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OV 22 2004

\$204.00 DEED
Receipt #290183

RECORDED

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

LI-41677 Pa-94
204571850 11/22/2004
Bernard J. Youngblood
Wayne Co. Register of Deeds

\$6.00 REMONSTRATION

MASTER DEED

GOLF RIDGE VILLA HOMES

This Master Deed is made and executed on this 15th day of October, 2004, by Golf Ridge Properties LLC, a Michigan limited liability company, (hereinafter referred to as "Developer"), of 6020 West Maple Road, Suite 503, West Bloomfield, Michigan 48322, in pursuance of the provisions of the Michigan Condominium Act (being Act 59 of the Public Acts of 1978, as amended), hereinafter referred to as the "Act".

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

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

ARTICLE I

TITLE AND NATURE

The Condominium Project shall be known as Golf Ridge Villa Homes, Wayne County Condominium Subdivision Plan No. 812. The Condominium Project is established as a
EXAMINED AND APPROVED

DATE 11/22/2004

BY alm

NORMAN C. DUPUIE
PLAT ENGINEER

This is to certify that there are no tax liens or taxes on this property and that taxes are paid for FIVE YEARS previous to date of this instrument EXCEPT

No. 4472 R. Young Date 11-22-04
WAYNE COUNTY TREASURER Clerk C. Bryant

11 22-2004 44CL4422

DEED'S

8.00

R MOC 204-68 66P (A) (M)

statutory Condominium Project in fee simple in accordance with the Act and in accordance with the ordinances of the City of Livonia and the approved plans therefor are on file with said City of Livonia. The Units contained in the Condominium, including the number, boundaries, dimensions and area of each, are set forth completely in the Condominium Subdivision Plan attached as Exhibit B hereto. Each Unit is a residential building site capable of individual utilization on account of having its own entrance and exit to and from the Unit, and to and from the General Common Elements of the Condominium Project. Each Co-owner in the Condominium Project shall have an exclusive right to his or her Unit and shall have undivided and inseparable rights to share with other Co-owners the General Common Elements of the Condominium Project.

ARTICLE II

LEGAL DESCRIPTION

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

Part of the North 1/2 of Section 5, T. 1 S., R. 9 E., City of Livonia, Wayne County, Michigan more fully described as commencing at the North 1/4 corner of said Section 5; thence S. 00 degrees 05 minutes 27 seconds E., 60.00 feet along the North-South 1/4 line of said Section 5 to the South line of Eight Mile Road; thence N. 89 degrees 45 minutes 37 seconds E., 97.52 feet; thence N. 89 degrees 25 minutes 41 seconds E., 764.04 feet to the point of beginning; thence N. 89 degrees 25 minutes 41 seconds E., 1229.56 feet; thence S. 44 degrees 51 minutes 31 seconds W., 616.81 feet; thence S. 72 degrees 44 minutes 47 seconds W., 102.00 feet; thence S. 88 degrees 44 minutes 38 seconds W., 267.88 feet; thence S. 75 degrees 14 minutes 00 seconds W., 77.07 feet; thence S. 20 degrees 48 minutes 01 second W., 65.22 feet; thence S. 80 degrees 55 minutes 14 seconds W., 417.91 feet; thence N. 00 degrees 34 minutes 19 seconds W., 380.54 feet; thence N. 03 degrees 12 minutes 23 seconds E., 32.16 feet; thence S. 89 degrees 06 minutes 57 seconds E., 85.12 feet; thence N. 00 degrees 34 minutes 19 seconds W., 196.34 feet to the point of beginning. Containing 12.206 acres.

Tax Parcel Identification Numbers: Part of 46-017-99-0001-000; and
Part of 46-017-99-0002-000

ARTICLE III

DEFINITIONS

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

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

Section 2. Association. "Association" means Golf Ridge Villa Homes Association, which is the non-profit corporation organized under Michigan law of which all Co-owners shall be members, which corporation shall administer, operate, manage and maintain the Condominium.

Section 3. Bylaws. "Bylaws" means Exhibit A hereto, being the Bylaws setting forth the substantive rights and obligations of the Co-owners and required by Section 3(9) of the Act to be recorded as part of the Master Deed. The Bylaws shall also constitute the corporate bylaws of the Association as provided for under the Michigan Nonprofit Corporation Act.

Section 4. City. "City" means the City of Livonia, a Michigan municipal corporation, and/or its duly authorized officers and agencies, and its successors, assigns and transferees.

Section 5. Villa Home. "Villa Home" means the residence constructed within a Unit in the Condominium and shall include a garage or other appurtenance attached to a Villa Home.

Section 6. Common Elements. "Common Elements", when used without modification, shall mean both General and Limited Common Elements.

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

Section 8. Condominium Premises. "Condominium Premises" means and includes the land described in Article II above, all improvements and structures thereon, and all easements, rights and appurtenances belonging to Golf Ridge Villa Homes as described above.

Section 9. Condominium Project, Condominium or Project. "Condominium Project", "Condominium" or "Project" means Golf Ridge Villa Homes as a Condominium Project established in conformity with the Act.

Section 10. Condominium Subdivision Plan. "Condominium Subdivision Plan" means Exhibit B hereto.

Section 11. Co-owner or Owner. "Co-owner" means a person, firm, corporation, partnership, association, trust or other legal entity or any combination thereof who or which owns one or more Units in the Condominium Project. The term "Owner", wherever used, shall be synonymous with the term "Co-owner".

Section 12. Consolidating Master Deed. "Consolidating Master Deed" means the final amended Master Deed which shall describe Golf Ridge Villa Homes as a completed Condominium Project and shall reflect the Project as finally configured and surveyed. Such Consolidating Master Deed, if and when recorded in the office of the Wayne County Register of Deeds, shall supersede the previously recorded Master Deed for the Condominium and all amendments thereto. In the event the Units and Common Elements in the Condominium are constructed in substantial conformance with the proposed Condominium Subdivision Plan attached as Exhibit B to this Master Deed, the Developer shall be able to satisfy the foregoing obligation by filing a certificate in the office of the Wayne County Register of Deeds confirming that the Units and Common Elements "as built" are in substantial conformance with the proposed Condominium Subdivision Plan and that no Consolidating Master Deed need be recorded. Further, in the event that there is no need to modify the terms of the Master Deed or Bylaws and if the only changes are revisions to the Condominium Subdivision Plan, then there shall be no need to re-record the Master Deed and/or Bylaws but any such revisions may be reflected by the recording of an amendment for the purpose of evidencing the locations of Units, Common Elements and utilities as actually built.

Section 13. Developer. "Developer" means Golf Ridge Properties LLC, a Michigan limited liability company, which has made and executed this Master Deed, and its successors and assigns. Both successors and assigns shall always be deemed to be included within the term "Developer" whenever, however and wherever such terms are used in the Condominium Documents.

Section 14. Development and Sales Period. "Development and Sales Period", for the purposes of the Condominium Documents and the rights reserved to Developer thereunder, shall be deemed to continue for so long as Developer continues to own any Unit in the Project.

Section 15. First Annual Meeting. "First Annual Meeting" means the initial meeting at which non-developer Co-owners are permitted to vote for the election of Directors and upon all other matters which properly may be brought before the meeting. Such meeting is to be held (a) in the Developer's sole discretion after 50% of the Units are sold, or (b) mandatorily within (i) 54 months from the date of the first Unit conveyance, or (ii) 120 days after 75% of the Units are sold, whichever first occurs.

Section 16. Future Development Area. "Future Development Area" means the area within which Golf Ridge Villa Homes may be expanded as described in Article VI hereof.

Section 17. Transitional Control Date. "Transitional Control Date" means the date on which a Board of Directors of the Association takes office pursuant to an election in which the votes which may be cast by eligible Co-owners unaffiliated with the Developer exceed the votes which may be cast by the Developer.

Section 18. Unit. "Unit" means a single residential building site in Golf Ridge Villa Homes as such area may be described in Article V, Section 1 hereof and on Exhibit B hereto, and shall have the same meaning as the term "Condominium Unit" as defined in the Act. All structures and improvements now or hereafter located within the boundaries of a Unit shall be owned in their entirety by the Co-owner of the Unit within which they are located and shall not, unless otherwise expressly provided in the Condominium Documents, constitute Common Elements. The Developer may, but is not obligated to, install any structures whatsoever within the Units.

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

ARTICLE IV

COMMON ELEMENTS

The Common Elements of the Project, and the respective responsibilities for maintenance, decoration, repair or replacement thereof, are as follows:

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

(a) **Land.** The land described in Article II hereof including all areas not identified as Units.

(b) **Roads, Paths, Entrance Area and Traffic Islands.** The roads in the Condominium, together with any pedestrian paths for general use, the entrance area and traffic islands, now or hereafter depicted on the Condominium Subdivision Plan, and all signage installed by the Developer and/or the Association in connection therewith.

(c) **Easements.** All beneficial offsite easements, now existing or created after the recording hereof, which benefit the Condominium Premises as a whole.

(d) **Electrical.** The electrical transmission mains throughout the Project, up to the point of lateral connections for Unit service, together with common lighting for the Project if any is installed. There is no obligation on the part of the Developer to install

any particular common lighting but Developer reserves the right to do so at any location within the General Common Elements. Any lighting installed within General Common Elements shall be maintained, repaired and replaced by the Association and the costs of electrical power consumption with respect thereto shall be metered to and paid by the Association unless the Developer determines otherwise.

(e) Telephone. The telephone system throughout the Project up to the point of entry to each Unit.

(f) Gas. The gas distribution system throughout the Project up to the point of entry to each Unit.

(g) Water. The water distribution system throughout the Project up to the point of entry to each Unit.

(h) Sanitary Sewer. The sanitary sewer system throughout Project up to the point of entry to each Unit.

(i) Telecommunications. The telecommunications system throughout the Project up to the point of entry to each Unit.

(j) Storm Water Drainage System. The storm water drainage system including any storm water detention areas and other drainage areas and apparatus depicted as such on the Condominium Subdivision Plan or required by the City of Livonia to be installed.

(k) Landscaped Areas and Open Areas. All landscaped and open areas which have been established as such by the Developer.

(l) Other. Such other elements of the Project not herein designated as General Common Elements which are not enclosed within the boundaries of a Unit, and which are intended for common use or are necessary to the existence, upkeep, appearance, utility or safety of the Project (including any common amenities which may be installed by the Developer and/or the Association at the election of either or both). Developer reserves the right to establish such mailbox system as Developer may elect or as may be required to be installed by a public authority or service agency having jurisdiction and, to that end, may establish an individual mailbox system or may consolidate or cluster the same in such manner as Developer may deem appropriate. If mailboxes are clustered, the Developer or the Association may designate individual compartments in the clustering structure or structures as Limited Common Elements or may assign or reassign the same from time to time for use by Co-owners on an equitable basis without such designation. Developer may elect, however, to require that Owners install individual mailboxes of a nature and design as required by Developer, and that the same be installed by each Owner at such Owner's personal expense. Developer also reserves the right, in its discretion, to install street signs, traffic control signs, street

address signs and other signage at any location or locations as Developer deems appropriate within the General Common Elements.

Section 2. Limited Common Elements. The Limited Common Elements are:

- (a) **Unit Driveway and Walkways.** Individual driveways which connect the Units to the private roads of the Condominium, together with walkways which specifically provide access to a particular Unit, shall be limited in use to the Units which they respectively serve.
- (b) **Mailboxes.** Mailboxes shall be limited in use to the Units to which they are respectively assigned by the Developer or the Association. None have been shown in the original Condominium Subdivision Plan since their locations have not yet been determined. They will be depicted on "as-built" plans recorded pursuant to Article III, Section 12 hereof.
- (c) **Other Amenities.** Certain other amenities may be installed and designated as Limited Common Elements in the discretion of the Developer pursuant to the provisions of Article VII of this Master Deed and, if so installed and designated, this Section 2 (c) shall be amended by the Developer to so reflect in accordance with Article VII.

Section 3. Responsibilities With Respect to Units. The respective responsibilities for the maintenance, decoration, repair and replacement of the Units and Common Elements are as follows:

- (a) **Co-owner Responsibilities.** The individual Co-owners of Units in Golf Ridge Villa Homes shall be responsible for fulfillment of the following obligations:
 - (i) **General.** Separate Villa Homes will be constructed within the respective Units as depicted on Exhibit B hereto. Villa Homes and their appurtenances shall not extend beyond the perimeters of Units as depicted on the Condominium Subdivision Plan without approval of the Developer and the City. The responsibility for, and costs of maintenance, decoration, repair and replacement of each Unit and the Villa Home therein and other appurtenances thereof which are not otherwise required to be undertaken by the Association shall be borne by the Co-owner of the Unit within which the same are located. The exterior appearance of each Unit, and its Villa Home, appurtenances, improvements, colors, materials, lighting fixtures and bulbs, and decorations, to the extent visible from any other Unit or Common Element in the Project, shall be subject at all times to the jurisdiction and approval of the Association.
 - (ii) **Other.** The Association shall be responsible for performing certain limited maintenance functions within Units. To the extent that landscaped areas, Limited Common Element driveways and Villa Home

walkways fall within any Unit, the Association shall be responsible for maintenance, repair and replacement thereof. The Association shall also be responsible for clearing snow on Unit driveways but not Unit walkways. No other maintenance, repair, replacement or decoration responsibilities with respect to Units, Villa Homes and their appurtenances located within the Units are required to be initially undertaken by the Association, however. Nevertheless, in order to provide for flexibility, harmony and reasonable uniformity in administering the Condominium, the Association, acting through its Board of Directors, may undertake such other regularly recurring, reasonably uniform, periodic exterior maintenance functions with respect to Villa Homes, appurtenances and improvements constructed or installed within any Unit boundaries as it may deem appropriate. Correspondingly, it may, by Board action, reduce the level of such services provided by the Association and require that some or all of the same shall be and become the responsibilities of the individual Co-owners. Nothing herein contained, however, shall compel the Association to permanently undertake any or all of the foregoing described responsibilities or any other particular responsibilities. Any such responsibilities undertaken by the Association shall be charged to all Co-owners on a uniform basis and collected in accordance with the assessment procedures established under Article II of the Bylaws. The Developer, in the initial maintenance budget for the Association (and the Association, after the Transitional Control Date), shall be entitled to determine the precise nature and extent of any such services which may be provided by the Association and thereafter may add to, modify or reduce any such services, in its discretion, from time to time. Reasonable rules and regulations may be promulgated in connection therewith from time to time. In the event that a Co-owner seeks approval from the Developer or the Association for installation of a plan for structural or landscaping improvement, the care of which will add an abnormal expense to the Association's maintenance budget, the Developer or the Association, as the case may be, shall be entitled to require payment of the abnormal expense by such Co-owner in addition to such Co-owner's ordinary maintenance assessment as a condition of plan approval.

(b) Responsibilities With Respect to Common Elements. The Association shall be responsible for fulfillment of the following obligations:

(i) General. The costs of and responsibility for maintenance, repair and replacement of all Common Elements shall be borne by the Association, subject to any provisions of the Bylaws expressly to the contrary. The Association shall maintain all Common Elements requiring periodic maintenance in a neat, clean, and first-class condition in keeping with their basic nature, including snow pushing of driveways which provide access to all Units. Standards for maintenance may be established by the Association through its Board of Directors. The Association shall

not be responsible, in the first instance, for performing any maintenance, repair or replacement with respect to residences and their appurtenances located within the Condominium Units. Nevertheless, in order to provide for flexibility in administering the Condominium, the Association, acting through its Board of Directors, may undertake such other regularly recurring, reasonably uniform, periodic exterior maintenance functions within any Unit boundaries as it may deem appropriate as set forth in Article IV, Section 3(a)(ii) above.

(ii) Certain Specific Responsibilities of Maintenance. The Association shall have full authority and responsibility, at its expense, to operate, maintain, repair, manage, and improve the General Common Elements of the Condominium. In furtherance thereof, the Association shall have the responsibility to preserve and maintain all storm water drainage, detention and retention facilities and systems; all Condominium roadways and General Common Element parking areas; and any pedestrian pathways which are located within the General Common Elements of the Condominium; to ensure that the same continue to function as intended. The Association shall also have the responsibility to preserve and maintain all General Common Element landscaping and open areas within the General Common Elements as depicted on Exhibit B hereto. The Association shall establish a regular and systematic program of maintenance for the General Common Elements to ensure that the physical condition and intended function of such areas and facilities shall be perpetually preserved and/or maintained. In the event that the Association shall at any time fail to carry out the responsibilities specified above and/or in the event of a failure to preserve and/or maintain such areas or facilities in reasonable order and condition, the City may serve written notice upon the Association setting forth the deficiencies in maintenance and/or preservation and may take action as more specifically set forth in Article XI, Sections 8 and 9 of this Master Deed.

(iii) Common Lighting. The Developer may (but is not required to) install common illuminating fixtures within the General Common Elements of Condominium and the costs of electricity for common lighting located within General Common shall be metered to and paid by the Association. For purposes of uniformity of aesthetics and function, however, the Developer and the Association may require that Unit Owners maintain specific types of lights affixed to their residences and garages and that they be operated automatically on photocells or similar devices during specific evening hours. Any such lights shall be maintained, repaired, replaced and operated at the expense of the respective Co-owners without reimbursement by the Association and shall be kept in good repair at all times by such Co-owners. At the election of the Developer and the City, a special street lighting assessment district may be established and, if so established, the Co-owners and the Association

shall be responsible for the cost of the deferred capital cost of installation thereof.

Section 4. Utility Systems. Some or all of the utility lines, systems (including mains and service leads) and equipment and any telecommunications as described above may be owned and/or maintained by a public authority or by the company that is providing the pertinent service. Accordingly, such utility lines, systems and equipment, and any telecommunications, shall be General Common Elements only to the extent of the Co-owners' interest therein, if any, and Developer makes no warranty whatever with respect to the nature or extent of such interest, if any. The extent of the Developer's responsibility will be to see to it that telephone, electric and natural gas mains together with storm sewer mains, water supply mains and sanitary sewer mains are existing or installed within easements granted to the respective utility providers. All costs of initial installation of sanitary sewer mains, storm sewer mains, water supply mains and main lines for electricity, natural gas, telephone and cable television shall be borne by the Developer. All utility laterals and leads from Units to points of connection to mains shall be installed at the expense of each Co-owner but shall thereafter be maintained, repaired and replaced at the expense of the Association, except to the extent that such expenses are borne by a utility company or a public authority.

Section 5. Use of Units and Common Elements. No Co-owner shall use his or her Unit or the Common Elements in any manner inconsistent with the purposes of the Project or in any manner which will interfere with or impair the rights of any other Co-owner in the use and enjoyment of his or her Unit or the Common Elements. Each Villa Home constructed within a Unit shall be located entirely within the building envelope lines for such Unit as determined with reference to all applicable City Ordinances and any deviations therefrom must receive the approval of the Developer together with any approvals of the City which may be required under its applicable Ordinances.

Section 6. Establishment and Maintenance of Units, Improvements and Common Elements in Accordance With City Requirements. All Units and Common Elements shall be established and continuously maintained in accordance with the requirements of the City's Single Family Clustering Ordinance and the Condominium Documents. Each Villa Home shall be constructed within the boundaries of a Unit as depicted on the Condominium Subdivision Plan and as set forth on the final site plan for Golf Ridge Villa Homes as approved by the City. No material changes in or improvements to the Common Elements as depicted in the Condominium Subdivision Plan and the approved site plan shall be made without the approval of the City. Likewise, there shall be no exceptions to or amendments of this Section without the approval of the City. No Villa Home shall extend beyond building setback or separation lines determined in accordance with all applicable ordinances of the City and any deviations therefrom must receive the approval of the Developer together with any approvals of the City which may be required under its applicable Ordinances. Failure of any Co-owner to adhere to maintenance and aesthetic standards imposed by the Association shall entitle the Association to enter upon such Co-owner's Unit and to perform the necessary maintenance, decoration, repair or replacement in accordance with the provisions of Article XI, Section 4 of this Master Deed.

ARTICLE V

UNIT DESCRIPTIONS AND PERCENTAGES OF VALUE

Section 1. Description of Units. Each Unit in the Condominium Project is described in this paragraph with reference to the Condominium Subdivision Plan of Golf Ridge Villa Homes as prepared by Arpee/Donnan, Inc., and attached hereto as Exhibit B. There are 19 Units (numbered 1 through 19, both inclusive) in the initial phase of the Condominium Project as established by this Master Deed. The Condominium may be enlarged by the addition of land and Units pursuant to amendment to this Master Deed in the manner set forth in Article VI hereof. Each Unit shall consist of the area located within Unit boundaries as delineated on Exhibit B hereto together with all appurtenances thereto.

Section 2. Percentage of Value. The percentage of value assigned to each of the 19 Units is equal and the total of all percentages of value is one hundred percent (100%). The determination that percentages of value should be equal was made after reviewing the comparative characteristics of the Units in the Project and concluding that there are not material differences among the Units insofar as the allocation of percentages of value and responsibility for maintenance are concerned. The percentage of value assigned to each Unit shall be determinative of each Co-owner's respective share of the General Common Elements of the Condominium Project, the proportionate share of each respective Co-owner in the proceeds and expenses of administration and the value of such Co-owner's vote at meetings of the Association of Co-owners.

ARTICLE VI

EXPANSION OF CONDOMINIUM

Section 1. Future Development Area. The Condominium Project established pursuant to this initial Master Deed of Golf Ridge Villa Homes and consisting of nineteen (19) Units is intended to be the first stage of an expandable condominium under the Act to contain in its entirety an indeterminate number of Units, not to exceed one hundred eighteen (118). Additional Units, if any, will be included within the land areas described below and depicted on Sheet 2 of the Condominium Subdivision Plan and defined in Article III, Section 16 of this Master Deed as the "Future Development Area" and as more specifically described as follows:

Part of the North 1/2 of Section 5, Town 1 South, Range 9 East, City of Livonia, Wayne County, Michigan more fully described as commencing at the North 1/4 corner of said Section 5; thence South 00 degrees 05 minutes 27 seconds East 60.00 feet along the North-South 1/4 line of said Section 5 to the South line of Eight Mile Road and the point of beginning; thence North 89 degrees 45 minutes 37 seconds East 97.52 feet along said right-of-way; thence North 89 degrees 25 minutes 41 seconds East 764.04 feet along said right-of-way; thence South 00 degrees 34 minutes 19 seconds East 196.34 feet; thence North 89 degrees 06 minutes 57 seconds West 85.12 feet; thence South 03 degrees 12 minutes 23

seconds West 32.16 feet; thence South 00 degrees 34 minutes 19 seconds East 380.54 feet; thence South 80 degrees 55 minutes 14 seconds West 200.31 feet; thence South 48 degrees 24 minutes 45 seconds West 382.70 feet; thence South 55 degrees 43 minutes 26 seconds West 328.15 feet; thence Southerly 125.04 feet along the arc of a 216.24 foot radius curve to the left (delta angle 33 degrees 07 minutes 47 seconds) the chord of which bears South 39 degrees 09 minutes 31 seconds West 123.30 feet; thence North 58 degrees 20 minutes 45 seconds West 50.53 feet; thence Southerly 300.00 feet along the arc of a 266.24 foot radius non-tangent curve to the left (delta angle 64 degrees 33 minutes 41 seconds) the chord of which bears South 08 degrees 05 minutes 25 seconds East 284.38 feet; thence North 42 degrees 09 minutes 54 East 50.53 feet; thence Southerly 128.34 feet along the arc of a 216.24 foot radius non-tangent curve to the left (delta angle 34 degrees 00 minutes 23 seconds) the chord of which bears South 55 degrees 38 minutes 06 seconds East 126.47 feet; thence South 46 degrees 25 minutes 21 seconds East 415.92 feet; thence Southerly 632.82 feet along the arc of a 358.31 foot radius non-tangent curve to the left (delta angle 101 degrees 11 minutes 27 seconds) the chord of which bears South 02 degrees 30 minutes 57 seconds East 553.72 feet; thence South 00 degrees 07 minutes 26 seconds West 215.01 feet to the East-West 1/4 line of said Section 5; thence North 89 degrees 58 minutes 52 seconds West 275.16 feet along said East-West 1/4 line; thence North 31 degrees 33 minutes 55 seconds West 776.47 feet; thence North 00 degrees 54 minutes 10 seconds West 1846.81 feet to the South line of Eight Mile Road; thence North 89 degrees 45 minutes 37 seconds East 302.94 feet along said right-of-way to the point of beginning. Containing 35.006 acres.

Section 2. Increase in Number of Units. Therefore, any other provisions of this Master Deed notwithstanding, the land area and number of Villa Homes in the Condominium may, at the sole option of the Developer or its successors or assigns, at various times, within a period ending no later than six years after recording this Master Deed, be increased by the addition to this Condominium of any portion of the Future Development Area together with the Units located thereon.

Section 3. Expansion Not Mandatory. Nothing herein contained, however, shall in any way obligate Developer to enlarge the Condominium Project beyond the phase established by this Master Deed and Developer (or its successors and assigns) may, in its discretion, continue to establish and operate all or any portion of said Future Development Area as a separate condominium project (or projects), or any other form of development so long as the same are in compliance with all applicable City Ordinances. Nothing herein contained shall be construed to limit Developer's lawful options in developing or operating the Future Development Area. There are no restrictions on the election of the Developer to expand the Condominium other than as explicitly set forth herein. There is no obligation on the part of the Developer to add to the Condominium Project all or any portion of the Future Development Area described in this Article VI nor is there any obligation to add portions thereof in any particular order nor to construct any improvements thereon whatsoever.

ARTICLE VII

CONVERTIBLE AREAS

Notwithstanding any other provision of the Master Deed or the Bylaws, Developer retains and may exercise rights of convertibility in accordance with Section 31 of the Act, any applicable local ordinances and regulations, and this Article and any changes in the affected Units and/or Common Elements shall be promptly reflected in a duly recorded amendment or amendments to this Master Deed. No such changes shall be made, however, without the approval of the City of Livonia. Subject to approval of the City of Livonia, Developer reserves the sole right during the Development and Sales Period and without the consent of any other Co-owner or any mortgagee of any Unit to do the following:

Section 1. Designation of Convertible Areas. All Units and Common Element areas are hereby and on the Condominium Subdivision Plan designated as Convertible Areas within which: (a) the individual Units may be expanded or reduced in size, otherwise modified and/or relocated; and (b) Common Elements may be constructed, expanded or reduced in size, otherwise modified and/or relocated. Only the Developer may exercise convertibility rights hereunder, subject at all times to the approval of the City of Livonia.

Section 2. The Developer's Right to Modify Units and/or Common Elements. The Developer reserves the right in Developer's sole discretion, from time to time, during a period ending six years from the date of recording this Master Deed, to enlarge, add, extend, diminish, delete and/or relocate Units, and to construct common and/or private amenities on all or any portion or portions of the Convertible Areas. The Developer shall also be entitled to convert General Common Element areas into Limited Common Elements or Units in such areas as it, in its sole discretion, may determine, subject only to approval by the City and any other governmental agencies having jurisdiction in the event that such approvals are otherwise required by law. The precise number, nature, size and location of Unit and/or Common Element additions, extensions and/or reductions and/or amenities which may be constructed and designated shall be determined by Developer in its sole judgment or any other person to whom it specifically assigns the right to make such determination subject only to necessary public agency approvals. Any private amenity other than a Villa Home extension may be assigned by the Developer as a Limited Common Element appurtenant to an individual Unit and such amenities may include, without limitation, patio areas, decks, privacy areas, driveways, walkways, air conditioning compressors and supporting pads, and stand-by generators. To the extent that Units and/or Common Elements are added to or deleted from the Condominium, it shall be deemed to be an expandable or contractable Condominium, as the case may be.

Section 3. Additional Amenities. The Developer may, in its sole discretion, construct various amenities including, but not limited to an entranceway gate, jogging and/or walking paths, gazebos, picnic areas, recreational features, park areas, signage, landscaping features and walls, or other common amenities of any nature (hereinafter called the "Amenities") and hereby reserves the right to do so anywhere within the General Common Element area described on the Condominium Subdivision Plan, in its sole discretion, subject only to the approval of the City. Developer shall pay the costs of such amenities, if constructed, pursuant to

its sole election, unless otherwise approved by a two-thirds majority of non-developer Co-owners. Upon inclusion of the same in the Condominium, all Co-owners and all future Co-owners in Golf Ridge Villa Homes shall thereafter contribute to the maintenance, repair and replacement of the Amenities as an expense of administration of the Condominium. Developer has no obligation to construct any particular Amenities or include the same in the Condominium except pursuant to its absolute discretionary election to do so. Final determination of the design, layout and location of any such Amenities, if constructed, will be at the sole discretion of the Developer.

ARTICLE VIII

CONTRACTION OF CONDOMINIUM

Section 1. Right to Contract. As of the date this Master Deed is recorded, the Developer intends to establish a Condominium development consisting of nineteen (19) Units on the land described in Article II hereof, all as shown on the Condominium Subdivision Plan. Developer reserves the right to withdraw from the Project (either from this Master Deed or any future Amendment hereof) any Units which are described and depicted on the Condominium Subdivision Plan as "need not be included" together with the land area on which they are located and the General Common Elements immediately surrounding the same, which area or areas shall be hereinafter known as "Contractable Areas." Therefore, any other provisions of this Master Deed to the contrary notwithstanding, the number of Units included in this Condominium Project may, at the option of the Developer, from time to time, within a period ending no later than six years from the date of recording this Master Deed, be contracted to any number determined by the Developer in its sole judgment, but in no event shall the number of Units be less than four (4). There is no obligation on the part of the Developer to withdraw from the Condominium all or any portion of any area hereafter designated as a Contractable Area, nor is there any obligation to withdraw portions thereof in any particular order.

Section 2. Withdrawal of Land. In connection with any such contraction, the Developer unconditionally reserves the right to withdraw from the Condominium Project such portion or portions of the land as may be hereinafter described in any amendment to this Article VIII as is not reasonably necessary to provide access to or otherwise serve the Units included in the Condominium Project as so contracted. Developer also reserves the right to use the portion of the land so withdrawn to establish, in its sole discretion, a separate condominium project (or projects) or any other form of development permissible under the Ordinances of the City. Developer further reserves the right, subsequent to such withdrawal but prior to six years from the date of recording this Master Deed, to expand the Project as so reduced to include all or any portion of the land so withdrawn. There is no obligation on the part of the Developer to withdraw from the Condominium Project all or any portion of the Contractable Area, nor is there any obligation to withdraw portions thereof in any particular order.

ARTICLE IX

OPERATIVE PROVISIONS

Any expansion, contraction or exercise of the convertibility rights in the Condominium pursuant to Articles VI, VII or VIII above shall be governed by the provisions as set forth below, subject to compliance with all applicable City Ordinances and to any approvals of the City which may be required under such Ordinances.

Section 1. Amendment of Master Deed and Modification of Percentages of Value. Such expansion, contraction or exercise of the convertibility rights of this Condominium Project shall be given effect by appropriate amendments to this Master Deed in the manner provided by law, which amendments shall be prepared by and at the discretion of the Developer and in which the percentages of value set forth in Article V hereof shall be proportionately readjusted when applicable in order to preserve a total value of 100% for the entire Condominium resulting from such amendments to this Master Deed. The precise determination of the readjustments in percentages of value shall be made within the sole judgment of the Developer. Such readjustments, however, shall reflect a continuing reasonable relationship among percentages of value based upon the original method of determining percentages of value for the Condominium.

Section 2. Redefinition of Common Elements. Such amendment or amendments to the Master Deed shall also contain such further definitions and redefinitions of General or Limited Common Elements as may be necessary to adequately describe, serve and provide access to the parcel or parcels being added to or withdrawn from the Condominium by such amendment. In connection with any such amendment or amendment(s), Developer shall have the right to change the nature, size, shape or location of any Common Element previously included in the initial or subsequent phases of the Condominium for any purpose reasonably necessary to achieve the purposes of this Article.

Section 3. Consolidating Master Deed. A Consolidating Master Deed shall be recorded pursuant to the Act when the Condominium is finally concluded as determined by the Developer in order to incorporate into one set of instruments all successive stages of development. The Consolidating Master Deed, when recorded, shall supersede the previously recorded Master Deed and all amendments thereto and may, at Developer's election, eliminate or modify any portions of the Condominium Documents which are inapplicable due to the passage of time, changes in circumstances or other appropriate considerations.

Section 4. Consent of Interested Persons. All of the Co-owners and mortgagees of Villa Homes and other persons interested or to become interested in the Condominium from time to time shall be deemed to have irrevocably and unanimously consented to such amendments to this Master Deed as may be proposed by the Developer to effectuate the purposes of Articles VI, VII and VIII above and to any proportionate reallocation of percentages of value of existing Villa Homes which the Developer may determine necessary in conjunction with such amendments. All such interested persons irrevocably appoint the Developer as agent and attorney for the purpose of execution of such amendments to the Master Deed and all other

documents necessary to effectuate the foregoing. Such amendments may be effected without the necessity of rerecording the entire Master Deed or the Exhibits hereto and may incorporate by reference all or any pertinent portions of this Master Deed and the Exhibits hereto.

ARTICLE X

CONSOLIDATION AND OTHER MODIFICATIONS OF UNITS

Notwithstanding any other provision of the Master Deed or the Bylaws, Units in the Condominium may be consolidated, modified and the boundaries relocated, in accordance with Section 48 of the Act, any applicable local ordinances and regulations, and this Article; such changes in the affected Unit or Units shall be promptly reflected in a duly recorded amendment or amendments to this Master Deed. No such changes shall be made, however, without the approval of the City of Livonia. Subject to approval of the City, Developer reserves the sole right during the Development and Sales Period and without the consent of any other Co-owner or any mortgagee of any Unit to do the following:

Section 1. Realignment and Changes to Units; Consolidation of Units; Relocation of Boundaries. Realign or alter any Unit which it owns or consolidate under single ownership two or more Units located in proximity to one another. Such realignment or consolidation of Units and/or relocation of boundaries of Units shall be given effect by an appropriate amendment or amendments to this Master Deed in the manner provided by law, which amendment or amendments shall be prepared by and at the sole discretion of Developer, its successors or assigns, subject to approval by the City. The provisions of the City of Livonia Zoning Ordinance regarding minimum Unit and Villa Home size, minimum floor area per Villa Home, Villa Home separations, maximum height of building and any other physical limitations under applicable City Ordinances shall apply at all times to this Condominium.

Section 2. Amendments to Effectuate Modifications. In any amendment or amendments resulting from the exercise of the rights reserved to Developer above, the Unit or Units resulting from such realignment or consolidation shall be separately identified by number and the percentage of value as set forth in Article V hereof shall be adjusted so that all Units have equal percentages of value. Such amendment or amendments to the Master Deed shall also contain such further definitions of Common Elements as may be necessary to adequately describe the Units in the Condominium Project as so modified and/or consolidated. All of the Co-owners and mortgagees of Units and other persons interested or to become interested in the Project from time to time shall be deemed to have irrevocably and unanimously consented to such amendment or amendments of this Master Deed to effectuate the foregoing and to any proportionate reallocation of percentages of value of Units which Developer or its successors may determine necessary in conjunction with such amendment or amendments. All such interested persons irrevocably appoint Developer or its successors as agent and attorney for the purpose of execution of such amendment or amendments to the Master Deed and all other documents necessary to effectuate the foregoing. Such amendments may be effected without the necessity of re-recording an entire Master Deed or the Exhibits hereto.

ARTICLE XI

RESERVATIONS, RESTRICTIONS, ENABLMENTS AND EASEMENTS

Section 1. Easement for Utilities. There shall exist reasonable easements to, through and over all portions of the land in the Condominium, in favor of all utility providers, to be administered by the Association, for installation and for the continuing existence, maintenance, repair, replacement and enlargement of or tapping into all utilities in the Condominium including, without limitation, placement of electrical transformers.

Section 2. Rights Retained by Developer.

(a) **Access Easements for Development, Construction, Marketing, Maintenance, Repair, Replacement, Upkeep and Operation.** The Developer reserves for the benefit of Developer, and Developer's successors and assigns, an easement and right of unrestricted use over and upon the Condominium roadways and all other Common Elements and all Units for the purposes of ingress and egress to and from all or any portion of the Condominium for purposes of development, construction, marketing, maintenance, repair, replacement, upkeep and operation of the Condominium. Such easement and right shall include, without limitation, the right by itself and its agents and employees to perform any of the foregoing activities and to make inspections for such purposes and to respond to any emergency or need of the Condominium or any Co-owner therein.

(b) **Roads.** Developer plans to continue to improve and develop additional land located previously described in this Master Deed as the Future Development Area. Developer, therefore, reserves for the benefit of itself, its successors and assigns, its agents, contractors, subcontractors, employees and invitees, and for all Owners of Villa Homes in the Future Development Area, and all Owners of Villa Homes in Golf Ridge Villa Homes, perpetual easements for the unrestricted use of all roads in the Condominium as shown on the Condominium Subdivision Plan, as amended from time to time, for the purposes of ingress and egress to and from all or any portion of Golf Ridge Villa Homes and any portion of the Future Development Area and also for the purposes of access to Golf Ridge Villa Homes and other residential developments within the Area of Future Development by the owners and occupants thereof. In order to achieve the purposes of this Article and of Articles VI and VII of this Master Deed, Developer shall have the right to alter any General Common Element areas existing between said roads and any portion of said Area of Future Development by installation of curb cuts, paving, drives, walks and roadway connections at such locations on and over said General Common Elements as Developer may elect from time to time. Developer shall also have the right, in furtherance of its construction and development activities on the Condominium or in the Future Development Area, to go over and across, and to permit its agents, contractors, subcontractors, employees and invitees to go over and across, any portion of the General Common Elements from time to time as Developer may deem necessary for such purposes. In the event Developer disturbs any area of the Condominium Premises adjoining such curb cuts, paving, drives, walks or roadway

connections in connection with the installation thereof or in connection with its construction and development activities, Developer shall, at its expense, restore any such disturbed areas to substantially their condition existing immediately prior to such disturbance. All expenses of maintenance, repair, replacement and resurfacing of each road in this Condominium shall be borne by all Owners of all Villa Homes in the Condominium and owners of all other residences whose closest means of access to a public road is over such road. The Co-owners in this Condominium shall be responsible from time to time for payment of a proportionate share of the above expenses with respect to any such road which share shall be determined by multiplying such expenses times a fraction, the numerator of which is the number of completed Villa Homes in this Condominium, and the denominator of which is the total number of all completed residences outside the Condominium whose closest means of access to a public road is over such road together with the number of completed Villa Homes in this Condominium.

(c) Utility Easements for Development Purposes. The Developer also hereby reserves for the benefit of itself, its successors and assigns, all Co-owners in Golf Ridge Villa Homes and all future owners of the Future Development Area or any portion or portions thereof, perpetual easements to utilize, tap, tie into, extend and enlarge all utilities located in the Condominium, including, but not limited to, electric, telecommunications, water, gas, sanitary sewer mains and storm drainage mains, structures, storm water retention or detention areas and storm drainage facilities of any sort. In the event Developer, its successors or assigns, utilizes, taps, ties into, extends or enlarges any utilities located in the Condominium, it shall be obligated to pay all of the expenses reasonably necessary to restore the Condominium Premises to their state immediately prior to such utilization, tapping, tying-in, extension or enlargement. The Co-owners in this Condominium shall be responsible from time to time for payment of a proportionate share of any expenses of maintenance, repair and replacement of utility mains or structures which must be borne in common by application of a fraction, the numerator of which is the number of completed Villa Homes in this Condominium, and the denominator of which is the total number of all completed residences outside the Condominium together with the number of completed Villa Homes in this Condominium.

(d) Confirmation of Specific Easements by Subsequent Recordings. All easements created and reserved by and to the Developer, its successors and assigns in this Section 2 or anywhere in this Master Deed or elsewhere in the Condominium Documents may be specifically confirmed, described, defined, clarified or otherwise established with reference to other properties lying within the Future Development Area, and with regard to the owners thereof, by duly recorded instruments from time to time including, without limitation, master deeds, declarations of easements and other documents executed and recorded by Developer, its successors and assigns. Developer may, by a subsequent instrument prepared and recorded in its discretion without consent from any interested party, specifically describe and define by legal description the easements reserved as set forth above, if Developer deems it necessary or desirable to do so.

(e) **Granting Utility Rights to Agencies.** The Developer reserves the right at any time during the Development and Sales Period to grant easements for utilities over, under and across the Condominium and all Units and Common Elements therein to appropriate governmental agencies or public utility companies and to transfer titles of utility materials and structures to governmental agencies or other utility providers. Any such easement or transfer of title may be conveyed by the Developer without the consent of any Co-owner, mortgagee or other person and shall be evidenced by an appropriate amendment to this Master Deed and to Exhibit B hereto, recorded in the Wayne County Records. All of the Co-owners and mortgagees of Units and other persons interested or to become interested in the Project from time to time shall be deemed to have irrevocably and unanimously consented to such amendments to this Master Deed as may be required to effectuate the foregoing grant of easements or transfers of title.

(f) **Dedication of Roads.** Although there is no present intention to dedicate to the public any of the roads in the Condominium, for the purposes of flexibility, the Developer reserves the right at any time during the Development and Sales Period to dedicate to the public a right-of-way of such width as may be required by the local public authority over any or all of the General Common Elements in Golf Ridge Villa Homes. Any such right-of-way dedication may be made by the Developer without the consent of any Co-owner, mortgagee or other person and shall be evidenced by an appropriate amendment to this Master Deed and to the Condominium Subdivision Plan hereto, recorded in the Wayne County Records. All of the Co-owners and mortgagees of Units and other persons interested or to become interested in the Project from time to time shall be deemed to have irrevocably and unanimously consented to such amendment or amendments of this Master Deed to effectuate the foregoing rights-of-way dedication. Golf Ridge Villa Homes shall be deemed to be a contractable Condominium in the event of such right-of-way dedication in order to effectuate the same. Nothing herein contained, however, shall be deemed to require that any such dedication shall occur. *Provided, however,* that no such dedication shall be made without the express approval of the City of Livonia. After the Development and Sales Period, the right of dedication shall pass to the Association which the Association may exercise with an affirmative vote of two-thirds (2/3) of all Co-owners. Mortgagee consent shall not be required.

Section 3. Grant of Easements by Association. The Association, acting through its lawfully constituted Board of Directors (including any Board of Directors acting prior to the Transitional Control Date) shall be empowered and obligated to grant such reasonable easements, licenses, rights-of-entry and rights-of-way over, under and across the Condominium Premises for utility purposes or other lawful purposes as may be necessary for the benefit of the Condominium subject, however, to the approval of the Developer so long as the Development and Sales Period has not expired.

Section 4. Developer and Association Easements for Maintenance, Repair and Replacement. The Developer, the Association and all public or private utility agencies or companies shall have such easements over, under, across and through the Condominium Premises, including all Units and Common Elements, as may be necessary to fulfill any responsibilities of maintenance, repair, decoration, replacement or upkeep which they or any of

them are required or permitted to perform under the Condominium Documents or by law or to respond to any emergency or common need of the Condominium; provided, however, that the easements granted hereunder shall not entitle any person other than the Owner thereof to gain entrance to the interior of any Villa Home or garage located within a Unit. While it is intended that each Co-owner shall be solely responsible for the performance and costs of all maintenance, repair and replacement of and decoration of the Villa Home and all other appurtenances and improvements constructed or otherwise located within his or her Unit, it is nevertheless a matter of concern that a Co-owner may fail to properly maintain the exterior of his or her Unit in a proper manner and in accordance with the standards set forth in this Master Deed, the Bylaws and any rules and regulations promulgated by the Association. Therefore, in the event a Co-owner fails, as required by this Master Deed, the Bylaws or any rules and regulations of the Association, to properly and adequately maintain, decorate, repair, replace, landscape or otherwise keep his or her Unit, the Villa Home thereon or any improvements or appurtenances located therein, the Association (and/or the Developer during the Development and Sales Period) shall have the right, and all necessary easements in furtherance thereof, (but not the obligation) to take whatever action or actions it deems desirable to so maintain, decorate, repair or replace the Villa Home within the Unit (including the exteriors of any structures located therein), its appurtenances and any landscaping, all at the expense of the Co-owner of the Unit. Neither the Developer nor the Association shall be liable to the Co-owner of any Unit or any other person, in trespass or in any other form of action, for the exercise of rights pursuant to the provisions of this Section or any other provision of the Condominium Documents which grant such easements, rights of entry or other means of access. Failure of the Association (or the Developer) to take any such action shall not be deemed a waiver of the Association's (or the Developer's) right to take any such action at a future time. All costs incurred by the Association or the Developer in performing any responsibilities which are required, in the first instance to be borne by any Co-owner, shall be assessed against such Co-owner and shall be due and payable with his or her regular periodic assessment next falling due; further, the lien for non-payment shall attach as in all cases of regular assessments and such assessments may be enforced by the use of all means available to the Association under the Condominium Documents and by law for the collection of regular assessments including, without limitation, legal action, foreclosure of the lien securing payment and imposition of fines.

Section 5. Utility Easements and Locations of Utility Installations. Various proposed utility installations are depicted on the Condominium Subdivision Plan. Perpetual easements are hereby created in this Master Deed in favor of all Units and the Owners thereof and for the providers of utilities for the continued existence, maintenance, repair and replacement of such utilities. Developer reserves the right to create all such additional easements as may be necessary and to install or cause to be installed any and all utilities within and across the Condominium Premises in such locations as Developer may elect, in Developer's sole and absolute discretion and, further, to tap into, extend and enlarge such utilities as may be necessary, in Developer's judgment. All Units and Common Elements shall be convertible by Developer to any extent necessary to create Common Elements and easements in furtherance of the rights reserved in this Section 5.

Section 6. Surface Easements for Storm Drainage. There shall exist easements over the surfaces of all Common Elements for purposes of providing storm water drainage and retention or detention as may be required by the City. Neither the Association or any Co-owner shall disturb the grade or otherwise modify the areas within such easements in any way so that the storm water drainage designed for the Condominium Premises shall be unimpeded.

Section 7. Emergency and Public Service Vehicle Access Easement. There shall exist for the benefit of the City of Livonia or other emergency or public service agency or authority, an easement over all roads in the Condominium for use by the emergency and/or service vehicles of the City of Livonia or such other agencies. The easement shall be for purposes of ingress and egress to provide, without limitation, fire and police protection, ambulance and rescue services, school bus and mail or package delivery, and other lawful governmental or private emergency or other reasonable and necessary services to the Condominium Project and Co-owners thereof. This grant of easement shall in no way be construed as a dedication of any streets, roads or driveways to the public.

Section 8. Roads. The roads and related improvements as referenced in Article IV, Section 1(b) as shown on the Condominium Subdivision Plan and/or installed by the Developer or the Association shall be regularly maintained (including, without limitation, snow plowing), replaced, repaired and resurfaced as necessary by the Association unless dedicated to the City. It is the Association's responsibility to inspect and to perform preventative maintenance of the Condominium roads on a regular basis in order to maximize their useful life and to minimize repair and replacement costs and the entire road system shall be maintained by the Association in such manner as will allow reasonable and unobstructed access throughout the Condominium. The City of Livonia shall have such easements over, under, across and through the General Common Element land as maybe necessary to gain access to and repair, replace and maintain the private roads constructed within the Condominium in the event that the Association shall fail to adequately repair, replace and maintain such facilities; provided that the City of Livonia shall provide the Association with notice of its dissatisfaction with the condition of the storm water drainage system and a reasonable time of thirty (30) days or more in which to correct the defects in repair, replacement or maintenance.

Section 9. Storm Water Detention Areas and Storm Water Drainage System. All costs of maintenance, repair and replacement of the storm water drainage sewers serving the Condominium shall be borne by the Association and the Association shall, at all times, keep such sewer system in good repair and in accordance with such standards as the City of Livonia may impose from time to time. However, the adjoining Glen Eden Cemetery has retained easements to drain some of its storm waters into two storm water detention ponds located within the Condominium and also bears certain maintenance responsibilities with respect thereto. The Cemetery also has the right to withdraw water from the ponds to irrigate its landscaping. The rights and obligations of the Cemetery concerning the foregoing matters are set forth in the recorded deed by which the Developer acquired title to the Condominium Premises. The City of Livonia shall have such easements over, under, across and through the General Common Element land as maybe necessary to gain access to and repair, replace and maintain the storm water detention ponds and such other elements of the storm water drainage system and appurtenant facilities as may be constructed within the Condominium in the event that the Association (and/or the Cemetery under certain circumstances) shall fail to repair, replace and maintain such ponds, systems or appurtenant facilities; provided that the City of Livonia shall

provide the Association with notice of its dissatisfaction with the condition of the storm water drainage system and a reasonable time of thirty (30) days or more in which to correct the defects in repair, replacement or maintenance.

Section 10. Cable Agreements. The Developer shall have the power to grant such easements, licenses and other rights of entry, use and access and to enter into any contract or agreement, including wiring agreements, right-of-way agreements, access agreements and multi-unit agreements and, to the extent allowed by law, contracts for sharing of any installation or periodic subscriber service fees as may be necessary, convenient or desirable to provide for telecommunications, videotext, broad band cable, satellite dish, earth antenna and similar video distribution services (collectively "Telecommunications") to the Project or any Unit therein. Notwithstanding the foregoing, in no event shall any contract or agreement or easement, license or right of entry or do any other act or thing which will violate any provision of any federal, state or local law or ordinance. Any and all sums paid by any telecommunications or other company or entity to the Developer in connection with such service, including fees, if any, for the privilege of installing same or sharing periodic subscriber service fees, shall be the sole property of the Developer. After the expiration of any initial contract entered into by the Developer for the foregoing purposes, the Association shall be empowered to enter into such agreements and any such fees paid thereafter shall be receipts affecting the administration of the Condominium Project within the meaning of the Act and shall be paid over to and shall be the property of the Association.

ARTICLE XII

AMENDMENT

This Master Deed and the Condominium Subdivision Plan may be amended with the consent of 66-2/3% of the Co-owners, except as hereinafter set forth:

Section 1. Modification of Units or Common Elements. No Unit dimension may be modified in any material way without the consent of the Co-owner of such Unit. The Developer may, without such consent, modify the Unit and Limited Common Elements appurtenant to any Unit to make adjustments for survey errors or to take into account topographic conditions of the Unit or the Limited Common Elements of the Unit or as elsewhere herein provided.

Section 2. Mortgagee. Amendments shall require the approval of first mortgagees only if and to the extent required by Section 90a of the Act.

Section 3. By Developer. Prior to two years after expiration of the Development and Sales Period, the Developer may, without the consent of any Co-owner or any other person, amend this Master Deed and the Condominium Subdivision Plan attached as Exhibit B in order to correct survey or other errors made in such documents and to make such other amendments to such instruments and to the Bylaws attached hereto as Exhibit A as do not materially diminish any rights of any Co-owners or mortgagees in the Project.

Section 4. Change in Percentage of Value. Except as otherwise provided in this Master Deed, the value of the vote of any Co-owner and the corresponding proportion of common expenses assessed against such Co-owner shall not be modified without the written consent of such Co-owner and his or her first mortgagee, nor shall the percentage of value assigned to any Unit be modified without like consent; thus, any change in such matters shall require unanimity of action of all Co-owners.

Section 5. Termination, Vacation, Revocation or Abandonment. The Condominium Project may not be terminated, vacated, revoked or abandoned without the written consent of the Developer during the Development and Sales Period and 80% of non-Developer Co-owners and mortgagees.

Section 6. Developer Approval. During the Development and Sales Period, the Condominium Documents shall not be amended nor shall the provisions thereof be modified in any way without the written consent of the Developer.

Section 7. Amendments for Secondary Market Purposes. The Developer or Association may amend the Master Deed or Bylaws to facilitate mortgage loan financing for existing or prospective Co-owners and to enable the purchase or insurance of such mortgage loans by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Government National Mortgage Association, the Veterans Administration, the Department of Housing and Urban Development, Michigan State Housing Development Authority or by any other institutional participant in the secondary mortgage market which purchases or insures mortgages. The foregoing amendments may be made without the consent of Co-owners or mortgagees.

Section 8. City's Approval Required Under Certain Circumstances. Any provision of the Condominium Documents to the contrary notwithstanding, no provision of the Condominium Documents that specifically grants any right of approval or other right to the City of Livonia shall be amended or revoked without the written approval of the City of Livonia, its successors or assigns.

ARTICLE XIII

ASSIGNMENT

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

[Signature and acknowledgment appear on next page]

IN WITNESS WHEREOF, the Developer has caused this Master Deed of Golf Ridge Villa Homes to be executed on its behalf on this 15th day of October, 2004.

GOLF RIDGE PROPERTIES LLC,
a Michigan limited liability company

By: James Deutchman, Manager

By: Karen A. Schwartz
Ronald A. Schwartz, Manager

STATE OF MICHIGAN)
COUNTY OF OAKLAND) SS.

On this 15th day of October, 2004, in Oakland County, Michigan, the foregoing Master Deed was acknowledged before me by James Deutchman and Ronald A. Schwartz, Managers of Golf Ridge Properties LLC, a Michigan limited liability company, on behalf of the limited liability company.

Notary Public, State of Michigan, County of OAKLAND
My commission expires: _____, 200_____
Acting in Oakland County, Michigan

Master Deed drafted by:

William T. Myers of MYERS NELSON DILLON & SHIERK, PLLC
40701 Woodward Ave., Suite 235
Bloomfield Hills, Michigan 48304

When recorded, return to drafter



GOLF RIDGE VILLA HOMES

EXHIBIT "A"

BYLAWS

ARTICLE I

ASSOCIATION OF OWNERS

Golf Ridge Villa Homes, a residential Condominium Project located in the City of Livonia, Wayne County, Michigan, shall be administered by an Association of Owners which shall be a non-profit corporation, hereinafter called the "Association," organized under the applicable laws of the State of Michigan, and responsible for the management, maintenance, operation and administration of the Common Elements, easements and affairs of the Condominium Project in accordance with the Condominium Documents and the laws of the State of Michigan. These Bylaws shall constitute both the Bylaws referred to in the Master Deed and required by Section 3(9) of the Act and the Bylaws provided for under the Michigan Nonprofit Corporation Act. Each Owner shall be entitled to membership and no other person or entity shall be entitled to membership. The share of an Owner in the funds and assets of the Association cannot be assigned, pledged or transferred in any manner except as an appurtenance to his Unit. The Association shall keep current copies of the Master Deed, all amendments to the Master Deed, and other Condominium Documents for the Condominium Project available at reasonable hours to Owners, prospective purchasers and prospective mortgagees of Units in the Condominium Project. All Owners in the Condominium Project and all persons using or entering upon or acquiring any interest in any Unit therein or the Common Elements thereof shall be subject to the provisions and terms set forth in the Condominium Documents.

ARTICLE II

ASSESSMENTS

All expenses arising from the management, administration and operation of the Association in pursuance of its authorizations and responsibilities as set forth in the Condominium Documents and the Act shall be levied by the Association against the Units and the Owners thereof in accordance with the following provisions:

Section 1. Assessments for Common Elements. All costs incurred by the Association in satisfaction of any liability arising within, caused by, or connected with the Common Elements or the administration of the Condominium Project shall constitute expenditures affecting the administration of the Project, and all sums received as the proceeds of,

or pursuant to, any policy of insurance securing the interest of the Owners against liabilities or losses arising within, caused by, or connected with the Common Elements or the administration of the Condominium Project shall constitute receipts affecting the administration of the Condominium Project, within the meaning of Section 54(4) of the Act.

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

(a) **Budget; Regular Assessments.** The Association shall establish an annual budget in advance for each fiscal year and such budget shall project all expenses for the forthcoming year which may be required for the proper operation, management and maintenance of the Condominium Project, including a reasonable allowance for contingencies and reserves. An adequate reserve fund for maintenance, repairs and replacement of those Common Elements that must be replaced on a periodic basis shall be established in the budget and must be funded by regular payments as set forth in Section 2(c) below rather than by special assessments. At a minimum, the reserve fund shall be equal to ten (10%) percent of the Association's current annual budget on a noncumulative basis. Since the minimum standard required by this subsection may prove to be inadequate for this particular project, the Association of Owners should carefully analyze the Condominium Project to determine if a greater amount should be set aside, or if additional reserve funds should be established for other purposes from time to time. Upon adoption of an annual budget by the Association, copies of the budget shall be delivered to each Owner and the assessment for said year shall be established based upon said budget. The annual assessments as so determined and levied shall constitute a lien against all Units as of the first day of the fiscal year to which the assessments relate. Failure to deliver a copy of the budget to each Owner shall not affect or in any way diminish such lien or the liability of any Owner for any existing or future assessments. Should the Association at any time decide, in its sole discretion: (1) that the assessments levied are or may prove to be insufficient (a) to pay the costs of operation and management of the Condominium, (b) to provide replacements of existing Common Elements, (c) to provide additions to the Common Elements not exceeding \$10,000.00 annually for the entire Condominium Project, or (2) that an emergency exists, the Association shall have the authority to increase the general assessment or to levy such additional assessment or assessments as it shall deem to be necessary. The Association also shall have the authority, without Owner consent, to levy assessments pursuant to the provisions of Article V hereof. The discretionary authority of the Association to levy assessments pursuant to this subsection shall rest solely with the Association for the benefit of the members thereof, and shall not be enforceable by any creditors of the Association or of the members thereof.

(b) **Special Assessments.** Special assessments, in addition to those required in subsection (a) above, may be made by the Association from time to time and approved by the Owners as hereinafter provided to meet other requirements of the Association, including, but not limited to: (1) assessments for additions to the Common Elements of a cost exceeding \$10,000.00 for the entire Condominium Project per year, (2) assessments

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

(c) Apportionment of Assessments. All assessments levied against the Owners to cover expenses of administration shall be apportioned among and paid by the Owners in accordance with each Owner's proportionate share of the expenses of administration as provided in Article V, Section 2 of the Master Deed and without increase or decrease for the existence of any rights to the use of Limited Common Elements appurtenant to a Unit except as otherwise specifically provided in the Master Deed. Annual assessments as determined in accordance with Article II, Section 2(a) above shall be payable by Owners in equal installments, monthly or whatever other period as determined by the Association, commencing with acceptance of a deed to or a land contract vendee's interest in a Unit, or with the acquisition of fee simple title to a Unit by any other means.

(d) Limitations on Assessments for Litigation. The Board of Directors shall not have authority under this Article II, Section 2, or any other provision of these Bylaws or the Master Deed, to levy any assessment, or to incur any expense or legal fees with respect to any litigation, without the prior approval, by affirmative vote, of not less than 66-2/3% of all Co-owners. This subsection shall not apply to any litigation commenced by the Association to enforce collection of delinquent assessments pursuant to Article II, Section 7 of these Bylaws. In no event shall the Developer be liable for, nor shall any Unit owned by the Developer be subject to any lien for, any assessment levied to fund the cost of asserting any claim against Developer, whether by arbitration, judicial proceeding, or otherwise.

Section 3. Developer's Responsibility for Assessments. The Developer of the Condominium, although a member of the Association, shall not be responsible at any time for payment of the regular Association assessments. The Developer, however, shall at all times pay all expenses of maintaining the Units that it owns, including the improvements located thereon, together with a proportionate share of all current expenses of administration actually incurred by the Association from time to time, except expenses related to maintenance and use of the Units in the Project and of the improvements constructed within or appurtenant to the Units that are not owned by Developer. For purposes of the foregoing sentence, the Developer's proportionate share of such expenses shall be based upon the ratio of all Units owned by the Developer at the time the expense is incurred to the total number of Units then in the Project. The only expenses in which it is contemplated that the Developer will share are (1) liability insurance premiums for the Common Elements, (2) snow plowing of roads, (3) minimal maintenance of Common Element landscaped areas, and (4) miscellaneous administrative expenses such as postage, office

supplies and expense of filing required Association reports. The Developer may assign the assessment exemptions under this Section to any builder or other person or entity to whom or which it sells a vacant Unit. In no event shall the Developer (or its assignee) be responsible for payment of any assessments for or with respect to deferred maintenance, reserves for replacement, reserves for contingencies, for capital improvements or other special assessments, except with respect to Units owned by it on which there is a completed Villa Home. Further, the Developer or any assignee of the Developer hereunder shall in no event be liable for any assessment levied in whole or in part to purchase any Unit from the Developer or to finance any litigation or other claims against the Developer, any cost of investigating and preparing such litigation or claim or any similar or related costs. A "completed Villa Home" shall mean a Villa Home with respect to which a certificate of occupancy (either temporary or permanent) has been issued by the City of Livonia.

Section 4. Penalties for Default. The payment of an assessment shall be in default if any installment thereof is not paid to the Association in full on or before the due date for such installment. A late charge not to exceed twenty-five (\$25.00) dollars per installment per month may be assessed automatically by the Association upon each installment in default for ten or more days until paid in full. The Association may, pursuant to Article XX hereof, levy fines for late payment of assessment installments in addition to such late charge. Each Owner (whether one or more persons) shall be, and remain, personally liable for the payment of all assessments (including fines for late payment and costs of collection and enforcement of payment) pertinent to his Unit which may be levied while such Owner is the owner thereof, except a land contract purchaser from any Owner including Developer shall be so personally liable and such land contract seller shall not be personally liable for all such assessment installments levied up to and including the date upon which such land contract seller actually takes possession of the Unit following extinguishment of all rights of the land contract purchaser in the Unit. Payments on account of installments of assessments in default shall be applied as follows: first, to costs of collection and enforcement of payment, including reasonable attorneys' fees; second, to any interest charges and fines for late payment on such installments; and third, to installments in default in order of their due dates.

Section 5. Liens for Unpaid Assessments. Sums assessed to the Association which remain unpaid, including but not limited to regular assessments, special assessments, fines and late charges, shall constitute a lien upon the Unit or Units in the Project owned by the Owner at the time of the assessment and upon the proceeds of sale thereof. Any such unpaid sum shall constitute a lien against the Unit or Units as of the first day of the fiscal year to which the assessment, fine or late charge relates and shall be a lien prior to all claims except real property taxes and first mortgages of record. All charges which the Association may levy against any Owner shall be deemed to be assessments for purposes of this Section and Section 108 of the Act.

Section 6. Waiver of Use or Abandonment of Unit. No Owner may exempt himself from liability for his contribution toward the expenses of administration by waiver of the use or enjoyment of any of the Common Elements or by the abandonment of his Unit.

Section 7. Enforcement.

(a) **Remedies.** In addition to any other remedies available to the Association, the Association may enforce collection of delinquent assessments by a suit at law for a money judgment or by foreclosure of the statutory lien that secures payment of assessments. In the event of default by any Owner in the payment of any installment of the annual assessment levied against his Unit, the Association shall have the right to declare all unpaid installments of the annual assessment for the pertinent fiscal year immediately due and payable. The Association also may discontinue the furnishing of any utilities or other services to an Owner in default upon seven-day written notice to such Owner of its intention to do so. An Owner in default shall not be entitled to utilize any of the General Common Elements of the Project and shall not be entitled to vote at any meeting of the Association so long as such default continues; provided, however, this provision shall not operate to deprive any Owner of ingress or egress to and from his Unit. In a judicial foreclosure action, a receiver may be appointed to collect a reasonable rental for the Unit from the Owner thereof or any persons claiming under him. The Association may also assess fines for late payment or non-payment of installments of assessments in accordance with the provisions of Article XX of these Bylaws. All of these remedies shall be cumulative and not alternative.

(b) **Foreclosure Proceedings.** Each Owner, and every other person who from time to time has any interest in the Project, shall be deemed to have granted to the Association the unqualified right to elect to foreclose the lien securing payment of assessments either by judicial action or by advertisement. The provisions of Michigan law pertaining to foreclosure of mortgages by judicial action and by advertisement, as the same may be amended from time to time, are incorporated herein by reference for the purposes of establishing the alternative procedures to be followed in lien foreclosure actions and the rights and obligations of the parties to such actions. Further, each Owner and every other person who from time to time has any interest in the Project shall be deemed to have authorized and empowered the Association to sell or to cause to be sold the Unit with respect to which the assessment(s) is or are delinquent and to receive, hold and distribute the proceeds of such sale in accordance with the priorities established by applicable law. Each Owner of a Unit in the Project acknowledges that at the time of acquiring title to such Unit, he was notified of the provisions of this subsection and that he voluntarily, intelligently and knowingly waived notice of any proceedings brought by the Association to foreclose by advertisement the lien for nonpayment of assessments and a hearing on the same prior to the sale of the subject Unit.

(c) **Notice of Action.** Notwithstanding the foregoing, neither a judicial foreclosure action nor a suit at law for a money judgment shall be commenced, nor shall any notice of foreclosure by advertisement be published, until the expiration of ten days after mailing, by first class mail, postage prepaid, addressed to the delinquent Owner(s) at his or their last known address, a written notice that one or more installments of the annual assessment levied against the pertinent Unit is or are delinquent and that the Association may invoke any of its remedies hereunder if the default is not cured within

ten days after the date of mailing. Such written notice shall be accompanied by a written affidavit of an authorized representative of the Association that sets forth (1) the affiant's capacity to make the affidavit, (2) the statutory and other authority for the lien, (3) the amount outstanding (exclusive of interest, costs, attorneys' fees and future assessments), (4) the legal description of the subject Unit(s), and (5) the name(s) of the Owner(s) of record. Such affidavit shall be recorded in the office of the Wayne County Register of Deeds prior to commencement of any foreclosure proceeding, but it need not have been recorded as of the date of mailing. If the delinquency is not cured within the ten-day period, the Association may take such remedial action as may be available to it hereunder or under Michigan law. In the event the Association elects to foreclose the lien by advertisement, the Association shall so notify the delinquent Owner and shall inform him that he may request a judicial hearing by bringing suit against the Association.

(d) **Expenses of Collection.** The expenses incurred in collecting unpaid assessments, including interest, costs, actual attorneys' fees (not limited to statutory fees) and advances for taxes or other liens paid by the Association to protect its lien, shall be chargeable to the Owner in default and shall be secured by the lien on his Unit.

Section 8. Statement as to Unpaid Assessments. The purchaser of any Unit may request a statement of the Association as to the amount of any unpaid Association assessments thereon, whether regular or special. Upon written request to the Association accompanied by a copy of the executed purchase agreement pursuant to which the purchaser holds the right to acquire a Unit, the Association shall provide a written statement of such unpaid assessments as may exist or a statement that none exist, which statement shall be binding upon the Association for the period stated therein. Upon the payment of that sum within the period stated, the Association's lien for assessments as to such Unit shall be deemed satisfied; provided, however, that the failure of a purchaser to request such statement at least five days prior to the closing of the purchase of such Unit shall render any unpaid assessments and the lien securing the same fully enforceable against such purchaser and the Unit itself, to the extent provided by the Act.

Section 9. Liability of Mortgagee. Notwithstanding any other provisions of the Condominium Documents, the holder of any first mortgage covering any Unit in the Project which comes into possession of the Unit pursuant to the remedies provided in the mortgage or by deed (or assignment) in lieu of foreclosure, or any purchaser at a foreclosure sale, shall take the property free of any claims for unpaid assessments or charges against the mortgaged Unit which accrue prior to the time such holder comes into possession of the Unit (except for claims for a *pro rata* share of such assessments or charges resulting from a *pro rata* reallocation of such assessments or charges to all Units including the mortgaged Unit).

Section 10. Property Taxes and Special Assessments. All property taxes and special assessments levied by any public taxing authority shall be assessed in accordance with Section 131 of the Act.

Section 11. Personal Property Tax Assessment of Association Property. The Association shall be assessed as the person or entity in possession of any tangible personal

property of the Condominium owned or possessed in common by the Owners, and personal property taxes based thereon shall be treated as expenses of administration.

Section 12. Construction Lien. A construction lien otherwise arising under Act No. 497 of the Michigan Public Acts of 1980, as amended, shall be subject to Section 132 of the Act.

ARTICLE III

ARBITRATION

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

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

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

ARTICLE IV

INSURANCE

Section 1. Extent of Coverage. The Association shall, to the extent appropriate in light of the nature of the General Common Elements of the Project, carry extended coverage, vandalism and malicious mischief and liability insurance (in a minimum amount to be determined by the Developer or the Association in its discretion, but in no event less than \$1,000,000 per occurrence), officers' and directors' liability insurance, and workmen's compensation insurance, if applicable, and any other insurance the Association may deem applicable, desirable or necessary, pertinent to the ownership, use and maintenance of the General Common Elements and such insurance shall be carried and administered in accordance with the following provisions:

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

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

(c) **Premium Expenses.** All premiums on insurance purchased by the Association pursuant to these Bylaws shall be expenses of administration.

(d) **Proceeds of Insurance Policies.** If applicable, proceeds of all insurance policies owned by the Association shall be received by the Association, held in a separate account and distributed to the Association and the Co-owners and their mortgagees, as their interests may appear; provided, however, whenever repair or reconstruction of the Condominium shall be required as provided in Article V of these Bylaws, the proceeds of any insurance received by the Association as a result of any loss requiring 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 Project unless all of the institutional holders of first mortgages on Units in the Project have given their prior written approval.

Section 2. Authority of Association to Settle Insurance Claims. Each Co-owner, by ownership of a Unit in the Condominium Project, shall be deemed to appoint the Association as his or her 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 General Common Elements of the Condominium Project, with such insurer as may, from time to time, provide such insurance for the Condominium Project. 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. Unless the Association obtains coverage for the Villa Home within the Unit pursuant to the provisions of Article IV, Section 3 below, the Association's authority shall not extend to insurance coverage on any Villa Home.

Section 3. Responsibilities of Co-owners. Each Co-owner shall be obligated and responsible for obtaining fire and extended coverage and vandalism and malicious mischief

insurance with respect to the Villa Home and all other improvements constructed or to be constructed within the perimeter of his or her Condominium Unit and for his or her personal property located therein or 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 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 obtain such insurance on behalf of such Co-owner and the premiums therefor 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. Each Co-owner also shall be obligated to obtain insurance coverage for his or her personal liability for occurrences within the perimeter of his or her Unit and the improvements located thereon, and also for any other personal insurance coverage that the Co-owner wishes to carry. Such insurance shall be carried in such minimum amounts as may be specified by the Association and such coverage shall not be less than \$1,000,000.00 (and as specified by the Developer during the Development and Sales Period) and each Co-owner shall furnish evidence of such coverage to the Association or the Developer upon request. The Association shall under no circumstances have any obligation to obtain any of the insurance coverage described in this Section 3 or any liability to any person for failure to do so.

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

Section 5. Indemnification. Each individual Co-owner shall indemnify and hold harmless every other Co-owner, the Developer and the Association for all damages and costs, including attorneys' fees, which such other Co-owners, the Developer or the Association may suffer as a result of defending any claim arising out of an occurrence on or within such individual Co-owner's Unit and shall carry insurance to secure this indemnity if so required by the Association (or the Developer during the Development and Sales Period). This Section 5 shall not be construed to give any insurer any subrogation right or other right or claim against any individual Co-owner, however.

ARTICLE V

RECONSTRUCTION OR REPAIR

Section 1. Responsibility for Reconstruction or Repair. If any part of the Condominium Premises shall be damaged, the determination of whether or not it shall be reconstructed or repaired, and the responsibility therefor, shall be as follows:

(a) General Common Element. If the damaged property is a General Common Element, the damaged property shall be rebuilt or repaired unless all of the Owners and all of the institutional holders of mortgages on any Unit in the Project unanimously agree to the contrary.

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

Section 2. Repair in Accordance with Master Deed, Etc. Any such reconstruction or repair shall be substantially in accordance with the Master Deed and the original plans and specifications for any damaged improvements located within the Unit to the extent it is practical and subject to the approval of the Co-Owner of the affected Unit.

Section 3. Association Responsibility for Repair. Immediately after the occurrence of a casualty causing damage to property for which the Association has the responsibility of maintenance, repair and reconstruction, the Association shall obtain reliable and detailed estimates of the cost to place the damaged property in a condition as good as that existing before the damage. If the proceeds of insurance are not sufficient to defray the estimated cost 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 cost thereof are insufficient, assessment shall be made against all Owners for the cost of reconstruction or repair of the damaged property in sufficient amounts to provide funds to pay the estimated or actual cost of repair. This provision shall not be construed to require replacement of mature trees and vegetation with equivalent trees or vegetation.

Section 4. Timely Reconstruction and Repair. If damage to the General Common Elements adversely affects the appearance of the Project, the Association shall proceed with replacement of the damaged property without delay.

Section 5. Eminent Domain. The following provisions shall control upon any taking by eminent domain:

(a) Taking of Unit or Improvements Thereon. In the event of any taking of all or any portion of a Unit or any improvements thereon by eminent domain, the award for such taking shall be paid to the Owner of such Unit and the mortgagees thereof, as their interests may appear, notwithstanding any provision of the Act to the contrary. If an Owner's entire Unit is taken by eminent domain, such Owner and his mortgagee shall, after acceptance of the condemnation award therefor, be divested of all interest in the Condominium Project.

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

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

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

(e) Applicability of the Act. To the extent not inconsistent with the foregoing provisions, Section 133 of the Act shall control upon any taking by eminent domain.

Section 6. Notification of FHLBC and FNMA. In the event any mortgage in the Condominium is held by the Federal Home Loan Mortgage Corporation ("FHLBC") or by the Federal National Mortgage Association ("FNMA") then, upon request therefor by FHLBC or FNMA, as the case may be, the Association shall give it written notice at such address as it may, from time to time, direct of any loss to or taking of the Common Elements of the Condominium if the loss or taking exceeds \$10,000 in amount or damage to a Condominium Unit covered by a mortgage purchased in whole or in part by FHLBC or FNMA exceeds \$1,000. The same right of notice shall also be extended to private and public insurers of mortgage loans.

Section 7. Priority of Mortgagee Interests. Nothing contained in the Condominium Documents shall be construed to give an Owner or any other party priority over any rights of first mortgagees of Condominium Units pursuant to their mortgages in the case of a distribution to Owners of insurance proceeds of condemnation awards for losses to or a taking of Condominium Units and/or Common Elements.

ARTICLE VI

RESTRICTIONS

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

Section 1. Residential Use. No Unit in the Condominium shall be used for other than single-family residential purposes and the Common Elements shall be used only for purposes consistent with single-family residential use and in accordance with the ordinances of the City of Livonia including, without limitation, the City's Single Family Clustering Ordinance.

Section 2. Leasing and Rental.

(a) **Right to Lease.** A Co-owner may lease his or her Unit for the same purposes set forth in Section 1 of this Article VI; provided that written disclosure of such lease transaction is submitted to the Association in the manner specified in subsection (b) below. With the exception of a lender in possession of a Unit following a default of a first mortgage, foreclosure or deed or other arrangement in lieu of foreclosure, no Co-owner shall lease less than an entire Unit in the Condominium and no tenant shall be permitted to occupy except under a lease the initial term of which is at least six (6) months unless specifically approved in writing by the Association. The terms of all leases, occupancy agreements and occupancy arrangements shall incorporate, or be deemed to incorporate, all of the provisions of the Condominium Documents. The Developer may lease any number of Units in the Condominium in its discretion.

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

(1) Any 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 or otherwise agreeing to grant possession of a Condominium Unit to a potential lessee and, at the same time, shall supply the Association with a copy of the exact lease form for its review for its compliance with the Condominium Documents. If no lease form is to be used, then the Co-owner or Developer shall supply the Association with the name and address of the potential lessee, along with the rental amount and due dates under the proposed agreement. Developer hereby notifies all Co-owners that Villa Homes in the Condominium may be rented by the Developer, in its discretion, during the Development and Sales Period. A sample copy of any lease form utilized by Developer shall be available for review in the event that the Developer elects to enter into any such leases and any Co-owner may inspect such lease form during normal business hours upon reasonable advance request.

(2) Tenants and non-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-owner occupant has failed to comply with the conditions of the Condominium Documents, the Association shall take the following action:

(i) The Association shall notify the Co-owner by certified mail as required by the Act advising of the alleged violation by the tenant. In view of the fact that certified mail is often undelivered to the addressee, the Association may serve such notice by personal delivery or first class regular mail in addition to certified mail.

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

(iii) If after fifteen (15) days the Association believes that the alleged breach is not cured or may be repeated, it may institute on its behalf or derivatively by the Co-owners on behalf of the Association, if it is under the control of the Developer, an action for eviction against the tenant or non-owner occupant and simultaneously for money damages in the same action against the Co-owner and tenant or non-owner occupant for breach of the conditions of the Condominium Documents. The relief provided for in this subparagraph may be by summary proceeding. The Association may hold both the tenant and the Co-owner liable for any damages to the Common Elements caused by the Co-owner or tenant in connection with the Unit or Condominium Project.

(4) When a Co-owner is in arrears to the Association for assessments, the Association may give written notice of the arrearage to a tenant occupying a Co-owner's Unit under a lease or rental agreement and the tenant, after receiving the notice, shall deduct from rental payments due the Co-owner the arrearage and future installments of assessments as they fall due and pay them to the Association. The deductions do not constitute a breach of the rental agreement or lease by the tenant. If the tenant, after being notified, fails or

(5) refuses to remit rent otherwise due the Co-owner to the Association, then the Association may do the following:

(i) Issue a statutory notice to quit for non-payment of rent to the tenant and shall have the right to enforce that notice by summary proceeding.

(ii) Initiate proceedings pursuant to subsection (3)(iii).

Section 3. Architectural Control. No building, structure or other improvement shall be constructed within a Condominium Unit or elsewhere within the Condominium Project, nor shall any exterior modification be made to any existing building, structure or improvement, unless plans and specifications therefor, containing such detail as the Developer may reasonably request, have first been approved in writing by the Developer. Construction of any building or other improvements must also receive any necessary approvals from the local public authority. The Developer shall have the right to refuse to approve any such plans or specifications which are not suitable or desirable in its opinion for aesthetic or other reasons; and in passing upon such plans and specifications it shall have the right to take into consideration the suitability of the proposed structure, improvement or modification, the site upon which it is proposed to be constructed and the degree of harmony thereof with the Condominium as a whole. The purpose of this Section is to assure the continued maintenance of the Condominium as a beautiful and harmonious residential development, and shall be binding upon both the Association and upon all Owners. Developer's rights under this Article VI, Section 3 may, in the Developer's discretion, be assigned to the Association or other successor to the Developer and shall, upon conclusion of the Development and Sales Period, be assigned to the Association. The Developer may construct or authorize any improvements upon the Condominium Premises that it may, in its sole discretion, elect to make without the necessity of prior consent from the Association or any other person or entity, subject only to the express limitations contained in the Condominium Documents. The rights reserved to Developer hereunder may be exercised only by the Developer until assigned in writing by Developer to the Association. In addition to the foregoing, the Developer, the Association and all Co-owners shall be subject at all times to the following restrictions unless otherwise approved by the City: Exterior building materials on Villa Homes and attached garages shall be constructed, principally, of brick, brick veneer, stone, wood, vinyl siding and/or such other materials which blend with the architecture and natural landscape, and which are approved by the Developer, during the Development and Sales Period, and thereafter by the Association. Notwithstanding anything to the contrary contained in this Section, the first floor of the Villa Home on each Unit shall be brick on all four (4) sides, with the total amount of brick on each Villa Home being not less than eighty (80%) percent on one-story Villa Homes and sixty-five (65%) percent on multi-story Villa Homes. All brick used in the construction of Villa Homes within the Condominium Project shall be full face, four (4") inch brick, with no exceptions, and at least three (3) different colors of brick shall be used in construction of the Villa Homes. Any chimney on the exterior wall of any Villa Home shall be all brick. No building or structure shall exceed height limitations imposed by City ordinances and all Villa Homes shall be in conformity with the following minimum size standards as to living area measured by the external walls: (1) One Story/Ranch: 1500 square feet; (2) Multi-Story: 1800 square feet with a minimum of 1300 square feet on the first floor.

Section 4. Alterations and Modifications of Common Elements. No Owner shall make alterations, modifications or changes in any of the Units or Common Elements without the express written approval of the Board of Directors or the Developer as required pursuant to these Bylaws, including, without limitation, the erection or installation of antennas, aerials, awnings, screens, screen doors, newspaper holders, mailboxes, flag poles or other exterior attachments or modifications. Satellite dish antennae may be approved by the Developer if they are placed in an unobtrusive location and do not exceed eighteen (18) inches in diameter or such other standards

as may be imposed, from time to time, by any public regulatory agency having jurisdiction. No Owner shall in any way restrict access to any utility line, or any other element that must be accessible to service the Common Elements or any element which affects an Association responsibility in any way.

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

Section 6. Pets and Other Animals. No animal other than those commonly regarded as household pets may be maintained within the Condominium and no animal may be kept or bred for any commercial purpose and shall have such care and restraint so as not to be obnoxious or offensive on account of noise, odor or unsanitary conditions. No animal may be permitted to run loose at any time upon the Common Elements and any animal shall at all times be leashed and attended by some responsible person while on the Common Elements. No savage or dangerous animal shall be kept and any Owner who causes any animal to be brought or kept upon the premises of the Condominium shall indemnify and hold harmless the Association for any loss, damage or liability which the Association may sustain as the result of the presence of such animal on the premises, whether or not the Association has given its permission therefor. Each Owner shall be responsible for collection and disposition of all fecal matter deposited by any pet maintained by such Owner. No dog whose barks can be heard on any frequent or continuing basis shall be kept in any Unit or on the Common Elements even if permission was previously granted to maintain the pet on the Premises. The Association may charge all Owners maintaining animals a reasonable additional assessment to be collected in the manner provided in Article II of these Bylaws in the event that the Association determines such assessment necessary to defray the maintenance cost to the Association of accommodating animals within the Condominium. The Association may, without liability to the owner thereof, remove or cause to be removed any animal from the Condominium which it determines to be in violation of the restrictions imposed by this Section. The Association shall have the right to require that any pets be registered with it and may adopt such additional reasonable rules and regulations with respect to animals as it may deem proper. In the event of any violation of this Section, the Board of Directors of the Association may assess fines for such violation in accordance with these Bylaws and in accordance with duly adopted rules and regulations of the Association and/or revoke the privilege of an Owner to maintain a pet in the Condominium.

Section 7. Aesthetics. The Common Elements and open areas of Units shall not be used for storage of supplies, materials, personal property or trash or refuse of any kind, except as provided in duly adopted rules and regulations of the Association. Trash receptacles shall be maintained in the garage or in other areas designated therefor at all times and shall not be permitted to remain elsewhere within a Unit or on the Common Elements except for such short periods of time as may be reasonably necessary to permit periodic collection of trash (for example, no refuse or other trash shall be placed outside the Villa Home or on the Common Elements for pick-up before dusk of the evening immediately prior to the day scheduled for trash collections and all trash receptacles and recycling containers shall be returned inside the Villa Home or attached garage promptly after pick-up of trash and/or recycling materials). The open areas of Units and the Common Elements shall not be used in any way for the drying, shaking or airing of clothing or other fabrics. Vacant Units must be neatly maintained with weeds cut and without accumulation of natural or other debris. In general, no activity shall be carried on nor condition maintained by an Owner, either in his Unit or upon the Common Elements, which is detrimental to the appearance of the Condominium. Without written approval by the Association, no Owner shall change in any way the exterior appearance of the residence and other improvements and appurtenances located within his Unit. Thus, in connection with any maintenance, repair, replacement, decoration or redecoration of such residence, improvements or appurtenances, no Owner shall modify the design, material or color of any such item including, without limitation, windows, doors, screens, roofs, siding or any other component of any building, or other structure which is visible from a Common Element or other Unit without the written approval of the Association.

Section 8. Vehicles. No house trailers, commercial vehicles, boat trailers, boats, camping vehicles, camping trailers, motorcycles, all terrain vehicles, snowmobiles, snowmobile trailers or vehicles other than automobiles or vehicles used primarily for general personal transportation purposes, may be parked or stored in any area which is visible from any portion of the Condominium Premises except as hereinafter provided or as provided in duly adopted rules and regulations. All vehicles shall be parked in garages to the extent possible. Garage doors shall be kept closed when not in use. Commercial vehicles and trucks shall not be parked in or about the Condominium (except as above provided) unless while making deliveries or pickups in the normal course of business. The Board of Directors of the Association may promulgate such other rules with respect to parking on the Common Elements, including prohibitions, as it may deem appropriate. In that regard, there shall be no parking on the Condominium roads or in the General Common Element parking spaces from 3:00 a.m. until 6:00 a.m. and persons who violate this restriction shall be subject to fines, towing and other sanctions as the Board may adopt. Owners shall, if the Board shall require, register with the Association all vehicles maintained on the Condominium Premises.

Section 9. Advertising. No signs or other advertising devices of any kind shall be displayed which are visible from the exterior of a Unit or on the Common Elements except by the Developer during the Development and Sales Period, and, subsequent thereto, only with prior written permission from the Association. Reasonable standards for sign characteristics may be imposed by rules promulgated from time to time by the Board of Directors.

Section 10. Driveways and Garages. All driveways and driveway aprons/approaches shall be paved with concrete or other material approved by the Developer and the City, and shall be completed prior to occupancy, weather conditions permitting. Each garage shall be attached to the Villa Home.

Section 11. Swimming Pools Spas and Hot Tubs. No swimming pool, spa or hot tub or similar structure or amenity shall be erected or maintained upon any Unit or Common Element.

Section 12. Sound Transmission Devices. No outside radio, television aerial, antenna, satellite dish or other reception or transmission device shall be placed, constructed, altered or maintained on any Unit without the prior written consent of the Developer in accordance with the provisions of Section 3 of this Article VI.

Section 13. Dog Runs/Animal Shelters. No dog runs or other enclosed shelters for animals shall be installed or maintained on any Unit or Common Element.

Section 14. Walls and Fences. No fence or wall of any type shall be permitted or maintained on any Unit or Common Element.

Section 15. Trees and Other Vegetation. No Co-owner shall cut down or trim any tree located within the Common Elements. The Co-owners, the Developer and the Association shall also comply with all ordinances of the City of Livonia applicable to trees and other vegetation which are applicable from time to time to the Condominium Premises.

Section 16. Rules and Regulations. It is intended that the Board of Directors of the Association may make rules and regulations from time to time to reflect the needs and desires of the majority of the Owners in the Condominium. Reasonable regulations consistent with the Act, the Master Deed and these Bylaws concerning the use of the Common Elements may be made and amended from time to time by any Board of Directors of the Association, including the first Board of Directors (or its successors) prior to the Transitional Control Date. Copies of all such rules, regulations and amendments thereto shall be furnished to all Owners.

Section 17. Common Element Maintenance. Sidewalks, yard areas, landscaped areas, driveways, and parking areas shall not be obstructed nor shall they be used for purposes other than that for which they are reasonably and obviously intended. No bicycles, vehicles, chairs or other obstructions may be left unattended on or about the General Common Elements. To any extent that City water supply is utilized for irrigation of Common Elements, such irrigation shall occur only between dusk and dawn.

Section 18. Owner Maintenance. Each Owner shall maintain his Unit in a safe, clean and sanitary condition. Each Owner shall also use due care to avoid damaging any of the Common Elements including, but not limited to, the telephone, water, sewer, gas, electrical 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 Owner shall be responsible for damages

or costs to the Association resulting from negligent damage to or misuse of any of the Common Elements by him, or his family, guests, agents or invitees, unless such damages or costs are covered by insurance carried by the Association (in which case there shall be no such responsibility, unless reimbursement to the Association is limited by virtue of a deductible provision, in which case the responsible 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 Owner in the manner provided in Article II hereof.

Section 19. Right of Access of Association. The Association or its duly authorized agents shall have access to each Unit from time to time, during reasonable working hours, upon notice to the Owner thereof, as may be necessary to carry out any responsibilities imposed on the Association by the Condominium Documents. The Association or its agents shall also have access to Units as may be necessary to respond to emergencies. The Association may gain access in such manner as may be reasonable under the circumstances and shall not be liable to such Owner for any necessary damage to his Unit caused thereby. This provision, in and of itself, shall not be construed to permit access to the interiors of residences or other structures.

Section 20. Reserved Rights of Developer.

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

(b) **Developer's Rights in Furtherance of Development and Sales.** None of the restrictions contained in this Article VI shall apply to the commercial activities or signs or billboards, if any, of the Developer during the Development and Sales Period or of the Association in furtherance of its powers and purposes set forth herein and in its Articles of Incorporation, as the same may be amended from time to time. Notwithstanding anything to the contrary elsewhere herein contained, Developer shall have the right to maintain a sales office (including a mobile modular office), model Units, advertising display signs, storage areas and reasonable parking incident to the

foregoing and such access to, from and over the Project as may be reasonable to enable development and sale of the entire Project by the Developer and may continue to do so during the entire Development and Sales Period.

(c) **Enforcement of Bylaws.** The Condominium Project shall at all times be maintained in a manner consistent with the highest standards of a beautiful, serene, private, residential community for the benefit of the Owners and all persons interested in the Condominium. If at any time the Association fails or refuses to carry out its obligation to maintain, repair, replace and landscape in a manner consistent with the maintenance of such high standards, then the Developer, or any person to whom it may assign this right, at its option, may elect to maintain, repair and/or replace any Common Elements and/or to do any landscaping required by these Bylaws and to charge the cost thereof to the Association as an expense of administration. The Developer shall have the right to enforce these Bylaws throughout the Development and Sales Period which right of enforcement shall include (without limitation) an action to restrain the Association or any Owner from any activity prohibited by these Bylaws.

Section 21. General Common Element Areas. The General Common Element Areas depicted on the Condominium Subdivision Plan shall be used only as permitted by the Single-Family Residential Cluster Option Ordinance of the City of Livonia and in accordance with any duly promulgated rules and regulations of the Developer or the Association.

Section 22. Temporary Structures. No structure of a temporary character, trailer, commercial vehicle, recreation vehicle, shack, garage, barn, storage shed, tent, tree house, or other similar outbuilding, may be placed within any Unit or the Common Elements.

Section 23. Golf Ball Intrusion. The Condominium adjoins a golf course on its westerly and southerly boundaries. Accordingly, errant golf balls may intrude onto the Common Elements or Units from time to time. Each Owner, occupant and/or visitor to the Condominium and their heirs, representatives and assignees, hereby acknowledge the continuing existence of the foregoing hazard and agree to not assert any claim of any nature, whether for damage to person or property, against the City, the Developer and its successors, or the Association on any basis arising out of any such occurrence; *provided, however,* that such release and assumption of risk shall operate in favor only of the City, the Developer and its successors, and the Association, and shall not be for the benefit of any person who purposely or recklessly causes any such damage by virtue of striking a golf ball.

Section 24. General. The purpose of this Article VI is to assure the continued maintenance of the Condominium as a beautiful and harmonious residential development, and shall be binding upon all Co-owners. The Developer may, in its sole discretion, waive any part of the restrictions set forth in this Article VI due to unusual topographic, natural or aesthetic considerations or other circumstances which the Developer deems compelling. Any such waiver must be in writing and shall be limited to the Unit to which it pertains and shall not constitute a waiver as to enforcement of the restrictions as to any other Unit. Developer's rights under this Article VI may, in Developer's discretion, be assigned to the Association or other successor to

Developer. Developer may construct any improvements upon the Condominium Premises that it may, in its sole discretion, elect to make without the necessity of prior consent from the Association or any other person or entity, subject only to the express limitations contained in the Condominium Documents.

ARTICLE VII

MORTGAGES

Section 1. Notice to Association. Any Owner who mortgages his Unit shall notify the Association of the name and address of the mortgagee, and the Association shall maintain such information in a book entitled "Mortgages of Units." The Association may, at the written request of a mortgagee of any such Unit, report any unpaid assessments due from the Owner of such Unit. The Association shall give to the holder of any first mortgage covering any Unit in the Project written notification of any default in the performance of the obligations of the Owner of such Unit that is not cured within 60 days.

Section 2. Insurance. Upon written request submitted to the Association, the Association shall notify each mortgagee appearing in said book of Mortgages of Units of the name of the company providing insurance for the General Common Elements and shall also provide the name of any insurer of the Unit in which such mortgagee holds an interest if the Association has received due notification thereof.

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

ARTICLE VIII

VOTING

Section 1. Vote. Each Owner shall be entitled to one vote for each Condominium Unit owned.

Section 2. Eligibility to Vote. No Owner, other than the Developer, shall be entitled to vote at any meeting of the Association until he has presented evidence of ownership of a Unit in the Condominium Project to the Association. Except as provided in Article XI, Section 2 of these Bylaws, no Owner, other than the Developer, shall be entitled to vote prior to the date of the First Annual Meeting of members held in accordance with Section 2 of Article IX. The vote of each Owner may be cast only by the individual representative designated by such Owner in the notice required in Section 3 of this Article VIII below or by a proxy given by such individual representative. The Developer shall be the only person entitled to vote at a meeting of the

Association until the First Annual Meeting of members. At and after the First Annual Meeting the Developer shall be entitled to one vote for each Unit which it owns. If, however, the Developer elects to designate a Director pursuant to its rights under Article XI, Section 2(c)(i) or (ii) hereof, it shall not then be entitled to also vote for the non-developer Director.

Section 3. Designation of Voting Representative. Each 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 Owner. Such notice shall state the name and address of the individual representative designated, the number or numbers of the Condominium Unit or Units owned by the Owner, and the name and address of each person, firm, corporation, partnership, association, trust or other entity who is the Owner. Such notice shall be signed and dated by the Owner. The individual representative designated may be changed by the Owner at any time by filing a new notice in the manner herein provided.

Section 4. Quorum. The presence in person or by proxy of 35% of the 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 by the Condominium Documents to require a greater quorum. The written vote of any person furnished at or prior to any duly called meeting at which meeting said person is not otherwise present in person or by proxy shall be counted in determining the presence of a quorum with respect to the question upon which the vote is cast.

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

Section 6. Majority. A majority, except where otherwise provided herein, shall consist of more than 50% of those qualified to vote and present in person or by proxy (or written vote, if applicable) at a given meeting of the members of the Association. Whenever provided specifically herein, a majority may be required to exceed the simple majority hereinabove set forth of designated voting representatives present in person or by proxy, or by written vote, if applicable, at a given meeting of the members of the Association.

ARTICLE IX

MEETINGS

Section 1. Place of Meeting. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Owners as may be designated by the Board of Directors. Meetings of the Association shall be conducted in accordance with Sturgis' Code of Parliamentary Procedure, Roberts Rules of Order or some

other generally recognized manual of parliamentary procedure, when not otherwise in conflict with the Condominium Documents (as defined in the Master Deed) or the laws of the State of Michigan.

Section 2. First Annual Meeting. The First Annual Meeting of members of the Association may be convened only by the Developer and may be called at any time after more than 50% of the Units in Golf Ridge Villa Homes have been sold and the purchasers thereof qualified as members of the Association. In no event, however, shall such meeting be called later than 120 days after the conveyance of legal or equitable title to non-developer Owners of 75% of all Units or 54 months after the first conveyance of legal or equitable title to a non-developer Owner of a Unit in the Project, whichever first occurs. The Developer may call meetings of members for informative or other appropriate purposes prior to the First Annual Meeting of members and no such meeting shall be construed as the First Annual Meeting of members. The date, time and place of such meeting shall be set by the Board of Directors, and at least 10 days' written notice thereof shall be given to each Owner.

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

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

Section 5. Notice of Meetings. It shall be the duty of the Secretary (or other Association officer in the Secretary's absence) to serve a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, upon each Owner of record, at least 10 days but not more than 60 days prior to such meeting. The mailing, postage prepaid, of a notice to the representative of each Owner at the address shown in the notice required to be filed with the Association by Article VIII, Section 3 of these Bylaws shall be deemed notice served. Any member may, by written waiver of notice signed by such member, waive such notice, and such waiver, when filed in the records of the Association, shall be deemed due notice.

Section 6. Adjournment. If any meeting of 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 48 hours from the time the original meeting was called.

Section 7. Order of Business. The order of business at all meetings of the members shall be as follows: (a) roll call to determine the voting power represented at the meeting; (b) proof of notice of meeting or waiver of notice; (c) reading of minutes of preceding meeting; (d) reports of officers; (e) reports of committees; (f) appointment of inspectors of election (at annual meetings or special meetings held for the purpose of electing Directors or officers); (g) election of Directors (at annual meeting or special meetings held for such purpose); (h) unfinished business; and (i) new business. Meetings of members shall be chaired by the most senior officer of the Association present at such meeting. For purposes of this Section, the order of seniority of officers shall be President, Vice President, Secretary and Treasurer.

Section 8. Action Without Meeting. Any action which may be taken at a meeting of the members (except for the election or removal of Directors) may be taken without a meeting by written ballot of the members. Ballots shall be solicited in the same manner as provided in Section 5 for the giving of notice of meetings of members. Such solicitations shall specify (a) the number of responses needed to meet the quorum requirements; (b) the percentage of approvals necessary to approve the action; and (c) the time by which ballots must be received in order to be counted. The form of written ballot shall afford an opportunity to specify a choice between approval and disapproval of each matter and shall provide that, where the member specifies a choice, the vote shall be cast in accordance therewith. Approval by written ballot shall be constituted by receipt, within the time period specified in the solicitation, of (i) a number of ballots which equals or exceeds the quorum which would be required if the action were taken at a meeting; and (ii) a number of approvals which equals or exceeds the number of votes which would be required for approval if the action were taken at a meeting at which the total number of votes cast was the same as the total number of ballots cast.

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

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

ARTICLE X

ADVISORY COMMITTEE

Within one year after conveyance of legal or equitable title to the first Unit in the Condominium to a purchaser or within 120 days after conveyance to purchasers of 1/3 of the Units, whichever first occurs, the Developer shall cause to be established an Advisory

Committee consisting of at least three non-developer Owners. The Committee shall be established and perpetuated in any manner the Developer deems advisable, except that if more than 50% of the non-developer Owners petition the Board of Directors for an election to select the Advisory Committee, then an election for such purpose shall be held. The purpose of the Advisory Committee shall be to facilitate communications between the temporary Board of Directors and the other Owners and to aid in the transition of control of the Association from the Developer to purchaser Owners. The Advisory Committee shall cease to exist automatically when the non-developer Owners have the voting strength to elect a majority of the Board of Directors of the Association. The Developer may remove and replace at its discretion at any time any member of the Advisory Committee who has not been elected thereto by the Owners.

ARTICLE XI

BOARD OF DIRECTORS

Section 1. Number and Qualification of Directors. The Board of Directors shall initially be comprised of three (3) members and shall continue to be so comprised until enlarged in accordance with the provisions of Section 2 hereof. Thereafter, the affairs of the Association shall be governed by a board of five (5) Directors, all of whom must be members of the Association or officers, partners, trustees, employees or agents of members of the Association, except for the first Board of Directors. Directors shall serve without compensation.

Section 2. Election of Directors.

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

(b) **Appointment of Non-developer Co-owners to Board Prior to First Annual Meeting.** Not later than one hundred twenty (120) days after conveyance of legal or equitable title to non-developer Co-owners of twenty-five (25%) percent in number of the maximum number of Units that may be created in Golf Ridge Villa Homes, one of the four (4) Directors shall be selected by non-developer Co-owners. Not later than 120 days after conveyance of legal or equitable title to non-developer Co-owners of 50% in number of the maximum number of Units that may be created, two (2) of the five (5) Directors shall be elected by non-developer Co-owners. When the required percentage of conveyances have been reached, the Developer shall notify the non-developer Co-owners and convene a meeting so that the Co-owners can elect the required Director or Directors, as the case may be. Upon certification by the Co-owners

to the Developer of the Director or Directors so elected, the Developer shall then immediately appoint such Director or Directors to the Board to serve until the First Annual Meeting of members unless such Director is removed pursuant to Section 7 of this Article or resigns or becomes incapacitated.

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

(1) Not later than one hundred twenty (120) days after conveyance of legal or equitable title to non-developer Co-owners of seventy-five (75%) percent in number of the Units that may be created, and before conveyance of ninety percent (90%) of such Units, the non-developer Co-owners shall elect all Directors on the Board, except that the Developer shall have the right to designate at least one (1) Director as long as the Units that remain to be created and conveyed equal at least ten percent (10%) of all Units in the Project. Such Developer designee, if any, shall be one of the total number of Directors referred to in Section 1 above. Whenever the seventy-five percent (75%) conveyance level is achieved, a meeting of Co-owners shall be promptly convened to effectuate this provision, even if the First Annual Meeting has already occurred.

(2) Regardless of the percentage of Units which have been conveyed, upon the expiration of 54 months after the first conveyance of legal or equitable title to a non-developer Co-owner of a Unit in the Project, if title to not less than seventy-five percent (75%) of the maximum number of Units which may be created has not been conveyed, the non-developer Co-owners have the right to elect a number of members of the Board of Directors equal to the percentage of Units they own, and the Developer has the right to elect a number of members of the Board of Directors equal to the percentage of Units which are owned by the Developer. This election may increase, but shall not reduce, the minimum election and designation rights otherwise established in subparagraph (1) above. Application of this subparagraph does not require a change in the size of the Board of Directors.

(3) If the calculation of the percentage of members of the Board of Directors that the non-developer Co-owners have the right to elect under subsection (b) and subparagraph (c)(1), or if the product of the number of members of the Board of Directors multiplied by the percentage of Units held by the non-developer Co-owners under subparagraph (c)(2) results in a right of non-developer Co-owners to elect a fractional number of members of the Board of Directors, then a fractional election right of 0.5 or greater shall be rounded up to the nearest whole number, which number shall be the number of members of the Board of Directors that the non-developer Co-owners have the right to elect. After application of this formula the Developer shall have the right to elect the remaining members of the Board of Directors. Application of this subparagraph shall not eliminate the right of the Developer to designate one Director as provided in subparagraph (1).

(4) At the First Annual Meeting, three Directors shall be elected for a term of two (2) years and two Directors shall be elected for a term of one (1) year. At such meeting all nominees shall stand for election as one (1) slate and the three persons receiving the highest number of votes shall be elected for a term of two (2) years and the two persons receiving the next highest number of votes shall be elected for a term of one (1) year. At each annual meeting held thereafter, the number of Directors shall be elected whose terms then expire. After the First Annual Meeting, the term of office (except for two of the Directors elected at the First Annual Meeting) of each Director shall be two (2) years. The Directors shall hold office until their successors have been elected and hold their first meeting.

(5) Once the Co-owners have acquired the right hereunder to elect a majority of the Board of Directors, annual meetings of Co-owners to elect Directors and conduct other business shall be held in accordance with the provisions of Article IX, Section 3 hereof.

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

Section 4. Other Duties. In addition to the foregoing duties imposed by these Bylaws or any further duties which may be imposed by resolution of the members of the Association, the Board of Directors shall be responsible specifically to do the following:

- (a) To manage and administer the affairs of and to maintain the Condominium Project and the Common Elements thereof.
- (b) To levy and collect assessments from the members of the Association and to use the proceeds thereof for the purposes of the Association.
- (c) To carry insurance and collect and allocate the proceeds thereof.
- (d) To rebuild improvements after casualty.
- (e) To contract for and employ persons, firms, corporations or other agents to assist in the management, operation, maintenance and administration of the Condominium Project.
- (f) To acquire, maintain and improve; and to buy, operate, manage, sell, convey, assign, mortgage or lease any real or personal property (including any Unit in the Condominium and easements, rights-of-way and licenses) on behalf of the Association in furtherance of any of the purposes of the Association.

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

(h) To make rules and regulations in accordance with Article VI, Section 16 of these Bylaws.

(i) To establish such committees as it deems necessary, convenient or desirable and to appoint persons thereto for the purpose of implementing the administration of the Condominium and to delegate to such committees any functions or responsibilities which are not by law or the Condominium Documents required to be performed by the Board.

(j) To enforce the provisions of the Condominium Documents.

Section 5. Management Agent. The Board of Directors may employ for the Association a professional management agent (which may include the Developer or any person or entity related thereto) 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 Sections 3 and 4 of this Article, and the Board may delegate to such management agent any other duties or powers which are not by law or by the Condominium Documents required to be performed by or have the approval of the Board of Directors or the members of the Association. In no event shall the Board be authorized to enter into any contract with a professional management agent, or any other contract providing for services by the Developer, sponsor or builder, in which the maximum term is greater than three (3) years or which is not terminable by the Association upon 90 days' written notice thereof to the other party and no such contract shall violate the provisions of Section 55 of the Act.

Section 6. Investigation and Assertion of Claims. In order to minimize the possibility of imprudent and/or excessively costly assertion of claims without notice to and decisional participation by Co-owners, the Board shall establish and follow thorough procedural guidelines for the investigation and assertion of claims on behalf of the Association in order to facilitate compliance with the provisions of Article II, Section 2(d) of these Bylaws. Such guidelines shall be directed to the orderly evaluation of claims in a manner and to a degree that will enable the Board to make an affirmative recommendation to the Co-owners regarding such claims. Prior to engagement of attorneys or experts for the evaluation of claims, and the levying of any special assessments therefor, the Board shall conduct its own evaluation and make recommendations to the membership at a special meeting for such purpose at which such proposed undertakings shall be approved by sixty-six and two-thirds percent (66 2/3%) of all Co-owners, prior to implementation by the Board. Modified undertakings involving material cost increases and ultimate commencement of formal proceedings for assertion of claims shall each require that the Board follow the same procedure for obtaining membership approval. At each meeting of the members for approval of investigation and evaluation of claims, commencement of proceedings and levying of assessments in connection therewith, the Board

shall furnish a report to the members with notice of the meeting on the determinations, recommendations and findings of the Board together with other pertinent information including, without limitation: (a) the basis for the claims; (b) the professional credentials of attorneys and/or other experts to be engaged; (c) cost projections and proposed fee agreements with respect to the investigation, evaluation and prosecution of the claims; (d) reports as to prior and anticipated actions taken and to be taken and the timing thereof.

Section 7. Vacancies. Vacancies in the Board of Directors which occur after the Transitional Control Date caused by any reason other than the removal of a Director by a vote of the members of the Association shall be filled by vote of the majority of the remaining Directors, even though they may constitute less than a quorum, except that the Developer shall be solely entitled to fill the vacancy of any Director whom it is permitted in the first instance to designate. Each person so elected shall be a Director until a successor is elected at the next annual meeting of the members of the Association. Vacancies among non-developer Owner elected Directors which occur prior to the Transitional Control Date may be filled only through election by non-developer Owners and shall be filled in the manner specified in Section 2(b) of this Article.

Section 8. Removal. At any regular or special meeting of the Association duly called with due notice of the removal action proposed to be taken, any one or more of the Directors may be removed with or without cause by the affirmative vote of more than 50% of all of the Owners and a successor may then and there be elected to fill any vacancy thus created. The quorum requirement for the purpose of filling such vacancy shall be the normal 35% requirement set forth in Article VIII, Section 4. Any Director whose removal has been proposed by the Owners shall be given an opportunity to be heard at the meeting. The Developer may remove and replace any or all of the Directors selected by it at any time or from time to time in its sole discretion. Likewise, any Director selected by the non-developer Owners to serve before the First Annual Meeting may be removed before the First Annual Meeting in the same manner set forth in this paragraph for removal of Directors generally.

Section 9. First Meeting. The first meeting of a newly elected Board of Directors shall be held within 10 days of election at such place as shall be fixed by the Directors at the meeting at which such Directors were elected, and no notice shall be necessary to the newly elected Directors in order legally to constitute such meeting, providing a majority of the whole Board shall be present.

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

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

Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of two Directors.

Section 12. Waiver of Notice. Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meetings of the Board shall be deemed a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

Section 13. Quorum. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting to a subsequent time upon 24 hours' prior written notice delivered to all Directors not present. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice. The joinder of a Director in the action of a meeting by signing and concurring in the minutes thereof, shall constitute the presence of such Director for purposes of determining a quorum.

Section 14. First Board of Directors. The actions of the first Board of Directors of the Association or any successors thereto selected or elected before the Transitional Control Date shall be binding upon the Association so long as such actions are within the scope of the powers and duties which may be exercised generally by the Board of Directors as provided in the Condominium Documents.

Section 15. Fidelity Bonds. The Board of Directors shall require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be expenses of administration.

ARTICLE XII

OFFICERS

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

(a) **President.** The President shall be the chief executive officer of the Association. He or she shall preside at all meetings of the Association and of the Board of Directors. He or she shall have all of the general powers and duties which are usually vested in the office of the President of an association, including, but not limited to, the

power to appoint committees from among the members of the Association from time to time as he or she may in his or her discretion deem appropriate to assist in the conduct of the affairs of the Association.

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

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

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

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

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

Section 4. Duties. The officers shall have such other duties, powers and responsibilities as shall, from time to time, be authorized by the Board of Directors.

ARTICLE XIII

SEAL

The Association may (but need not) have a seal. If the Board determines that the Association shall have a seal, then it shall have inscribed thereon the name of the Association, the words "corporate seal," and "Michigan."

ARTICLE XIV

FINANCE

Section 1. Records. The Association shall keep detailed books of account showing all expenditures and receipts of administration, and which shall specify the maintenance and repair expenses of the Common Elements and any other expenses incurred by or on behalf of the Association and the Owners. Such accounts and all other Association records shall be open for inspection by the Owners and their mortgagees during reasonable working hours. The Association shall prepare and distribute to each Owner at least once a year a financial statement, the contents of which shall be defined by the Association. The books of account shall be reviewed at least annually by qualified independent accountants; provided, however, that such accountants need not be certified public accountants nor does such review need to be a certified audit. Any institutional holder of a first mortgage lien on any Unit in the Condominium shall be entitled to receive a copy of such annual audited financial statement within 90 days following the end of the Association's fiscal year upon request therefor. The costs of any such audit and any accounting expenses shall be expenses of administration.

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

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

ARTICLE XV

LIMITATION AND ASSUMPTION OF LIABILITY OF VOLUNTEERS; INDEMNIFICATION

Section 1. Limitation of Liability of Volunteers. No director or officer of the Association who is a volunteer director or volunteer officer (as these terms are defined in the Michigan Non-Profit Corporation Act) of the Association shall be personally liable to the Association or its members for monetary damages for breach of his or her fiduciary duty as a volunteer director or officer except for liability arising from: (a) Any breach of the volunteer director's or officer's duty of loyalty to the Association or its Members; (b) Acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law; (c) A violation of Section 551(1) of the Michigan Non-Profit Corporation Act; (d) Any transaction from which the volunteer director or officer derived an improper personal benefit; or (e) An act or omission that is grossly negligent.

Section 2. Assumption of Liability of Volunteers. The Association further assumes liability for all acts or omissions of a volunteer director, volunteer officer or other volunteer occurring on or after the effective date of this Article if all of the following are met: (a) the volunteer was acting or reasonably believed he or she was acting within the scope of his or her authority; (b) the volunteer was acting in good faith; (c) the volunteer's conduct did not amount to gross negligence or willful and wanton misconduct; (d) the volunteer's conduct was not an intentional tort; and (e) the volunteer's conduct was not a tort arising out of the ownership, maintenance, or use of a motor vehicle for which tort liability may be imposed as provided in Section 3135 of the Insurance Code of 1956, Act No. 218 of Michigan Public Acts of 1956.

Section 3. Indemnification of Volunteers. The Association shall also indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, and whether formal or informal, other than an action by or in the right of the Association, by reason of the fact that the person is or was a volunteer director, volunteer officer, or nondirector volunteer of the Association, against all expenses including attorney's fees, judgments, penalties, fines, and amounts paid in settlement actually and reasonably incurred by the person in connection with the action, suit, or proceeding if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the Association or its members, and with respect to any criminal action or proceeding, if the person had no reasonable cause to believe that the conduct was unlawful. In the event of any claim for indemnification hereunder based upon a settlement by the volunteer director, volunteer officer, or nondirector volunteer seeking such indemnification, the indemnification herein shall apply only if the board of Director (with any Director seeking indemnification abstaining) approves such settlement and indemnification as being in the best interest of the corporation. The indemnification and advancement of expenses provided by or granted pursuant to this Article shall not be deemed exclusive of any other rights to which those seeking indemnification or advancement of expenses may be entitled under the Articles of Incorporation, the Bylaws, contractual agreement, or otherwise by law and shall continue as to a person who has ceased to be a volunteer Director or volunteer officer or nondirector volunteer of the corporation and shall inure to the benefit of the heirs, executors, and administrators of such person. At least ten (10) days prior to payment of any indemnification which it has approved, the Board of Directors shall notify all members thereof. The Association shall maintain insurance coverage to cover indemnification payments made pursuant to this Article XV.

ARTICLE XVI

AMENDMENTS

Section 1. Proposal. Amendments to these Bylaws may be proposed by the Board of Directors of the Association acting upon the vote of the majority of the Directors or may be proposed by 1/3 or more of the Owners by instrument in writing signed by them.

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

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

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

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

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

Section 7. Amendment. No amendment to any provision of these Bylaws which has been included for the express benefit of the City shall be adopted without consent of the City.

ARTICLE XVII

COMPLIANCE

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

ARTICLE XVIII

DEFINITIONS

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

ARTICLE XIX

REMEDIES FOR DEFAULT

Any default by an Owner shall entitle the Association or another Owner or Owners to the following relief:

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

Section 2. Recovery of Costs. In any proceeding arising because of an alleged default by any Owner, the Association, if successful, shall be entitled to recover the costs of the proceeding and such reasonable attorneys' fees (not limited to statutory fees) as may be determined by the court, but in no event shall any Owner be entitled to recover such attorneys' fees.

Section 3. Removal and Abatement. The violation of any of the provisions of the Condominium Documents shall also give the Association or its duly authorized agents the right, in addition to the rights set forth above, to enter upon the Common Elements or into any Unit, where reasonably necessary, and summarily remove and abate, at the expense of the 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 Owner arising out of the exercise of its removal and abatement power authorized herein.

Section 4. Assessment of Fines. The violation of any of the provisions of the Condominium Documents by any Owner shall be grounds for assessment by the Association, acting through its duly constituted Board of Directors, of monetary fines for such violations. No fine may be assessed unless in accordance with the provisions of Article XX thereof.

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

Section 6. Cumulative Rights, Remedies and Privileges. All rights, remedies and privileges granted to the Association or any Owner or 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 7. Enforcement of Provisions of Condominium Documents. An Owner may maintain an action against the Association and its officers and Directors to compel such persons to enforce the terms and provisions of the Condominium Documents. An Owner may maintain an action against any other Co-owner for injunctive relief or for damages or any combination thereof for noncompliance with the terms and provisions of the Condominium Documents or the Act.

ARTICLE XX

ASSESSMENT OF FINES

Section 1. General. The violation by any Owner, occupant or guest of any 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 Owner. Such Owner shall be deemed responsible for such violations whether they occur as a result of his personal actions or the actions of his family, guests, tenants or any other person admitted through such 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 Owner on notice as to the violation, shall be sent by first class mail, postage prepaid, or personally delivered to the representative of said Owner at the address as shown in the notice required to be filed with the Association pursuant to Article VIII, Section 3 of the Bylaws.

(b) **Opportunity to Defend.** The offending Owner shall have an opportunity to appear before the Board and offer evidence in defense of the alleged violation. The appearance before the Board shall be at its next scheduled meeting but in no event shall the Owner be required to appear less than 10 days from the date of the Notice.

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

(d) **Hearing and Decision.** Upon appearance by the Owner before the Board and presentation of evidence of defense, or, in the event of the Owner's default, the Board shall, by majority vote of a quorum of the Board, decide whether a violation has occurred and shall so notify such Owner within ten (10) days of its decision. The Board's decision is final.

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

- (a) **First Violation.** No fine shall be levied.
- (b) **Second Violation.** Twenty-Five Dollar (\$25.00) fine.
- (c) **Third Violation.** Seventy-five Dollar (\$75.00) fine.
- (d) **Fourth Violation and Subsequent Violations.** Two Hundred Fifty Dollar (\$250.00) fine.

Section 4. Collection. The fines levied pursuant to Section 3 above shall be assessed against the Owner and shall be due and payable together with the regular Condominium assessment installment on the first day of the next following due date. Failure to pay the fine will subject the Owner to all liabilities set forth in the Condominium Documents including, without limitation, those described in Article II and Article XIX of these Bylaws.

ARTICLE XXI

RIGHTS RESERVED TO DEVELOPER

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

ARTICLE XXII

SEVERABILITY

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

WAYNE COUNTY CONDOMINIUM
SUBDIVISION PLAN NO. 87-2
EXHIBIT "B" TO MASTER DEED

GOLF RIDGE VILLA HOMES

CITY OF UTONIA, WAYNE COUNTY, MICHIGAN

DEVELOPER:

GOLF RIDGE PROPERTIES LLC
6220 W. MILE ROAD, STE. 503
WEST BLOOMFIELD, MI 48322

SURVEYOR:

WILLIAM R. DODDAN
ASPER/DODDAN, INC.
36827 SCHOOLCRAFT
UTONIA, MICHIGAN 48350

LEGAL DESCRIPTION (DEVELOPMENT AREA):

PART OF THE NORTH 1/2 OF SECTION 5, T. 1 S., R. 9 E., CITY OF UTONIA, WAYNE COUNTY, MICHIGAN MORE FULLY DESCRIBED AS COMMENCING AT THE NORTH 1/4 CORNER OF SAID SECTION 5; THENCE S. 000577° E. 60.00 FEET ALONG THE NORTH-SOUTH 1/4 LINE OF SAID SECTION 5; THENCE S. 000577° E. 60.00 FEET ALONG THE NORTH-SOUTH 1/4 LINE OF SAID SECTION 5 TO THE SOUTH LINE OF EIGHT MILE ROAD; THENCE N. 89°45'37" E. 97.52 FEET; THENCE N. 89°25'41" E. 764.04 FEET TO THE POINT OF BEGINNING; THENCE N. 89°25'41" E. 1228.55 FEET; THENCE S. 44°51'31" W. 818.61 FEET; THENCE S. 72°44'47" W. 102.60 FEET; THENCE S. 88°44'38" W. 267.88 FEET; THENCE S. 75°14'00" W. 77.07 FEET; THENCE S. 204°48'01" W. 65.72 FEET; THENCE S. 80°51'4" W. 417.91 FEET; THENCE N. 0034'07" W. 300.54 FEET; THENCE N. 0034'19" W. 186.34 FEET TO THE POINT BEGINNING, CONTAINING 12.206 ACRES.

LEGAL DESCRIPTION (FUTURE DEVELOPMENT AREA):

PART OF THE NORTH 1/2 OF SECTION 5, T. 1 S., R. 9 E., CITY OF UTONIA, WAYNE COUNTY, MICHIGAN MORE FULLY DESCRIBED AS COMMENCING AT THE NORTH 1/4 CORNER OF SAID SECTION 5; THENCE S. 000577° E. 60.00 FEET ALONG THE NORTH-SOUTH 1/4 LINE OF SAID SECTION 5 TO THE SOUTH LINE OF EIGHT MILE ROAD AND THE POINT OF BEGINNING; THENCE N. 89°45'37" E. 97.52 FEET ALONG SAID RIGHT-OF-WAY; THENCE N. 89°05'57" W. 85.12 FEET; THENCE S. 037°23' W. 32.16 FEET; THENCE S. 0034'19" E. 380.54 FEET; THENCE S. 8055'14" W. 200.31 FEET; THENCE S. 48°24'45" W. 382.70 FEET; THENCE S. 35°43'26" W. 328.15 FEET; THENCE SOUTHERLY 125.04 FEET ALONG THE ARC OF A 216.24 FOOT RADIUS CURVE TO THE LEFT (DELTA ANGLE 330°17') THE CHORD OF WHICH BEARS S. 39°08'31" W. 123.30 FEET; THENCE N. 58°20'45" W. 50.53 FEET; THENCE SOUTHERLY 300.00 FEET ALONG THE ARC OF A 216.24 FOOT RADIUS NON-TANGENT CURVE TO THE LEFT (DELTA ANGLE 64°33'41') THE CHORD OF WHICH BEARS S. 0203'25" E. 284.38 FEET; THENCE N. 42°09'54" E. 50.53 FEET; THENCE SOUTHERLY 123.24 FEET ALONG THE ARC OF A 216.24 FOOT RADIUS NON-TANGENT CURVE TO THE LEFT (DELTA ANGLE 340°04'23') THE CHORD OF WHICH BEARS S. 55°38'06" E. 126.47 FEET; THENCE S. 49°25'21" E. 415.52 FEET; THENCE SOUTHERLY 1011'27" THE CHORD OF WHICH BEARS S. 0230'57" E. 353.72 FEET; THENCE S. 007°26" W. 215.01 FEET TO THE EAST-NORTH 1/4 LINE OF SAID SECTION 5; THENCE N. 0058'52" W. 275.16 FEET ALONG SAID EAST-NORTH 1/4 LINE; THENCE N. 89°45'37" E. 302.94 FEET ALONG SAID RIGHT-OF-WAY TO THE POINT OF BEGINNING, CONTAINING 33.006 ACRES.

EXAMINED AND APPROVED
DATE 11/22/2001
BY abm
NORMAN C. DUPUIE
PLAT ENGINEER

ATTENTION: COUNTY REGISTER OF DEEDS
THE CONDOMINIUM SUBDIVISION PLAN NUMBER
MUST BE ASSIGNED IN CONSECUTIVE SEQUENCE
WHEN A PLAT HAS BEEN ASSIGNED TO THIS
PROJECT; IT MUST BE PROPERLY SHOWN IN THE
TITLE SHEET 1, AND SURVEYORS CERTIFICATE
SHEET 2.

SHEET INDEX

1. COVER SHEET
2. SURVEY PLAN
3. SURVEY PLAN (DEVELOPMENT AREA)
4. SITE PLAN
5. UTILITY PLAN



PROPOSED
09/10/2004
SH 1 OF 5

GOLF RIDGE VILLA HOMES

UTILITY PLAN

