

BROOKSIDE OF LIVONIA CONDOMINIUM

AMENDED AND RESTATED BYLAWS

EXHIBIT A

AMENDED AND RESTATED CONDOMINIUM BYLAWS BROOKSIDE OF LIVONIA CONDOMINIUM

ARTICLE I ASSOCIATION OF CO-OWNERS

Section 1. The Association. Brookside of Livonia Condominium, a residential Condominium located in the City of Livonia, Wayne County, Michigan, shall be administered by an association of Co-owners, which shall be a nonprofit corporation, hereinafter called the "Association," organized under the applicable laws of the State of Michigan, and responsible for the management, maintenance, operation and administration of the Common Elements, easements and affairs of the Condominium, subject to and in accordance with the Amended and Restated Master Deed, these Amended and Restated Bylaws, the Articles of Incorporation, duly adopted Rules and Regulations of the Association (sometimes collectively referred to herein as the "Condominium Documents"), and the laws of the State of Michigan. All Co-owners 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 Condominium Documents.

Section 2. Purpose of Bylaws. These Bylaws are designated as both the Condominium Bylaws, relating to the manner in which the Condominium and the common affairs of the Co-owners of the Units shall be administered, as required by Act No. 59 of the Public Acts of Michigan of 1978, as amended, and the Association or Corporate Bylaws, governing the operation of the Association as a corporate entity, as required by Act No. 162 of the Public Acts of Michigan of 1982, as amended.

ARTICLE II ASSESSMENTS

Section 1. Taxes and Assessments; Expenses of Administration. 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. Governmental special assessments and property taxes shall be assessed against the individual Units identified as Units on the Condominium Subdivision Plan and not on the total property of the Condominium or any other part thereof. Governmental special assessments and property taxes in any year in which the property existed as an established Condominium on the tax day shall be assessed against the individual Unit, notwithstanding any subsequent vacation of the Condominium. The levying of all property taxes and governmental special assessments shall comply with Section 131 of the Act.

Section 2. Expenses and Receipts of Administration. All costs incurred by the Association in satisfaction of any liability arising within, caused by or in connection with the Common Elements or the administration of the Condominium shall be expenses of administration, and all sums received as proceeds of, or pursuant to, any policy of insurance carried by the Association securing the interests 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 be receipts of administration, within the

meaning of Section 54(4) of the Act, except as modified by the specific assignment of responsibilities for costs contained in Article IV of the Amended and Restated Master Deed.

Section 3. Determination of Assessment. Assessments shall be determined in accordance with the following provisions:

A. Annual Budget. The Board of Directors of the Association shall establish three annual budgets in advance for each fiscal year, as follows: (1) a budget projecting all expenses for the forthcoming year which may be required for the proper operation and management of the Association, and for maintenance, repair and replacement of the General Common Elements of the Condominium, that are to be shared in accordance with Article IV, Section 2B(2)(a) of the Amended and Restated Master Deed, including a reasonable allowance for contingencies and reserves related to such items (“Common Budget”), which will be shared by the Villas and Estates Units, by group, according to a 73%/27% allocation; (2) a budget projecting all expenses for the forthcoming year which may be required for the proper maintenance, repair and replacement of the Villas Unit Limited Common Elements as set forth in Article IV, Section 2B(1) of the Amended and Restated Master Deed and such other elements not assigned in the Amended and Restated Master Deed to be borne by a single unit, as set forth in Article IV, Section 2B(2)(b) of the Amended and Restated Master Deed, including a reasonable allowance for contingencies and reserves for such items (“Attached Budget”); and (3) a budget projecting all expenses for the forthcoming year which may be required for the proper maintenance, repair and replacement of those items specified in Article IV, Section 2B(2)(c) of the Amended and Restated Master Deed to be borne solely by all of the Estates Units, including a reasonable allowance for contingencies and reserves for such items (“Detached Budget”). Any budget adopted shall include an allocation to a reserve fund for maintenance, repairs and replacement of those Common Elements that must be replaced on a periodic basis, in accordance with subsection D. hereof. Upon adoption of these annual budgets by the Board of Directors, copies of the Common Budget and either the Attached Budget or Detached Budget (depending on the Unit type owned by each Co-owner) shall be delivered to each Co-owner and the combined assessment for each type of Unit for the year shall be established based upon said budgets (a combination of the Common Budget and either the Attached Budget or Detached Budget, depending on the Unit type owned by each Co-owner). Failure or delay of the Board of Directors to prepare or adopt budgets for any fiscal year shall not constitute a waiver or release in any manner of a 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 new annual budgets or adjusted budgets, each Co-owner shall continue to pay each installment at the rate established for the previous fiscal year until notified of any change in the installment payment which shall not be due until at least ten (10) days after such new annual or adjusted budgets are adopted. Co-owners shall have a ten (10) day grace period commencing with notice from the Board of Directors in which to submit their new or adjusted assessment payment. All expenses incurred and assessments received by the Association shall be accounted for and allocated against the appropriate budget on a monthly basis, at a minimum.

B. Additional Assessments. The Board of Directors shall have the authority to increase the assessments under any of the Budgets, or to levy such additional assessment or assessments as it shall deem to be necessary in the Board’s sole discretion, under any of the Budgets, provided that the same shall be required for only the following: (i) to meet deficits incurred or anticipated because current assessments are insufficient to pay the costs of operation and/or maintenance provided for by any

Budget and/or funding of the five-year plan; (ii) to provide repairs or replacements of existing Common Elements provided for by any Budget; (iii) to provide additions to the Common Elements at a total annual cost not exceeding five percent (5%) of the Association's annual operating budget or (iv) for any emergencies, the expenses of which fall within any budget. The Board of Directors shall also have the authority, without the necessity of Co-owner consent, to levy assessments pursuant to the provisions of Article V., Section 4 hereof. At least thirty (30) days prior to the date when an additional assessment or the initial installment of an additional assessment becomes due and payable, the Association shall deliver or send to each Co-owner, at the last address registered with the Association, an itemized statement of the projected costs and expenses giving rise to the additional assessment. The discretionary authority of the Board of Directors to levy assessments pursuant to this subparagraph shall rest solely with the Board of Directors for the benefit of the Association and its members, and shall not be enforceable by any creditors of the Association or its members.

C. Special Assessments. Special assessments, in addition to those described in subsections A and B above, may be made by the Board of Directors from time to time if approved by the Co-owners as provided herein, to meet other requirements of the Association, including, but not limited to: (i) providing additions to the Common Elements at a total cost exceeding five percent (5%) of the Association's annual operating budget; (ii) assessments to purchase a Unit upon foreclosure of the lien for assessments described hereafter; or (iii) assessments for any other appropriate purpose not elsewhere described. Special Assessments for shared elements and expenses as provided for by this subsection shall not be levied without the prior approval of more than sixty percent (60%) of all Co-owners entitled to vote. In the event an assessment is contemplated for the purpose of making a capital addition to the Villas Limited Common Elements or items for which the Estates Units are solely responsible, said assessment shall be subject to approval by a majority in number of either the Co-owners of the Villas Units or the Co-owners of the Estates Units, as the case may be, and said assessment shall be payable only by the Co-owners of units to which it applies. The authority to levy assessments pursuant to this subsection is solely for the benefit of the Association and its members and shall not be enforceable by any creditors of the Association or its members.

D. Reserve Fund. The Board of Directors shall maintain a reserve fund ("Common Reserve") for major repairs and replacements of shared General Common Elements and emergency expenditures, which reserve fund shall be in the amount of not less than ten (10%) percent of the Association's annual Common Budget on a noncumulative basis budget (excluding that portion of the budget allocated to the reserve fund itself). The Board of Directors shall also maintain reserve funds (the "Attached Reserve" and "Detached Reserve") for major repairs and replacements of applicable Elements and emergency expenditures in both the Attached Budget and the Detached Budget, which reserve funds shall be in the amount of not less than ten (10%) percent of the Association's annual Attached or Detached Budget, as the case may be, (excluding that portion of the budget allocated to the reserve fund itself). The Association may increase or decrease the reserve funds but may not reduce them below ten (10%) percent of the annual budget of the Association, except as may be appropriate in the case of the Detached Reserve. The minimum standard required by this subsection may prove to be inadequate. The Board of Directors shall annually consider the needs of the Condominium and its component parts and Budgets to determine if a greater amount should be set aside in the reserves or if additional reserve funds should be established for any other purposes. All reserve funds shall be placed in accounts and obligations which are insured and/or backed by the full faith and credit of the United States Government, and shall at all times be under the direct control of

the Board of Directors. Reserve funds can be combined, provided they are separately accounted for. The Board may adopt such rules and regulations as it deems desirable from time to time with respect to type and manner of investment, funding of the reserves, disposition of reserves or any other matter concerning the reserve accounts.

E. Five Year Plan. The following provisions shall apply to the establishment and update of the Association's yearly five-year plan.

(1) Purpose; Implementation and Update of the Plan. In order to protect and preserve the Common Elements of the Condominium and to maximize the investment of the Co-owners, the Board of Directors shall establish and maintain an updated five-year plan for the maintenance, repair, replacement, improvement, and/or renovation of the Common Elements of the Condominium. The plan shall address, without limitation, the anticipated and projected expenditures required to implement the same for each of the years in the plan including a projected allocation of funds to reserve accounts to be maintained by the Association for such purposes. The Board of Directors shall adhere to the timetable as set forth in the plan with respect to completion of plan items unless more immediate concerns become known or are necessitated due to emergency.

(2) Establishment of Reserves and Allocation of Assessments. The Board of Directors may establish, maintain, and fund designated reserve accounts in such a manner so as to complete the projected and updated five-year plan on a timely basis. A reserve shall be funded under the assessment provisions of these Bylaws, and to the extent possible, by way of the annual assessment as incorporated in the applicable budget and adopted by the Board of Directors. However, should the annual assessment be insufficient or untimely to complete those plan items in any year, the Board may levy additional assessments to accomplish the same.

(3) Use of Reserve Accounts. The reserve accounts established by the Board of Directors under the five-year plan and under the annual budget shall be used exclusively for the respective purposes of the reserves; provided, however, that designated reserves maybe used for such other purposes as may be necessitated by emergency without liability to the Board.

(4) Disclosure to Co-owners. The Board of Directors shall present the five-year plan, its update, along with any modifications thereof, to the Co-owners at each annual meeting, including those plan items to be completed in the current fiscal year. Further, the Board shall detail the source of the funding required to complete the upcoming year's plan items, including the allocation of any assessments.

Section 4. Payment of Assessments and Penalty for Default. All assessments for Common Expenses, regardless of whether the same are annual, additional or special, shall be apportioned among and paid by all Co-owners equally. All assessments for items included in the Detached Budget ("Detached Expenses"), regardless of whether the same are annual, additional or special, shall be apportioned among and paid only by all Co-owners of the detached Units equally. All assessments for items included in the Attached Budget ("Attached Expenses"), regardless of whether the same are annual, additional or special, shall be apportioned among and paid only by all Co-owners of the attached Units equally. Subject to the provisions of the Master Deed and Section 69 of the Michigan Condominium Act, any unusual limited common expenses which benefit less than all of the

Condominium Units in either the attached or detached portion of the Project may be specially assessed against the Condominium Unit or Condominium Units so benefited on an equal prorate basis. Annual assessments (Common, and Detached or Attached) as determined in accordance with sub-section 3A of this Article II shall be payable by 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 acquisition of fee simple title to a Unit by any other means. Additional and Special Assessments shall be payable as stated in the notice announcing their levy. 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, which shall be the first (1st) day of each calendar month or such other date as may be established from time to time by the Board of Directors for any assessment. Assessments in default shall bear interest at the highest rate allowed by law until paid in full. In addition, all assessments, or installments thereof, which remain unpaid as of ten (10) days after the due date (based on the postmark date), shall incur a uniform late charge of ten percent (10%) of the unpaid installment (but in no event less than \$25.00), to compensate the Association for administrative costs incurred as a result of the delinquency. The Board of Directors may revise the uniform late charges from time to time, and may levy additional late fees for special and additional assessments, pursuant to Section 11 of Article VI of these Bylaws, without the necessity of amending these Bylaws. Once there is a delinquency in the payment of any installment of the annual assessments lasting for more than 60 days, the remaining unpaid installments of the annual assessment (Common, and Detached or Attached) for that fiscal year may be automatically accelerated so that such unpaid installments are immediately due and payable. Each Co-owner (whether one or more persons) shall be personally liable for the payment of all assessments (including late fees and costs of collection and enforcement of payment, including actual attorneys' fees) levied against their Unit while such Co-owner has an ownership interest therein. Payments on account of installments of assessments in default shall be applied as follows: first, to costs of collection and enforcement of payment, including attorney's fees; second, to any interest charges, fines and late fees on such installments; and third, to installments in default in order of their due dates. A Co-owner selling a Unit shall not be entitled to any refund whatsoever from the Association with respect to any reserve account or other asset of the Association.

Section 5. Waiver of Use or Abandonment of Unit. No Co-owner may exempt himself from liability for their contribution toward the expenses of administration by waiver of the use or enjoyment of any of the Common Elements or by the abandonment of their Unit.

Section 6. Enforcement.

A. Statutory Lien. Sums assessed to a Co-owner that are unpaid, together with interest on such sums, collection and late charges, advances made by the Association for taxes or other liens to protect its lien, attorneys' fees and fines (as allowed by the Condominium Documents or the Act), constitute a lien upon the Unit or Units owned by the Co-owner at the time of the assessment before other liens except tax liens on the Unit in favor of any state or federal taxing authority and sums unpaid on the first mortgage of record, except that past due assessments which are evidenced by a notice of lien, recorded as provided herein, have priority over a mortgage recorded subsequent to the recording of the notice and affidavit of lien. The lien upon each Unit owned by the Co-owner shall be in the amount assessed against the Unit, plus a proportionate share of the total of all other unpaid assessments attributable to Units no longer owned by the Co-owner but which became due while the

Co-owner had title to the Units. The lien may be foreclosed by judicial action or by advertisement in the name of the Condominium on behalf of the other Co-owners as hereinafter provided.

B. Remedies. The Association may enforce collection of delinquent assessments by a suit at law for a money judgment or by foreclosure of the statutory lien that secures payment of assessments, or both. A Co-owner may not withhold or escrow assessments, and may not assert in an 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 services or management to a Co-owner. A Co-owner in default shall not be entitled to utilize any of the General Common Elements of the Condominium, shall not be qualified to run for or function as an officer or Director of the Association, and shall not be entitled to vote at any meeting of the Association so long as such default continues; provided, however, this provision shall not operate to deprive any Co-owner of ingress or egress to and from their Unit. The Association may also discontinue the furnishing of any utilities or services to a Co-owner in default. 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 them, and if the Unit is not occupied by the Co-owner, to lease the Unit and collect and apply the rental therefrom. The Association may also assess fines for late payment or nonpayment of assessments in accordance with the provisions of Article XVI of these Bylaws. All remedies shall be cumulative and not alternative.

C. Foreclosure of Lien. 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 the lien securing payment of assessments, costs and expenses, either by judicial action or by advertisement. The provisions of Michigan law pertaining to foreclosure of mortgages by judicial action and by advertisement, and the provisions of Section 108 of the Act, 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 obligation 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 (and improvements) with respect to which assessments are delinquent and to receive, hold and distribute the proceeds of such sale in accordance with the priorities established by applicable law. Each Co-owner acknowledges that at the time of acquiring title to such Unit they were notified of the provisions of this Section 6 and that they voluntarily, intelligently and knowingly waived notice of any proceedings brought by the Association to foreclose by advertisement the lien for nonpayment of assessments and a hearing on the same prior to the sale of the subject Unit.

D. Notice of Action. Notwithstanding the foregoing, neither a judicial foreclosure action nor a suit at law for a money judgment shall be commenced, nor shall any notice of foreclosure by advertisement be published, until the expiration of ten (10) days after mailing by first class mail, postage prepaid, addressed to the delinquent Co-owner(s) at their last known address, of a written notice that one or more installments of the annual assessment levied against the pertinent Unit is or are delinquent and that the Association may invoke any of its remedies hereunder if the default is not cured within ten (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, attorneys' 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 the 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 representative designated above and shall inform such representative that they may request a judicial hearing by bringing suit against the Association.

E. Expenses of Collection. All expenses incurred in collecting unpaid assessments, including interests, fines, costs, actual attorneys' fees (not limited to statutory fees and including attorneys' fees and costs incurred incidental to any bankruptcy proceedings filed by the delinquent Co-owner or probate or estate matters, including monitoring any payments made by the bankruptcy trustee or the probate court or estate to pay any delinquency, and/or attorneys' fees and costs incurred incidental to any State or Federal Court proceeding filed by the Co-owner) and advances for taxes or other liens or costs 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 their Unit.

Section 7. Liability of Mortgagee. Notwithstanding any other provisions of the Condominium Documents, the holder of any first mortgage covering any Unit, or its successors and assigns, which obtains title to the Unit pursuant to the foreclosure remedies provided in the mortgage, shall take the property free of any claims for unpaid assessments or charges against the mortgaged Unit which become due prior to the acquisition of title to the Unit by such person or entity (the date of the foreclosure sale), 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 claims evidenced by a Notice of Lien recorded prior to the recordation of the first mortgage.

Section 8. Assessment Status upon Sale of Unit. Upon the sale or conveyance of a Unit, any unpaid assessments, interest, late fees, fines, costs and attorneys' fees against the Unit shall be paid out of the net proceeds of the sale price or by the purchaser in preference over any other assessments or charges of whatever nature except (a) amounts due the State of Michigan or any subdivision thereof for taxes or special assessments due and unpaid and (b) payments due under first mortgages having priority to the unpaid assessments. A purchaser of a Unit is entitled to a written statement from the Association setting forth the amount of unpaid assessments, interest, late fees, fines, costs and attorneys' fees outstanding against the Unit and the purchaser is not liable for any unpaid assessments, interest, late fees, fines, costs and attorneys' fees in excess of the amount set forth in such written statement, nor shall the Unit be subject to any lien for any amounts in excess of the amount set forth in the written statement. Any purchaser or grantee who fails to request a written statement from the Association as provided herein at least five (5) days before the conveyance shall be liable for any unpaid assessments against the Unit together with interest, late fees, fines, costs and attorneys' fees incurred in connection with the collection of such assessments.

Section 9. Construction Liens. Construction liens attaching to any portion of the Condominium shall be subject to the following limitations and Section 132 of the Act:

A. Except as provided herein, a construction lien for work performed upon a Unit or upon a Limited Common Element may attach only to the Unit upon which the work was performed.

B. A construction lien for work authorized by the Association may attach to each Unit only to the proportionate extent that the Co-owner of the Unit is required to contribute to the expenses of administration as provided by the Condominium Documents.

C. A construction lien may not arise or attach to a Unit for work performed on the Common Elements not contracted for by the Association.

ARTICLE III ARBITRATION

Section 1. Arbitration. Disputes, claims, or grievances arising out of or relating to the interpretation or the application of the Condominium Documents, or any disputes, claims or grievances arising among or between Co-owners, or between a Co-owner or Co-owners and the Association shall, upon the election and written consent of the parties to any such disputes, claims or grievances and written notice to the Association, if applicable, be submitted to arbitration under the procedures set forth in the Uniform Arbitration Act and parties thereto shall accept the arbitrator's decision as final and binding. The Commercial Arbitration Rules of the American Arbitration Association as amended and in effect from time to time hereafter shall be applicable to any such arbitration.

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

Section 3. Effect of Election to Arbitrate. Election by the parties to submit any such dispute, claim or grievance to arbitration shall preclude such parties from litigating such dispute, claim or grievance in the courts.

Section 4. Mediation. Regardless of the other remedies available under these Bylaws or the Act, the parties to any dispute shall have the ability to agree to mediate any disputes. In instances involving a dispute between two or more Co-owners that has been presented to the Association, the Association may compel the disputing Co-owners to first attempt to mediate the dispute before considering any other action. All compelled mediation shall be conducted by qualified outside mediators at the expense of the disputing Co-owners. In all other instances, mediation shall be totally voluntary and upon agreement of the disputing parties.

ARTICLE IV INSURANCE

Section 1. Extent of Coverage by Association. The Association shall carry fire and extended coverage, vandalism and malicious mischief (the maximum deductible amount must be no greater than 5% of the face amount of the policy) and liability insurance (minimum coverage of not less than \$1,000,000.00 for a single occurrence), and workmen's compensation insurance, if applicable,

pertinent to the ownership, use and maintenance of the Common Elements of the Condominium that are the Association's responsibility to incur under Article IV of the Amended and Restated Master Deed, Fidelity Bond coverage in an amount no less than a sum equal to three months aggregate assessments on all Units plus reserve funds on hand, such Fidelity Bond insurance to cover all officers, directors and employees of the Association and for all other persons, including any management agent, handling or responsible for any monies received by or payable to the Association (it being understood that if the management agent or others cannot be added to the Association's coverage, they shall be responsible for obtaining the same type and amount of coverage on their own before handling any Association funds), Directors and Officers Liability coverage, and such other insurance as the Board of Directors deems advisable, and all such insurance shall be carried and administered in accordance with the following provisions:

A. Respective Responsibilities. All such insurance shall be purchased by the Association for the benefit of the Association, 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. Unit owners are advised that the Association's coverage is not intended to be complete as to all matters, and the Co-owners have an obligation to provide certain coverages as outlined in this Article. Co-owners are advised to consult with their insurance advisors to determine what additional insurance they must obtain upon their Units and appurtenant Limited Common Elements, at their own expense, in addition to the coverage carried by the Association. The Association and all Co-owners 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. The liability insurance carried by the Association shall, where appropriate, contain cross-liability endorsements to cover liability of the Co-owners as a group to another Co-owner. Any insurance policy carried by the Association shall not be cancelled or substantially modified without at least ten (10) days prior written notice to the Association and each holder of a first mortgage.

(1) Villas Units. It shall be each Villas Co-owner's responsibility to obtain insurance coverage for the interior of the Unit, including Common Elements therein, all fixtures, equipment, and trim within a Unit, personal property located within a Unit or elsewhere in the Condominium, as well as for all improvements and betterments to the Unit and Limited Common Elements, and for personal liability and property damage for occurrences within a Unit or upon Limited Common Elements appurtenant to a Unit for which the Co-owner is responsible pursuant to Article IV of the Amended and Restated Master Deed, and also for alternative living expense in event of fire or other casualty, and the Association shall have absolutely no responsibility for obtaining such coverage. Each Co-owner shall be required to obtain their own policy, Form HO-6. All such coverages shall contain a clause or endorsement that requires that the insurer mail to the Association notice of cancellation not less than ten (10) days prior to any policy cancellation. Such coverages shall be in amounts prescribed from time to time by the Board of Directors of the Association but in no event shall coverage for the interior of the Unit and all personal property be less than the current insurable replacement value, nor shall liability coverage be on a "per occurrence" basis in an amount which is less than One Hundred Thousand Dollars (\$100,000.00) for damage to property and Five Hundred Thousand Dollars (\$500,000.00) for injury to persons. In addition, each Co-owner shall maintain "loss assessment" insurance coverage for his Unit. A "loss assessment" endorsement provides coverage for the Co-owner's share, if any, of any property damage or liability loss for which

there may be no coverage, or inadequate coverage, under the applicable Association insurance policy. Each Co-owner shall deliver certificates of insurance to the Association from time to time to evidence the continued existence of all insurance required to be maintained by the Co-owner hereunder. In the event of the failure of a Co-owner to obtain such insurance or to provide evidence thereof to the Association, the Association may, but is not required to, obtain such insurance on behalf of such Co-owner and the premiums paid by the Association shall constitute a lien against the Co-owner's Unit which may be collected from the Co-owner in the same manner that Association assessments may be collected in accordance with Article II hereof.

(2) Estates Units. Each Co-owner shall be obligated and responsible for obtaining all risk insurance with respect to the Residence and all other improvements constructed or to be constructed within the perimeter of his Condominium Unit and its appurtenant Limited Common Elements; all occurrences thereon; and for personal property located therein of thereon or elsewhere on the Condominium Project. There is no responsibility on the part of the Association to insure any of such improvements whatsoever. All such insurance shall be carried by each Co-owner in an amount equal to the maximum insurable replacement value, excluding foundation and excavation costs. Each Co-owner also shall be obligated to obtain insurance coverage for his personal liability for occurrences within the perimeter of his Unit, appurtenant Limited Common Elements and the improvements located thereon, and also for any other personal or business insurance coverage that the Co-owner wishes to carry. In addition, each Co-owner shall maintain "loss assessment" insurance coverage for his Unit. A "loss assessment" endorsement provides coverage for the Co-owner's share, if any, of any property damage or liability loss for which there may be no coverage, or inadequate coverage, under the applicable Association insurance policy. In the event of the failure of a Co-owner to obtain such insurance or to provide evidence thereof to the Association when requested, the Association may, but is not required to, obtain such insurance on behalf of such Co-owner and the premiums therefore shall constitute a lien against the Co-owner's Unit which may be collected from the Co-owner in the same manner that Association assessments may be collected in accordance with Article II hereof. The Association shall under no circumstances have any obligation to obtain any of the insurance coverage described in this Section or have any liability to any person for failure to do so. To the extent a Co-owner does or permits anything to be done or kept on his Unit and/or the adjoining Limited Common Elements, that will increase the rate of insurance each Co-owner shall pay to the Association, the increased cost of insurance premiums resulting from any such activity or the maintenance of any such condition shall be charged to the particular Co-owner responsible for such activity or condition.

(3) Optional Umbrella Insurance. The Association may purchase as an expense of administration an umbrella insurance policy which covers any risk required hereunder which was not covered due to lapse or failure to procure.

(4) Insurance Records. All non-sensitive and non-confidential information in the Association's records regarding Common Element insurance coverage shall be made available to all Co-owners and mortgagees 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.

B. Insuring of Common Elements. All Common Elements of the Condominium shall be insured by the Association or Co-owners, as the case may be, (according to the responsibilities for

each element assigned in Article IV of the Amended and Restated Master Deed), against fire and other perils covered by a standard extended coverage endorsement, in an amount equal to 100% of the current replacement cost of the insurable improvements, excluding foundation and excavation costs, as determined annually by the Board of Directors of the Association for those items which it is responsible to insure in consultation with its appropriate professional advisors. The policy shall include a "Guaranteed Replacement Cost Endorsement" or a "Replacement Cost Endorsement" and, if the policy includes a coinsurance clause, an "Agreed Amount Endorsement". The policy shall also include an "Inflation Guard Endorsement", if available, a "Building Ordinance and Law Endorsement". Such coverage may also include as secondary coverage pursuant to subsection E below, structural or bearing interior walls and floor construction between Unit levels within any Vistas Unit. If the Association elects to include such items under its insurance coverage, any additional premium cost to the Association attributable thereto may be assessed to and borne solely by said Vistas Co-owners and collected as a part of the assessments against said Co-owners under Article II hereof.

C. Cost of Insurance. All premiums for 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, 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 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 for repair, replacement or reconstruction of the Condominium unless all of the institutional holders of first mortgages on Units have given their prior written approval.

E. Determination of Primary Carrier. It is understood that there may be overlapping coverage between the Co-owners' policies and those of the Association, as required to be carried pursuant to this Article. In situations where both coverages/policies are applicable to a given loss, the provisions of this subsection shall control in determining the primary carrier. In cases of property damage to the Unit and its contents, or any other Unit, Limited Common Element or other element or property for which the Co-owner is assigned responsibility for maintenance, repair and replacement pursuant to the provisions of Article IV of the Amended and Restated Master Deed (including improvements and betterments), or incidental or consequential damages to any other Unit resulting from an item, element or occurrence for which the Co-owner is assigned responsibility in Article IV of the Amended and Restated Master Deed, the Co-owner's policy/carrier shall be deemed to be the primary carrier. In cases of property damage to the General Common Elements or a Limited Common Element for which the Association is assigned responsibility for maintenance, repair and replacement pursuant to the provisions of Article IV of the Amended and Restated Master Deed, the Association's policy/carrier shall be deemed to be the primary carrier. In cases of liability for personal injury or otherwise, for occurrences in/on the Unit or in/upon a Limited Common Element for which the Co-owner is assigned responsibility for maintenance, repair and replacement pursuant to the provisions of Article IV of the Amended and Restated Master Deed (including improvements and betterments), the Co-owner's policy/carrier shall be deemed to be the primary carrier. In cases of liability for personal

injury or otherwise, for occurrences in/on the General Common Elements or in/upon a Limited Common Element for which the Association is assigned responsibility for maintenance, repair and replacement pursuant to the provisions of Article IV of the Amended and Restated Master Deed (including improvements and betterments), the Association's policy/carrier shall be deemed to be the primary carrier. In all cases where the Association's policy/carrier is not deemed the primary policy/carrier, if the Association's policy/carrier contributes to payment of the loss, the Association's liability to the Co-owner shall be limited to the amount of the insurance proceeds, and shall not in any event require or result in the Association paying or being responsible for any deductible amount under its policies. In cases where the Co-owner's policy is deemed primary for the purpose of covering losses where the damage is incidental or caused by a General Common Element or the repair or replacement thereof, the insurance carrier of the Co-owner shall have no right of subrogation against the Association or its carrier.

Section 2. Association as Attorney-in-Fact. Each Co-owner, by ownership of a Unit, shall be deemed to appoint the Association as their true and lawful attorney-in-fact to act in connection with all matters concerning the maintenance of fire and extended coverage, vandalism and malicious mischief, liability insurance and workmen's compensation insurance, if applicable, pertinent to the Condominium, their Unit and the Common Elements thereof. 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 the 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-owner and the Condominium as shall be necessary or convenient to the accomplishment of the foregoing.

Section 3. Indemnification. Each Co-owner shall indemnify and hold harmless every other Co-owner and the Association for all damages and costs, including attorneys' fees, which such other Co-owners or the Association may suffer as a result of defending any claim arising out of an occurrence for which the individual Co-owner is required to carry coverage pursuant to this Article and shall carry insurance to secure this indemnity if so required by the Association. This Section shall not be construed to give any insurer any subrogation right or other right or claim against any individual Co-owner.

ARTICLE V **RECONSTRUCTION OR REPAIR IN CASE OF CASUALTY**

Section 1. Determination of Reconstruction or Repair. This Article shall apply only to damage by casualty or other insurable event. Any other situations involving maintenance, repair and replacement shall be governed by the allocation of responsibilities contained in Article IV of the Amended and Restated Master Deed. If any part of the Condominium shall be damaged by insured casualty, the determination of whether or not it shall be reconstructed or repaired shall be made in the following manner:

A. Repair or Reconstruction. If the damaged property is a Common Element or a Unit, the property shall be rebuilt or repaired if any Unit is tenantable, unless it is determined by the affirmative vote of eighty (80%) percent of the Co-owners that the Condominium shall be terminated, and each

institutional holder of a first mortgage lien on any Unit has given prior written approval of such termination.

B. Decision Not to Repair or Reconstruct. If the Condominium is so damaged that no Unit is tenantable, and if each institutional holder of a first mortgage lien on any Unit has given its prior written approval of the termination of the Condominium, the damaged property shall not be rebuilt and the Condominium shall be terminated, unless eighty (80%) percent or more of all Co-owners in number agree to reconstruction by vote or in writing within ninety (90) days after the destruction.

Section 2. Repair and Reconstruction to Condition Existing Prior to Damage. Any such reconstruction or repair shall be substantially in accordance with the Amended and Restated 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 Responsibility for Reconstruction or Repair. If the damage is only to a part of a Unit or Common Element which is the responsibility of a Co-owner to maintain, repair and insure, it shall be the responsibility of the Co-owner to promptly repair such damage in accordance with the provisions hereof. Regardless of the cause or nature of any damage or deterioration, including, but not limited to, instances in which the damage or deterioration is incidental to or caused by (i) a Common Element for which the Association is responsible pursuant to Article IV of the Amended and Restated Master Deed, (ii) the maintenance, repair or replacement of any such Common Element; (iii) the Co-owner's own actions or any failure of the Co-owner to take appropriate preventive action, or (iv) the malfunction of any appliance, equipment or fixture located within or serving the Unit, the Co-owner of the Unit shall promptly repair or replace the damage or deterioration to their Unit, or to a Limited Common Element for which the Co-owner is responsible pursuant to Article IV of the Amended and Restated Master Deed, or for the insurance of which the Co-owner is primarily responsible pursuant to Article IV of these Bylaws and, except insofar as another Co-owner is responsible for the costs of such repair or replacement, as provided in Article VI, Section 14, below, or as provided in subsection 4 of this Article, the responsible Co-owner shall bear all of the costs thereof. The Estates Co-owners' responsibility pursuant to the preceding sentence shall include, but not be limited to, the entire Residence constructed within the units and all improvements thereto or within the Unit. The Villas Co-owners' responsibility pursuant to the preceding sentence shall include, but not be limited to, interior walls, sanitary (toilet) installations, drywall, doors, windows, doorwalls, storm doors and storm windows, screens and their associated hardware, all appliances, equipment and accessories, whether free-standing or built-in, and their supporting hardware/equipment, including water faucets, fixtures, garbage disposals, furnaces, gas fireplace equipment, computers, monitors, printers, air conditioners, compressors and pads, exhaust fans, sinks, refrigerators, ovens, cooktops, dishwashers and garbage disposals, all floor coverings, wall coverings, window shades, draperies, cabinets, counters, interior trim, telephones, cable, satellite, and wireless connections, furniture, lamps, light fixtures, switches, outlets and circuit breakers, all Unit specific utilities, all "additions and betterments", as defined in Article IV above, and all personal property, and all other internal connections and installations. Each Co-owner shall be further responsible for the cost of repair, reconstruction and maintenance of all items for which the Co-owner is assigned such responsibility in Article IV of the Amended and Restated Master Deed. In the event any damage to Common Elements is the responsibility of the Association's insurance carrier pursuant to the provisions of Article IV, then the reconstruction or repair of the same shall be the responsibility of the

Association in accordance with Section 4 of this Article, although the responsibility for costs thereof shall be allocated in accordance with the provisions of this Section and Section 4. If any interior portion of a Unit is covered by insurance held by the Association for the benefit of the Co-owner, and the carrier of such insurance is responsible for paying a claim pursuant to the provisions of Article IV, Section 1E hereof, the Co-owner shall be entitled to receive the proceeds of insurance relative thereto, only in the absence of Co-owner coverage, but the Co-owner shall be responsible for any deductible amount, and if there is a mortgagee endorsement, the proceeds shall be payable to the Co-owner and the mortgagee jointly, to be used solely for the necessary repairs. 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 Unit.

Section 4. Association Responsibility for Reconstruction or Repair of Common Elements.

Subject to the responsibility of the individual Co-owners as outlined in Section 3 above, and other provisions of these Bylaws or the Amended and Restated Master Deed applicable to such situations, the Association shall be responsible for the reconstruction and repair of the General Common Elements. Immediately after a casualty causing damage to property for which the Association has the responsibility of maintenance, repair or 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 the Co-owners who are responsible for the costs of reconstruction or repair of the damaged property (as provided in Article IV of the Amended and Restated Master Deed) in sufficient amounts to provide funds to pay the estimated or actual costs of repair.

Section 5. Timing. 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 the replacement or repair of the damaged property without delay.

Section 6. Responsibility for Amounts within Insurance Deductible or Otherwise Uninsured. Notwithstanding any other provision of the Condominium Documents, except to the extent that a lack of insurance results from a breach of the Association's or other Co-owner's duty to insure, the responsibility for damage to any portion of the Condominium Premises which is within the limits of any applicable insurance deductible, unless waived, and for any other uninsured amount, shall be borne by the responsible Co-owner whenever the damage is the result of a failure to observe or perform any requirement of the Condominium Documents, or any negligent or intentional action or omission, including, without limitation, with respect to any Unit, Limited Common Element, appliance or equipment maintenance, repair or replacement responsibility, by the Co-owner, the Co-owner's land contract purchaser or tenant, or the family, servants, employees, agents, visitors or licensees of the Co-owner, land contract-purchaser or tenant. For example, and not in limitation of the generality of the foregoing, uninsured damage to the Condominium Premises which results from negligent smoking within a Co-owner's Unit, or from a Co-owner's failure to maintain the furnace or a plumbing fixture serving their Unit in good working order or repair, generally will be the responsibility of that Co-owner.

Section 7. Indemnification. Each Co-owner shall indemnify and hold harmless the Association and every other Co-owner for all damages and costs, including, without limitation, actual attorneys' fees (not limited to reasonable attorneys' fees), which the Association or such other Co-owner(s) suffer as the result of defending any claim arising out of an occurrence on or within such Co-owner's Unit or a Limited Common Element for which the Co-owner is assigned the responsibility to maintain, repair and replace. Each Co-owner shall carry insurance to secure this indemnity. This Section 7 shall not be construed to afford any insurer any subrogation right or other claim or right against a Co-owner.

Section 8. Eminent Domain. Section 133 of the Act (to the extent not inconsistent with the following) and the following provisions shall control upon any taking by eminent domain:

A. Common Elements Taken by Eminent Domain. If any portion of the Common Elements is taken by eminent domain, the award shall be allowed to the Co-owners in proportion to their respective undivided interests in the Common Elements. The Association, acting through its Board of Directors, may negotiate on behalf of all Co-owners for any taking of the Common Elements and any negotiated settlement approved by more than two-thirds (2/3) of the Co-owners in number shall be binding on all Co-owners.

B. Unit Taken by Eminent Domain. If a Unit is taken by eminent domain, the undivided interest in the Common Elements appertaining to the Unit shall thenceforth appertain to the remaining Units, being allocated to them in proportion to their respective undivided interests in the Common Elements. The Court shall enter a decree reflecting the reallocation of the undivided interest in the Common Elements as well as for the Unit.

C. Partial Taking of a Unit. If portions of a Unit are taken by eminent domain, the court shall determine the fair market value of the portions of the Unit not taken. The undivided interest of such Unit in the Common Elements shall be reduced in proportion to the diminution in the fair market value of such Unit resulting from the taking. The portions of undivided interest in the Common Elements thereby divested from the Co-owners of such Unit shall be reallocated among the other Units in proportion to their respective undivided interests in the Common Elements. A Unit partially taken shall receive the reallocation in proportion to its undivided interest as reduced by the court under this subsection. The court shall enter a decree reflecting the reallocation of undivided interests produced thereby, and the award shall include just compensation to the Co-owner of the Unit partially taken for that portion of the undivided interest in the Common Elements divested from the Co-owner and not revested in the Co-owner pursuant to the following subsection, as well as for that portion of the Unit taken by eminent domain.

D. Impossibility of Use of Portion of Unit not Taken by Eminent Domain. If the taking of a portion of a Unit makes it impractical to use the remaining portion of that Unit for a lawful purpose permitted by the condominium documents, then the entire undivided interest in the Common Elements appertaining to that Unit shall thenceforth appertain to the remaining Units, being allocated to them in proportion to their respective undivided interests in the Common Elements. The remaining portion of that Unit shall thenceforth be a Common Element. The court shall enter an order reflecting the reallocation of undivided interests produced thereby, and the award shall include just compensation to

the Co-owner of the Unit for the Co-owner's entire undivided interest in the Common Elements and for the entire Unit.

E. Future Expenses of Administration Appertaining to Units Taken by Eminent Domain.

Votes in the Association of Co-owners and liability for future expenses of administration appertaining to a Unit taken or partially taken by eminent domain shall thenceforth appertain to the remaining Units, being allocated to them in proportion to their relative voting strength in the Association. A Unit partially taken shall receive a reallocation as though the voting strength in the Association was reduced in proportion to the reduction in the undivided interests in the Common Elements.

F. Condominium Continuation after the taking by Eminent Domain. In the event the Condominium continues after a taking by eminent domain, then the remaining portion of the Condominium shall be resurveyed and the Amended and Restated Master Deed amended accordingly. 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, but only with the prior written approval of holders of two-thirds (2/3rds) of all first mortgage liens on individual Units.

G. Condemnation or Eminent Domain Proceeding. In the event any Unit, 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.

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

Section 10. Notification to Mortgagees and Guarantors. The Association shall give the holder of any first mortgage and any guarantors of the mortgage covering any Unit timely written notice of any condemnation or casualty loss that affects either a material portion of the Condominium or the Unit securing the mortgage.

ARTICLE VI RESTRICTIONS

Section 1. Use of Unit.

A. Single Family Use. No Unit shall be used for other than single-family residential purposes as defined by City of Livonia Zoning Ordinances, and the Common Elements shall be used only for purposes consistent with the use herein stated. No Co-owner shall carry on any business enterprise or commercial activities anywhere on the Common Elements or within the Units, specifically including for profit day care, adult foster care, nursing facilities, transitional housing and similar enterprises, except that Co-owners shall be allowed to have home offices in their Units, provided the same (1) do not involve additional pedestrian or vehicular traffic by customers, users or beneficiaries of the services being performed and/or congestion within the Condominium, (2) do not

utilize or involve the presence of any employees within the Unit other than the individual Co-owner(s) and their families, (3) do not disturb other Co-owners, (4) do not involve additional expense to the Association (such as utility charges and insurance), and (5) do not violate any other provision or restriction contained in the Condominium Documents, (6) do not involve the storage of bulk goods for resale, and (7) do not constitute a violation of any ordinances or regulations of the City of Livonia.

B. Occupancy Restrictions. The number of persons allowed to occupy or reside in any Unit shall be governed by the restrictions and regulations of the Building Officials and Code Administrators National Property Maintenance Code or such other codes or ordinances that may be adopted by the City of Livonia from time to time. Such restrictions shall automatically change, without the necessity of an amendment to these Bylaws, upon the adoption of alternative regulations by the Township of Independence, such that the occupancy of all Units shall be in accordance with all City of Livonia regulations at all times.

Section 2. Leasing and Rental of Units.

A. Right to Lease. With the exception of a first mortgage lender or first mortgagee guarantor in possession of a Unit following a default of a first mortgage, foreclosure or deed or other arrangement in lieu of foreclosure, no Co-owner may lease any Unit within the Condominium, with the exception of those Units properly under an approved lease as of the effective date of the Fifth Amendment to the Master Deed, except upon the written approval of the Association, which approval shall not be given if (i) the leasing of such Unit would result in any one person or entity (including affiliates or commonly owned entities) leasing more than one (1) Unit at any given time, or (ii) the leasing of such Unit would cause the number of leased Units in the Condominium to exceed either four (4) Estates Units or eleven (11) Villas Units. Co-owners leasing their Units as of the effective date of these Bylaws shall be entitled to continue leasing their Units, provided the provisions of the Condominium Documents are strictly followed and an approved lease form is on file with the Association prior to the effective date of these Bylaws. In the event of a sale or transfer of ownership of a leased Unit, or in the event such a Unit is no longer being leased or held out for lease, all automatic rights to lease that Unit shall terminate and no further leasing of the Unit shall take place without full compliance with the provisions hereof. In addition to the aforementioned prerequisites and limitations, no Co-owner shall lease less than an entire Unit in the Condominium, and all leases shall:

- be for an initial term of no less than one (1) year,
- require the lessee to comply with the Condominium Documents,
- provide that failure to comply with the Condominium Documents constitutes a default under the lease,
- 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 Co-owner in the event of a default by the tenant in the performance of the lease (including for violation of any provisions of the Condominium Documents), and

Under no circumstances shall transient tenants be accommodated. For purposes of this Section, "transient tenant" shall refer to a non-Co-owner residing in a Unit for less than sixty (60) days who has paid consideration therefor, and "lease" shall refer to any occupancy agreement, whether or not in writing or for rent or other consideration, where the Unit is not occupied by the Co-owner thereof as a primary or secondary residence for a majority of the year. 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 and all leases, rental agreements and occupancy agreements shall so state.

B. Exceptions to Leasing Limitations. Notwithstanding the foregoing or anything to the contrary contained herein, the Association recognizes that there may arise circumstances beyond a Co-owner's control that may justify an exception to allow the temporary leasing of a single Unit, regardless of the abovementioned rental limitations. Therefore, under the following circumstances, but only for so long as such circumstances exist and only so long as the leasing of the Unit will not result in that Co-owner or any related person or entity leasing more than one (1) Unit in the Condominium, the Association may allow a Co-owner to lease their Unit even though fifteen percent (15%) or more of the Units may already be leased, if:

- (i) A Co-owner must relocate to a nursing home, rehabilitation home or center or similar facility for a period likely to exceed six (6) months;
- (ii) A Co-owner must relocate for medical purposes (treatment, rehabilitation or recuperation) for a period likely to exceed six (6) months;
- (iii) A Co-owner must relocate for employment purposes for a period likely to exceed six (6) months;
- (iv) A Co-owner or the estate of a Co-owner must rent a Unit due to an inability to sell the same without incurring a financial loss as a result of mortgage liens recorded against the Unit exceeding the fair market value of the Unit; or
- (v) Any similar extenuating situation approved by the Board of Directors.

C. Procedures for Leasing. The leasing of Units shall conform to the following provisions:

(1) A Co-owner desiring to rent or lease a Unit, shall disclose that fact in writing to the Association at least ten (10) days before presenting a Lease Form to a potential lessee, and shall supply the Association with a copy of the exact lease form for its review for its compliance with the Condominium Documents. The Association shall be entitled to approve or not approve any such proposed lease transaction in accordance with the provisions of this Section. If no lease form is to be used, then the Co-owner shall supply the Association with the name and address of the potential lessee or other occupant(s), along with the amount and due dates of any rental or compensation payable to the Co-owner, and the term of the proposed arrangement. 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). The Board of Directors may charge such reasonable administrative fees for reviewing, approving, and monitoring lease transactions in accordance with this Section 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.

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

(3) If the Association determines that the tenant or non-Co-owner occupant has failed to comply with the conditions of the Condominium Documents, the Association shall take the following action:

(a) The Association shall notify the Co-owner by certified mail advising of the alleged violation by tenant.

(b) The Co-owner shall have fifteen (15) days after receipt of such notice to investigate and correct the alleged breach by the tenant or advise the Association that a violation has not occurred.

(c) If after fifteen (15) days the Association believes that the alleged breach is not cured or may be repeated, it may institute on its behalf or derivatively by the Co-owners on behalf of the Association an action for eviction against the tenant or non-Co-owner and tenant or non-Co-owner occupant for breach of the conditions of the Condominium Documents. The relief set forth in this Section may be by summary proceeding, although the Association may pursue relief in any Court having jurisdiction and whether by summary proceeding or otherwise. The Association may hold both the tenant and the Co-owner liable for any damages caused by the Co-owner or tenant in connection with the Unit. The Co-owner shall be responsible for reimbursing the Association for all costs incurred in obtaining judicial enforcement of its rights, including actual attorneys' fees.

(4) When a Co-owner is in arrears to the Association for assessments, the Association may give written notice of the arrearage to a tenant occupying a Co-owner's Unit under a lease or rental agreement and the tenant, after receiving the notice shall deduct from rental payments due the Co-owner the arrearage and future assessments as they fall due and pay them to the Association. The deductions shall not be a breach of the rental agreement or lease by the tenant. If the tenant, after being notified, fails or refuses to remit rent, otherwise due the Co-owner, to the Association, then the Association may (1) prohibit the tenant from utilizing any of the General Common Elements of the Condominium, (2) issue a statutory Notice to Quit for non-payment of rent, and enforce that notice by summary proceedings, and/or (3) initiate proceedings pursuant to Section 112(4)(b) of the Act.

(5) Notwithstanding anything to the contrary herein, in the event that Fannie Mae acquires title to a Unit after foreclosure or by deed delivered in lieu of foreclosure, or, if, after any such acquisition of title, Fannie Mae requires the lending institution from which Fannie Mae acquired the mortgage to purchase title to said Unit, Fannie Mae and/or said prior lender, as applicable, shall not be subject to any restriction contained in this Article VI, Section 2, which relates to the term or content of any lease or rental agreement.

D. Lease Service Charges. In each situation where the Association, through a Board member, contractor or management agent, is asked to provide emergency service to a tenant or non-Co-owner occupant due to the unavailability of the Landlord or Co-owner of the Unit, a reasonable administrative fee, as established by the Board in its discretion, shall be posted to the Co-owner's account. Any Co-owner may file with the Association a written request not to respond to such requests by a tenant or non-Co-owner occupant of that Co-owner's Unit, and in such cases the Association shall not respond, shall have no liability for not responding and shall be indemnified and

held harmless by the Co-owner for any damages or liability resulting from the Association's failure to respond.

Section 3. Alterations and Modifications.

A. No Co-owner shall commence or make alterations in exterior appearance or make structural modifications to any Unit, including without limitation accessory structures, improvements, landscaping or the exterior of any Residence located within an Estates Unit, or interior walls through or in which there exist easements for support or utilities with respect to Villas Units, or make changes in the appearance or use of any of the Common Elements, Limited or General, including but not limited to, exterior painting, replacement of windows, or the erection of lights, awnings, shutters, banners, doors, newspaper holders, mailboxes, spas, hot tubs, decks, patios, structures, fences, walls, landscaping or other exterior attachments or modifications, until plans and specifications acceptable to the Association showing the nature, kind, shape, height, materials, color scheme, location and approximate cost of such structure or improvement and the grading or landscaping plan of the area to be affected (if applicable) shall have first been submitted to and approved in writing by the Association, and a copy of said plans and specifications, as finally approved, delivered to the Association. The Association shall have the right to refuse to approve any such plans or specifications, or grading or landscaping plans which are not suitable or desirable in its opinion for aesthetic or any 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 be constructed, and the degree of harmony thereof with the Condominium as a whole. In the event that any application for changes are approved by the Board of Directors, such approval shall be subject to a recordable, written undertaking by the Co-owner acknowledging that installation, maintenance and insuring of all of the improvements are to be at the Co-owner's sole expense. The Board of Directors shall have the right in its discretion to require a Co-owner to complete the installation of any approved improvements or modifications by a date certain. Any modifications or alterations performed by a Co-owner pursuant to this Section shall be performed by licensed and insured contractors and in accordance with all applicable governmental regulations and ordinances, including the requirement that proper permits be applied for and issued by appropriate governmental agencies.

B. A Co-owner shall not damage, attach anything to, or alter walls between Units so as to compromise sound conditioning in Villas Units. The erection of antennas, DBS reception devices, and other technologies regulated by the Federal Communications Commission, shall be in accordance with duly promulgated rules and regulations of the Association, which shall at all times be deemed to be or construed so as not to violate FCC regulations applicable thereto.

C. In the event that the Co-owner fails to maintain, repair or replace a modification or improvement to the satisfaction of the Association, the Association may undertake to maintain, repair or replace the 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. The Co-owner shall indemnify and hold the Association harmless from and against all costs, damages, and liabilities incurred with respect to the modification or improvement.

D. No Co-owner shall in any way restrict access to any plumbing, water line, water line valves, water meter, sump pump, sprinkler system valves or any other element that must be accessible to service the Common Elements 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.

E. The foregoing subsections A through D are subject to the applicable provisions of the Condominium Act governing improvements or modifications if the purpose of the improvement or modification is to facilitate access to or movement within the Unit for persons with disabilities under the circumstances provided for in the Condominium Act at MCL 559.147a, as may be amended from time to time.

Section 4. Conduct upon the Condominium Premises. No immoral, noxious, improper, unlawful or offensive activity, including without limitation speeding or other vehicular infractions, shall be engaged in on or upon the Common Elements, Limited or General, or any Unit, nor shall anything be done which may be or become an annoyance or a nuisance to the Co-owners of the Condominium, nor shall any unreasonably noisy activity be carried upon the Common Elements or any Unit. There shall not be maintained any animals or device or thing of any sort whose normal activities or existence is in any way noxious, noisy, dangerous, unsightly, unpleasant or of a nature as may diminish or destroy the reasonable enjoyment of other Units. The Board of Directors of the Association shall be the final arbiter of whether a particular animal, device, or thing is in violation of the foregoing restrictions, and disputes among Co-owners that cannot be amicably resolved shall be mediated by the disputing Co-owners in accordance with Article III hereof. No Co-owner shall do or permit anything to be done or keep or permit to be kept on their Unit or on the Common Elements anything that will increase the rate of insurance on the Condominium without 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. All municipal codes and ordinances pertaining to the use of the Common Elements shall be followed at all times.

Section 5. Animals within the Condominium.

A. **Number and Type.** No animal, including household pets, shall be kept or allowed on the Condominium Premises by any Co-owner without the written approval of the Board of Directors, which approval (if any approval at all) will only be given for such pets (type, size and disposition) as are consistent with the close, community living environment of Brookside of Livonia Condominium. There shall be no Pit Bull Terriers or Rottweiler breeds or such other breeds of dogs that are known to have a propensity for violence. No more than two (2) pets per Unit will be approved. Any such approval shall be revocable at any time by the Association for failure of such pets or their owners to abide by the provisions of this Section and the Rules and Regulations of the Association pertaining to the keeping of pets. The term "animal" or "pet" as used in this section shall not include small animals, fish or birds that are constantly caged. Exotic pets (i.e. rare or unusual animals or animals generally thought of as wild and not typically kept as a pet) are strictly prohibited.

B. Restrictions Applicable to Pets; Responsibilities of Co-owners. Before an existing pet can be maintained, it shall be registered with the Association. The registration shall include a complete description of the pet, its name, the name and telephone number of the adult person responsible for the pet at all times, and the name, address and telephone number of the veterinarian or veterinary clinic which maintains the pet's health and immunization records, and a current picture. No animals may be kept or bred for any commercial purpose. Any pets permitted to be kept in the Condominium shall have such care and restraint as not to be obnoxious on account of noise, odor or unsanitary conditions. No animal may be permitted to be housed or tethered outside of a Villas Unit or outside the Residence on an Estates Unit, in a pen or otherwise, nor shall pets be tied or restrained outside or be allowed to be loose upon the Common Elements. All pets shall be leashed when outdoors with the leash being held and controlled at all times by a responsible adult person (including when outside on an Estates Units containing an "invisible fence") and otherwise in accordance with any ordinances of the City of Livonia that may apply. Each Co-owner shall be responsible for the immediate collection and disposition of all fecal matter deposited by any animal maintained by such Co-owner, anywhere in the Condominium. No savage or dangerous animal of any type shall be kept and any Co-owner who causes any animal to be brought, maintained or kept on the premises of the Condominium for any length of time shall indemnify and hold harmless the Association for any loss, damage or liability, including attorney fees and costs, which the Association may sustain as a result of the presence of such animal on the Condominium Premises, whether such animal is permitted or not, 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. No animal that creates noise 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 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 costs to the Association of accommodating animals within the Condominium. All animals kept in accordance with this Section shall be licensed by the municipal agency having jurisdiction, and proof of the animal's shots shall be provided to the Association upon request.

C. Association Remedies. The Association 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 that it determines to be in violation of the restrictions imposed by this Section or by any applicable rules and regulations of the Association. The Association may also assess fines for such violation of the restrictions imposed by this Section or by any applicable rules and regulation of the Association.

Section 6. Use of Common Elements. 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 these Bylaws or duly adopted rules and regulations of the Association. All rubbish, trash, garbage and other waste shall be regularly removed from each Unit and shall not be allowed to accumulate therein/thereon. 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 stored and handled in accordance with all applicable rules and regulations of the Association and City of Livonia ordinances and Co-owners shall be responsible for the collection and proper disposal of

trash (or the costs of the Association collecting and disposing of such trash) dispersed about the Common Elements, regardless of the reason. The Common Elements shall not be used in any way for the drying, shaking, or airing of clothing or other fabrics. No unsightly condition shall be maintained on or in any deck, patio, balcony or porch. All window treatments in Villas units which can be seen from the exterior shall be of an off-white color approved by the Association prior to installation, so as to maintain a uniform exterior appearance. Common Elements shall not be used for any active recreational purposes – passive recreational use is permitted. In general, no activity shall be carried on nor condition maintained by a Co-owner either in their Unit or upon the Common Elements, which detracts from or spoils the appearance of the Condominium. All municipal ordinances pertaining to the use of the Common Elements shall be followed at all times.

Section 7. Obstruction of Common Elements. Except as otherwise expressly permitted herein, the Common Elements, including, without limitation, sidewalks, landscaped areas, driveways, roads, entry ways, porches and decks 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, benches, toys, baby carriages, obstructions or other personal property may be left unattended on or about the Common Elements.

Section 8. Vehicles upon the Condominium Premises. No house trailers, commercial vehicles, boat trailers, watercraft, boats, motor homes, camping vehicles/trailers, snowmobiles, snowmobile trailers, recreational vehicles, any non-motorized vehicles, off-road vehicles, all terrain vehicles, or vehicles other than currently licensed automobiles, motorcycles (if not objectionable due to excessive noise or irresponsible operation) and non-commercial pickup trucks, SUVs and passenger vans, not exceeding 21 feet in overall length, used as an occupant's primary means of transportation, and not for any commercial purposes, may be parked or stored upon the premises of the Condominium, except in accordance with the provisions of this Section, unless parked fully in a Unit garage with the door closed. No Co-owner shall use, or permit the use by an occupant, agent, employee, invitee, guest or member of their family of any casual, personal, motorized transportation or entertainment anywhere within the Condominium, including, but not limited to, motorized scooters, mopeds, go-carts, dirt bikes and the like.

A. **Temporary Presence.** The Board of Directors shall have discretion to issue rules and regulations that provide for the temporary presence of the above enumerated recreational/leisure vehicles upon the Condominium Premises for proper purposes, such as loading and unloading of such vehicles. The Association shall not be responsible for any damages, costs, or other liability arising from any failure to approve the parking of or to designate a parking area for such vehicles.

B. **Commercial Vehicles or Trucks.** Commercial vehicles and trucks shall not be parked in or about the Condominium (except as above provided) unless parked in an area specifically designated for such vehicles or trucks by the Association, or while making deliveries or pickups in the normal course of business. For purposes of this Section, commercial vehicles shall include vehicles or trucks with a curb weight of more than 10,000 pounds, overall length in excess of 21 feet, or with more than two axles, vehicles with commercial license plates, vehicles with any commercial markings or advertising appearing on the exterior, vehicles not intended for personal transportation, or any vehicle either modified or equipped with attachments, equipment or implements of a commercial trade, including, but not limited to, ladder or material racks, snow blades, tanks, spreaders, storage bins or

containers, vises, commercial towing equipment or similar items. For purposes of this Section, passenger vans, SUVs and pickup trucks, used for primary transportation, and no commercial purpose whatsoever, shall not be considered commercial vehicles provided they do not meet the definition of a commercial vehicle contained herein. The Association shall not be responsible for any damages, costs, or other liability arising from any failure to approve the parking of such vehicles or to designate an area thereof.

C. Standing Vehicles, Repairs. Nonoperational vehicles or vehicles with expired license plates shall not be parked on the Condominium Premises, other than inside a Co-owner's garage, without written permission of the Board of Directors. Nonemergency maintenance or repair of motor vehicles shall not be permitted on the Condominium Premises, unless specifically approved by the Board of Directors.

D. Parking Restrictions. No parking of any vehicles whatsoever shall be allowed in designated fire lanes or in violation of duly promulgated rules and regulations of the Association.

E. Association Rights. Subject to the notice location and content requirements of Section 252(k) of the 2004 Public Act 493 of the Michigan Compiled Laws, the Association may cause vehicles parked or stored in violation of this Section, or of any applicable rules and regulations of the Association, to be stickered and/or removed (towed) 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. In such cases, the Co-owner shall be responsible for costs incurred in having a towing company respond, even if the vehicle is moved and properly parked before the towing contractor arrives at the Condominium. The Board of Directors may promulgate reasonable rules and regulations governing the parking and use of vehicles in the Condominium consistent with the provisions hereof, and may levy fines for violations of such rules and regulations or this Section.

Section 9. Prohibition of Dangerous Items upon the Condominium Premises. No Co-owner shall use, or permit the use or discharge by an occupant, agent, employee, invitee, guest or member of their family of any firearms, air rifles, pellet guns, BB guns, bows and arrows, slingshots or other similar dangerous weapons, projectiles or devices anywhere on or about the Condominium Premises, nor shall any Co-owner use or permit to be brought into the buildings in the Condominium any unusually volatile liquids or materials deemed to be extra hazardous to life, limb, or property, without in each case obtaining the written consent of the Association.

Section 10. Signs upon the Condominium Premises. No signs, notices, advertisements, pennants or flags, including "for sale" and "open house" signs (other than a U.S. flag no larger than 3' x 5'), shall be displayed which are visible from the exterior of a Unit without written permission from the Association, unless the same are in complete conformance with duly adopted Association Rules and Regulations. Notwithstanding the above restrictions, Villas Units may display one "for sale" sign in a window and Estates Units may display one "for sale" sign in the yard; any approved "for sale" signs shall not be larger than 24" x 24"; it shall be permissible for Co-owners to fly a school flag of their choosing no more than one day per week; one security sign is allowed outside of any Unit/Residence in front & rear established landscape beds; flag poles shall only be allowed within Estates Units and in Villas Units any flag mounting bracket and location must be approved by the

Board prior to mounting. Repair of any damages caused by Co-owner mounting of flag bracket are the responsibility of the Co-owner.

Section 11. Regulations Consistent with Act. Reasonable regulations consistent with the Act, the Amended and Restated Master Deed, and these Bylaws, concerning the use of the Common Elements or the rights and responsibilities of the Co-owners and the Association with respect to the Condominium or the manner of operation of the Association and of the Condominium may be made and amended from time to time by any Board of Directors. Included within this power is the right of the Association to establish administrative fees with respect to special services performed by the Association or its management from time to time, in the sole discretion of the Board of Directors. Copies of all such regulations and amendments thereto shall be furnished to all Co-owners and shall become effective as stated in said rule or regulation. Any such regulation or amendment may be revoked at any time by the affirmative vote of more than fifty percent (50%) of all Co-owners entitled to vote.

Section 12. Association Access to Units and Limited Common Elements. The Association or its duly authorized agents shall have access to each Unit (not including the interior of the Residence constructed upon Estates Units) 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. The Association or its agents shall also have access to each Unit (not including the interior of the Residence constructed upon Estates Units) 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. It shall be the responsibility of each Co-owner to provide the Association means of access to their Unit (not including the interior of the Residence constructed upon Estates Units) 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 and shall not be liable to such Co-owner for any necessary damage to their Unit (not including the interior of the Residence constructed upon Estates Units) and any Limited Common Elements appurtenant thereto caused thereby or for repair or replacement of any doors or windows damaged in gaining such access.

Section 13. Landscaping and Decoration of Common Elements. No Co-owner shall perform any landscaping or plant any trees, shrubs or flowers or place any ornamental materials, including but not limited to statuary, bird feeders, exterior lighting, furniture, implements, rocks or boulders, fencing or other decorative items upon the Common Elements, Limited or General, unless the same is approved by the Association in writing, and is in total conformance with the Association's rules and regulations on landscaping as are published from time to time. Any landscaping performed by the Co-owner and any such trees, shrubs or flowers planted by the Co-owner, if and when approved, shall be the responsibility of the Co-owner to maintain. In the event that such Co-owner fails to adequately maintain such landscaping performed by the Co-owner and any such trees, shrubs, or flowers planted by the Co-owner to the satisfaction of the Association, the Association shall have the right to perform such maintenance and assess and collect from the Co-owner the cost thereof in the manner provided in Article II hereof. The Co-owner shall also be liable for any damages to the Common Elements arising from the performance of such landscaping or the planting of such trees, shrubs or flowers, or the continued maintenance thereof. Should access to any Common Elements of any sort be required, or

should any materials specified in this Section interfere with maintenance or services provided by the Association, the Association may remove any obstructions of any nature that restrict such access and/or services 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 and/or performance of such services, nor shall the Association be responsible for monetary damages of any sort arising out of any such actions.

Section 14. Co-owner Maintenance of Unit and Limited Common Elements. Each Co-owner shall maintain their Unit and any Limited Common Elements appurtenant thereto for which they have maintenance responsibility in a safe, clean and sanitary condition. All Units must have operational smoke detectors installed at all times. Thermostats serving any Villas Unit shall be maintained at not lower than fifty-five (55) degrees Fahrenheit and the Co-owner shall implement such other reasonable precautionary maintenance and winterization measures with respect to any vacant Villas Unit as the Board of Directors from time to time shall require. Each Co-owner shall also use due care to avoid damaging any of the Common Elements, including, but not limited to, the telephone, water, gas, plumbing, electrical, cable TV or other utility conduits and systems and any other Common Elements in any Unit which are appurtenant to or which may affect any other Unit. Each Co-owner shall be responsible for damages or costs to the Association resulting from damage to or misuse of any of the Common Elements by them, or their family, guests, agents or invitees, or by casualties and occurrences, whether or not resulting from Co-owner negligence, involving items or Common Elements which are the responsibility of the Co-owner to maintain, repair and replace, unless such damages or costs are covered by primary insurance carried by the Association, in which case there shall be no such responsibility unless reimbursement to the Association is excluded by virtue of a deductible provision, in which case the responsible Co-owner shall bear the expense to the extent of the deductible amount. Any costs or damages to the Association may be assessed to and collected from the responsible Co-owner in the manner provided in Article II hereof. Each individual Co-owner shall indemnify the Association and all other Co-owners against such damages and costs, including actual attorneys' fees, and all such costs or damages to the Association may be assessed to and collected from the responsible Co-owner in the manner provided in Article II hereof. 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 as soon as it is discovered.

Section 15. Restrictions Applicable Only To Estates Units. Solely with respect to the Estates Units, the following restrictions shall also apply in addition to the balance of the restrictions in this Article:

A. Unsightly Conditions. It shall be the responsibility of each Co-owner to prevent the development of any unclean, unsightly or unkempt conditions of buildings or grounds (including lawn and landscaping) on such Co-owner's Unit which shall tend to substantially decrease the beauty of the Condominium as a whole or any specific area thereof.

B. Exterior Appearance. The primary color of the exterior of each structure located upon any Estates Unit shall not be changed without the prior approval of the Association.

C. No Agricultural Use. No Unit Co-owner shall use or permit the use of any side or front yard on such Co-owner's Unit for any agricultural use.

D. Sight Distance at Intersection. No fence, wall, hedge, or shrub planting greater than three (3) feet in height above the roadways shall be placed or permitted to remain on any corner Unit within the triangular area formed by the street property lines and a line connecting them at points thirty (30) feet from the intersection of the street lines, or in the case of a rounded property corner from the intersection of a street property line extended. The same sight line limitations shall apply on any Unit within ten (10) feet from the intersection of a street property line with the edge of a driveway or alley pavement. No tree shall be permitted to remain within such distances of such intersections unless the foliage line is maintained at least ten (10) feet above the ground, or such greater height as is necessary to prevent obstructions of such sight lines.

E. Fences and Walls. No fence, wall or similar structure may be erected, grown or maintained on any Unit, except for (i) temporary construction fences, (ii) fences installed around permitted swimming pools by Co-owners as required by the municipality and as approved by the Association, and (iii) retaining walls that are necessary to hold landscaped grades in place. Co-owners may install so-called "invisible" or underground fencing for the containment of pets permitted hereunder.

Section 16. Swimming Pools. In-ground swimming pools shall be permitted in Estates Units only, subject to the review and approval of the Association. Swimming Pools which rise above ground level shall not be permitted under any circumstances, except for "kiddie" pools in Estates Units having no filtration equipment; provided the same are drained and stored at the end of the day on which they are used.

Section 17. Exteriors. The exterior first floor of each dwelling to be constructed within the Condominium shall be brick or stone on all four sides and the exterior on each 2 story dwelling to be constructed within the Condominium shall be not less than 65% brick or stone in area and the exterior on each single story dwelling shall not be less than 65% brick or stone in area and the exterior on each single story dwelling shall be not less than 80% brick or stone in area. All brick to be used shall be full face four inch brick.

Section 18. Irrigation. All landscaped areas within the Condominium shall be irrigated by underground sprinkler systems.

Section 19. City of Livonia Agreement. The use of the Condominium Premises is subject to the City of Livonia Agreement and the easement agreement executed and delivered in connection therewith relating to a regional storm water management system and to premises adjacent to the Condominium Premises. Such easement agreement provides, among other things, that the Association shall bear 31.83% of the City of Livonia's cost and expense of maintenance and repair of a certain 456,000 cubic foot detention basin servicing the storm water management needs of the Condominium and other adjoining properties and 100% of the City of Livonia's cost and expense of maintenance and repair of the 32,000 cubic foot forebay adjacent to such detention basin.

Section 20. Application of Restrictions to the Association. None of the restrictions contained in this Article VI or elsewhere in these Bylaws or the Amended and Restated Master Deed shall apply to the activities of the Association in furtherance of its powers and purposes set forth

herein, the Amended and Restated Master Deed and in its Articles of Incorporation, as the same may be amended from time to time.

Section 21. Cost of Enforcing Documents. Any and all costs, damages, fines, expenses or actual attorneys' fees incurred or levied by the Association in enforcing any of the restrictions set forth in this Article VI and/or rules and regulations promulgated by the Association and any expenses incurred as a result of the conduct of less than all those entitled to occupy the Condominium, or by their licensees or invitees, may be assessed to, secured by the statutory lien on the Unit and collected from the responsible Co-owner or Co-owners in the manner provided in Article II hereof. This specifically includes actual costs and legal fees incurred by the Association in investigating and seeking legal advice concerning violations, and responding to and defending actions relating to violations in small claims court, or any other court of competent jurisdiction.

Section 22. Approvals Revocable. All approvals given by the Association in accordance with these Bylaws shall be revocable and in the nature of a license, and can be withdrawn upon thirty (30) days written notice in the event of noncompliance with the conditions of such approval.

ARTICLE VII MORTGAGES

Section 1. Notification of Mortgage. Any Co-owner who mortgages their Unit shall notify the Association of the name and address of the mortgagee, and the Association shall maintain such information in a book entitled "Mortgages of Units." The Association may, at the written request of a mortgagee of any such Unit, report any unpaid assessments due from the Co-owner of such Unit.

Section 2. Notification to Mortgagee of Insurance Company. Upon written request submitted to the Association, the Association shall notify a mortgagee appearing in the Mortgages of Units book of the name of each company insuring the Common Elements against fire and perils covered by extended coverage, and vandalism and malicious mischief and the amounts of such coverage.

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

Section 4. Notification to Mortgagees and Guarantors. The Association shall give the holder of any mortgage and any guarantors of the mortgage covering any Unit timely written notice of (i) any proposed action that requires the consent of a specified percentage of mortgagees, whether contained in the Amended and Restated Master Deed or these Bylaws, (ii) any delinquency in the payment of assessments or other charges by a Co-owner that is not cured within sixty (60) days, and (iii) any lapse, cancellation or material modification of any insurance policy maintained by the Association.

ARTICLE VIII MEMBERSHIP AND VOTING

Section 1. Membership in Association. Membership in the Association and voting by members of the Association shall be in accordance with the following provisions:

A. **Designation of Members.** Each Co-owner shall be a member of the Association and no other person or entity shall be entitled to membership.

B. **Co-owner's Share of the Funds.** 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 a Unit.

C. **Co-owner Voting Designation.** Except as limited in these Bylaws, each Co-owner shall be entitled to one vote for each Unit owned, provided that the Co-owner is in good standing. As used throughout the Condominium Documents, "good standing" shall mean a Co-owner (or Director, as the case may be) who is current in all financial obligations owing to the Association and who is not in default of any of the provisions of the Condominium Documents. Voting shall be by number. In the case of any Unit owned jointly by more than one Co-owner, the voting rights appurtenant to that Unit may be exercised only jointly as a single vote.

D. **Evidence of Ownership for Voting Purposes.** No Co-owner shall be entitled to vote at any meeting of the Association until they have presented evidence of ownership of a Unit to the Association. The vote of each Co-owner may be cast only by the individual representative designated by such Co-owner in the notice required in subsection E below or by a proxy given by such individual representative.

E. **Designation of Voting Representative.** Each Co-owner shall file a written notice with the Association designating the individual representative who shall vote at meetings of the Association and receive all notices and other communications from the Association on behalf of such Co-owner. The notice shall state the name and address of the individual representative designated, the number or numbers of the Unit or Units owned by the Co-owner, and the name and address of each person, firm, corporation, partnership, limited liability company, association, trust or other entity that 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. At any meeting the filing of such written notice as a prerequisite to voting may be waived by the chairperson of the meeting.

F. **Quorum.** The presence in person or by proxy of thirty percent (30%) in number of the Co-owners qualified to vote shall constitute a quorum for holding a meeting of the members of the Association, except for voting on questions specifically required herein to require a greater quorum. The written vote of any person furnished at or prior to any duly called meeting at which meeting said person is not otherwise present in person or by proxy, or by such date as is established for voting in cases where no meeting is held, shall be counted in determining the presence of a quorum with respect to the question upon which the vote is cast. Any member who participates by remote communication in a meeting of members of the Association, as provided in Article IX, Section 5 below, shall also be counted in determining the necessary quorum.

G. Voting. Votes may be cast in person, in writing duly signed by the designated voting representative, or by any other means allowed by the voting procedures adopted by the Association for a given vote, provided the same are not in violation of the provisions of these Bylaws and Michigan law. Any proxies, written votes or other votes cast by means allowed hereunder must be filed with the Secretary of the Association or the Association's management agent at or before the appointed time of each meeting of the members of the Association or voting deadline if no meeting held. Votes may be cast by mail, fax, delivery, electronically (by any method not directly involving the physical transmission of paper, which creates a record that may be retrieved and retained by the Association and may be directly reproduced in paper form by the Association through an automated process), or any other method approved by the Association in advance of the vote. Cumulative voting shall not be permitted.

H. Majority. Unless otherwise provided, any action that could be authorized at a meeting of the members shall be authorized by the vote of a simple majority in number of those Co-owners qualified to vote and voting in person or by proxy at said meeting, or by allowed alternative means, in accordance with the provisions of these Bylaws. Whenever provided specifically herein, a majority may be required to exceed the simple majority hereinabove set forth.

I. Action without Meeting. Any action that may be taken at a meeting of the members (except for the election or removal of Directors) may be taken without a meeting by written vote of the members. Written votes shall be solicited in the same manner as provided in these Bylaws for the giving of notice of meetings of members. Such solicitations shall specify (a) the number of responses needed to meet the quorum requirements; (b) the percentage of approvals necessary to approve the action; and (c) the time by which written votes must be received in order to be counted. The form of written vote shall afford an opportunity to specify a choice between approval and disapproval of each matter and shall provide that, where the member specifies a choice, the vote shall be cast in accordance therewith. Approval by written vote shall be constituted by receipt, within the time period specified in the solicitation, of (i) a number of written votes which equals or exceeds the quorum that would be required if the action were taken at a meeting; and (ii) a number of approvals that equals or exceeds the number of votes that would be required for approval if the action were taken at a meeting.

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

Section 2. Records and Books of the Association. The Association shall keep detailed books of account showing all expenditures and receipts of administration which shall specify the maintenance and repair expenses of the Common Elements and any other expenses incurred by or on behalf of the Association and the Co-owners. Such accounts and all other Association records shall be open for inspection by the Co-owners and their mortgagees during reasonable working hours. The Association shall prepare and distribute to each Co-owner at least one (1) time a year a financial statement, the contents of which shall be defined by the Association which may be distributed by

electronic transmission given in any such manner authorized by the person entitled to receive the financial statement which does not directly involve the physical transmission of paper, which creates a record that may be retrieved and retained by the recipient, and which may be directly reproduced in paper form by the recipient through an automated process, or by making the report available for electronic transmission, provided that any member may receive a written report upon request. If the annual revenues of the Association exceed twenty thousand Dollars (\$20,000.00), the Association shall have its books, records, and financial statements independently audited or reviewed by a certified public accountant, as defined in Section 720 of the occupational code, 1980 PA 299, MCL 339.720. The audit or review shall be performed in accordance with the statements on auditing standards or the statements on standards for accounting and review services, respectively, of the American Institute of Certified Public Accountants. The Association may opt out of the requirements imposed by the preceding sentence on an annual basis by an affirmative vote of a majority of its members. Any institutional holder of a first mortgage lien on any Unit 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 if requested. The costs of any such audit and any accounting expenses shall be expenses of administration. The Association also shall maintain on file current copies of the Amended and Restated Master Deed for the Condominium, any amendments thereto and all other Condominium Documents and shall permit all Co-owners, prospective purchasers and prospective mortgagees interested in the Condominium to inspect the same during reasonable business hours.

ARTICLE IX **MEETINGS**

Section 1. Place of Meetings. Meetings of the Association members shall be held at any suitable place convenient to the Co-owners as may be designated by the Board of Directors. Meetings of the Association members shall be guided by Roberts Rules of Order or some other generally recognized manual of parliamentary procedure, when not otherwise in conflict with the Articles of Incorporation, the Amended and Restated Master Deed or the laws of the State of Michigan. Only Co-owners in good standing, and their legal representatives, may speak at meetings of the Association and/or address the Board or Co-owners at any such meetings. Any person in violation of this provision or the rules of order governing the meeting, which are incorporated herein by reference, may be removed from such meeting, without any liability to the Association or its Board of Directors.

Section 2. Annual Meetings. The first annual meeting of members of the Association has already been held. Hereafter, the annual meetings of members of the Association shall be held in the months of April or May each succeeding year at such time and place as shall be determined by the Board of Directors. The Board of Directors may, acting by a majority vote, change the date of the annual meeting in any given year, provided that at least one such meeting is held in each calendar year. Written notice of each annual meeting, as well as any change in the date of the annual meeting as provided for herein, shall be given to all Co-owners at least ten (10) days before the date for which the meeting is or was originally scheduled. At the annual meeting, there shall be elected by ballot of the Co-owners a Board of Directors in accordance with the requirements of Article X of these Bylaws. At the Annual Meeting, the then-presiding Board of Directors shall present an updated annual five-year plan for the maintenance, repair and/or replacement of the Common Elements, including a plan for allocation of funds to reserve accounts of the Association. The Co-owners may also transact at annual meetings such other business of the Association as may properly come before them.

Section 3. 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 in number presented to the Secretary of the Association. In the event the President shall fail or refuse for any reason to call a special meeting as required hereby within sixty (60) days of a request therefore, then any director or Co-owner who requested such meeting shall be entitled to call and convene the same by providing notice of such meeting to all Co-owners in accordance with these Bylaws. This provision shall in no way be construed to validate any action allegedly taken at such special meeting if the action was beyond the authority of the persons purporting to take such action. Notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

Section 4. Notice of Meetings. It shall be the duty of the Secretary (or other Association officer in the Secretary's absence) to serve a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, upon each Co-owner, at least ten (10) days, but not more than sixty (60) days, prior to such meeting. The mailing, postage prepaid, of a notice to the representative of each Co-owner at the address shown in the notice required to be filed with the Association pursuant to Article VIII, Section 1.E of these Bylaws or to the address of the Unit owned by the Co-owner shall be deemed notice served. In lieu thereof, said notice may also be hand delivered to a Unit if the Unit address is designated as the voting representative's address, and/or the Co-owner is a resident of the Unit. Electronic transmittal of such notice, may also be given in any such manner authorized by the person entitled to receive the notice which does not directly involve the physical transmission of paper which creates a record that may be retrieved and retained by the recipient and which may be directly reproduced in paper form by the recipient through an automated process. 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 5. Remote Communication Attendance; Remote Communication Meetings. A member may participate in a meeting of the members by a conference telephone or by other means of remote communication through which all persons participating in the meeting may hear each other, if the Board determines to permit such participation and (a) the means of remote communication permitted are included in the notice of the meeting or (b) if notice is waived or not required. All participants shall be advised of the means of remote communication in use and the names of the participants in the meeting shall be divulged to all participants. Members participating in a meeting by means of remote communication are considered present in person and may vote at such meeting if all of the following are met: (a) the Association implements reasonable measures to verify that each person considered present and permitted to vote at the meeting by means of remote communication is a member or proxy holder; (b) the Association implements reasonable measures to provide each member and proxy holder a reasonable opportunity to participate in the meeting and to vote on matters submitted to the members, including an opportunity to read or hear the proceedings of the meeting substantially concurrently with the proceedings; and (c) if any member or proxy holder votes or takes other action at the meeting by means of remote communication, a record of the vote or other action is maintained by the Association. A member may be present and vote at an adjourned meeting of the members by means of remote communication as if they were permitted to be present and vote by the means of remote communication in the original meetings notice given. The Board may hold a meeting of the members conducted solely by means of remote communication.

Section 6. Adjournment for Lack of Quorum. If any meeting of Co-owners cannot be held because a quorum is not in attendance, the owners who are present may adjourn the meeting to a time not less than forty eight (48) hours from the time the original meeting was called. The quorum for each subsequent meeting shall be reduced by one-half from the quorum requirement of the previously scheduled meeting.

Section 7. Minutes. Minutes or a similar record of the proceedings of all meetings of members and the Board of Directors must be kept by the Association and, when signed by the President or Secretary, shall be presumed truthfully to evidence the matters set forth therein. A recitation in the minutes of any such meeting that notice of the meeting was properly given shall be prima facie evidence that such notice was given.

ARTICLE X BOARD OF DIRECTORS

Section 1. Qualification and Number of Directors. The affairs of the Association shall be governed by a Board of Directors all of whom must be Co-owners of Units in Brookside of Livonia Condominium and be in good standing. Any Director who is delinquent in any financial obligation owed to the Association, including late fees, shall pay in full the amount due within sixty (60) days of the delinquency. During the period of delinquency, the Director shall not be permitted to vote on any delinquency matter of another Co-owner, including matters that may affect the Director's own Unit. If the Director does not comply with the delinquency cure time period, and notwithstanding the provisions of Section 6 of this Article X, the Director shall be deemed removed from the Board of Directors for the remainder of the director's term and the vacancy shall be filled in accordance with Section 5 of this Article X. The Board shall consist of five (5) members. No two occupants of the same Unit may serve on the Board of Directors at the same time. Directors shall serve without compensation.

Section 2. Term and Identity of Directors. The respective terms of office for the Directors have been staggered based on election procedures previously adopted by the Association. In each year hereafter, either two or three directors shall be elected for two year terms depending on how many directorships expire that year. All directors shall hold office until their successors have been elected and hold their first meeting. Starting with the first election following the recording of these Bylaws, open director positions will be filled to insure the opportunity for representation on the Board from both the Estates & Villas; meaning to the extent possible there should be a minimum of (1) Board member from the Estates and (1) from the Villas serving at all times. [Examples: If there is an election of 2 Board members with 3 candidates (say with 2 Villas Co-owners & 1 Estates Co-owner running); (A) if there is already at least one Villas resident and 1 Estates resident serving out of the 3 remaining directors, the 2 candidates with the most votes would be elected regardless of where they reside; (B) if there is no Villas resident serving out of the 3 remaining directors, the 2 candidates with the most votes would be elected because one of the 2 would be a Villas resident; finally (C) if there is no Estates resident serving out of the 3 remaining directors, the 2 candidates with the most votes would be elected only if one of the 2 is an Estates resident – if not, the Estates candidate (even though he was 3rd in the voting) would get a seat and the other seat would go to the Villas candidate who received the most votes.] If there are no Co-owners willing to serve from either the Estates or Villas and the same

is needed to reach the minimum (1) seat on the Board for each type of resident, only then a Board made up of all Villas or all Estates Co-owners would be allowed.

Section 3. Powers and Duties. The Board of Directors shall have all 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. In addition to the foregoing general powers and duties imposed by these Bylaws, or any further powers and duties which may be imposed by law or the Articles of Incorporation, the Board of Directors shall be responsible specifically for the following:

A. Management and Administration. To manage and administer the affairs of and maintenance of the Condominium and the Common Elements thereof, all to the extent set forth in the Condominium Documents.

B. Collecting Assessments. To collect assessments from the members of the Association and to use the proceeds thereof for the purposes of the Association.

C. Insurance. To carry insurance and collect and allocate the proceeds thereof in the manner set forth in Article IV hereof.

D. Rebuild Improvements. To rebuild improvements after casualty, subject to the terms hereof.

E. Contract and Employ Persons. To contract for and employ persons, firms, corporations or other agents to assist in the management, operation, maintenance and administration of the Condominium.

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

G. Easements and Telecommunications. 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, earth antenna 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, and shall be paid over to and shall be the property of the Association.

H. Borrow Money. To borrow money and issue evidences of indebtedness in furtherance of any and all of the purposes of the business of the Association, and to secure the same by mortgage, pledge, or other lien on property owned by the Association; provided, however, that any such action shall also be approved by affirmative vote of more than fifty percent (50%) of all of the members of the Association, except in the case of financing or refinancing of a Unit acquired through foreclosure of the statutory lien for unpaid assessments, which shall require no such approval.

I. Rules and Regulations. To make rules and regulations in accordance with Article VI, Section 11 of these Bylaws.

J. Committees. 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, or any specific Officers or Directors of the Association any functions or responsibilities which are not by law or the Condominium Documents required to be performed by the Board.

K. Enforce Documents. To enforce the provisions of the Condominium Documents.

Section 4. Professional Management. The Board of Directors may employ for the Association a professional management agent at reasonable compensation established by the Board to perform such duties and services as the Board shall authorize, including, but not limited to, the duties listed in Section 3 of this Article X, 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 in which the maximum term is greater than three (3) years, or which is not terminable by the Association upon sixty (60) days' written notice thereof to the other party.

Section 5. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a director by a vote of the members of the Association shall be filled by vote of the majority of the remaining directors, even though they may constitute less than a quorum. Each person so appointed shall be a director until the end of the term of the Director who they replaced and a successor is elected at such annual meeting of the Association.

Section 6. Removal of Directors. At any regular or special meeting of the Association duly called and held, any one or more of the directors may be removed with or without cause by the affirmative vote of more than fifty percent (50%) of all Co-owners, and a successor may then and there be elected to fill the vacancy thus created. The quorum requirement for the purpose of filling any vacancy shall be the normal thirty percent (30%) requirement set forth in Article VIII, Section 1F. Any director whose removal has been proposed by the Co-owners shall be given an opportunity to be heard at the meeting.

Section 7. Regular Meetings. Regular meetings of the Board of Directors may be held at such times and places as shall be determined from time to time by a majority of the directors. 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, or by mail, facsimile, electronically or

telephone at least five (5) days prior to the date of the meeting, unless waived by said director. Electronic transmission of such notice may also be given in any such manner authorized by the director entitled to receive the notice which does not directly involve the physical transmission of paper, which creates a record that may be retrieved and retained by the director, and which may be directly reproduced in paper form by the director through an automated process.

Section 8. 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, or by mail, facsimile, electronically or by telephone, which notice shall state the time, place and purpose of the meeting. Electronic transmission of such notice may also be given in any such manner authorized by the director entitled to receive the notice which does not directly involve the physical transmission of paper, which creates a record that may be retrieved and retained by the director, and which may be directly reproduced in paper form by the director through an automated process. Special meetings of the Board of Directors shall be called by the president or secretary in like manner and on like notice on the written request of two directors.

Section 9. Waiver of Notice. Before or at any meeting of the Board of Directors, any director may, in writing or orally, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meetings of the Board shall be deemed a waiver of notice by that director 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 10. Quorum. At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the acts of the majority of the directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. A Director will be considered present and may vote on matters before the Board by proxy, by teleconference, electronically or by any other method giving the remainder of the Board sufficient notice of the absent Director's vote and position on any given matter, provided however, that any vote not in writing is confirmed in writing not later than the next meeting of the Board. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business that might have been transacted at the meeting as originally called may be transacted without further notice. If a Director joins in the action of a meeting by signing and concurring in the minutes of that meeting, the Director shall be considered present for purposes of determining a quorum.

Section 11. Action without Meeting. 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, including by electronic transmission, by the requisite majority of the Board of Directors. Further, the presiding officer of the Association, in exceptional cases requiring immediate action, may poll all Directors by phone for a vote, and provided the action is consented to by the requisite number of Directors, such vote shall constitute valid action by the Board, provided the results of the vote and the issue voted upon are noted in the minutes of the next Board meeting to take place.

Section 12. Closing of Board of Director 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 13. Remote Communication Participation. Members of the Board of Directors may participate in any meeting by means of conference telephone or other means of remote communication through which all persons participating in the meeting can communicate with the other participants. Participation in a meeting by such means constitutes presence in person at the meeting.

Section 14. Fidelity Bonds. The Board of Directors shall require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds, which shall be in an amount at least equal to three months of regular assessments plus the balance in the reserve fund. The premiums for such bonds shall be expenses of administration.

ARTICLE XI OFFICERS

Section 1. Designation. The principal officers of the Association shall be a president, vice president, secretary and treasurer. The directors may appoint such other officers as in their judgment may be necessary. Any two offices except that of president and vice president may be held by one person. The President must be a member of the Board of Directors.

Section 2. Appointment. The officers of the Association shall be appointed annually by the Board of Directors and shall hold office at the pleasure of the Board.

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

Section 4. President. The president shall be the chief executive officer of the Association, and shall preside at all meetings of the Association and of the Board of Directors. The president shall have all of the general powers and duties which are usually vested in the office of the president of a corporation, including, but not limited to, the power to appoint committees from among the members of the Association from time to time in the president's discretion as may be deemed 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 so do on an interim basis. The vice president shall also perform such other duties as shall from time to time be imposed by the Board of Directors.

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

Section 7. Treasurer. The treasurer or management agent shall have responsibility for all 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 or management agent shall be responsible for the deposit of all monies and other valuable papers of the Association, in the name of and to the credit of the Association, in such depositories as may from time to time be designated by the Board of Directors.

ARTICLE XII FINANCES

Section 1. Fiscal Year. The fiscal year of the Association shall be an annual period commencing on such date as may be initially determined by the Board of Directors. The commencement date of the fiscal year of the Association shall be subject to change by the Board of Directors for accounting reasons or other good cause.

Section 2. Banking. The funds of the Association shall be deposited in such bank or other depository as may be designated by the Board of 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.

Section 3. Investment of Funds. Funds of the Association shall only be held in accounts that are fully insured and/or backed by the full faith and credit of the United States Government. Only depositories or instruments where there is no risk of principal loss may be utilized by the Association for investment of its monies.

ARTICLE XIII INDEMNIFICATION

Section 1. Indemnification of Directors and Officers. Every director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including actual and reasonable counsel fees and amounts paid in settlement incurred by or imposed upon the director or officer in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative and whether formal or informal, to which the director or officer may be a party or in which they may become by reason of their being or having been a director or officer of the Association, whether or not they are a director or officer at the time such expenses are incurred, except in such cases wherein the director or officer is adjudged guilty of willful or wanton misconduct or gross negligence in the performance of the director's or officer's duties, and 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 Board of Directors (with the director seeking reimbursement abstaining) approves such settlement and reimbursement as being in the best interest of the Association. The foregoing right of indemnification

shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled. The Board of Directors shall notify all Co-owners of payment of any indemnification that it has approved at least ten (10) days before payment is made. The indemnification rights of this Article shall be at all times construed to be consistent with those contained in the Articles of Incorporation of the Association.

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. 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 XIV COMPLIANCE

Section 1. Compliance with Condominium Documents. The Association and all present or future Co-owners, tenants, future tenants, 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 provisions of the Act, Amended and Restated Master Deed, these Bylaws, the Articles of Incorporation of the Association and the Rules and Regulations of the Condominium. In the event that such Amended and Restated Master Deed, these Bylaws or Articles of Incorporation conflict with the provisions of any Statute, the Statute shall govern. If any provision of these Bylaws conflicts with any provision of the Amended and Restated Master Deed, the Amended and Restated Master Deed shall govern.

Section 2. Amendment. These Bylaws may be amended in accordance with the Act and the provisions of Article VIII of the Amended and Restated Master Deed for Brookside of Livonia Condominium.

Section 3. Definitions. All terms used herein shall have the same meaning as set forth in the Amended and Restated Master Deed to which these Bylaws are attached as an Exhibit, or as set forth in the Act.

ARTICLE XV REMEDIES FOR DEFAULT

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

A. **Remedies for Default by a Co-owner to Comply with the Documents.** Failure to comply with any of the terms or provisions of the Condominium Documents shall be grounds for relief, which may include without intending to limit the same, an action to recover sums due for damages,

injunctive relief, foreclosure of lien (if default in payment of assessment) or any combination thereof, and such relief may be sought by the Association, or, if appropriate, by an aggrieved Co-owner or Co-owners.

B. Costs Recoverable From Co-owner. Failure of a Co-owner and/or non-Co-owner resident or guest to comply with the Condominium Documents shall entitle the Association to recover from such Co-owner or non-Co-owner resident or guest the pre-litigation costs and actual reasonable attorneys' fees incurred in obtaining their compliance with the Condominium Documents. In addition, in any proceeding arising because of an alleged default by any Co-owner, or in cases where the Association must defend an action brought by any Co-owner(s) or non-Co-owner resident or guest, (regardless if the claim is original or brought as a defense, a counterclaim, cross claim or otherwise), the Association, if successful, shall be entitled to recover from such Co-owner or non-Co-owner resident or guest pre-litigation costs, the costs of the proceeding and actual attorney's fees (not limited to statutory fees), incurred in defense of any claim or obtaining compliance or relief, but in no event shall any Co-owner be entitled to recover such attorney's fees or costs against the Association. The Association, if successful, shall also be entitled to recoup the costs and attorneys' fees incurred in defending any claim, counterclaim or other matter.

C. Association's Right to Abate. The violation of any of the provisions of the Condominium Documents shall also give the Association or its duly authorized agents the right, in addition to the rights set forth above, to enter upon the Common Elements, 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. The Association shall have no liability to any Co-owner arising out of its exercise of its removal and abatement power granted hereunder.

D. Assessment of Fines. The violation of any of the provisions of the Condominium Documents by any Co-owner shall be grounds for assessment by the Association, acting through its duly constituted Board of Directors, of monetary fines for such violations in accordance with Article XVI of these Bylaws.

Section 2. Failure to Enforce Rights. The failure of the Association or of any Co-owner to enforce any right, provision, covenant or condition that 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, provisions, covenant or condition in the future.

Section 3. Cumulative Rights. 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. Rights of Co-owners. A Co-owner may maintain an action against the Association to compel enforcement of the provisions of the Condominium Documents, and may maintain an action for injunctive relief or damages against any other Co-owner for noncompliance

with the Condominium Documents. Even if successful, Co-owners may not recover attorney's fees from the Association, but may recover such fees from another Co-owner if successful in obtaining compliance with the Condominium Documents.

ARTICLE XVI FINES

Section 1. General. The violation by any Co-owner, occupant or guest of any of the provisions of the Condominium Documents including any duly adopted rules and regulations shall be grounds for assessment by the Association, acting through its duly constituted Board of Directors, of monetary fines against the involved Co-owner. Such Co-owner shall be deemed responsible for such violations whether they occur as a result of their personal actions or the actions of their family, guests, tenants or any other person admitted through such Co-owner to the Condominium Premises.

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

A. Notice. Notice of the violation, including the Condominium Document provision violated, together with a description of the factual nature of the alleged offense set forth with such reasonable specificity as will place the Co-owner on notice as to the violation, shall be sent by first class mail, postage prepaid, or personally delivered to the representative of said Co-owner at the address as shown in the notice required to be filed with the Association pursuant to Article VIII, Section 1 E of these Bylaws.

B. Hearing. The offending Co-owner shall be provided a scheduled hearing before the Board at which the Co-owner may offer evidence in defense of the alleged violation. The hearing before the Board shall be at its next scheduled meeting, but in no event shall the Co-owner be required to appear less than 7 days from the date of the notice.

C. Hearing and Decision. Upon appearance by the Co-owner before the Board and presentation of evidence of defense, or in the event of the Co-owner fails to appear at the scheduled hearing, the Board shall, by majority vote of a quorum of the Board, decide whether a violation has occurred. The Board's decision is final.

Section 3. Fines. Upon violation of any of the provisions of the Condominium Documents and upon the decision of the Board as recited above, the following fines may be levied:

FIRST VIOLATION	No fine will be levied
SECOND VIOLATION	\$50.00 Fine
THIRD VIOLATION	\$100.00 Fine
FOURTH VIOLATION	\$200.00 Fine
AND ALL SUBSEQUENT VIOLATIONS	

The Board of Directors, without the necessity of an amendment to these Bylaws, may make such changes in said fines or adopt alternative fines, including the indexing of such fines to the rate of inflation, in accordance with duly adopted Rules and Regulations promulgated in accordance with Article VI, Section 11 of these Bylaws. For purposes of this Section, the number of the violation (i.e. first, second etc.) is determined with respect to the number of times that a Co-owner violates the same provision of the Condominium Documents, as long as that Co-owner may be an owner of a Unit or occupant of the Condominium, and is not based upon time or violations of entirely different provisions. In the case of continuing violations, a new violation will be deemed to occur each successive week during which a violation continues, however, no further hearings other than the first hearing shall be required for successive violations once a violation has been found to exist. Nothing in this Article shall be construed as to prevent the Association from pursuing any other remedy under the Condominium Documents and/or the Act for such violations, or from combining a fine with any other remedy or requirement to redress any violation.

Section 4. Collection of Fines. The fines levied pursuant to Section 3 above shall be assessed against the Co-owner and shall be immediately due and payable. Failure to pay the fine will subject the Co-owner to all liabilities set forth in the Condominium Documents including, without limitations, those described in Article II and Article XV of these Bylaws.

ARTICLE XVII 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 which are held to be partially invalid or unenforceable.

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