



THE **Traditions** CONDOMINIUM

PURCHASER INFORMATION BOOKLET

Presented and Developed By:
Apartments at Cambridge Company, L.L.C.
21790 Coolidge Highway
Oak Park, Michigan 48237

PURCHASER INFORMATION BOOKLET



THE TRADITIONS

A One Hundred Twenty-Four Unit Residential Development

Presented and Developed By:
Apartments at Cambridge Company, L.L.C.
21790 Coolidge Highway
Oak Park, Michigan 48237



THE TRADITIONS

Dear Purchaser:

Welcome to the Traditions at Cambridge Condominium. This booklet includes the documents required by Michigan law for the formation of a condominium. It will serve as a reference point for any questions you may have concerning the operation, maintenance and legal status of the condominium, and your condominium unit. It contains an Information Statement regarding Section 84a of the Michigan Condominium Act, the Disclosure Statement, copies of the Master Deed, Condominium Bylaws (which are also the Association Bylaws), Condominium Subdivision Plan, Articles of Incorporation of the Association, Escrow Agreement, and The Condominium Buyers' Handbook.

Sincerely,

Apartments at Cambridge Company, L.L.C.

PURCHASER INFORMATION BOOKLET
FOR
THE TRADITIONS AT CAMBRIDGE CONDOMINIUM

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* NOTE: The documents listed are separated by colored sheets.

THE TRADITIONS AT CAMBRIDGE CONDOMINIUM

INFORMATION STATEMENT

Notice to Purchasers: This Information Statement paraphrases certain provisions of section 84a of the Michigan Condominium Act (the "Act"), and is submitted to Purchaser(s) to comply with the requirements of the Act. By signing a counterpart of this Information Statement in the place set forth below, Purchaser(s) acknowledge that they have reviewed this Information Statement and have received from Developer copies of the Disclosure Statement, the recorded Master Deed, including the Condominium Bylaws and Condominium Subdivision Plan, the Articles of Incorporation of the Association, the Escrow Agreement, the Condominium Buyers' Handbook, and the proposed Purchase Agreement.

Section 84a of the Act provides in part:

- (1) The developer shall provide copies of all of the following documents to a prospective purchaser of a condominium unit, other than a business condominium unit:
 - (a) The recorded master deed.
 - (b) A copy of a purchase agreement that conforms with section 84 (of the Act), and that is in a form in which the purchaser may sign the agreement, together with a copy of the escrow agreement.
 - (c) A condominium buyer's handbook. The handbook shall contain, in a prominent location and in boldface type, the name, telephone number, and address of the person designated by the administrator to respond to complaints. The handbook shall contain a listing of the available remedies as provided in section 145 (of the Act).
 - (d) A disclosure statement relating to the project containing all of the following:
 - (i) An explanation of the association of co-owners' possible liability pursuant to section 58 (of the Act).
 - (ii) The names, addresses, and previous experience with condominium projects of each developer and any management agency, real estate broker, and residential builder, and residential maintenance and alteration contractor.
 - (iii) A projected budget for the first year of operation of association of co-owners.
 - (iv) An explanation of the escrow arrangement.
 - (v) Any express warranties undertaken by the developer, together with a statement that express warranties are not provided unless specifically stated.
 - (vi) If the condominium project is an expandable condominium project, an explanation of the contents of the master deed relating to the election to expand the project prescribed in section 32 (of the Act), and an explanation of the material consequences of expanding the project.
 - (vii) If the condominium project is a contractible condominium project, an explanation of the contents of the master deed relating to the election to contract the project prescribed in section 33 (of the Act), an explanation of the material consequences of contracting the project, and a

statement that any structures or improvements proposed to be located in a contractible area need not be built.

(viii) If section 66(2)(j) (of the Act) is applicable, an identification of all structures and improvements labeled pursuant to section 66 (of the Act) "need not be built".

(ix) If section 66(2)(j) (of the Act) is applicable, the extent to which financial arrangements have been provided for Completion of all structures and improvements labeled pursuant to section 66 (of the Act) "must be built".

(x) Other material information about the condominium project and the developer that the administrator requires by rule.

(e) If a project is a conversion condominium, the developer shall disclose the following additional information:

(i) A statement, if known, of the condition of the main components of the building, including the roofs; foundations, external and supporting walls; heating, cooling, mechanical ventilating, electrical, and plumbing systems; and structural components. If the condition of any of the components of the building listed in this subparagraph is unknown, the developer shall fully disclose that fact.

(ii) A list of any outstanding building code or other municipal regulation violations and the dates the premises were last inspected for compliance with building and housing codes.

(iii) The year or years of completion of construction of the building or buildings in the project.

(2) A purchase agreement may be amended by agreement of the purchaser and developer before or after the agreement is signed. An amendment to the purchase agreement does not afford the purchaser any right or time to withdraw in addition to that provided in section 84(2) (of the Act). An amendment to the condominium documents effected in the manner provided in the documents or provided by law does not afford the purchaser any right or time to withdraw in addition to that provided in section 84(2) (of the Act).

(3) At the time the purchaser receives the documents required in subsection (1) the developer shall provide a separate form that explains the provisions of this section. The signature of the purchaser upon this form is *prima facia* evidence that the documents required in subsection (1) were received and understood by the purchaser.

... [Subparagraph 4 intentionally omitted.]

(5) With regard to any documents required under this section, a developer shall not make an untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in the light of the circumstances under which they were made, not misleading.

(6) The developer promptly shall amend a document required under this section to reflect any material change or to correct any omission in the document.

(7) In addition to other liabilities and penalties, a developer who violates this section is subject to section 115 (of the Act, which section imposes penalties upon a developer or any other person who fails to

comply with the Condominium Act or any rule, agreement or master deed and may make a developer liable to a purchaser of a unit for damages).

Dated: _____

PURCHASER(S):

Unit No. _____

DISCLOSURE STATEMENT



Canton Township, Michigan

DEVELOPED BY

Apartments at Cambridge Company, L.L.C.
21790 Coolidge Highway
Oak Park, Michigan 48237

Effective Date: May 6, 2003

The Traditions at Cambridge Condominium ("The Traditions"), is a residential condominium comprised of one hundred twenty four (124) units that may be expanded in the future to include a maximum of six hundred (600) units.

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

PRIOR TO PURCHASING A CONDOMINIUM UNIT, PURCHASERS SHOULD CONSULT THEIR OWN PROFESSIONAL ADVISORS.

THE TRADITIONS AT CAMBRIDGE CONDOMINIUM

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DISCLOSURE STATEMENT

THE TRADITIONS

I. Introduction

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

This Disclosure Statement, together with copies of the legal documents required for the creation and operation of the condominium, are furnished to each purchaser pursuant to the requirement of the Michigan Condominium Act that the Developer of a condominium disclose to prospective purchasers the characteristics of the condominium units which are offered for sale. This Disclosure Statement, along with the other documents contained in the Purchaser Information Booklet, are the only authorized description of The Traditions. The Developer's members, employees and agents (including, but not limited to, sales representatives) are not permitted to vary the terms contained therein.

II. The Condominium Concept

Condominium is a method of subdividing and describing 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 the property.

Each co-owner receives a deed to the unit purchased. Each co-owner owns, in addition to the unit purchased, an undivided interest in the condominium's common facilities (the "common elements"). Title to the common elements is included as part of, and is inseparable from, title to the individual units. Each co-owner's proportionate share of the common elements is determined by the percentage of value assigned to such co-owner's unit in the Master Deed. The Master Deed, which is described in Section IV of this Disclosure Statement, must be examined carefully to determine each co-owner's rights and obligations with respect to common elements.

All portions of The Traditions not included within the units constitute the common elements. Limited common elements are those common elements that are set aside for use by less than all unit owners. General common elements are all common elements other than limited common elements.

The proximity of the units in The Traditions, and each unit co-owner's right, in common with all other unit co-owners, to use the general common elements, dictates that certain restrictions and obligations be imposed on each co-owner for the mutual benefit of all co-owners. The restrictions and obligations are set forth in the Master Deed, and in the Bylaws, which are attached as Exhibit A to the Master Deed. All co-owners and unit occupants must be familiar with and abide by such restrictions and obligations.

The management and administration of The Traditions is the responsibility of The Traditions at Cambridge Association, a Michigan non-profit corporation (the "Association"), of which all co-owners

are members (the "Association"). The nature and duties of the Association are set forth in the Condominium Bylaws attached as Exhibit A to the Master Deed and are summarized in Section VI of this Disclosure Statement.

Except for the tax year in which a unit is first established as part of the condominium, real property taxes and assessments are levied individually against each unit in the condominium. 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.

The foregoing is necessarily generalized to some degree. Accordingly, each purchaser is urged to carefully review all of the documents contained in the Purchaser Information Booklet for The Traditions, as well as any other documents that have been delivered to the purchaser in connection with The Traditions. Any purchaser having questions pertaining to the legal aspects of the condominium is advised to consult the purchaser's own lawyer or other professional advisor.

III. Description of The Traditions.

A. Size, Scope and Physical Characteristics of The Traditions. The Traditions is located along the West side of Canton Center Road, between Ford Road and Cherry Hill Road, in Canton Township, Wayne County, Michigan. The Traditions is situated within the Plymouth-Canton School District. The Traditions consists of 124 condominium units in twelve (12) two (2) and three (3) story buildings, including 64 multi-floor townhome Units, and 60 single-floor garden style units. The Master Deed describes any limited common elements which are reserved for the use of specific co-owners.

B. Improvements Labeled "Must be Built" or "Need Not be Built". The Michigan Condominium Act requires that proposed structures and improvements be labeled in the Condominium Subdivision Plan as either "must be built" or "need not be built". All of the structures and infrastructure improvements depicted in the Condominium Subdivision Plan have either been constructed, or must be built. Developer has arranged financing for the development/construction of The Traditions through, and by means of, a mortgage loan on the condominium from Comerica Bank, a Michigan banking corporation ("Comerica"). The mortgage to Comerica provides for the separate release of individual units from the operation and effect of such mortgage.

C. Other Restrictions. (1) Some of the units in the condominium will have a sump pump located in the basement of such units which serve other units in the same building. In the Master Deed, Developer has reserved perpetual nonexclusive easements over and through the basements of units in favor of the Association for the purpose of maintaining, repairing and replacing the sump pumps located in some of the basements of units.

(2) One unit in each building in the condominium (other than the 400-type building) will have a mechanical room located in the basement, or garage, of such unit. In the Master Deed, Developer has reserved perpetual nonexclusive easements in favor of the Association and municipal emergency response personnel, including, but not limited to, the fire marshals, firefighters and police officers for Canton Township, for the purpose of accessing, inspecting, investigating, responding to emergencies, maintaining, repairing and replacing the fire suppression system and electrical components located in such mechanical rooms.

D. Private Roads. The internal roads within the condominium are private. The condominium has access to public streets over the private roads in the condominium. The roads and guest parking areas in the condominium will be maintained (including, without limitation, snow removal) by the Association, and not by the board of county road commissioners or any other public agency. Replacement, repair and resurfacing of the private roads in the condominium will be necessary from time to time as circumstances dictate. It is impossible to estimate with any degree of accuracy future road repair or replacement costs. It is the Association's responsibility to inspect, and to perform preventative maintenance in regard to, the roads within the condominium on a regular basis in order to maximize the life of such roads, and to minimize repair and replacement costs.

E. Utilities. The condominium is served by public water and sanitary sewer, as well as natural gas, electric, telephone and cable television service. All utilities, except for water, sewer and certain exterior lighting, will be separately metered for payment by the individual unit owners. Charges for water, sewer and certain exterior lighting are not so separately metered and will be paid by the Association and reimbursed by the individual unit owners.

F. On-Site Storm Drainage. The on-site storm drainage system serving the condominium, including, without limitation, the storm water quality/detention basin system, is private. The maintenance, repair, replacement and operation of the on-site storm drainage system is the responsibility of the Association.

G. Reserved Rights of Developer.

(1) **Expansion/Contraction of the Condominium.** Developer has reserved the right to expand the condominium (from time to time) to not more than 600 units (and related common elements) by the construction of additional units on vacant land in the condominium, and by the addition of more land to the condominium. Developer has also reserved the right to withdraw the vacant land from the condominium. Developer has the right to amend the condominium documents to accomplish one or more such expansions/contractions, which amendments will include replatting of the Condominium Subdivision Plan, revision of percentages of value and such other changes in the condominium documents as are deemed by Developer to be necessary. Such amendments may be made by Developer without the consent of the unit owners or mortgagees. This Disclosure Statement and the Master Deed give notice to unit owners and mortgagees of such amendments, and Developer may make such amendments without giving further notice. In connection with any such expansion/ contraction, 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, or withdrawn, land and to change the nature of any common element previously included in the condominium, to achieve the purposes of such expansion/contraction, including, but not limited to, the connection of existing roads and sidewalks to any roads and sidewalks planned for the expansion, or withdrawn, land, and to provide access to any condominium units over such roads and sidewalks.

(2) **Convertible Areas.** In order to facilitate the development and sale of the condominium, the Developer has reserved the right to modify, expand or move units, and to add to or modify limited and/or general common elements, within the convertible areas described in the Master Deed, and identified as such on the Condominium Subdivision Plan.

(3) **Improvements and Landscaping.** Until all of the units in the condominium have been sold, no exterior modifications of any type may be made without the Developer's approval.

(4) **Conduct of Commercial Activities.** Until all of the units in the condominium have been sold, the Developer has reserved the right to maintain on the condominium premises a sales office, advertising display signs, 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 and sale of the entire condominium.

(5) **Right to Amend.** Developer has reserved the right to amend the Master Deed (including the Exhibits thereto) without approval from co-owners and mortgagees for the purpose of correcting errors, and for any other purpose, except that any such amendment that would materially alter the rights of any co-owner or mortgagee may be made only with the approval of 66-2/3% of the co-owners and first mortgagees. Further, certain provisions of the Master Deed cannot be amended without Developer's approval so long as Developer owns any unit in the condominium.

(6) **Easements and Other Agreements.**

a. **For Use of Utilities.** Developer has reserved such easements over the condominium premises as may be required (i) to exercise any of Developer's development, construction or marketing rights; (ii) to perform any of the Developer's or Association's obligations with regard to the maintenance, repair, decoration or replacement of common elements, and (ii) to enable the utilization of service and utility facilities in connection with the development of any land adjacent to the condominium now or hereafter owned by Developer.

b. **For Benefit of Canton Township.** As depicted in the Condominium Subdivision Plan, Developer has granted certain easements for public utilities to Canton Township, and certain other utility service providers. Developer has reserved the right to grant, without the consent of individual co-owners (either directly, or through the Association) such easements, licenses, dedications, rights-of-entry and rights-of-way over, under, through and across the condominium premises for public purposes as may be deemed necessary by Canton Township.

(7) **Enforcement of Bylaws.** Developer has reserved the right to enforce the Bylaws as long as Developer owns any unit in the condominium that it offers for sale.

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

H. **The Traditions Community.** The condominium is the first phase of a residential community (the "Community") which may contain as many as 600 dwelling units, together with a substantial recreational/administrative facility ("The Traditions Club") for use by all of the residents of the Community. It is possible that all of the dwelling units may be combined into a single condominium development, but only subsequent market conditions will determine the ultimate components of the Community. The possibility also exists that the Community, when complete, may consist of several separate condominium developments, and/or rental apartments projects, all sharing roads, utilities and The Traditions Club. To the extent that the various components of the Community share any improvement in common, appropriate provision has been made in the condominium

documents for the proportionate sharing of the rights, responsibilities and expenses of maintenance and administration in connection with such shared use of such improvement.

I. Recreational Facilities. The Traditions Club will include a fully equipped recreational/administrative building, a swimming pool and two (2) tennis courts. The Traditions Club is presently under construction adjacent to the condominium. At the present time, these facilities have not been included in the condominium, although, ultimately, such facilities will either be included in the condominium in fee simple, or, if not so included, the right to use such facilities will be assured to all unit owners in the condominium by the establishment of appropriate easements for such use by such unit owners. The various rights and responsibilities of the co-owners with respect to the shared use, maintenance and administration of The Traditions Club are set forth in detail in Articles X and XI of the Master Deed, and each purchaser should be sure to acquaint himself with such provisions.

IV. Legal Documentation.

A. General. The Condominium was established pursuant to the Master Deed recorded in the Wayne County Records, and contained in the Purchaser Information Booklet for the condominium. The Master Deed includes the 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 condominium, the percentage of value assigned to each unit in the condominium, a general description of the units and common elements included in the condominium and a statement regarding the relative responsibilities for maintaining the common elements. Article VI of the Master Deed sets forth details relating to the expansion of the condominium; Article VII empowers the Developer to make changes in the units and common elements; Article VIII pertains to the Developer's right to reduce the size of the condominium; Articles X and XI describe the operation of the recreational facilities for the Community; Article XII establishes certain easement rights essential to the administration of the condominium; Article XIII prescribes the procedures for amending the Master Deed; and Article XIV permits the Developer to assign to the Association, or to another entity, any or all of the rights and powers granted or reserved to the Developer in the condominium documents, or by law.

C. Bylaws. The Bylaws contain provisions relating to the operation, management and fiscal affairs of The Traditions, and, in particular, set forth the provisions relating to the assessment of Association members for the purpose of paying the costs of operation of the condominium. Article VI of the Bylaws contains provisions permitting the adoption by the Association of rules and regulations governing the common elements. Article VI also contains certain restrictions upon the ownership, occupancy and use of the condominium.

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 condominium.

V. Experience of Certain Companies.

A. Developer's Background and Experience. The Developer of the condominium is Apartments at Cambridge Company, L.L.C., a Michigan limited liability company, having its principal

office at 21790 Coolidge Highway, Oak Park, Michigan 48237, and whose telephone number is (248)548-1034. Developer was formed specifically for the purpose of developing the condominium, and, accordingly, as an entity, has no prior condominium experience. The Managing Members in Developer, including Richard M. Lewiston, Mickey Shapiro and Murray C. Pitt, are all well known businessmen in the Metropolitan Detroit Area. Messrs. Lewiston and Shapiro have significant experience in regard to the development of residential real estate, including condominiums.

B. **Broker**. The real estate broker for the sale of units in the condominium is Traditions Brokerage Services Corporation, a Michigan corporation (the "**Broker**"), having its principal office at 21790 Coolidge Highway, Oak Park, Michigan 48237, and whose telephone number is (248)548-4800, extension 349. Leslie Lewiston Etterbeek is the President of the Broker. The Broker is licensed for such purpose under the Michigan Occupational Code.

C. **Management Agent**. LandArc, Inc., a Michigan corporation, having its principal office at 3355 Bald Mountain Road, Suite 55, Auburn Hills, Michigan 48326, will serve as the management agent (the "**Management Agent**") for the condominium. The Management Agent is not affiliated with the Developer. The Management Agent has extensive experience in connection with the management of multi-family residential developments, including condominiums.

VI. Operation of the Condominium.

A. **The Condominium Association**. The responsibility for management and maintenance of the condominium is vested in the Association. As each individual purchaser acquires title to a condominium unit, the purchaser will also become a member of the Association. The Articles of Incorporation of the Association are in the Purchaser Information Booklet, and along with the Bylaws control the procedural operations of the Association. The Association is governed by its Board of Directors, the initial members of which will be designees of the Developer. Until a successor Board of Directors is elected by the members, the Association will be controlled by the Directors named by Developer. The respective voting/representation rights of the Developer and the co-owners with regard to the Board of Directors of the Association are set forth in Article X of the Bylaws.

B. **Percentages of Value**. The percentage of value of each unit in the condominium is based, primarily, upon the relative size(s) of the units, together with certain other factors which Developer deems relevant. The percentage of value assigned to each unit is set forth in the Master Deed. The percentage of value assigned to each unit determines, among other things, the value of each co-owner's vote and such co-owner's proportionate share of regular and special Association assessments and of the proceeds of administration of the condominium, as well as such co-owner's share of the common elements of the condominium.

C. Project Finances.

(1) **Budget**. Article II of the Bylaws requires the Board of Directors to adopt an annual budget for the operation of the condominium. The Association's only source of revenue to fund its budget is by the assessment of its members. The initial budget for the condominium was formulated by the Developer and the Management Agent, and is intended to provide for the normal and reasonably predictable expenses of administration of the condominium, and includes a reserve for replacement of the major structural and other components of the condominium. The budget is based on estimates of expenses, made by Developer and the

Management Agent, and assumes some economies of scale will be achieved by the expansion of the condominium in the future. Moreover, to the extent that the estimates or assumptions of Developer and the Management Agent prove inaccurate during actual operations, or to the extent that the goods and services necessary to service the condominium change in cost in the future, the budget and the expenses of the Association also will require revision. The initial budget of the Association has been included as Appendix "A" to this Disclosure Statement. Developer does not represent or warrant that the budget attached as Appendix "A" accurately reflects the assessments, which will be subsequently charged by the Association.

(2) **Assessments**. Except as set forth below with respect to the Developer, each co-owner of a unit included in the condominium must pay for the expenses of general administration of the Association in proportion to the percentage of value assigned to the unit(s) owned by such co-owner. The Board or Directors may also levy special assessments in accordance with the provisions of Article II, Section 2(b) of the Bylaws. As set forth in Article II, Section 3 of the Bylaws, the Developer does not pay Association assessments for the units it owns until they are occupied but does reimburse the Association for certain expenses it may incur for such units.

(3) **Foreclosure of Lien**. The Association has a lien on each unit to secure payment of Association assessments. The Bylaws provide that the Association may foreclose its lien in the same fashion that mortgages may be foreclosed by action or by advertisement under the Michigan law.

(4) **Possible Additional Liability**. It is possible for co-owners to become obligated to pay a percentage share of assessment delinquencies incurred by other co-owners. This can happen if a delinquent co-owner defaults on a first mortgage and if the mortgage forecloses. The delinquent assessments then become a common expense, which is reallocated to all the co-owners, including the first mortgagee, in accordance with the percentages of value in the Master Deed. The Michigan Condominium Act (Section 58) provides:

If the mortgagee of a first mortgage of record or other purchaser of a condominium unit obtains title to the condominium unit as a result of foreclosure of the first mortgage, such person, its successors and assigns, is not liable for the assessments by the [Association] chargeable to the unit which became due prior to the acquisition of title to the unit by such person. The unpaid assessments are deemed to be common expenses collectible from all of the condominium unit co-owners including such persons, its successors and assigns.

D. **Insurance**.

(1) **Title Insurance**. The Purchase Agreement provides that the Developer shall furnish each purchaser a commitment for an owner's title insurance policy at or prior to closing, and that the policy itself shall be ordered at closing. The cost of the owner's commitment and policy will be paid by the Developer.

(2) **Other Insurance**. The condominium documents require that the Association carry fire and extended coverage, vandalism and malicious mischief and liability insurance and

workers' compensation insurance, if applicable, pertinent to the ownership, use and maintenance of the common elements of the condominium. 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 monthly assessment. The Association insurance policies are available for inspection during normal working hours. A copy of the certificate of insurance with respect to the condominium will be furnished to each co-owner upon request. The insurance coverage carried by the Association will not cover the interior of any individual unit, improvements installed by co-owners or any personal property of any co-owner.

Each co-owner is responsible for obtaining coverage with respect to the co-owner's unit and to the extent indicated in Article IV of the Bylaws. The Association should periodically review all insurance coverage to be assured of its continued adequacy and each co-owner should do the same with respect to the co-owner's personal insurance.

E. Restrictions on Ownership, Occupancy and Use. Article VI of the 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. The following is a list of certain of the most significant restrictions:

(1) Units are to be used only for single-family residential purposes in accordance with the ordinances of the Canton Township.

(2) No animal, other than one cat or one dog, shall be kept without the prior written consent of the Board of Directors. No savage or dangerous animals shall be kept. The term "animal" does not include small animals that are constantly caged such as small birds or fish.

(3) There are substantial limitations upon physical changes, which may be made to the units and common elements in the condominium, and upon the uses to which the common elements and units may be put.

(4) Reasonable regulations may be adopted by the Board of Directors of the Association concerning the use of common elements, without vote of the co-owners.

(5) Subject to the requirements set forth in Article VI of the Bylaws, a co-owner may rent units owned at any time for an initial term of occupancy not less than six (6) months. A co-owner must disclose the co-owner's intention to lease a unit and provide a copy of the exact lease form to the Association at least ten (10) days before presenting a lease to a potential lessee. Developer reserves the right to lease units upon such terms as may be deemed desirable by Developer, and hereby notifies all co-owners that it may do so if market conditions so require.

Note of the restrictions apply to the commercial activities or signs of the Developer.

VII. Rights and Obligations Between Developer and Co-owners.

A. **Before Closing.** The respective obligations of the Developer and the purchaser of a unit in the condominium prior to closing are set forth in the Purchase Agreement and the accompanying Escrow Agreement. Those documents contain, among other provisions, the provisions relating to the disposition of earnest money deposits advanced by the purchaser prior to closing and the anticipated closing adjustments, and should be closely examined by all purchasers. The Escrow Agreement provides for the release of an escrow deposit to any purchaser who withdraws from a Purchase Agreement in accordance with the Purchase Agreement. Such a withdrawal is permitted by each Purchase Agreement if it takes place within nine business days after the purchaser has received all of the condominium documents or if the condominium documents are changed in a way that materially reduces the purchaser's rights. The Escrow Agreement also provides that a deposit will be released to the Developer if the purchaser defaults in any obligations under the Purchase Agreement after the Purchase Agreement has become binding upon the purchaser. The Escrow Agreement provides, pursuant to Section 103b of the Michigan Condominium Act, that the escrow agent shall maintain sufficient funds or other security to complete improvements, labeled as "must be built" on the Condominium Subdivision Plan until such improvements are substantially complete. The Escrow Agreement also provides that deposits will be released to the Developer when such improvements are substantially complete. The Escrow Agreement also provides that deposits will be released to the Developer when the closing of the sale takes place provided that improvements labeled "must be built" are substantially complete or other conditions of the Escrow Agreement are met. Each purchaser of a unit will receive a copy of the Escrow Agreement.

B. **At Closing.** Each purchaser will receive, by warranty deed, fee simple title to such purchaser's unit subject to the condominium documents and easements and restrictions of record.

C. **After Closing.**

(1) **General.** Subsequent to the purchase of a unit, the legal relationship between the Developer and the co-owner are governed by the Master Deed, and the Michigan Condominium Act, except to the extent that any provisions of the Purchase Agreement are intended to survive the closing.

(2) **Limited One (1) Year Warranty.** Express warranties are not provided unless specifically stated in the Purchase Agreement. Developer warrants the construction of purchaser's unit and the general and limited common elements appurtenant to purchaser's unit against defects in workmanship and materials for a period of one (1) year from the date of occupancy or closing, whichever first occurs, but only in accordance with, and as limited by, the "Limited Warranty", which Developer shall deliver to purchaser at closing. Notwithstanding the foregoing, the one (1) year warranty period on each common element, limited or general, shall begin on the date the specific common element was built, or the date of the closing of the first unit sold in the condominium, whichever date is later. DEVELOPER'S OBLIGATIONS UNDER THE LIMITED WARRANTY ARE LIMITED TO REPAIR AND REPLACEMENT. As to items not of Developer's manufacture, such as any air conditioner, water heater, refrigerator, range, dishwasher and other appliances, equipment or "consumer products", as defined by the Federal Trade Commission, Developer agrees to pass along to purchaser the manufacturer's warranty, without recourse. Developer makes no warranty on such items. EXCEPT FOR WARRANTIES OF TITLE, THE LIMITED WARRANTY IS THE ONLY WARRANTY APPLICABLE TO EACH PURCHASE. ALL OTHER WARRANTIES, EXPRESS OR

IMPLIED, WHETHER ARISING UNDER STATE LAW OR THE MAGNUSON-MOSS WARRANTY ACT, INCLUDING, BUT NOT LIMITED TO, ALL IMPLIED WARRANTIES OF FITNESS, MERCHANTABILITY OR HABITABILITY, ARE DISCLAIMED AND EXCLUDED.

LIMITATION OF LIABILITY, DEVELOPER'S LIABILITY WHETHER IN CONTRACT, IN TORT, UNDER ANY WARRANTY, IN NEGLIGENCE, OR OTHERWISE, IS LIMITED TO THE REMEDY PROVIDED IN THE LIMITED WARRANTY. DEVELOPER SHALL NOT BE LIABLE OR RESPONSIBLE TO COMPENSATE OR INDEMNIFY PURCHASER FOR ANY DAMAGES, CLAIM, DEMAND, LOSS, COST, OR EXPENSE RESULTING FROM AN ALLEGED CLAIM OF BREACH OF WARRANTY WHETHER RELATING TO INJURY TO PERSONS, PROPERTY, OR OTHERWISE, OR RELATING TO THE PRESENCE OF ANY TOXIC OR HAZARDOUS WASTE, SUBSTANCE, OR CONTAMINANT IN, ON, OR UNDER THE PROPERTY, THE CONDOMINIUM OF WHICH THE PROPERTY IS A PART, OR THE REAL ESTATE ADJACENT TO OR IN CLOSE PROXIMITY WITH SUCH DEVELOPMENT. UNDER NO CIRCUMSTANCES SHALL DEVELOPER BE LIABLE FOR ANY SPECIAL, INDIRECT OR CONSEQUENTIAL DAMAGES, INCLUDING, WITHOUT LIMITATION, ANY DAMAGES BASED ON CLAIMED DIMINUTION OF THE VALUE OF THE DWELLING, EVEN IF DEVELOPER HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. NO ACTION, REGARDLESS OF FORM, ARISING OUT OF A PURCHASE AGREEMENT MAY BE BROUGHT BY A PURCHASER MORE THAN ONE YEAR AFTER THE CAUSE OF ACTION HAS ACCRUED. EACH PURCHASER AGREES THAT ALL OF PURCHASER'S RIGHTS RELATING TO THE PURCHASE AGREEMENT AND THE PURCHASER'S UNIT MAY BE ASSERTED ONLY BY THE PURCHASER AND NOT BY ANY ASSOCIATION OR ANY CLASS REPRESENTATIVE; AND EACH PURCHASER ACKNOWLEDGES THAT DEVELOPER WOULD NOT AGREE TO SELL THE UNIT TO THE PURCHASER WITHOUT SUCH AGREEMENT BY THE PURCHASER.

(3) **Limitation of Developer's Liability.** The Purchase Agreement strictly limits Developer's liability, whether in contract, tort, under any warranty, in negligence or otherwise, to the obligations provided in Developer's limited warranty. Developer is not liable to purchaser for or responsible to compensate or indemnify purchaser for any damages, claim, demand, loss, cost, or expense resulting from an alleged claim of breach of warranty, whether relating to injury to persons, property, or otherwise, or relating to the presence of any toxic or hazardous waste, substance or contaminant, including, without limitation, radon gas, in, on, or under the purchaser's unit, the condominium property, or the real estate adjacent to or in close proximity with the condominium property. The Purchase Agreement further provides that Developer shall in no circumstances be liable for any consequential, incidental, special or secondary damages, even if Developer has been advised of the possibility of such damages. No action, regardless of form, arising out of the transactions under the Purchase Agreement may be brought by Purchaser more than one year after the cause of action has accrued. All of purchaser's rights relating to the Purchase Agreement, the limited warranty, the unit and appurtenant common elements may be asserted only by purchaser and not by any association or class representative. Developer makes no representations or warranties (other than the limited warranty described above) in the Purchase Agreement or otherwise concerning the unit, the condominium or the condition of the air, the soils, surface waters, and groundwaters in, on or under the unit, the condominium or such adjacent or proximate real estate. Purchaser should make its own investigation prior to executing the Purchase Agreement with respect to each of the foregoing. Without purchaser's agreement to and acknowledgment of the provisions of the Purchase Agreement and limited warranty described above, Developer would not agree to sell the purchaser's unit to purchaser.

VIII. Purpose of Disclosure Statement.

This Disclosure Statement paraphrases various provisions of the Master Deed and other documents required by law. It is not a complete statement of all the provisions of those documents, which may be important to purchasers. In an attempt to be more readable, this Disclosure Statement omits most legal phrases, definitions and detailed provisions of the other documents. Certain of the terms used herein are defined in the Michigan Condominium Act, as amended. This Disclosure Statement is not a substitute for the legal documents which it draws information from, and the rights of purchasers and other parties will be controlled by the other legal documents and not by this Disclosure Statement.

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 Traditions. Developer disclaims liability to any purchaser for misstatements herein (or for omissions which make statements herein appear misleading) if such misstatements were made by Developer in good faith, or were immaterial in nature, or were not relied upon by the purchaser, or did not result in any damages to the purchaser.

Each purchaser is urged to engage a competent lawyer or other advisor in connection with the purchaser's decision to purchase a unit. In accepting title to a unit in the condominium, 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. In preparing this Disclosure Statement and the other condominium documents, Developer's counsel has not undertaken professional responsibility to the Association or to any co-owners or mortgagees for the completeness, accuracy, or validity of the condominium documents.

The Michigan Department of Consumer and Industry Services publishes The Condominium Buyers' 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 Buyers Handbook.

THE TRADITIONS AT CAMBRIDGE ASSOCIATION
 Estimated Initial Annual Operating Budget
 Year Ending December 31, 2003

Receipts

Annual Association Fees	\$ 260,117.00
GRAND TOTAL	\$ 260,117.00

Total Projected Units	124
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Expense

	<u>Annually</u>	<u>Avg. Unit/Month</u>
<u>Admin.</u>		
Postage/Supplies	\$ 5,952.00	\$ 4.00
Bank Charges	\$ 150.00	\$ 0.10
Miscellaneous Admin.	\$ 1,160.00	\$ 0.78
Internet Services	\$ 1,200.00	\$ 0.81
Audit/Accounting	\$ 1,800.00	\$ 1.21
Legal	\$ 1,900.00	\$ -1.28
Management	<u>\$ 25,296.00</u>	<u>\$ 17.00</u>
Sub-Total	\$ 37,458.00	\$ 25.17
<u>Operations</u>		
Electricity	\$ 2,000.00	\$ 1.34
Water & Sewer	\$ 37,200.00	\$ 25.00
Extermination	\$ 2,976.00	\$ 2.00
Sub-Total	\$ 42,176.00	\$ 28.34
<u>Maintenance</u>		
Building Maintenance	\$ 10,416.00	\$ 7.00
Fire Suppression	\$ 3,500.00	\$ 2.35
Lawn & Landscape Maintenance	\$ 34,332.00	\$ 23.07
Irrigation Maintenance	\$ 7,350.00	\$ 4.94
Lake Maintenance	\$ 2,700.00	\$ 1.81
Snow Removal / Salt & CC	<u>\$ 28,620.00</u>	<u>\$ 19.23</u>
Sub-Total	\$ 86,918.00	\$ 58.41
<u>Fees & Insurance</u>		
Tax & Permits	\$ 100.00	\$ 0.07
Insurance	<u>\$ 44,640.00</u>	<u>\$ 30.00</u>
Sub-Total	\$ 44,740.00	\$ 30.07
<u>Reserve</u>		
Annual Contribution	<u>\$ 48,825.00</u>	<u>\$ 32.81</u>
Sub-Total	\$ 48,825.00	\$ 32.81
TOTAL	\$ 260,117.00	\$ 175

Percentage Value	Monthly Fee
0.677	\$ 147
0.678	\$ 147
0.684	\$ 148
0.747	\$ 162
0.815	\$ 177
0.909	\$ 197
1.045	\$ 227
1.047	\$ 227
1.067	\$ 231

MAY 06 2003

(2)

Li-37933 Pa-9
203232923 5/06/2003
Bernard J. Youngblood
Wayne Co. Register of Deeds

MASTER DEED

THE TRADITIONS AT CAMBRIDGE CONDOMINIUM

Receipt #190553

RECORDED

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

PREAMBLE

This Master Deed is made and executed on this 25th day March, 2003, by Apartments at Cambridge Company, L.L.C., a Michigan limited liability company, hereinafter referred to as "Developer," the mailing address of which is 21790 Coolidge Highway, Oak Park, Michigan 48237 represented herein by its Managing Member who is fully empowered and qualified to act on behalf of the limited liability company, in pursuance of the provisions of the Michigan Condominium Act (being Act 59 of the Public Acts of 1978, as amended), hereinafter referred to as the "Act."

WITNESSETH:

\$249.00 DEED

\$6.00 RECORDATION

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

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

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

No. 3253 R-1615 Date 5-6-03

State County _____ C. Youngblood _____

V6 EXAMINED AND APPROVED

DATE MAY 06 2003

BY KGS

05-06-2003 4405253

DEED'S

4.00

ARTICLE I

TITLE AND NATURE

The Condominium Project shall be known as The Traditions at Cambridge Condominium, Wayne County Condominium Subdivision Plan No. 702. The Condominium Project is established in accordance with the Act. The Dwellings contained in the Condominium, including the number, boundaries, dimensions and area of each Dwelling therein, are set forth completely in the Condominium Subdivision Plan attached as Exhibit B hereto. Each Dwelling is intended for residential purposes and is capable of individual utilization on account of having its own entrance from and exit to a Common Element of the Condominium Project. Each Co-owner in the Condominium Project shall have an exclusive right to his Dwelling and shall have undivided and inseparable rights to share with other Co-owners the Common Elements of the Condominium Project as are designated, described and limited in this Master Deed.

ARTICLE II

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

A parcel of land in the Northeast 1/4 of Section 16, Town 2 South, Range 8 East, Canton Township, Wayne County, Michigan described as follows: Commencing at the East 1/4 corner of Section 16, Town 2 South, Range 8 East, thence on the East line of said Section 16, North 00°13'11" West 721.00 feet; thence South 89°46'49" West 60.00' to the point of beginning of the parcel herein described; thence continuing South 89°46'49" West, a distance of 433.94 feet; thence South 86°30'17" West, a distance of 171.06 feet; thence along a curve to the right having a radius of 1,895.00 feet and a central angle of 03°16'32" (the chord of said curve bears South 88°08'33" West, 108.32 feet) a distance of 108.34 feet; thence South 89°46'49" West, a distance of 424.19 feet; thence along a curve to the left having a radius of 627.13 feet and a central angle of 34°44'19" (the chord of said curve bears South 72°24'40" West, 374.43 feet) a distance of 380.23 feet; thence South 55°02'30" West, a distance of 75.89 feet; thence South 34°57'30" East, a distance of 97.04 feet; thence along a curve to the right having a radius of 313.39 feet and a central angle of 08°07'34" (the chord of said curve bears South 30°53'43" East, 44.41 feet) a distance of 44.45 feet; thence South 26°49'56" East, a distance of 37.44 feet; thence along a non-tangent curve to the right having a radius of 421.23 feet and a central angle of 21°49'54" (the chord of said curve bears South 14°39'38" East, 159.54 feet) a distance of 160.50 feet; thence South 00°02'35" East, a distance of 206.00 feet; thence South 89°42'39" West, a distance of 91.50 feet; thence North 00°02'35" West, a distance of 285.25 feet; thence along a curve to the left having a radius of 226.00 feet and a central angle of 34°54'55" (the chord of said curve bears North 17°30'02" West, 135.60 feet) a

distance of 137.72 feet; thence North 34°57'30" West, a distance of 306.49 feet; thence along a non-tangent curve to the right having a radius of 1,083.88 feet and a central angle of 18°43'37" (the chord of said curve bears North 25°34'03" West, 352.69 feet) a distance of 354.26 feet; thence along a non-tangent curve to the left having a radius of 287.00 feet and a central angle of 06°28'29" (the chord of said curve bears North 19° 26'30" West, 32.42 feet) a distance of 32.43 feet; thence along a non-tangent curve to the right having a radius of 684.45 feet and a central angle of 16°57'50" (the chord of said curve bears North 14°11'49" West, 201.91 feet) a distance of 202.65 feet; thence North 00°39'51" West, a distance of 63.38 feet to a point on the South line of Supervisor's Canton Plat No. 1 as recorded in Liber 64, of Plats, on Page 86, Wayne County Records; thence North 89°20'09" East (recorded as North 89°34'40" East), a distance of 1,537.57 feet along South line of said Supervisor's Canton Plat No. 1; thence South 00°13'11" East, a distance of 325.00 feet; thence North 89°20'09" East, a distance of 402.00 feet to a point on the Westerly right of way line of Canton Center Road; thence along said right of way South 00°13'11" East, a distance of 285.37 feet to the point of beginning. Containing 1,091,382 square feet or 25.05 acres. Subject to all easements and restrictions of record.

ARTICLE III DEFINITIONS

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

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

Section 2. Area of Future Development. "Area of Future Development" means the area within which The Traditions at Cambridge Condominium may be expanded as described in Article VI hereof.

Section 3. Association. "Association" means The Traditions at Cambridge Condominium Association, the non-profit corporation organized under Michigan law of which all Co-owners shall be members, which corporation shall administer, operate, manage and maintain the Condominium. Any action required of or permitted to the Association shall be exercisable by its Board of Directors

unless specifically reserved to its members by the Condominium Documents or the laws of the State of Michigan.

Section 4. Bylaws. "Bylaws" means Exhibit A hereto, being the Bylaws setting forth the substantive rights and obligations of the Co-owners and required by Section 3(9) of the Act to be recorded as part of the Master Deed. The Bylaws shall also constitute the corporate bylaws of the Association as provided for under the Michigan Nonprofit Corporation Act.

Section 5. Common Elements. "Common Elements," where used without modification, means both the General and Limited Common Elements described in Article IV hereof.

Section 6. Community Facilities. "Community Facilities" means the facilities which may be utilized by owners and occupants of dwellings throughout The Traditions at Cambridge Community, whether such dwellings are located in a single condominium project or a number of condominium projects or other residential developments as described in Article X of this Master Deed.

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

Section 8. Condominium Premises. "Condominium Premises" means and includes the land and the buildings, all improvements and structures thereon, and all easements, rights and appurtenances belonging to The Traditions at Cambridge Condominium as described above.

Section 9. Condominium Project, Condominium, Project or Development. "Condominium Project", "Condominium," "Project" or "Development" means The Traditions at Cambridge Condominium as a Condominium Project as initially established and as may be subsequently modified in conformity with the provisions of the Condominium Documents and the Act.

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

Section 11. Consolidating Master Deed. "Consolidating Master Deed" means the final amended Master Deed which shall describe The Traditions at Cambridge Condominium as a completed Condominium Project and shall reflect the entire land area added to or removed from the Condominium from time to time under Article VI and/or Article VIII hereof, and all Dwellings and Common Elements therein, as may result from such additions and withdrawals and from the exercise of convertibility rights under Article VII hereof, and which shall express percentages of value pertinent to each Dwelling as finally readjusted. Such Consolidating Master Deed, when recorded in the office of the Wayne County Register of Deeds shall supersede the previously recorded Master Deed for the Condominium and all amendments thereto and restatements thereof.

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

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

Section 14. Development and Sales Period. "Development and Sales Period" means the period commencing with the recording of this Master Deed and continuing as long as the Developer owns any Dwelling which it offers for sale or for so long as the Developer or its successors and assigns continues to own any portion of the Area of Future Development.

Section 15. Dwelling, Unit or Condominium Unit. "Dwelling," "Unit" or "Condominium Unit" each mean the enclosed space constituting a single complete residential Unit in The Traditions at Cambridge Condominium, as such space may be described in Article V, Section 1 and on Exhibit B hereto, and shall have the same meaning as the term "Condominium Unit" as defined in the Act.

Section 16. First Annual Meeting. "First Annual Meeting" means the initial meeting at which non-developer Co-owners are permitted to vote for the election of all Directors (except the Developer's delegate under Article XIII, Section 2(c)(1) of the Bylaws) and upon all other matters which may properly be brought before the meeting. Such meeting is to be held (a) in the Developer's sole discretion at any time after conveyance of legal or equitable title to 50% of the Dwellings which may be created or (b) mandatorily after (i) the elapse of 54 months from the date of conveyance of legal or equitable title to the first Dwelling or (ii) the elapse of 120 days after conveyance of legal or equitable title to 75% of all Dwellings which may be created, whichever first occurs.

Section 17. The Traditions at Cambridge Community. "The Traditions at Cambridge Community" means the land area, Dwellings and other improvements lying within The Traditions at Cambridge Condominium and within the Area of Future Development described in Article VI of this Master Deed which is ultimately determined by the Developer to be the total area benefitting from any Community Facilities which may be developed within The Traditions at Cambridge Condominium or the Area of Future Development. It is possible that The Traditions at Cambridge Community may, as finally comprised, include a number of condominium projects or multi-family rental developments in various combinations, in the sole discretion of the Developer.

Section 18. Township. "Township" means the Township of Canton, a Michigan municipal corporation, located in Wayne County, Michigan, and all successors thereto.

Section 19. **Transitional Control Date.** "Transitional Control Date" means the date on which a Board of Directors of the Association of Co-owners 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.

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

ARTICLE IV

COMMON ELEMENTS

The Common Elements of the Project described below and in Exhibit B and the respective responsibilities for maintenance, decoration, repair or replacement thereof, are:

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

(a) **Land.** The land described in Article II hereof, and designated on Exhibit B as General Common Elements including landscaped areas, private drives, walks and parking spaces located thereon to the extent that any such elements are not identified as Limited Common Elements.

(b) **Electrical.** The electrical transmission system throughout the Project up to but not including the electric meter for each Unit, together with general common lighting for the project and any meters which measure general common electricity.

(c) **Exterior Lighting.** The exterior lighting system throughout the Project (excluding individual lights attached to Dwellings or Dwelling garages), including all related electrical transmission lines, lighting fixtures and related equipment.

(d) **Telephone.** The telephone system throughout the Project up to the telephone control box for each Unit.

(e) **Gas.** The gas distribution system throughout the Project up to, but not including, the gas meter for each unit.

(f) **Water and Water Meters.** The water distribution system throughout the Project up to the point of entry to each Unit and including any irrigation system fixtures, connections or controls whether located inside or outside any Unit or Limited Common Element. Any fire suppression systems installed by the Developer shall likewise be General Common Elements. The water meter for each building is a General Common Element and

all water expense for the Condominium shall be shared among Unit Owners in accordance with their respective percentages of value.

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

(h) Storm Sewer. The storm sewer and surface drainage system throughout the Project, including sump pump discharge pipes.

(i) Construction. Foundations, floor construction (including any subfloor but not including any finished floor) supporting footings and columns, exterior walls, chimneys, roofs and roof construction.

(j) Beneficial Easements. Beneficial easements, if any, which may exist from time to time lying outside the Condominium Premises and which provide utilities or other services required by the Project.

(k) Cable Television Wiring. The cable television transmission system throughout the Project up to the cable control mechanism, for any Unit.

(l) Rights to Utilize Community Facilities. The rights to utilize Community Facilities as described in Article X of this Master Deed.

(m) Mailbox Stands. Mailbox stands and structures shall be General Common Elements except that the Association shall have the right to assign and reassign mailbox receptacles therein to individual Co-owners from time to time in its sole discretion.

(n) Other. Fences, walls, trash dumpsters, signage, landscaping and all other elements designated as General Common Elements in the Condominium Subdivision Plan together with such other elements of the Project not herein or in the Condominium Subdivision Plan designated as General or Limited Common Elements which are not enclosed within the boundaries of a Unit, and which are intended for common use or are necessary to the existence, upkeep and safety of the Project.

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

Section 2. Limited Common Elements. Limited Common Elements shall be subject to the exclusive use and enjoyment of the Owner(s) of the Unit(s) to which the Limited Common Elements are appurtenant. The Limited Common Elements are:

(a) Balconies. Each individual balcony shall be restricted in use to the Co-owner of the Unit which opens into such balcony as shown on Exhibit B hereto.

(b) Patios, Decks and Privacy Areas. Each individual patio area, deck or privacy area which may be established pursuant to Article VII hereof shall be restricted in use to the Co-owner of the Unit which opens into such patio area, deck or privacy area as shown on Exhibit B hereto.

(c) Porches. Each individual entry porch in the Project is restricted in use to the Co-owners of the Unit or Units which are serviced by such entry porch as shown on Exhibit "B" hereto.

(d) Air Conditioner Compressors. Each air conditioner compressor together with the pad on which it is located, is restricted in use to the Co-owner of the Condominium Unit which is served by such air conditioner compressor.

(e) Windows, Window Frames, Screens and Doors. Windows, screens and doors located within the perimeter walls of each Unit are limited in use to the Co-owner of the Unit which adjoins such windows, window frames, screens and doors.

(f) Ducts, Electrical Wiring, Water Lines, Drain Lines, Gas Lines and Cable Television Wiring. Cooling and heating duct work, water lines, drain lines, electrical wiring, gas lines and cable television wiring which exclusively serve each Unit shall be limited in use to each Co-owner whose Unit is served by such utilities.

(g) Meters. Meters for electricity and natural gas which exclusively serve a Unit shall be Limited Common Elements respectively appurtenant to each Unit served thereby.

(h) Security System. Any security system for a Unit is limited in use to the Owner of the Unit served thereby.

(i) Unit Driveways. Each driveway which serves the garage portion of a Unit shall be limited in use to the Owner of the Unit and garage served thereby as depicted on the Condominium Subdivision Plan attached hereto as Exhibit B.

(j) Interior Surfaces. The interior surfaces of the ceilings and perimeter walls and of the top of each sub-floor (interior attachments to such walls, ceilings and sub-floors being owned elements) which surround each Unit shall be subject to the exclusive use and enjoyment of the Co-owner of such Unit.

(k) Sump Pumps. Each sump pump and its related equipment (except discharge pipes) is limited in use to the Unit in the basement of which it is located.

(l) Exterior Building Lights. Each exterior light attached to a Dwelling or garage exterior is limited in use to the Co-owner of the Dwelling to which it is related.

(m) Other Elements. All other elements, if any, designated on the Condominium Subdivision Plan as Limited Common Elements.

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

(a) Balconies. Maintenance, repair and replacement of each balcony described in Article IV, Section 2(a) above shall be the responsibility of each Unit owner to whose Unit the same is appurtenant, but the nature, extent and timing thereof shall be at the discretion of the Association.

(b) Patio Areas, Decks and Privacy Areas. The costs of maintenance, repair and replacement of any cement slabs, decking materials, patio bricks, specialized landscaping or other improvements of each patio area, deck or privacy area described in Article IV, Section 2(b) above shall be borne by the Co-owner of the Unit to which such Limited Common Element appertains, but the nature, extent and timing thereof shall be at the discretion of the Association. Any mowing of unobstructed lawns located within all such areas, however, shall be the responsibility of the Association.

(c) Air Conditioner Compressors. The costs of operation, maintenance, repair and replacement of each air conditioner compressor and pad described in Article IV, Section 2(d) above shall be borne by the Co-owner of the Unit serviced by such air conditioner compressor and pad.

(d) Windows, Window Frames, Screens and Doors. All costs of maintenance, repair and replacement of the windows, window frames, screens and doors which service each Unit as described in Article IV, Section 2(e) shall be borne by the Co-owner of the Unit serviced thereby (except that the Association shall be responsible for any necessary exterior painting of windows, window frames, screens and doors).

(e) Ducts, Wiring, Water Lines, Drain Lines, Gas Lines and Cable Television Wiring. Costs of maintenance, repair and replacement of heating and cooling ducts and interior electrical wiring, water lines, drain lines, cable television wiring and gas lines as described in Article IV, Section 2(f) shall be borne by each Co-owner of a Unit serviced thereby.

(f) Security System. The costs of maintenance, repair and replacement of any security system appurtenant to a Unit as described in Article IV, Section 2(h) shall be borne by the Owner of the Unit serviced by such security system.

(g) Sump Pumps. Each sump pump and its related equipment (except discharge pipes) referenced in Section 2(k) above shall be maintained, repaired and replaced by the Co-owner of the Unit to which it is appurtenant; provided, however, that each Co-owner shall keep the same in good repair at all times and the Association shall have an easement to make any needed repairs and charge them back to the Co-owner in the event of any failure by a Co-owner to fulfill such obligation.

(h) Exterior Building Lights. Each exterior light attached to a Dwelling or garage exterior shall be maintained, repaired and replaced by the Co-owner of the Unit to which it is appurtenant; provided, however, that each Co-owner shall keep the same in good repair at all times and the Association shall have an easement to make any needed repairs and charge them back to the Co-owner in the event of any failure by a Co-owner to fulfill such obligation; provided, further that each such light operated on a timer or photocell shall be set in accordance with Association regulations concerning the same and no Co-owner shall interrupt the flow of electricity thereto or change the timing of operation thereof.

(i) Interior Surfaces. The costs of decoration, maintenance and repair of all surfaces referred to in Article IV, Section 2(j) shall be borne by the Co-owner of each Dwelling to which such surfaces are appurtenant.

(j) Other. The costs of maintenance, repair, replacement and operation of all General and Limited Common Elements other than as described above shall be borne by the Association, subject to any provisions of the Bylaws expressly to the contrary.

Section 4. Responsibilities for Owned Elements and Property. Each Co-owner shall be individually responsible for maintenance, repair and replacement of all equipment, fixtures, attachments, appliances and interior partition walls, finished floors, cabinetry and the like located within his Unit.

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

Section 6. Failure of Co-owner to Perform Maintenance Responsibilities. In the event a Co-owner fails to maintain, decorate, repair or replace any elements items for which he or she is responsible, the Association (and/or the Developer during the Development and Sales Period) shall have the right, but not the obligation, to take whatever action or actions it deems desirable to so maintain, decorate, repair or replace any of such elements, all at the expense of the Co-owner of the Dwelling. Failure of the Association (or the Developer) to take any such action shall not be deemed a waiver of the Association's (or the Developer's) right to take any such action at a future time. All costs incurred by the Association or the Developer in performing any responsibilities under this Article IV which are required, in the first instance, to be borne by any Co-owner shall be assessed against such Co-owner and shall be due and payable with his or her monthly assessment

next falling due; further, the lien for non-payment shall attach as in all cases of regular assessments and such assessments may be enforced by the use of all means available to the Association under the Condominium Documents and by law for the collection of regular assessments including, without limitation, legal action, foreclosure of the lien securing payment and imposition of fines.

Section 7. Contracts For Goods and Services The Association shall enter into a single contract for trash removal and all Co-owners shall pay a *pro-rata* share of the cost thereunder as an expense of administration. Likewise, the Association may, in the discretion of the board of directors, enter into such other contracts for goods and services for the benefit of the Co-owners as it may deem advisable including, without limitation, contracts for buildings and grounds maintenance, cable television service, security service and leases of equipment.

ARTICLE V

DWELLING DESCRIPTION AND PERCENTAGE OF VALUE

Section 1. Description of Dwellings. There are one hundred twenty-four (124) Condominium Units in the initial phase of The Traditions at Cambridge Condominium. Each such Unit is described in this paragraph with reference to the Condominium Subdivision Plan of The Traditions at Cambridge Condominium as attached hereto as Exhibit B as the same may be amended from time to time. Each Dwelling shall include: (1) with respect to each Dwelling basement and garage, all that space contained within the unpainted surfaces of the concrete basement and garage floors and perimeter walls and the uncovered underside of the next upper floor joists, and (2) with respect to the upper floors of Dwellings, all that space contained within the finished unpainted plasterboard perimeter walls and plasterboard ceilings and from the finished subfloors all as shown on the floor plans and sections in Exhibit B hereto and delineated with heavy outlines. Heating and air-conditioning ducts, electrical wiring, water lines, drain lines and gas lines contained within the boundaries of a Dwelling and exclusively used thereby shall be owned as an appurtenance thereof.

Section 2. Percentages of Value. The percentage of value assigned to each of the Units is set forth below: Percentages of value are based primarily upon comparative Unit sizes with additional factors applied as the Developer has determined to be reasonable. The percentage of value assigned to each Unit shall be determinative of each Co-owner's respective share of the undivided ownership of Common Elements of the Condominium Project, the proportionate share of each respective Co-owner in the proceeds and the expenses of administration and the value of such Co-owner's vote at meetings of the Association. The total value of the Project is 100%.

<u>Unit Number</u>	<u>Percentage of Value Assigned</u>	<u>Unit Number</u>	<u>Percentage of Value Assigned</u>
1	0.678	5	0.678
2	0.678	6	0.678
3	0.678	7	1.067
4	0.678	8	0.909

<u>Unit Number</u>	<u>Percentage of Value Assigned</u>	<u>Unit Number</u>	<u>Percentage of Value Assigned</u>
9	0.909	56	1.045
10	1.067	57	1.067
11	1.067	58	0.909
12	0.909	59	0.909
13	0.909	60	1.067
14	1.067	61	1.067
15	1.067	62	0.909
16	0.909	63	0.909
17	0.909	64	1.067
18	1.067	65	1.067
19	0.678	66	0.909
20	0.678	67	1.067
21	0.678	68	0.909
22	0.678	69	0.678
23	0.678	70	0.678
24	0.678	71	0.678
25	0.678	72	0.678
26	0.678	73	0.678
27	0.678	74	0.678
28	0.678	75	0.678
29	1.045	76	0.678
30	1.047	77	0.677
31	1.047	78	0.684
32	1.047	79	0.815
33	1.047	80	0.747
34	1.047	81	0.693
35	1.047	82	0.693
36	1.047	83	0.747
37	1.045	84	0.747
38	0.678	85	0.693
39	0.678	86	0.693
40	0.678	87	0.747
41	0.678	88	0.815
42	0.678	89	0.684
43	0.678	90	0.684
44	0.678	91	0.815
45	0.678	92	0.747
46	0.678	93	0.693
47	0.678	94	0.693
48	1.045	95	0.747
49	1.047	96	0.747
50	1.047	97	0.693
51	1.047	98	0.693
52	1.047	99	0.747
53	1.047	100	0.684
54	1.047	101	0.815
55	1.047	102	

<u>Unit Number</u>	<u>Percentage of Value Assigned</u>	<u>Unit Number</u>	<u>Percentage of Value Assigned</u>
103	0.677	116	0.693
104	0.677	117	0.693
105	0.677	118	0.747
106	0.677	119	0.747
107	0.677	120	0.693
108	0.677	121	0.693
109	0.677	122	0.747
110	0.677	123	0.815
111	0.677	124	<u>0.684</u>
112	0.677		
113	0.684	Total	100.00
114	0.815		
115	0.747		

ARTICLE VI

EXPANSION OF CONDOMINIUM

Section 1. Area of Future Development. The Condominium Project established pursuant to this initial Master Deed of The Traditions at Cambridge Condominium and consisting of one hundred twenty-four (124) Dwellings is intended to be the first stage of an Expandable Condominium under the Act to contain in its entirety an indeterminate number of Dwellings, not to exceed six hundred (600). Additional Dwellings, if any, will be included within the land areas described below and depicted on Sheet 2 of the Condominium Subdivision Plan and defined in Article III, Section 2 of this Master Deed as the "Area of Future Development" and as more particularly described as follows:

A parcel of land in the Northeast 1/4 of Section 16, Town 2 South; Range 8 East, Canton Township, Wayne County, Michigan described as follows: Commencing at the East 1/4 corner of Section 16, Town 2 South, Range 8 East, thence along the East-West 1/4 line of said Section 16, South 89° 42'39" West, a distance of 60.00 feet and North 00°13'11" West, a distance of 43.00 feet to a point on the Northerly right of way line of Saltz Road (86 feet wide), said point being the point of beginning of the parcel herein described; thence continuing along the Northerly right of way line of Saltz Road (86 ft. wide); South 89°42'39" West, a distance of 1,248.04 feet; thence North 00°02'35" West, a distance of 206.00 feet; thence South 89°42'39" West, a distance of 175.00 feet; thence along a non-tangent curve to the left having a radius of 421.23 feet and a central angle of 21°49'54" (the chord of said curve bears North 14°39'38" West, 159.54 feet) a distance of 160.50 feet; thence North 26°49'56" West, a distance of 37.44 feet; thence along a curve to the left having a radius of 313.39 feet

and a central angle of $08^{\circ}07'34''$ (the chord of said curve bears North $30^{\circ}53'43''$ West, 44.41 feet) a distance of 44.45 feet; thence North $34^{\circ}57'30''$ West, a distance of 97.04 feet; thence North $55^{\circ}02'30''$ East, a distance of 75.89 feet; thence along a curve to the right having a radius of 627.13 feet and a central angle of $34^{\circ}44'19''$ (the chord of said curve bears North $72^{\circ}24'40''$ East, 374.43 feet) a distance of 380.23 feet; thence North $89^{\circ}46'49''$ East, a distance of 424.19 feet; thence along a curve to the left having a radius of 1,895.00 feet and a central angle of $03^{\circ}16'32''$ (the chord of said curve bears North $88^{\circ}08'33''$ East, 108.32 feet) a distance of 108.34 feet; thence North $86^{\circ}30'17''$ East, a distance of 171.06 feet; thence North $89^{\circ}46'49''$ East, a distance of 60.72 feet; thence South $22^{\circ}56'35''$ East, a distance of 319.00 feet; thence North $89^{\circ}46'49''$ East, a distance of 250.00 feet; thence South $00^{\circ}13'11''$ East, a distance of 383.84 feet to the point of beginning.

Together with a parcel described as commencing at the center post of Section 16, Town 2 South, Range 8 East, thence North $00^{\circ}08'14''$ East, a distance of 43.00 feet to the Southeast corner of Cobblestone Ridge No. 1 Subdivision as recorded in Liber 111, of Plats, Pages 57 to 65 inclusive, Wayne County Records, and the point of beginning; thence North $00^{\circ}08'14''$ East (recorded as North $00^{\circ}21'54''$ East) along the East line of said Cobblestone Ridge No. 1 Subdivision, a distance of 1,271.82 feet to the Southwest corner of Supervisor's Canton Plat No. 1 as recorded in Liber 64, of Plats, Page 86, Wayne County Records; thence North $89^{\circ}20'09''$ East (recorded as North $89^{\circ}34'40''$ East), a distance of 606.31 feet along the South line of said Supervisor's Canton Plat No. 1; thence South $00^{\circ}39'51''$ East, a distance of 63.38 feet; thence along a non-tangent curve to the left having a radius of 684.45 feet and a central angle of $16^{\circ}57'50''$ (the chord of said curve bears South $14^{\circ}11'49''$ East, 201.91 feet) a distance of 202.65 feet to a point on a non-tangent reverse curve to the right having a radius of 287.00 feet and a central angle of $06^{\circ}28'20''$ (the chord of said curve bears South $19^{\circ}26'30''$ East, 32.42 feet) a distance of 32.43 feet to a point on a non-tangent reverse curve to the left having a radius 1,083.88 feet and a central angle of $18^{\circ}43'37''$ (the chord of said curve bears South $25^{\circ}34'03''$ East, 352.69 feet) a distance of 354.26 feet; thence South $34^{\circ}57'30''$ East, a distance of 306.49 feet; thence along a curve to the right having a radius of 226.00 feet and a central angle of $34^{\circ}54'55''$ (the chord of said curve bears South $17^{\circ}30'02''$ East, 135.60 feet) a distance of 137.72 feet; thence South $00^{\circ}02'35''$ East, a distance of 285.25 feet to a point on the Northerly right of way line of Saltz Road (86.00 feet wide); thence along said right of way line South $89^{\circ}42'39''$ West, a distance of 1,039.19 feet to the point of beginning. Total area of proposed future development is 1,914,203 square feet or 43.95 acres. Subject to all easements and restrictions of record.

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

Condominium of any portion of the Area of Future Development together with the residential Dwellings located thereon.

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

ARTICLE VII

Convertible Areas

Section 1. Designation of Convertible Areas. All Units and Common Elements have been designated on the Condominium Subdivision Plan as Convertible Areas within which the Dwellings and Common Elements may be modified as provided herein.

Section 2. The Developer's Right to Modify Units and/or Common Elements. The Developer reserves the right in Developer's sole discretion, from time to time, during a period ending six years from the date of recording this Master Deed, to enlarge, subdivide, extend, diminish, delete and/or relocate Units, and to construct common and/or private amenities on all or any portion or portions of the Convertible Areas. The Developer shall also be entitled to convert General Common Element areas into different General Common Elements or Limited Common Elements in such areas as it, in its sole discretion, may determine, subject only to approval by the Township and any other governmental agencies having jurisdiction. The precise number, nature, size and location of Units and/or Common Element additions, extensions and/or reductions and/or amenities which may be constructed and designated shall be determined by Developer in its sole judgment or by any other person to whom it specifically assigns the right to make such determination subject only to necessary public agency approvals. Any private amenity other than a dwelling extension may be assigned by the Developer as a Limited Common Element appurtenant to an individual Unit.

Section 3. Additional Amenities. The Developer may, in its sole discretion, construct various additional amenities including, but not limited to entrance gates, jogging and/or walking paths, gazebos, picnic areas, tennis courts or other related or similar amenities (hereinafter called the "Amenities") and hereby reserves the right to do so anywhere within the General Common Element area described on the Condominium Subdivision Plan, in its sole discretion subject only to the approval of the Township. Developer shall pay the costs of such amenities, if constructed, pursuant

to its sole election. Upon inclusion of any of the foregoing amenities in the Condominium, all Co-owners and all future Co-owners in The Traditions at Cambridge Condominium shall thereafter contribute to the maintenance, repair and replacement of the Amenities as an expense of administration of the Condominium. Developer has no obligation to construct any particular Amenities or include the same in the Condominium except pursuant to its absolute discretionary election to do so. Final determination of the design, layout and location of any such Amenities, if constructed, will be at the sole discretion of the Developer.

Section 4. Developer's Right to Grant Specific Right of Convertibility. The Developer shall have the authority to assign to the Owner of a particular Unit the right of future convertibility for a specific purpose. Any such assignment shall be by specific written authority duly executed by the Developer prior to the completion of the Development and Sales Period and shall be granted only at the sole discretion of the Developer.

ARTICLE VIII

CONTRACTION OF CONDOMINIUM

Section 1. Right to Contract. As of the date this Master Deed is recorded, the Developer intends to establish a Condominium Project consisting of twelve (12) buildings containing one hundred twenty-four (124) Units on the land described in Article II hereof, all as shown on the Condominium Subdivision Plan. Developer reserves the right to withdraw from the Project (either from this Master Deed or any future Amendment hereof) all or any portion of the area depicted on the Condominium Subdivision Plan as "Convertible and Contractible Area" and more particularly described as follows:

A parcel of land in the Northeast 1/4 of Section 16, Town 2 South, Range 8 East, Canton Township, Wayne County, Michigan described as follows: Commencing at the center of said Section 16, Town 2 South, Range 8 East, thence North 00°08'14" East, a distance of 1314.82 feet; thence North 89°20'09" East, a distance of 606.31 feet to the point of beginning of the parcel herein described; thence continuing North 89°20'09" East, 718.10 feet; thence South 00°08'14" West, a distance of 620.00 feet; thence along a curve to the left having a radius of 627.13 feet and a central angle of 26°39'46" (the chord of said curve bears South 68°22'23" West 289.21 feet) a distance of 291.84 feet; thence South 55°02'30" West, a distance of 75.89 feet; thence South 34°57'30" East, a distance of 97.04 feet; thence along a curve to the right having a radius of 313.39 feet and a central angle of 08°07'34" (the chord of said curve bears South 30°53'43" East, 44.41 feet) a distance of 44.45 feet; thence South 26°49'56" East, a distance of 37.44 feet; thence along a non-tangent curve to the right having a radius of 421.23 feet and a central angle of 21°49'54" (the chord of said curve bears South 14°39'38" East, 159.54 feet) a distance of 160.50 feet; thence South 00°02'35" East, a distance of 206.00 feet; thence South 89°42'39" West, a distance of 91.50 feet; thence North 00°02'35" West, a distance of 285.25 feet; thence

along a curve to the left having a radius of 226.00 feet and a central angle of 34°54'55" (the chord of said curve bears North 17°30'02" West, 135.60 feet) a distance of 137.72 feet; thence North 34°57'30" West, a distance of 306.49 feet; thence along a non-tangent curve to the right having a radius 1083.88 feet and a central angle of 18°43'37" (the chord of said curve bears North 25° 34'03" West, 352.69 feet) a distance of 354.26 feet; thence along a non-tangent curve to the left having a radius of 287.00 feet and a central angle of 06°28'29" (the chord of said curve bears North 19°26'30" West, 32.42 feet) a distance of 32.43 feet; thence along a non-tangent curve to the right having a radius of 684.45 feet and a central angle of 16°57'50" (the chord of said curve bears North 14°11'49" West, 201.91 feet) a distance of 202.65 feet; thence North 00°39'51" West, a distance of 63.38 feet; to the point of beginning, containing 472,275 square feet or 10.84 acres.

Therefore, any other provisions of this Master Deed to the contrary notwithstanding, all or any portion of the Convertible and Contractible Area may, at the sole option of the Developer, from time to time, within a period ending no later than six years from the date of recording this Master Deed, be withdrawn from the Condominium.

Section 2. Withdrawal of Land. Developer further reserves the right, subsequent to such withdrawal but prior to six years from the date of recording this Master Deed, to expand the Project as so reduced to include all or any portion of the land so withdrawn. There is no obligation on the part of the Developer to withdraw from the Condominium Project all or any portion of the Convertible and Contractible Area, nor is there any obligation to withdraw portions thereof in any particular order.

ARTICLE IX

OPERATIVE PROVISIONS

Any expansion, contraction or exercise of the convertibility rights in the Condominium pursuant to Articles VI, VII or VIII above shall be governed by the provisions as set forth below.

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

Section 2. Redefinition of Common Elements. Such amendment or amendments to the Master Deed shall also contain such further definitions and redefinitions of General or Limited Common Elements as may be necessary to adequately describe, serve and provide access to the parcel or parcels being added to or withdrawn from the Condominium by such amendment. In connection with any such amendment or amendment(s), Developer shall have the right to change the nature, size, shape or location of any Common Element previously included in the initial or subsequent phases of the Condominium for any purpose reasonably necessary to achieve the purposes of this Article, including, but not limited to, the connection of roadways and sidewalks in the Condominium to any roadways and sidewalks that may be located on, or planned for the Area of Future Development or any Contractable Area and to serve or provide reasonable access to any Dwelling that is located on, or planned for the Area of Future Development or the Contractable Area from the roadways and sidewalks located in initial or subsequent phases of the Condominium.

Section 3. Right to Modify Floor Plans. The Developer further reserves the right, in its discretion, to amend and alter the floor plans and/or elevations of any buildings and/or Dwellings described in the Condominium Subdivision Plan attached hereto. The nature and appearance of all such altered buildings and/or Dwellings shall be determined by the Developer in its sole judgment. All such improvements shall be determined by the Developer in its sole discretion. No Unit shall be included within the Condominium, however, that is not restricted exclusively to residential use.

Section 4. Consolidating Master Deed. A Consolidating Master Deed and as-built drawings shall be recorded pursuant to the Act when the Condominium is finally concluded as determined by the Developer in order to incorporate into one set of instruments all successive stages of development. The Consolidating Master Deed, when recorded, shall supersede the previously recorded Master Deed and all amendments thereto and may, at Developer's election, eliminate or modify any portions of the Condominium Documents which are inapplicable due to the passage of time, changes in circumstances or other appropriate considerations.

Section 5. Consent of Interested Persons. All of the Co-owners and mortgagees of Dwellings and other persons interested or to become interested in the Condominium from time to time shall be deemed to have irrevocably and unanimously consented to such amendments to this Master Deed as may be proposed by the Developer to effectuate the purposes of Articles VI, VII and VIII above and to any proportionate reallocation of percentages of value of existing Dwellings which the Developer may determine necessary in conjunction with such amendments. All such interested persons irrevocably appoint the Developer as agent and attorney for the purpose of execution of such amendments to the Master Deed and all other documents necessary to effectuate the foregoing. Such amendments may be effected without the necessity of rerecording the entire Master Deed or the Exhibits hereto and may incorporate by reference all or any pertinent portions of this Master Deed and the Exhibits hereto.

ARTICLE X

COMMUNITY FACILITIES

Section 1. Nature and Extent of Community Facilities. There presently exist within The Traditions at Cambridge Community, certain facilities (hereinafter called "Community Facilities") in the nature of a community building, swimming pool and tennis court as depicted on the Condominium Subdivision Plan, which exist for the purpose of serving the entire The Traditions at Cambridge Community as fully expanded and developed.

Section 2. Retention and/or Grant of Easements for Usage and Obligation for Support of Community Facilities. The Community Facilities are designed for the use of occupants of Dwellings in the entire Traditions at Cambridge Community, not exceeding the occupants of six hundred (600) such Dwellings. Any Community Facilities which are located within The Traditions at Cambridge Condominium as General Common Elements will be so located only for convenience of administration, it being intended that the benefits and obligations relative to the Community Facilities be shared by the entire The Traditions at Cambridge Community regardless of whether The Traditions at Cambridge Condominium is only a part thereof. Such facilities may be utilized, as provided below, by the occupants of Dwellings located in the land described in Article II hereof together with all Dwellings located in the Area of Future Development described in Article VI of the Master Deed regardless of the nature of such Dwellings and regardless of whether the same are located within The Traditions at Cambridge Condominium or within other residential developments of varying types. Since the ultimate size of The Traditions at Cambridge Condominium depends on market conditions from time to time and is not, therefore, presently predictable, it is possible that the Area of Future Development, as provided in Article VI of the Master Deed, may ultimately consist of one or more condominium projects or multi-family rental residential developments. The Developer, therefore, reserves the right on behalf of itself, its successors and assigns as owner of any Dwelling for sale or for rent, owned by it, its successors or assigns, located in the land described in The Traditions at Cambridge Condominium and in said Articles II or VI to utilize the Community Facilities, upon payment of a proportionate share of the expenses of repair, maintenance, operation and replacement of such facilities. The share of such expenses attributable to each such Dwelling shall be 1/600th. In no event, however, shall the owners or occupants of more than six hundred (600) residences be entitled to use the Community Facilities. Any Community Facilities which may be included as General Common Elements in The Traditions at Cambridge Condominium shall be subject to the retained easements and usage rights for residences located outside The Traditions at Cambridge Condominium as set forth above. At Developer's election, however, all or any portion or portions of the Community Facilities may be located and remain outside The Traditions at Cambridge Condominium subject to the obligation of Developer to cause easements for the use and enjoyment thereof to be established by appropriate recorded documents. Such documents shall confer and impose upon the Owners of Dwellings in The Traditions at Cambridge Community and such Owners shall be deemed to accept substantially the same beneficial rights, responsibilities and obligations with respect to such outside Community Facilities as would have existed if the Community Facilities had been included in The Traditions at Cambridge Condominium subject to the rights and obligations of others outside The Traditions at Cambridge Condominium to use and

enjoy the same pursuant to the provisions of this Master Deed as it may be amended from time to time. The expenses of repair, maintenance, operation and replacement of the Community Facilities shall be deemed to include, but not necessarily be limited to, expenses incurred for hazard and liability insurance, personnel required to staff, maintain and repair said facilities, taxes related thereto, supplies incident thereto, and in general, all expenses reasonably necessary or incident to the operation, maintenance and repair of said facilities. The easement for the use of the Community Facilities retained hereunder also includes a perpetual easement over The Traditions at Cambridge Condominium for reasonable pedestrian and vehicular ingress and egress to and from said Community Facilities for the reasonable use thereof by all persons entitled to such use. Extensive provisions relative to the operation of the Community Facilities are set forth in Article XI of this Master Deed.

ARTICLE XI

OPERATION OF THE COMMUNITY FACILITIES

The level and frequency of maintenance, repair and replacement of the Community Facilities shall be determined and performed in accordance with the following requirements:

Section 1. Standards of Maintenance. The Community Facilities shall be maintained at all times in a first-class condition consistent with the highest standards of maintenance of The Traditions at Cambridge Condominium and the other residences within the land areas benefitted by the Community Facilities. The Traditions at Cambridge Condominium is hereinafter sometimes referred to as "Benefitted Area" and such other areas located beyond the perimeter of The Traditions at Cambridge Condominium may hereinafter be referred to from time to time as "Other Benefitted Areas."

Section 2. Sharing of Maintenance Expenses for Community Facilities. All costs of administration, maintenance, repair and replacement of the Community Facilities, shall be borne by the Owners of all completed Dwellings in The Traditions at Cambridge Condominium and completed residences within the Other Benefitted Areas entitled to use the same on a *pro rata* basis. Thus, there shall be chargeable to each development within which dwellings are located a fraction of such costs, the numerator of which fraction shall be the number of dwellings in such development and the denominator of which shall be 600.

Section 3. Administration of Community Facilities. Until the expiration of the Development and Sales Period, the Developer shall be entitled to administer and make all operating decisions with regard to the Community Facilities and to utilize the same for its marketing and administrative purposes, in its sole discretion. Thereafter, decisions relating to the administration and maintenance of the Community Facilities shall be made by a representative operating committee (hereinafter called the "Operating Committee") comprised of at least three (3) persons with at least one representative to be selected from each Benefitted Area and Other Benefitted Area whose occupants are entitled to use the Community Facilities and one representative selected by the

Developer. So long as there is no Other Benefitted Area other than The Traditions at Cambridge Condominium (that is, The Traditions at Cambridge Condominium as may be expanded by Master Deed amendment from time to time), a delegate chosen by the Board of Directors of The Traditions at Cambridge Condominium Association shall comprise the Operating Committee together with the Developer's representative. Each time an additional development is established within the Other Benefitted Areas, a delegate from such development shall be appointed to the Operating Committee by the entity responsible for administration of such development. Each delegate appointed shall serve for one year unless such appointment is terminated sooner by the terms of his or her appointment or by appointment of a replacement delegate by the entity responsible for the administration of such development. The Operating Committee shall meet at least once a month at mutually satisfactory times.

Section 4. Administration and Maintenance. Regardless of the identity or composition of the Operating Committee, all decisions relative to the administration and maintenance of the Community Facilities shall be governed by the following standards:

- (a) The Community Facilities shall be fairly administered for the benefit of all owners of Dwelling Units within the Benefitted Area and Other Benefitted Areas.
- (b) An annual operating budget for said Community Facilities shall be prepared (which budget shall be separate from the general operating budget of The Traditions at Cambridge Condominium or any other development within the Other Benefitted Areas), and all expenditures shall be consistent with said budget and subject to review by all parties affected thereby.
- (c) Said budget shall provide reasonable, economical and efficient maintenance of the Community Facilities.
- (d) After the end of the Development and Sales Period, rules and policies relating to the use of the Community Facilities may be adopted by a two-thirds (2/3) majority of the members of the Operating Committee. Such rules and policies may also be adopted or changed by the affirmative vote of two-thirds (2/3) of the eligible votes attributable to owners of all completed residences within the Benefitted Area and Other Benefitted Areas with each such owner to have as many votes as he or she owns completed residences. All such rules and policies which are thus adopted or modified by the Operating Committee or by a two-thirds (2/3) majority of the owners of completed Dwelling Units shall be equitable and nondiscriminatory as to all users. Until the end of the Development and Sales Period, all such rules and policies shall be adopted and implemented solely by the Developer.

ARTICLE XII

EASEMENTS

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

Section 2. Easements and Developmental Rights Retained by Developer.

(a) Roads. Developer reserves for the benefit of itself, its successors and assigns, and for all Owners of Dwellings in the Area of Future Development and all Owners of Dwellings in The Traditions at Cambridge Condominium and all future owners of land which may be withdrawn from the Condominium pursuant to Article VIII hereof, perpetual easements for the unrestricted use of all private drives and sidewalks in the Condominium as shown on the Condominium Subdivision Plan, as amended from time to time, for the purposes of ingress and egress to and from all or any portion of The Traditions at Cambridge Condominium and the Area of Future Development described in Article VI and also for the purposes of access to The Traditions at Cambridge Condominium and other residential developments within the Area of Future Development by the owners and occupants thereof and their invitees, successors and assigns. Developer shall also have the right, in furtherance of its construction, development and sales activities on the Condominium or in the Area of Future Development, to go over and across, and to permit its agents, contractors, subcontractors and employees to go over and across, any portion of the General Common Elements from time to time as Developer may deem necessary for such purposes. Developer may, by a subsequent instrument prepared and recorded in its discretion without consent from any interested party, specifically define by legal description the easements of access reserved hereby, if Developer deems it necessary or desirable to do so.

(b) Utilities. Developer also hereby reserves for the benefit of itself, its successors and assigns, all Co-owners in The Traditions at Cambridge Condominium and all future owners of the land described in Article VI as the Area of Future Development or any portion or portions thereof, and for all future owners of land which may be withdrawn from the Condominium pursuant to Article VIII hereof, perpetual easements to utilize, tap, tie into, extend and enlarge all utilities located within the Condominium Premises, including, but not limited to, water, gas, electrical, telephone, cable television, storm and sanitary sewer mains. In the event Developer, its successors or assigns, utilizes, taps, ties into, extends or enlarges

any utilities located on the Condominium Premises, it shall be obligated to pay all of the expenses reasonably necessary to restore the Condominium Premises to their state immediately prior to such utilization, tapping, tying-in, extension or enlargement.

(c) **Community Facilities.** Developer reserves for the benefit of itself, its successors and assigns, all easements and rights to use for marketing and administrative purposes and obtain access to the Community Facilities as generally set forth in Articles X and XI of this Master Deed.

(d) **Confirmation of Specific Easements by Subsequent Recordings.** All easements created and reserved by and to the Developer, its successors and assigns anywhere in this Master Deed or in the Condominium Documents may be specifically confirmed, defined, clarified or otherwise established with reference to other properties lying within the Area of Future Development and the owners thereof by duly recorded instruments from time to time including, without limitation, master deeds, declarations of easements and other documents executed and recorded by Developer, its successors and assigns.

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

Section 4. Easements for Development, Marketing, Construction, Maintenance, Repair and Replacement. The Developer, the Association and all public or private utility companies shall have such easements as may be necessary over the Condominium Premises, including all Dwellings and Common Elements to exercise any rights and fulfill any responsibilities of development, marketing, construction, maintenance, repair, decoration, replacement or relocation which they or any of them are required or permitted to perform under the Condominium Documents. These easements include, without any implication of limitation, the right of the Association and the Developer to obtain access during reasonable hours and upon reasonable notice to sump pumps, water meters, sprinkler controls and valves, fire suppression systems and other Common Elements or equipment which affect the operation of Common Elements located within any Dwelling or its appurtenant Limited Common Elements and the right of Developer to gain access to Dwellings or Common Elements to perform work for which it is obligated to the Association or to any Co-owner.

Section 5. Cable Television Agreements. The Association, acting through its duly constituted Board of Directors and subject to the Developer's approval, shall have the power to grant such easements, licenses and other rights of entry, use and access and to enter into any contract or agreement, including wiring agreements, right-of-way agreements, access agreements and multi-unit agreements and, to the extent allowed by law, contracts for sharing of any installation or periodic

subscriber service fees as may be necessary, convenient or desirable to provide for cable television, broad band cable, satellite dish, earth antenna and similar services (collectively "Cable Television") to the Condominium. Notwithstanding the foregoing, in no event shall the Board of Directors enter into any contract or agreement or grant any easement, license or right of entry or do any other act or thing which will violate any provision of any Cable Television law, including any Cable Television franchise ordinance as adopted from time to time by the Township.

ARTICLE XIII

AMENDMENT

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

Section 1. Co-Owner Consent. No Dwelling dimension may be modified without the consent of the Co-owner and mortgagee of such Dwelling nor may the nature or extent of Limited Common Elements or the responsibility for maintenance, repair or replacement thereof be modified without the written consent of the Co-owner of any Dwelling to which the same are appurtenant.

Section 2. By Developer. Prior to two years after expiration of the Development and Sales Period, the Developer may, without the consent of any Co-owner or any other person, amend this Master Deed and the Condominium Subdivision Plan attached as Exhibit B in order to depict the Condominium and its improvements in an "as-built" manner, correct survey or other errors made in such documents and to make such other amendments to such instruments and to the Bylaws attached hereto as Exhibit A as do not materially diminish any rights of any Co-owners or mortgagees in the Condominium, including, but not limited to, amendments for the purpose of facilitating conventional mortgage loan financing for existing or prospective Co-owners and to enable the purchase or insurance of such mortgage loans by the Federal Home Loan Mortgage Corporation, the Federal National Mortgage Association, the Government National Mortgage Association, the Veterans Administration or the Department of Housing and Urban Development, or by any other public or private mortgage insurer or any institutional participant in the secondary mortgage market.

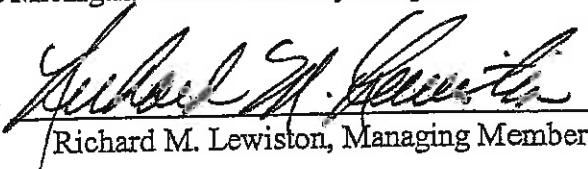
Section 3. Change in Value of Vote, Maintenance Fee and Percentages of Value. The value of the vote of any Co-owner and the corresponding proportion of common expenses assessed against such Co-owner shall not be modified without the written consent of such Co-owner and his or her mortgagee, nor shall the percentage of value assigned to any Dwelling be modified without like consent, except as elsewhere provided in this Master Deed.

Section 4. Mortgagee Approval. Pursuant to Section 90(1) of the Act, the Developer hereby reserves the right, on behalf of itself and on behalf of the Association of Co-owners, to amend this Master Deed and the Condominium Documents without approval of any mortgagee unless the Amendment would materially alter or change the rights of mortgagees, in which event 66-2/3% of the first mortgagees shall approve such Amendment, giving one vote for each mortgage held.

IN WITNESS WHEREOF, the Developer has caused this Master Deed to be executed on its behalf on the 25th day of March, 2003.

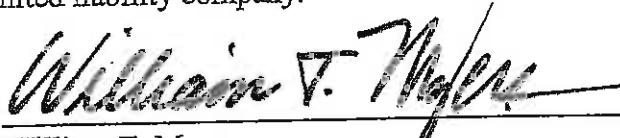
APARTMENTS AT CAMBRIDGE COMPANY, L.L.C.,
a Michigan limited liability company

By:


Richard M. Lewiston, Managing Member

STATE OF MICHIGAN)
) SS.
COUNTY OF OAKLAND)

On this 25th day of March, 2003, the foregoing Master Deed was acknowledged before me by Richard M. Lewiston, Manager of Apartments at Cambridge Company, L. L.C., a Michigan limited liability company, on behalf of the limited liability company.



William T. Myers
Notary Public, Wayne County, Michigan
My commission expires: August 29, 2004

The foregoing Master Deed drafted by:

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

When recorded, return to drafter.

The Traditions at Cambridge CONDOMINIUM/Master Deed

EXHIBIT A

THE TRADITIONS AT CAMBRIDGE CONDOMINIUM

BYLAWS

ARTICLE I

ASSOCIATION OF CO-OWNERS

The Traditions at Cambridge Condominium, a residential Condominium Project located in the Township of Canton, 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 Bylaws referred to in the Master Deed and required by Section 3(9) of the Act and the Bylaws provided for under the Michigan Nonprofit Corporation Act. Each 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 or her 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, mortgagees 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

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 Co-owners thereof in accordance with the following provisions:

Section 1. Assessments for Common Elements. All costs incurred by the Association in satisfaction of any liability arising within, caused by, or connected with the Common Elements or the administration of the Condominium 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 receipts affecting the administration of the Condominium Project, within the meaning of Section 54(4) of the Act.

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

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

(b) **Special Assessments.** Special assessments, in addition to those required in subsection (a) above, may be made by the Association from time to time and approved by the Co-owners as hereinafter provided to meet other requirements of the Association, including, but not limited to: (1) assessments for additions to the General Common Elements of a cost exceeding \$10,000.00 for the entire Condominium Project per year, (2) assessments to purchase a Unit upon foreclosure of the lien for assessments described in Section 5 hereof, (3) assessments for any other appropriate purpose not elsewhere herein described. Special

assessments referred to in this subsection (b) (but not including those assessments referred to in subsection 2(a) above, which shall be levied in the sole discretion of the Association) shall not be levied without the prior approval of more than sixty (60) percent of all Co-owners in number and in value. The authority to levy assessments pursuant to this subsection is solely for the benefit of the Association and the members thereof and shall not be enforceable by any creditors of the Association or of the members thereof.

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

(d) Apportionment of Assessments. 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 each Co-owner's proportionate share of the expenses of administration as provided in Article V, Section 2 of the Master Deed and without increase or decrease for the existence of any rights to the use of Limited Common Elements appurtenant to a Unit except as otherwise specifically provided in the Master Deed. Annual assessments as determined in accordance with Article II, Section 2(a) above shall be payable by Co-owners in monthly installments, 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.

Section 3. Developer's Responsibility for Assessments. The Developer of the Condominium, although a member of the Association, shall not be responsible at any time for payment of the regular Association assessments. The Developer, however, shall at all times pay all expenses of maintaining Units that it owns, together with a proportionate share of all current expenses of administration relative thereto which are 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 completed Units owned by the Developer at the time the expense is incurred to the total number of Units then in the Project. The expenses to be shared in the foregoing manner shall include by way of example, costs of snow plowing, lawn care, and common utilities such as irrigation water and electricity to operate common site lighting. 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 occupied Units owned by it. 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. "Occupied Unit" shall mean a Unit used as a residence. "Completed Unit" shall mean a Unit with respect to which a certificate of occupancy has been issued by the Township of Canton.

Section 4. Penalties for Default. The payment of an assessment shall be in default if any installment thereof is not paid to the Association in full on or before the due date for such installment. A late charge not to exceed twenty-five (\$25.00) dollars per installment per month may be assessed automatically by the Association upon each installment in default for ten (10) or more days until paid in full. Each delinquent installment and/or related penalty which is not paid by the time the next regular monthly installment falls due shall constitute a separate delinquency for each month that it remains unpaid and is subject to the continuing assessment of separate additional delinquency penalties for each month during which the default continues. This late charge maximum may be increased from time to time by action of the Board of Directors which increase shall be effective unless revoked by vote of the members at a duly convened meeting of the Association. The Association may, pursuant to Article VII, Section 4 and Article VIII hereof, levy fines for late payment of assessments in addition to such late charge. Each Co-owner (whether one or more persons) shall be, and remain, personally liable for the payment of all assessments (including fines for late payment and costs of collection and enforcement of payment) pertinent to his or her Unit which may be levied while such Co-owner is the owner thereof, except a land contract purchaser from any Co-owner including Developer shall be so personally liable and such land contract seller shall not be personally liable for all such assessments levied up to and including the date upon which such land contract seller actually takes possession of the Unit following extinguishment of all rights of the land contract purchaser in the Unit. Payments on account of installments of assessments in default shall be applied as follows: first, to costs of collection and enforcement of payment, including reasonable attorneys' fees; second, to any interest charges and fines for late payment on such installments; and third, to installments in default in order of their due dates.

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

Section 6. Waiver of Use or Abandonment of Unit. No Co-owner may exempt himself or herself from liability for such Co-owner's contribution toward the expenses of administration by waiver of the use or enjoyment of any of the Common Elements or by the abandonment of such Co-owner's Unit.

Section 7. Enforcement.

(a) **Remedies.** In addition to any other remedies available to the Association, the Association may enforce collection of delinquent assessments by a suit at law for a money judgment or by foreclosure of the statutory lien that secures payment of assessments. In the event of default by any Co-owner in the payment of any installment of the annual assessment levied against such Co-owner's 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 seven (7) days written notice to such Co-owner of its intention to do so. A Co-owner in default shall not be entitled to utilize any of the General Common Elements of the 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 or her 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 such Co-owner. The Association may also assess fines for late payment or non-payment of assessments in accordance with the provisions of Article VII, Section 4 and Article VIII 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 or she was notified of the provisions of this subsection and that he or she voluntarily, intelligently and knowingly waived notice of any proceedings brought by the Association to foreclose by advertisement the lien for nonpayment of assessments and a hearing on the same prior to the sale of the subject Unit.

(c) **Notice of Action.** Notwithstanding the foregoing, neither a judicial foreclosure action nor a suit at law for a money judgment shall be commenced, nor shall any notice of foreclosure by advertisement be published, until the expiration of ten (10) days after mailing, by first class mail, postage prepaid, addressed to the delinquent Co-owner(s) at his, her or their last known address, a written notice that one or more installments of the annual assessment levied against the pertinent Unit is or are delinquent and that the Association may invoke any of its remedies hereunder if the default is not cured within ten (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 (1) the affiant's capacity to make the affidavit, (2) the statutory and other authority for the lien, (3) the amount outstanding (exclusive of interest, costs, attorneys' fees and future assessments), (4) the legal description of the subject Unit(s), and (5) the name(s) of the Co-owner(s) of record. Such affidavit shall be recorded in the office of the Wayne County Register of Deeds prior to commencement of any foreclosure proceeding, but it need not have been recorded as of the date of mailing. If the delinquency is not cured within the ten-day period, the Association may take such remedial action as may be available to it hereunder or under Michigan law. In the event the Association elects to foreclose the lien by advertisement, the Association shall so notify the delinquent Co-owner and shall inform Co-owner that he or she 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 or her Unit.

Section 8. Statement as to Unpaid Assessments. The purchaser of any Unit may request a statement of the Association as to the amount of any unpaid Association assessments thereon, whether regular or special. Upon written request to the Association accompanied by a copy of the executed purchase agreement pursuant to which the purchaser holds the right to acquire a Unit, the Association shall provide a written statement of such unpaid assessments as may exist or a statement that none exist, which statement shall be binding upon the Association for the period stated therein. Upon the payment of that sum within the period stated, the Association's lien for assessments as to such Unit shall be deemed satisfied; provided, however, that the failure of a purchaser to request such statement at least five (5) days prior to the closing of the purchase of such Unit shall render any unpaid assessments and the lien securing the same fully enforceable against such purchaser and the Unit itself, to the extent provided by the Act.

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

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

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

of certificates of mortgagee endorsements to the mortgagees of Co-owners. Each Co-owner may obtain insurance coverage at his or her own expense upon his or her Unit. It shall be each Co-owner's responsibility to determine by personal investigation or from his or her own insurance advisors the nature and extent of insurance coverage adequate to his or her needs and thereafter to obtain insurance coverage for his or her personal property and any additional fixtures, equipment and trim (as referred to in subsection (b) below) located within his or her Unit or elsewhere on the Condominium and for his or her personal liability for occurrences within his or her Unit or upon Limited Common Elements appurtenant to his or her Unit, and also for alternative living expense in event of fire, and the Association shall have absolutely no responsibility for obtaining such coverages. The Association, as to all policies which it obtains, and all Co-owners, as to all policies which they obtain, shall use their best efforts to see that all property and liability insurance carried by the Association or any Co-owner shall contain appropriate provisions whereby the insurer waives its right of subrogation as to any claims against any Co-owner or the Association.

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

for obtaining such coverage unless agreed specifically and separately between the Association and the Co-owner in writing.

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

(d) Proceeds of Insurance Policies. Proceeds of all insurance policies owned by the Association shall be received by the Association, held in a separate account and distributed to the Association, and the Co-owners and their mortgagees, as their interests may appear; provided, however, whenever repair or reconstruction of the Condominium shall be required as provided in Article V of these Bylaws, the proceeds of any insurance received by the Association as a result of any loss requiring repair or reconstruction shall be applied for such repair or reconstruction.

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

ARTICLE V

RECONSTRUCTION OR REPAIR

Section 1. Determination to Reconstruct or Repair. If any part of the Condominium Premises shall be damaged, the determination of whether or not it shall be reconstructed or repaired shall be made in the following manner:

(a) Partial Damage. If the damaged property is a Common Element or a Unit, the property shall be rebuilt or repaired if any Unit in the Condominium is tenantable, unless it is determined by an affirmative vote of eighty (80) percent of the Co-owners in the Condominium, in number and in value, that the Condominium shall be terminated.

(b) Total Destruction. If the Condominium is so damaged that no Unit is tenantable, the damaged property shall not be rebuilt unless eighty (80) percent or more of

the Co-owners, in number and in value, agree to reconstruction by vote or in writing within ninety (90) days after the destruction:

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

Section 3. Co-owner Responsibility for Repair.

(a) **Definition of Co-owner Responsibility.** If the damage is only to a part of a Unit which is the responsibility of a Co-owner to maintain and repair, it shall be the responsibility of the Co-owner to repair such damage in accordance with subsection (b) hereof. In all other cases, the responsibility for reconstruction and repair shall be that of the Association.

(b) **Damage to Interior of Unit.** Each Co-owner shall be responsible for the reconstruction, repair and maintenance of the interior of his or her Unit, including, but not limited to, floor coverings, wall coverings, window shades, draperies, interior walls (but not any Common Elements therein), interior trim, furniture, light fixtures and all appliances, whether free-standing or built-in. In the event damage to interior walls within a Co-owner's Unit, or to pipes, wires, conduits, ducts or other Common Elements therein, or to any fixtures, equipment and trim which are standard items within a Unit is covered by insurance held by the Association, then the reconstruction or repair shall be the responsibility of the Association in accordance with Section 4 of this Article V. If any other interior portion of a Unit is covered by insurance held by the Association for the benefit of the Co-owner, the Co-owner shall be entitled to receive the proceeds of insurance relative thereto, and if there is a mortgagee endorsement, the proceeds shall be payable to the Co-owner and the mortgagee jointly. In the event of substantial damage to or destruction of any Unit or any part of the Common Elements, the Association promptly shall so notify each institutional holder of a first mortgage lien on any of the Units in the Condominium.

Section 4. Association Responsibility for Repair. Except as provided in Section 3 hereof, the Association shall be responsible for the reconstruction, repair and maintenance of the Common Elements. Immediately after the occurrence of a casualty causing damage to property for which the Association has the responsibility of maintenance, repair and reconstruction, the Association shall obtain reliable and detailed estimates of the cost to place the damaged property in a condition as good as that existing before the damage. If the proceeds of insurance are not sufficient to defray the estimated cost of reconstruction or repair required to be performed by the Association, or if at any time during such reconstruction or repair, or upon completion of such reconstruction or repair, the funds for the payment of the cost thereof are insufficient, assessment shall be made against all 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. This provision shall not be construed to require replacement of mature trees and vegetation with equivalent trees or vegetation.

Section 5. Timely Reconstruction and Repair. If damage to Common Elements or a Unit adversely affects the appearance of the Project, the Association or Co-owner responsible for the reconstruction, repair and maintenance thereof shall proceed with replacement of the damaged property without delay, and shall complete such replacement within 6 months after the date of the occurrence which caused damage to the property.

Section 6. Eminent Domain. Section 133 of the Act and the following provisions shall control upon any taking by eminent domain:

(a) **Taking of Unit.** In the event of any taking of an entire Unit 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. After acceptance of such award by the Co-owner and his or her mortgagee, they shall be divested of all interest in the Condominium Project. In the event that any condemnation award shall become payable to any Co-owner whose Unit is not wholly taken by eminent domain, then such award shall be paid by the condemning authority to the Co-owner and his or her mortgagee, as their interests may appear.

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

(c) **Continuation of Condominium After Taking.** In the event the Condominium Project continues after taking by eminent domain, then the remaining portion of the Condominium Project shall be resurveyed and the Master Deed amended accordingly, and, if any Unit shall have been taken, then Article V of the Master Deed shall also be amended to reflect such taking and to proportionately readjust the percentages of value of the remaining 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 Association without the necessity of execution or specific approval thereof by any Co-owner.

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

Section 7. Notification of FHLMC and FNMA. In the event any mortgage in the Condominium is held by the Federal Home Loan Mortgage Corporation ("FHLMC") or by the Federal National Mortgage Association ("FNMA") then, upon request therefor by FHLMC, or FNMA, as the case may be, the Association shall give it written notice at such address as it may, from time to time, direct of any loss to or taking of the Common Elements of the Condominium if

the loss or taking exceeds \$10,000 in amount or damage to a Condominium Unit covered by a mortgage purchased in whole or in part by FHLMC or FNMA exceeds \$1,000.

Section 8. Priority of Mortgagee Interests. Nothing contained in the Condominium Documents shall be construed to give a Co-owner or any other party priority over any rights of first mortgagees of Condominium Units pursuant to their mortgages in the case of a distribution to Co-owners of insurance proceeds or condemnation awards for losses to or a taking of Condominium Units and/or Common Elements.

ARTICLE VI

RESTRICTIONS

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

Section 1. Residential Use. No Unit in the Condominium shall be used for other than single-family residential purposes and non-public home office use in compliance with the ordinances of the Township of Canton and the Common Elements shall be used only for purposes consistent with the foregoing uses.

Section 2. Leasing and Rental.

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

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

(1) Any Co-owner, desiring to rent or lease a Unit, shall disclose that fact in writing to the Association at least ten (10) days before presenting a lease form to a potential lessee and, at the same time, shall supply the Association with a copy of the exact lease form for its review for its compliance with the Condominium Documents. Developer hereby notifies all Co-owners that Units in the Condominium are being rented pursuant to pre-existing leases which were in effect prior to the

recording hereof and that it may continue to rent Units before the Transitional Control Date. A sample copy of the form of prior leases is on file with the Developer and any Co-owner may inspect such lease form during normal business hours upon reasonable advance request and any new lease form utilized by Developer shall be likewise available in the event that the Developer elects to enter into any new leases during the Development and Sale Period.

(2) Tenants and non-owner occupants shall comply with all of the conditions of the Condominium Documents. All leases and rental agreements shall so state (except for the Developer's pre-existing leases which do not contain such provisions which lack of inclusion, however, shall not waive the requirement that tenants and occupants shall comply with conditions of the Condominium Documents).

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

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

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

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

(4) When a Co-owner is in arrears to the Association for assessments, the Association may give written notice of the arrearage to a tenant occupying a Co-owner's Unit under a lease or rental agreement and the tenant, after receiving the notice, shall deduct from rental payments due the Co-owner the arrearage and future

installments of assessments as they fall due and pay them to the Association. The deductions shall not constitute a breach of the rental agreement or lease by the tenant.

Section 3. Alterations and Modifications. No Co-owner (except the Developer) shall make alterations in exterior appearance or make structural modifications to his or her Unit (including interior walls through or in which there exist easements for support or utilities) or make changes in any of the Common Elements without the express written approval of the Association, including without limitation exterior painting or the erection of antennas of any sort, lights, aerials, awnings, doors, shutters, or other exterior attachments or modifications. The Developer and/or the Association may establish policies or adopt rules and regulations from time to time which observe applicable federal communications laws but which are designed to limit dish antennas or similar devices to the greatest extent possible for aesthetic reasons. No Co-owner shall in any way restrict access to any plumbing, water line, water line valves, water meter, sprinkler system valves, or any other element that must be accessible to service the Common Elements or any element which affects an Association responsibility in any way. Should access to any facilities of any sort be required, the Association (on behalf of itself or any Co-owner) may remove or cause to be removed any coverings or attachments of any nature that restrict such access and will have no responsibility for repairing, replacing or reinstalling any materials, whether or not installation thereof has been approved hereunder, that are damaged in the course of gaining such access, nor shall the Association be responsible for monetary damages of any sort arising out of actions taken to gain necessary access.

Section 4. Activities. No immoral, improper, unlawful or offensive activity shall be carried on in any Unit or upon the Common Elements nor shall anything be done which may be or become an annoyance or a nuisance to the Co-owners of the Condominium. No unreasonably noisy activity shall occur in or on the Common Elements or in any Unit at any time and disputes among Co-owners, arising as a result of this provision which cannot be amicably resolved, shall be arbitrated by the Association. No Co-owner shall do or permit anything to be done or keep or permit to be kept in his or her Unit or on the Common Elements anything that will increase the rate of insurance on the Condominium without the written approval of the Association, and each Co-owner shall pay to the Association the increased cost of insurance premiums resulting from any such activity or the maintenance of any such condition even if approved. Activities which are deemed offensive and are expressly prohibited include, but are not limited to, the following: Any activity involving the use of firearms, air rifles, pellet guns, B-B guns, bows and arrows, or other similar dangerous weapons, projectiles or devices.

Section 5. Pets. No animals other than domesticated pets shall be maintained by any Co-owner on the Condominium Premises. No such pet may be kept or brought into the Condominium (other than fish and small caged birds) unless the Co-owner signs a separate pet agreement and registration on such form as the Association may require. 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. Any pet running loose or left unattended, whether or not tied up, may be caught and turned over to the local animal shelter without liability of any sort to the owner thereof. 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. Each Co-owner shall be responsible for collection and disposition of all fecal matter deposited by any pet maintained by such Co-owner. No dog whose bark can be heard on any frequent or continuing basis shall be kept in any Unit or on the Common Elements. The Association may charge all Co-owners maintaining animals a reasonable additional assessment to be collected in the manner provided in Article II of these Bylaws in the event that the Association determines such assessment necessary to defray the maintenance cost to the Association of accommodating animals within the Condominium. The Association shall have the right to adopt such reasonable rules and regulations with respect to animals as it may deem proper. In the event of any violation of this Section, the Association may assess fines for such violation in accordance with these Bylaws and in accordance with duly adopted rules and regulations of the Association and may require offensive pets to be temporarily or permanently removed from the Condominium. Under no circumstances shall the Association be responsible to any Co-owner or Co-owner's family, guest, employee or agent for any enforcement of or alleged or actual failure to enforce the provisions of this Section 5. Reasonable exceptions to pet regulations may be made to accommodate animals for handicapped persons.

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 unsightly condition shall be maintained on any porch and only furniture and equipment consistent with the normal and reasonable use of such areas shall be permitted to remain there during seasons when such areas are reasonably in use and no furniture or equipment of any kind shall be stored thereon during seasons when such areas are not reasonably in use. Trash receptacles shall be maintained in areas designated therefor at all times and shall not be permitted to remain elsewhere on the Common Elements except for such short periods of time as may be reasonably necessary to permit periodic collection of trash. All Co-owners shall comply strictly with any recycling requirements of the Association and any public agency having jurisdiction. The Common Elements shall not be used in any way for the drying, shaking or airing of clothing or other fabrics. In general, no activity shall be carried on nor condition maintained by a Co-owner, either in his or her Unit or upon the Common Elements, which is detrimental to the appearance of the Condominium. All drapery linings or other window treatment backings visible from the exterior of a Unit shall be white, off-white or otherwise neutral in color.

Section 7. Vehicles. No house trailers, commercial vehicles, boat trailers, boats, personal watercraft, camping vehicles, camping trailers, motorcycles, all terrain vehicles, snowmobiles, snowmobile trailers or vehicles, other than automobiles or vehicles used primarily for general personal transportation purposes, may be parked or stored upon the premises of the Condominium, unless parked in a garage with the door closed when not in use or except as otherwise specifically permitted by the Association in writing. 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. Co-owners shall, if the Association shall require, register with the Association all vehicles maintained on the Condominium

Premises. Garage doors shall remain closed at all times except during such brief periods as may be necessary for ingress and egress. Use of motorized vehicles anywhere on the Condominium Premises, other than passenger vehicles, authorized maintenance vehicles and commercial vehicles as provided in this Section 7, is absolutely prohibited. The Board of Directors may adopt rules and regulations from time to time limiting the numbers of vehicles which may be maintained on the Condominium Premises and/or specifically limiting the areas in which vehicles may be parked.

Section 8. 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, during the Development and Sales Period, and, subsequent thereto, only with prior written permission from the Association.

Section 9. Rules and Regulations. It is intended that 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 the Association, including the period of time prior to the Transitional Control Date. Copies of all such rules, regulations and amendments thereto shall be furnished to all Co-owners.

Section 10. Right of Access of Association. The Association or its duly authorized agents shall have access to each Unit and any Limited Common Elements appurtenant thereto from time to time, during reasonable working hours, upon notice to the Co-owner thereof, as may be necessary for the maintenance, repair or replacement of any of the Common Elements. The Association or its agents shall also have access to each Unit and any Limited Common Elements appurtenant thereto at all times without notice as may be necessary to make emergency repairs to prevent damage to the Common Elements or to another Unit. It shall be the responsibility of each Co-owner to provide the Association means of access to his or her Unit and any Limited Common Elements appurtenant thereto during all periods of absence, and in the event of the failure of such Co-owner to provide means of access, the Association may gain access in such manner as may be reasonable under the circumstances and shall not be liable to such Co-owner for any necessary damage to his or her Unit and any Limited Common Elements appurtenant thereto caused thereby or for repair or replacement of any doors or windows damaged in gaining such access.

Section 11. Landscaping. No Co-owner shall perform any landscaping or plant any trees, shrubs or flowers or place any ornamental materials upon the Common Elements without the prior written approval of the Association.

Section 12. Common Element Maintenance. Sidewalks, landscaped areas, driveways and other General Common Element areas shall not be obstructed nor shall they be used for purposes other than that for which they are reasonably and obviously intended. No personal property of any sort including, without limitation, bicycles, vehicles, chairs or other obstructions may be left unattended on or about the General Common Elements. Only furniture, equipment and other furnishings in good condition and repair of a nature intended for porch, deck or balcony use may be utilized upon or within such Limited Common Element areas. No supplies or other materials may be stored on porches, patios or balconies.

Section 13. Co-owner Maintenance. Each Co-owner shall maintain his or her Unit and any Limited Common Elements appurtenant thereto for which he or she 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 Common Elements in any Unit which are appurtenant to or which may affect any other Unit. Each Co-owner shall be responsible for damages or costs to the Association resulting from negligent damage to or misuse of any of the Common Elements by him or her, or his or her family, guests, tenants, agents or invitees, unless such damages or costs are covered by insurance carried by the Association (in which case there shall be no such responsibility unless reimbursement to the Association is limited by virtue of a deductible provision, in which case the responsible 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 14. Reserved Rights of Developer.

(a) **Prior Approval by Developer.** During the Development and Sales Period, no buildings, fences, walls, retaining walls, 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 and which are not visible from outside the 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 improvement and the grading or landscaping plan of the area to be affected shall have been submitted to and approved in writing by Developer, its successors or assigns, and a copy of said plans and specifications, as finally approved, lodged permanently with Developer. Developer shall have the right to refuse to approve any such plan or specifications, or grading or landscaping plans which are not suitable or desirable in its opinion for aesthetic or other reasons; and in passing upon such plans, specifications, grading or landscaping, it shall have the right to take into consideration the suitability of the proposed structure, improvement or modification, the site upon which it is proposed to effect the same, and the degree of harmony thereof with the Condominium as a whole. 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.

(b) **Developer's Rights in Furtherance of Development and Sales.** None of the restrictions contained in this Article VI shall apply to the commercial, developmental, construction, rehabilitation, marketing activities, including erection of signs or billboards of any nature or size in any location of the Developer or its agents, employees or contractors during the Development and Sales Period or of the Association in furtherance of its powers and purposes set forth herein and in its Articles of Incorporation, as the same may be amended from time to time. Notwithstanding anything to the contrary set forth in this Article VI or elsewhere contained in the Condominium Documents, Developer shall have the right to maintain a sales office, a business office, a construction office, model units, storage areas

and exclusive parking incident to the foregoing and such access to, from and over the Project as may be reasonable to enable development, modification and sale of the entire Project by the Developer; and may continue to do so during the entire Development and Sales Period. The Developer shall be entitled, throughout the Development and Sales Period, to the exclusive use of such portions of the Community Building as it may deem necessary, in its sole discretion, and without payment of any compensation to the Association relative to such use, for the conduct and operation of its marketing, construction, developmental, maintenance and storage activities. It may also utilize vehicles in connection with such activities (including, without limitation, trucks, jitneys and golf carts) which might otherwise be prohibited for use on the Condominium Premises under Section 7 of Article VI of these Bylaws.

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

(d) Entry Into Contracts For Project Services. The Developer reserves, on behalf of itself and the Association, the right to enter into contracts for goods and services (including, without limitation, contracts for buildings and grounds maintenance, cable television, security services and leases of equipment) to be provided to the Condominium Project on such terms and provisions, including cost and duration, as Developer or the Association may, in the sole discretion of either, deem appropriate.

Section 15. General. The purpose of this Article VI is to assure the continued maintenance of the Condominium as a beautiful and harmonious residential development, and shall be binding upon all Co-owners. The Developer may, in the Developer's sole discretion, waive, at any time during the Development and Sales Period, any part of the restrictions set forth in this Article VI due to considerations or other circumstances which the Developer deems compelling. Any such waiver must be in writing and shall be limited to the Unit to which it pertains and shall not constitute a waiver as to enforcement of the restrictions as to any other Unit. Developer's rights under this Article VI may, in Developer's discretion, be assigned to the Association or other successor to Developer and shall be so assigned in writing at the end of the Development and Sales Period. Developer may construct any improvements upon the Condominium Premises that Developer may, in Developer's sole discretion, elect to make without the necessity of prior consent from the Association or any other person or entity, subject only to the express limitations contained in the Condominium Documents.

ARTICLE VII

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, 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 of monetary fines for such violations in accordance with Article VIII 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 aforesaid Condominium Documents shall be deemed to be cumulative and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be available to such party at law or in equity.

Section 7. Enforcement of Provisions of Condominium Documents. 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 VIII

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 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 or her personal actions or the actions of his or her 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 Association, the following procedures will be followed:

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

(b) **Opportunity to Defend.** The offending Co-owner shall have an opportunity to appear before the Board of Directors of the Association and offer evidence in defense of the alleged violation. The appearance before the Board shall be at its next scheduled meeting, but in no event shall the Co-owner be required to appear less than ten (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 Association shall, by majority vote of a quorum of the Board, decide whether a violation has occurred. The Association'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 Association as recited above, the following fines shall be levied:

(a) **First Violation.** No fine shall be levied; provided, however, that each day during which a violation continues shall be deemed to be a separate violation and any

uncured continuing violation shall, thus, be deemed to be a separate violation on each successive day of its continuation:

- (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 installment of Condominium assessments on the first of the next 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 VII of these Bylaws.

ARTICLE IX

MORTGAGES

Section 1. Notice to Association. Any Co-owner who mortgages his or her 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 sixty (60) days.

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

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

ARTICLE X

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 or Units 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 otherwise.

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 or she has presented evidence of ownership of a Unit in the Condominium Project to the Association. Except as provided in Article XIII, 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 XI. 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 X below or by a proxy given by such individual representative. The Developer shall be the only person entitled to vote at a meeting of the Association until the First Annual Meeting of members. At and after the First Annual Meeting the Developer shall be entitled to one (1) vote for each Unit which it owns and for which it is paying Association maintenance expenses. If, however, the Developer elects to designate a director (or directors) pursuant to its rights under Article XIII, Section 2 (c)(1) or (2) hereof, it shall not then be entitled to also vote for the non-developer directors.

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

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

Section 6. Majority. A majority, except where otherwise provided herein, shall consist of more than fifty (50%) percent 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 XI

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 Association. Meetings of the Association shall be conducted in accordance with Sturgis' Code of Parliamentary Procedure, Roberts Rules of Order or some other generally recognized manual of parliamentary procedure, when not otherwise in conflict with the Condominium Documents (as defined in the Master Deed) or the laws of the State of Michigan.

Section 2. First Annual Meeting. The First Annual Meeting of members of the Association may be convened only by Developer and may be called at any time after more than fifty (50%) percent of all Units that may be created in The Traditions at Cambridge Condominium have been conveyed and the purchasers thereof qualified as members of the Association. In no event, however, shall such meeting be called later than one hundred twenty (120) days after the conveyance of legal or equitable title to non-developer Co-owners of seventy-five (75%) percent of all Units that may be created or fifty-four (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 Association, and at least ten (10) days written notice thereof shall be given to each Co-owner. The phrase, "Units that may be created" as used in this paragraph and elsewhere in the Condominium Documents refers to the maximum number of Units which the Developer is permitted under the Condominium Documents to include in the Condominium.

Section 3. Annual Meetings. Annual meetings of members of the Association shall be held on the third Tuesday of May 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 Association; provided, however, that the second annual meeting shall not be held sooner than eight (8) months after the date of the First Annual Meeting. At such meetings there shall be elected by ballot of the Co-owners a Board of Directors in accordance with the requirements of Article XIII 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 Association or upon a petition signed by one-third (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 the time and place where it is to be held, upon each Co-owner of record, at least ten (10) days but not more than sixty (60) days prior to such meeting. 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 X, Section 3 of these Bylaws shall be deemed notice served. Any member may, by written waiver of notice signed by such member, waive such notice, and such waiver, when filed in the records of the Association, shall be deemed due notice.

Section 6. Adjournment. If any meeting of Co-owners cannot be held because a quorum is not in attendance, the Co-owners who are present may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called.

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

Section 8. Action Without Meeting. Any action which may be taken at a meeting of the members (except for the election or removal of directors) may be taken without a meeting by written ballot of the members. Ballots shall be solicited in the same manner as provided in Section 5 for the giving of notice of meetings of members. Such solicitations shall specify (a) the number of responses needed to meet the quorum requirements; (b) the percentage of approvals necessary to approve the action; and (c) the time by which ballots must be received in order to be counted. The form of written ballot shall afford an opportunity to specify a choice between approval and disapproval of each matter and shall provide that, where the member specifies a choice, the vote shall be cast in accordance therewith. Approval by written ballot shall be constituted by receipt, within the time period specified in the solicitation, of (1) a number of ballots which equals or exceeds the quorum which would be required if the action were taken at a meeting; and (2) a number of approvals which equals or exceeds the number of votes which would be required for approval if the action were taken at a meeting at which the total number of votes cast was the same as the total number of ballots cast.

Section 9. Consent of Absentees. The transactions at any meeting of members, either annual or special, however called and noticed, shall be as valid as though made at a meeting duly held after regular call and notice, if a quorum is present either in person or by proxy; and if, either before or after the meeting, each of the members not present in person or by proxy signs a written

waiver of notice, or a consent to the holding of such meeting, or an approval of the minutes thereof. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

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

ARTICLE XII

ADVISORY COMMITTEE

Within one (1) year after conveyance of legal or equitable title to the first Unit in the Condominium to a purchaser or within one hundred twenty (120) days after conveyance to purchasers of one-third (1/3) of the total number of Units that may be created in The Traditions at Cambridge Condominium, whichever first occurs, the Developer shall cause to be established an Advisory Committee consisting of at least three (3) non-developer Co-owners. The Committee shall be established and perpetuated in any manner the Developer deems advisable, except that if more than fifty (50%) percent of the non-developer Co-owners, in number and in value, petition the Association 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 Association and the other Co-owners and to aid in 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 XIII

BOARD OF DIRECTORS

Section 1. Number and Qualification of Directors. The Board of Directors shall initially be comprised of three (3) members and shall continue to be so comprised until enlarged in accordance with the provisions of Section 2 hereof. Thereafter, the affairs of the Association shall be governed by a board of five (5) directors or, if appropriate, after the First Annual Meeting by a board of seven (7) directors, all of whom must be members of the Association or officers, partners, trustees, employees or agents of members of the Association, except for the first Board of Directors. Directors shall serve without compensation.

Section 2. Election of Directors.

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

(b) **Appointment of Non-developer Co-owners to Board Prior to First Annual Meeting.** Not later than one hundred twenty (120) days after conveyance of legal or equitable title to non-developer Co-owners of twenty-five percent (25%) of the Units that may be created in The Traditions at Cambridge Condominium, one of the four (4) directors shall be selected by non-developer Co-owners. Not later than 120 days after conveyance of legal or equitable title to non-developer Co-owners of 50% of the Units that may be created, two (2) of the five (5) directors shall be elected by non-developer Co-owners. When the required percentage of conveyances have been reached, the Developer shall notify the non-developer Co-owners and convene a meeting so that the Co-owners can elect the required director or directors, as the case may be. Upon certification by the Co-owners to the Developer of the director or directors so elected, the Developer shall then immediately appoint such director or directors to the Board to serve until the First Annual Meeting of members unless such director is removed pursuant to Section 7 of this Article or resigns or becomes incapacitated.

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

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

(2) Regardless of the percentage of Units which have been conveyed, upon the expiration of 54 months after the first conveyance of legal or equitable title to a non-developer Co-owner of a Unit in the Project, if title to not less than seventy-five percent (75%) of the Units which may be created has not been conveyed, the non-developer Co-owners have the right to elect a number of members of the Board

of directors equal to the percentage of Units they own, and the Developer has the right to elect a number of members of the Board of Directors equal to the percentage of Units which are owned by the Developer and for which maintenance expenses are payable by the Developer. This election may increase, but shall not reduce, the minimum election and designation rights otherwise established in subparagraph (1) above. Application of this subparagraph does not require a change in the size of the Board of Directors.

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

(4) In the event the Condominium has expanded to 250 or more Units at the time of the First Annual Meeting, the Board shall be increased in size from five to seven persons. At the First Annual Meeting, either three or four directors, as the case may be, shall be elected for a term of two (2) years and either two or three directors, as the case may be, shall be elected for a term of one (1) year. At such meeting all nominees shall stand for election as one (1) slate and the three or four persons (as the case may be) receiving the highest number of votes shall be elected for a term of two (2) years and the two or three persons (as the case may be) receiving the next highest number of votes shall be elected for a term of one (1) year. At each annual meeting held thereafter, either the number of directors shall be elected whose terms then expire. After the First Annual Meeting, the term of office (except for two or three of the directors, as the case may be, elected at the First Annual Meeting) of each director shall be two (2) years. The directors shall hold office until their successors have been elected and hold their first meeting.

(5) Once the Co-owners have acquired the right hereunder to elect a majority of the Board of Directors, annual meetings of Co-owners to elect directors and conduct other business shall be held in accordance with the provisions of Article XI, 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. Any action required by the Condominium Documents to be done by the Association

shall be performed by action of the Board of Directors unless specifically required to be done by, or with the approval of, 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 to do the following:

- (a) To manage and administer the affairs of and to maintain the Condominium Project and the Common Elements thereof.
- (b) To levy and collect assessments from the members of the Association and to use the proceeds thereof for the purposes of the Association.
- (c) To carry insurance and collect and allocate the proceeds thereof.
- (d) To rebuild improvements after casualty.
- (e) To contract for and employ persons, firms, corporations or other agents to assist in the management, operation, maintenance and administration of the Condominium Project.
- (f) To acquire, maintain and improve; and to buy, operate, manage, sell, convey, assign, mortgage or lease any real or personal property (including any Unit in the Condominium and easements, rights-of-way and licenses) on behalf of the Association in furtherance of any of the purposes of the Association.
- (g) To borrow money and issue evidences of indebtedness in furtherance of any or all of the purposes of the Association, and to secure the same by mortgage, pledge, or other lien on property owned by the Association; provided, however, that any such action shall also be approved by affirmative vote of seventy-five (75) percent of all of the members of the Association.
- (h) To make rules and regulations in accordance with Article VI, Section 9 of these Bylaws.
- (i) To establish such committees as it deems necessary, convenient or desirable and to appoint persons thereto for the purpose of implementing the administration of the Condominium and to delegate to such committees any functions or responsibilities which are not by law or the Condominium Documents required to be performed by the Board.
- (j) To enforce the provisions of the Condominium Documents.

Section 5. Management Agent. The Board of Directors may employ for the Association a professional management agent (which may include the Developer or any person or entity related thereto) at reasonable compensation established by the Board to perform such duties and services

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

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

Section 7. Vacancies. Vacancies in the Board of Directors which occur after the Transitional Control Date caused by any reason other than the removal of a director by a vote of the members of the Association shall be filled by vote of the majority of the remaining directors, even though they may constitute less than a quorum, except that the Developer shall be solely entitled to fill the vacancy of any director whom it is permitted in the first instance to designate. Each person so elected shall be a director until a successor is elected at the next annual meeting of the members of the Association. Vacancies among non-developer 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 8. Removal. At any regular or special meeting of the Association duly called with due notice of the removal action proposed to be taken, any one or more of the directors may be removed (except for any director or directors which the Developer is entitled to designate) with or

without cause by the affirmative vote of more than fifty (50) percent 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 percent requirement set forth in Article X, Section 4. Any director whose removal has been proposed by the Co-owners shall be given an opportunity to be heard at the meeting. The Developer may remove and replace any or all of the directors 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 9. First Meeting. The first meeting of a newly elected Board of Directors shall be held within ten (10) days of election at such place as shall be fixed by the directors at the meeting at which such directors were elected, and no notice shall be necessary to the newly elected directors in order legally to constitute such meeting, providing a majority of the whole Board shall be present.

Section 10. Regular Meetings. Regular meetings of the Board of Directors may be held at such times and places as shall be determined from time to time by a majority of the directors, but at least two (2) such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each director personally, by mail, telephone or telegraph, at least ten (10) days prior to the date named for such meeting.

Section 11. Special Meetings. Special meetings of the Board of Directors may be called by the president on three (3) days notice to each director given personally, by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the president or secretary in like manner and on like notice on the written request of two (2) directors.

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

Section 13. Quorum. At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the acts of the majority of the directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, less than a quorum is present, the majority of those present may adjourn the meeting to a subsequent time upon 24-hour 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. Provided, however, that no quorum may be deemed to exist in absence of the Developer's designee(s) on the Board without the express consent of such designee(s). The joinder of a director in the action of a meeting by signing and concurring in the minutes thereof, shall constitute the presence of such director for purposes of determining a quorum.

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

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

ARTICLE XIV

OFFICERS

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

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

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

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

(d) **Treasurer.** The treasurer shall have responsibility for the Association's funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. He or she shall be responsible for

the deposit of all monies and other valuable effects in the name and to the credit of the Association, and in such depositories as may, from time to time, be designated by the Board of Directors.

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

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

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

ARTICLE XV

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 XVI

FINANCE

Section 1. Records. The Association shall keep detailed books of account showing all expenditures and receipts of administration, and which shall specify the maintenance and repair expenses of the Common Elements and any other expenses incurred by or on behalf of the Association and the Co-owners. 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. As required by the Michigan Condominium Act, the books of account shall be audited or reviewed at least annually by independent accountants; provided, however, that such accountants need not be certified public accountants nor does such audit or review need to be certified. Any institutional holder of a first mortgage lien on any Unit in the Condominium shall be entitled to receive a copy of such annual audited financial statement within ninety (90) days following the end of the Association's fiscal year.

upon request therefor. The 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 Association 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 XVII

LIMITATION AND ASSUMPTION OF LIABILITY OF VOLUNTEERS; INDEMNIFICATION

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

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

Section 3. Indemnification of Volunteers. The Association shall also indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative, or investigative, and

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

ARTICLE XVIII

AMENDMENTS

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

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

Section 3. Voting. These Bylaws may be amended by the Co-owners at any regular annual meeting or a special meeting called for such purpose by an affirmative vote of not less than sixty-six and two-thirds (66-2/3%) percent of all Co-owners. No consent of mortgagees shall be required to amend these Bylaws unless such amendment would materially alter or change the rights of such mortgagees, in which event the approval of sixty-six and two-thirds (66-2/3%) percent of the mortgagees shall be required, with each mortgagee to have one vote for each Unit on which a first mortgage is held. As provided in Article XIII, Section 6 of the Master Deed, no amendment to these Bylaws shall be effective during the Development and Sales Period without the Developer's written consent.

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 Wayne County Register of Deeds.

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

ARTICLE XIX

COMPLIANCE

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

ARTICLE XX

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 XXI

RIGHTS RESERVED TO DEVELOPER

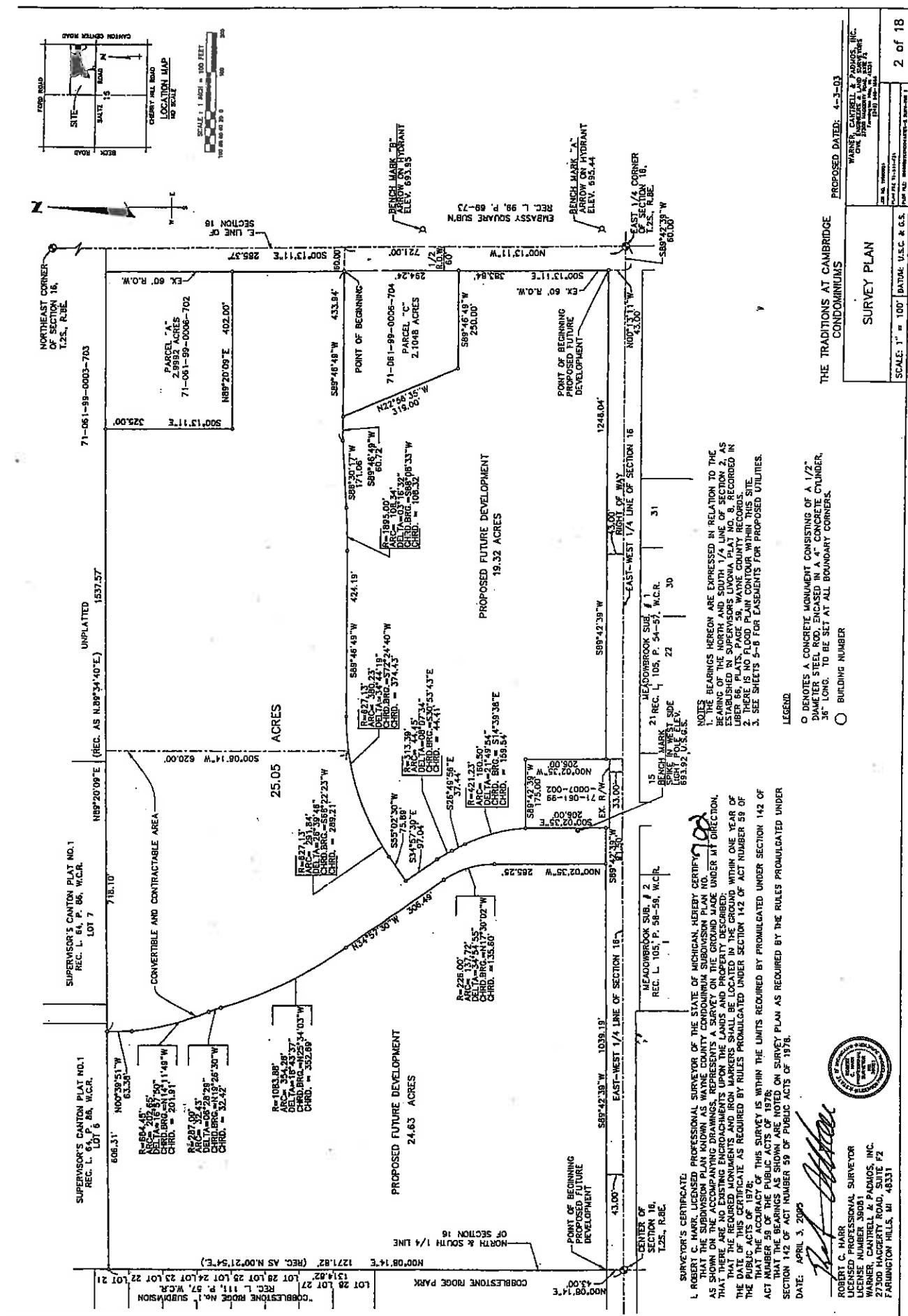
Any or all of the rights and powers granted or reserved to the Developer in the Condominium Documents or by law, including the right and power to approve or disapprove any act, use, or proposed action or any other matter or thing, may be assigned by it to any other entity or to the Association. Any such assignment or transfer shall be made by appropriate instrument in writing in which the assignee or transferee shall join for the purpose of evidencing its acceptance of such powers and rights and such assignee or transferee shall thereupon have the same rights and powers as herein given and reserved to the Developer. Any rights and powers reserved or granted to the Developer or its successors shall terminate, if not sooner assigned to the Association, at the

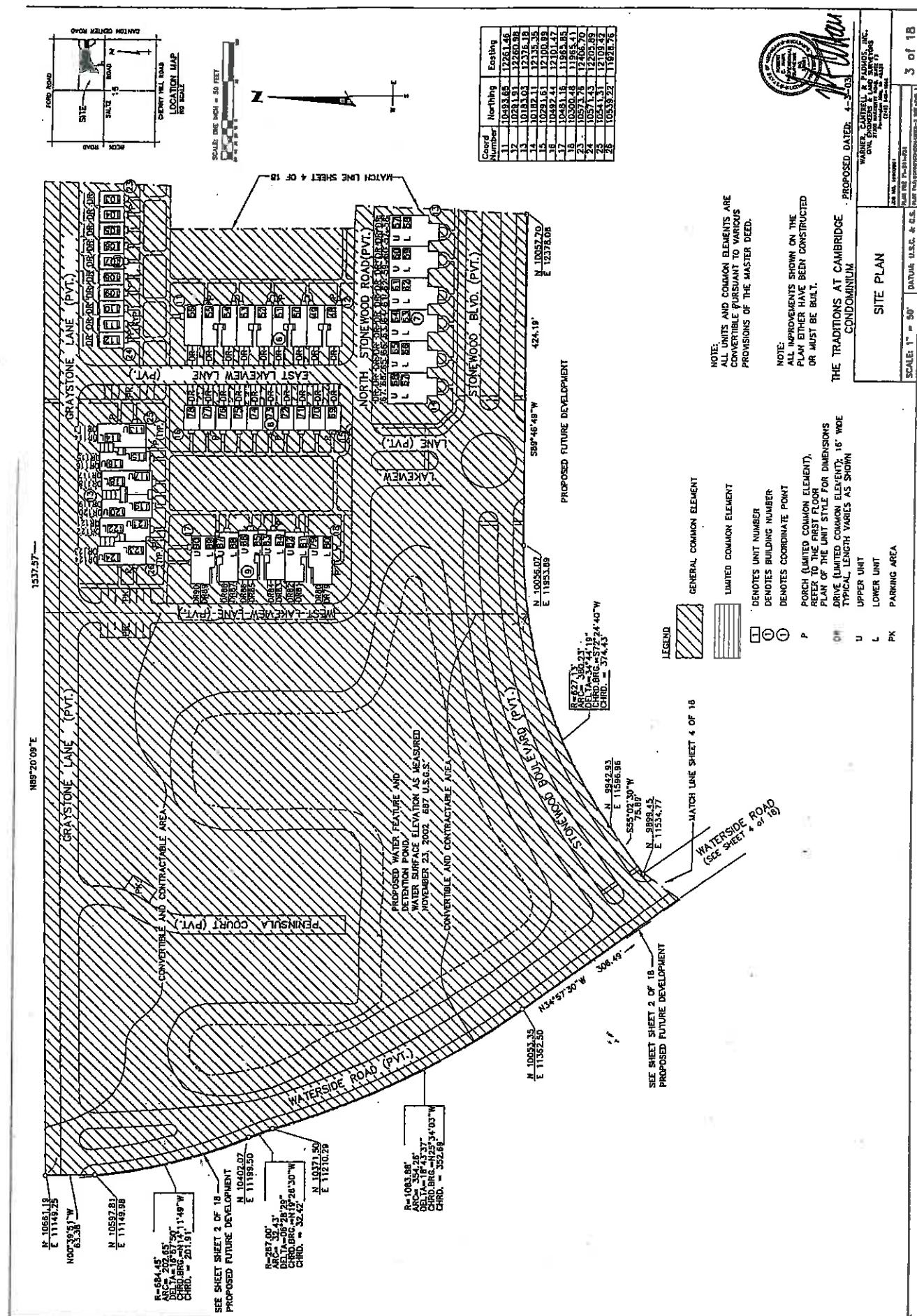
conclusion of the Development and Sales Period as defined in Article III of the Master Deed. The immediately preceding sentence dealing with the termination of certain rights and powers granted or reserved to the Developer is intended to apply, insofar as the Developer is concerned, only to the Developer's rights to approve and control the administration of the Condominium and shall not, under any circumstances, be construed to apply to or cause the termination of any real property rights granted or reserved to the Developer or its successors and assigns in the Master Deed or elsewhere (including, but not limited to, access easements, utility easements and all other easements created and reserved in such documents which shall not be terminable in any manner hereunder and which shall be governed only in accordance with the terms of their creation or reservation and not hereby).

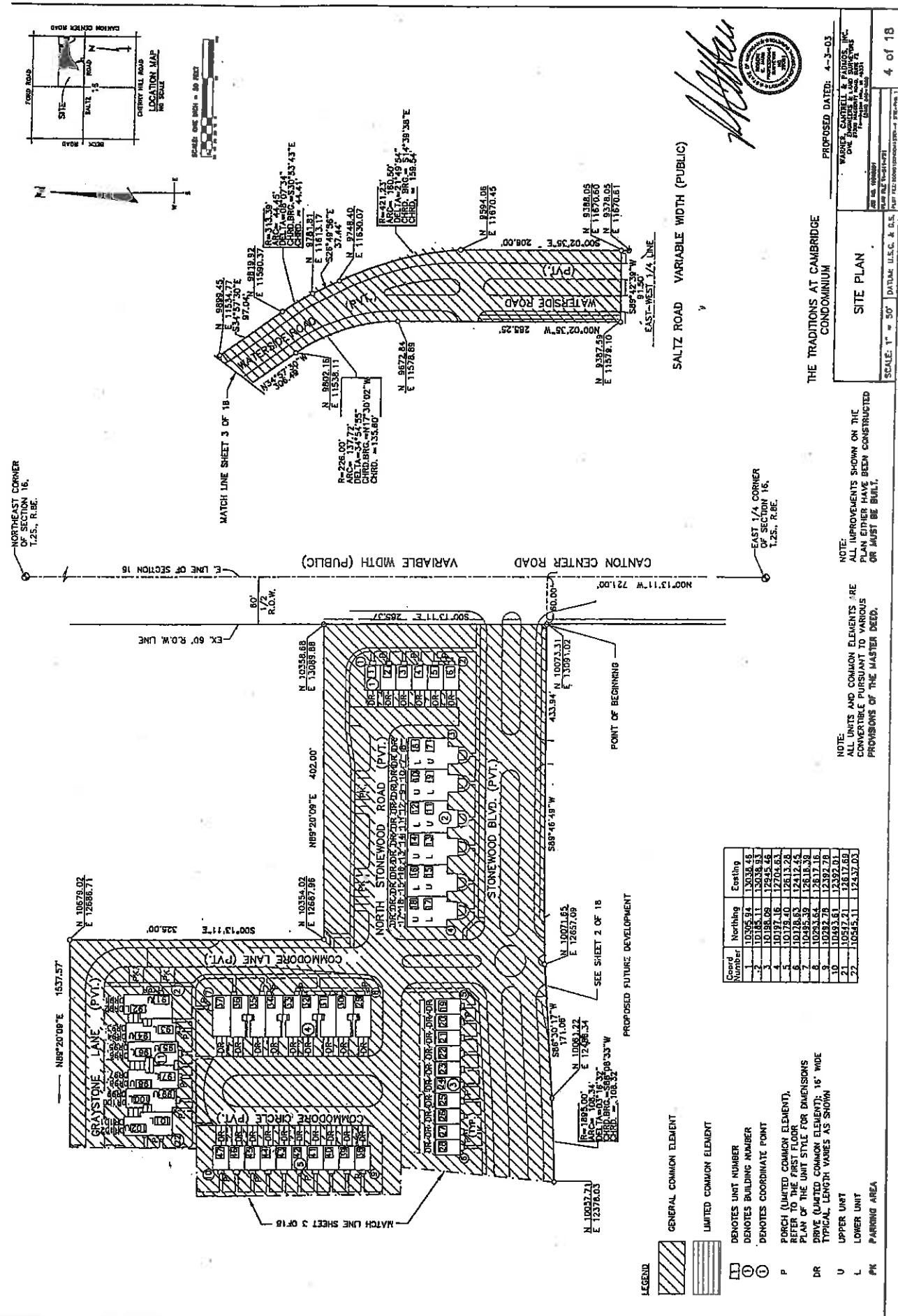
ARTICLE XXII

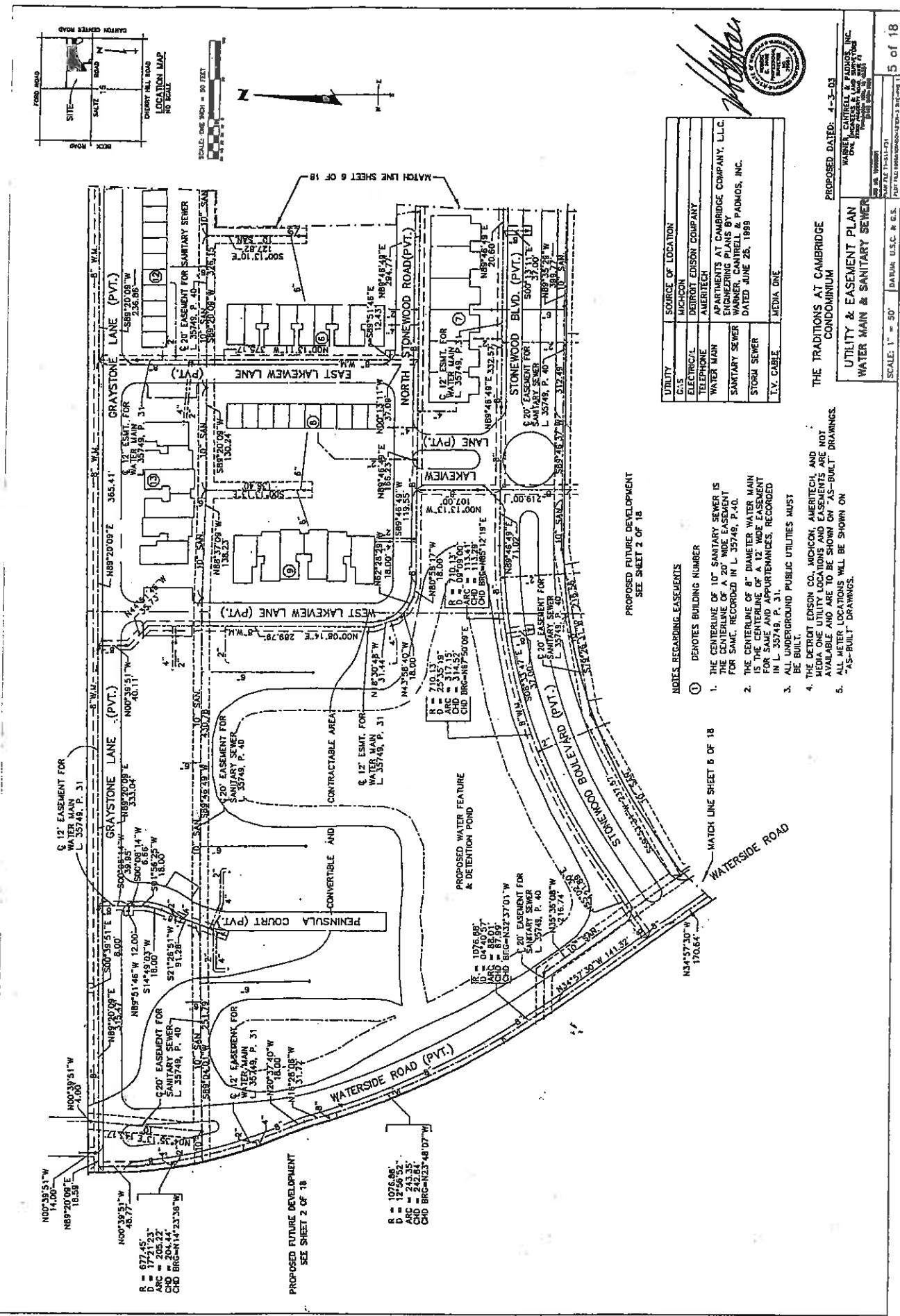
SEVERABILITY

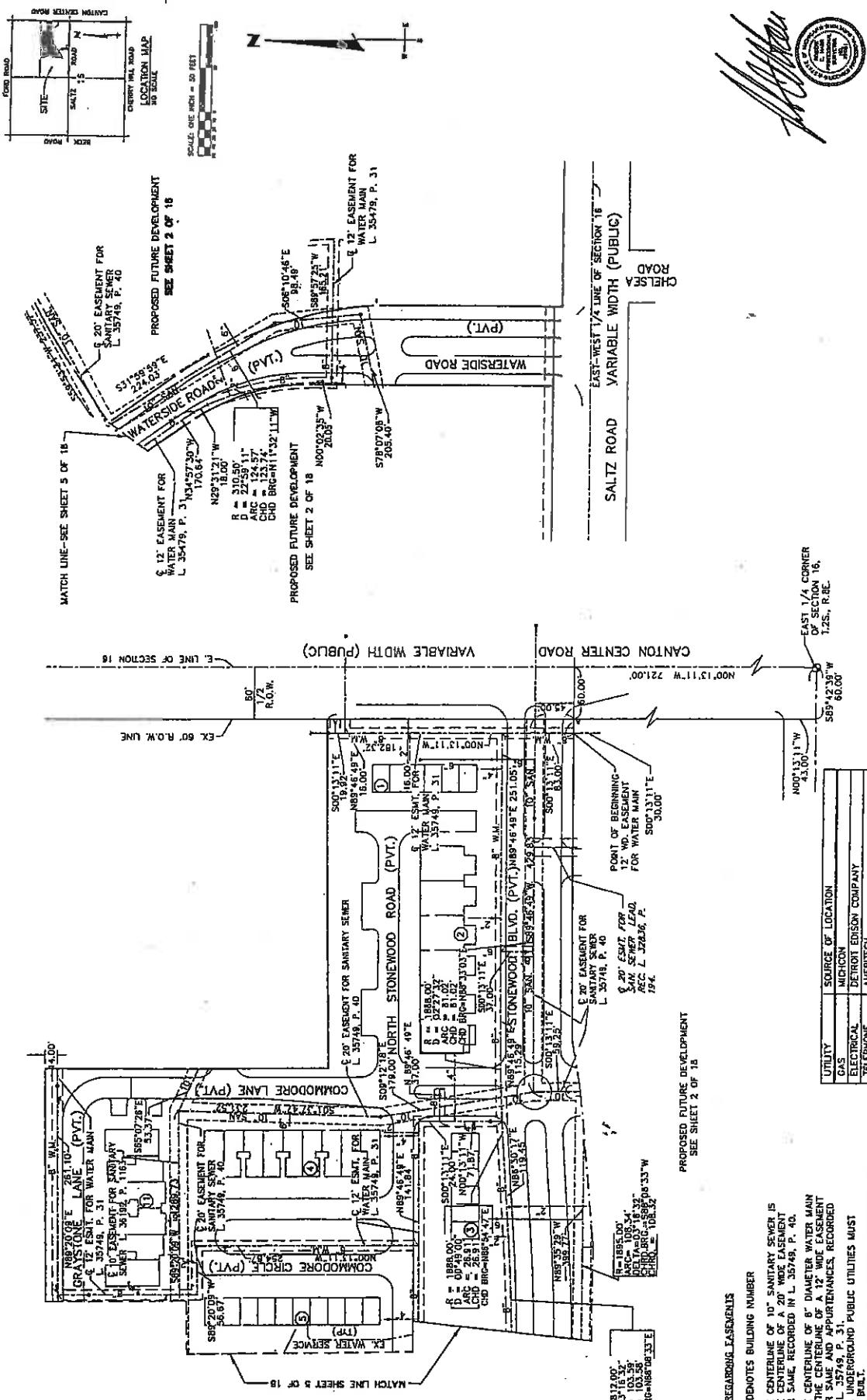
In the event that any of the terms, provisions or covenants of these Bylaws or the Condominium Documents are held to be partially or wholly invalid or unenforceable for any reason whatsoever, such holding shall not affect, alter, modify or impair in any manner whatsoever any of the other terms, provisions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











① NOTES REGARDING EASEMENTS

- NOTES REGARDING EASEMENTS**

(1) DENOTES BUILDING NUMBER

 1. THE CENTERLINE OF 10' SANITARY SEWER IS
THE CENTERLINE OF A 20' WIDE EASEMENT
FOR SAME, RECORDED IN L. 3549, P. 40.
 2. THE CENTERLINE OF 8' DIAMETER WATER MAIN
IS THE CENTERLINE OF A 12' WIDE EASEMENT
FOR SAME AND APPURTENANCES, RECORDED
IN L. 3574, P. 31.
 3. ALL UNDERGROUND PUBLIC UTILITIES MUST
BE BUILT.
 4. THE DTE IRON EDISON CO., MICHIGAN, AND EASERTECH
MEDIA ONE UTILITY LOCATIONS AND EASEMENTS
ARE TO BE SHOWN ON "AS-BUILT"
MAPS.
 5. ALL WATER LOCATIONS WILL BE SHOWN ON AS-
BUILT MAPS.

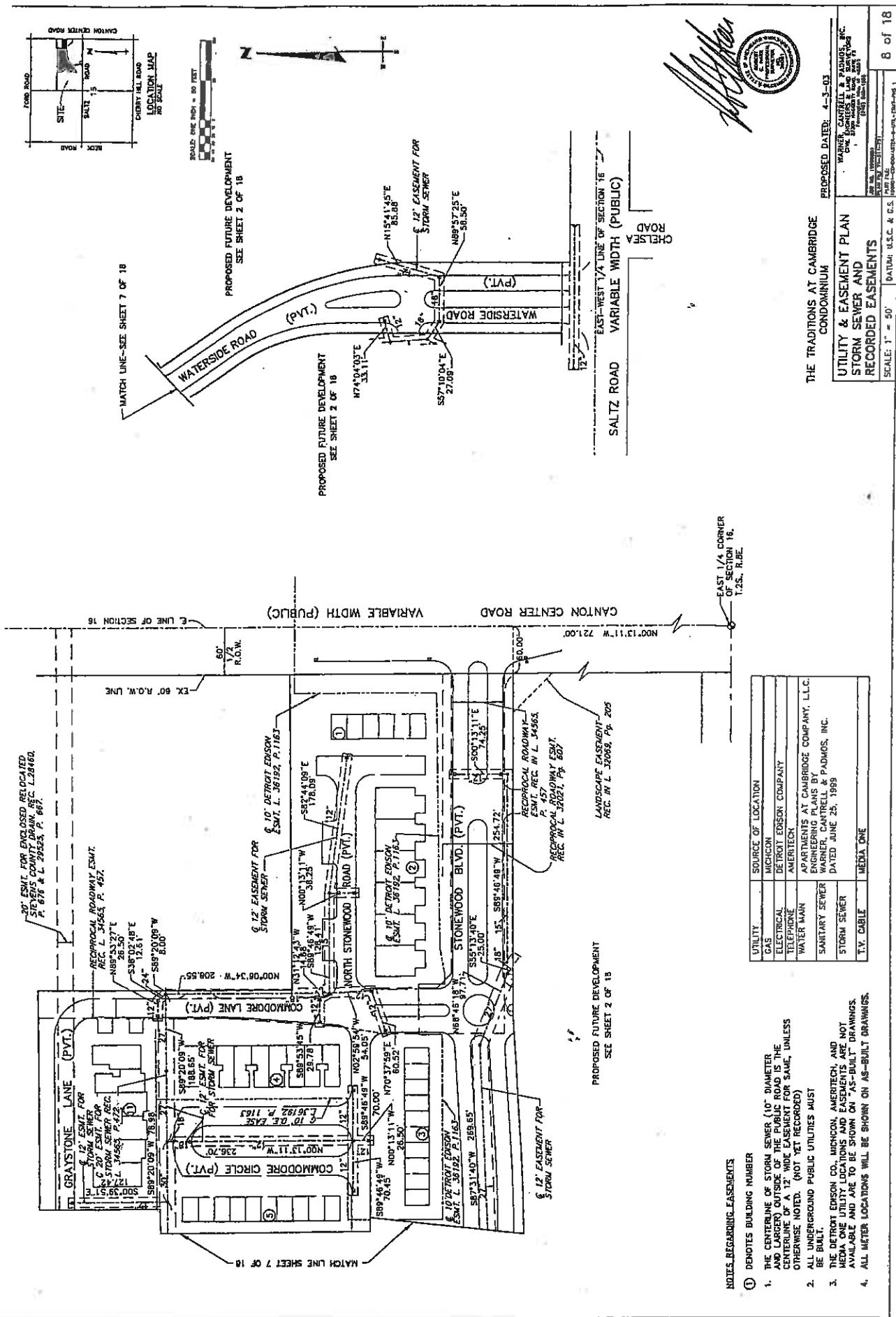
EAST 1/4 CORNER OF SECTION 10
1/2 S., R. 8E.
58° 12' 30" W
60' 00" N
43.00'

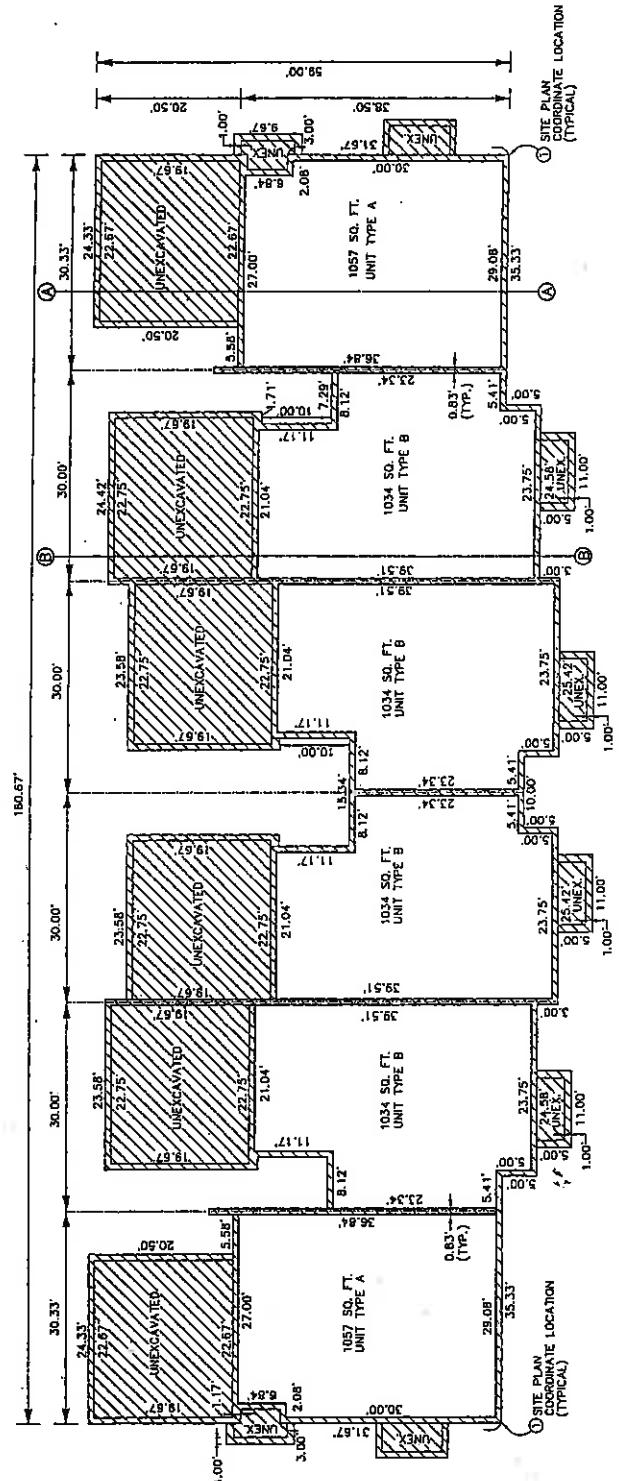
[Signature]

TRADITIONS AT COMBRIDGE

UTILITY & EASEMENT PLAT

SCALE: 1' = 50' DATUM: U.S.C. & G.S.
MAY 1971 BY J. S. HARRIS





**BASEMENT AND FOUNDATION PLAN
BUILDING TYPE 100
BUILDING No. 9, 11 & 13**

LEGEND	 	GENERAL COMMON ELEMENT	 	LIMITED COMMON ELEMENT	 	UNITS OF OWNERSHIP	 	UNFACED
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ALL OWNERSHIP LINES ARE 90° TO EACH OTHER UNLESS
OTHERWISE NOTED
ALL WALLS ARE 0.63° UNLESS OTHERWISE NOTED

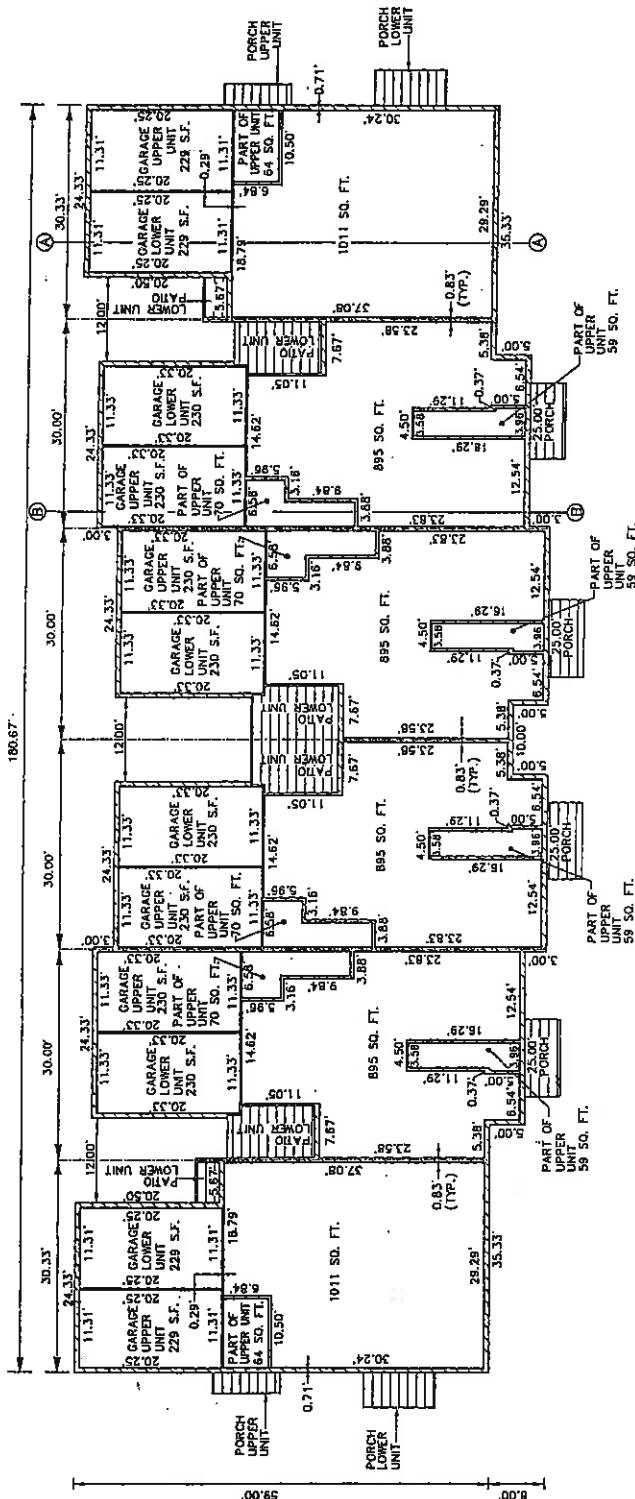


THE TRADITIONS AT CAMBRIDGE CONDOMINIUM

BACB0000 1 - 2



BLDG. No.	UNIT No.
9	79 - 80
11	81 - 102
13	113 - 124



FIRST FLOOR PLAN
BUILDING TYPE 100
BUILDING No. 9, 11 & 13

Walter

PROPOSED DATE: 4-1-03
THE TRADITIONS AT CAMBRIDGE
CONDOMINIUM

FIRST FLOOR PLAN	
BUILDING TYPE 100	SCALE 1/8" = 10'
BLDG. No. UNIT No.	DATE: 10-18-03

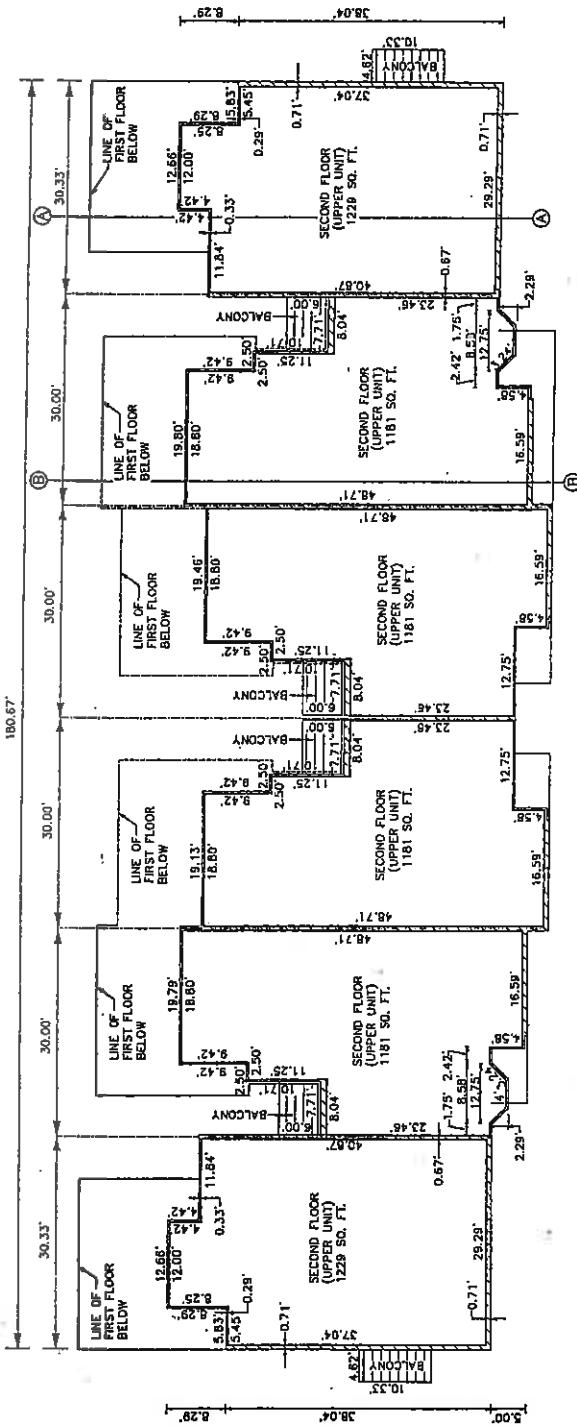


GENERAL COMMON ELEMENT
LIMITED COMMON ELEMENT
LIMITS OF OWNERSHIP
UNEAVED
UNEXCAVATED

NOTES
ALL OWNERSHIP LINES ARE 90° TO EACH OTHER UNLESS
OTHERWISE NOTED.
ALL INTERIOR WALLS ARE 3 1/2" (0.28') THICK
UNLESS OTHERWISE NOTED.
ALL EXTERIOR WALLS ARE 4" (0.33') THICK UNLESS
OTHERWISE NOTED.
PORCH MAY BE CONCRETE, WOOD OR
BRICK PAVEMENT.

BUILDING TYPE 100	
BUILDING TYPE 100	SCALE 1/8" = 10'
BLDG. No. UNIT No.	DATE: 10-18-03
3 71 - 70	11 111 - 112
11 113 - 114	13

FIRST FLOOR PLAN	
BUILDING TYPE 100	SCALE 1/8" = 10'
BLDG. No. UNIT No.	DATE: 10-18-03

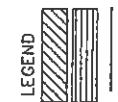


SECOND FLOOR PLAN
BUILDING TYPE 100
BUILDING No. 9, 11 & 13

BUILDING 100 (END UNITS)			
	BASMENT FLOOR	FIRST FLOOR	SECOND FLOOR
LOWER UNIT	1,034 S.F.	895 S.F.	0 S.F.
W/C/BY UNIT	0 S.F.	129 S.F.	230 S.F.
UPPER UNIT	0 S.F.	129 S.F.	230 S.F.
WH/BAY			

BUILDING 100 (INTERIOR UNITS)			
	BASMENT FLOOR	FIRST FLOOR	SECOND FLOOR
LOWER UNIT	1,034 S.F.	895 S.F.	230 S.F.
W/C/BY UNIT	0 S.F.	1,181 S.F.	230 S.F.
UPPER UNIT	0 S.F.	1,195 S.F.	230 S.F.
WH/BAY			

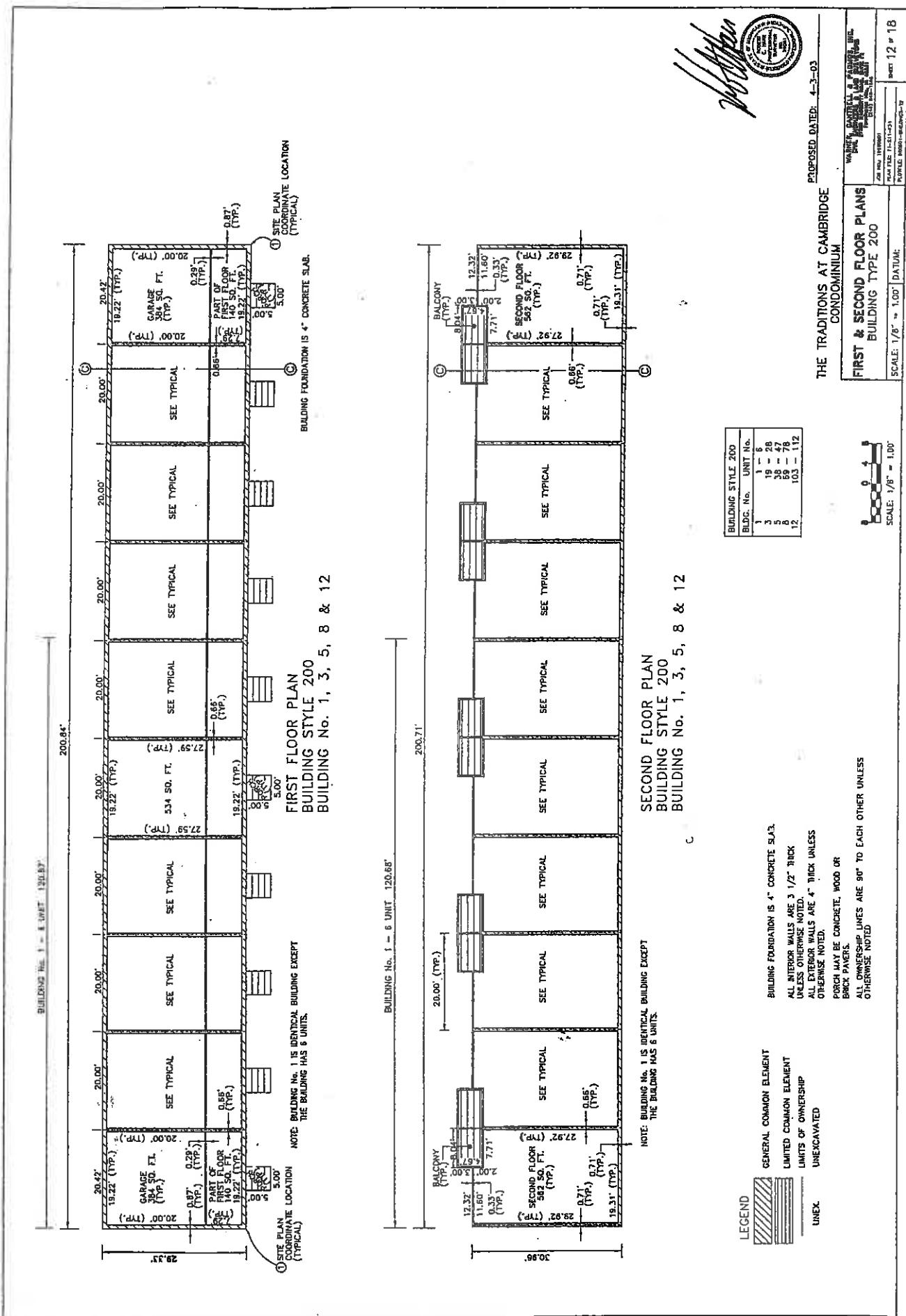
NOTES
ALL OWNERSHIP LINES ARE 90° TO EACH OTHER UNLESS
OTHERWISE NOTED
ALL INTERIOR WALLS ARE 3 1/2" (0.28") THICK
UNLESS OTHERWISE NOTED
ALL EXTERIOR WALLS ARE 4" (0.33") THICK UNLESS
OTHERWISE NOTED
PORCH MAY BE CONCRETE, WOOD OR
BRICK PAVERS.



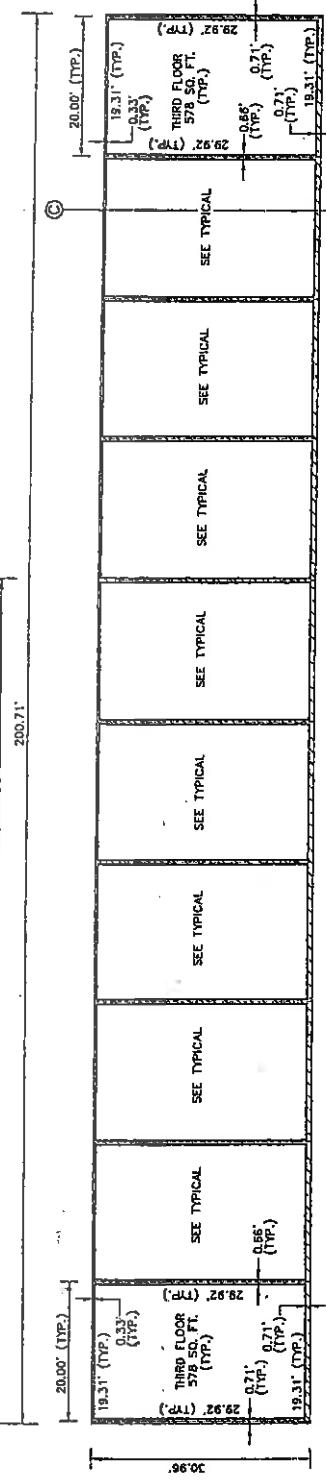
BUILDING STYLE 100	UNIT NO.	BLDG. NO.	PROPOSED DATE:
	9	79	4-3-03
	11	91	
	13	113	-124

THE TRADITIONS AT CAMBRIDGE CONDOMINIUM	SECOND FLOOR PLAN	BUILDING TYPE 100
WALTER CARRIGILL & PARTNERS, INC. CIVIL ENGINEERS, LAND SURVEYORS, PLANNERS AND ARCHITECTURAL DESIGNERS 1000 N. GLENDALE AVENUE SUITE 200 PHOENIX, ARIZONA 85013 TEL: 602-955-1144 FAX: 602-955-1145 E-MAIL: WCP@AOL.COM WEBSITE: WWW.WCP.COM	WALTER CARRIGILL & PARTNERS, INC. CIVIL ENGINEERS, LAND SURVEYORS, PLANNERS AND ARCHITECTURAL DESIGNERS 1000 N. GLENDALE AVENUE SUITE 200 PHOENIX, ARIZONA 85013 TEL: 602-955-1144 FAX: 602-955-1145 E-MAIL: WCP@AOL.COM WEBSITE: WWW.WCP.COM	WALTER CARRIGILL & PARTNERS, INC. CIVIL ENGINEERS, LAND SURVEYORS, PLANNERS AND ARCHITECTURAL DESIGNERS 1000 N. GLENDALE AVENUE SUITE 200 PHOENIX, ARIZONA 85013 TEL: 602-955-1144 FAX: 602-955-1145 E-MAIL: WCP@AOL.COM WEBSITE: WWW.WCP.COM
DATE: 11/11/03 FILED: 11/11/03 RECEIVED: 11/11/03 FBI - PHOENIX FBI - PHOENIX	DATE: 11/11/03 FILED: 11/11/03 RECEIVED: 11/11/03 FBI - PHOENIX FBI - PHOENIX	DATE: 11/11/03 FILED: 11/11/03 RECEIVED: 11/11/03 FBI - PHOENIX FBI - PHOENIX

SCALE: 1/8" = 100' DATUM: FORTRESS Point - B-Subdivision-11



BUILDING No. 1 - 6 UNIT 120.68'



NOTE: BUILDING No. 1 IS IDENTICAL BUILDING EXCEPT
THE BUILDING HAS 6 UNITS.

THIRD FLOOR PLAN
BUILDING STYLE 200
BUILDING No. 1, 3, 5, 8 & 12

BUILDING FOUNDATION IS 4" CONCRETE SLAB.

BUILDING STYLE 200	
BLDG. No.	UNIT No.
1	5
3	19
5	23
8	47
12	103
	-112

BUILDING 200

	FIRST FLOOR	SECOND FLOOR	THIRD FLOOR	TOTAL
GARAGE	140 S.F.	562 S.F.	578 S.F.	1,664 S.F.

LEGEND

	GENERAL COMMON ELEMENT
	LIMITED COMMON ELEMENT
	UNITS OF OWNERSHIP
	UNEXCAVATED

BUILDING FOUNDATION IS 4" CONCRETE SLAB.
ALL INTERIOR WALLS ARE 3 1/2" THICK
UNLESS OTHERWISE NOTED
ALL EXTERIOR WALLS ARE 4" THICK UNLESS
OTHERWISE NOTED.
PORCH MAY BE CONCRETE, WOOD OR
BRICK PAVINGS.
ALL OWNERSHIP LINES ARE 90° TO EACH OTHER UNLESS
OTHERWISE NOTED.



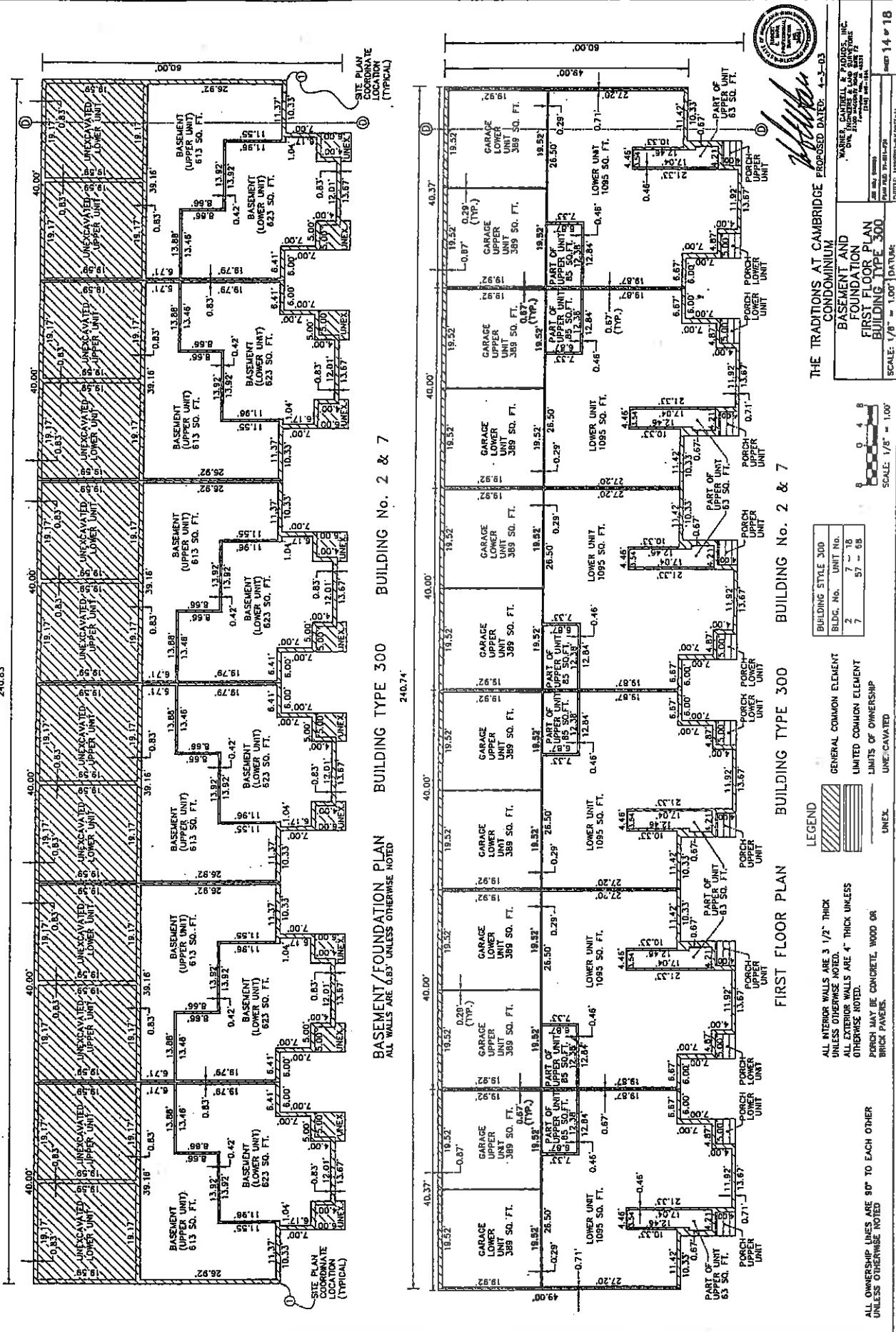
THE TRADITIONS AT CAMBRIDGE
CONDOMINIUM

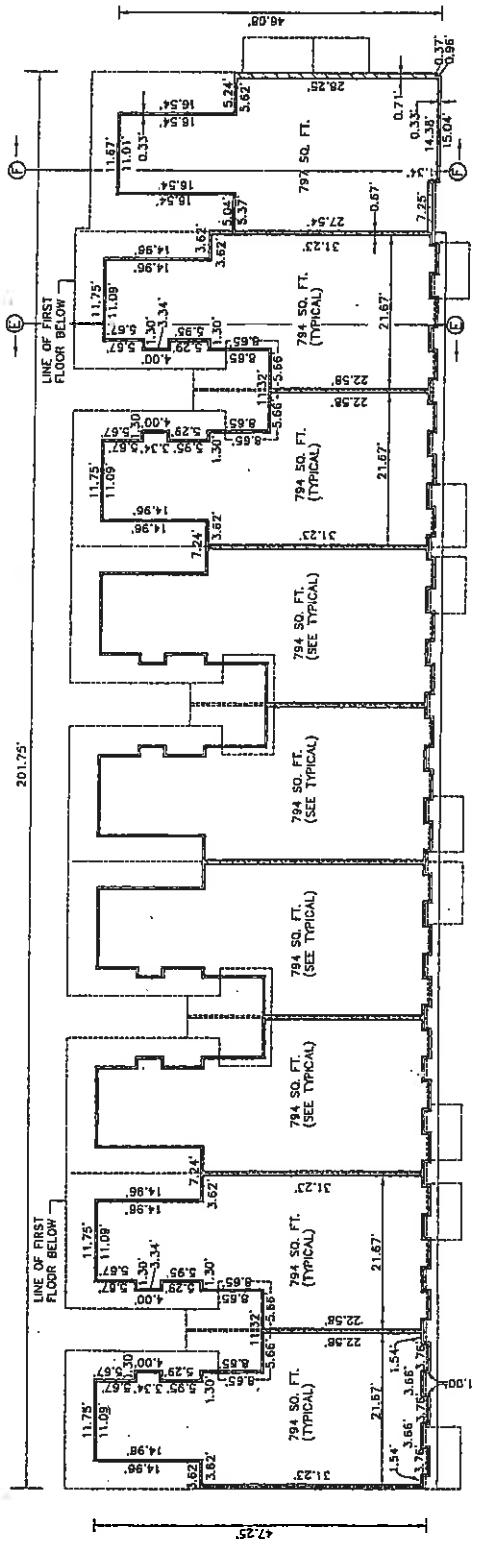
PROPOSED DATED: 4-3-05

THIRD FLOOR PLAN	WRIGHT, CANTRELL & PARTNERS, INC.
BUILDING TYPE 200	ONE PARK AVENUE, SUITE 1000 NEW YORK, NY 10022
SCALE 1/8" = 100'	DATE: May 1-31-05
SCALE 1/8" = 100'	FORM NO. 100-100-100-13
SCALE 1/8" = 100'	PRINTED: NOVEMBER 1999



sheet 13 of 18





BUILDING 400 - END UNIT			
BASEMENT FLOOR	FIRST FLOOR	GARAGE	SECOND FLOOR
560 S.F.	574 S.F.	370 S.F.	794 S.F.

BUILDING 400 - TYPICAL UNIT			
BASEMENT FLOOR	FIRST FLOOR	SECOND FLOOR	TOTAL
560 S.F.	574 S.F.	370 S.F.	2,298 S.F.

BUILDING 400 - END UNIT			
BASEMENT FLOOR	FIRST FLOOR	GARAGE	SECOND FLOOR
581 S.F.	596 S.F.	434 S.F.	797 S.F.

BUILDING 400 - TYPICAL UNIT			
BASEMENT FLOOR	FIRST FLOOR	SECOND FLOOR	TOTAL
560 S.F.	574 S.F.	370 S.F.	2,298 S.F.

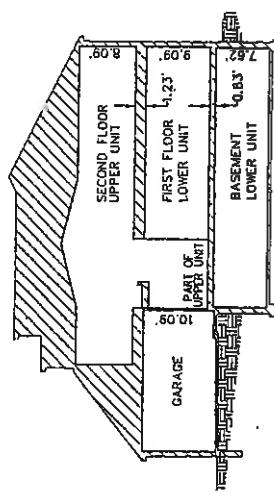
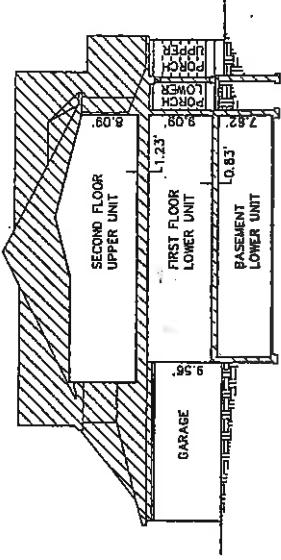
ALL INTERIOR WALLS ARE 3 1/2" THICK
UNLESS OTHERWISE NOTED.
ALL EXTERIOR WALLS ARE 4" THICK UNLESS
OTHERWISE NOTED.
FOOR MAY BE CONCRETE, WOOD OR
BRICK PAVERS.
ALL OWNERSHIP LINES ARE 90° TO EACH OTHER UNLESS
OTHERWISE NOTED

BLDG. No.	UNIT No.
4	29 - 37
6	48 - 56

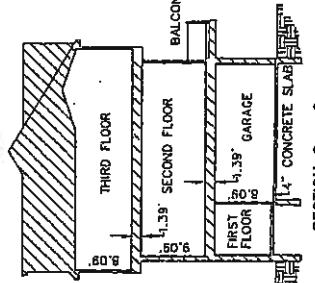
SCALES 1/8" = 1'00"	SCALES 1/8" = 1'00"
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THE TRADITIONS AT CAMBRIDGE CONDOMINIUM	PROPOSED DATE: 4-3-03
SECOND FLOOR PLAN BUILDING TYPE 400	SECOND FLOOR PLAN BUILDING TYPE 400
SCALES 1/8" = 1'00"	SCALES 1/8" = 1'00"

WALTER CANTRELL & ASSOCIATES, INC. 800 University Street, Suite 1000 Seattle, Washington 98101-3143 (206) 467-1200 (206) 467-1201 FAX: (206) 467-1202 E-mail: info@wca.com	PLAT PL. 1-11175 PURCHASE NUMBER 100-00000-00000-00000
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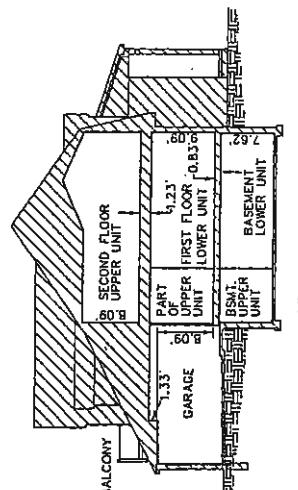


SECTION C - C
BUILDING TYPE 200



SECTION C - C
BUILDING TYPE 200

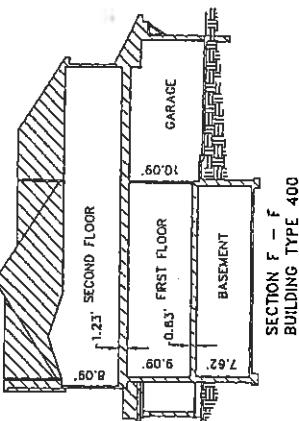
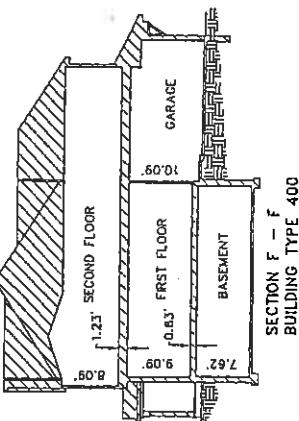
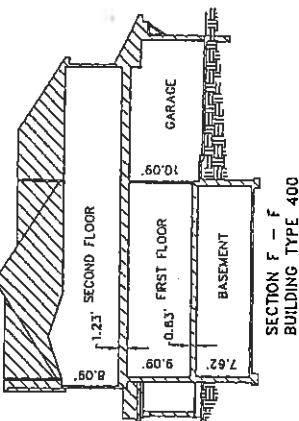
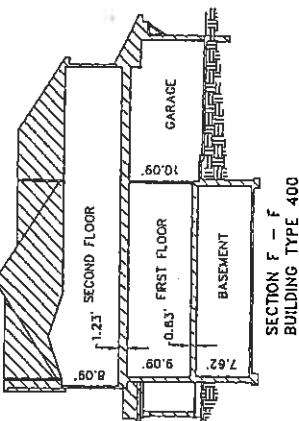
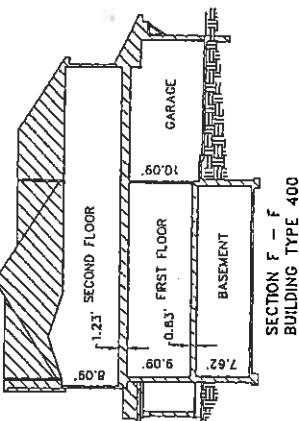
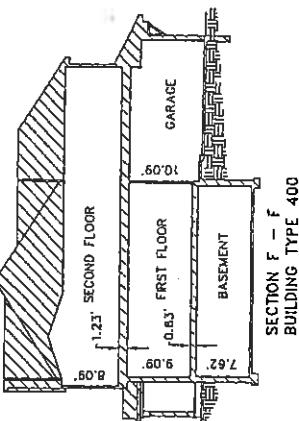
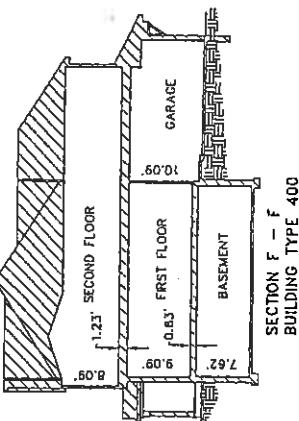
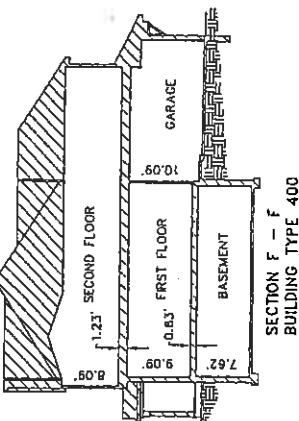
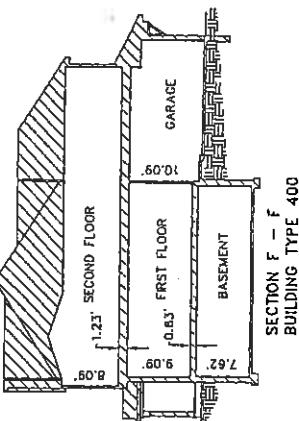
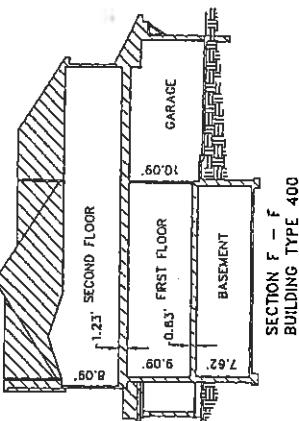
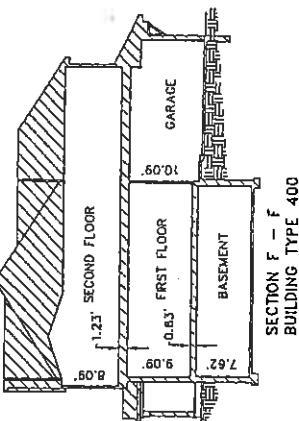
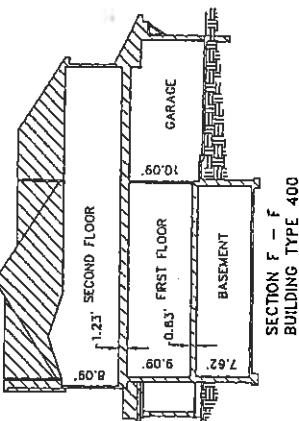
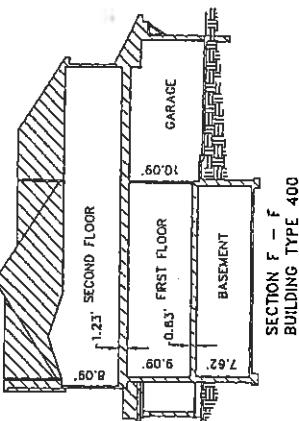
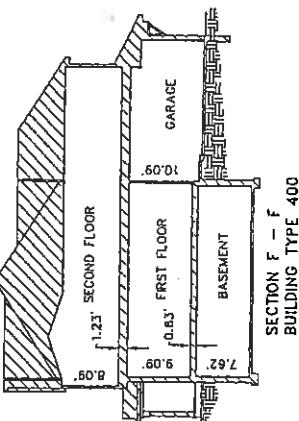
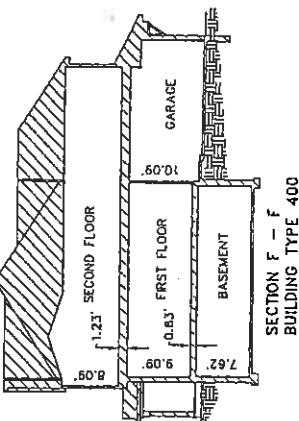
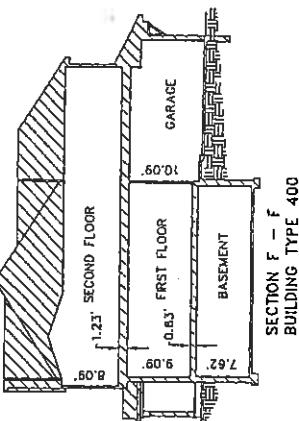
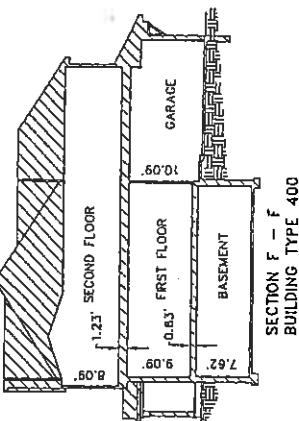
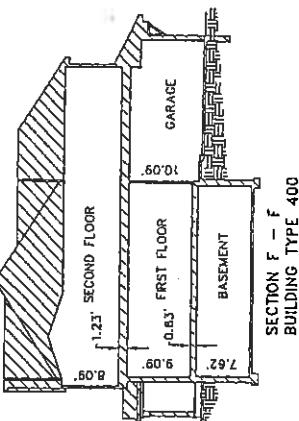
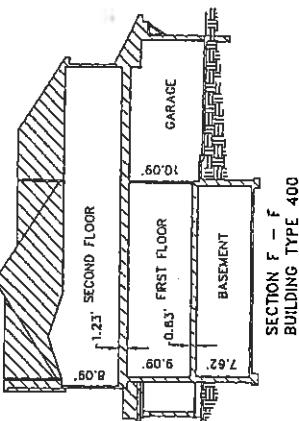
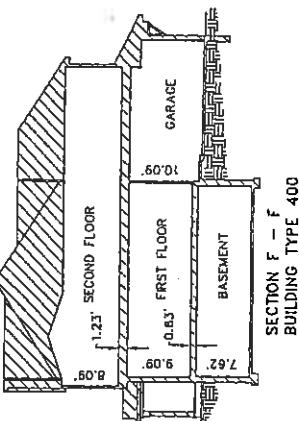
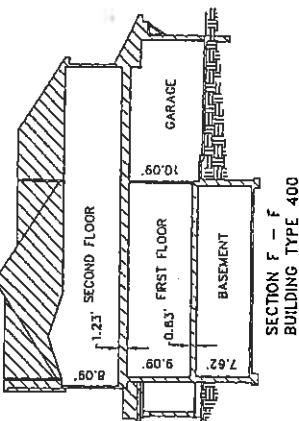
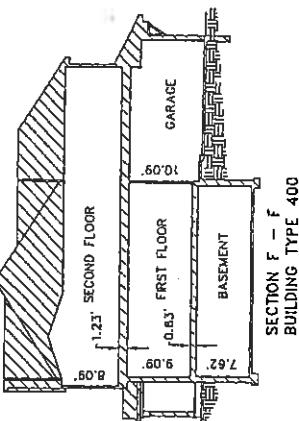
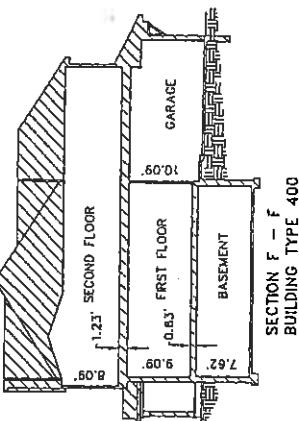
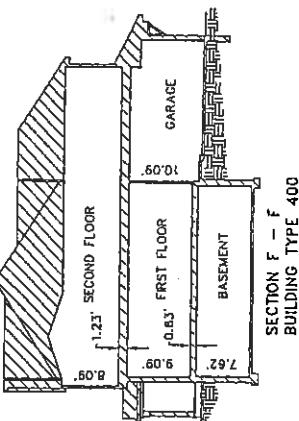
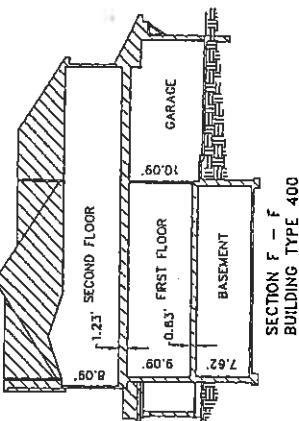
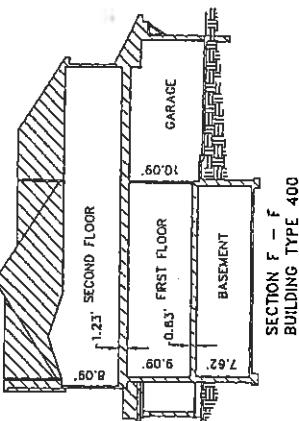
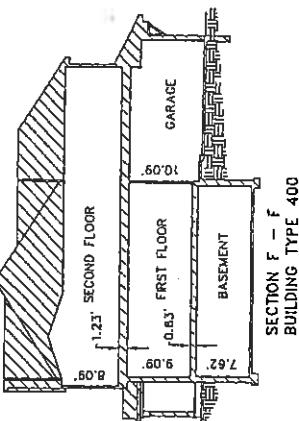
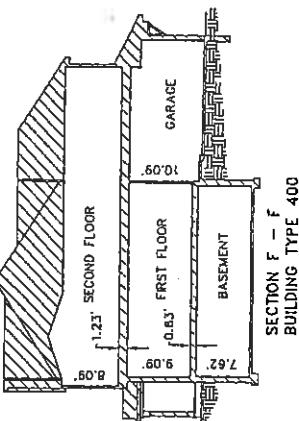
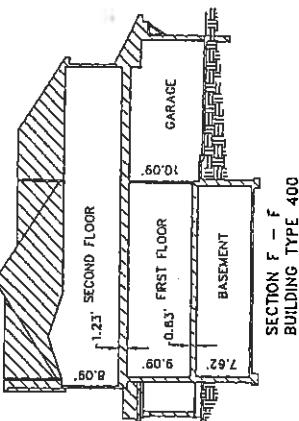
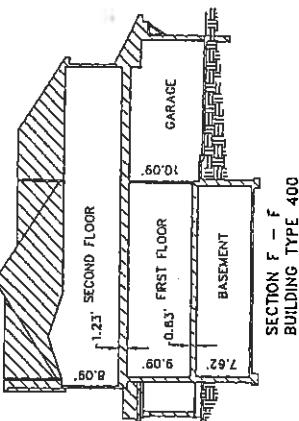
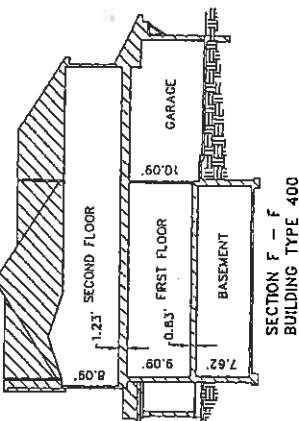
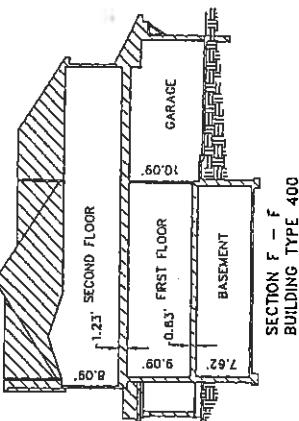
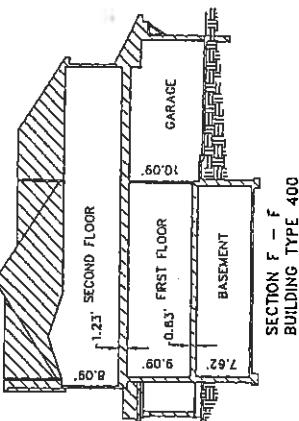
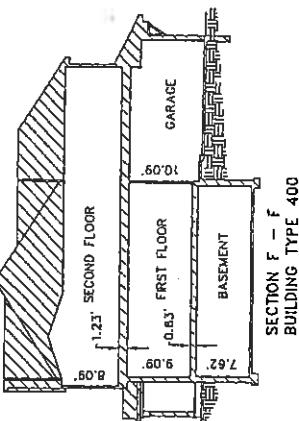
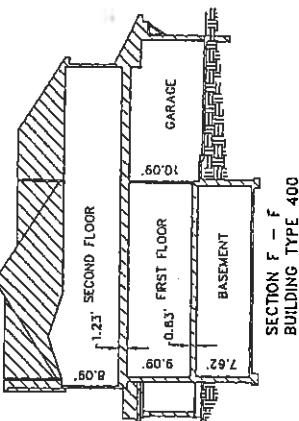
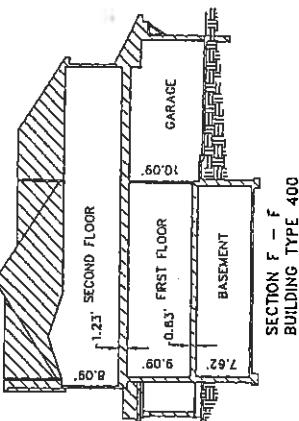
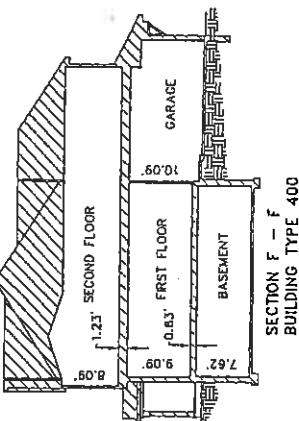
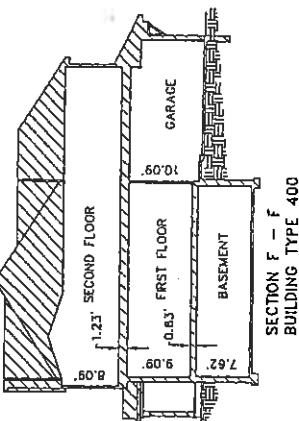
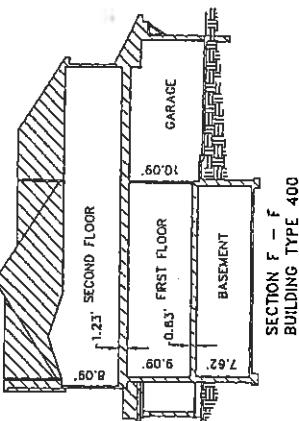
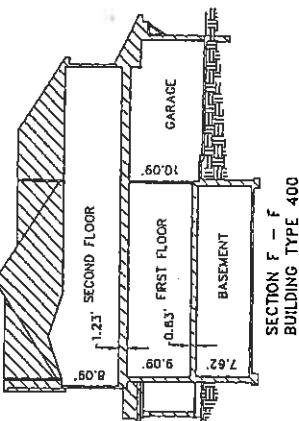
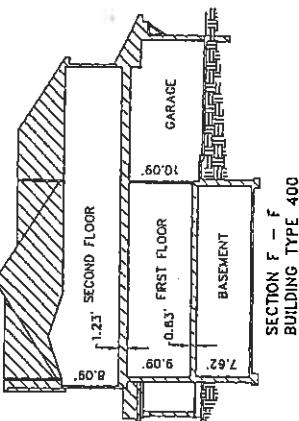
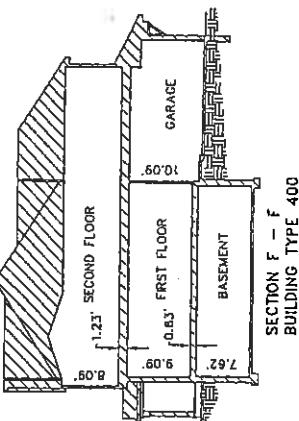
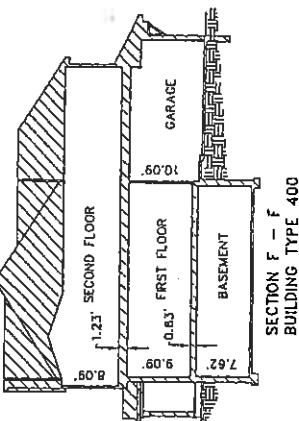
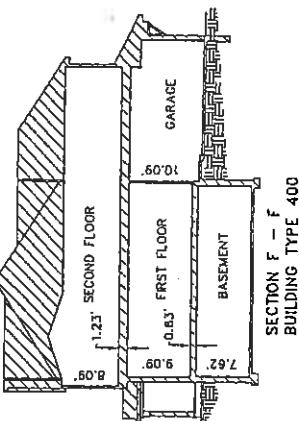
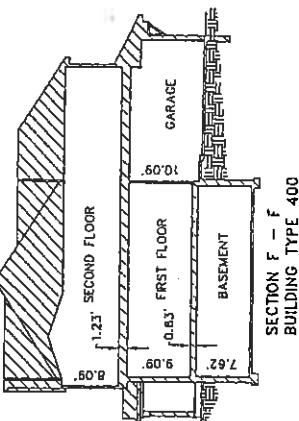
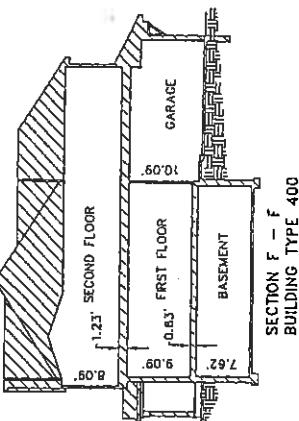
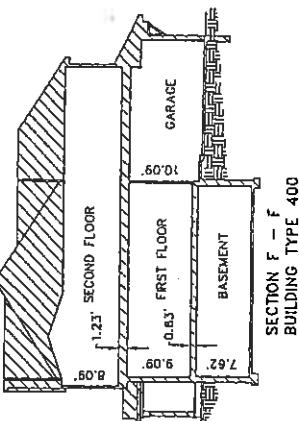
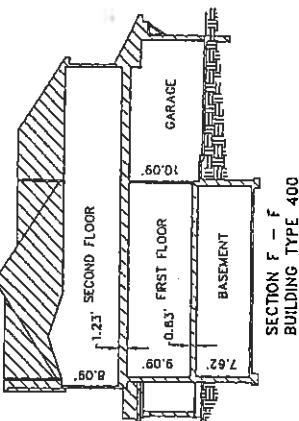
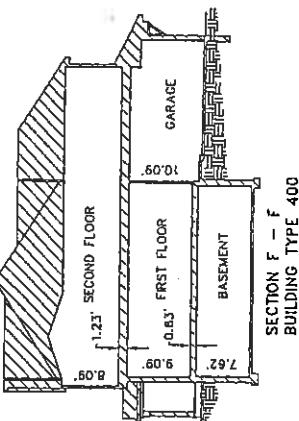
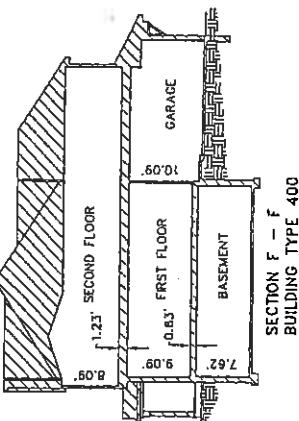
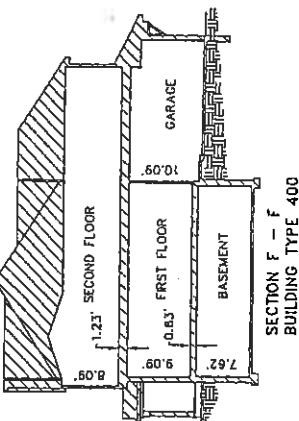
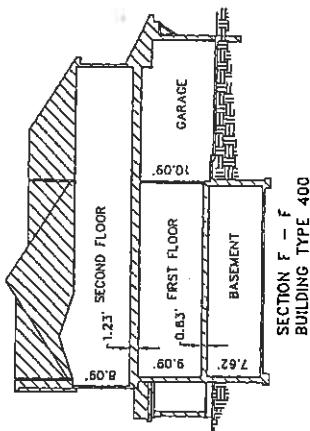
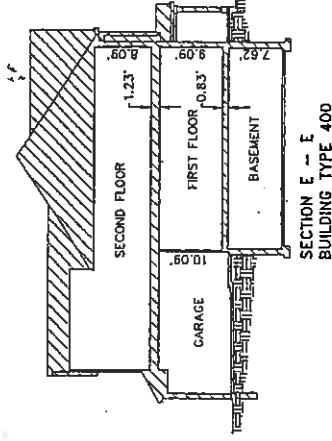
SECTION D - D
BUILDING TYPE 300



SECTION D - D
BUILDING TYPE 300

NOTE: 1. REFER TO THE APPROPRIATE FOUNDATION, FIRST FLOOR, SECOND FLOOR AND BUILDING SECTION DRAWINGS FOR DETAILED DIMENSIONS.
NOTE: 2. LOCATIONS OF LIMITED COMMON ELEMENTS (PORCHES AND DRIVEWAYS) ARE AS SET FORTH ON THE PLAN DRAWINGS FOR THE SPECIFIC UNITS CONTAINED HEREIN.

BUILDS. UNIT NO.	BUILDING NUMBERS	BUILDING TYPE	BRICK LEDGE	ELEV. U.S.G.S. ELEV. U.S.G.S. DATUM	GARAGE FLO. ELEV. U.S.G.S. ELEV. U.S.G.S. DATUM	SECOND FLOOR ELEV. U.S.G.S. ELEV. U.S.G.S. DATUM	THIRD FLOOR ELEV. U.S.G.S. ELEV. U.S.G.S. DATUM	
1	1 - 6	200	.60' 10"	694.10	694.27	694.77	705.25	-
2	7 - 18	300	.60' 8"	694.07	695.52	705.17	687.07	-
3	19 - 26	200	.60' 4"	694.00	694.17	694.67	705.15	-
4	29 - 37	400	.60' 4"	694.00	694.17	694.67	705.10	687.17
5	38 - 47	200	.60' 4"	694.00	694.17	694.67	705.15	-
6	48 - 56	400	.60' 4"	694.00	694.17	694.67	705.15	-
7	57 - 68	300	.60' 4"	694.60	694.77	695.92	705.10	687.17
8	69 - 76	200	.60' 4"	694.20	694.37	694.67	705.35	-
9	79 - 90	100	.60' 4"	694.20	694.37	695.82	705.14	687.37
10	BUILDING NUMBER 10 HAS BEEN INTENTIONALLY OMITTED							-
11	91 - 102	100	.60' 10"	694.10	694.27	695.72	705.25	-
12	103 - 112	200	.60' 5"	693.90	694.07	694.57	705.05	-
13	113 - 124	100	.60' 10"	694.10	694.27	695.72	705.25	687.27



Michigan Department of Consumer & Industry Services

Corrected Filing Endorsement

This is to Certify that the ARTICLES OF INCORPORATION - NONPROFIT

for

THE TRADITIONS AT CAMBRIDGE ASSOCIATION

ID Number: 783412

received by facsimile transmission on March 26, 2003 is hereby endorsed

Filed on March 27, 2003 by the Administrator



*In testimony whereof, I have hereunto set my
hand and affixed the Seal of the Department,
in the City of Lansing, this 28th day of May 2003.*

Andrea S. Miller
Bureau of Commercial Services

, Director

**NON-PROFIT
ARTICLES OF INCORPORATION**

These Articles of Incorporation are signed and acknowledged by the incorporator for the purpose of forming a nonprofit 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 Traditions at Cambridge 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 Traditions at Cambridge 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, any easements or licenses 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 enter into agreements with public agencies concerning the nature and extent of maintenance of the Condominium;
- (k) 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; and
- (l) In furtherance of the foregoing, to enter into any kind of activity, 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**

Address of the first registered office is 21790 Coolidge Highway, Oak Park, Michigan 48237.

**ARTICLE IV
RESIDENT AGENT**

The name of the first resident agent is Richard M. Lewiston.

**ARTICLE V
BASIS OF ORGANIZATION AND ASSETS**

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

The value 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 of the incorporator is William T. Myers and his place of business is 40701 Woodward Avenue, Suite 235, Bloomfield Hills, Michigan 48304.

**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) The Developer of the Condominium and each Co-owner of a Unit in the Condominium shall be members of the corporation, and no other person or entity shall be entitled to membership; except that the subscriber hereto shall be a member of the corporation until such time as his membership shall terminate, as hereinafter provided.
- (b) Membership in the corporation (except with respect to the incorporator, who shall cease to be a member upon the recording of the Master Deed) shall be established by acquisition of fee simple title to a Unit in the Condominium and by recording with the Register of Deeds of Wayne County, Michigan, 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. The Developer's membership shall continue until no Units remain to be created in the Condominium and until the Developer no longer owns any Unit in the Condominium.
- (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
LIMITATION OF LIABILITY OF VOLUNTEER OFFICERS AND DIRECTORS AND OTHER VOLUNTEERS**

No volunteer director or volunteer officer, as those terms are defined in Act 162, Public Acts of 1982, as amended ("Act"), shall be personally liable to the corporation or its members for monetary damages for breach of fiduciary duty as a director or officer, provided that the foregoing shall not eliminate or limit the liability of a director or officer for any of the following: (i) breach of the director's or officer's duty of loyalty to the corporation, its shareholders, or its members; (ii) acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of the law; (iii) a violation of Section 551(1) of the Act; (iv) a transaction from which the director or officer derived an improper personal benefit; or (v) an act or omission that is grossly negligent. If the Act hereafter is amended to authorize the further elimination or limitation of the liability of directors or officers, then the liability of a director or officer of the corporation, in addition to the limitation on personal liability contained herein, shall be limited to the fullest extent permitted by the amended Act. No amendment or repeal of this Article IX shall apply to or have any effect on the liability of any director or officer of the corporation for or with respect to any acts or omissions of such director or officer occurring prior to such amendment or repeal.

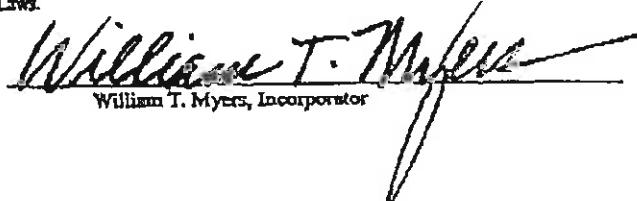
The corporation assumes the liability for all acts or omissions of a volunteer director, volunteer officer, or other volunteer if all of the following apply: (i) the volunteer was acting or reasonably believed he or she was acting within the scope of his or her authority; (ii) the volunteer was acting in good faith; (iii) the volunteer's conduct did not amount to gross negligence or wilful and wanton misconduct; (iv) the volunteer's conduct was not an intentional tort; and (v) the volunteer's conduct was not a tort arising out of the ownership, maintenance, or use of a motor vehicle for which tort liability may be imposed as provided in section 3135 of the insurance code of 1956, Act No. 218 of the Public Acts of 1956, being section 500.3135 of the Michigan Compiled Laws.

Signed this 25th day of March, 2003.

When filed return to:

William T. Myers of Myers Nelson Dillon & Shierk, PLLC
40701 Woodward Ave., Suite 235
Bloomfield Hills, Michigan 48304-2221

William T. Myers, Incorporator



**THE TRADITIONS AT CAMBRIDGE CONDOMINIUM
ESCROW AGREEMENT**

THIS AGREEMENT is entered into as of this 25th day of March, 2003, between Apartments at Cambridge Company, a Michigan limited liability company, ("Developer"), and Philip R. Seaver Title Company, Inc. ("Escrow Agent").

WHEREAS, The Traditions at Cambridge Condominium will be established as a residential condominium project under applicable Michigan law by recording a Master Deed therefor in Wayne County Records; and

WHEREAS, Developer is selling Condominium Units in The Traditions at Cambridge Condominium and is entering into purchase agreements ("Purchase Agreements") with Purchasers for such Units in substantially the form attached hereto, and each Purchase Agreement requires that the deposits made by a Purchaser under such Agreement be held in an escrow account with an Escrow Agent; and,

WHEREAS, the parties hereto desire to enter into an Escrow Agreement to establish such an escrow account for the benefit of Developer and for the benefit of each Purchaser ("Purchaser") who makes deposits under a Purchase Agreement; and,

WHEREAS, Escrow Agent is acting as an independent party hereunder pursuant to the provisions of this Agreement and the Michigan Condominium Act (Act No. 59, Public Acts of 1978, as amended, hereinafter the "Act") for the benefit of Developer and all Purchasers and not as the agent of any one or less than all of such parties.

NOW, THEREFORE, it is agreed as follows:

1. **Initial Deposit of Funds.** Developer shall, promptly after receipt, transmit to Escrow Agent such earnest money deposit and progress payments as provided under a Purchase Agreement, together with a fully executed copy of such Agreement and a receipt signed by the Purchaser for the recorded Master Deed, The Condominium Buyer's Handbook and the Disclosure Statement.

2. **Release of Funds.** The sums paid to Escrow Agent under the terms of any Purchase Agreement shall be held and released to Developer or Purchaser only upon the conditions hereinafter set forth:

A. **Upon Withdrawal by Purchaser.** The escrowed funds shall be released to Purchaser under the following circumstances:

(i) If the Purchase Agreement is contingent upon Purchaser obtaining a mortgage and he fails to do so as provided therein and duly withdraws from the Purchase Agreement as a result thereof, Escrow Agent shall release to Purchaser all sums held by it pursuant to the Escrow Agreement.

(ii) In the event that a Purchaser duly withdraws from a Purchase Agreement prior to the time that said Agreement becomes binding under Section 10 of the General Provisions thereof, Escrow Agent shall, within 3 business days from the date of receipt of notice of such withdrawal, release to Purchaser all of Purchaser's deposits held thereunder.

B. **Upon Default by Purchaser.** In the event that a Purchaser under a Purchase Agreement defaults in making any payments required by said Agreement or in fulfilling any other obligations thereunder for a period of 7 days after written notice by Developer to Purchaser, Escrow Agent shall release all sums held pursuant to the Escrow Agreement to Developer in accordance with the terms of the Purchase Agreement.

C. **Upon Conveyance of Title to Purchaser.** Upon conveyance of title to a Unit from Developer to Purchaser, Escrow Agent shall release to Developer all sums held in escrow under such Agreement provided Escrow Agent has received a certificate signed by a licensed professional engineer or architect confirming:

(i) That those portions of the Condominium Project in which such Purchaser's Unit is located and which, under the Condominium Documents must be built are substantially complete; and

(ii) That all common elements or facilities intended for common use, wherever located, which under the Condominium Documents, must be built, are substantially complete.

If the elements or facilities referred to in paragraphs 2C(i) and 2C(ii) above are not substantially complete, only sufficient funds to finance substantial completion of such elements or facilities shall be retained in escrow and the balance may be released. All funds required to be retained in escrow may be released, however, if other adequate security shall have been arranged as provided in paragraph 2F below. Determination of amounts necessary to finance substantial completion shall likewise be determined by the certificate of a licensed professional architect or engineer. For purposes of paragraph 2C(i) above, the portion of the Condominium Project in which Purchaser's Unit is located shall be "substantially complete" when all building structures, all utility mains, all access roads and all other common facilities therein are substantially complete as evidenced by certificates of substantial completion issued by a licensed professional architect or engineer as described in Section 3 below. Improvements of the type described in paragraph 2C(ii) above shall be substantially complete when certificates of substantial completion have been issued therefor by a licensed professional architect or engineer, as described in Section 3.

D. Release of Funds Escrowed for Completion of Incomplete Improvements. Upon furnishing Escrow Agent a certificate from a licensed professional architect or engineer evidencing substantial completion in accordance with the pertinent plans and specifications of a structure, improvement, facility or identifiable portion thereof for which funds or other security have been deposited in escrow, Escrow Agent shall release to Developer the amount of such funds or other security specified by the issuer of the certificate as being attributable to such substantially completed item(s); provided, however, that if the amounts remaining in escrow after any such partial release would be insufficient in the opinion of the issuer of such certificate to finance substantial completion of any remaining incomplete items for which funds or other security have been deposited in escrow, only the amount in escrow in excess of such estimated cost to substantially complete shall be released by Escrow Agent to Developer.

E. Release of Interest Earned Upon Escrowed Funds. Escrow Agent shall be under no obligation to earn interest upon the escrowed sums held pursuant hereto. In the event that interest upon such sums is earned, however, all such interest shall be separately accounted for by Escrow Agent and shall be held in escrow and paid to Developer.

F. Other Adequate Security. If Developer requests that all of the escrowed funds held hereunder or any part thereof be delivered to it prior to the time it otherwise becomes entitled to receive the same, Escrow Agent may release all such sums to Developer if Developer has placed with Escrow Agent an irrevocable letter of credit drawn in favor of Escrow Agent in form and substance satisfactory to Escrow Agent and securing full repayment of said sums, or has placed with or otherwise arranged with Escrow Agent for such other substitute security as may be permitted by law and approved by Escrow Agent, in its sole and absolute discretion.

G. In the Event Elements or Facilities Remain Incomplete. If Escrow Agent is holding in escrow funds or other security for completion of incomplete elements or facilities under §103b(7) of the Act, such funds or other security shall be administered by Escrow Agent in the following manner:

(i) Escrow Agent shall upon request give all statutorily required notices under §103b(7) of the Act.

(ii) If Developer, the The Traditions at Cambridge Association and any other party or parties asserting a claim to or interest in the escrow deposit enter into a written agreement (satisfactory in its terms and conditions to Escrow Agent for Escrow Agent's protection, as determined by Escrow Agent in its absolute and sole discretion), as to the disposition of the funds or security in escrow under §103b(7) of the Act, Escrow Agent shall release such funds or security in accordance with the terms of such written agreement among such parties.

(iii) Failing written agreement as provided in paragraph 2G(ii) above, Escrow Agent shall be under no obligation whatever to release any such escrowed funds or security, but Escrow Agent may, in its absolute and sole discretion, at any time take either of the following actions:

(a) Initiate an interpleader action in any circuit court in the State of Michigan naming the Developer, the The Traditions at Cambridge Association and all other claimants and interested parties as parties and deposit all funds or other security in escrow under §103b(7) of the Act with the clerk of such court in full acquittance of its responsibilities under this Agreement; or

(b) Initiate an arbitration proceeding under the Commercial Arbitration Rules of the American Arbitration Association pursuant to which proceeding both the Developer and the The Traditions at Cambridge Association shall be named as parties. Escrow Agent shall continue to hold all sums in escrow under §103b(7) of the Act pending the outcome of such arbitration but Escrow Agent shall not be a party to such arbitration. All issues relative to disposition of such escrow deposits or other security shall be decided by the arbitrator or arbitration panel and such decision shall be final and binding upon all parties concerned and judgment thereon may be rendered upon such award by any circuit court of the State of Michigan. Escrow Agent may in any event release all such escrow deposits in accordance with the arbitration decision or may commence an interpleader action with respect thereto as provided above.

3. Proof of Occurrences; Confirmation of Substantial Completion; Determination of Cost to Complete. Escrow Agent may require reasonable proof of occurrence of any of the events, actions or conditions stated herein before releasing any sums held by it pursuant to any Purchase Agreement either to a Purchaser thereunder or to Developer. Whenever Escrow Agent is required hereby to receive the certification of a licensed professional architect or engineer that a facility, element, structure, improvement or identifiable portion of any of the same is substantially complete in accordance with the pertinent plans therefor, it may base such confirmation entirely upon the certificate of the Developer to such effect coupled with the certificate to the same effect of a licensed professional architect or engineer. Likewise, all estimates and determinations of the cost to substantially complete any incomplete elements, facilities, structures and improvements for which escrowed funds are being specifically maintained under paragraph 2D above shall be made entirely by a licensed professional engineer or architect and the determination of all amounts to be retained or maintained in the escrow account for the completion of any such elements, facilities, improvements or structures shall be based entirely upon such determinations and estimates as are furnished by such engineer or architect. No inspections of the Project or any portion thereof by any representative of Escrow Agent shall be deemed necessary hereunder, nor must any cost estimates or determinations be made by Escrow Agent and Escrow Agent may rely entirely upon certificates, determinations and estimates as described above in retaining and releasing all escrowed funds hereunder.

Limited Liability of Escrow Agent; Right to Deduct Expenses From Escrow Deposits. Upon making delivery of the funds deposited with Escrow Agent pursuant to any Purchase Agreement and performance of the obligations and services stated therein and herein, Escrow Agent shall be released from any further liability thereunder; and hereunder, it being expressly understood that liability is limited by the terms and provisions set forth in such Agreements and in this Agreement, and that by acceptance of this Agreement, Escrow Agent is acting in the capacity of a depository and is not, as such, responsible or liable for the sufficiency, correctness, genuineness or validity of the instruments submitted to it, or the marketability of title to any Unit sold under any other Agreement. Escrow Agent is not responsible for the failure of any bank used by it as an escrow depository for funds received by it under this Agreement.

Further, Escrow Agent is not a guarantor of performance by Developer under the Condominium Documents or any Purchase Agreement and Escrow Agent undertakes no responsibilities whatever with respect to the nature, extent or quality of such performance thereunder or with regard to the conformity of such performance to the terms of such documents, to the plans and specifications for the Project, to local or state laws or in any other particular. So long as Escrow Agent relies in good faith upon any certificate, cost estimate or determination of the type described in Section 3, Escrow Agent shall have no liability whatever to Developer, any Purchaser, any Co-owner or any other party for any error in such certificate, cost estimate or determination or for any act or omission by the Escrow Agent in reliance thereon.

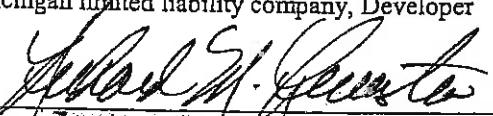
Except in instances of gross negligence or wilful misconduct, Escrow Agent's liability hereunder shall in all events be limited to return, to the party or parties entitled thereto, of the funds retained in escrow (or which were replaced by security) less any reasonable expenses which Escrow Agent may incur in the administration of such funds or otherwise hereunder, including, without limitation, reasonable attorney's fees and litigation expenses paid in connection with the defense, negotiation or analysis of claims against it, by reason of litigation or otherwise, arising out of the administration of such escrowed funds, all of which costs Escrow Agent shall be entitled without notice to deduct from amounts on deposit hereunder.

Notwithstanding any other provision herein to the contrary, Escrow Agent shall be under no obligation to release funds deposited hereunder to any party until it can satisfactorily ascertain that the funds deposited have been paid, settled and fully collected as such terms are defined under the provisions of MCL 440.4101, et seq.

5. Notices. All notices required or permitted hereunder and all notices of change of address shall be deemed sufficient if personally delivered or sent by registered mail, postage prepaid and return receipt requested, addressed to the recipient party at the address shown below such party's signature to this Agreement or upon the pertinent Purchase Agreement. For purposes of calculating time periods under the provisions of this Agreement, notice shall be deemed effective upon mailing or personal delivery, whichever is applicable.

APARTMENTS AT CAMBRIDGE COMPANY
a Michigan limited liability company, Developer

By:

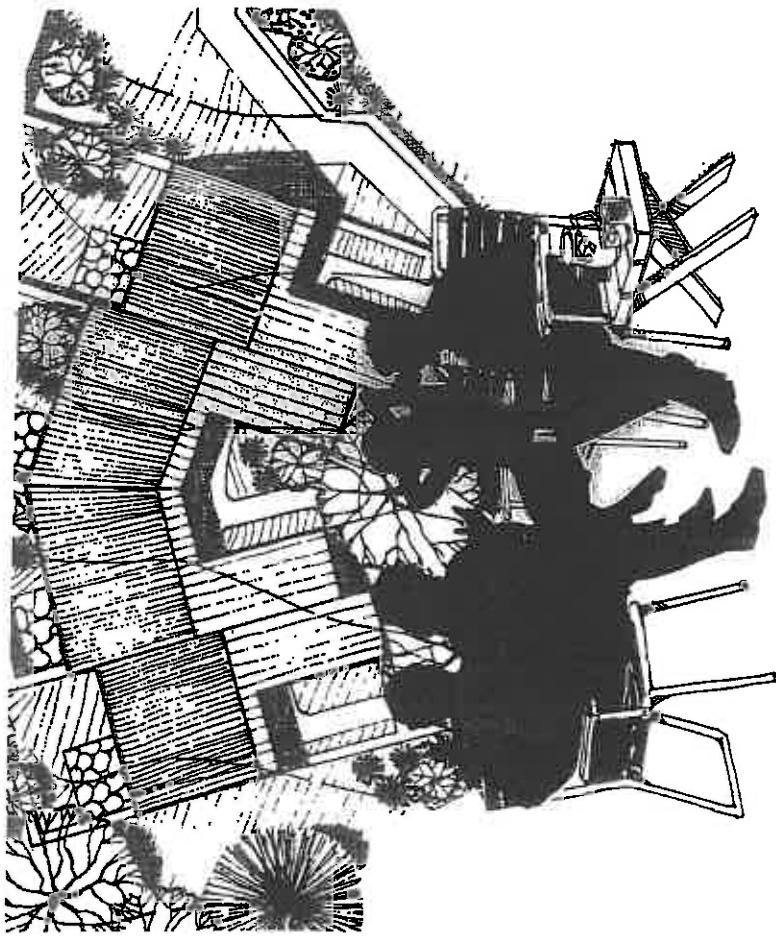

Richard M. Lewiston, Managing Member
21790 Coolidge Highway
Oak Park, Michigan 48237
(248) 548-1034

PHILIP R. SEAVER TITLE COMPANY, INC.
Escrow Agent

By:


Philip R. Seaver, President
42651 Woodward Avenue
Bloomfield Hills, Michigan 48304
(248) 338-7135

The Condominium Buyers' Handbook



**State of Michigan
Department of Consumer & Industry Services
Office of Policy & Legislative Affairs
Boundary Commission**
www.cis.state.mi.us/opla



"Serving Michigan...Serving You"

Approval: CIS Director

The Department of Consumer and Industry Services will not discriminate against any individual or group because of race, sex, religion, age, national origin, color, marital status, political beliefs or disability. If you need help with reading, writing, etc., under the Americans with Disabilities Act, you may make your needs known to this agency.

PUB-C-0139 (9/01)

Preface

The Condominium Buyers Handbook was created by the Michigan Department of Consumer & Industry Services as required by the Condominium Act, Public Act 59 of 1978, as amended. This edition reflects Public Act 379 of 2000 amendments that took effect January 2, 2001.

This handbook is intended as a guide for people who are considering buying a condominium. It provides a summary of portions of the Condominium Act (MCL 559.101 et seq.) and is directed primarily toward residential condominium buyers, although the Act also provides for business, camp-ground and marina condominium developments.

Although the Department of Consumer & Industry Services is identified as the administrator in the Act, the Legislature repealed the Department's regulatory responsibilities many years ago. The Act does not give the Department authority to enforce any provisions in the Act. The last section of the handbook describes the remedies the Act does provide. In addition, the Department will forward a copy of a complaint received regarding a developer of a condominium project to the developer along with a notice of available remedies in the Act. Contact:

Michigan Department of Consumer & Industry Services
Office of Policy & Legislative Affairs
P.O. Box 30004
Lansing, MI 48909
(517) 241-4590
www.cis.state.mi.us/opla

Condominium Ownership

Unit owners have exclusive ownership rights to their unit and the right to share the common elements of the condominium project with the other co-owners. The development is privately owned and maintained by the co-owners, unless the local government agrees to take responsibility for maintaining a portion of the development. Roads are an example of a portion of a condominium development that may become public. The master deed will designate the percentage of ownership of each condominium unit in the development. This percentage of value will determine your obligation for payment of monthly fees, assessments, and may determine your voting percentage at association meetings.

The bylaws should be read carefully as they contain provisions outlining your rights as an owner. Modifications or repairs to your unit may require approval of the co-owners association. There may be restrictions on pets, renting, use of recreational facilities, and other prohibitions in the bylaws that you should be aware of before signing a purchase agreement.

Association of Co-Owners (Condominium Board):

Initially, the developer appoints the board of directors, who govern the development until the first annual meeting. The provisions for holding the annual meeting and designating the voting procedures are included in the condominium



bylaws. The association of co-owners is elected by the co-owners and is responsible for governing the development and maintaining the general common elements. The general common elements may consist of hallways, lobbies, building exteriors, lawns, streets (if the roads are private), recreation facilities, heating, water and electric systems. The association has authority to determine the monthly maintenance fee and the amount of any special assessments. The association of co-owners may hire a management company to provide services for the development. Each co-owner must pay a monthly fee for these services and any special assessments.

Rules governing the association are written in the bylaws of the condominium development. After the association of co-owners is created, it may adopt bylaws for the operation of the association. Meetings of the co-owners association are meetings of a private entity, and not subject to the Open Meetings Act, which requires government agencies to allow public attendance at meetings. Associations are required to maintain a reserve fund for major repairs and replacement of common elements. The minimum amount is 10 % of the annual budget on a non-cumulative basis.

You should receive a disclosure statement itemizing the association's budget at the time you are given the master deed. The monthly assessment is considered a lien on the condominium unit and you cannot be exempt from assessments and monthly fees by nonuse of any common elements or by abandonment of the condominium unit. Co-owners must notify the association if they rent or mortgage their unit.

If you have complaints with the association or other co-owners, review the condominium bylaws to determine what recourse you have. Generally only professional arbitrators or the courts have jurisdiction over complaints between these parties.

Site Condominiums

The term "site condominium" is used to describe a condominium development with single-family detached housing instead of two or more housing units in one structure. Site condominium developments must comply with the Act. The Act requires developers to notify the appropriate local government of their intent to develop a condominium project. The type of review the development is subject to depends on the local government's ordinances. Site condominium documents are not reviewed by the State for conformance with the Act.

There is another type of residential subdivision development in Michigan that is regulated in accordance with the Land Division Act. Subdivisions developed pursuant to the Land Division Act are subject to state review for conformance with the Land Division Act.

Limited or General Common Elements

Limited common elements are property with usage restrictions. A carport space assigned to a unit is a limited common element. The yard of a unit that is a single family detached home may be a limited common element for use by the owner of that unit. General common elements may be roads, open space areas and recreation facilities. They



are available for use by everyone in the development. The master deed specifies which parts of your condominium development are designated as limited or general common elements. Use of the common elements is governed by the bylaws for the condominium development.

Condominium Documents

The condominium documents include the master deed, condominium subdivision plan, bylaws for the condominium project, and any other documents referred to in the master deed or bylaws. In addition, the developer is required to provide a disclosure statement. Once the condominium association is established, it may adopt another set of bylaws pertaining to the association's operation. The association or management company must keep books and records with a detailed account of the expenditures and receipts affecting the project and its administration, and which specify the operation expenses.

Purchase Agreements

A purchaser may withdraw from a signed purchase agreement without cause or penalty within nine business days as long as the property has not been conveyed to the purchaser. The nine-business day window starts the day on which the documents listed below are received, if that day is a business day. The developer must deposit payments made under a purchase agreement in an escrow account with an escrow agent.

Before signing an agreement, it is advisable to seek professional assistance to review all condominium documents. Some issues to consider before buying include the following:

- The bylaws may contain a variety of restrictions. The bylaws may require you to receive association approval for certain actions. If you do not obtain prior approval, the association has authority to enforce any legal restrictions in the bylaws.
- You may be subject to a binding purchase agreement before construction begins or is completed. Determine whether the agreements will provide you with adequate rights if the developer does not finish the unit in time to meet the occupancy date.
- Review all restrictions, covenants, and easements that might affect the condominium project or your unit.
- Determine if the developer has reserved any rights to alter the project.
- Before signing a purchase agreement make sure you have financing, or that the agreement specifies it is dependent on your ability to obtain a mortgage commitment for the unit.

Preliminary Reservation Agreements

A preliminary reservation agreement gives you the opportunity to purchase a particular condominium unit for a specified period of time upon sale terms to be determined later. The developer must place the payment you make in an escrow account with an escrow agent. If you make a payment under a preliminary reservation agreement and cancel the agreement, the developer must fully refund the money. If you subsequently enter into a purchase agreement, the developer must treat the payment made as if it was made under a purchase agreement.

- You may want to determine if the developer is contractually obligated to finish the development. The local government may have required the developer to provide letters of credit to complete elements of the project. Do not rely on verbal promises, insist that everything be in writing and signed by the person who made the promise.
- When buying a condominium in a structure that has been converted from an existing building, you will also be a joint owner of the furnace, roof, pipes, wires and other common elements. Ask for an architect's or engineer's report on the condition of all building components and their expected useful life. Ask to see copies of the building maintenance records, and find out what improvements the developer has made.

The developer must provide copies of the following documents to a prospective purchaser:

1. The recorded master deed.
2. A copy of the purchase agreement and escrow agreement
3. The condominium buyer's handbook.
4. A disclosure statement that must include information about:
 - the developer's previous experience with condominium projects,
 - any warranties undertaken by the developer, and
 - the extent to which financial arrangements have been provided for completion of all structures and improvements labeled "must be built" on the subdivision plan.

Documents the Developer Must Provide

- The developer must provide copies of the following documents to a prospective purchaser:
1. The recorded master deed.
 2. A copy of the purchase agreement and escrow agreement
 3. The condominium buyer's handbook.
 4. A disclosure statement that must include information about:
 - the developer's previous experience with condominium projects,
 - any warranties undertaken by the developer, and
 - the extent to which financial arrangements have been provided for completion of all structures and improvements labeled "must be built" on the subdivision plan.

The advisory committee is established when one of the following occurs, whichever happens first:

- 120 days after 1/3 of the units are sold to nondeveloper co-owners.
- One year after a unit is sold to a nondeveloper co-owner.

The purpose of the advisory committee is to meet with the project board of directors to facilitate communication and aid in the transition of control to the association of co-owners. The advisory committee ceases when a majority of the board of directors of the association of co-owners is elected by the nondeveloper co-owners.

Election of Board of Directors for Association of Co-owners

No later than 120 days after 25% of nondeveloper co-owners have title to the units that may be created, at least one director, and not less than 25% of the board of directors shall be elected by the nondeveloper co-owners.

No later than 120 days after 50% of nondeveloper co-owners have title to the units that may be created, at least 33.3% of the board of directors shall be elected by nondeveloper co-owners.

No later than 120 days after 75% of nondeveloper co-owners have title to units that may be created, and before 90% are conveyed to nondeveloper co-owners, the nondeveloper co-owners shall elect all directors on the board, except if

the developer owns and offers for sale at least 10% of the units, or as long as 10% of the units remain to be created, the developer shall have the right to designate one director.

If titles to 75% - 100% of the units that may be created have not been conveyed, 54 months after the first conveyance, the nondeveloper co-owners shall elect the number of board members equal to the percentage of units they hold. The developer has the right to elect the number of board members equal to the percentage of units that are owned by the developer, if the developer has paid all assessments for those units.

Documents the Association Must Provide

The association of co-owners must provide a financial statement annually to each co-owner. The books, records, and contracts concerning the administration and operation of the condominium project must be available for examination by any of the co-owners at convenient times. All books and records must be audited or reviewed by independent accountants annually, but the audit does not have to be certified. The association must keep current copies of the master deed, all amendments to the master deed, and other condominium documents available at reasonable hours to co-owners, prospective purchasers and prospective mortgagees.

Amendments to Condominium Documents

If the condominium documents contain a statement that the developer or association of co-owners has reserved the right to amend the documents for that purpose, then the documents may be amended without the consent of the co-owners, as long as the change does not materially alter or change the rights of a co-owner.

The master deed, bylaws and condominium subdivision plan may be amended, even if the amendment will materially alter or change the rights of a co-owner with the consent of at least 2/3 of the votes of the co-owners and mortgagees.

The method or formula used to determine the percentage of value of each unit for other than voting purposes cannot be modified without the consent of each affected co-owner. Provisions relating to the ability or terms under which a co-owner may rent a unit may not be modified without the consent of the co-owner. A co-owner's unit dimensions or the limited common elements to the co-owner's unit may not be modified without the co-owner's consent.

Remedies Available Pursuant to the Act

A developer who offers or sells a condominium unit in violation of the Act is liable to the purchaser for damages.

A person or association of co-owners adversely affected by a violation of, or failure to comply with, the Act, administrative rules issued under the authority of the Act, or any provision of an agreement or a master deed may take action in a court with jurisdiction. The court may award costs to the prevailing party.

A co-owner may take action against the association of co-owners to compel the association to enforce the condominium documents. To the extent that the condominium documents expressly provide, the court shall determine costs of the proceeding and the successful party shall recover those costs.

A co-owner may take action against another co-owner for injunctive relief or for damages for noncompliance with the terms of the condominium documents or the Act.

The bylaws must contain a provision that disputes relating to the interpretation of the condominium documents or arising out of disputes among co-owners may be resolved through arbitration. Both parties must consent to arbitration and give written notice to the association. The decision of the arbitrator is final and the parties are prohibited from petitioning the courts regarding that dispute.

A developer and a co-owner, or association of co-owners, may execute a contract to settle by arbitration for any claim

against the developer that might be the subject of a civil action. A purchaser or co-owner has the exclusive option to execute a contract to settle by arbitration for any claim against the developer that might be the subject of a civil action and involves less than \$2,500. All costs will be allocated in the manner provided by the arbitration association. A contract to settle by arbitration must specify that the arbitration association will conduct the arbitration. The method of appointment of the arbitrator will be pursuant to rules of the arbitration association. Arbitration will be in accordance with sections 500.1 to 5065 of Act No. 236 of 1961, MCL 600.5001 to 5065, which may be supplemented by rules of the arbitration association. An arbitration award is binding on the parties to the arbitration.

A condominium developer may be required to be a licensed residential builder under the Occupational Code. If a person has violated the Occupational Code or administrative rules, a complaint must be made within 18 months after completion, occupancy or purchase of a residential structure. Conduct subject to penalty is described in Article 24 of the Occupational Code. Complaints concerning construction may be filed with:

Michigan Department of Consumer & Industry Services

Bureau of Commercial Services
Enforcement Division
P. O. Box 30018
Lansing, MI 48909
Phone: (517) 241-9202
www.dcs.state.mi.us/bcs



The Michigan Consumer Protection Act prohibits certain methods, acts, and practices, provides for certain investigations and prescribes penalties. Complaints regarding an alleged violation of the Consumer Protection Act may be filed with:

Michigan Department of Attorney General
Consumer Protection Division
P. O. Box 30213
Lansing, MI 48909
Phone: (517) 373-1140
www.ag.state.mi.us

The Act provides the right to notify the agency in a governmental unit responsible for administration and enforcement of construction regulations of an alleged violation of the state construction code, other applicable building code, or construction regulation.

A person who willfully aids in the advertisement of a statement or representation that misrepresents the facts concerning a condominium project, as described in the recorded master deed, is guilty of a misdemeanor and shall be punished by a fine or imprisonment or both. An action under this section shall be brought by the prosecuting attorney of the county in which the property is located, or by the department of attorney general.

A person can not take action arising out of the development or construction of the common elements, or the management, operation, or control of a condominium project, more than three years from the transitional control date or two years from the date of the cause of the action, whichever

occurs later. The transitional control date is the date the board of directors takes office by an election where the owners' votes exceed the developer's votes for the board members.

Legal References

Condominium Act, P.A. 59 of 1978, as amended, MCL 559.101 et seq.
Condominium Rules, R559.101 et seq., 1985 Michigan Administrative Code
Occupational Code, P.A. 299 of 1980, MCL 339.101 et seq.
Consumer Protection Act, P.A. 331 of 1976, MCL 445.901 et seq.
Stille-Derossett-Halle Single State Construction Code Act, P.A. 230 of 1972, MCL 125.1501 et seq.

SECOND SUPPLEMENT
TO
PURCHASER INFORMATION BOOKLET



To all Purchasers and Prospective Purchasers:

Attached please find a copy of the Second Amendment to Master Deed of The Traditions at Cambridge Condominium (the "Second Amendment"), which has been recorded among the Wayne County Records.

The Second Amendment (i) amends and restates Section 2 of Article V of the Master Deed of The Traditions at Cambridge Condominium (the "Project"), and (ii) amends the Condominium Subdivision Plan for the Project, to reflect (a) the addition of 40 Units to the Project, thereby enlarging the Project from 124 Units to 164 Units, and (b) the reallocation among all of the Units of the Percentages of Value assigned to each of the Units, occasioned by the addition of Units to the Project.

Dated: January 7, 2005

2005
\$57.05 DEED
Book 157845

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

LI-41895 Pa-103
205012393 1/07/2005
Bernard J. Youngblood
Wayne Co. Register of Deeds

\$6.00 FRENCHMATION

SECOND AMENDMENT TO MASTER DEED OF
THE TRADITIONS AT CAMBRIDGE CONDOMINIUM

Apartments at Cambridge Company, L.L.C., a Michigan limited liability company, the address of which is 21790 Coolidge Highway, Oak Park, Michigan 48237, being the Developer of The Traditions at Cambridge Condominium, a Condominium Project established pursuant to the Master Deed thereof, recorded on May 6, 2003 in Liber 37933 at Pages 9 through 88, and First Amendment thereto recorded on July 25, 2003 in Liber 38511, at Pages 13 through 16, Wayne County Records and known as Wayne County Condominium Subdivision Plan No. 702, hereby amends the Master Deed of The Traditions at Cambridge Condominium for the purpose of enlarging the condominium project from 124 Units to 164 Units and reallocating percentages of value set forth in Article V, Section 2 of said Master Deed. Upon the recording of this Amendment in the office of the Wayne County Register of Deeds, said Master Deed shall be amended in the following manner:

1. Article V, Section 2 of the Master Deed of The Traditions at Cambridge Condominium, as set forth below, shall replace and supersede First Amended Article V, Section 2 of the Master Deed as originally recorded, and the First Amended Article V, Section 2 shall be of no further force or effect.

Section 2. Percentages of Value. The percentage of value assigned to each of the Units is set forth below: Percentages of value are based upon comparative bedroom counts among Units. The percentage of value assigned to each Unit shall be determinative of each Co-owner's respective share of the undivided ownership of Common Elements of the Condominium Project, the proportionate share of each respective Co-owner in the proceeds and the expenses of administration and the value of such Co-owner's vote at meetings of the Association. The total value of the Project is 100%.

Unit Number	No. of Bedrooms	Percentage of Value Assigned	Unit Number	No. of Bedrooms	Percentage of Value Assigned
1	Two	0.592	7	Two	0.592
2	Two	0.592	8	Two	0.592
3	Two	0.592	9	Two	0.592
4	Two	0.592	10	Two	0.592
5	Two	0.592	11	Two	0.592
6	Two	0.592	12	Two	0.592

EXAMINED AND APPROVED
DATE 01/07/2005
BY John H. P. 9/11
NORMAN C. DUPUIE
PLAT ENGINEER

WAYNE COUNTY TREASURER
John H. P. 9/11

B MDA 576R 1784 A.L.

<u>Unit Number</u>	<u>No. of Bedrooms</u>	<u>Percentage of Value Assigned</u>	<u>Unit Number</u>	<u>No. of Bedrooms</u>	<u>Percentage of Value Assigned</u>
13	Two	0.592	59	Two	0.592
14	Two	0.592	60	Two	0.592
15	Two	0.592	61	Two	0.592
16	Two	0.592	62	Two	0.592
17	Two	0.592	63	Two	0.592
18	Two	0.592	64	Two	0.592
19	Two	0.592	65	Two	0.592
20	Two	0.592	66	Two	0.592
21	Two	0.592	67	Two	0.592
22	Two	0.592	68	Two	0.592
23	Two	0.592	69	Two	0.592
24	Two	0.592	70	Two	0.592
25	Two	0.592	71	Two	0.592
26	Two	0.592	72	Two	0.592
27	Two	0.592	73	Two	0.592
28	Two	0.592	74	Two	0.592
29	Three	0.887	75	Two	0.592
30	Three	0.887	76	Two	0.592
31	Three	0.887	77	Two	0.592
32	Three	0.887	78	Two	0.592
33	Three	0.887	79	One	0.296
34	Three	0.887	80	One	0.296
35	Three	0.887	81	One	0.296
36	Three	0.887	82	One	0.296
37	Three	0.887	83	One	0.296
38	Two	0.592	84	One	0.296
39	Two	0.592	85	One	0.296
40	Two	0.592	86	One	0.296
41	Two	0.592	87	One	0.296
42	Two	0.592	88	One	0.296
43	Two	0.592	89	One	0.296
44	Two	0.592	90	One	0.296
45	Two	0.592	91	One	0.296
46	Two	0.592	92	One	0.296
47	Two	0.592	93	One	0.296
48	Three	0.887	94	One	0.296
49	Three	0.887	95	One	0.296
50	Three	0.887	96	One	0.296
51	Three	0.887	97	One	0.296
52	Three	0.887	98	One	0.296
53	Three	0.887	99	One	0.296
54	Three	0.887	100	One	0.296
55	Three	0.887	101	One	0.296
56	Three	0.887	102	One	0.296
57	Two	0.592	103	Two	0.592
58	Two	0.592	104	Two	0.592

<u>Unit Number</u>	<u>No. of Bedrooms</u>	<u>Percentage of Value Assigned</u>	<u>Unit Number</u>	<u>No. of Bedrooms</u>	<u>Percentage of Value Assigned</u>
105	Two	0.592	137	Three	0.887
106	Two	0.592	138	Three	0.887
107	Two	0.592	139	Three	0.887
108	Two	0.592	140	Three	0.887
109	Two	0.592	141	Three	0.887
110	Two	0.592	142	Three	0.887
111	Two	0.592	143	Three	0.887
112	Two	0.592	144	Three	0.887
113	One	0.296	145	Three	0.887
114	One	0.296	146	Three	0.887
115	One	0.296	147	Three	0.887
116	One	0.296	148	Three	0.887
117	One	0.296	149	Three	0.887
118	One	0.296	150	Three	0.887
119	One	0.296	151	Three	0.887
120	One	0.296	152	Three	0.887
121	One	0.296	153	Three	0.887
122	One	0.296	154	Three	0.887
123	One	0.296	155	Three	0.887
124	One	0.296	156	Three	0.887
125	Two	0.592	157	Three	0.887
126	Two	0.592	158	Three	0.887
127	Two	0.592	159	Three	0.887
128	Two	0.592	160	Three	0.887
129	Two	0.592	161	Three	0.887
130	Two	0.592	162	Three	0.887
131	Two	0.592	163	Three	0.887
132	Two	0.592	164	Three	0.887
133	Two	0.592			
134	Two	0.592			
135	Two	0.591	Total		100.000
136	Two	0.591			

2. Amended Sheets 1, 3, 5, 7, 8, 14, 15, 16, 17 and 18 of the Condominium Subdivision Plan of The Traditions at Cambridge, as attached hereto, shall replace and supersede Sheets 1, 3, 5, 7, 8, 14, 15, 16, 17 and 18 of the Condominium Subdivision Plan of The Traditions at Cambridge as originally recorded, and the originally recorded Sheets 1, 3, 5, 7, 8, 14, 15, 16, 17 and 18 shall be of no further force or effect.

3. Sheets 19 and 20 of the Condominium Subdivision Plan of The Traditions at Cambridge, as attached hereto, shall supplement and be incorporated in the Condominium Subdivision Plan of The Traditions at Cambridge, as amended.

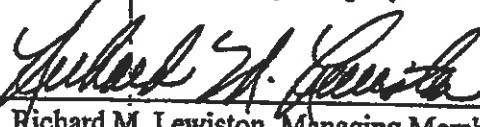
4. In all respects, other than as hereinabove indicated, the original Master Deed of The Traditions at Cambridge Condominium, including the Bylaws and Condominium Subdivision Plan respectively attached thereto as Exhibits A and B, originally recorded and subsequently amended as aforesaid, is hereby ratified, confirmed and redeclared.

{Signatures and acknowledgment appear on following page}

IN WITNESS WHEREOF, the Developer has caused this Second Amendment to Master Deed to be executed on this 3rd day of January, 2005.

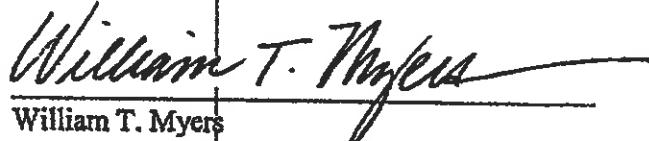
APARTMENTS AT CAMBRIDGE COMPANY, L.L.C.,
a Michigan limited liability company

By:


Richard M. Lewiston, Managing Member

STATE OF MICHIGAN) --
) SS.
COUNTY OF OAKLAND)

On this 3rd day of January, 2005 in Oakland County, Michigan, the foregoing Second Amendment to Master Deed was acknowledged before me by Richard M. Lewiston, Managing Member of Apartments at Cambridge Company, L. L.C., a Michigan limited liability company, on behalf of the limited liability company.

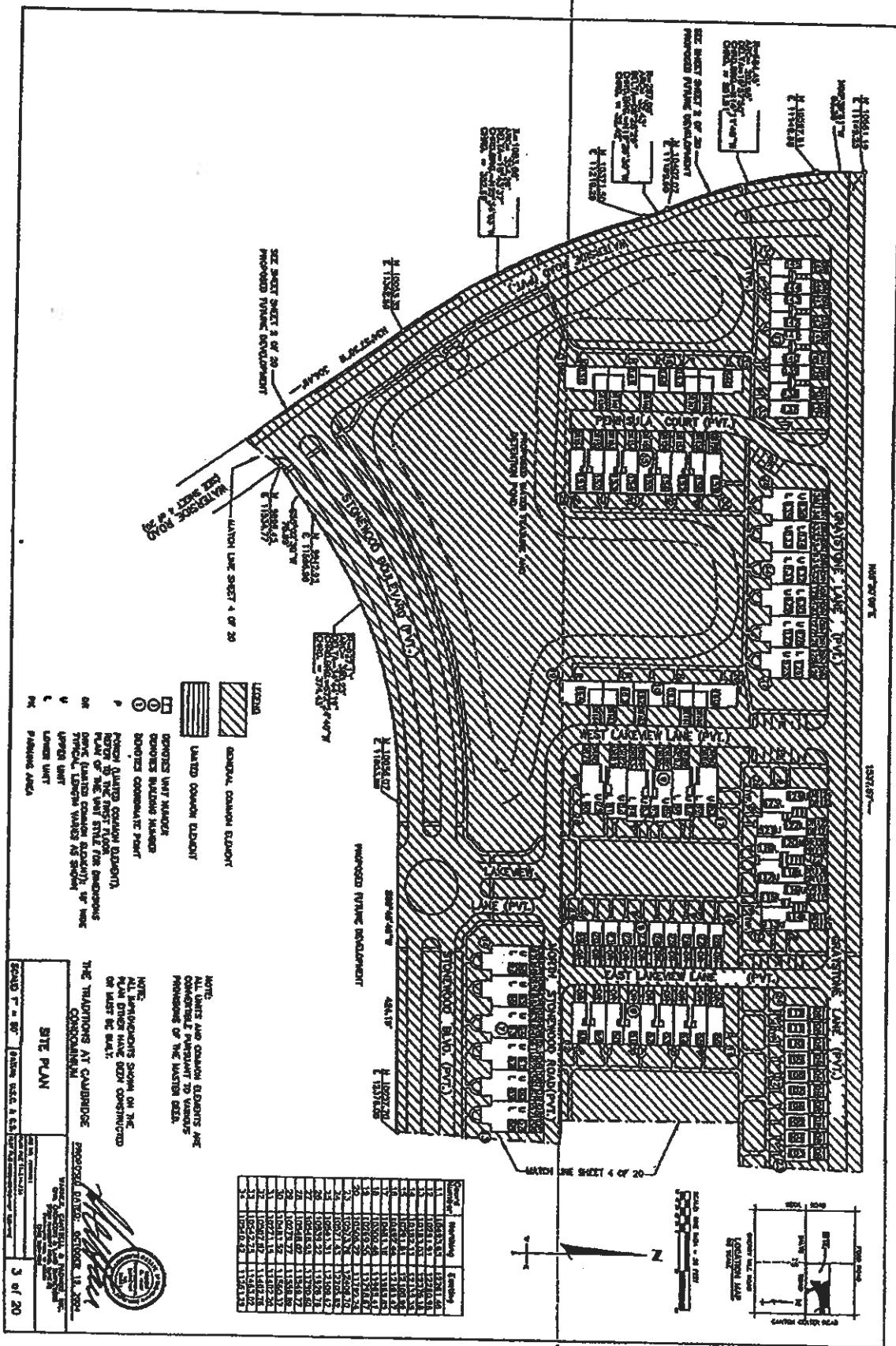


William T. Myers
Notary Public, Oakland County, Michigan
My commission expires August 29, 2011
Acting in Oakland County, Michigan

The foregoing Second Amendment to Master Deed drafted by:

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

When recorded, return to drafter.



1. ALL METER LOCATIONS ON THE SURVEY SHOWN ON AS-BUILT DRAWINGS
 2. CONDENSER EASEMENT NUMBER
 NOTES REGARDING EASEMENTS

1. THE CONTINUATION OF OTHER EASEMENTS OR CONVENTIONS
 AND LEGAL DESCRIPTIONS OF WHICH ARE NOT SHOWN ON THIS SURVEY
 COVERING A 12' WIDE SWALE WHICH IS LOCATED ON THE PROPERTY
 OWNED BY THE CHAMBER OF COMMERCE, INC., MAY BE REFERRED
 TO THE CHAMBER OF COMMERCE, INC.

OR HABEAT

1157

PROPERTY OWNERSHIP INFORMATION

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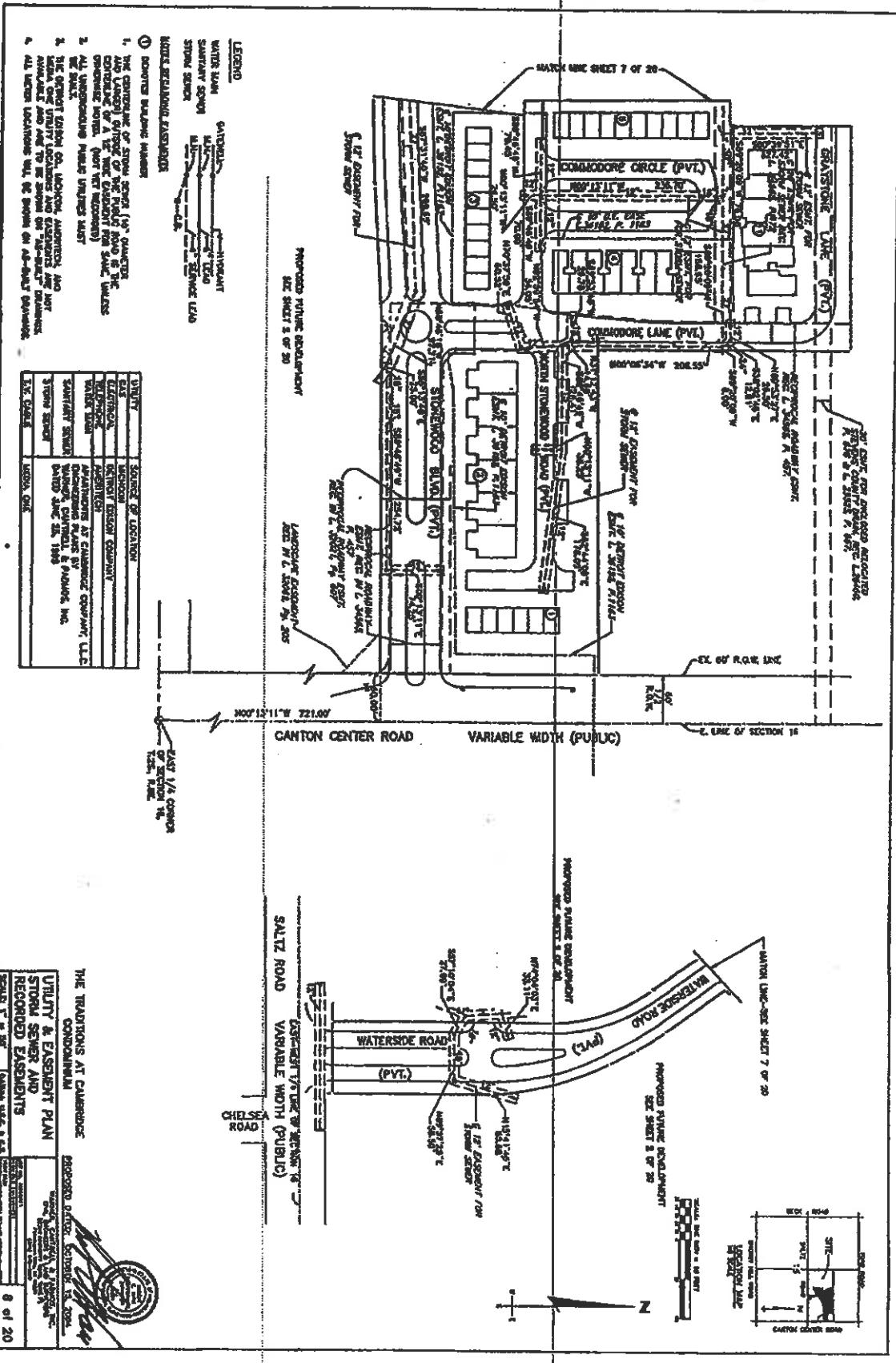
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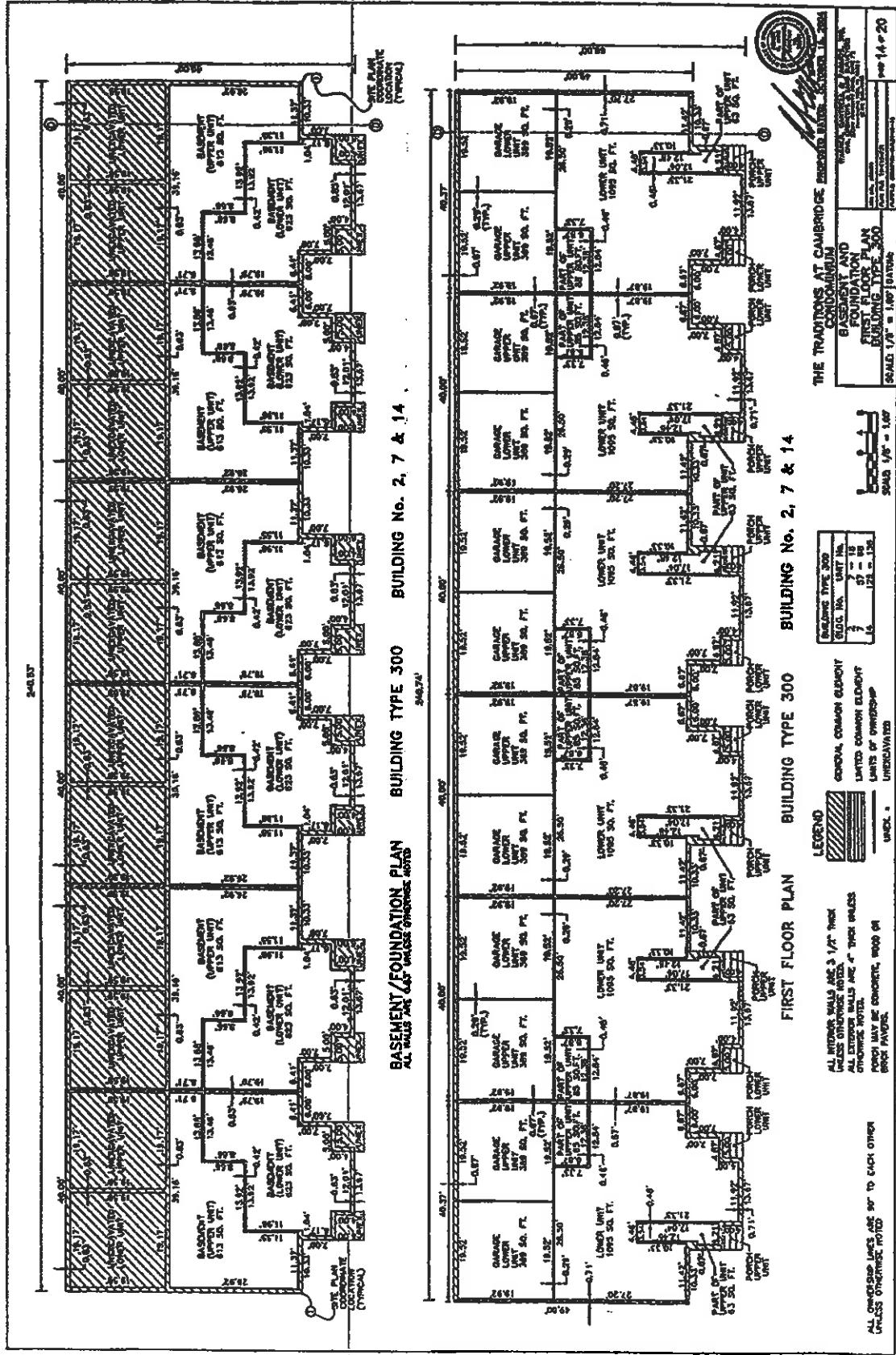
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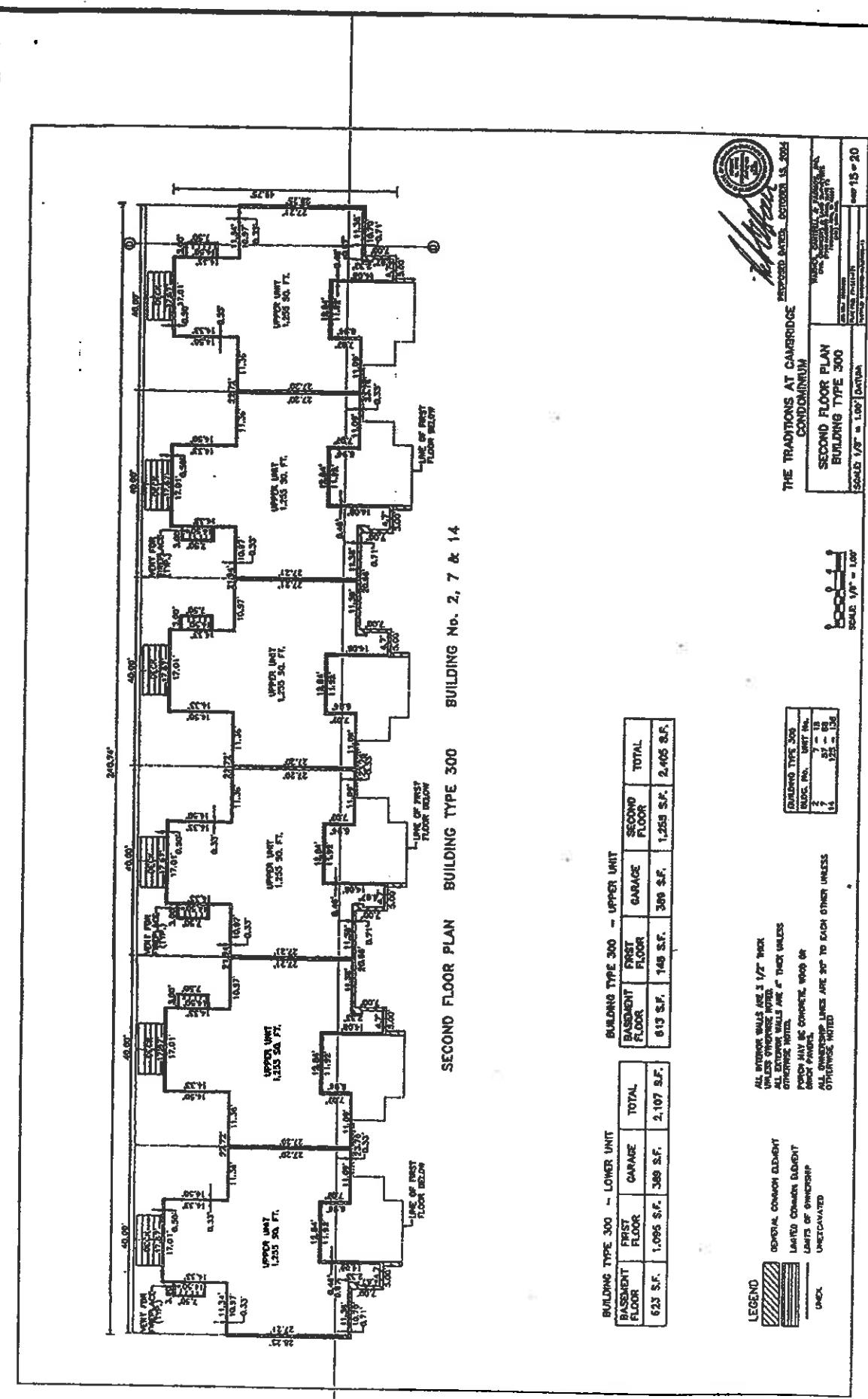
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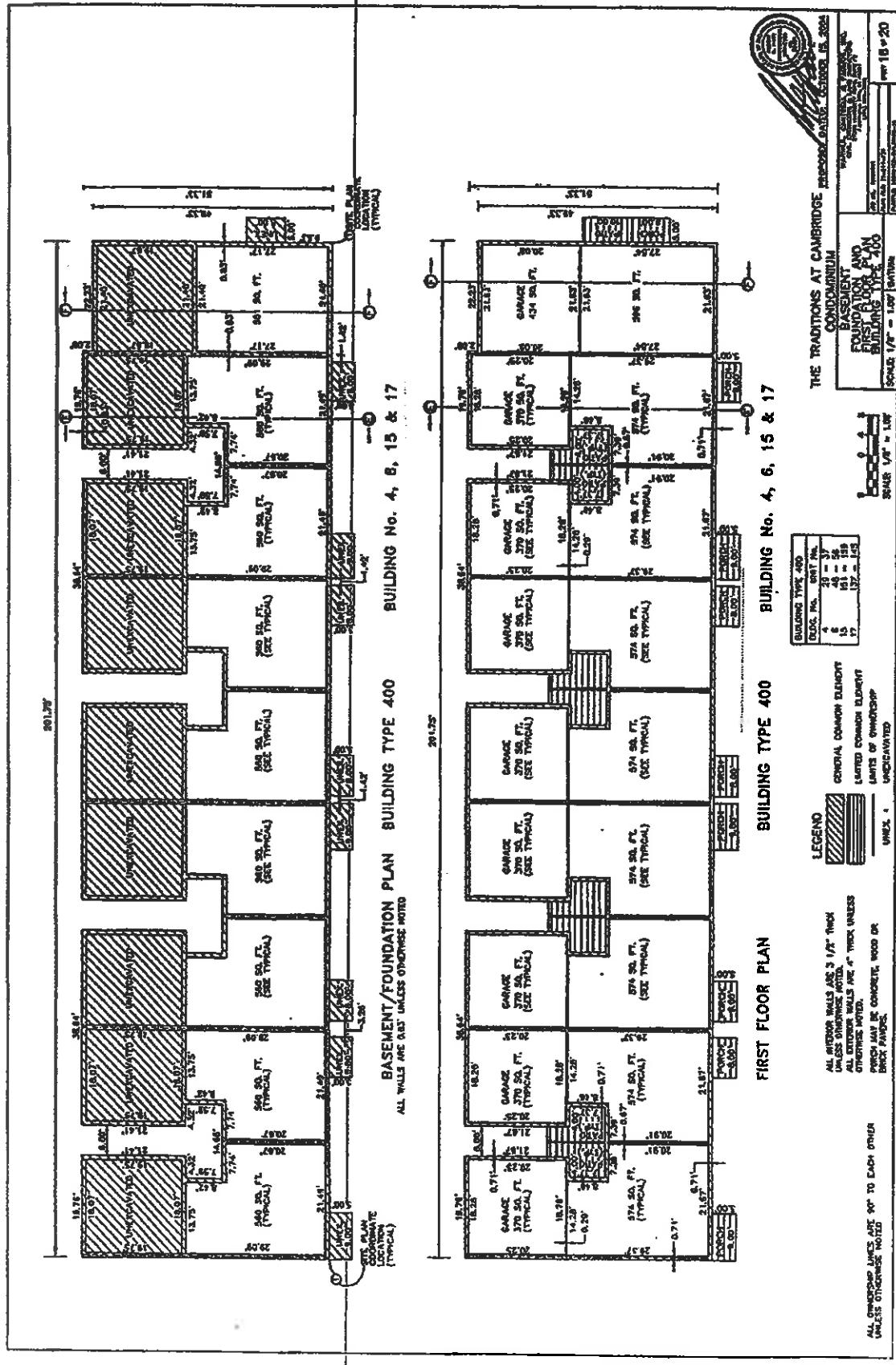
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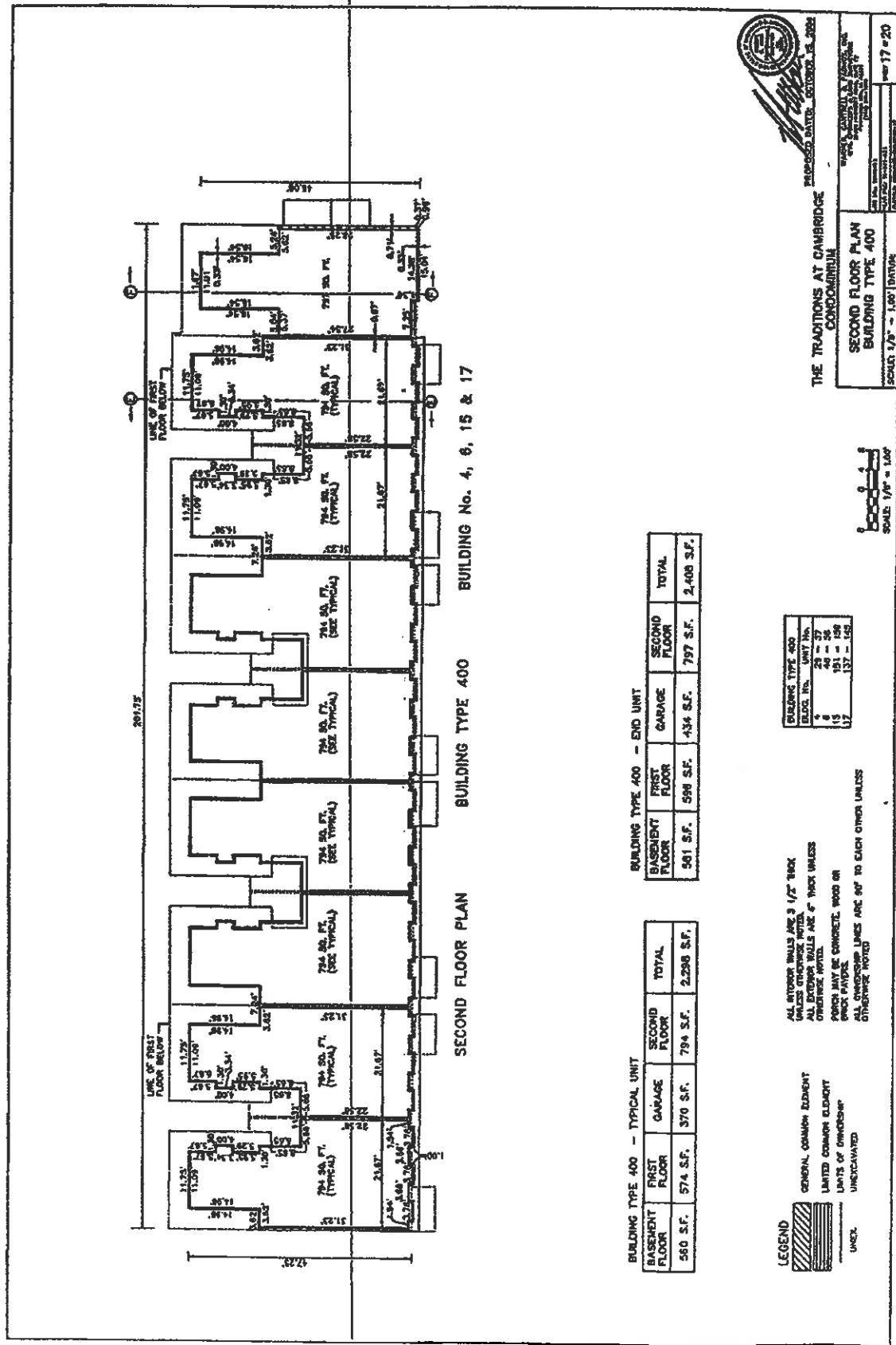
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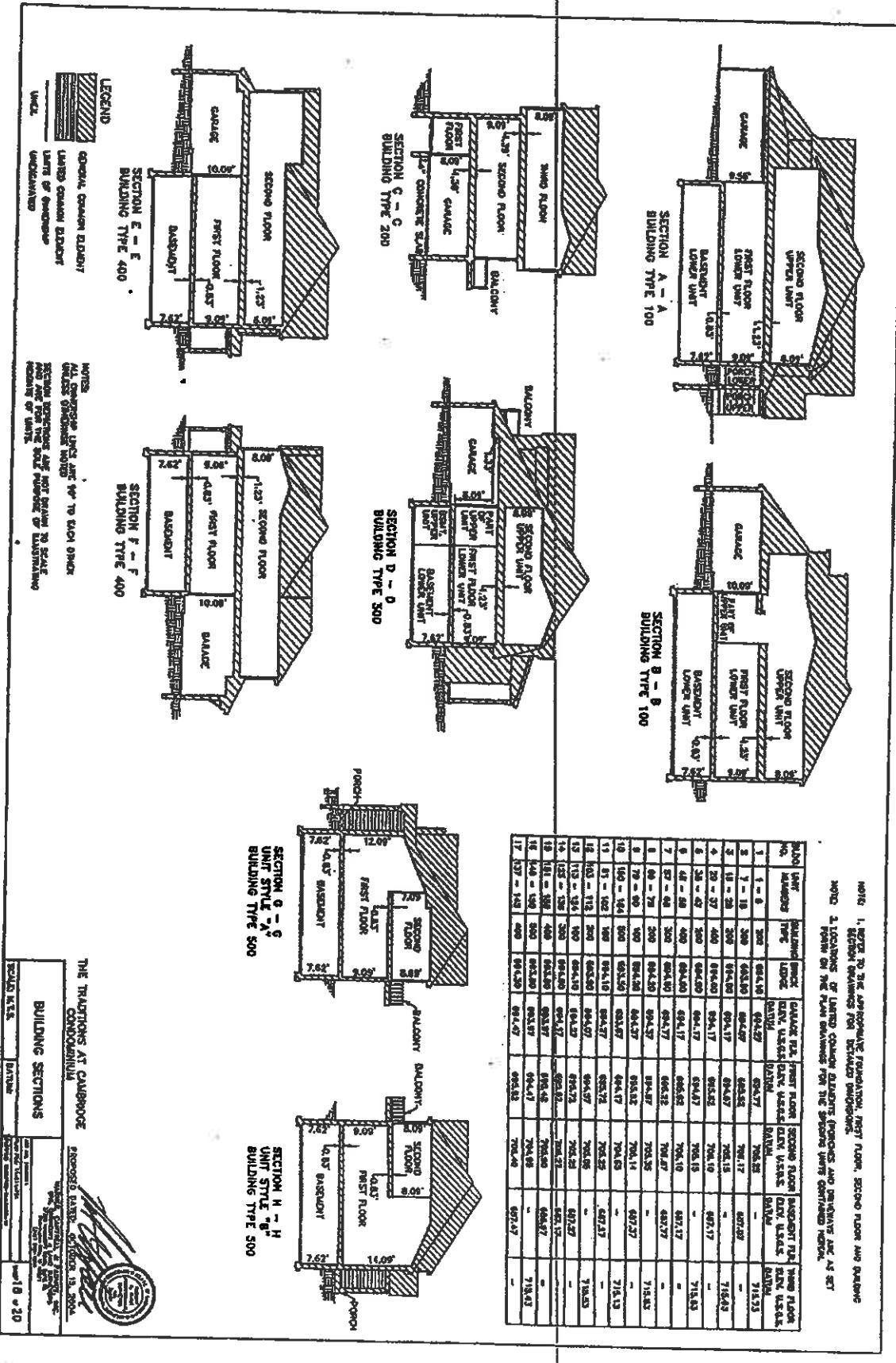






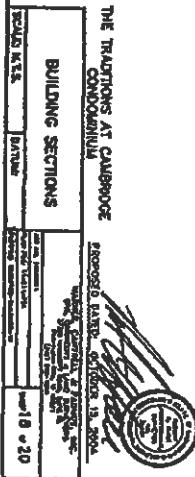






NOTES
1. REFER TO THE APPROPRIATE INFORMATION, PAGE NUMBER, SECOND FLOOR AND BUREAU
SECTION DRAWINGS FOR DETAILED DIMENSIONS.

LOC	NAME	TYPE	STOCK NO.	QUANTITY	UNIT PRICE	TOTAL QUANTITY						
1	1 - 8	200	561-16	694.27	\$24.17	16	\$24.17	386.82	\$24.17	9	\$24.17	217.73
3	7 - 10	200	562-16	694.27	\$24.17	16	\$24.17	386.82	\$24.17	7	\$24.17	177.29
5	14 - 16	200	564-17	694.27	\$24.17	16	\$24.17	386.82	\$24.17	15	\$24.17	362.25
6	20 - 27	400	564-20	694.27	\$24.17	16	\$24.17	386.82	\$24.17	10	\$24.17	241.70
6	35 - 42	200	564-20	694.27	\$24.17	16	\$24.17	386.82	\$24.17	17	\$24.17	410.49
7	43 - 50	200	564-20	694.27	\$24.17	16	\$24.17	386.82	\$24.17	10	\$24.17	241.70
8	57 - 64	200	564-20	694.27	\$24.17	16	\$24.17	386.82	\$24.17	7	\$24.17	177.29
9	66 - 70	200	564-20	694.27	\$24.17	16	\$24.17	386.82	\$24.17	5	\$24.17	120.85
10	76 - 80	200	564-20	694.27	\$24.17	16	\$24.17	386.82	\$24.17	14	\$24.17	338.38
11	86 - 94	200	564-20	694.27	\$24.17	16	\$24.17	386.82	\$24.17	14	\$24.17	338.38
12	95 - 102	200	564-20	694.27	\$24.17	16	\$24.17	386.82	\$24.17	14	\$24.17	338.38
13	103 - 112	200	564-20	694.27	\$24.17	16	\$24.17	386.82	\$24.17	14	\$24.17	338.38
14	113 - 120	200	564-20	694.27	\$24.17	16	\$24.17	386.82	\$24.17	14	\$24.17	338.38
15	121 - 128	200	564-20	694.27	\$24.17	16	\$24.17	386.82	\$24.17	14	\$24.17	338.38
16	129 - 136	200	564-20	694.27	\$24.17	16	\$24.17	386.82	\$24.17	14	\$24.17	338.38
17	137 - 144	200	564-20	694.27	\$24.17	16	\$24.17	386.82	\$24.17	14	\$24.17	338.38



LEGEND

- Vertical hatching: EXTERIOR COLUMN CLUSTER
- Horizontal hatching: EXTERIOR PILLAR CLUSTER
- Unhatched: UNFINISHED
- Units or Entrances: UNITS OR ENTRANCES

All dimensions given are net to each outside unless otherwise noted.

BUILDING TYPE 600

BUILDING TYPE 600 - UNIT STYLE A (UNITS No. 148, 150, 152, 164)

BASMENT	FIRST FLOOR	SECOND FLOOR	TOTAL	GARAGE
1228 S.F.	1228 S.F.	364 S.F.	2990 S.F.	388 S.F.

(NET)

SUPPLEMENT
TO
PURCHASER INFORMATION BOOKLET



To all Purchasers and Prospective Purchasers:

Attached please find a copy of the First Amendment to Master Deed of The Traditions at Cambridge Condominium (the "First Amendment"), which has been recorded among the Wayne County Records.

The First Amendment amends and restates Section 2 of Article V of the Master Deed to reduce the number of classifications of Percentages of Value attributable to units in the condominium, from nine (9) such classifications, to three (3) classifications (based solely upon the number of bedrooms in each such unit).

Accordingly, the number of differing monthly assessments has been simplified and reduced from nine (9) such differing monthly assessments, to three (3) differing monthly assessments (being, at present, \$165.00 per month for each one bedroom unit, \$175.00 per month for each two bedroom unit, and \$195.00 per month for each three bedroom unit).

This is further to advise that until January 1, 2004, the monthly assessment on each unit owned by a co-owner other than the Developer will be reduced by 50%. In addition to other sums to be contributed by the Developer to The Traditions at Cambridge Association (the "Association"), the Developer will pay to the Association, the remaining 50% of each such assessment for the account of each such co-owner.

Dated: July 25, 2003

2003 JUL 23 P 1:35

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

**FIRST AMENDMENT TO MASTER DEED OF
 THE TRADITIONS AT CAMBRIDGE CONDOMINIUM**

Apartment at Cambridge Company, L.L.C., a Michigan limited liability company, the address of which is 21790 Coolidge Highway, Oak Park, Michigan 48237, being the Developer of The Traditions at Cambridge Condominium, a Condominium Project established pursuant to the Master Deed thereof, recorded on May 6, 2003 in Liber 37933 at Pages 9 through 88, Wayne County Records and known as Wayne County Condominium Subdivision Plan No. 702, as sole owner of all Units in the Condominium Project, hereby amends the Master Deed of The Traditions at Cambridge Condominium for the purpose of reallocating percentages of value set forth in Article V, Section 2 of said Master Deed. Upon the recording of this Amendment in the office of the Wayne County Register of Deeds, said Master Deed shall be amended in the following manner:

1. Article V, Section 2 of the Master Deed of The Traditions at Cambridge Condominium, as set forth below, shall replace and supersede Article V, Section 2 of the Master Deed as originally recorded, and the originally recorded Article V, Section 2 shall be of no further force or effect.

Section 2. Percentages of Value. The percentage of value assigned to each of the Units is set forth below: Percentages of value are based upon comparative bedroom counts among Units. The percentage of value assigned to each Unit shall be determinative of each Co-owner's respective share of the undivided ownership of Common Elements of the Condominium Project, the proportionate share of each respective Co-owner in the proceeds and the expenses of administration and the value of such Co-owner's vote at meetings of the Association. The total value of the Project is 100%.

<u>Unit Number</u>	<u>No. of Bedrooms</u>	<u>Percentage of Value Assigned</u>	<u>Unit Number</u>	<u>No. of Bedrooms</u>	<u>Percentage of Value Assigned</u>
1	Two	0.806	9	Two	0.806
2	Two	0.806	10	Two	0.806
3	Two	0.806	11	Two	0.806
4	Two	0.806	12	Two	0.806
5	Two	0.806	13	Two	0.806
6	Two	0.806	14	Two	0.806
7	Two	0.806	15	Two	0.806
8	Two	0.806	16	Two	0.806

<u>Unit Number</u>	<u>No. of Bedrooms</u>	<u>Percentage of Value Assigned</u>	<u>Unit Number</u>	<u>No. of Bedrooms</u>	<u>Percentage of Value Assigned</u>
17	Two	0.806	62	Two	0.806
18	Two	0.806	63	Two	0.806
19	Two	0.806	64	Two	0.806
20	Two	0.806	65	Two	0.806
21	Two	0.806	66	Two	0.806
22	Two	0.806	67	Two	0.806
23	Two	0.806	68	Two	0.806
24	Two	0.806	69	Two	0.806
25	Two	0.806	70	Two	0.806
26	Two	0.806	71	Two	0.806
27	Two	0.806	72	Two	0.806
28	Two	0.806	73	Two	0.806
29	Three	0.899	74	Two	0.806
30	Three	0.899	75	Two	0.806
31	Three	0.899	76	Two	0.806
32	Three	0.899	77	Two	0.806
33	Three	0.899	78	Two	0.806
34	Three	0.899	79	One	0.761
35	Three	0.899	80	One	0.761
36	Three	0.899	81	One	0.761
37	Three	0.899	82	One	0.761
38	Two	0.806	83	One	0.761
39	Two	0.806	84	One	0.761
40	Two	0.806	85	One	0.761
41	Two	0.806	86	One	0.761
42	Two	0.806	87	One	0.761
43	Two	0.806	88	One	0.761
44	Two	0.806	89	One	0.761
45	Two	0.806	90	One	0.761
46	Two	0.806	91	One	0.761
47	Two	0.806	92	One	0.761
48	Three	0.899	93	One	0.761
49	Three	0.899	94	One	0.761
50	Three	0.899	95	One	0.761
51	Three	0.899	96	One	0.761
52	Three	0.899	97	One	0.761
53	Three	0.899	98	One	0.761
54	Three	0.899	99	One	0.761
55	Three	0.899	100	One	0.761
56	Three	0.899	101	One	0.761
57	Two	0.806	102	One	0.761
58	Two	0.806	103	Two	0.806
59	Two	0.806	104	Two	0.806
60	Two	0.806	105	Two	0.806
61	Two	0.806	106	Two	0.806

<u>Unit Number</u>	<u>No. of Bedrooms</u>	<u>Percentage of Value Assigned</u>	<u>Unit Number</u>	<u>No. of Bedrooms</u>	<u>Percentage of Value Assigned</u>
107	Two	0.806	117	One	0.761
108	Two	0.806	118	One	0.761
109	Two	0.806	119	One	0.761
110	Two	0.806	120	One	0.761
111	Two	0.807	121	One	0.761
112	Two	0.807	122	One	0.761
113	One	0.761	123	One	0.761
114	One	0.761	124	One	<u>0.761</u>
115	One	0.761			
116	One	0.761			
			Total		100.000

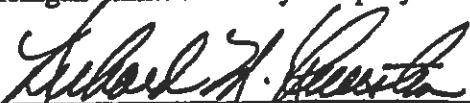
2. In all respects, other than as hereinabove indicated, the original Master Deed of The Traditions at Cambridge Condominium, including the Bylaws and Condominium Subdivision Plan respectively attached thereto as Exhibits A and B, recorded as aforesaid, is hereby ratified, confirmed and redeclared.

{Signatures and acknowledgment appear on following page}

IN WITNESS WHEREOF, the Developer has caused this First Amendment to Master Deed to be executed on this 22nd day of July, 2003.

APARTMENTS AT CAMBRIDGE COMPANY, L.L.C.,
a Michigan limited liability company

By:



Richard M. Lewiston, Managing Member

STATE OF MICHIGAN)
) SS.
COUNTY OF OAKLAND)

On this 22nd day of July, 2003, the foregoing First Amendment to Master Deed was acknowledged before me by Richard M. Lewiston, Managing Member of Apartments at Cambridge Company, L. L.C., a Michigan limited liability company, on behalf of the limited liability company.



William T. Myers
Notary Public, Wayne County, Michigan
My commission expires: August 29, 2004

The foregoing First Amendment to Master Deed drafted by:

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

When recorded, return to drafter.