

**EXHIBIT A****BYLAWS****THE MEADOWS AT NORTHLVILLE RIDGE CONDOMINIUM****ARTICLE I****ASSOCIATION OF CO-OWNERS**

The Meadows at Northville Ridge Condominium, a residential Condominium Project located in Northville Township, Wayne County, Michigan, shall be administered by an Association of Co-owners which shall be a non-profit corporation, hereinafter called the "Association", organized under the applicable laws of the State of Michigan, and responsible for the management, maintenance, operation and administration of the Common Elements, easements and affairs of the Condominium Project in accordance with the Condominium Documents and the laws of the State of Michigan. These Bylaws shall constitute both the Condominium Bylaws referred to in the Master Deed and required by Section 3(8) of the Act and the Association Bylaws provided for under the Michigan Non-profit Corporation Act. Each Co-owner shall be entitled to membership and no other person or entity shall be entitled to membership. The share of a Co-owner in the funds and assets of the Association cannot be assigned, pledged or transferred in any manner except as an appurtenance to his Unit. The Association shall keep current copies of the Master Deed, all amendments to the Master Deed, and other Condominium Documents for the Condominium Project available at reasonable hours to Co-owners, prospective purchasers and prospective mortgagees of Units in the Condominium Project. All Co-owners in the Condominium Project and all persons using or entering upon or acquiring any interest in any Unit therein or the Common Elements thereof shall be subject to the provisions and terms set forth in the aforesaid Condominium Documents.

**ARTICLE II****ASSESSMENTS**

**Section 1. Assessments Against Units and Co-owners.** 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 2. Assessments for Common Elements.** All costs incurred by the Association in satisfaction of any liability arising with, caused by, or connected with the Common Elements or the administration of the Condominium Project shall constitute expenditures affecting the administration of the Project, and all sums received as the proceeds of, or pursuant to, any policy of insurance

securing the interest of the Co-owners against liabilities or losses arising within, caused by, or connected with the Common Elements or the administration of the Condominium Project shall constitute receipt affecting the administration of the Condominium Project, within the meaning of Section 54(4) of the Act.

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

(a) **Budget.** The Board of Directors of the Association shall establish an annual budget in advance for each fiscal year and such budget shall project all expenses for the forthcoming year which may be required for the proper operation, management and maintenance of the Condominium Project, including a reasonable allowance for contingencies and reserves. An adequate reserve fund for maintenance, repairs and replacement of those Common Elements that must be replaced on a periodic basis shall be established in the budget and must be funded by regular annual payments as set forth in Section 4 below rather than by special assessments. At a minimum, the reserve fund shall be equal to 10% of the Association's current annual budget on a noncumulative basis. Since the minimum standard required by this subparagraph may prove to be inadequate for this particular project, the Association of Co-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 Board of Directors, copies of the budget shall be delivered to each Co-owner and the assessment for said year shall be established based upon said budget, although the delivery of a copy of the budget to each Co-owner shall not affect or in any way diminish the liability of any Co-owner for any existing or future assessments. Should the Board of Directors at any time determine, in the sole discretion of the Board of Directors: (1) that the assessments levied are or may prove to be insufficient to pay the costs of operation and management of the Condominium, (2) to provide replacements of existing Common Elements, (3) to provide additions to the Common Elements not exceeding \$1,000.00 annually for the entire Condominium Project, or (4) in the event of emergencies, the Board of Directors shall have the authority to increase the general assessment or to levy such additional assessment or assessments as it shall deem to be necessary. The Board of Directors also shall have the authority, without Co-owner consent, to levy assessments pursuant to the provisions of Article V, Section 4 hereof. The discretionary authority of the Board of Directors to levy assessments pursuant to this subparagraph shall rest solely with the Board of Directors for the benefit of the Association and the members thereof, and shall not be enforceable by any creditors of the Association or the members thereof.

(b) **Special Assessments.** Special assessments, in addition to those required in subparagraph (a) above, may be made by the Board of Directors from time to time and approved by the Co-owners as hereinafter provided to meet other needs or requirements of the Association, including, but not limited to: (1) assessments for additions to the Common Elements of a cost exceeding \$1,000.00 for the entire Condominium Project per year, (2) assessments to purchase a Unit upon foreclosure of the lien for assessments described in Section 6 hereof, or (3) assessments for any other appropriate purpose not elsewhere herein described. Special assessments referred to in

this subparagraph (b) (but not including those assessments referred to in subparagraph 3(a) above, which shall be levied in the sole discretion of the Board of Directors) shall not be levied without the prior approval of more than 60% of all Co-owners in number and in value. The authority to levy assessments pursuant to this subparagraph is solely for the benefit of the Association and the members thereof and shall not be enforceable by any creditors of the Association or the members thereof.

**Section 4. Apportionment of Assessments and Penalty for Default.** Unless otherwise provided herein or in the Master Deed, all assessments levied against the Co-owners to cover expenses of administration shall be apportioned among and paid by the Co-owners in accordance with the percentage of value allocated to each Unit in Article V of the Master Deed, without increase or decrease for the existence of any rights to the use of Common Elements appurtenant to a Unit. Annual assessments as determined in accordance with Article II, Section 3(a) above shall be payable by Co-owners in one installment, which is due and payable on January 1 of each year (or any other date which the board may determine at its discretion). In the initial year, the payment shall be prorated commencing with acceptance of a deed to or a land contract vendee's interest in a Unit, or with the acquisition of fee simple title to a Unit by any other means. The payment of an assessment shall be in default if such assessment, or any part thereof, is not paid to the Association in full on or before the due date for such payment. A late charge of 1% per month shall be assessed automatically by the Association upon any assessments in default for five or more days until installment together with the applicable late charges is paid in full. Each Co-owner (whether 1 or more persons) shall be, and remain, personally liable for the payment of all assessments (including fines for late payment and costs of collection and enforcement of payment) pertinent to his Unit which may be levied while such Co-owner is the owner thereof. 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. Waiver of Use or Abandonment of Unit.** No Co-owner may exempt himself from liability for his contribution toward the expenses of administration by waiver of the use or enjoyment of any of the Common Elements or by the abandonment of his Unit.

#### **Section 6. 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 Co-owner in the payment of any installment of the annual assessment levied against his Unit, the Association shall have the right to declare all unpaid installments of the annual assessment for the pertinent fiscal year immediately due and payable. The Association also may discontinue the furnishing of any utilities or other services to a Co-owner in default upon 7 days' written notice to such Co-owner of its intention to do so. A Co-owner in default shall not be entitled to utilize any of the General Common Elements of the Project and shall not be entitled to vote at any meeting of the

Association so long as such default continues; provided, however, this provision shall not operate to deprive any Co-owner of ingress or egress to and from his Unit. In a judicial foreclosure action, a receiver may be appointed to collect a reasonable rental for the Unit from the Co-owner thereof or any persons claiming under him. The Association may also assess fines for late payment or non-payment of assessments in accordance with the provisions of Article XIX, Section 4 of these Bylaws. All of these remedies shall be cumulative and not alternative.

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

(c) **Notices 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 10 days after mailing, by first class mail, postage prepaid, addressed to the delinquent Co-owner(s) at his or their last known address, of a written notice that 1 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 10 days after the date of mailing. Such written notice shall be accompanied by a written affidavit of an authorized representative of the Association that sets forth (i) the affiant's capacity to make the affidavit, (ii) the statutory and other authority for the lien, (iii) the amount outstanding (exclusive of interest, costs, attorney fees and future assessments), (iv) the legal description of the subject Unit(s), and (v) the name(s) of the Co-owner(s) of record. Such affidavit shall be recorded in the office of the Register of Deeds in the county in which the Project is located prior to commencement of any foreclosure proceeding, but it need not have been recorded as of the date of mailing as aforesaid. If the delinquency is not cured within the 10-day period, the Association may take such remedial action as may be available to it hereunder or under Michigan law. In the event the Association elects to foreclose the lien by advertisement, the Association shall so notify the delinquent Co-owner and shall inform him that he may request a judicial hearing by bringing suit against the Association.

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

**Section 7. 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 8. 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 annual Association assessment. The Developer, however, shall at all times pay all expenses of maintaining the Units that it owns, including the improvements located thereon, together within 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. In no event shall the Developer be responsible for payment of any assessments for deferred maintenance, reserves for replacement, for capital improvements or other special assessments, except with respect to Units owned by it on which a completed building is located. For instance, the only expense presently contemplated that the Developer might be expected to pay is a pro rata share of snow removal and other road maintenance from time to time as well as a pro rata share of any administrative costs which the Association might incur from time to time. Any assessments levied by the Association against the Developer for other purposes shall be void without Developer's consent. Further, the Developer 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 building" shall mean a building with respect to which a certificate of occupancy has been issued by Northville Township.

**Section 9. 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 10. Personal Property Tax Assessment of Association Property.** The Association shall be assessed as the person or entity in possession of any tangible personal property of the

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

**Section 11. Mechanic's Lien.** A mechanic's 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.

**Section 12. 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 5 days prior to the closing of the purchase of such Unit shall render any unpaid assessments and the lien securing same fully enforceable against such purchaser and the Unit itself, to the extent provided by the Act. Under the Act, unpaid assessments constitute a lien upon the Unit and the proceeds of sale thereof prior to all claims except real property taxes and first mortgages of record.

## ARTICLE III

### ARBITRATION

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

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

**Section 3. Election of Remedies.** Such election and written consent by Co-owners 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 liability insurance, if applicable, and any other insurance the Association may deem applicable, desirable or necessary, pertinent to the ownership, use and maintenance of the Common Elements and administration of the Condominium Project. Each Co-owner shall be obligated and responsible for obtaining fire and extended coverage and vandalism and malicious mischief insurance with respect to the buildings and all other improvements constructed or to be constructed within the perimeter of his Condominium Unit and for his personal Property located therein or thereon or elsewhere on the Condominium Project. Each Co-owner also shall be obligated to obtain insurance coverage for his personal liability for occurrences within the perimeter of his Unit or the improvements located thereon, and also for any other personal insurance coverage that the Co-owner wishes to carry. The Association shall under no circumstances have any obligation to obtain any of the insurance coverage required to be carried by a Co-owner.

**Section 2. 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 2 shall not be construed to give any insurer any subrogation right or other right or claim against any individual Co-owner, however.

**Section 3. Premium Expenses.** All premiums upon insurance purchased by the Association pursuant to these Bylaws shall be expenses of administration.

## ARTICLE V

### RECONSTRUCTION OR REPAIR

**Section 1. Association Responsibility for Repair.** Immediately after a casualty causing damage to General Common Element, the Association shall obtain reliable and detailed estimates of the cost to replace the damaged property in a condition as good as that existing before the damage. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction or repair required to be performed by the Association, or if at any time during such reconstruction or repair, or upon completion of such reconstruction or repair, the funds for the payment of the cost thereof are insufficient, assessment shall be made against all Co-owners for the cost of reconstruction or repair

of the damaged property in sufficient amounts to provide funds to pay the estimated or actual cost of repair.

**Section 2. Timely Reconstruction and Repair.** If damage to the General Common Elements adversely affects the appearance or utility of the Project, the Association shall proceed with replacement of the damaged property without delay.

**Section 3. Co-owner's Responsibility.** Each Co-owner shall be responsible for all maintenance, repair and replacement required within his Unit.

**Section 4. 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 an entire Unit or any improvements thereon by eminent domain, the award for such taking shall be paid to the Co-owner of such Unit and the mortgagee thereof, as their interests may appear, notwithstanding any provision of the Act to the contrary. After acceptance of such award by the Co-owner and his mortgagee, they shall 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 Co-owners and their mortgagees in proportion to their respective interests in the Common Elements and the affirmative vote of more than 50% of the Co-owners in number and in value shall determine whether to rebuild, repair or replace the portion so taken or to take such other action as they deem appropriate.

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

(d) **Notification of 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 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 5. Priority of Mortgagee Interests.** Nothing contained in the Condominium Documents shall be construed to give a Condominium Unit Owner, or any other party, priority over any rights of first mortgagees of Condominium Units pursuant to their mortgages in the case of a distribution to Condominium Unit Owners of insurance proceeds or condemnation awards for losses to or a taking of Condominium Units and/or Common Elements.

## ARTICLE VI

### RESTRICTIONS

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 residence purposes and the Common Elements shall be used only for purposes consistent with single-family residential use. No building of any kind shall be erected except private residences and structures ancillary thereto. Only one residence may be erected within any Unit.

#### Section 2. Leasing and Rental.

(a) **Right to Lease.** A Co-owner may lease his Unit for the same purposes set forth in Section 1 of this Article VI; provided that written disclosure of such lease transaction is submitted to the Board of Directors of the Association in the manner specified in subsection (b) below. With the exception of a lender in possession of a Unit following 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 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 without approval by the Association.

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

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

(2) Tenants or nonco-owner occupants shall comply with all of the conditions of the Condominium Documents of the Condominium Project and all leases and rental agreements

shall so state.

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

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

(ii) The Co-owner shall have 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 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 nonco-owner occupant and simultaneously for money damages in the same action against the Co-owner and tenant or nonco-owner occupant for breach of the conditions of the Condominium Documents. The relief 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 and for actual legal fees incurred by the Association in connection with legal proceedings hereunder.

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

### Section 3. Architectural Control.

(a) 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 buildings, 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. Developer shall have the right to refuse to approve any such construction plans or specifications, or grading or landscaping plans, which are not suitable or desirable in its opinion for aesthetic or other reasons; and in passing upon such plans and specifications it shall have the right to take into consideration the suitability of the proposed structure, improvement, modification or landscaping, 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 Co-owners. Developer's rights under this Article VI, Section 3 may, in Developer's discretion, be assigned to the Association or other successor to Developer. Developer may construct any improvements or effect any landscaping 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.

(b) Dwellings shall be constructed in accordance with Article V ("Single Family Component") of a certain Consent Judgement (as the same may be amended from time to time) entered into with Novi Township, as recorded in Liber 35585, Page 1407, Wayne County Records.

(c) No above-ground swimming pools or outbuildings shall be erected or maintained on any Unit.

(d) No fence or wall of any kind shall be erected or maintained on any Unit, except fences (which shall be black or brown wrought iron, aluminum or the equivalent as approved by the Developer) surrounding swimming pools. All permitted fences shall be no larger than 4 feet in height. The Developer shall have the right to approve the size, design and location of all fences. This section shall not apply to fences installed by the Developer on the Common Elements of the Condominium.

(e) The size, color, style, location and other attributes of the mailbox for any residence shall be as specified by the Developer, in order to ensure consistency and uniformity within the Condominium. Developer may elect to supply mailboxes to the Owner which shall be paid for by the Owner.

(f) Construction Activities.

(1) In the course of constructing a dwelling the individual Owner of those Units shall be responsible for the installation of the sidewalk shown on Exhibit B attached hereto. Damage to the any sidewalk in the Condominium during construction of the Units by the owner shall be replaced by the Unit owner.

(2) All landscaping must be completed within 6 months after initial occupancy of the dwelling, weather permitting, or in the case of speculative or unsold homes, within 6 months after the exterior of the dwelling has been (or with due diligence should have been)

substantially completed. Each Owner shall be required to plant 3 trees on their Unit (the location of which shall be approved by the Developer) along with the landscaping required herein. Such trees shall be at least 3 inch caliper and shall be of the following types:

Botanical Name	Common Name
Acer rubrum	Red Maple
Acer saccharum	Sugar Maple
Betula nigra	River Birch
Fagus sylvatica	American Beech
Liriodendron tulipifera	Tulip Tree
Quercus sp.	Any Oak Species
Tilia sp.	Any Linden Species

(g) Standard for Developer's Approvals; Exculpation from Liability. In reviewing and passing upon the plans, drawings, specifications, submissions and other matters to be approved or waived by the Developer under this Section, the Developer intends to ensure that the dwellings and other features embodied or reflected therein meet the requirements set forth in this Section; however, the Developer reserves the right to waive or modify such restrictions or requirements pursuant to paragraph (h) of this Section. In addition to ensuring that all dwellings comply with the requirements and restrictions of this Section 3, the Developer (or the Association, to the extent approval powers are assigned to it by the Developer) shall have the right to base its approval or disapproval of any plans, designs, specifications, submissions or other matters on such other factors, including completely aesthetic considerations, as the Developer (or the Association) in its sole discretion may determine appropriate or pertinent. The Developer currently intends to take into account the preservation of trees and of the natural setting of the Condominium in passing upon plans, designs, drawings, specifications and other submissions. Except as otherwise expressly provided herein, the Developer or the Association, as the case may be, shall be deemed to have the broadest discretion in determining what dwellings or other structures will enhance the aesthetic beauty and desirability of the Condominium, or otherwise further or be consistent with the purposes for any restrictions. In no event shall either the Developer (or the agents, officers, employees or consultants thereof), or the Association have any liability whatsoever to anyone for any act or omission contemplated herein, including without limitation the approval or disapproval of plans, drawings, specifications, elevations of the dwellings or other structures subject thereto, whether such alleged liability is based on negligence, tort, express or implied contract, fiduciary duty or otherwise. By way of example, neither the Developer nor member of the Association shall have liability to anyone for approval of plans, specifications, structures or the like which are not in conformity with the provisions of this Section 3 or any other provision contained in the Condominium Documents, or for disapproving plans, specifications, structures or the like which arguably are in conformity with the provisions hereof. In no event shall any party have the right to impose liability on, or otherwise contest judicially, the Developer or any other person for any decision of the Developer (or alleged failure of the Developer to make a decision) relative to the approval or disapproval of a structure or any aspect or other matter as to which the Developer reserves the right to approve or waive under

this Master Deed. The approval of the Developer (or the Association, as the case may be) of a building, structure, improvement or other matter shall not be construed as a representative or warranty that the structure or matter is properly designed or that it is conformity with the ordinances or other requirements of Northville Township or any other governmental authority. Any obligation or duty to ascertain any such non-conformities, or to advise the Owner or any other person of the same (even if known), is hereby disclaimed.

(h) Developer's Right to Waive or Amend Restrictions. Notwithstanding anything herein to the contrary, the Developer reserves the right to approve any structure or activities otherwise prescribed or prohibited hereunder, or to waive any restriction or requirement provided for in this Section 3, if in the Developer's sole discretion such is appropriate in order to maintain the atmosphere, architectural harmony, appearance and value of the Condominium and the Units therein, or to relieve the Owner of a Unit or a contractor from any undue hardship or expense. In no event, however, shall the Developer be deemed to have waived or be estopped from asserting its right to require strict and full compliance with all the restrictions sent forth herein, unless the Developer indicates its intent and agreement to do so in writing and, in the case of an approval of nonconforming structures, the requirements of paragraph (a) of this Section are met.

**Section 4. Pets.** No animals, including household pets, except 2 dogs or 2 cats or any combination of 2 such animals, shall be maintained by any Co-owner unless specifically approved in writing by the Association which consent, if given, shall be revocable at any time for infraction of the rules with respect to animals. 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, Limited or General. No savage or dangerous animal shall be kept and any Co-owner who causes any animal to be brought or kept upon the premises of the Condominium shall indemnify and hold harmless the Association for any loss, damage or liability 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. No dog kennels or dog runs shall be allowed.

**Section 6. Aesthetics.** The Common Elements shall not be used for storage of supplies, materials, personal property or trash or refuse of any kind, except as provided in duly adopted rules and regulations of the Association. No exterior radio, television aerial, antenna, satellite dish or other reception or transmission device shall be constructed, altered or maintained on any Unit without the prior written consent of Developer, which the Developer may withhold in its sole discretion. Satellite dishes shall be 18 inches in diameter or less and attached to the sides or rear of the dwelling.

**Section 6. 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 use, may be parked or stored upon the premises of the Condominium, unless in garages or approved outbuildings. Passenger vehicles shall be parked in garages to the maximum extent possible. Garage

doors shall be kept closed when not in use. No inoperable vehicles of any type may be brought or stored upon the Condominium Premises either temporarily or permanently. Commercial vehicles and trucks shall not be parked in or about the Condominium (except as above provided) unless while making deliveries or pickups in the normal course of business.

**Section 7. Advertising.** No signs or other advertising devices of any kind shall be displayed which are visible from the exterior of a Unit or on the Common Elements, including "For Sale" signs, without written permission from the Association and, during the Development and Sales Period, from the Developer.

**Section 8. Rules and Regulations.** It is intended that the Board of Directors of the Association may make rules and regulations from time to time to reflect the needs and desires of the majority of the Co-owners in the Condominium. Reasonable regulations consistent with the Act, the Master Deed and these 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 Co-owners. Any such regulation or amendment may be revoked at any time by the affirmative vote of more than 50% of the Co-owners in number and value, except that the Co-owners may not revoke any regulation or amendment prior to the First Annual Meeting of the entire Association.

**Section 9. Common Element Maintenance.** Sidewalks, if any, yards, landscaped areas, driveways and roads shall not be obstructed nor shall they be used for purposes other than for which they are reasonably and obviously intended. No bicycles, vehicles, chairs or other obstructions may be left unattended on or about the Common Elements.

**Section 10. Co-owner Maintenance.** Each Co-owner shall maintain his Unit for which he has maintenance responsibility in a safe, clean and sanitary condition. Each Co-owner shall also use due care to avoid damaging any of the Common Elements including, but not limited to, the telephone, water, gas, plumbing, electrical or other utility conduits and systems and any other elements in any Unit which are appurtenant to or which may affect any other Unit. Each Co-owner shall be responsible for damages or costs to the Association resulting from negligent damage to or misuse of any of the Common Elements by him, or his family, guests, agents or invitees, unless such damages or costs are covered by insurance carried by the Association (in which case there shall be no such responsibility, unless reimbursement to the Association is excluded by virtue of a deductible provision (in which case the responsible Co-owner shall bear the expense to the extent of the deductible amount). Any costs or damages to the Association may be assessed to and collected from the responsible Co-owner in the manner provided in Article II hereof.

**Section 11. Reserved Rights of Developer.**

(a) **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 the 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, a business office, a construction office, model units, storage areas and reasonable parking incident to the foregoing and such access to, from and over the Project as may be reasonable to enable development and sale of the entire Project by Developer, and may continue to do so during the entire Development and Sales Period. Developer shall restore the areas so utilized to habitable status upon termination of use.

(b) **Enforcement of Bylaws.** The Developer shall have the right to enforce these Bylaws throughout the Development and Sales Period notwithstanding that it may no longer own a Unit in the Condominium which right of enforcement may include (without limitation) an action to restrain the Association or any Co-owner from any activity prohibited by these Bylaws.

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

## ARTICLE VII

### MORTGAGES

**Section 1. Notice to Association.** Any Co-owner who mortgages his Unit shall notify the Association of the name and address of the mortgagee, and the Association shall maintain such information in a book entitled "Mortgages of Units". The Association may, at the written request of a mortgagee of any such Unit, report any unpaid assessments due from the Co-owner of such Unit. The Association shall give to the holder of any first mortgage covering any Unit in the Project

written notification of any default in the performance of the obligations of the Co-owner of such Unit that is not cured within 60 days.

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

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

## ARTICLE VIII

### VOTING

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

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

**Section 3. Designation of Voting Representative.** Each Co-owner shall file a written notice with the Association designating the individual representative who shall vote at meetings of the Association and receive all notices and other communications from the Association on behalf of such Co-owner. Such notice shall state the name and address of the individual representative designated, the number or numbers of the Condominium Unit or Units owned by the Co-owner, and the name and address of each person, firm, corporation, partnership, association, trust or other entity who is the Co-owner. Such notice shall be signed and dated by the Co-owner. The individual representative

designated may be changed by the Co-owner at any time by filing a new notice in the manner herein provided.

**Section 4. Quorum.** The presence in person or by proxy of 35% of the Co-owners in number and in value qualified to vote shall constitute a quorum for holding a meeting of the members of the Association, except for voting on questions specifically required by the Condominium Documents to require a greater quorum. The written vote of any person furnished at or prior to any duly called meeting at which meeting said person is not otherwise present in person or by proxy shall be counted in determining the presence of a quorum with respect to the question upon which the vote is cast.

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

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

## ARTICLE IX

### MEETINGS

**Section 1. Place of Meeting.** Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Co-owners as may be designated by the Board of Directors. Meetings of the Association shall be conducted in accordance with Sturgis' Code of Parliamentary Procedure, Roberts Rules of Order or some 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 Developer and may be called at any time after more than 50% in number of the Units in the Project (determined with reference to the recorded Consolidating Master Deed) have been sold and the purchasers thereof qualified as members of the Association. In no event, however, shall such meeting be called later than 120 days after the conveyance of legal or equitable title to nondeveloper Co-owners of 75% in number of all Units that may be created or 54 months after the first conveyance of legal or equitable title to a non-developer Co-owner of a Unit in the Project,

whichever first occurs. Developer may call meetings of members for informative or other appropriate purposes prior to the First Annual Meeting of members and no such meeting shall be construed as the First Annual Meeting of members. The date, time and place of such meeting shall be set by the Board of Directors, and at least 10 days' written notice thereof shall be given to each Co-owner. The phrase "Units that may be created" as used in this paragraph and elsewhere in the Condominium Documents refers to the maximum number of Units which the Developer is permitted, under the Condominium Documents as may be amended, to include in the Condominium.

**Section 3. Annual Meetings.** Annual meetings of members of the Association shall be held on the second Tuesday of April each succeeding year after the year in which the First Annual Meeting is held at such time and place as shall be determined by the Board of Directors. At such meetings there shall be elected by ballot of the Co-owners a Board of Directors in accordance with the requirements of Article XI of these Bylaws. The Co-owners may also transact at annual meetings such other business of the Association as may properly come before them.

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

**Section 5. Notice of Meetings.** It shall be the duty of the Secretary (or other Association officer in the Secretary's absence) to serve a notice of each annual or special meeting, stating the purpose thereof as well as of the time and place where it is to be held, upon each Co-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 Co-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 Co-owners cannot be held because a quorum is not in attendance, the Co-owners who are present may adjourn the meeting to a time not less than 48 hours from the time the original meeting was called.

**Section 7. Order of Business.** The order of business at all meetings of the members shall be as follows: (a) roll call to determine the voting power represented at the meeting; (b) proof of notice of meeting or waiver of notice; (c) reading of minutes of preceding meeting; (d) reports of officers; (e) reports of committees; (f) appointment of inspector of elections (at annual meetings or special meetings held for purpose of election of Directors or officers); (g) election of Directors (at annual meeting or special meetings held for such purpose); (h) unfinished business; and (i) new business. Meeting 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 be 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 1 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 total number of Units that may be created, whichever first occurs, the Developer shall cause to be established an Advisory Committee consisting of at least 2 non-developer Co-owners. The Committee shall be established and perpetuated in any manner the Developer deems advisable, except that, if more than 50% in number and in value of the non-developer Co-owners petition the Board of Directors for an election to select the Advisory Committee, then an election for such purpose shall be held. The purpose of the Advisory Committee shall be to facilitate communications between the temporary Board of

Directors and the non-developer Co-owners and to aid the transition of control of the Association from the Developer to purchaser Co-owners. The Advisory Committee shall cease to exist automatically when the non-developer Co-owners have the voting strength to elect a majority of the Board of Directors of the Association. The Developer may remove and replace at its discretion at any time any member of the Advisory Committee who has not been elected thereto by the Co-owners.

## ARTICLE XI

### BOARD OF DIRECTORS

**Section 1. Number and Qualification of Directors.** The Board of Directors shall initially be comprised of 3 members and shall continue to be so comprised until enlarged to 5 members in accordance with the provisions of Section 2 hereof. Thereafter, the affairs of the Association shall be governed by a Board of 5 Directors all of whom must be members of the Association, except for the first Board of Directors, or its successors as selected by the Developer. Directors' compensation, if any, shall be set by the affirmative vote of 60% of all Co-owners. Directors of the Association who serve prior to the Transitional Control Date shall receive no 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 be composed of 3 persons and such first Board of Directors or its successors as selected by the Developer shall manage the affairs of the Association until the appointment of the first non-developer Co-owners to the Board. Immediately prior to the appointment of the first non-developer Co-owners to be Board, the Board shall be increased in size from 3 persons to 5 persons. Thereafter, elections for non-developer Co-owner Directors shall be held as provided in subsections (b) and (c) below.

(b) **Appointment of Non-developer Co-owners to Board Prior to First Annual Meeting.** Not later than 120 days after conveyance of legal or equitable title to non-developer Co-owners of 25% in number of the Units that may be created, 1 of the 5 Directors shall be selected by non-developer Co-owners. Not later than 120 days after conveyance of legal or equitable title to non-developer Co-owners of 50% in number of the Units that may be created, 2 of the 5 Directors shall be elected by non-developer Co-owners. When the required percentage levels of conveyance have been reached, the Developer shall notify the non-developer Co-owners and request that they hold a meeting and elect the required Director or Directors, as the case may be. Upon certification by the Co-owners to the Developer of the Director or Directors so elected, the Developer shall then immediately appoint such Director or Directors to the Board to serve until the First Annual Meeting of members unless he is removed pursuant to Section 7 of this Article or he resigns or becomes incapacitated.

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

(i) Not later than 120 days after conveyance of legal or equitable title to non-developer Co-owners of 75% in number of the Units that may be created, the non-developer Co-owners shall elect all Directors on the Board, except that the Developer shall have the right to designate at least 1 Director as long as the Units that remain to be created and sold equal at least 10% of all Units that may be created in the Project. Whenever the 75% conveyance level is achieved, a meeting of Co-owners shall be promptly convened to effectuate this provision, even if the First Annual Meeting has already occurred.

(ii) Regardless of the percentage of Units which have been conveyed, upon the elapse of 54 months after the first conveyance of legal or equitable title to a non-developer Co-owner of a Unit in the Project, the non-developer Co-owners have the right to elect a number of members of the Board of Directors equal to the percentage of Units they own, and the Developer has the right to elect a number of members of the Board of Directors equal to the percentage of Units which are owned by the Developer and for which all assessments are payable by the Developer. This election may increase, but shall not reduce, the minimum election and designation rights otherwise established in subsection (i). Application of this subsection does not require a change in the size of the Board of Directors.

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

(iv) At the First Annual Meeting 3 Directors shall be elected for a term of 2 years and 2 Directors shall be elected for a term of 1 year. At such meeting all nominees shall stand for election as 1 slate and the 3 persons receiving the highest number of votes shall be elected for a term of 2 years and the 2 persons receiving the next highest number of votes shall be elected for a term of 1 year. At each annual meeting held thereafter, either 2 or 3 Directors shall be elected depending upon the number of Directors whose terms expire. After the First Annual Meeting, the term of office (except for 2 of the Directors elected at the First Annual Meeting) of each Director shall be 2 years. The Directors shall hold office until their successors have been elected and hold their first meeting.

(v) Once the Co-owners have acquired the right hereunder to elect a majority

of the Board of Directors, annual meetings of Co-owners to elect Directors and conduct other business shall be held in accordance with the provisions of Article 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 Co-owners.

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

- (a) To manage and administer the affairs of and to maintain the Condominium Project and the Common Elements thereof.
- (b) To collect assessments from the members of the Association and to use the proceeds thereof for the purposes of the Association.
- (c) To carry insurance and collect and allocate the proceeds thereof.
- (d) To rebuild improvements after casualty.
- (e) To contract for and employ persons, firms, corporations or other agents to assist in the management, operation, maintenance and administration of the Condominium Project.
- (f) To acquire, maintain and improve; and to buy, operate, manage, sell, convey, assign, mortgage or lease any real or personal property (including any Unit in the Condominium and easements, rights-of-way and licenses) on behalf of the Association in furtherance of any of the purposes of the Association.
- (g) To borrow money and issue evidences of indebtedness in furtherance of any or all of the purposes of business of the Association, and to secure the same by mortgage, pledge, or other lien, on property owned by the Association; provided, however, that any such action shall also be approved by affirmative vote of 75% of all of the members of the Association in number and in value.
- (h) To make rules and regulations in accordance with Article VI 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.

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

**Section 7. Removal.** At any regular or special meeting of the Association duly called with due notice of the removal action proposed to be taken, any one or more of the Directors may be removed with or without cause by the affirmative vote of more than 50% in number and in value of all of the Co-owners and a successor may then and there be elected to fill any vacancy thus created. The quorum requirement for the purpose of filling such vacancy shall be the normal 35% requirement set forth in Article VIII, Section 4. Any Director whose removal has been proposed by the Co-owner shall be given an opportunity to be heard at the meeting. The Developer may remove and replace any or all of the Directors selected by it at any time or from time to time in its sole discretion. Likewise, any Director selected by the non-developer Co-owners to serve before the First Annual Meeting may be removed before the First Annual Meeting in the same manner set forth in this paragraph for removal of Directors generally.

**Section 8. First Meeting.** The first meeting of a newly elected Board of Directors shall be held within 10 days of election at such place as shall be fixed by the Directors at the meeting at which such Directors were elected, and no notice shall be necessary to the newly elected Directors in order legally to constitute such meeting, providing a majority of the whole Board shall be present.

**Section 9. Regular Meetings.** Regular meetings of the Board of Directors may be held at such times and places as shall be determined from time to time by a majority of the 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 10. Special Meetings.** Special meetings of the Board of Directors may be called by

the President on 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 11. Waiver of Notice.** Before or at any meeting of the Board of Directors, any Director may, in writing, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a Director at any meetings of the Board shall be deemed a waiver of notice by him of the time and place thereof. If all the Directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

**Section 12. Adjournment.** 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 13. 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 14. Fidelity Bonds.** The Board of Directors shall require that all officers and employees of the Association handling or responsible for Association funds shall furnish adequate fidelity bonds. The premiums on such bonds shall be expenses of administration.

## ARTICLE XII

### OFFICERS

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

(a) **President.** The President shall be the chief executive officer of the Association. He shall preside at all meetings of the Association and of the Board of Directors. He shall have all of the general powers and duties which are usually vested in the office of the President of an association, including, but not limited to, the power to appoint committees from among the members of the Association from time to time as he may in his discretion deem appropriate to assist in the conduct of the affairs of the Association.

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

(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 shall have charge of the corporate seal, if any, and of such books and papers as the Board of Directors may direct; and he shall, in general, perform all duties incident to the office of the Secretary.

(d) **Treasurer.** The Treasurer shall have responsibility for the Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He shall be responsible for the deposit of all 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 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 which shall specify the maintenance and repair expenses of the Common Elements and any other expenses incurred by or on behalf of the Association and the Co-owners. Such accounts and all other Association records shall be open for inspection by the Co-owners and their mortgagees during reasonable working hours. The Association shall prepare and distribute to each Co-owner at least once a year a financial statement, the contents of which shall be defined by the Association. The books of account shall be audited at least annually by qualified independent auditors; provided, however, that such auditors need not be certified public accountants nor does such audit need to be a certified audit. Any institutional holder of a first mortgage lien on any Unit in the Condominium shall be entitled to receive a copy of such annual audited financial statement within 90 days following the end of the Association's fiscal year upon request therefor. The 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 the Federal Deposit Insurance Corporation or the Federal Savings and Loan Insurance Corporation and may also be invested in interest-bearing obligations of the United States Government.

## **ARTICLE XV**

### **INDEMNIFICATION OF OFFICERS AND DIRECTORS**

Every Director and officer of the Association shall be indemnified by the Association against all expenses and liabilities, including counsel fees, reasonably incurred by or imposed upon him in connection with any proceeding to which he may be a party or in which he may become involved by reason of his being or having been a Director or officer of the Association, whether or not he is a Director or officer at the time such expenses are incurred, except in such cases wherein the Director or officer is adjudged guilty of willful or wanton misconduct or gross negligence in the performance of his duties; provided that, in the event of any claim for reimbursement or indemnification hereunder based upon a settlement by the Director or officer seeking such reimbursement or indemnification, the indemnification herein shall apply only if the Board of Directors (with the Director seeking reimbursement abstaining) approves such settlement and reimbursement as being in the best interest of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such Director or officer may be entitled. At least 10 days prior to payment of any indemnification which it has approved, the Board of Directors shall notify all Co-owners thereof. Further, the Board of Directors is authorized to carry officers' and directors' liability insurance covering acts of the officers and directors of the Association in such amounts as it shall deem appropriate.

## ARTICLE XVI

### AMENDMENTS

**Section 1. Proposal.** Amendments to these 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 in number of the Co-owners by instrument in writing signed by them.

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

**Section 3. Voting.** These Bylaws may be amended by the Co-owners at any regular meeting or a special meeting called for such purpose by an affirmative vote of not less than 66-2/3% of all Co-owners in number and in value. 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 mortgagees shall be required with each mortgagee to have one vote for each mortgage held.

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

## ARTICLE XVII

### COMPLIANCE

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

## ARTICLE XVIII

### DEFINITIONS

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

## ARTICLE XIX

### REMEDIES FOR DEFAULT

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

**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 Co-owner or Co-owners.

**Section 2. Recovery of Costs.** In any proceeding arising because of an alleged default by any Co-owner, the Association, if successful, shall be entitled to recover the costs of the proceeding and such reasonable attorneys' fees (not limited to statutory fees) as may be determined by the court, but in no event shall any Co-owner be entitled to recover such 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 and the improvements thereon, where reasonably necessary, and summarily remove and abate, at the expense of the Co-owner in violation, any structure, thing or condition existing or maintained contrary to the provisions of the Condominium Documents. The Association shall have no liability to any Co-owner arising out of 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 Co-owner shall be grounds for assessment by the Association, acting through its duly constituted Board of Directors, of monetary fines for such violations. No fine may be assessed unless in accordance with the provisions of Article XX of these Bylaws.

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

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

## ARTICLE XX

### ASSESSMENT OF FINES

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

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

(a) **Notice.** Notice of violation, including the Condominium Document provision violated, together with a description of the factual nature of the alleged offense set forth with such reasonable specificity as will place the Co-owner on notice as to the violation, shall be sent by first class mail, postage prepaid, or personally delivered to the representative of said Co-owner at the address as shown in the notice required to be filed with the Association pursuant to Article VIII, Section 3 of these Bylaws.

(b) **Opportunity to Defend.** The offending Co-owner shall have an opportunity to appear before the Board and offer the evidence in defense of the alleged violation. The appearance before the Board shall be at its next scheduled meeting, but in no event shall the Co-owner be required to appear less than 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 Co-owner before the Board and presentation of evidence of defense, or, in the event of the Co-owner's default, the Board shall, by majority vote of a quorum of the Board, decide whether a violation has occurred. The Board's decision is final.

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

(a) **First Violation.** No fine shall be levied.

(b) **Second Violation.** Twenty Five Dollar (\$25.00) fine.

(c) **Third Violation.** Fifty Dollar (\$50.00) fine.

(d) **Fourth Violation and Subsequent Violations.** One Hundred Dollar (\$100.00) fine.

**Section 4. Collection.** The fines levied pursuant to Section 3 above shall be assessed against the Co-owner and shall be due and payable together with the regular Condominium assessment on the first of the following month. Failure to pay the fine will subject the Co-owner to all liabilities set forth in the Condominium Document including, without limitations, those described in Article II and Article XIX of the 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 consent to the acceptance of such powers and rights and such assignee or transferee thereupon have the same rights and powers as herein given and reserved to the Developer. Any rights and powers reserved or retained by Developer or its successors shall expire and terminate, if not sooner assigned to the Association, at the conclusion of the Construction and Sales Period as defined in Article III of the Master Deed. The immediately preceding sentence dealing with the expiration and termination of certain rights and powers granted or reserved to the Developer is intended to apply, insofar as the Developer is concerned, only to Developer's rights to approve and control the administration of the Condominium and shall not, under any circumstances, be construed to apply to or cause the termination and expiration of any real property 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.

## ARTICLE XXIII

### LITIGATION

**Section 1. General.** The requirements of this Article XXIII shall govern the Association's commencement and conduct of any civil action except for actions to enforce the Bylaws of the Association or collect delinquent assessments. The requirements of this Article XXIII will ensure that the members of the Association are fully informed regarding the prospects to engage in, as well as the ongoing status of any civil actions actually filed by the Association. These requirements are imposed in order to reduce both the cost of litigation and the risk of improvident litigation, and in order to avoid the waste of the Association's assets in litigation where reasonable and prudent

alternatives to the litigation exist. Each member of the Association shall have standing to sue to enforce the requirements of this Article XXIII. The following procedures and requirements apply to the Association's commencement of any civil action other than in action to enforce the Bylaws of the Association or collect delinquent assessments:

(a) The Association's Board of Directors ("Board") shall be responsible in the first instance for recommending to the members that a civil action be filed, and supervising and directing any civil actions that are filed.

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

(1) A certified resolution of the Board setting forth in detail the concerns of the Board giving rise to the need to file a civil action and further certifying that:

(i) It is in the best interest of the Association to file a lawsuit;

(ii) That at least one Board member has personally made a good faith effort to negotiate a settlement with the putative defendant(s) on behalf of the Association without success;

(iii) Litigation is the only prudent, feasible and reasonable alternative;  
and

(iv) The Board's proposed attorney for the civil action is of the written opinion that litigation is the Association's most reasonable and prudent alternative.

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

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

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

(3) The litigation attorney's written estimate of the amount of the Association's likely recovery in the proposed lawsuit, net of legal fees, court costs, expert witness

fees and all other expenses expected to be incurred in the litigation.

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

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

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

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

(d) The Association shall have a written fee agreement with the litigation attorney, and any other attorney retained to handle the proposed civil action. The Association shall not enter into any fee agreement that is a combination of the retained attorney's hourly rate and a contingent fee agreement unless the existence of the agreement is disclosed to the members in the text of the Association's written notice to the members of the litigation evaluation meeting.

(e) At the litigation evaluation meeting the members shall vote on whether to authorize the Board to proceed with the proposed civil action and whether the matter should be handled by the litigation attorney. The commencement of any civil action by the Association (other than a suit to enforce the Association Bylaws or collect delinquent assessments) shall require the approval of two-thirds majority in number and in value. Any proxies to be voted at the litigation evaluation meeting must be signed at least seven (7) days prior to the litigation evaluation meeting.

(f) All legal fees incurred in pursuit of any civil action that is subject to this Article XXIII shall be paid by special assessment of the members of the Association ("litigation special assessment"). The litigation special assessment shall be approved at the litigation evaluation meeting (or at any subsequent duly called and noticed meeting) by a majority in number and in value

of all members of the Association in the amount of the estimated total cost of the civil action. If the litigation attorney proposed by the Board is not retained, the litigation special assessment shall be in an amount equal to the retained attorney's estimated total cost of the civil action, as estimated by the attorney actually retained by the Association. The litigation special assessment shall be apportioned to the members in accordance with their respective percentage of the value interests in the Condominium and shall be collected from the members on a monthly basis. The total amount of the litigation special assessment shall be collected monthly over a period not to exceed twenty-four (24) months.

(g) During the course of any civil action authorized by the members pursuant to this Article XXIII, the retained attorney shall submit a written report ("attorney's written report") to the Board every thirty (30) days setting forth:

(1) The attorney's fee, the fees of any experts retained by the attorney, and all other costs of the litigation during the thirty (30) days period immediately preceding the date of the attorney's written report ("reporting period").

(2) Actions taken in the civil action during the reporting period, together with copies of all pleadings, court papers and correspondence filed with the court or sent to opposing counsel during the reporting period.

(3) A detailed description of all discussions with opposing counsel during the reporting period, written and oral, including but not limited to, settlement discussions.

(4) The costs incurred in the civil action through the date of the written report, as compared to the attorney's estimated total cost of the civil action.

(5) Whether the originally estimated total cost of the civil action remains accurate.

(h) The Board shall meet monthly during the course of any civil action to discuss and review:

(1) The status of the litigation.

(2) The status of settlement efforts, if any.

(3) The attorney's written report.

(i) If at any time during the course of a civil action, the Board determines that the originally estimated total cost of the civil action or any revisions thereof is inaccurate, the Board shall immediately prepare a revised estimate of the total cost of the civil action. If the revised estimate exceeds the litigation special assessment previously approved by the members, the Board

shall call a special meeting of the members to review the status of the litigation, and to allow the members to vote on whether to continue the civil action and increase the litigation special assessment. The meeting shall have the same quorum and voting requirements as a litigation evaluation meeting.

(j) The attorneys' fees, court costs, expert witness fees and all other expenses of any civil action subject to this Article XXIII ("litigation expenses") shall be fully disclosed to members in the Association's annual budget. The litigation expenses for each civil action subject to this Article XXIII shall be listed as a separate line item captioned "litigation expenses" in the Association's annual budget.

(k) This Article XXIII may be amended, altered or repealed by a vote of not less than 66-2/3% of all members of the Association.



**WAYNE COUNTY CONDOMINIUM SUBDIVISION PLAN No. 670.**

**THE MEADOWS AT NORTHVILLE TOWNSHIP, WAYNE COUNTY, MICHIGAN**  
**LEGAL DESCRIPTION:**

CURRENT REVENGE PREDICTION

EXAMINED AND APPROVED

DATE SEP 09 2009  
BY 565  
DANIEL P. LANE  
PLAT ENGINEER

**RICHARD A. HOFSESS**  
PROFESSIONAL SURVEYOR NO. 47955  
**ZEMET-WYZMIAK & ASSOCIATES**  
28450 FRANKLIN ROAD  
SOUTHFIELD, MICHIGAN 48034

SURVEYOR & PUBLISHER

**MJC NORTHWILLE RIDGE LLC**  
**46500 ROMEA PLANK ROAD, SUITE 1**  
**WACOMB TWP. MI 49064**

#### INDEX OF DRAWINGS.

<b>DWG. NO.</b>	<b>DWG. TITLE</b>
1	COVER SHEET
2	LEGAL DESCRIPTIONS
3	SURVEY PLAN
4	SITE PLAN
5	SITE PLAN
6	SITE PLAN
7	SITE PLAN
8	CAVE DATA & PROJECT COORDINATES
9	UTILITY PLAN
10	UTILITY PLAN
11	UTILITY PLAN
12	UTILITY PLAN
13	COMMUNITY AREA PLAN

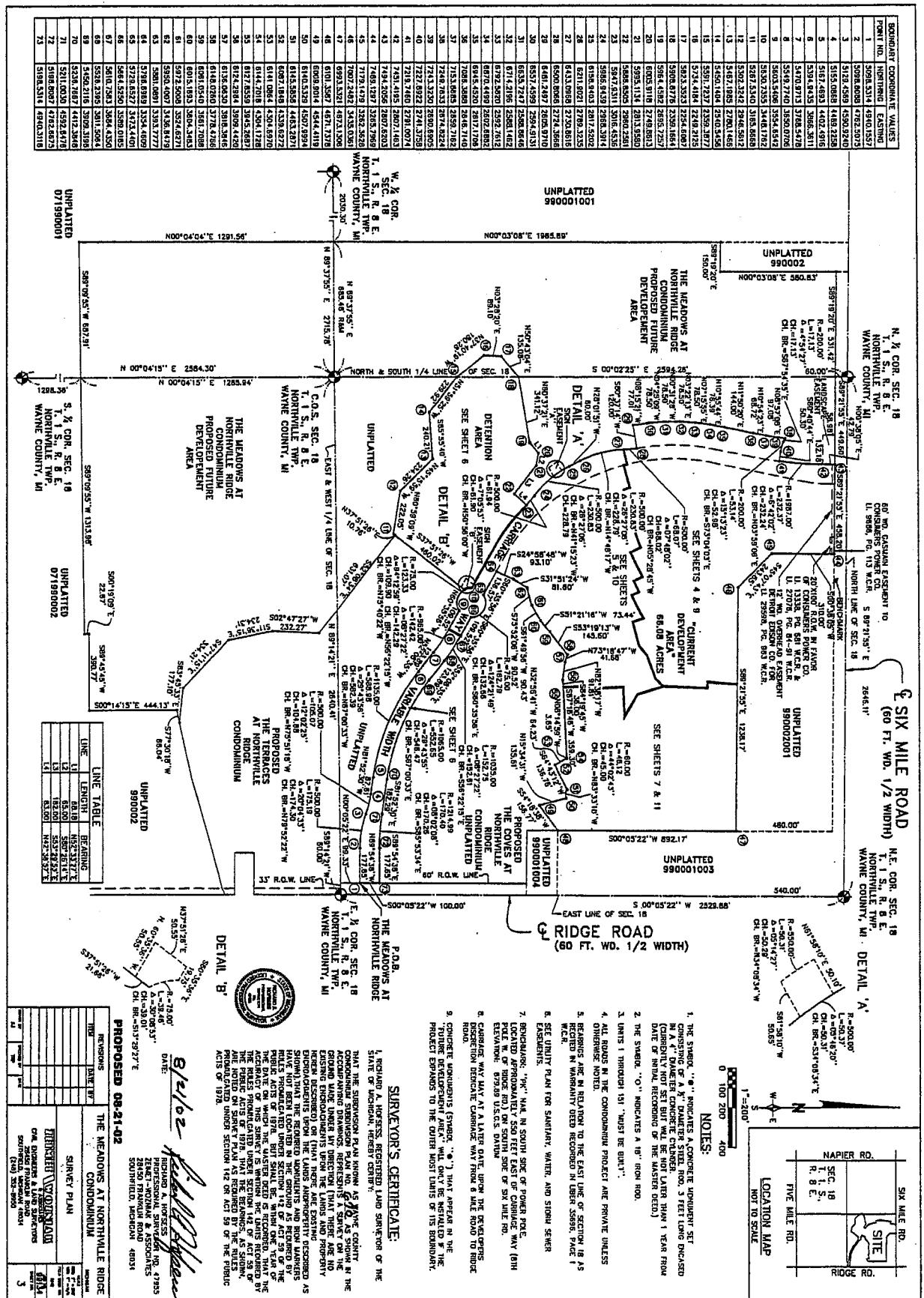
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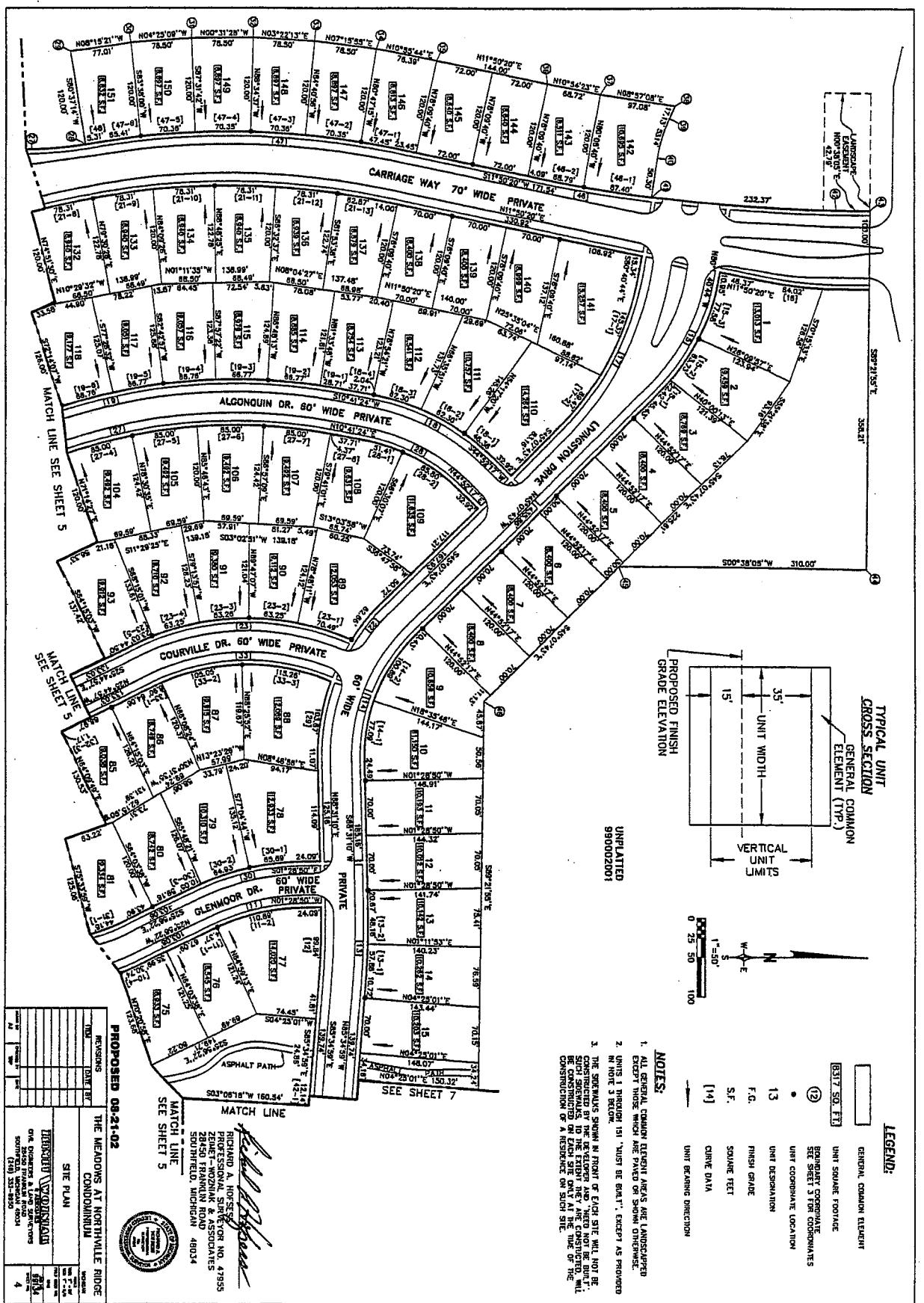
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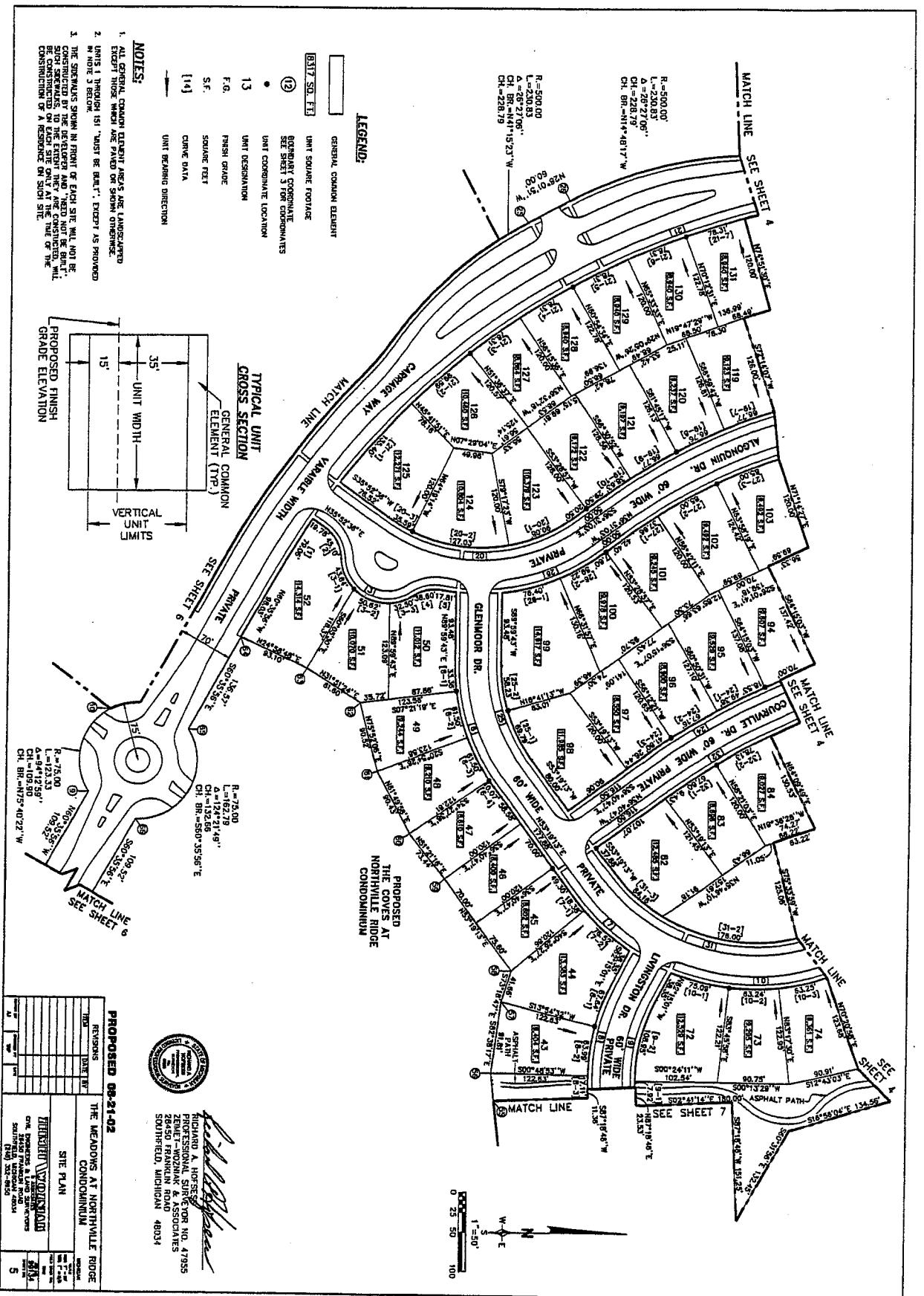
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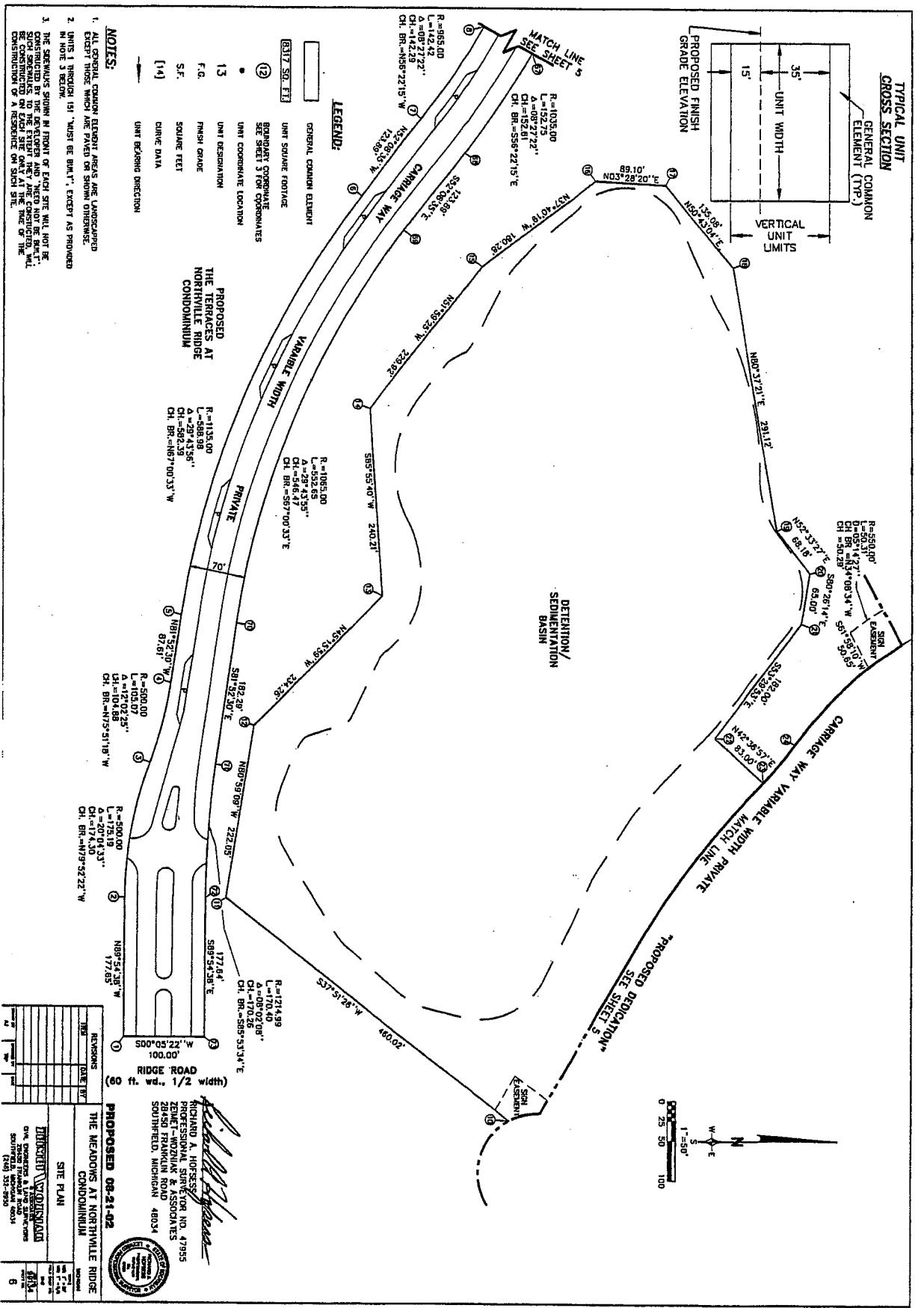
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THE CONDOMINIUM SUBMISSION PLAN NUMBER MUST BE ASSIGNED  
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TO THIS PROJECT, IT MUST BE PROPERLY SHOWN IN THE TITLE ON

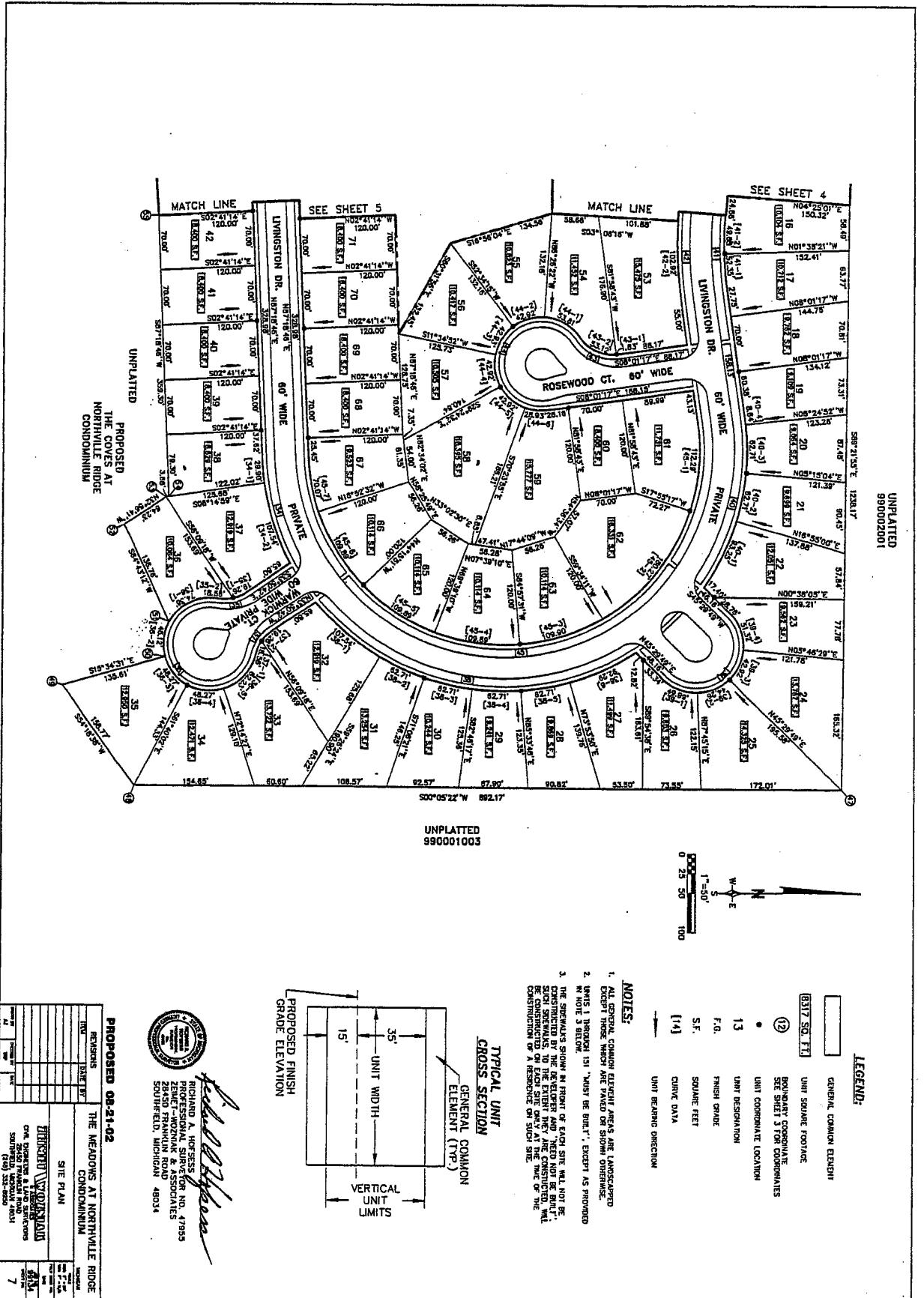




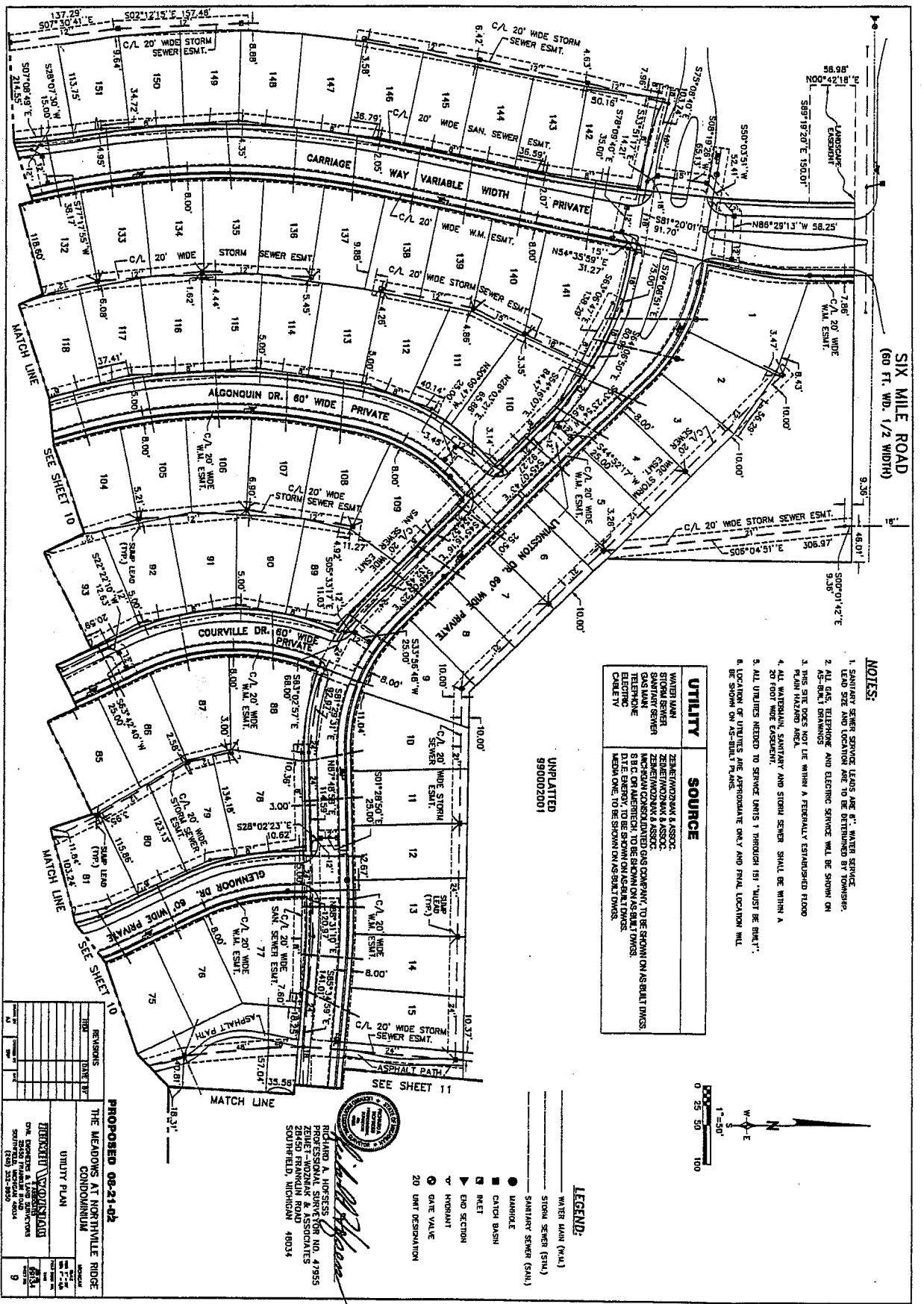


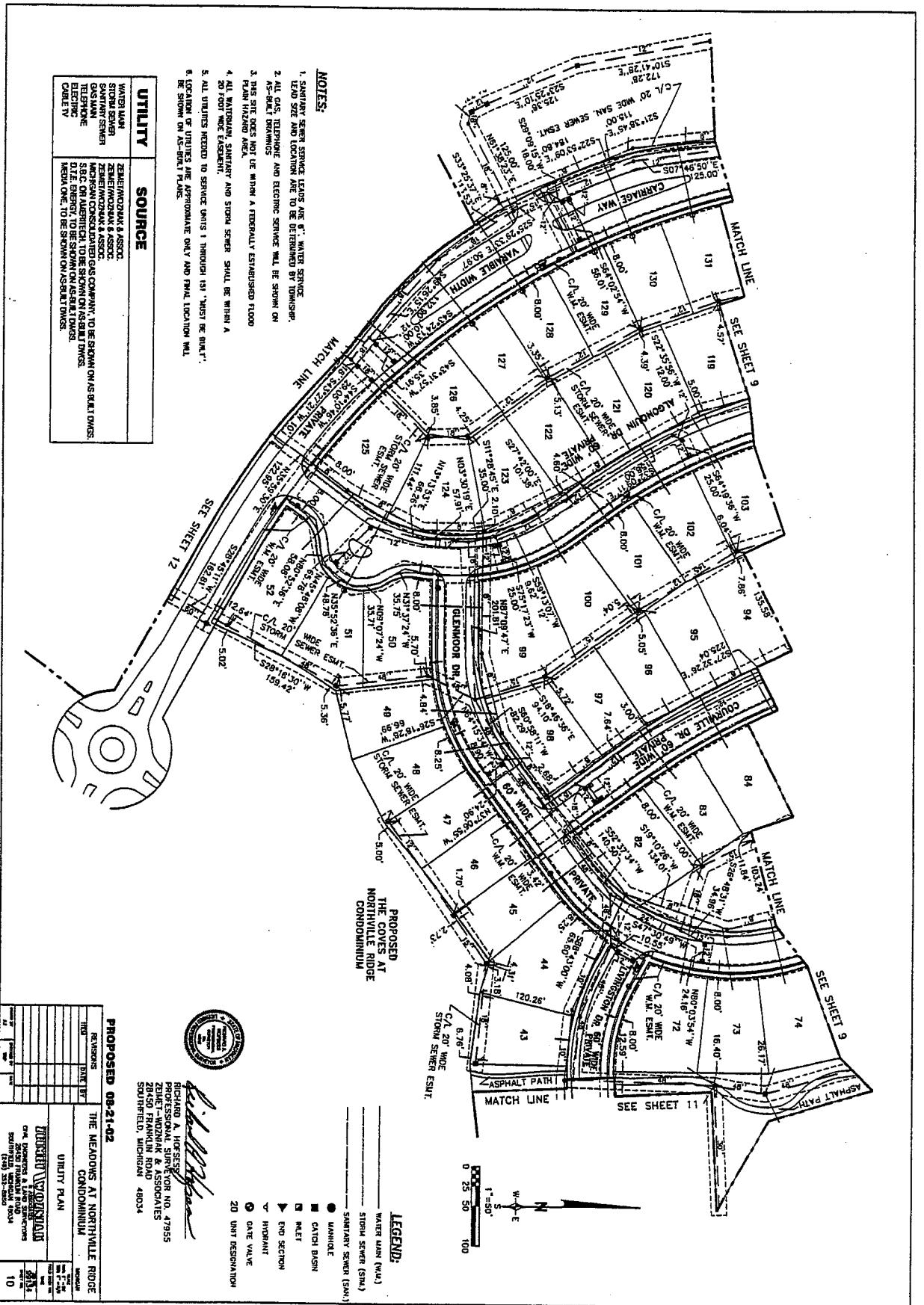


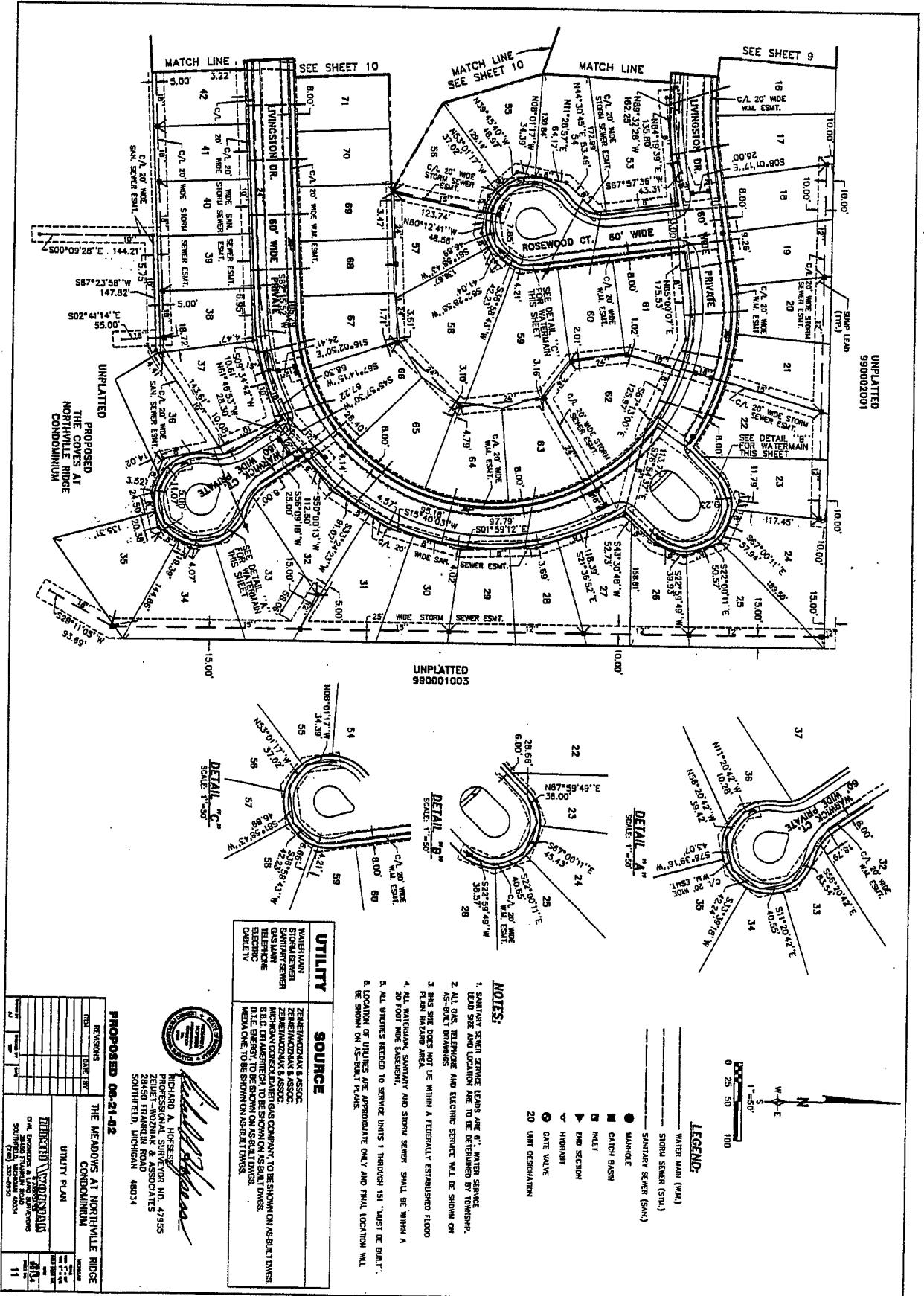


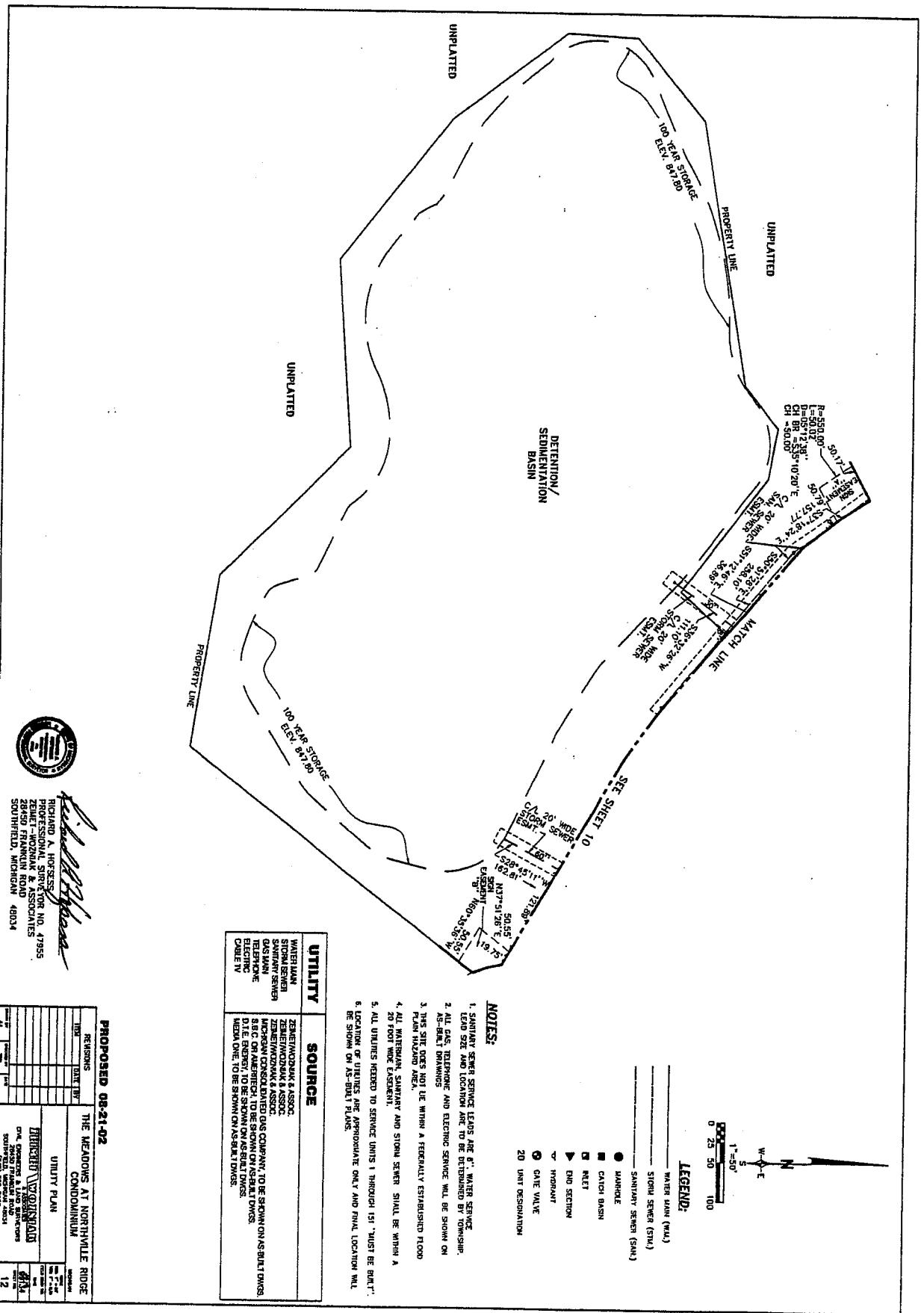


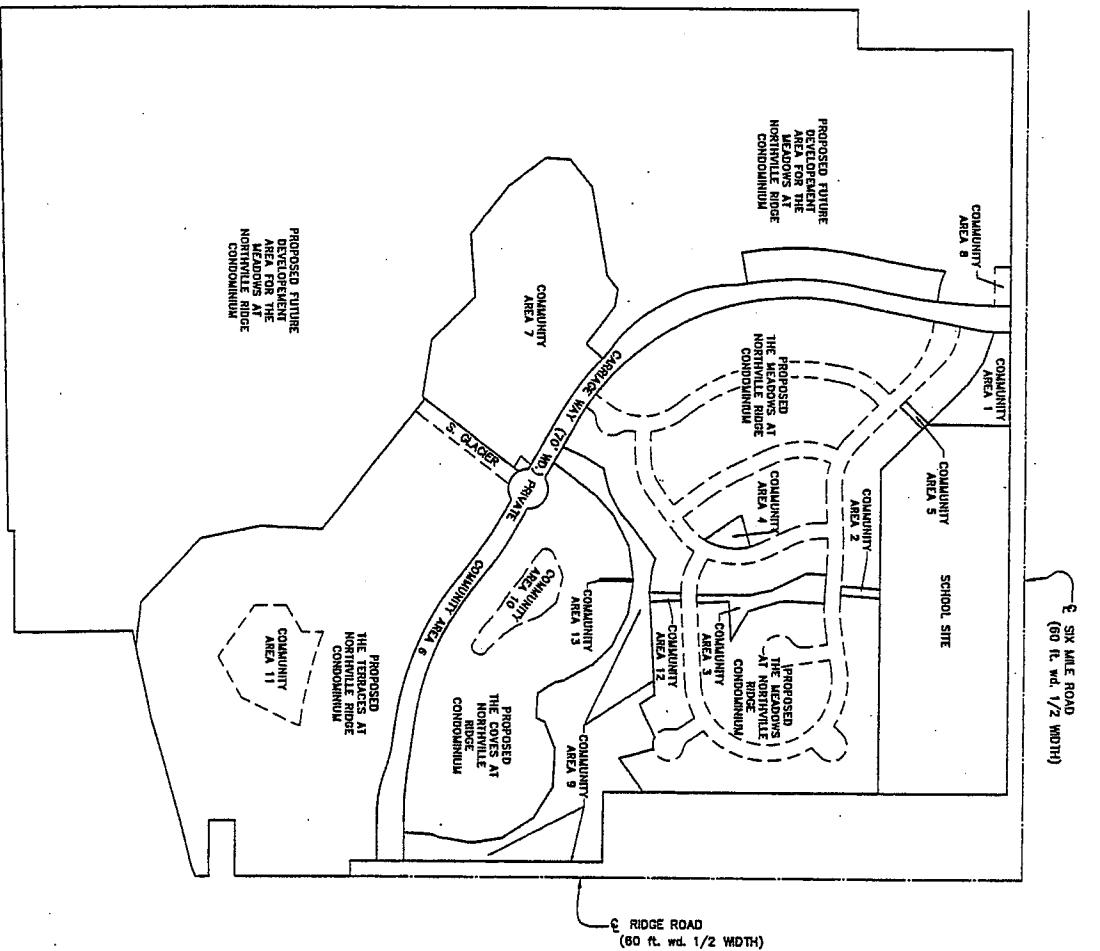
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												UNITS	MEASUREMENT	ESTIMATING	UNIT NO.	E.G.	M.G.	
1	985.00	78.08	0° 41' 30"	78.04	NSE 5° 05' W	27	670.00	527.03	47° 37' 17"	527.55	NW 5° 25' 29' W	1	988.0	988.0	79	884.0		
2	50.00	45.40	30°	45.43	NSE 12° 20' W	28	125.95	121.14	26°	104.57	NSE 5° 55' E	2	728.00	0388	2971.1738	3-2		
3	60.00	126.95	30°	126.85	NSE 5° 55' E	29	43.84	43.84	10°	42.42	NSE 37° 03' E	3	84.94	84.94	885.5	885.5		
4	34.1	43.84	30°	43.84	NSE 37° 03' E	30	18.87	18.87	12°	12.21	NSE 17° 01' E	4	718.00	1555	3073.1818	5		
5	34.1	30.52	30°	30.52	NSE 17° 01' E	31	47.84	47.84	12°	12.21	NSE 17° 01' E	5	709.00	3237	3172.9888	5		
6	34.1	30.52	30°	30.52	NSE 17° 01' E	32	20.00	20.00	12°	12.21	NSE 17° 01' E	6	85.00	0766	884.94	885.5		
7	34.1	30.52	30°	30.52	NSE 17° 01' E	33	38.60	38.60	12°	12.21	NSE 17° 01' E	7	84.94	84.94	885.5	885.5		
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22	34.1	30.52	30°	30.52	NSE 17° 01' E	23	17.33	17.33	12°	12.21	NSE 17° 01' E	23	17.33	17.33	887.8	887.8		
23	34.1	30.52	30°	30.52	NSE 17° 01' E	24	17.33	17.33	12°	12.21	NSE 17° 01' E	24	17.33	17.33	887.8	887.8		
24	34.1	30.52	30°	30.52	NSE 17° 01' E	25	17.33	17.33	12°	12.21	NSE 17° 01' E	25	17.33	17.33	887.8	887.8		
25	34.1	30.52	30°	30.52	NSE 17° 01' E	26	17.33	17.33	12°	12.21	NSE 17° 01' E	26	17.33	17.33	887.8	887.8		
26	34.1	30.52	30°	30.52	NSE 17° 01' E	27	17.33	17.33	12°	12.21	NSE 17° 01' E	27	17.33	17.33	887.8	887.8		
27	34.1	30.52	30°	30.52	NSE 17° 01' E	28	17.33	17.33	12°	12.21	NSE 17° 01' E	28	17.33	17.33	887.8	887.8		
29	34.1	30.52	30°	30.52	NSE 17° 01' E	29	17.33	17.33	12°	12.21	NSE 17° 01' E	29	17.33	17.33	887.8	887.8		
30	34.1	30.52	30°	30.52	NSE 17° 01' E	31	17.33	17.33	12°	12.21	NSE 17° 01' E	31	17.33	17.33	887.8	887.8		
31	34.1	30.52	30°	30.52	NSE 17° 01' E	32	17.33	17.33	12°	12.21	NSE 17° 01' E	32	17.33	17.33	887.8	887.8		
32	34.1	30.52	30°	30.52	NSE 17° 01' E	33	17.33	17.33	12°	12.21	NSE 17° 01' E	33	17.33	17.33	887.8	887.8		
33	34.1	30.52	30°	30.52	NSE 17° 01' E	34	17.33	17.33	12°	12.21	NSE 17° 01' E	34	17.33	17.33	887.8	887.8		
34	34.1	30.52	30°	30.52	NSE 17° 01' E	35	17.33	17.33	12°	12.21	NSE 17° 01' E	35	17.33	17.33	887.8	887.8		
35	34.1	30.52	30°	30.52	NSE 17° 01' E	36	17.33	17.33	12°	12.21	NSE 17° 01' E	36	17.33	17.33	887.8	887.8		
36	34.1	30.52	30°	30.52	NSE 17° 01' E	37	17.33	17.33	12°	12.21	NSE 17° 01' E	37	17.33	17.33	887.8	887.8		
37	34.1	30.52	30°	30.52	NSE 17° 01' E	38	17.33	17.33	12°	12.21	NSE 17° 01' E	38	17.33	17.33	887.8	887.8		
38	34.1	30.52	30°	30.52	NSE 17° 01' E	39	17.33	17.33	12°	12.21	NSE 17° 01' E	39	17.33	17.33	887.8	887.8		
39	34.1	30.52	30°	30.52	NSE 17° 01' E	40	17.33	17.33	12°	12.21	NSE 17° 01' E	40	17.33	17.33	887.8	887.8		
40	34.1	30.52	30°	30.52	NSE 17° 01' E	41	17.33	17.33	12°	12.21	NSE 17° 01' E	41	17.33	17.33	887.8	887.8		
41	34.1	30.52	30°	30.52	NSE 17° 01' E	42	17.33	17.33	12°	12.21	NSE 17° 01' E	42	17.33	17.33	887.8	887.8		
42	34.1	30.52	30°	30.52	NSE 17° 01' E	43	17.33	17.33	12°	12.21	NSE 17° 01' E	43	17.33	17.33	887.8	887.8		
43	34.1	30.52	30°	30.52	NSE 17° 01' E	44	17.33	17.33	12°	12.21	NSE 17° 01' E	44	17.33	17.33	887.8	887.8		
44	34.1	30.52	30°	30.52	NSE 17° 01' E	45	17.33	17.33	12°	12.21	NSE 17° 01' E	45	17.33	17.33	887.8	887.8		
45	34.1	30.52	30°	30.52	NSE 17° 01' E	46	17.33	17.33	12°	12.21	NSE 17° 01' E	46	17.33	17.33	887.8	887.8		
46	34.1	30.52	30°	30.52	NSE 17° 01' E	47	17.33	17.33	12°	12.21	NSE 17° 01' E	47	17.33	17.33	887.8	887.8		
47	34.1	30.52	30°	30.52	NSE 17° 01' E	48	17.33	17.33	12°	12.21	NSE 17° 01' E	48	17.33	17.33	887.8	887.8		
48	34.1	30.52	30°	30.52	NSE 17° 01' E	49	17.33	17.33	12°	12.21	NSE 17° 01' E	49	17.33	17.33	887.8	887.8		
49	34.1	30.52	30°	30.52	NSE 17° 01' E	50	17.33	17.33	12°	12.21	NSE 17° 01' E	50	17.33	17.33	887.8	887.8		
50	34.1	30.52	30°	30.52	NSE 17° 01' E	51	17.33	17.33	12°	12.21	NSE 17° 01' E	51	17.33	17.33	887.8	887.8		
51	34.1	30.52	30°	30.52	NSE 17° 01' E	52	17.33	17.33	12°	12.21	NSE 17° 01' E	52	17.33	17.33	887.8	887.8		
52	34.1	30.52	30°	30.52	NSE 17° 01' E	53	17.33	17.33	12°	12.21	NSE 17° 01' E	53	17.33	17.33	887.8	887.8		
53	34.1	30.52	30°	30.52	NSE 17° 01' E	54	17.33	17.33	12°	12.21	NSE 17° 01' E	54	17.33	17.33	887.8	887.8		
54	34.1	30.52	30°	30.52	NSE 17° 01' E	55	17.33	17.33	12°	12.21	NSE 17° 01' E	55	17.33	17.33	887.8	887.8		
55	34.1	30.52	30°	30.52	NSE 17° 01' E	56	17.33	17.33	12°	12.21	NSE 17° 01' E	56	17.33	17.33	887.8	887.8		
56	34.1	30.52	30°	30.52	NSE 17° 01' E	57	17.33	17.33	12°	12.21	NSE 17° 01' E	57	17.33	17.33	887.8	887.8		
57	34.1	30.52	30°	30.52	NSE 17° 01' E	58	17.33	17.33	12°	12.21	NSE 17° 01' E	58	17.33	17.33	887.8	887.8		
58	34.1	30.52	30°	30.52	NSE 17° 01' E	59	17.33	17.33	12°	12.21	NSE 17° 01' E	59	17.33	17.33	887.8	887.8		
59	34.1	30.52	30°	30.52	NSE 17° 01' E	60	17.33	17.33	12°	12.21	NSE 17° 01' E	60	17.33	17.33	887.8	887.8		
60	34.1	30.52	30°	30.52	NSE 17° 01' E	61	17.33	17.33	12									











## NOTES

1. THE COMMUNITY AREAS SET FORTH HEREIN ARE MORE PARTICULARLY DESCRIBED IN, AND THE BENEFITS AND OBLIGATIONS MORE PARTICULARLY SET FORTH IN, A CERTAIN DECLARATION OF EASEMENTS, COVENANTS, FOR THE NORTHLAKE RIDGE MASTER COMMUNITY, RECORDED IN LEBER 36722, PAGE 3, WATSON COUNTY RECORDS.

*[Handwritten signature]*  
RICHARD A. HOFFSESS  
PROFESSIONAL SURVEYOR NO. 47955  
ZONE 1 - HOZNICK & ASSOCIATES  
28450 FRANKLIN ROAD  
SOUTHFIELD, MICHIGAN 48034

PROPOSED 08-21-02

REASONS		THE MEADOWS AT NORTHVILLE RIDGE			
ITEM	DATE BY	CONDOMINIUM			
COMMUNITY AREA PLAN					
DRAFTED BY: VOTING MEMBER CIV. ENGINEERS & LAND SURVEYORS SOUTHERN INDIANA SURVEYORS (205) 348-8520					
ITEM #	REASON	REASON	REASON		
13					



# Michigan Department of Consumer and Industry Services

## Filing Endorsement

*This is to Certify that the ARTICLES OF INCORPORATION - NONPROFIT*

*for*

**THE MEADOWS AT NORTHLVILLE RIDGE CONDOMINIUM ASSOCIATION**

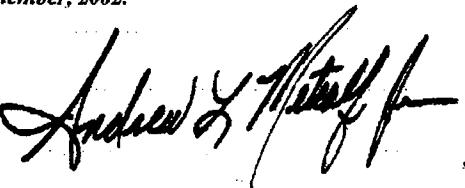
**ID NUMBER: 777820**

*received by facsimile transmission on September 23, 2002 is hereby endorsed*

*Filed on September 23, 2002 by the Administrator.*

*The document is effective on the date filed, unless a subsequent effective date within 90 days after received date is stated in the document.*

*In testimony whereof, I have hereunto set my hand and affixed the Seal of the Department, in the City of Lansing, this 23rd day of September, 2002.*



*Andrew S. Miller*  
, Director

*Bureau of Commercial Services*

Sent by Facsimile Transmission 02266



**NON-PROFIT  
ARTICLES OF INCORPORATION**

**THE MEADOWS AT NORTHLVILLE RIDGE CONDOMINIUM ASSOCIATION**

These Articles of Incorporation are signed and acknowledged by the incorporator for the purpose of forming a non-profit corporation under the provisions of Act No. 162 of the Public Acts of 1982, as follows:

**ARTICLE I**

**NAME**

The name of the corporation is The Meadows at Northville Ridge Condominium Association.

**ARTICLE II**

**PURPOSES**

The purposes for which the corporation is formed are as follows:

- (a) To manage and administer the affairs of and to maintain The Meadows at Northville Ridge Condominium, a condominium (hereinafter called "Condominium");
- (b) To levy and collect assessments against and from the members of the corporation and to use the proceeds thereof for the purposes of the corporation;
- (c) To carry insurance and to collect and allocate the proceeds thereof;
- (d) To rebuild improvements after casualty;
- (e) To contract for and employ persons, firms, or corporations to assist in management, operation, maintenance and administration of said Condominium;
- (f) To make and enforce reasonable regulations concerning the use and enjoyment of said Condominium;
- (g) To own, maintain and improve, and to buy, sell, convey, assign, mortgage, or lease (as landlord or tenant) any real and personal property, including, but not limited to, any Unit in the Condominium or any other real property, whether or not contiguous to the Condominium, for

the purpose of providing benefit to the members of the corporation and in furtherance of any of the purposes of the corporation;

(h) To borrow money and issue evidences of indebtedness in furtherance of any or all of the objects of its business; to secure the same by mortgage, pledge or other lien;

(i) To enforce the provisions of the Master Deed and Bylaws of the Condominium and of these Articles of Incorporation and such Bylaws and Rules and Regulations of this corporation as may hereinafter be adopted;

(j) To do anything required of or permitted to it as administrator of said Condominium by the Condominium Master Deed or Bylaws or by Act No. 59 of Public Acts of 1978, as amended;

(k) In general, to make and perform any contract and to exercise all powers necessary, incidental or convenient to the administration, management, maintenance, repair, replacement and operation of said Condominium and to the accomplishment of any of the purposes thereof.

### **ARTICLE III**

#### **ADDRESSES**

Location of the first registered office is 46600 Romeo Plank, Suite 5, Macomb Township, Macomb County, Michigan 48044.

Post office address of the first registered office is 46600 Romeo Plank, Suite 5, Macomb, Michigan 48044.

### **ARTICLE IV**

#### **RESIDENT AGENT**

The name of the first resident agent is Michael A. Chireo.

### **ARTICLE V**

#### **BASIS OF ORGANIZATION AND ASSETS**

Said corporation is organized upon a non-stock, membership basis.

The amount of assets which said corporation possesses is:

Real Property: None

Personal Property: None

Said corporation is to be financed under the following general plan: Assessment of members.

## **ARTICLE VI**

### **INCORPORATOR**

The name and place of business of the incorporator is Mark J. Abdo, 42550 Garfield Road, Suite 104A; Clinton Township, Michigan 48038.

## **ARTICLE VII**

### **EXISTENCE**

The term of corporate existence is perpetual.

## **ARTICLE VIII**

### **MEMBERSHIP AND VOTING**

The qualifications of members, the manner of their admission to the corporation, the termination of membership, and voting by such members shall be as follows:

(a) Each Co-owner (including the Developer) of a Unit in the Condominium shall be a member of the corporation, and no other person or entity shall be entitled to membership; except that the subscribers hereto shall be members of the corporation until such time as their membership shall terminate, as hereinafter provided.

(b) Membership in the corporation (except with respect to any nonco-owner incorporators, who shall cease to be members upon the qualification of membership of any Co-owner) shall be established by acquisition of fee simple title to a Unit in the Condominium and by recording with the Register of Deeds in the county where the Condominium is located, a deed or other instrument establishing a change of record title to such Unit and the furnishing of evidence of same satisfactory to the corporation (except that the Developer of the Condominium shall become a member immediately upon establishment of the Condominium) the new Co-owner thereby

becoming a member of the corporation, and the membership of the prior Co-owner thereby being terminated.

(c) The share of a member in the funds and assets of the corporation cannot be assigned, pledged, encumbered or transferred in any manner except as an appurtenance to his Unit in the Condominium.

(d) Voting by members shall be in accordance with the provisions of the Bylaws of this corporation.

## ARTICLE IX

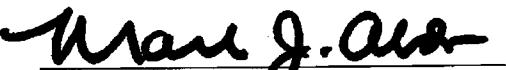
### VOLUNTEER DIRECTORS

Section 1. Pursuant to Section 209(c) of the Michigan Nonprofit Corporation Act (being Act No 162 of the Public Acts of 1982, as amended) a volunteer director (as defined in Section 110(2) of the Michigan Nonprofit Act) of The Meadows at Northville Ridge Condominium Association, is not personally liable to the corporation or its members for monetary damages for a breach of the director's fiduciary duty. However, this section shall not eliminate or limit the liability of a director for any of the following:

- (i) A breach of the director's duty of loyalty to the corporation or its members.
- (ii) Acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law.
- (iii) A violation of Section 551(1) of the Michigan Nonprofit Corporation Act.
- (iv) A transaction from which the director derived an improper personal benefit.
- (v) An act or omission that is grossly negligent.

Section 2. The Meadows at Northville Ridge Condominium Association hereby assumes all liability to any person other than the corporation or its members for all acts or omissions of a volunteer director.

Signed this 20th day of September, 2002.

  
\_\_\_\_\_  
Mark J. Abdo, Incorporator

ATTN: MARK J ABDO (OR PH 810-412-1900)

FROM: csdirfax

DATE: September 23, 2002  
SUBJECT: Total fee collected: \$20.00  
JOB: 0393

ATTACH:

This Fax Originated From a Biscom 'Faxcom'.

MEMO: .....

Please check your filing to determine that all pages and information are correct. If there is any problem, contact us immediately at (517) 241-6420 or fax your concern to (517) 241-6445.

MCL 450.1131, MCL 450.4104(5), and MCL 449.48 provide: A photostatic, micrographic, photographic, optical disc media, or other reproduced copy certified by the administrator, which may be sent by facsimile transmission, shall be considered an original for all purposes and is admissible in evidence in like manner as an original

## **DISCLOSURE STATEMENT**

### **THE MEADOWS AT NORTHLVILLE RIDGE CONDOMINIUM**

Northville Township  
Wayne County, Michigan

#### **DEVELOPER**

MJC Northville Ridge LLC  
46600 Romeo Plank Road, Suite 5  
Macomb, Michigan 48044

Telephone: 586-263-1203

The Meadows at Northville Ridge Condominium is a 155-Unit residential Condominium Project that may be expanded to a total of 400 Units within a period ending no later than 6 years from the date of recording of the Master Deed.

THIS DISCLOSURE STATEMENT IS NOT A SUBSTITUTE FOR THE MASTER DEED, THE CONDOMINIUM BUYER'S HANDBOOK OR OTHER APPLICABLE LEGAL DOCUMENTS AND BUYERS SHOULD READ ALL SUCH DOCUMENTS TO FULLY ACQUAINT THEMSELVES WITH THE PROJECT AND THEIR RIGHTS AND RESPONSIBILITIES RELATING THERETO.

IT IS RECOMMENDED THAT PROFESSIONAL ASSISTANCE BE SOUGHT PRIOR TO PURCHASING A CONDOMINIUM UNIT.

**THE MEADOWS AT NORTHLVILLE RIDGE**  
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## **DISCLOSURE STATEMENT THE MEADOWS AT NORTHLAKE RIDGE CONDOMINIUM**

### **I. Introduction**

Condominium development in Michigan is governed by Act 59 of the Michigan Public Acts of 1978, as amended (the "Condominium Act").

This Disclosure Statement, together with copies of the legal documents required for the creation and operation of the project, are furnished to each purchaser pursuant to the requirement of Michigan law that the Developer of a condominium project disclose to prospective purchasers the characteristics of the condominium units which are offered for sale.

### **II. The Condominium Concept**

Condominium is a form of real property. A condominium unit has the same legal attributes as any other form of real property under Michigan law and may be sold, mortgaged or leased, subject only to such restrictions as are contained in the condominium documents or as otherwise may be applicable to property.

Each owner receives a deed to his individual condominium unit. Each owner owns, in addition to his unit, an undivided interest in the common facilities ("common elements") which comprise the project. Title to the common elements is included as part of, and is inseparable from, title to the individual condominium units. Each owner's proportionate share of the common elements is determined by the percentage of value assigned to his unit in the Master Deed described in Section IV of this Disclosure Statement.

All portions of the project not included within the units constitute the common elements.

The project is administered generally by a non-profit corporation of which all owners are members (the "Association"). The nature and duties of the Association are described more fully in Section VI of this Disclosure Statement.

Except for the year in which the project is established, real property taxes and assessments are levied individually against each unit in the project. The separate taxes and assessments cover the unit and its proportionate share of the common elements. No taxes or assessments are levied independently against the common elements. In the year in which the project is established the taxes and assessments for the units covered by the Master Deed are billed to the Association and are paid by the owners of such units in proportion to the percentages of value assigned to the units owned by them.

Although the foregoing is generally accurate as applied to most residential condominium developments, the details of each development may vary substantially. Accordingly, each purchaser

is urged to carefully review the Master Deed, Condominium Bylaws and Condominium Subdivision Plans as well as any other documents that have been delivered to the purchaser in connection with this development. Any purchaser having questions pertaining to the legal aspects of the project is advised to consult his own lawyer or other professional advisor.

Each condominium unit in The Meadows at Northville Ridge Condominium is a site condominium unit described on the Condominium Subdivision Plan (Exhibit B to the Master Deed) and each owner holds an absolute and undivided title to his unit and to the dwelling and other improvements located thereon. All buildings and other improvements located within the condominium unit will be maintained by and at the expense of each individual owner. Each owner in The Meadows at Northville Ridge Condominium will be responsible for placement of fire and extended coverage insurance on his Unit and the dwelling and other improvements located thereon, as well as personal property, liability and other personal insurance coverage. The Association will maintain only liability insurance coverage for occurrences on the general common elements and otherwise as is specified in the condominium documents.

### **III. Description of the Condominium Project**

**A. Size and Scope.** The Meadows at Northville Ridge Condominium is a 155-Unit residential Condominium Project that may be expanded to a total of 400 Units within a period ending no later than 6 years from the date of recording of the Master Deed. No Co-owner may construct any building, structure or other improvement or install any landscaping within the Condominium Unit or elsewhere within the Condominium Project, without the express written approval of the Developer. Each purchaser is urged to carefully and completely review Article VI, Section 3, (Architectural Control) of the Condominium Bylaws with his professional advisor in connection with his decision to purchase a unit in The Meadows at Northville Ridge Condominium.

**B. Utilities.** The Meadows at Northville Ridge Condominium is served by water, sanitary sewer, natural gas, electric and telephone service. The costs of installing lateral connections from residential dwellings or other improvements to utility mains are required to be borne by the owners of the units within which such residential dwellings are respectively located.

**C. Roads.** Carriage Way is a private road which services the entire Northville Ridge Master Community described in Paragraph III E below. The internal roads in The Meadows at Northville Ridge Condominium are private will be maintained by the Association. Replacement, repair and resurfacing of all private roads (and any other hard surfaced general common elements) within the project will be necessary from time to time as circumstances dictate. It is impossible to estimate with any degree of accuracy future repair or replacement costs. It shall be the responsibility of the Association to inspect and perform preventive maintenance on a regular basis in order to maximize the life of project private lanes to minimize repair and replacement costs.

## **D. Reserved Rights of Developer.**

**(1) Expansion of Project.** The Developer has reserved the right to expand the project to no more than 400 units within a period ending no later than 6 years from the date of recording of the Master Deed. In connection with such expansion, the Developer has reserved the right to define and redefine general or limited common elements as may be necessary to adequately describe and service the expansion land and to change the nature of any common element previously included in the condominium project to achieve the purposes of such expansion, including, but not limited to, the connection of existing roadways and sidewalks to any roadways and sidewalks planned for the expansion land, and to provide access to any condominium units over such roadways and sidewalks.

**(2) Conduct of Commercial Activities.** The Developer has reserved the right to maintain on the condominium premises an office for conduct of commercial activities as it may elect together with a sales office, a business office, model units, storage areas, reasonable parking incident to the use of such areas, and such access to, from and over the condominium premises, as may be reasonable to enable development, sale and operation.

**(3) Right to Amend.** The Developer has reserved the right to amend the Master Deed without approval from owners and mortgagees for the purpose of correcting errors and for any other purpose so long as the amendment would not materially alter or change the rights of an owner or mortgagee. Further, certain provisions of the Master Deed cannot be amended without Developer approval.

**(4) Easements.** The Developer has reserved such easements over the condominium project (including all units and common elements) as may be required to perform any of the Developer's or the Association's maintenance, repair, decoration or replacement obligations.

**(5) Easements for Use of Utilities.** The Developer has reserved easements to utilize, tap, tie into, extend and enlarge all utility mains in the project in connection with the expansion of the project or the development of separate projects on the expansion land.

**(6) Convertible Areas.** The Developer has reserved in Article VII of the Master Deed the right to modify the size or location of individual units and/or general common elements appurtenant to such units within the convertible areas designated therein. The Developer must exercise this right within 6 years from the date of recording of the Master Deed.

**(7) General.** In the condominium documents and in the Condominium Act, certain rights and powers are granted or reserved to the Developer to facilitate the development and sale of the project as a condominium, including the power to approve or disapprove a variety of proposed acts and uses and the power to secure representation on the Association Board of Directors.

## **E. Northville Ridge Master Community and Single Family Community.**

**(1) Northville Ridge Master Community.** The Meadows at Northville Ridge Condominium is part of the Northville Ridge Master Community. When complete, the entire community may consist of a number of separate condominium projects, or other forms of approved development, all in addition to The Meadows at Northville Ridge Condominium. In order to provide a framework for the coordinated development of the entire Northville Ridge Master Community, and for the joint use, maintenance and support of designated portions thereof, the Declaration of Covenants, Conditions, Easements and Restrictions for the Northville Ridge Master Community (the "Master Declaration") were recorded in Liber 36723, Page 3, Wayne County Records. The Master Declaration is shall be binding upon all Co-owners and the Association to the extent applicable to the Condominium Project. The Master Declaration confers certain benefits and imposes certain obligations upon the Co-owners and the Project, including, without limitation, the non-exclusive right to use and the obligation to share in the cost of maintenance and support of the Community Areas designated as such from time to time in accordance with the Master Declaration. Community Areas mean all the real property now or hereafter dedicated and declared for the common use and enjoyment of all of the owners of property in the Northville Ridge Master Community, including, without limitation certain entrance improvements, landscaping, roads, walking paths, sidewalks, private storm sewers and storm water detention areas, and common open space areas, as described in the Master Declaration. All assessments levied against the Co-owners and their Units pursuant to the Master Declaration shall be equal and shall not be apportioned among the Co-owners in accordance with the percentages of value assigned to the Units owned by them. Because it is not possible to condense and paraphrase all of the Master Declaration and related provisions referred to in this Disclosure Statement, each purchaser should carefully and completely review the Master Declaration with a lawyer or other advisor in connection with his decision to purchase a unit in The Meadows at Northville Ridge Condominium.

**(2) Single-Family Community.** The Meadows at Northville Ridge Condominium will also is part of a The Northville Ridge Single-Family Community. In order to provide a framework for the joint use of certain recreational amenities (including without limitation a pool and clubhouse), maintenance and support of designated portions thereof, a Declaration of Covenants, Conditions, Easements and Restrictions for the Single-Family Community (the "Single-Family Declaration") will be recorded. The Single-Family Declaration when recorded will be binding upon all Co-owners and the Association to the extent applicable to the Condominium Project. The Declaration will confers certain benefits and imposes certain obligations upon the Co-owners and the Project, including, without limitation, the non-exclusive right to use and the obligation to share in the cost of maintenance and support of the Community Areas designated as such from time to time in accordance with the Single-Family Declaration. All assessments levied against the Co-owners and their Units pursuant to the Single-Family Declaration shall be equal and shall not be apportioned among the Co-owners in accordance with the percentages of value assigned to the Units owned by them.

#### IV. Legal Documentation

**A. General.** The Meadows at Northville Ridge Condominium was established as a condominium project pursuant to a Master Deed recorded in the Wayne County Records. The Master Deed includes the Condominium Bylaws as Exhibit A and the Condominium Subdivision Plan as Exhibit B.

**B. Master Deed.** The Master Deed contains the definitions of certain terms used in connection with the project, the percentage of value assigned to each unit in the project, a general description of the units and common elements included in the project and a statement regarding the relative responsibilities for maintaining the common elements. Article VI covers expansion, Article VII covers convertible area, Article VIII covers easements, Article IX covers the The Meadows at Northville Ridge Condominium Community, Article X covers subdivision of Units, consolidation of Units and relocation of boundaries between Units, Article XI covers amendments and Article XII provides that the Developer may assign to the Association or to any other entity any or all of its rights and powers granted or reserved in the condominium documents or by law.

**C. Condominium Bylaws.** The Condominium Bylaws contain provisions relating to the operation, management and fiscal affairs of the condominium and, in particular, set forth the provisions relating to assessments of Association members for the purpose of paying the costs of operation of the condominium project. Article VI contains certain restrictions upon the ownership, occupancy and use of the condominium project. Article VI also contains provisions permitting the adoption of rules and regulations governing the common elements. At the present time, no rules and regulations have been adopted by the Board of Directors of the Association.

**D. Condominium Subdivision Plan.** The Condominium Subdivision Plan is a three-dimensional survey depicting the physical location and boundaries of each of the units and all of the common elements in the project.

#### V. The Developer

**A. The Developer.** The Developer of The Meadows at Northville Ridge Condominium is MJC Northville Ridge Condominium LLC, a Michigan limited liability company, which has extensive experience as a condominium developer.

**B. Legal Proceedings Involving the Condominium Project or the Developer.** The Developer is not presently aware of any material pending judicial or administrative proceedings involving the condominium project or the Developer.

## **VI. Operation and Management of the Condominium Project**

**A. The Condominium Association.** The The Meadows at Northville Ridge Condominium of Bruce Association has been incorporated as a non-profit corporation under Michigan law. The Bylaws include provisions that govern the procedural operations of the Association. The Association is governed by its Board of Directors whose initial members are designees of the Developer.

Within 120 days after conveyance of legal or equitable title to non-developer co-owners of 25% in number of the units that may be created, 1 of the 3 directors will be selected by non-developer co-owners of units; within 120 days after conveyance of legal or equitable title to non-developer co-owners of 50% in number of the units that may be created, not less than 2 of the 3 directors will be selected by non-developer co-owners of units; and 120 days after conveyance of legal or equitable title to non-developer co-owners of 75% in number of the units that may be created, the non-developer co-owners shall elect all directors, except that the Developer shall have the right to designate at least 1 director as long as it owns at least 1 unit in the project. Regardless of the number of units conveyed, 54 months after the first conveyance, non-developer co-owners may elect directors in proportion to the number of units which they own.

Within 120 days after 1/3 of the total number of units that may be created have been conveyed or 1 year from the date of the first conveyance, whichever first occurs, the Developer shall establish an advisory committee to serve as liaison between the non-developer co-owners and the Developer.

The First Annual Meeting must be held on or before the expiration of 120 days after the conveyance of legal or equitable title to non-developer co-owners of 75% in number of all units that may be created or within 54 months after conveyance of the first unit, whichever first occurs. At the First Annual Meeting, the co-owner members of the Association will elect directors, and the directors in turn shall elect officers for the Association. The Developer's voting rights are set forth in Article VIII, Section 2 of the Bylaws.

**B. Percentages of Value.** The percentages of value for The Meadows at Northville Ridge Condominium were computed on the basis of comparative characteristics of various units. The percentage of value for each unit is equal. Total value for the entire project is precisely 100. In The Meadows at Northville Ridge Condominium, the percentage of value assigned to each unit determines, among other things, the value of each co-owner's vote and his proportionate share of regular and special Association assessments, if any, and of the proceeds of administration of the project.

### **C. Project Finances.**

(1) **Budget.** The Budget to operate the Association is attached to this Disclosure Statement. The initial budget for the project was formulated by the Developer and is intended to provide for the normal and reasonably predictable expenses of administration of the Association, and

includes a reserve for replacement of major structural and other components of the project in the future. Inasmuch as the budget necessarily must be prepared in advance, it reflects the estimates of expenses made by the Developer. To the extent that estimates prove inaccurate during actual operations and to the extent that the goods and services necessary to service the Association change in cost in the future, the budget and the expenses of the Association also will require revision. The current budget of the Association has been attached to this Disclosure Statement.

**(2) Assessments.** Each co-owner of a unit, must contribute to the Association to defray expenses of administration. The Board of Directors may also levy special assessments in accordance with the provisions of the Declaration.

**(3) Possible Additional Liability.** Each purchaser is advised of the following possible liability of each co-owner under Section 58 of the Condominium Act:

If the holder of the first mortgage or other purchaser of a condominium unit obtains title to that unit by foreclosing that mortgage, the holder of the first mortgage or other purchaser is not liable for unpaid assessments which are chargeable against that unit and which had become due prior to foreclosure. These unpaid assessments are common expenses which are collectible from all unit owners including the holder of the first mortgage who has obtained title to the unit through foreclosure.

**(4) Foreclosure of Lien.** The Meadows at Northville Ridge Condominium Association has a lien on each unit to secure payment of the respective Association assessments. The Declaration and the Bylaws provide that the Associations may foreclose its lien in the same fashion that mortgages may be foreclosed by action or by advertisement under Michigan law. By closing on the purchase of a Unit, each purchaser will be deemed to have waived notice of any proceedings brought by the Associations to foreclose its lien by advertisement and notice of a hearing prior to the sale of his unit.

**D. Condominium Association Management Contract.** The Condominium Bylaws do not require that the Association employ a professional management agent to manage the affairs of the condominium. The Association has entered into a management agreement with Kramer-Triad Management Group, L.L.C., whose address is 990 South Blvd., Troy, Michigan 48098. The management fee is shown in the budget attached hereto. Kramer-Triad Management Group has extensive experience as management agent. The Association may terminate the agreement on the transitional control date or at any time within 90 days thereafter. The "transitional control date" means the date on which a Board of Directors for 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.

**E. Insurance.** The condominium documents require that the Association (to the extent such insurance responsibilities are not covered by the Association) carry liability insurance, if applicable, and any other insurance the Association may deem applicable, desirable or necessary with respect

to the general common elements of the project. The insurance policies have deductible clauses and, to the extent thereof, losses will be borne by the Association. The Board of Directors is responsible for obtaining insurance coverage for the Association. Each co-owner's pro rata share of the annual Association insurance premiums is included in the annual assessment. The Association insurance policies are available for inspection during normal working hours. Each co-owner is responsible for obtaining fire and extended coverage and vandalism and malicious mischief insurance with respect the condominium unit and all buildings and all other improvements constructed or to be constructed within the perimeter of his condominium unit and for his personal property located therein or thereon or elsewhere on the condominium project to the extent indicated in Article IV of the Condominium Bylaws, as well as for any other personal insurance coverage that the co-owner wishes to carry. The Association should periodically review all insurance coverage to be assured of its continued adequacy and co-owners should each do the same with respect to their personal insurance.

**F. Restrictions on Ownership, Occupancy and Use.** Article VI of the Condominium Bylaws contains comprehensive restrictions on the use of the condominium units and the common elements. It is impossible to paraphrase these restrictions without risking the omission of some portion that may be of significance to a purchaser. Consequently, each purchaser should examine the restrictions with care to be sure that they do not infringe upon an important intended use. None of the restrictions apply to the commercial activities or signs of the Developer.

## **VII. Warranties**

The only warranties made by the Developer are specific written warranties between the Developer and purchasers who contract with the Developer for the construction of a dwelling in The Meadows at Northville Ridge. The Developer assumes no responsibility whatsoever for contracts and warranties executed by any other builder and purchaser in The Meadows at Northville Ridge Condominium. The Developer makes no warranties as to the units or common elements of which the condominium project is comprised.

## **VIII. Purpose of Disclosure Statement**

The Developer has prepared this Disclosure Statement in good faith, in reliance upon sources of information believed to be accurate and in an effort to disclose material facts about the project. Each purchaser is urged to engage a competent lawyer or other advisor in connection with his or her decision to purchase a unit. In accepting title to the unit in the condominium project, each purchaser shall be deemed to have waived any claim or right arising out of or relating to any immaterial defect, omission or misstatement in this Disclosure Statement.

The Michigan Department of Commerce publishes The Condominium Buyer's Handbook which the Developer has delivered to you. The Developer assumes no obligation, liability, or responsibility as to the statements contained therein or omitted from The Condominium Buyer's Handbook.