintenance.** Porches, walkways, driveways, patio areas, if any, landscaped areas and open spaces, shall not be obstructed in any way nor shall they be used for purposes other than for which they are reasonably and obviously intended. No bicycles, vehicles, chairs, or benches may be left unattended on or about the Common Elements, except as may be provided by duly adopted rules and regulations of the Condominium. Outdoor furniture may be maintained in a Limited Common Element patio area appurtenant to a Unit during the season when such patio furniture is reasonably in use. Use of any amenities in the Condominium may be limited to such times and in such manner as the Association shall determine by duly adopted regulations; provided, however, that use of any amenities in the Condominium shall be limited to resident Co-owners who are members in good standing of the Association and to the tenants, land contract purchasers and/or other nonCo-owner occupants of Condominium Units in which the Co-owner does not reside; provided, further, however, that the nonresident Co-owners of such Condominium Units are members in good standing of the Association.

**Section 8. Vehicles.** No housetrailers, commercial vehicles, boat trailers, boats, camping vehicles, camping trailers, mobile homes, dune buggies, motor homes, all terrain vehicles, snowmobiles, snowmobile trailers or vehicles, other than automobiles, motorcycles, vehicles and trucks which are designed and used primarily for personal transportation purposes, may be parked or stored upon the premises of the Condominium, unless enclosed in the Co-owner's garage with the door closed or in such other area as may be specifically approved by the Association or parked in an area specifically designated therefor by the Association. Nothing herein contained shall be construed to require the Association to approve the parking or storage of such vehicles or to designate an area therefor. The Association shall not be responsible for any damages, costs or other liability arising from any failure to approve the parking or storage of such vehicles or to designate an area therefor. A Co-owner may not maintain more than three (3) vehicles upon the premises of the Condominium unless the Board of Directors specifically approves in writing otherwise. Co-owners must park their vehicles in the garage and in their Limited Common Element driveway, only, unless the Board of Directors has specifically approved otherwise in writing and/or as may otherwise be set forth in rules and regulations promulgated pursuant to Article VI, Section 11 hereof. Garage doors shall be kept closed when not in use. Any non-assigned parking areas shall be reserved for the general use of the members and their guests. Commercial vehicles and trucks (except trucks designed and used primarily for personal transportation as herein provided) shall not be parked in or about the Condominium (except as above provided) unless while making deliveries or pick-ups in the normal course of business. For purposes of this Section, "commercial vehicle" means any vehicle that has any one of the following characteristics: (a) more than two (2) axles; (b) gross vehicle weight rating in excess of 10,000 pounds; (c) visibly equipped with or carrying equipment or materials used in a business; or (d) carrying a sign

advertising or identifying a business. Noncommercial trucks such as Suburbans, Blazers, Bravadas, Jeeps, GMC's/Jimmy's, pickups, vans, and similar vehicles that are designed and used primarily for personal transportation shall be permissible, except as may be otherwise prohibited herein. Nonoperational vehicles or vehicles with expired license plates shall not be parked or stored on the Condominium Premises without the written permission of the Board of Directors. Nonemergency maintenance or repair of motor vehicles shall not be permitted on the Condominium Premises. In the event that there arises a shortage of parking spaces, the Association or the Developer, as the case may be, may allocate or assign available General Common Element parking spaces, from time to time, on an equitable basis, in accordance with Article IV, Section 1(a) of the Master Deed. The Association may cause vehicles parked or stored in violation of this Section to be removed from the Condominium Premises and the cost of such removal may be assessed to and collected from the Co-owner of the Unit responsible for the presence of the vehicle in the manner provided in Article II hereof without liability to the Association. Co-owners shall, if the Association shall require, register with the Association all vehicles maintained on the Condominium Premises. The Board of Directors may promulgate reasonable rules and regulations governing the parking of vehicles in the Condominium consistent with the provisions hereof.

Section 9. Draperys and Curtains. All window treatments, draperies and/or curtains installed in windows in the Condominium shall have neutral liners so as to maintain a uniform appearance when viewed from the exteriors of the Units.

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

Section 11. Regulations. Reasonable rules or regulations consistent with the Act, the Master Deed and these Bylaws, concerning the use and operation of the Condominium may be made and amended from time to time by the Board of Directors of the Association, including the First Board of Directors (or its successors appointed by the Developer prior to the First Annual Meeting of the entire Association held as provided in Article X, Section 2 of these Bylaws). Copies of all such rules and/or regulations and amendments thereto shall be furnished to all Co-owners and shall become effective thirty (30) days after mailing or delivery thereof to the designated voting representative of each Co-owner. Any such rule or regulation or amendment may be revoked at any time by the affirmative vote of more than fifty percent (50%) of all Co-owners except that the Co-owners may not revoke any rule or regulation prior to the First Annual Meeting of the entire Association.

Section 12. Right of Access of Association. The Association or its duly authorized agents shall have access to each Unit and any Limited Common Elements appurtenant thereto from time to time, during reasonable working hours, upon notice to the

Co-owner thereof, as may be necessary for the maintenance, repair or replacement of any of the Common Elements. This right of access shall include, without any implication of limitation, the right of the Association to obtain access during reasonable hours and upon reasonable notice to sprinkler controls, valves and meters and other Common Elements located within any Unit or its appurtenant Limited Common Elements for monitoring, inspection, maintenance, repair or replacement thereof. The Association or its agents shall also have access to each Unit and any Limited Common Elements appurtenant thereto at all times without notice as may be necessary to make emergency repairs to prevent damage to the Common Elements or to another Unit and/or to protect the safety and/or welfare of the inhabitants of the Condominium. It shall be the responsibility of each Co-owner to provide the Association means of access to his Unit and any Limited Common Elements appurtenant thereto during all periods of absence and in the event of the failure of such Co-owner to provide means of access, the Association may gain access in such manner as may be reasonable under the circumstances, including without notice, and shall not be liable to such Co-owner for any necessary damage to his Unit and any Limited Common Elements appurtenant thereto caused thereby or for repair or replacement of any doors or windows damaged in gaining such access. In the event that it is necessary for the Association to gain access to a Unit or the contents of same or Limited Common Elements appurtenant to same which are under the control or possession of the Co-owner to make repairs to prevent damage to the Common Elements or to another Unit or to protect the safety and welfare of the inhabitants of the Condominium, the costs, expenses, damages, and/or attorney fees incurred by the Association in such undertaking shall be assessed to the responsible Co-owner and collected in the same manner as provided in Article II of these Bylaws.

Section 13. Landscaping. No Co-owner shall perform any landscaping or plant any trees, shrubs or flowers or place any ornamental materials upon the Common Elements unless approved by the Association in writing, or as may be provided in rules and regulations governing same as may be promulgated by the Board of Directors from time to time, subject to the written approval of the Developer as required in Section 16 hereinbelow. All tree and woodland maintenance, repair, replacement and relocation shall be performed in accordance with the terms and requirements of Article 23 of the Northville Township Zoning Ordinance: Tree and Woodlands Replacement.

Section 14. Disposition of Interest in Unit by Sale or Lease. No Co-owner may dispose of a Unit in the Condominium, or any interest therein, by a sale or lease without complying with the following terms or conditions:

- (a) Notice to Association; Co-owner to Provide Condominium Documents to Purchaser or Tenant. A Co-owner intending to make a sale or lease of a Unit in the Condominium, or any interest therein, shall give written notice of such intention delivered to the Association at its registered office and shall furnish the name and address of the intended purchaser or lessee and such other information as the

Co-owner thereof, as may be necessary for the maintenance, repair or replacement of any of the Common Elements. This right of access shall include, without any implication of limitation, the right of the Association to obtain access during reasonable hours and upon reasonable notice to sprinkler controls, valves and meters and other Common Elements located within any Unit or its appurtenant Limited Common Elements for monitoring, inspection, maintenance, repair or replacement thereof. The Association or its agents shall also have access to each Unit and any Limited Common Elements appurtenant thereto at all times without notice as may be necessary to make emergency repairs to prevent damage to the Common Elements or to another Unit and/or to protect the safety and/or welfare of the inhabitants of the Condominium. It shall be the responsibility of each Co-owner to provide the Association means of access to his Unit and any Limited Common Elements appurtenant thereto during all periods of absence and in the event of the failure of such Co-owner to provide means of access, the Association may gain access in such manner as may be reasonable under the circumstances, including without notice, and shall not be liable to such Co-owner for any necessary damage to his Unit and any Limited Common Elements appurtenant thereto caused thereby or for repair or replacement of any doors or windows damaged in gaining such access. In the event that it is necessary for the Association to gain access to a Unit or the contents of same or Limited Common Elements appurtenant to same which are under the control or possession of the Co-owner to make repairs to prevent damage to the Common Elements or to another Unit or to protect the safety and welfare of the inhabitants of the Condominium, the costs, expenses, damages, and/or attorney fees incurred by the Association in such undertaking shall be assessed to the responsible Co-owner and collected in the same manner as provided in Article II of these Bylaws.

Section 13. Landscaping. No Co-owner shall perform any landscaping or plant any trees, shrubs or flowers or place any ornamental materials upon the Common Elements unless approved by the Association in writing, or as may be provided in rules and regulations governing same as may be promulgated by the Board of Directors from time to time, subject to the written approval of the Developer as required in Section 16 hereinbelow. All tree and woodland maintenance, repair, replacement and relocation shall be performed in accordance with the terms and requirements of Article 23 of the Northville Township Zoning Ordinance: Tree and Woodlands Replacement.

Section 14. Disposition of Interest in Unit by Sale or Lease. No Co-owner may dispose of a Unit in the Condominium, or any interest therein, by a sale or lease without complying with the following terms or conditions:

- (a) Notice to Association; Co-owner to Provide Condominium Documents to Purchaser or Tenant. A Co-owner intending to make a sale or lease of a Unit in the Condominium, or any interest therein, shall give written notice of such intention delivered to the Association at its registered office and shall furnish the name and address of the intended purchaser or lessee and such other information as the

Association may reasonably require. Prior to the sale or lease of a Unit, the selling or leasing Co-owner shall provide a copy of the Condominium Master Deed (including Exhibits "A" and "B" thereto) and any amendments to the Master Deed, the Articles of Incorporation and any amendment thereto, and the rules and regulations, as amended, if any, to the proposed purchaser or lessee. In the event a Co-owner shall fail to notify the Association of the proposed sale or lease or in the event a Co-owner shall fail to provide the prospective purchaser or lessee with a copy of the Master Deed and other documents referred to above, such Co-owner shall be liable for all costs and expenses, including attorney fees, that may be incurred by the Association as a result thereof or by reason of any noncompliance of such purchaser or lessee with the terms, provisions and restrictions set forth in the Master Deed; provided, however, that this provision shall not be construed so as to relieve the purchaser or lessee of his obligations to comply with the provisions of the Condominium Documents.

- (b) Developer and Mortgagees not Subject to Section. The Developer shall not be subject to this Section 14 in the sale or, except to the extent provided in Article VI, Section 2(b), the lease of any Unit in the Condominium which it owns, nor shall the holder of any mortgage which comes into possession of a Unit pursuant to the remedies provided in the mortgage, or foreclosure of the mortgage, or deed in lieu of foreclosure, be subject to the provisions of this Section 14.

Section 15. Co-owner Maintenance. Each Co-owner shall maintain his Unit and any Limited Common Elements appurtenant thereto for which he has maintenance responsibility in a safe, clean and sanitary condition. In the event that a Co-owner fails to properly maintain, repair or replace an item for which he or she has maintenance, repair and/or replacement responsibility under the terms of the Master Deed, these Bylaws, or any other Condominium Document, the Association may, in the sole discretion of the Board of Directors and at its option, perform any such maintenance, repair and replacement following the giving of three (3) days written notice thereof to the responsible Co-owner of its intent to do so (except in the case of an emergency repair with which the Association may proceed without prior notice). The Association may assess the costs thereof to the Co-owner of the Unit as provided in Section 19 hereinbelow. The aforesigned right of the Association to perform such maintenance, repair and replacement shall not be deemed an obligation of the Association, but, rather, is in the sole discretion of the Board of Directors. Each Co-owner shall also use due care to avoid damaging any of the Common Elements including, but not limited to, the telephone, water, plumbing, air conditioning compressors, 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, or to other

Co-owners, as the case may be, resulting from negligent damage to or misuse of any of the Common Elements by him, or his family, guests, tenants, land contract purchasers, agents or invitees, unless such damages or costs are covered by insurance carried by the Association in which case there shall be no such responsibility (unless full reimbursement to the Association is excluded by virtue of a deductible provision, in which case the responsible Co-owner shall bear the expense to the extent of the deductible amount). Any costs or damages to the Association or to other Co-owners, as the case may be, may be assessed to and collected from the responsible Co-owner in the manner provided in Article II hereof. The Co-owners shall have the responsibility to report to the Association any Common Element which has been damaged or which is otherwise in need of maintenance, repair or replacement.

Section 16. Reserved Rights of Developer. During the Construction and Sales Period, as same is defined in Article III, Section 11 of the Master Deed, no buildings, fences, decks, wood privacy screens, patios, walls, 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, material, 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, who will be requested to bear the maintenance, repair and/or replacement responsibility for same and any adjoining properties under development or proposed to be developed by the Developer. The purpose of this Section is to assure the continued maintenance of the Condominium as an attractive and harmonious residential development, and shall be binding upon both the Association and upon all Co-owners.

Section 17. Developer's Rights to Furtherance of Development and Sale. 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 as the same may be amended from time to time. Notwithstanding anything to the contrary elsewhere herein contained, the 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

Condominium as may be reasonable to enable development and sale of the entire Condominium by Developer and/or the development, sale or lease of other off-site property by Developer or its affiliates, and Developer may continue to do so during the entire Construction and Sales Period and the warranty period applicable to any Unit in the Condominium. The Developer shall restore the area so utilized to habitable status upon termination of use.

Section 18. Enforcement of Bylaws. The Condominium shall at all times be maintained in a manner consistent with the highest standards of an attractive, 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 Bylaws and to charge the cost thereof to the Association as an expense of administration. The Developer shall have the right, but not the obligation, to enforce these Bylaws throughout the Construction and Sales Period notwithstanding that it may no longer own or offer for sale a Unit in the Condominium, which right of enforcement may include (without limitation) an action to restrain the Association or any Co-owner from any activity prohibited by these Bylaws. Unless the Developer has given its written consent, the failure or delay of the Developer to enforce these Bylaws shall not constitute a waiver of the right of the Developer to enforce the Bylaws in the future. The provisions of this Section 18 shall not be construed to be a warranty or representation of any kind regarding the physical condition of the Condominium.

Section 19. Assessment of Costs of Enforcement. Any and all costs, damages, expenses and/or attorneys fees incurred by the Association, or the Developer, as the case may be, in enforcing any of the restrictions set forth in this Article VI and/or rules and regulations promulgated by the Board of Directors of the Association under Article VI, Section 11 of these Bylaws, and any costs, expenses, and attorneys' fees incurred in collecting said costs, damages, and any expenses incurred as a result of the conduct of less than all those entitled to occupy the Condominium Project, or by their licensees or invitees, may be assessed to and collected from the responsible Co-owner in the manner provided in Article II hereof.

## ARTICLE VII

### JUDICIAL ACTIONS AND CLAIMS

Actions on behalf of and against the Co-owners shall be brought in the name of the Association. Subject to the express limitations on actions in these Bylaws and in the Association's Articles of Incorporation, the Association may assert, defend or settle claims

on behalf of all Co-owners in connection with the Common Elements of the Condominium. As provided in the Articles of Incorporation of the Association and these Bylaws, the commencement of any civil action (other than one to enforce these Bylaws or collect delinquent assessments) shall require the approval of a Sixty-six and Two-thirds percent (66 2/3%) of all Co-owners and shall be governed by the requirements of this Article VII. The requirements of this Article VII will ensure that the Co-owners are fully informed regarding the prospects and likely costs of any civil action the Association proposes to engage in, as well as the ongoing status of any civil actions actually filed by the Association. These requirements are imposed in order to reduce both the cost of litigation and the risk of improvident litigation, and in order to avoid the waste of the Association's assets in litigation where reasonable and prudent alternatives to the litigation exist. Each Co-owner and the Developer shall have standing to sue to enforce the requirements of this Article VII. The following procedures and requirements apply to the Association's commencement of any civil action other than an action to enforce these Bylaws or to collect delinquent assessments:

Section 1. Board of Directors' Recommendation to Co-owners. The Association's Board of Directors shall be responsible in the first instance for recommending to the Co-owners that a civil action be filed, and supervising and directing any civil actions that are filed.

Section 2. Litigation Evaluation Meeting. Before an attorney is engaged for purposes of filing a civil action on behalf of the Association, the Board of Directors shall call a special meeting of the Co-owners ("litigation evaluation meeting") for the express purpose of evaluating the merits of the proposed civil action. The written notice to the Co-owners of the date, time and place of the litigation evaluation meeting shall be sent to all Co-owners not less than twenty (20) days before the date of the meeting and shall include the following information copied onto 8-1/2" x 11" paper:

- (a) A certified resolution of the Board of Directors setting forth in detail the concerns of the Board of Directors giving rise to the need to file a civil action and further certifying that:
  - (1) it is in the best interests of the Association to file a lawsuit;
  - (2) that at least one member of the Board of Directors has personally made a good faith effort to negotiate a settlement with the putative defendant(s) on behalf of the Association, without success;
  - (3) litigation is the only prudent, feasible and reasonable alternative; and
  - (4) the Board of Directors' proposed attorney for the civil action is of the written opinion that litigation is the Association's most reasonable and prudent alternative.

(b) A written summary of the relevant experience of the attorney ("litigation attorney") the Board of Directors recommends be retained to represent the Association in the proposed civil action, including the following information:

(1) the number of years the litigation attorney has practiced law; and

(2) the name and address of every condominium and homeowner association for which the attorney has filed a civil action in any court, together with the case number, county and court in which each civil action was filed.

(c) The litigation attorney's written estimate of the amount of the Association's likely recovery in the proposed lawsuit, net of legal fees, court costs, expert witness fees and all other expenses expected to be incurred in the litigation.

(d) The litigation attorney's written estimate of the cost of the civil action through a trial on the merits of the case ("total estimated cost"). The total estimated cost of the civil action shall include the litigation attorney's expected fees, court costs, expert witness fees, and all other expenses expected to be incurred in the civil action.

(e) The litigation attorney's proposed written fee agreement.

(f) The amount to be specially assessed against each Unit in the Condominium to fund the estimated cost of the civil action both in total and on a monthly per Unit basis, as required by Section 6 of this Article VII.

(g) The litigation attorney's legal theories for recovery of the Association.

Section 3. Independent Expert Opinion. If the lawsuit relates to the condition of any of the Common Elements of the Condominium, the Board of Directors shall obtain a written independent expert opinion as to reasonable and practical alternative approaches to repairing the problems with the Common Elements, which shall set forth the estimated costs and expected viability of each alternative. In obtaining the independent expert opinion required by the preceding sentence, the Board of Directors shall conduct its own investigation as to the qualifications of any expert and shall not retain any expert recommended by the litigation attorney or any other expert recommended by the litigation attorney or any other attorney with whom the Board of Directors consults. The purpose of the independent expert opinion is to avoid any potential confusion regarding the condition of the Common Elements that might be created by a report prepared as an instrument of advocacy for use in a civil action. The independent expert opinion will ensure that the Co-owners have a realistic appraisal of the condition of the Common Elements, the likely cost of repairs to or replacement of the same, and the reasonable and prudent repair and replacement alternatives. The independent expert opinion shall be sent to all Co-owners with the written notice of the litigation evaluation meeting.

Section 4. Fee Agreement with Litigation Attorney. The Association shall have a written fee agreement with the litigation attorney, and any other attorney retained to handle the proposed civil action. The Association shall not enter into any fee agreement that is a combination of the retained attorney's hourly rate and a contingent fee arrangement unless the existence of the agreement is disclosed to the Co-owners in the text of the Association's written notice to the Co-owners of the litigation evaluation meeting.

Section 5. Co-owner Vote Required. At the litigation evaluation meeting, the Co-owners shall vote on whether to authorize the Board of Directors to proceed with the proposed civil action and whether the matter should be handled by the litigation attorney. The commencement of any civil action by the Association (other than a suit to enforce these Bylaws or collect delinquent assessments) and the retention of the litigation attorney shall require the approval of Sixty-six and Two-thirds percent (66 2/3%) of all Co-owners. In the event the litigation attorney is not approved, the entire litigation attorney evaluation and approval process set forth in Section 2 hereinabove and in this Section 5 shall be conducted prior to the retention of another attorney for this purpose. Any proxies to be voted at the litigation evaluation meeting must be signed at least seven (7) days prior to the litigation evaluation meeting.

Section 6. Litigation Special Assessment. All legal fees incurred in pursuit of any civil action that is subject to Section 1 through 10 of this Article VII shall be paid by special assessment of the Co-owners ("litigation special assessment"). Notwithstanding anything to the contrary herein, the litigation special assessment shall be approved at the litigation evaluation meeting by Sixty-six and Two-thirds percent (66 2/3%) of all Co-owners in the amount of the estimated total cost of the civil action. If the litigation attorney proposed by the Board of Directors is not retained, the litigation special assessment shall be in an amount equal to the estimated total cost of the civil action, as estimated by the attorney actually retained by the Association. The litigation special assessment shall be apportioned to the Co-owners in accordance with their respective percentage of value interests in the Condominium and shall be collected from the Co-owners on a monthly basis. The total amount of the litigation special assessment shall be collected monthly over a period not to exceed twenty-four (24) months.

Section 7. Attorney's Written Report. During the course of any civil action authorized by the Co-owners pursuant to this Article VII, the retained attorney shall submit a written report ("attorney's written report") to the Board of Directors every thirty (30) days setting forth:

- (a) The attorney's fees, the fees of any experts retained by the attorney or the Association, and all other costs of the litigation during the thirty (30) day period immediately preceding the date of the attorney's written report ("reporting period").

- (b) All actions taken in the civil action during the reporting period, together with copies of all pleadings, court papers and correspondence filed with the court or sent to opposing counsel during the reporting period.
- (c) A detailed description of all discussions with opposing counsel during the reporting period, written and oral, including, but not limited to, settlement discussions.
- (d) The costs incurred in the civil action through the date of the written report, as compared to the attorney's estimated total cost of the civil action.
- (e) Whether the originally estimated total cost of the civil action remains accurate.

Section 8. Monthly Board Meetings. The Board of Directors shall meet monthly during the course of any civil action to discuss and review:

- (a) the status of the litigation;
- (b) the status of settlement efforts, if any; and
- (c) the attorney's written report.

Section 9. Changes in the Litigation Special Assessment. If, at any time during the course of a civil action, the Board of Directors determines that the originally estimated total cost of the civil action or any revision thereof is inaccurate, the Board of Directors shall immediately prepare a revised estimate of the total cost of the civil action. If the revised estimate exceeds the litigation special assessment previously approved by the Co-owners, the Board of Directors shall call a special meeting of the Co-owners to review the status of the litigation, and to allow the Co-owners to vote on whether to continue the civil action and increase the litigation special assessment. The meeting shall have the same quorum and voting requirements as a litigation evaluation meeting.

Section 10. Disclosure of Litigation Expenses. The attorneys' fees, court costs, expert witness fees and all other expenses of any civil action filed by the Association ("litigation expenses") shall be fully disclosed to Co-owners in the Association's annual budget. The litigation expenses for each civil action filed by the Association shall be listed as a separate line item captioned "litigation expenses" in the Association's annual budget.

Section 11. Developer's Consent Required to Amend Article VII. The contents of this Article VII shall not be amended, modified or in any way changed without the prior written consent of the Developer.

Section 12. Constructive Notice of Article. These Bylaws, from and after their recording in the office of the Oakland County Register of Deeds, shall constitute constructive notice of the requirements and limitations of this Article VII to all Co-owners, mortgagees and other persons who subsequently acquire an interest in any Unit in the Condominium.

## ARTICLE VIII

### 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 shall report any unpaid assessments due from the Co-owner of such Unit to the holder of any first mortgage covering such Unit and co-owners shall be deemed to specifically authorized said action pursuant to these Bylaws. The Association shall give to the holder of any first mortgage covering any Unit in the Condominium written notification of any other default in the performance of the obligations of the Co-owner of such Unit that is not cured within sixty (60) days.

Section 2. Insurance. The Association shall notify each mortgagee appearing in said book of the name of each company insuring the Condominium against fire, perils covered by extended coverage, and vandalism and malicious mischief and the amounts of such coverage.

Section 3. Notification of Meetings. Upon request submitted to the Association, any institutional holder of a first mortgage lien on any Unit in the Condominium shall be entitled to receive written notification of every meeting of the members of the Association and to designate a representative to attend such meeting.

## ARTICLE IX

### VOTING

Section 1. Vote. Except as limited in these Bylaws, each Co-owner shall be entitled to one (1) vote for each Condominium Unit owned.

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 a deed or other evidence of ownership of a Unit in the Condominium to the Association. No Co-owner, other than the Developer, shall be entitled to vote prior to the First Annual Meeting of

members held in accordance with Article X, Section 2, except as specifically provided in Article X, Section 2. 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 IX below or by a proxy given by such individual representative except as otherwise provided herein in Article III, Section 4 hereinabove. 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, sign petitions and receive all notices and other communications from the Association on behalf of such Co-owner. Such notice shall state the name, address and telephone number of the individual representative designated, the number or numbers of the Condominium Unit or Units owned by the Co-owner, and the name, address and telephone number of each person, firm, corporation, limited liability partnership, limited liability company, 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, but shall not be permitted to serve as an officer or director of the Association.

Section 4. Quorum. The presence in person or by proxy of thirty-five percent (35%) of the Co-owners qualified to vote shall constitute a quorum for holding a meeting of the members of the Association, except for voting on questions specifically provided herein to require a greater quorum or where voting in person is required by the Bylaws. The written absentee ballot of any person furnished at or prior to any duly called meeting at which meeting said person is not otherwise present in person or by proxy shall be counted in determining the presence of a quorum with respect to the question upon which the ballot is cast except where prohibited herein.

Section 5. Voting. Votes may be cast in person or by proxy or by a written absentee ballot duly signed by the designated voting representative not present at a given meeting in person or by proxy, except as otherwise provided herein in Article III, Section 4, hereinabove. Proxies and any absentee ballots 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 fifty percent (50%) of those qualified to vote and present in person or by proxy (or absentee ballot, if applicable) at a given meeting of the members of the Association. Whenever provided specifically herein, the requisite affirmative vote

may be required to exceed the simple majority hereinabove set forth and may require a designated percentage of all Co-owners and may require that votes be cast in person.

## ARTICLE X

### 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 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 members of the Association may be convened only by the Developer and may be called at any time either before or after more than fifty percent (50%) of the Units that may be created in Springwater Park II have been conveyed and the purchasers thereof qualified as members of the Association. In no event, however, shall such meeting be called later than one hundred twenty (120) days after the conveyance of legal or equitable title to nonDeveloper Co-owners of seventy-five percent (75%) of all Units that may be created or fifty-four (54) months after the first conveyance of legal or equitable title to a nonDeveloper Co-owner of a Unit in the Condominium, whichever first occurs. The 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 to include in the Condominium.

Section 3. Annual Meetings. Annual meetings of members of the Association shall be held in the month of May each succeeding year after the year in which the First Annual Meeting is held, on such date and at such time and place as shall be determined by the Board of Directors; provided, however, that the second annual meeting shall not be held sooner than eight (8) months after the date of the First Annual Meeting. At such meetings there shall be elected by ballot of the Co-owners a Board of Directors in accordance with the requirements of Article XII of these Bylaws. The Co-owners may also transact at annual meetings such other business of the Association as may properly come before them.

Section 4. 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. The President shall also call a special meeting upon a petition signed by one-third (1/3) of the Co-owners presented to the Secretary of the Association, but only after the First Annual Meeting has been held or at the request of the Developer. A Co-owner must be eligible to vote at a meeting of members to validly sign a petition. 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 of 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, except for the Litigation Evaluation Meeting which notice requirements are prescribed in Article VII, Section 2, hereinabove. 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 IX, Section 3 of these Bylaws shall be deemed notice served. Any member may, by written waiver of notice signed by such member, waive such notice, and such waiver, when filed in the records of the Association, shall be deemed due notice.

Section 6. 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 forty-eight (48) hours from the time the original meeting was called to attempt to obtain a quorum.

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 inspector of elections (at annual meetings or special meetings held for the purpose of election of directors or officers); (g) election of directors (at annual meetings or special meetings held for such a purpose); (h) unfinished business; and (i) new business. Meetings of members shall be chaired by the most senior officer of the Association present at such meeting. For purposes of this Section, 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 of the Association (except for the election or removal of directors) may be taken without a meeting, with or without prior notice, by written consent of the members, except for litigation referenced in Article III and Article VII above. Written consents may be solicited in the same manner as provided in Section 4 above for the giving of notice of meetings of members. Such solicitation may specify the percentage of consents necessary to approve the action, and the time by which consents must be

received in order to be counted. The form of written consents shall afford an opportunity to consent (in writing) to each matter and shall provide that, where the member specifies his or her consent, the vote shall be cast in accordance therewith. Approval by written consent shall be constituted by receipt within the time period specified in the solicitation of a number of written consents which equals or exceeds the minimum number of votes which would be required for approval if the action were taken at a meeting at which all members entitled to vote were present and voted.

Section 9. Consent of Absentees. The transactions of any meeting of members, either annual or special, except the litigation evaluation meeting discussed in Article VII hereinabove, however called and noticed, shall be as valid as though made at a meeting duly held after regular call and notice, if a quorum be present either in person or by proxy or by absentee ballot; and if, either before or after the meeting, each of the members not present in person or by proxy, or absentee ballot, signs a written waiver of notice, or a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents, or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Section 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 to truthfully evidence the matters set forth therein. A recitation in the minutes of any such meeting that notice of the meeting was properly given shall be *prima facie* evidence that such notice was given.

## ARTICLE XI

### 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 Units that may be created, whichever first occurs, the Developer shall cause to be established an Advisory Committee consisting of at least three (3) nonDeveloper Co-owners. The Committee shall be established and perpetuated in any manner the Developer deems advisable, except that if more than fifty percent (50%) of the nonDeveloper Co-owners petition the Board of Directors for an election to select the Advisory Committee, then an election for such purpose shall be held. The purpose of the Advisory Committee shall be to facilitate communications between the temporary Board of Directors and the other Co-owners and to aid in the transition of control of the Association from the Developer to the Co-owners. A chairman of the Committee shall be selected by the members. The Advisory Committee shall cease to exist automatically when the nonDeveloper 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 XII

### BOARD OF DIRECTORS

Section 1. Qualifications of Directors. The affairs of the Association shall be governed by a Board of Directors, all of whom must be members in good standing of the Association or officers, partners, trustees, employees or agents of members of the Association except for the first Board of Directors designated in the Articles of Incorporation of the Association and any successors thereto appointed by the Developer. Directors shall serve without compensation.

Section 2. Election of Directors.

- (a) First Board of Directors. The first Board of Directors shall be comprised of one (1) person and such 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 nonDeveloper Co-owners to the Board. Immediately prior to the appointment of the first nonDeveloper Co-owner to the Board, the Board shall be increased in size to five (5) persons. Thereafter, elections for nonDeveloper Co-owner directors shall be held as provided in subsections (b) and (c) below. The directors shall hold office until their successors are elected and hold their first meeting.
- (b) Appointment of NonDeveloper Co-owners to Board Prior to First Annual Meeting. Not later than one hundred twenty (120) days after the conveyance of legal or equitable title to nonDeveloper Co-owners of twenty-five percent (25%) of the Units that may be created, one (1) of the five (5) directors shall be elected by nonDeveloper Co-owners. Not later than one hundred twenty (120) days after conveyance of legal or equitable title to nonDeveloper Co-owners of fifty percent (50%) of the Units that may be created, two (2) of the five (5) directors shall be elected by nonDeveloper Co-owners. When the required number of conveyances has been reached, the Developer shall notify the nonDeveloper Co-owners and request that they hold a meeting and elect the required director or directors, as the case may be. Upon certification by the Co-owners to the Developer of the 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 one-hundred twenty (120) days after conveyance of legal or equitable title to nonDeveloper Co-owners of seventy five percent (75%) of the Units, the nonDeveloper Co-owners shall elect all directors on the Board, except that the Developer shall have the right to designate one (1) director as long as the Developer owns at least ten percent (10%) of the Units in the Condominium or as long as ten percent (10%) of the Units remain that may be created. Whenever the required conveyance level is achieved, a meeting of Co-owners shall be properly 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 expiration of fifty four (54) months after the first conveyance of legal or equitable title to a nonDeveloper Co-owner of a Unit in the Condominium, the nonDeveloper 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 and for which all assessments are payable by the Developer. This election may increase, but shall not reduce, the minimum election and designation rights otherwise established in subsection (i) above. Application of this subsection does not require a change in the size of the Board of Directors.
- (iii) If the calculation of the percentage of members of the Board of Directors that the nonDeveloper Co-owners have the right to elect under subsection (ii), or if the product of the number of the members of the Board of Directors multiplied by the percentage of Units held by the nonDeveloper Co-owners under subsection (b) results in a right of nonDeveloper 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 nonDeveloper 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 (1) director as provided in subsection (i).

- (iv) Except as provided in Article XII, Section 2(c)(ii), at the First Annual Meeting, three (3) directors shall be elected for a term of two (2) years and two (2) directors shall be elected for a term of one (1) year. At such meeting, all nominees shall stand for election as one slate and the three (3) persons receiving the highest number of votes shall be elected for a term of two (2) years and the two (2) persons receiving the next highest number of votes shall be elected for a term of one (1) year. At each annual meeting held thereafter, either two (2) or three (3) directors shall be elected, depending upon the number of directors whose terms expire. After the First Annual Meeting, the term of office (except for two (2) directors elected at the First Annual Meeting) of each director shall be two (2) 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 X, Section 3 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 Bylaws or any further duties which may be imposed by resolution of the members of the Association, the Board of Directors shall be responsible specifically for the following:

- (a) To manage and to administer the affairs of, and to maintain, the Condominium and the Common Elements thereof.
- (b) To levy and collect assessments against and from the Co-owner members of the Association and to use the proceeds thereof for the purposes of the Association.

- (c) To carry insurance and to collect and to allocate the proceeds thereof.
- (d) To rebuild improvements after casualty.
- (e) To contract for and employ persons, firms, corporations or other agents to assist in the management, operation, maintenance and administration of the Condominium.
- (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 grant easements, rights of entry, rights of way, and licenses to, through, over, and with respect to Association property and/or the Common Elements of the Condominium on behalf of the members of the Association in furtherance of any of the purposes of the Association and to dedicate to the public any portion of the Common Elements of the Condominium; provided, however, that, subject to the provisions of the Master Deed, any such action shall also be approved by affirmative vote of more than sixty percent (60%) of all Co-owners, unless such right is specifically reserved to the Developer as provided in Article X of the Master Deed in which event Co-owner approval shall not be required. The aforesaid sixty percent (60%) approval requirement shall not apply to sub-paragraph (h) below.
- (h) To grant such easements, licenses and other rights of entry, use and access, and to enter into any contract or agreement, including wiring agreements, utility agreements, right of way agreements, access agreements and multi-unit agreements, and to the extent allowed by law, contracts for sharing of any installation or periodic subscriber fees as may be necessary, convenient or desirable to provide for telecommunications, videotext, broad band cable, satellite dish, antenna, multichannel multipoint distribution service and similar services (collectively "Telecommunications") to the Condominium or any Unit therein. Notwithstanding the foregoing, in no event shall the Board of Directors enter into any contract or agreement or grant any easement, license or right of entry or do any other act or thing which would violate any provision of any federal, state or local law or ordinance. Any and all sums paid by any Telecommunications or any other company or entity in connection with such service, including fees, if any, for the privilege of installing same, or sharing periodic subscriber service fees, shall be receipts affecting the administration

of the Condominium, within the meaning of the Act, except that same shall be paid over to and shall be the property of the Developer during the Construction and Sales Period and, thereafter, the Association.

- (i) To borrow money and issue evidences of indebtedness in furtherance of any and all of the purposes of the Association and to secure the same by mortgage, pledge, or other lien on property owned by the Association; provided, however, that any such action shall also be approved by affirmative vote of more than sixty percent (60%) of all of Co-owners, unless same is a letter of credit and/or appeal bond for litigation, or unless same is for a purchase of personal property with a value of \$15,000.00 or less.
- (j) To make and enforce reasonable rules and regulations in accordance with Article VI, Section 11 of these Bylaws and such other applicable provisions and to make and enforce resolutions and policies in furtherance of any or all of the purposes of the Association or of the Condominium Documents.
- (k) To establish such committees as it deems necessary, convenient or desirable and to appoint persons thereto for the purpose of implementing the administration of the Condominium and to delegate to such committees any functions or responsibilities which are not by law or by the Condominium Documents required to be performed by the Board.
- (l) To make rules and regulations and/or to enter into agreements with institutional lenders the purposes of which are to obtain mortgage financing for Unit Co-owners which is acceptable for purchase by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association and/or any other agency of the Federal government or the State of Michigan or to satisfy the requirements of the United States Department of Housing and Urban Development.
- (m) To initiate, assist, facilitate and administer the Condominium Association's and/or its members' membership in any Community Association formed pursuant to the Haggerty Road Planned Unit Development Agreement.
- (n) 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, but which shall not be a Co-owner or resident or affiliated

with a Co-owner or resident) at a reasonable compensation established by the Board to perform such duties and services as the Board shall authorize, including, but not limited to, the duties listed in Sections 3 and 4 of this Article, and the Board may delegate to such management agent any other duties or powers which are not by law or by the Condominium Documents required to be performed by or have the approval of the Board of Directors or the members of the Association. In no event shall the Board be authorized to enter into any contract with a professional management agent, or any other contract providing for services by the Developer, sponsor or builder, in which the maximum term is greater than three (3) years or which is not terminable by the Association upon ninety (90) days written notice thereof to the other party, and no such contract shall violate the provisions of Section 55 of the Act.

Section 6. 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, under these Bylaws, to designate. Each person so elected shall serve until the next annual meeting of members, at which the Co-owners shall elect a director to serve the balance of the term of such directorship. Vacancies among nonDeveloper Co-owner elected directors which occur prior to the Transitional Control Date may be filled only through election by nonDeveloper Co-owners and shall be filled in the manner specified in Section 2(b) of this Article.

Section 7. Removal. Except for directors appointed by the Developer, at any regular or special meeting of the Association duly called with due notice of the removal action proposed to be taken, any one (1) or more of the directors may be removed with or without cause by the affirmative vote of more than fifty percent (50%) of all of the Co-owners eligible to vote and a successor may then and there be elected to fill the vacancy thus created. Any director whose removal has been proposed by the 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 appointed by it at any time or from time to time in its sole discretion. Any director elected by the nonDeveloper Co-owners to serve before the First Annual Meeting of members may be removed before the First Annual Meeting by the nonDeveloper Co-owners in the same manner set forth in this Section 7 above for removal of directors generally.

Section 8. First Meeting. The first meeting of the newly elected Board of Directors shall be held within ten (10) days of election at such place as shall be fixed by the directors at the meeting at which such directors were elected, and no notice shall be necessary to the newly elected directors in order legally to constitute such meeting, 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 Board of Directors, but at least two (2) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each director, personally, by mail, telephone or telegraph, at least five (5) days prior to the date named for such meeting. In lieu thereof, said notice may also be hand delivered or electronically transmitted, i.e. via facsimile, E-mail or the like, so long as written or electronic confirmation of receipt of the notice is returned by the director.

Section 10. Special Meetings. Special meetings of the Board of Directors may be called by the President upon three (3) days' notice to each director, given personally, by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting. In lieu thereof, said notice may also be hand delivered or electronically transmitted, i.e. via facsimile, E-mail or the like, so long as written or electronic confirmation of receipt of the notice is returned by the director. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of two (2) directors.

Section 11. Waiver of Notice. Before or at any meeting of the Board of Directors, any director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board shall be deemed a waiver of notice by 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 at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there is less than a quorum present, the majority of those persons may adjourn the meeting to a subsequent time upon twenty-four (24) hours' prior written notice delivered to all directors not present. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice. The joinder of a director in the action of a meeting by signing and concurring in the minutes thereof shall constitute the presence of such director for purposes of determining a quorum.

Section 13. Closing of Board of Directors' Meetings to Members; Privileged Minutes. The Board of Directors, in its discretion, may close a portion or all of any meeting of the Board of Directors to the members of the Association or may permit members of the Association to attend a portion or all of any meeting of the Board of Directors. Any member of the Association shall have the right to inspect, and make copies of, the minutes of the meetings of the Board of Directors; provided, however, that no member of the Association shall be entitled to review or copy any minutes of meetings of the Board of Directors to the extent that said minutes reference privileged communications between the

Board of Directors and counsel for the Association, or any other matter to which a privilege against disclosure pertains under Michigan Statute, common law, the Michigan Rules of Evidence, or the Michigan Court Rules.

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

Section 15. Actions of First Board of Directors Binding. All of the actions (including, without limitation, the adoption of these Bylaws and any rules and regulations, policies or resolutions for the Association, and any undertakings or contracts entered into with others on behalf of the Association) of the First Board of Directors of the Association named in its Articles of Incorporation or any successors thereto appointed by the Developer before the First Annual Meeting of members shall be binding upon the Association in the same manner as though such actions had been authorized by a Board of Directors duly elected by the members of the Association at the First Annual Meeting of members or at any subsequent annual meeting of members, provided that such actions are within the scope of the powers and duties which may be exercised by any Board of Directors as provided in the Condominium Documents.

Section 16. Fidelity Bonds. The Board of Directors shall require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be expenses of administration.

## ARTICLE XIII

### OFFICERS

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

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

Section 3. Removal. Upon affirmative vote of a majority of the members of the Board of Directors, any officer may be removed either with or without cause, and 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: The President shall preside and may vote at all meetings of the Association and of the Board of Directors. The President shall have all of the general powers and duties which are usually vested in the office of the President of an association, including, but not limited to, the power to appoint committees from among the members of the Association from time-to-time as the President may in the President's discretion deem appropriate to assist in the conduct of the affairs of the Association.

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

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

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

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

## ARTICLE XIV

### 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 XV

### FINANCE

Section 1. Records. The Association shall keep detailed books of account showing all expenditures and receipts of administration, and which shall specify the maintenance and repair expenses of the Common Elements and any other expenses incurred by or on behalf of the Association and the Co-owners. The nonprivileged Association books, records, and contracts concerning the administration and operation of the Condominium shall be open for inspection by the Co-owners and their mortgagees during reasonable working hours, subject to such reasonable inspection procedures as may be established by the Board of Directors from time to time. The Association shall prepare and distribute to each 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 ninety (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. Absent such determination by the Board of Directors, the fiscal year of the Association shall be the calendar year. The commencement date of the fiscal year shall be subject to change by the directors for accounting reasons or other good cause.

Section 3. Depositories. The funds of the Association shall be initially deposited in such bank 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 banks or savings associations as are insured by the Federal Deposit Insurance Corporation and may also

be invested in interest-bearing obligations of the United States Government or in such other depositories as may be adequately insured in the discretion of the Board of Directors.

## ARTICLE XVI

### INDEMNIFICATION OF OFFICERS AND DIRECTORS; DIRECTORS' AND OFFICERS' INSURANCE

Section 1. Indemnification of Directors and Officers. Every director and every officer of the Association (including the First Board of Directors and any other director and/or officer of the Association appointed by the Developer) shall be indemnified by the Association against all expenses and liabilities, including actual and reasonable counsel fees and amounts paid in settlement incurred by or imposed upon him in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative and whether formal or informal, including actions by or in the right of the Association, 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 as otherwise prohibited by law; provided that, in the event of any claim for reimbursement or indemnification hereunder based upon a settlement by the director or officer seeking such reimbursement or indemnification, the indemnification herein shall apply only if the Association (with the director seeking reimbursement abstaining) approves such settlement and reimbursement as being in the best interest of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled. At least ten (10) days prior to payment of any indemnification which it has approved, the Association shall notify all Co-owners thereof.

Section 2. Directors' and Officers' Insurance. The Association shall provide liability insurance for every director and every officer of the Association for the same purposes provided above in Section 1 and in such amounts as may reasonably insure against potential liability arising out of the performance of their respective duties. With the prior written consent of the Association, a director or an officer of the Association may waive any liability insurance for such director's or officer's personal benefit or other applicable statutory indemnification. No director or officer shall collect for the same expense or liability under Section 1 above and under this Section 2; however, to the extent that the liability insurance provided herein to a director or officer was not waived by such director or officer and is inadequate to pay any expenses or liabilities otherwise properly indemnifiable under the terms hereof, a director or officer shall be reimbursed or indemnified only for such excess amounts under Section 1 hereof or other applicable statutory indemnification.

## ARTICLE XVII

### AMENDMENTS

Section 1. Proposal. Amendments to these Bylaws may be proposed by the Board of Directors of the Association acting upon the vote of the majority of the directors or by one-third (1/3) or more of the Co-owners by instrument in writing signed by them.

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

Section 3. Voting. These Bylaws 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 sixty-six and two-thirds percent (66-2/3%) of all Co-owners entitled to vote as of the record date for such votes. During the Construction and Sales Period, these Bylaws may not be amended in any manner so as to materially affect and/or impair the rights of the Developer, unless said amendment has received the prior written consent of the Developer. Notwithstanding anything to the contrary, no amendment may be made to Article III, Section 4, and Article VII of these Bylaws at any time without the written consent of the Developer.

Section 4. Mortgagee Approval. Notwithstanding any other provision of the Condominium Documents to the contrary, mortgagees are entitled to vote on amendments to the Condominium Documents only when and as required by the Act, as amended. Moreover, insofar as permitted by the Act, these Bylaws shall be construed to reserve to the Developer during the Construction and Sales Period, and to the Co-owners thereafter, the right to amend these Bylaws without the consent of mortgagees if the amendment does not materially alter or change the rights of mortgagees generally, or as may be otherwise described in the Act, notwithstanding that the subject matter of the amendment is one which in the absence of this sentence would require that mortgagees be afforded the opportunity to vote on the amendment. If, notwithstanding the preceding sentences, mortgagee approval of a proposed amendment to these Bylaws is required by the Act, the amendment shall require the approval of sixty-six and two-thirds percent (66-2/3%) of the mortgagees of Units entitled to vote thereon. Mortgagees are not required to appear at any meeting of Co-owners but their approval shall be solicited through written ballots in accordance with the procedures provided in the Act.

Section 5. By Developer. Prior to the Transitional Control Date, these Bylaws 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 rights of a Co-owner or

mortgagee, including, but not limited to, amendments for the purpose of facilitating conventional mortgage loan financing for existing or prospective Co-owners and to enable the purchase of such mortgage loans by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association and/or any other agency of the Federal government or the State of Michigan, and to comply with amendments to the "Act".

Section 6. When Effective. Any amendment to these Bylaws shall become effective upon recording of such amendment in the office of the Wayne County Register of Deeds.

Section 7. Binding. A copy of each amendment to these Bylaws shall be furnished to every member of the Association after adoption; provided, however, that any amendment to these Bylaws that is adopted in accordance with this Article shall be binding upon all persons who have an interest in the Condominium irrespective of whether such persons actually receive a copy of the amendment.

## ARTICLE XVIII

### COMPLIANCE

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

## ARTICLE XIX

### DEFINITIONS

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

## ARTICLE XX

### REMEDIES FOR DEFAULT

Section 1. Relief Available. Any default by a Co-owner shall entitle the Association or another Co-owner or Co-owners to the following relief:

- (a) Legal Action. Failure to comply with any of the terms and provisions of the Condominium Documents or the Act, including any of the rules and regulations promulgated by the Board of Directors of the Association hereunder, shall be grounds for relief, which may include without intending to limit the same, an action to recover sums due for damages, injunctive relief, foreclosure of lien (if default in payment of assessment) or any combination thereof, and such relief may be sought by the Association or, if appropriate, by an aggrieved Co-owner or Co-owners.
- (b) Recovery of Costs. In the event of a default of the Condominium Documents by a Co-owner, nonCo-owner resident, lessee, tenant and guest, the Association shall be entitled to recover from the Co-owner, nonCo-owner resident, lessee, tenant and guest, the prelitigation costs and attorney fees incurred in obtaining their compliance with the Condominium Documents. In any proceeding arising because of an alleged default by any Co-owner, nonCo-owner, lessee, tenant and guest, the Association, if successful, shall be entitled to recover the costs of the proceeding and such reasonable attorney fees, (not limited to statutory fees) as may be determined by the Court, but in no event shall any Co-owner be entitled to recover such attorney fees. The Association, if successful, shall also be entitled to recoup the costs and attorney fees incurred in defending any claim, counterclaim or other matter from the Co-owner asserting the claim, counterclaim or other matter.
- (c) Removal and Abatement. The violation of any of the provisions of the Condominium Documents, including the rules and regulations promulgated by the Board of Directors of the Association hereunder, shall also give the Association, or its duly authorized agents, the right, in addition to the rights set forth above, to enter upon the Common Elements, Limited or General, or into any Unit, where reasonably necessary, and summarily remove and abate, at the expense of the Co-owner in violation, any structure, thing or condition existing or maintained contrary to the provisions of the Condominium Documents; provided, however, that judicial proceedings shall be instituted before items of construction are altered or demolished

pursuant to this subsection. The Association shall have no liability to any Co-owner arising out of the exercise of its removal and abatement power authorized herein.

- (d) Assessment of Fines. The violation of any of the provisions of the Condominium Documents, including any of the rules and regulations promulgated by the Board of Directors of the Association hereunder, by any Co-owner, or his tenant or nonCo-owner occupant of his Unit, in addition to the rights set forth above, shall be grounds for assessment by the Association of a monetary fine for such violation against said Co-owner. No fine may be assessed unless the 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 VI, Section 11 of these Bylaws. Thereafter, fines may be assessed only upon notice to the offending Co-owner and an opportunity for such Co-owner to appear before the Board no less than seven (7) days from the date of the notice and offer evidence in defense of the alleged violation. Upon finding an alleged violation after an opportunity for hearing has been provided, the Board of Directors may levy a fine in such amount as it, in its discretion, deems appropriate, and/or as is set forth in the rules and regulations establishing the fine procedure. All fines duly assessed may be collected in the same manner as provided in Article II of these Bylaws.

Section 2. Nonwaiver 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.

Section 3. 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.

Section 4. 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.

Section 5. Article Not Applicable to Default by Developer. The term "Co-owner", when used in this Article XX with respect to the remedies of the Association and other Co-owners with respect to a Co-owner default, including, without limitation, any default under Article II herein above, shall be construed so as to exclude the Developer, and no such remedy shall be available to the Association or any Co-owner with respect to any claim that the Developer is in default in the performance of any obligation of the Developer the performance of which is due during the Construction and Sales Period.

## 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 consent to the 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 retained by Developer or its successors shall expire and terminate, if not sooner assigned to the Association, at the conclusion of the Construction and Sales Period, as same is defined in Article III, Section 11 of the Master Deed. The immediately preceding sentence dealing with the expiration and 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 and expiration of any real property or contract rights granted or reserved to or for the benefit of the Developer or its successors and assigns in the Master Deed or elsewhere (including, but not limited to, litigation rights, access easements, utility easements and all other easements created and reserved in such documents), which shall not be terminable in any manner hereunder and which shall be governed only in accordance with the terms of their creation or reservation and not hereby.

## ARTICLE XXII

### SEVERABILITY

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

manner whatsoever any of the other terms, provisions or covenants of such documents or the remaining portions of any terms, provisions or covenants held to be partially invalid or unenforceable.

*RMM:MKMB/server/developers/Springwater Park II/Bylaws.12.12.02*