

2015 MAR 25 AM 10:26

Bernard J. Youngblood  
Wayne County Register of Deeds

2015092878 L: 52088 P: 1206  
03/25/2015 10:26 AM MDA Total Pages: 4



EXAMINED AND APPROVED  
DATE MAR 25 2015  
BY SSK NJC  
AMY L. MILLER-VANDAWAKER  
PLAT ENGINEER

WAYNE COUNTY TREASURER  
3-25-2015 RM

## SECOND AMENDMENT TO THE AMENDED AND RESTATED MASTER DEED OF CAROLA CONDOMINIUMS

This Second Amendment to the Amended and Restated Master Deed of Carola Condominiums is made and executed this 17<sup>th</sup> day of March, 2015, by Carola Condominium Association, a Michigan nonprofit corporation (the "Association"), represented herein by Todd Wenzel, the President of the Association, who is fully empowered and qualified to act on behalf of the Association in pursuance of the Michigan Condominium Act, being Act 59 of the Public Acts of 1978, as amended (the "Condominium Act").

### RECITALS:

A. Carola Condominiums (the "Condominium") is established pursuant to the Amended and Restated Master Deed recorded in Liber 51585, Pages 869 et seq., as amended by the First Amendment thereto recorded in Liber 51658, Pages 923 et seq., Wayne County Records (the "Master Deed"), and is designated as Wayne County Condominium Subdivision Plan No. 699.

B. The Master Deed provides that certain garages are Limited Common Elements limited in use to the Co-owner of the Unit assigned such garage as stated in Article VI of the Master Deed. These Limited Common Element garages may be reassigned in accordance with the provisions of Section 39 of the Condominium Act (MCL 559.139).

C. The Co-owner of Unit 15 ("Assignor") desires to reassign his Limited Common Element garage number 6 ("Garage 6") and Limited Common Element garage number 7 ("Garage 7") to Unit 18, and the Co-owner of Unit 18 ("Assignee") hereby consents to such reassignment.

D. This Amendment neither enlarges the Common Elements of the Condominium nor alters the existing percentages of value in the Condominium.

E. The Master Deed shall be amended upon recording with Wayne County Register of Deeds for, as required by Section 73 of the Condominium Act (MCL §559.173).

NOW THEREFORE, the following changes are hereby made to the Master Deed:

1. Garage 6 and Garage 7 are hereby reassigned as Limited Common Elements appurtenant to Unit 18.

2. The Percentage of Value and Limited Common Element Garage Space Assignment Table depicted in Article VI, Section 2 of the Master Deed is hereby deleted in its entirety and replaced with the following new Percentage of Value and Limited Common Element Garage Space Assignment Table:

Unit Number	Building Name	Percentage of Value	Limited Common Element Garage Space Assigned
1	Carola	3.614	
2	Carola	3.614	
3	Carola	3.614	
4	Carola	3.614	2
5	Carola	3.614	3
6	Carola	3.614	5
7	Carola	3.614	12
8	Carola	3.614	14
9	Carola	3.614	1
10	Carola	3.614	13
11	Carola	3.614	
12	Carola	3.614	4
13	Carola	3.614	11
14	Carola	3.614	8
15	Carola	3.614	15
16	Carola	3.614	9
17	Carola	3.614	10
18	Carola	3.614	6, 7
19	Carola	3.614	16
20	Lamar	3.1334	
21	Lamar	3.1334	
22	Lamar	3.1334	
23	Lamar	3.1334	
24	Lamar	3.1334	
25	Lamar	3.1334	
26	Lamar	3.1334	
27	Lamar	3.1334	
28	Lamar	3.1334	
29	Lamar	3.1334	

3. In all other respects, the Amended and Restated Master Deed, including the Condominium Bylaws and the Condominium Subdivision Plan, as previously recorded, are hereby ratified and confirmed.

[SIGNATURE AND ACKNOWLEDGMENT ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Association has caused this Second Amendment to the Amended and Restated Master Deed to be executed the day and year first above written



Carola Condominium Association, a Michigan Nonprofit Corporation

By: Todd Wenzel  
Name: Todd Wenzel  
Title: President

STATE OF MICHIGAN )

) ss:

COUNTY OF WAYNE )

The foregoing instrument was acknowledged before me this 17 day of March, 2015 by Todd Wenzel, the President of Carola Condominium Association, a Michigan Nonprofit Corporation, on behalf of the Corporation.

RITA HAWKINS  
NOTARY PUBLIC, STATE OF MI  
COUNTY OF WAYNE  
MY COMMISSION EXPIRES Nov 18, 2015  
ACTING IN COUNTY OF

Rita Hawkins, Notary Public  
Wayne County, Michigan  
Acting in Wayne County, Michigan  
My Commission Expires: Nov. 18, 2015

Assignor and Assignee hereby consent to the foregoing reassignment of Limited Common Element Garage Number 6 and Limited Common Element Garage Number 7.

"Assignor"

  
PAT ROTA, Co-owner of Unit 15


"Assignee"

  
SETH PERSKY, Co-owner of Unit 18

STATE OF MICHIGAN                    }  
  }ss  
COUNTY OF WAYNE                    }

The foregoing instrument was acknowledged before me this 17 day of March, 2015, by Pat Rota, an individual, as his free act and deed.




  
\_\_\_\_\_, Notary Public  
Wayne County, Michigan  
Acting in Wayne County, Michigan  
My Commission Expires: Nov 18, 2015

STATE OF MICHIGAN                    }  
  }ss  
COUNTY OF WAYNE                    }

The foregoing instrument was acknowledged before me this 17 day of March, 2015, by Seth Persky, an individual, as his free act and deed.



  
\_\_\_\_\_, Notary Public  
Wayne County, Michigan  
Acting in Wayne County, Michigan  
My Commission Expires: Nov 18, 2015

Document drafted by and when recorded return to:  
Stephen M. Guerra, Esq.  
Makower Abbate Guerra PLLC  
30140 Orchard Lake Rd.  
Farmington Hills, MI 48334

RIFA HAWKINS  
NOTARY PUBLIC, STATE OF MI  
COUNTY OF WAYNE  
MY COMMISSION EXPIRES Nov 18, 2015  
ACTING IN COUNTY OF Wayne



2014 AUG -4 AM 8:54

Bernard J. Youngblood  
Wayne County Register of Deeds

2014320078 L: 51658 P: 923  
08/04/2014 08:54 AM AMD Total Pages: 3



**FIRST AMENDMENT TO THE AMENDED AND RESTATED MASTER DEED OF  
CAROLA CONDOMINIUMS**

THIS FIRST AMENDMENT TO THE AMENDED AND RESTATED MASTER DEED is made and executed on this 2<sup>nd</sup> day of July, 2014, by Carola Condominium Association, a Michigan non-profit corporation, hereinafter referred to as "Association", whose office is located c/o 3080 Orchard Lake Road, Suite J, Keego Harbor, Michigan 48320, represented herein by Todd Wenzel, the President of Carola Condominium Association, who is fully empowered and qualified to act on behalf of the Association, 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."

**RECITALS:**

A. The Association of Carola Condominiums, a condominium project established pursuant to the Master Deed recorded in Liber 37709, Pages 1 et seq., together with the First Amendment thereto recorded in Liber 42068, Pages 324 et seq., Second Amendment to Master Deed recorded in Liber 49899, Pages 1122 et seq., Third Amendment to Master Deed recorded in Liber 50005, Pages 522 et seq., all as superseded by the Amended and Restated Master Deed recorded in Liber 51585, Pages 869 et seq., Wayne County Records, and known as Wayne County Condominium Subdivision Plan No. 699, desires to amend the Condominium Subdivision Plan (Exhibit B applicable to the Amended and Restated Master Deed), for the purposes of correcting an error therein that occurred in Replats 2 and 3 when certain pages were removed that should not have been removed, pursuant to the authority granted by Section 90 of the Michigan Condominium Act, as amended (MCLA § 559.190, MSA § 26.50(190)), and Article IX of the Amended and Restated Master Deed.

B. The Amended and Restated Master Deed shall be amended upon recording with the Register of Deeds for Wayne County, as required by Section 73 of the Michigan Condominium Act (MCLA § 559.173, MSA § 26.50(173)).

NOW THEREFORE, the following changes are hereby made to Carola Condominiums Amended and Restated Master Deed:

**ARTICLE I OF THE AMENDMENT**

Upon recording of this Amendment with the Wayne County Register of Deeds, Page 1 (the Cover Sheet) of the attached Replat No. 4 shall amend and replace Page 1 (the Cover Sheet) of Replats Nos. 2 and 3 to show that previous Sheets 13, 14, and 15 of Replat No. 1 should not have been deleted, are added back in and continue to have full force and effect.

In all other respects, the original Carola Condominiums Amended and Restated Master Deed, including the Condominium Bylaws attached thereto as Exhibit A, and Condominium Subdivision Plan applicable thereto as Exhibit B, are hereby ratified and confirmed.

IN WITNESS WHEREOF, the Association has caused this Amendment to be executed the day and year first above written.

CAROLA CONDOMINIUM ASSOCIATION,  
A Michigan Non-profit Corporation

By: Todd Wenzel  
Todd Wenzel, its President

STATE OF MICHIGAN     )  
                                  )ss  
COUNTY OF WAYNE     )

On this 21 day of July, 2014, the foregoing First Amendment to the Amended and Restated Master Deed was acknowledged before me by Todd Wenzel, the President of the Carola Condominium Association, a Michigan Non-profit Corporation, on behalf of and by authority of the Corporation.

Chris Bachman

Notary Public  
State of Michigan

Wayne County  
Acting in Wayne County  
My commission expires:

**Drafted by and when recorded return to:**  
Mark F. Makower, Esq.  
Makower Abbate PLLC  
30140 Orchard Lake Road  
Farmington Hills, Michigan 48334



EXHIBIT "B" TO THE MASTER DEED FOR CAROLA CONDOMINIUMS  
CITY OF DETROIT, WAYNE COUNTY, MICHIGAN

CAROLA CONDOMINIUM ASSOCIATION  
3080 ORCHARD LAKE ROAD, SUITE J  
KEEEO HARBOR, MI 48320

MASON BROWNS ASSOCIATES, LLC  
2708 BRIDLE ROAD  
BLOOMFIELD HILLS, MICHIGAN 48304

LOTS E, F, G AND H, ALSO LOT 1, EXCEPT THE SOUTHERLY 1.66 FEET AS MEASURED PERPENDICULAR TO THE SOUTHERLY LINE OF SAID LOT J AT ITS SOUTHWESTERLY CORNER AND EXCEPT THE SOUTHL Y LOT J AT ITS SOUTHWESTERLY CORNER AND EXCEPT THE SOUTHL Y 1.66 FEET AS MEASURED PERPENDICULARLY TO THE SOUTHERLY LINE OF SAID LOT J AT ITS SOUTHWESTERLY CORNER, "PARSONS' ESTATE SUBD. OF LOT 1 AND NLY 43 FT. OF LOT 2, BRUSH'S SUBD. OF PART OF PARK LOTS 14, 15, 16, AND 17" CITY OF DETROIT, COUNTY OF WAYNE, STATE OF MICHIGAN, AS RECORDED IN LIBER 23 OF PLATS, PAGE 12, WAYNE COUNTY RECORDS, MORE PARTICULARLY DESCRIBED AS:

BEGINNING AT THE INTERSECTION OF THE SOUTHERLY LINE OF WATSON STREET, 48 FEET WIDE WITH THE WESTERLY LINE OF JOHN R. STREET, 50 FEET WIDE; THENCE S. 20° 25' 00" E., (RECORDED AS N. 25° 35' W.) 73.05 FEET AS MEASURED ALONG THE WESTERLY LINE OF SAID JOHN R. STREET; THENCE S. 60° 09' 07" W. 45.54 FT.; THENCE S. 29° 51' 55" E. 30.22 FEET ALONG THE EASTERLY LINE OF SAID LOT H; THENCE S. 53° 47' 02" W. (RECORDED AS N. 36° 30' E.) 200.60 FEET ALONG THE SOUTHERLY LINE OF SAID LOTS E, F, G, AND H, SAID LINE BEING ALSO THE NORTHERLY LINE OF A PUBLIC ALLEY 20 FEET WIDE; THENCE N. 29° 51' 55" E. 104.66 FEET ALONG THE WESTERLY LINE OF SAID LOT E; THENCE N. 60° 09' 07" E. (RECORDED AS N. 40° E.) 250.01 FEET ALONG THE NORTHERLY LINE OF SAID LOTS E, F, G, AND H, SAID LINE BEING ALSO THE SOUTHERLY LINE OF SAID WATSON STREET TO THE POINT OF BEGINNING.

CONDOMINIUM CONTAINS 0.550 ACRES.

- \* 1. COVER SHEET
- 2. SURVEY PLAN
- 3. SITE PLAN
- 4. UTILITY PLAN
- 5. CAROLA BUILDING UNIT PLANS - FIRST FLOOR
- 6. CAROLA BUILDING UNIT PLANS - SECOND FLOOR
- 7. CAROLA BUILDING UNIT PLANS - THIRD FLOOR
- 8. CAROLA BUILDING UNIT PLANS - FOURTH FLOOR
- 9. CAROLA BUILDING UNIT PLANS - FIFTH FLOOR
- 10. CAROLA BUILDING UNIT PLANS - SIXTH FLOOR
- 11. CAROLA BUILDING UNIT PLANS - SEVENTH FLOOR
- 12. CAROLA BUILDING UNIT SECTIONS
- \* 13. LAMAR BUILDING UNIT PLANS - FIRST AND SECOND FLOORS
- 14. LAMAR BUILDING UNIT PLANS - THIRD AND FOURTH FLOORS
- \* 15. LAMAR BUILDING UNIT SECTIONS
- 16. DELETED- 2ND AMENDMENT REPLAT NO. 2
- 17. DELETED-
- 18. DELETED- 3RD AMENDMENT REPLAT NO. 3

DRAWINGS DATED 07-15-12  
THE ASTERISK (\*) AS SHOWN IN THE SHEET INDEX  
INDICATES NEW OR AMENDED DRAWINGS. THESE  
DRAWINGS ARE TO REPLACE OR BE SUPPLEMENTAL  
TO THOSE PREVIOUSLY RECORDED.

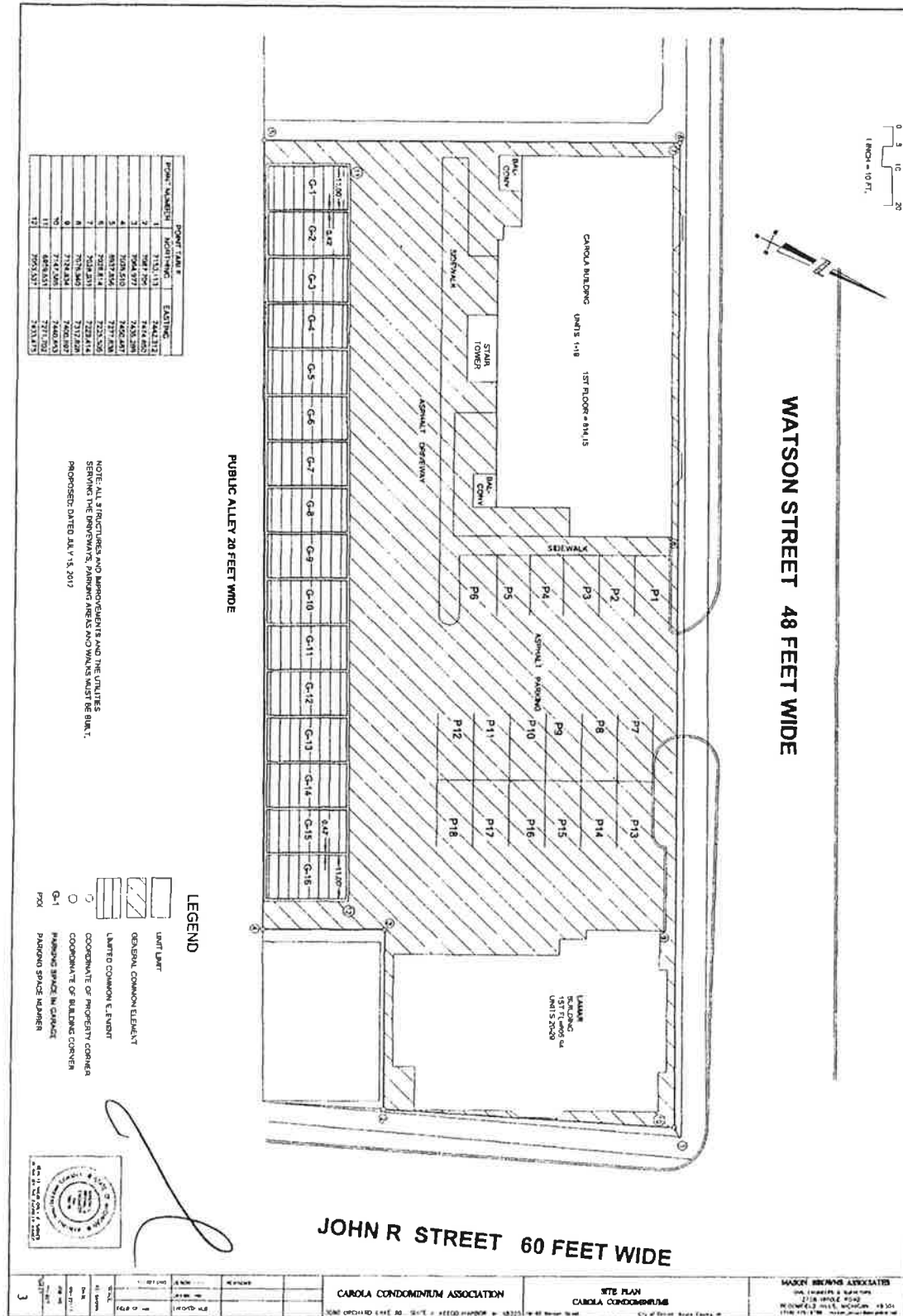
NOTE: SHEETS 13, 14 & 15 WERE ERRONEOUSLY  
DELETED IN REPEAT NO. 2 (USER 43999). PAGES 1122  
ET SEQ. AND ALSO IN REPEAT NO. 3 (USER 50005,  
ET SEQ. 52 ET SEQ.). THESE SHEETS ARE ADDED  
BACK INTO THE FASTER DEED WITH THIS REPEAT TO  
CORRECT THE FACT THAT THEY WERE  
UNINTENTIONALLY REMOVED.

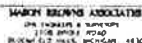
NOT AN INDOOR SPORTS AND RECREATION ACTIVITY. THE STUDIES  
REVEALED THE OUTDOOR RECREATION ACTIVITY MUST BE  
PROMOTED. JULY 15, 2002



5	8	9
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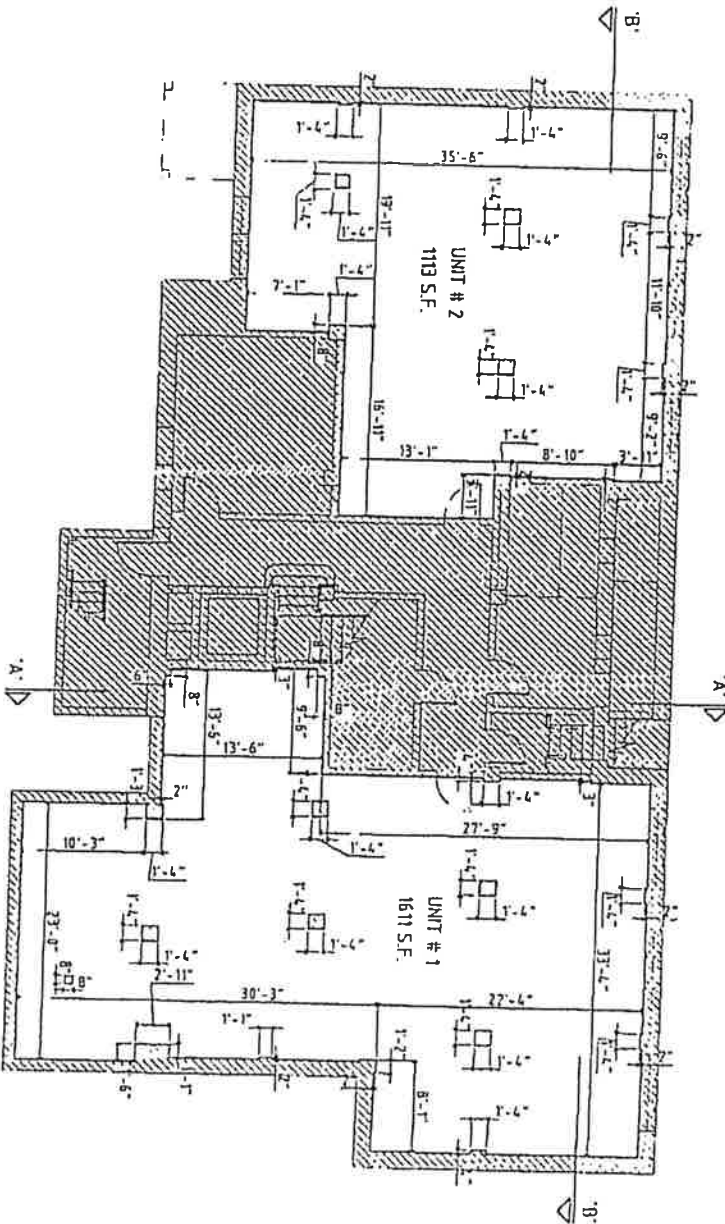


LI-37709

Pa-43

FIRST FLOOR PLAN  
SCALE: 1/8" = 1'-0"

LEGEND  
 [Hatched Box] UNITS OF BUILDING  
 [Hatched Box] GENERAL STORAGE/CLIMATE  
 [Hatched Box] LIMITED COMMON LIBRARY



B.V.H. Architecture, Inc.  
 1401 Dapley Detroit, Michigan 48206  
 (313) 467-1111

Proposed Date: FEBRUARY 20, 2003



FIRST FLOOR PLAN

PROJECT LOCATION  
 18-12 WATSON  
 DETROIT, MI 48206

BVH Architecture, Inc.  
 1401 Dapley Detroit, Michigan 48206  
 (313) 467-1111

5 of 12

L1-37709

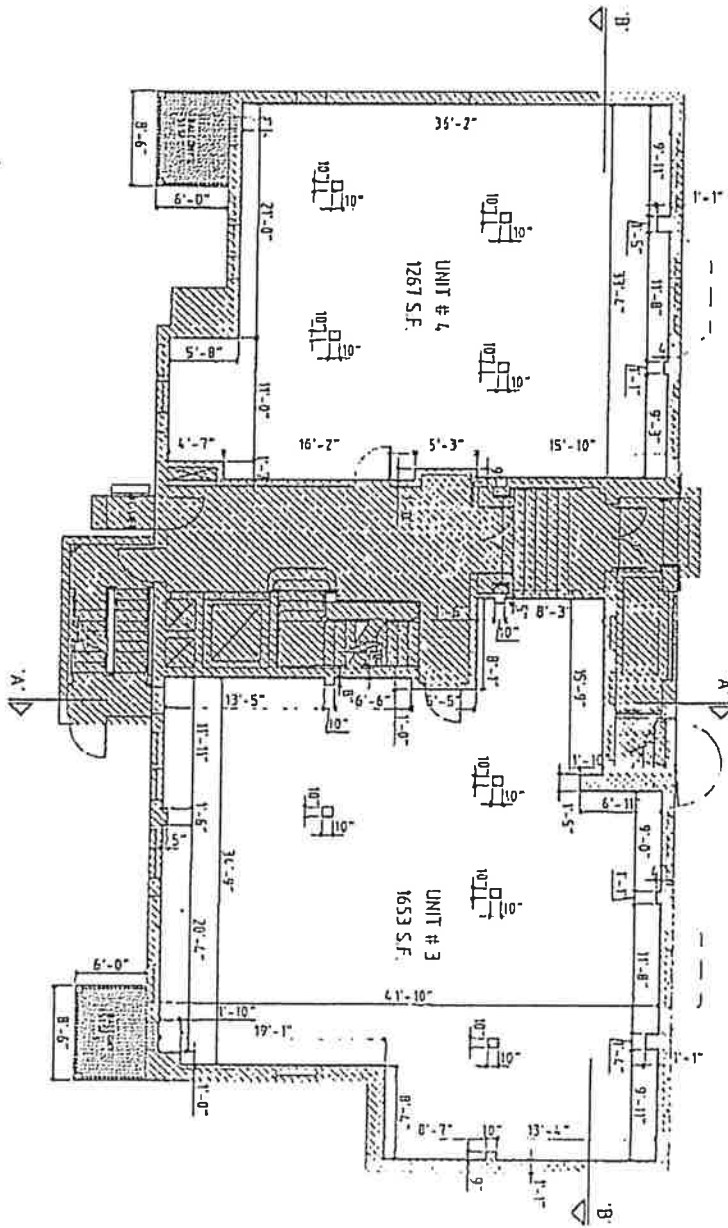
Pa-44

SECOND FLOOR PLAN  
SCALE 1/8" = 1'-0"

LEGEND  
UNIT # 3 OVERLAP  
GENERAL COMMON ELEMENT  
UNIT # 4 OVERLAP

BLANK HIGHLIGHT  
HIGHLIGHTED  
HIGHLIGHTED

Proposed Date: FEBRUARY 20, 2003



0255 6 of 14	FIRST FLOOR UNIT # 3 UNIT # 4 UNIT # 5	SHEET TITLE SECOND FLOOR PLAN	PROVIDED FOR CAROL A. CONSTRUCTION 10-82 WATSON DETROIT, MI 48221	BVH Architecture, Inc. 1401 Bagley Drive, Michigan 48206 Telephone: 313 866 8888 Fax: 313 866 8889
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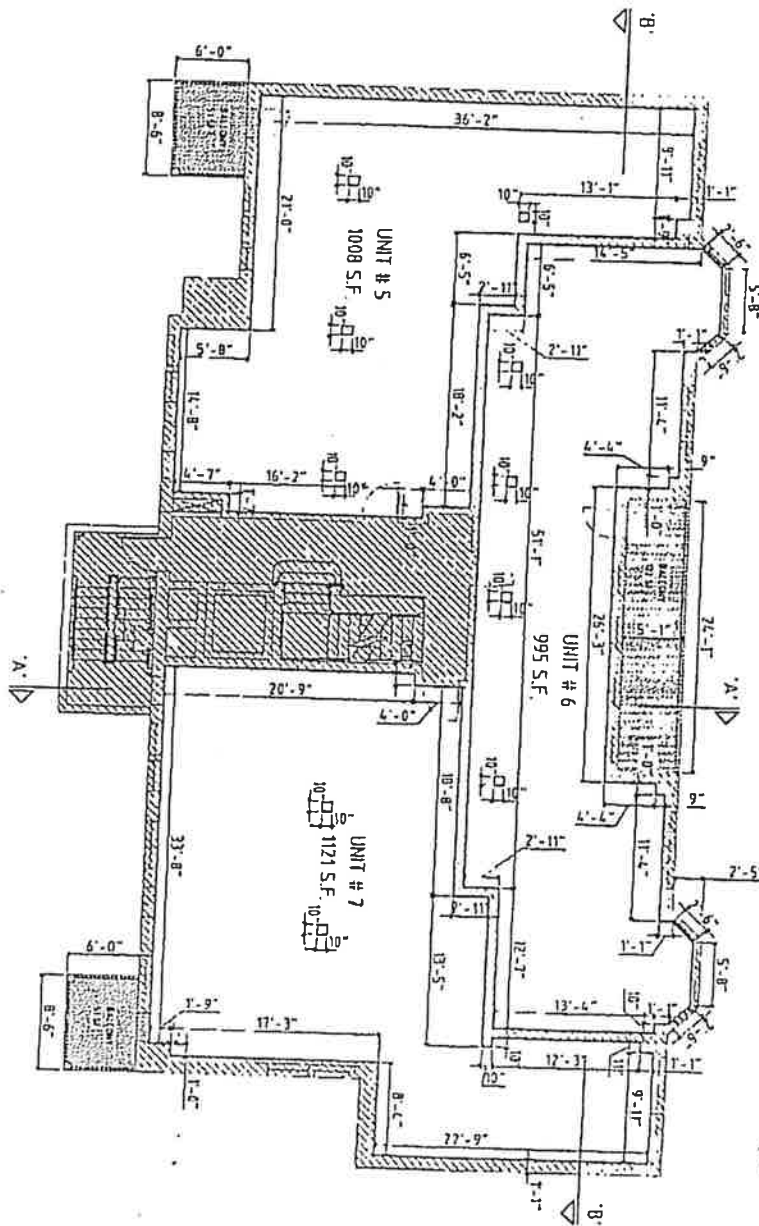
L1-37709

Pa-45

THIRD FLOOR PLAN  
SCALE 1/8" = 1'-0"

0 2 3 5  
feet

LEGEND  
UNIT 10 DOCKERS  
GARAGE (COMMON FLOOR)  
UNIT 10 OPEN FLOOR



Proposed Date: FEBRUARY 20, 2003



B. J. Watson  
Architect  
1111 W. 12th Ave.  
Detroit, MI 48207

THIRD FLOOR PLAN

PROJECT: CAROL A. CONDO/2015  
78-87 WATSON  
DETROIT, MI 48207

BVH Architecture, Inc.  
1401 Bagley Detroit, Michigan 48206

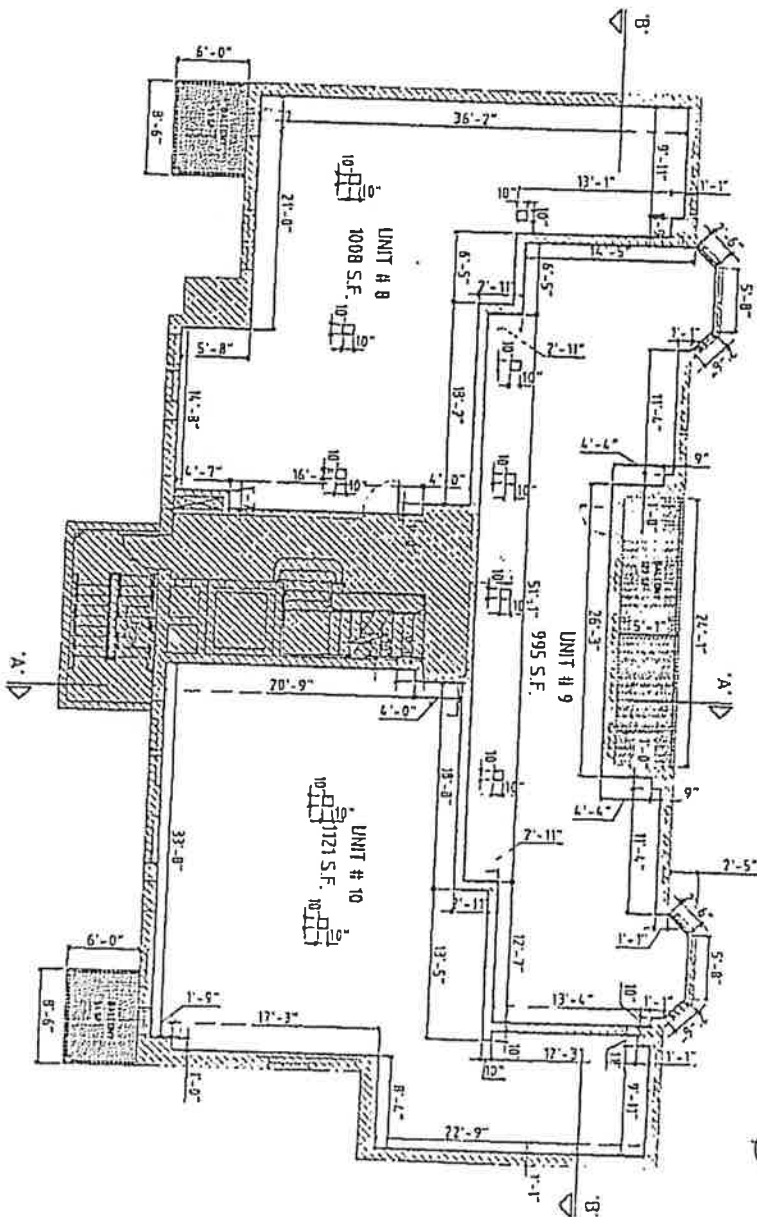
LI-37709

Pa-46

FOURTH FLOOR PLAN  
SCALE 1/8" = 1'-0"

0 15 30  
N

LEGEND  
LIMIT OF DWELLING  
COMMON PROPERTY  
LIMIT OF COMMON INTEREST



Proposed Date: FEBRUARY 20, 2003



8 of 17

FOURTH FLOOR PLAN

PROJECT: 37709  
EARCIA CONDOMINIUMS  
78-87 WATSON  
DETROIT, MI 48221

BVH Architecture, Inc.  
1401 Bagley Detroit, Michigan 48206  
Telephone: 313-963-1100 Fax: 313-963-1101

LI-37709

Pa-47

## FIFTH FLOOR PLAN

SCALE 1/8" = 1'-0"

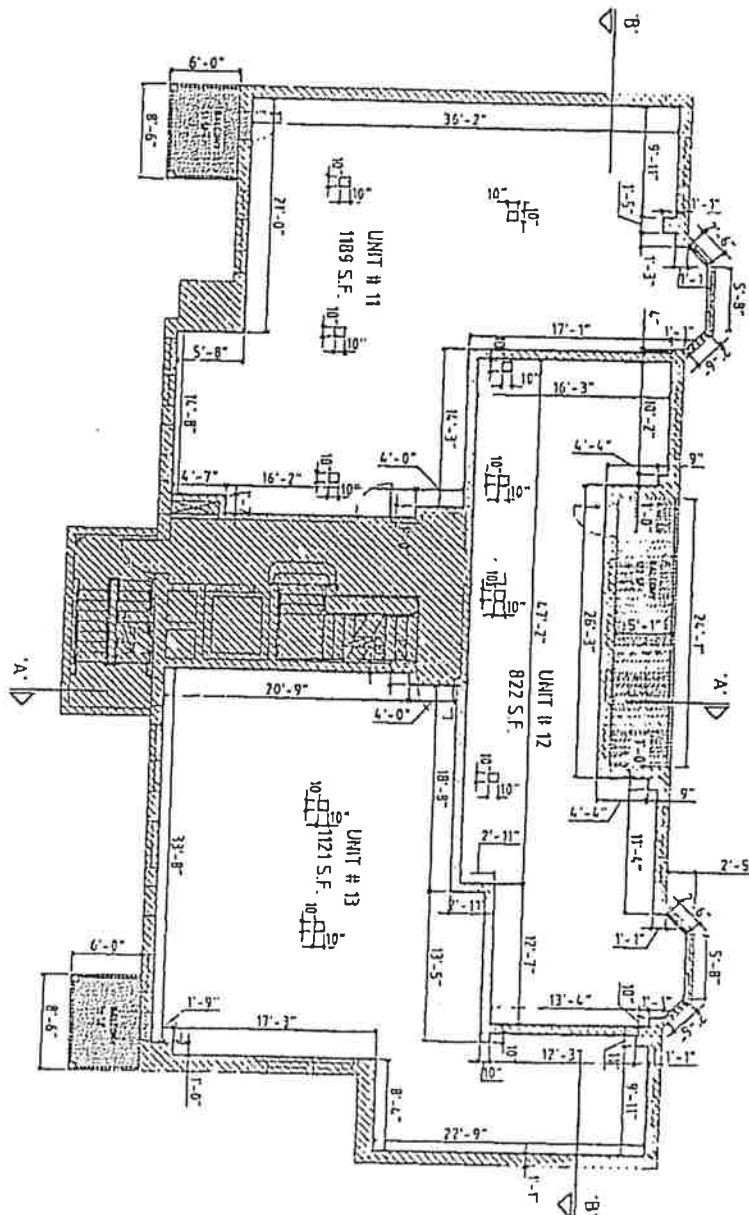
0 15 30 45 60 75 90 105 120 135 150 165 180 195 210 225 240 255 270 285 300 315 330 345 360 375 390 405 420 435 450 465 480 495 510 525 540 555 570 585 600 615 630 645 660 675 690 705 720 735 750 765 780 795 810 825 840 855 870 885 900 915 930 945 960 975 990 1000

LEGEND

UNIT #11 OVERLAP

UNIT #12 OVERLAP

UNIT #13 OVERLAP



Proposed Date: FEBRUARY 20, 2003

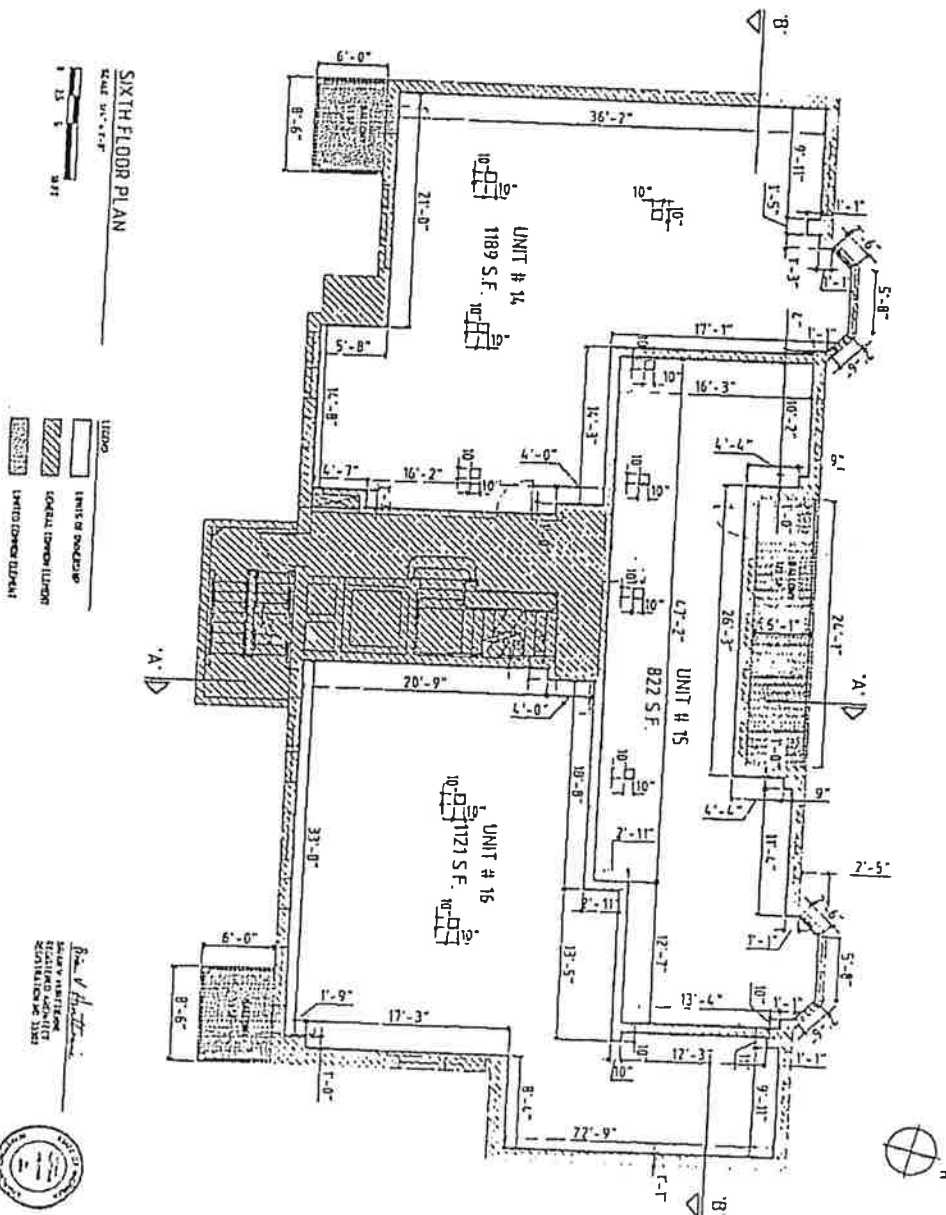


FIFTH FLOOR PLAN

PROJECT LOCATION:  
CAROLINA CONDOMINIUMS  
718-03 WATSON  
DETROIT, MI 48201BVH Architecture, Inc.  
1401 Dagley Detroit, Michigan 48206

LI-37709

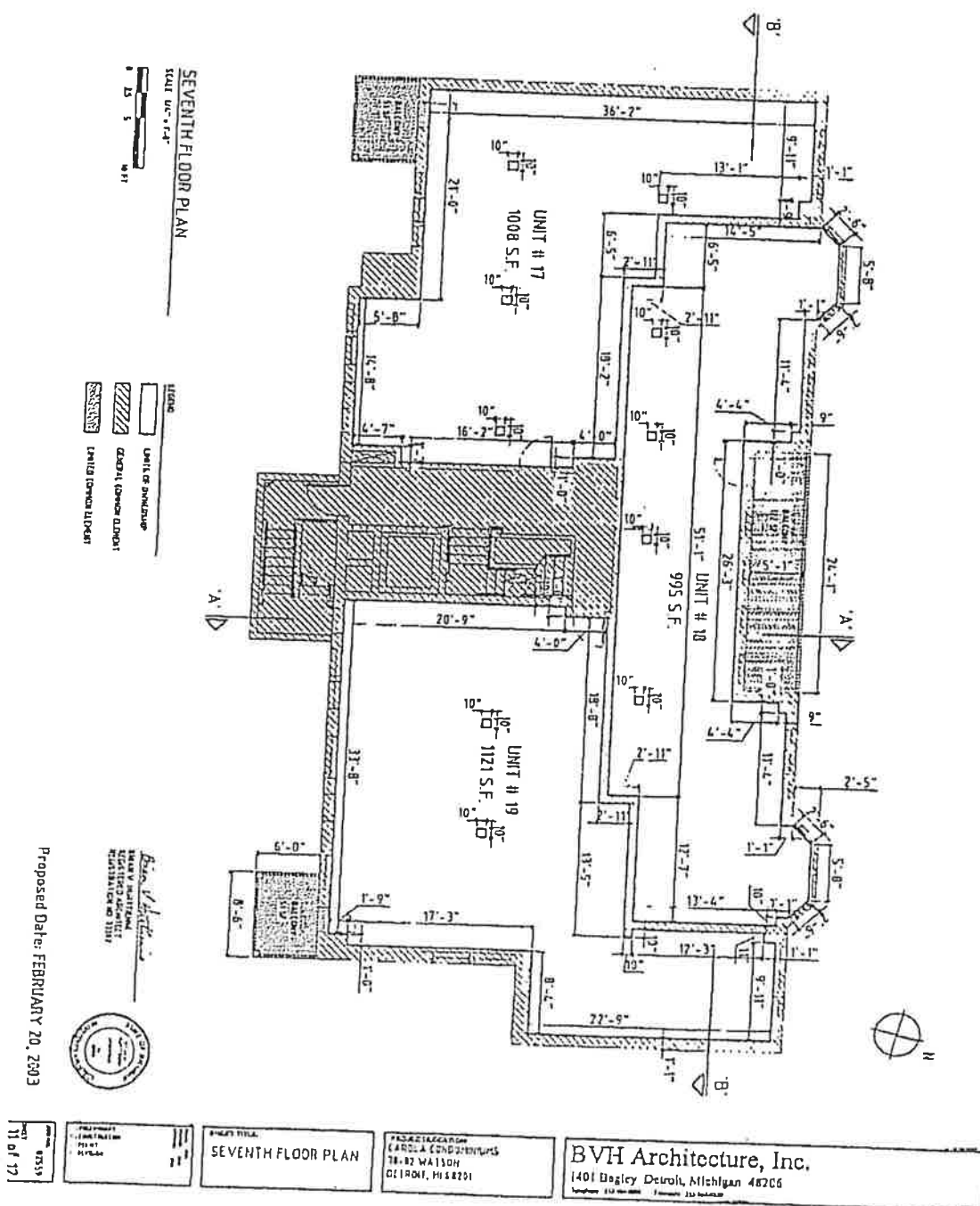
Pa-43





LI-37709

Pa-49



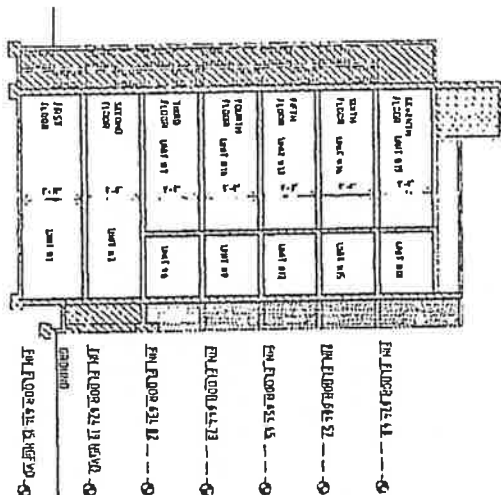
L1-37709

Pa-50

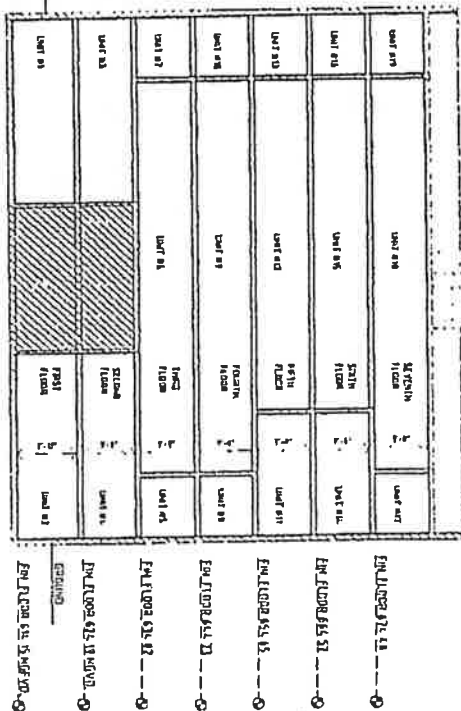
UNIT SECTIONS  
Scale: 1/8" = 1'-0"  
1" = 8'-0"  
10' = 10'-0"

LEGEND  
Units of Residence  
General Common Units  
Limited Common Units

SECTION 'A'



SECTION 'B'



Proposed Date: FEBRUARY 20, 2003

By: [Signature]  
Architect  
1401 Bayley Drive, Detroit, MI 48205



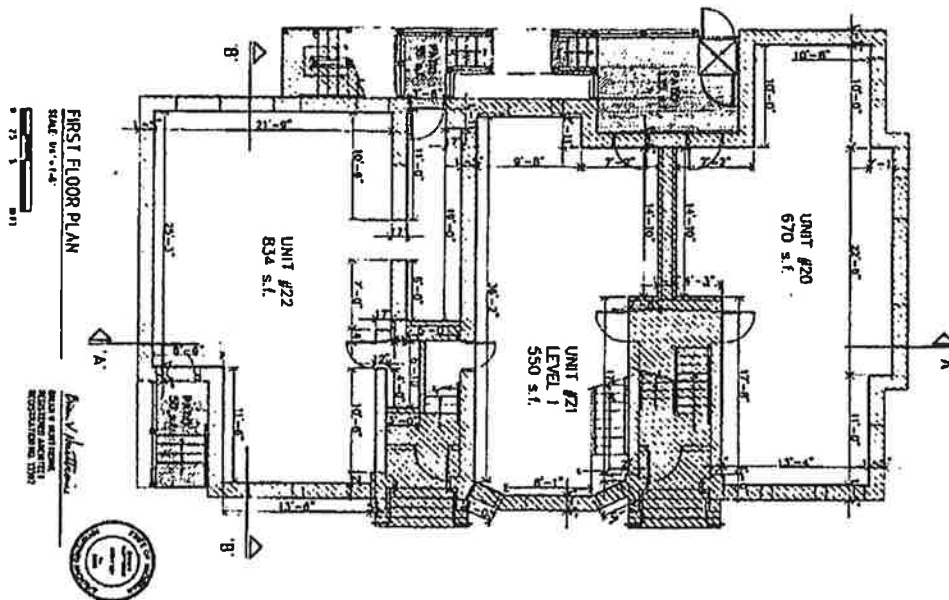
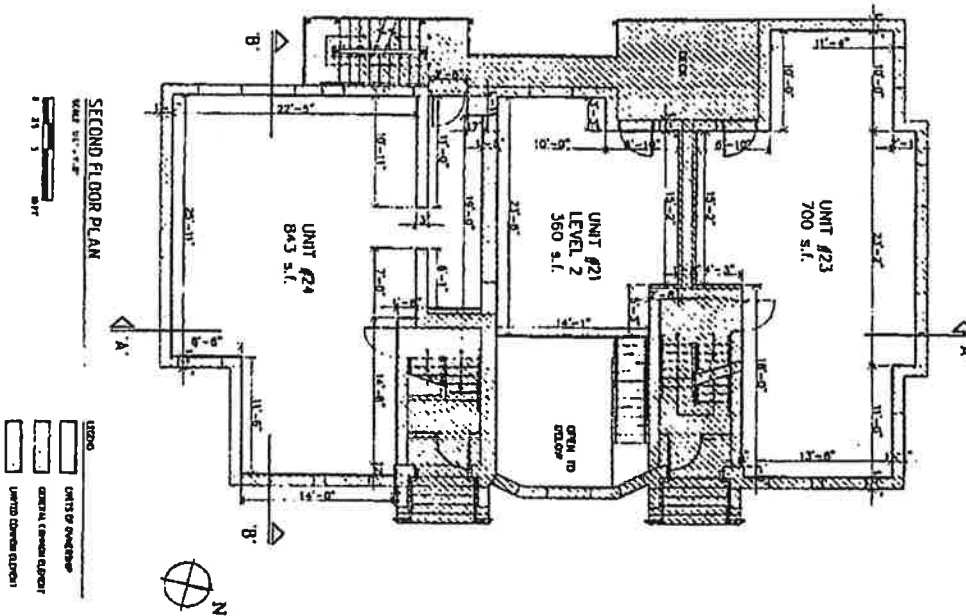
UNIT SECTION/S

REGISTERED ARCHITECT  
CAROL A. WATSON  
DETROIT, MI 48205

BVH Architecture, Inc.  
1401 Bayley Drive, Detroit, Michigan 48205  
1-800-368-4666 Fax: 313-963-4666

LI-42068

Pa-335



Prepared Date: OCTOBER 25, 2004

Sheet 12 of 18

NO.	DESCRIPTION	DATE
1	REVISED	10/25/04
2	REVISED	10/25/04
3	REVISED	10/25/04
4	REVISED	10/25/04
5	REVISED	10/25/04
6	REVISED	10/25/04
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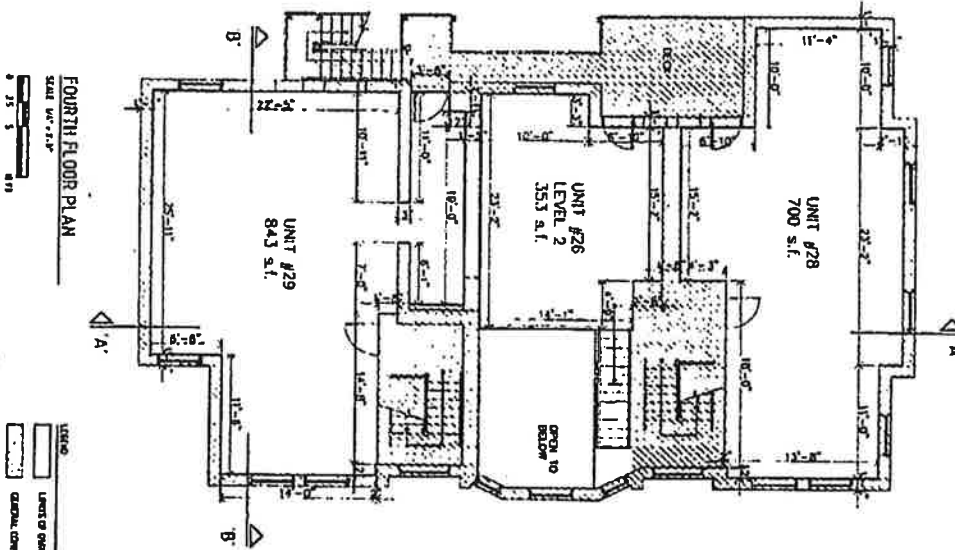
**LAMAR BUILDING**  
FIRST FLOOR PLAN  
SECOND FLOOR PLAN

**PROJECT LOCATION**  
CAROL A. CORBIN MAPS  
76-82 WATSON  
DETROIT, MI 48201

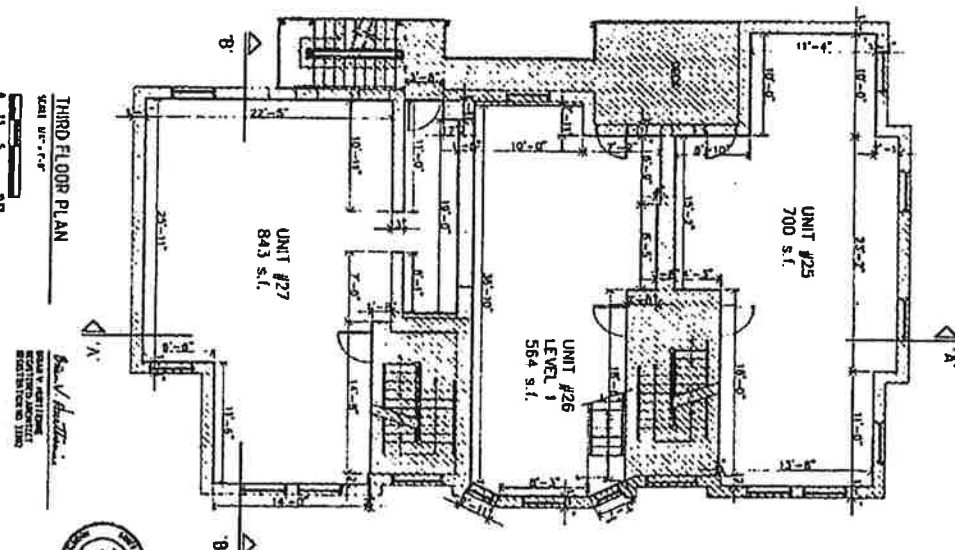
**BVH Architecture, Inc.**  
1401 Bagley Detroit, MI 48216  
Telephone 313-461-8800 • Facsimile 313-461-8800

Li-42068

Pa-336



LEGEND  
 LIMITS OF OVERSIGHT  
 CURB CUT, CURB CUT, CURB CUT  
 LIMITED OVERSIGHT ELEMENTS



Proposed Date: OCTOBER 25, 2004

By: V. H. H. H.  
 ARCHITECT  
 REGISTERED ARCHITECT  
 PROFESSIONAL SEAL



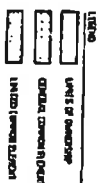
NO.	REVISION	DATE
1	ISSUED FOR PERMIT	10/25/04
2	REVISED	
3	REVISED	
4	REVISED	
5	REVISED	
6	REVISED	
7	REVISED	
8	REVISED	
9	REVISED	
10	REVISED	

LAMAR BUILDING  
 THIRD FLOOR PLAN  
 FOURTH FLOOR PLAN

DESIGNED BY:  
 CAROL A. CONCHINAKIS  
 78-62 WATSON  
 DETROIT, MI 48201

**BVH Architecture, Inc.**  
 1401 Bagley Detroit, MI 48216  
 Telephone: 313-961-8946 • Fax: 313-961-8929





**Proposed Date: OCTOBER 25, 2004**

Page 15 of 18

UNIT SECTIONS

PARITY/LOCATION  
CAROL CONDOMINIUMS  
78-82 WATSON  
DETROIT, MI 48201

**BVH Architecture, Inc.**  
1401 Bagley Detroit, MI 48216  
Telephone: 313-964-0770 • Facsimile: 313-964-0923



**AMENDED AND RESTATED MASTER DEED OF  
CAROLA CONDOMINIUMS  
(ACT 59, PUBLIC ACTS OF 1978 AS AMENDED)  
WAYNE COUNTY CONDOMINIUM SUBDIVISION PLAN NO. 699**

This Amended and Restated Master Deed is made and executed on this 11<sup>th</sup> day of June, 2014, by Carola Condominium Association, a Michigan Nonprofit Corporation, hereinafter referred to as "Association", represented herein by Todd Wenzel, the President of Carola Condominium Association, who is fully empowered and qualified to act on behalf of the Association, in pursuance of the provisions of the Michigan Condominium Act (being Act 59 of the Public Acts of 1978, as amended), hereinafter referred to as the "Act."

**WHEREAS**, the Association desires by recording this Amended and Restated Master Deed, together with the Amended and Restated Condominium Bylaws attached hereto as Exhibit "A", and the Condominium Subdivision Plan attached to the original Master Deed as Exhibit "B", as amended (and which is hereby incorporated by reference and made a part hereof), to reaffirm the establishment of the real property described in Article II below, together with all of the improvements now located upon such real property and the appurtenances thereto, as a residential condominium project under the provisions of the Condominium Act of Michigan. The original Master Deed for Carola Condominiums was recorded in Liber 37709, Pages 1 et seq., together with the First Amendment thereto recorded in Liber 42068, Pages 324 et seq., Second Amendment to Master Deed recorded in Liber 49899, Pages 1122 et seq., and Third Amendment to Master Deed recorded in Liber 50005, Pages 522 et seq., Wayne County Records (known as Wayne County Condominium Subdivision Plan No. 699), all of which are superseded hereby with the exception of the Condominium Subdivision Plan attached to the original Master Deed, as previously amended, which is incorporated herein by reference as Exhibit B hereof.

**NOW THEREFORE**, the Association does, upon the recording hereof, reaffirm the establishment of Carola Condominiums as a Condominium under the Condominium Act and does declare that Carola Condominiums (hereinafter referred to as the "Condominium", "Project" or the "Condominium Project"), shall, after such establishment, be held, conveyed, hypothecated, encumbered, leased, rented, occupied, improved, or in any other manner utilized, subject to the provisions of the Act, and to the covenants, conditions, restrictions, uses, limitations, and affirmative obligations set forth in this Amended and Restated Master Deed and Exhibits "A" and "B" applicable hereto, all of which shall be deemed to run with the real property described in Article II below and shall be a burden and a benefit to the Association, its successors and assigns, and any persons acquiring or owning an interest in such real property, their grantees, successors, heirs, executors, administrators and assigns. In furtherance of the establishment of the Condominium Project, it is provided as follows:

## ARTICLE I

### TITLE AND NATURE

**Section 1.** Condominium Name and Subdivision Plan No. The Condominium shall be known as Carola Condominiums, Wayne Condominium Subdivision Plan No. 699, consisting of 29 Units, numbered 1-29. The Condominium Project is established in accordance with the Act.

**Section 2.** Condominium Units and Co-owner Rights of Access to Common Elements. The Units contained in the Condominium, including the number, boundaries and dimensions of each Unit therein, are set forth completely in the Condominium Subdivision Plan applicable to this Amended and Restated Master Deed as Exhibit "B". Each Unit is capable of individual utilization on account of having its own access to a Common Element of the Condominium Project. Each Co-owner in the Condominium Project shall have an exclusive right to his Unit and shall have undivided and inseparable rights to share with the other Co-owners the Common Elements of the Condominium Project as are designated by the Amended and Restated Master Deed.

**Section 3.** Voting. Co-owners shall have voting rights in Carola Condominium Association as set forth herein, in the Amended and Restated Condominium Bylaws and Articles of Incorporation of such Association.

## ARTICLE II

### LEGAL DESCRIPTION

The land which comprises the Condominium Project established by the Master Deed is particularly described as follows:

LOTS E, F, G AND H, ALSO LOT J, EXCEPT THE SOUTHERLY 1.96 FEET AS MEASURED PERPENDICULARLY TO THE SOUTHERLY LINE OF SAID LOT J AT IT'S SOUTHWESTERLY CORNER AND EXCEPT THE SOUTHL 1.68 FEET AS MEASURED PERPENDICULARLY TO THE SOUTHERLY LINE OF SAID LOT J AT IT'S SOUTHEASTERLY CORNER, "**PARSON'S ESTATE SUB'N OF LOT 4 AND N'LY 43 FT. OF LOT 3, BRUSH'S SUB'N OF PART OF PARK LOTS 14, 15, 16, AND 17**", CITY OF DETROIT, COUNTY OF WAYNE, STATE OF MICHIGAN, AS RECORDED IN LIBER 23 OF PLATS, PAGE 13, WAYNE COUNTY RECORDS, MORE PARTICULARLY DESCRIBED AS:

BEGINNING AT THE INTERSECTION OF THE SOUTHERLY LINE OF WATSON STREET, 48 FEET WIDE WITH THE WESTERLY LINE OF JOHN R. STREET, 60 FEET WIDE; THENCE S.26°26'56"E. (RECORDED AS N.26°35'W.) 73.05 FEET AS MEASURED ALONG THE WESTERLY LINE OF SAID JOHN R. STREET; THENCE S.60°08'02"W. 45.64 FT.; THENCE S.29°51'56"E. 30.52 FEET ALONG THE EASTERLY LINE OF SAID LOT H; THENCE S.59°47'02"W. (RECORDED AS N.59°39'E.) 200.00 FEET ALONG THE SOUTHERLY LINE OF SAID LOTS E, F, G AND H, SAID LINE BEING

ALSO THE NORTHERLY LINE OF A PUBLIC ALLEY, 20 FEET WIDE; THENCE N.29°51'58"W. 104.66 FEET ALONG THE WESTERLY LINE OF SAID LOT E; THENCE N.60°08'02"E. (RECORDED AS N.60°E.) 250.01 FEET ALONG THE NORTHERLY LINE OF SAID LOTS E, F, G, H AND J, SAID LINE BEING ALSO THE SOUTHERLY LINE OF SAID WATSON STREET, TO THE POINT OF BEGINNING, BEING SUBJECT TO ALL EASEMENTS AND RIGHTS-OF-WAY OF RECORD.

### ARTICLE III

#### DEFINITIONS

**Section 1.** General Description of Terms Used. Certain terms are utilized not only in this Amended and Restated Master Deed and Exhibits "A" and "B", 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 Carola Condominium Association, and deeds, mortgages, liens, land contracts, easements and other instruments affecting the establishment of, or transfer of, interests in Carola Condominiums, as a condominium. Wherever used in such documents or any other pertinent instruments, the terms set forth below shall be defined as follows:

A. The "Act" or "Condominium Act" means the Michigan Condominium Act, being Act 59 of the Public Acts of 1978, as amended. If any provision of this Amended and Restated Master Deed or its exhibits is found to conflict with any provision of the Act, or if any provision required by the Act is omitted herefrom, then the provisions of the Act are incorporated herein by reference and shall supersede and cancel any conflicting provision hereof.

B. "Association" or "Association of Co-owners" means Carola Condominium Association, a non-profit corporation organized under Michigan law of which all Co-owners are members, which corporation shall administer, operate, manage and maintain the Condominium in accordance with all applicable laws and the Condominium Documents. 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.

C. "Association Bylaws" or "Corporate Bylaws" shall refer to those portions of the Amended and Restated Condominium Bylaws of Carola Condominium Association, pertaining to operation of the Michigan non-profit corporation organized to manage, maintain and administer the Condominium.

D. "Unit" or "Condominium Unit" each mean a single complete Unit in Carola Condominiums, as such may be described in Article VI hereof and on Exhibit B applicable hereto, and shall have the same meaning as the term "Condominium Unit" as defined in the Act.

E. "Amended and Restated Condominium Bylaws", "Amended and Restated Condominium Bylaws" or "Condominium Bylaws" means Exhibit "A" hereto, being the Bylaws setting forth the substantive rights and obligations of the Co-owners.

F. "Condominium Documents", wherever used, means and includes this Amended and Restated Master Deed and Exhibit "A" hereof and The Condominium Subdivision Plan, together with the Articles of Incorporation, Association Bylaws and Rules and Regulations, if any, of the Association.

G. "Condominium Premises" means and includes the land and the buildings, all improvements and structures thereon and all easements, rights and appurtenances belonging to Condominium as described above.

H. "Condominium Project", "Condominium" or "Project" means Carola Condominiums as a Condominium Project established in conformity with the provisions of the Act.

I. "Condominium Subdivision Plan" means the Condominium Subdivision Plan attached to the original Master Deed, as amended, that is incorporated herein by reference as Exhibit "B" hereof.

J. "Co-owner" means a person, firm, corporation, partnership, association, trust or other legal entity or any combination thereof who or which owns one or more Units in the Condominium. The term "owner", wherever used, shall be synonymous with the term "Co-owner". Both Land Contract vendees and vendors shall be considered Co-owners, and shall be jointly and severally liable for all obligations and responsibilities of Co-owners under the Condominium Documents of Carola Condominiums and the Act.

K. "Developer" shall refer to Carola Development, LLC, a Michigan Limited Liability Company, which made and executed the original Master Deed, and its successors and assigns.

L. "Common Elements" where used without modification means both the General and Limited Common Elements described in Article IV hereof, and does not refer to Condominium Units.

M. "Amended and Restated Master Deed" means this document which when recorded shall reaffirm the establishment of the Condominium, and to which the Amended and Restated Condominium Bylaws and the amended Condominium Subdivision Plan are attached or made applicable as exhibits.

N. "Percentage of value" means the percentage assigned to each Condominium Unit in Article VI hereof. The percentages of value of all Units shall total one hundred (100%) percent. Percentages of value shall be determinative only with respect to those matters to which they are specifically deemed to relate either in the Condominium Documents or in the Act. Percentages of value for each Condominium Unit have been determined with reference to reasonably comparative characteristics.

O. "Person" means an individual, firm, corporation, partnership, association, trust, or other legal entity, or any combination thereof.

P. "Record" means to record pursuant to the laws of the State of Michigan relating to the recording of deeds.

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.

## ARTICLE IV

### COMMON ELEMENTS

**Section 1.** Common Elements. The Common Elements of the Condominium described below and in the Condominium Subdivision Plan and the respective responsibilities for maintenance, decoration, repair, replacement, restoration or renovation thereof are as follows:

A. General Common Elements. The General Common Elements are:

(1) Land. The land described in Article II hereof, including roads, sidewalks, parking areas, landscaping and plant materials installed by the Developer or the Association, to the extent not identified as Limited Common Elements, and all project fencing, parking area gate and access systems;

(2) Utility Systems. The electrical, gas, telephone, plumbing (including rigid PVC air conditioning unit drain network) and cable television (if any) networks or systems throughout the Condominium, including that contained within Unit walls up to the point of connection with outlets, switches or fixtures within any Unit;

(3) Storm Sewer. The storm drainage systems throughout the project;

(4) Fire Protection. The fire protection system throughout the Buildings;

(5) Water and Sanitary Sewer. The water distribution and sanitary sewer system throughout the Project, including that contained within unit walls, up to the point of connection with plumbing fixtures within any Unit;

(6) Construction. Foundations, supporting columns, unit perimeter walls (excluding interior surfaces of such walls, ceilings and floors), roofs, ceilings, floor construction (excluding radiant heat therein), vents, any space above the upper ceiling and roof (except attic space in the garage) and construction below grade or beneath basement floor surfaces;

(7) Beneficial Easements. The easements for ingress, egress and storm drainage identified in Article II hereof;

(8) Other. All elements of the project designated as general common elements in Exhibit "B" applicable to this Master Deed, and, such other elements of the project not herein designated as general or limited common elements which are not enclosed within the boundaries of a unit and/or which are not designated as limited common elements in Exhibit "B" or in subsection B of this Article and which are intended for common use or 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.

Some or all of the utility lines, systems (including mains and service leads) and equipment, described above ("utility system") service single buildings containing more than one condominium unit. Accordingly, and where necessary or applicable, there shall be an easement for that common element through each condominium unit to enable the utility system to appropriately serve each of the Condominium Units in the subject building.

B. Limited Common Elements. Limited Common Elements shall be subject to the exclusive use and enjoyment of the Co-owner of the Unit(s) to which the Limited Common Elements are appurtenant. The Limited Common Elements are as follows:

(1) Garages. Each garage (including the garage door and related hardware and storage area in the attic above each garage, if any) in the Condominium marked with a number as shown on the Condominium Subdivision Plan, are Limited Common Elements limited in use to the Co-owner of the Unit assigned such garage, as stated in Article VI hereof. The Building in which the garages are located shall be a Limited Common Element, limited in use to all of the Co-owners of the Units to which garages are assigned;

(2) Balconies. Balconies, as shown on the Condominium Subdivision Plan, are Limited Common Elements limited to the use of the Co-owners of the Units which open onto such Limited Common Elements in the Carola Building and limited to the use of all of the Co-owners of the Units that have access to such balconies and stairways in the Lamar Building;

(3) Mailboxes. The mailboxes appurtenant to each unit;

(4) HVAC, Hot Water. Each Unit's individual air conditioning equipment and piping, furnace, other air control systems, radiant floor heating systems, pipes and controls and hot water heater (including associated ductwork) is limited to the use of the Co-owners of the Unit serviced by the same;

(5) Common Facilities. Common porches, building entry doors, stairs, elevators, building door security systems and hallways, not exclusively serving one specific Unit in Buildings having such facilities, are limited to the use of the Co-owners of the Units in the Building containing such common facilities;

(6) Interior Surfaces, Windows and Doors. Interior surfaces of Unit perimeter walls, ceilings and floors within a Unit, and all perimeter windows and doors (including hardware, locks, systems and attachments) are limited to the sole use of the Co-owner of the Unit serviced by the same;

(7) Other. Such other elements of the Project, not enclosed within a Unit, which are appurtenant to and/or benefit one or more Units, though less than the entire Project, shall be Limited Common Elements.



C. Responsibility. Subject at all times to the Association's exclusive right and obligation to control and approve the exterior appearance and use of all Units and appurtenant Limited Common Elements, as set out herein and in the relevant sections of Article VI of the Amended and Restated Condominium Bylaws (Exhibit "A" to this Amended and Restated Master Deed), the respective responsibilities for the maintenance, decoration, repair and replacement of the Units and Common Elements comprising the Condominium are as follows:

(1) Co-owner Responsibilities:

(a) Unit, Limited Common Elements. The primary responsibility for maintenance, decoration, repair and replacement, including all costs associated therewith, of an individual Unit, including all fixtures, improvements and personal property located therein or elsewhere throughout the Project, the Limited Common Elements described above in subparagraphs B.(3), (4) and (6), and those General Common Elements responsibility for which is assigned to Co-owners in the various subparagraphs of Subsection (II) below shall be borne by the Co-owner of the Unit, except as hereinafter described. The costs of decoration, maintenance, repair, renovation, restoration, insuring and replacement of the garage spaces and Building described in subparagraph B.(1), shall be incurred by the Association and assessed only to the units to which such garages are assigned based on the number of spaces assigned to each Unit at the time the expense is incurred; except to the extent such expense is due to the act or neglect of a Co-owner or his agents, guests, invitees, family members or pets, for which such Co-owner shall be wholly responsible.

(I) Limited Common Elements for which the Association is Responsible. The Association shall be responsible for the costs of maintenance repair and replacement, except in cases of Co-owner fault, of the Limited Common Elements described above in subparagraphs B.(2), (5) and (7).

(II) Additional Responsibilities of Co-owners. In addition to and in clarification of the Co-owners' responsibility under this Article IV, Section 1C(1)(a), each Co-owner shall be responsible for the cost of decorating, maintaining, repairing and replacing the following items:

(i) All appliances and equipment within the Unit and supporting hardware, including, but not limited to, radiant floor heating systems, humidifier, air cleaner, any personal alarm system, garbage disposal, dishwasher, range and oven, microwave, refrigerator, vent fans and related ductwork, dryer venting, vent covers and filters;

(ii) Individual unit entry doors, all windows (including doorwalls), screens, skylights and related hardware within the individual unit;

(iii) Electrical lines and fixtures from and including the breaker box servicing the Unit, even though part of the system may be designated as a General Common Element. Any modification to the existing electrical system must be approved by the Board of Directors in writing and completed by licensed electrician;

(iv) The water lines, pipes, valves and fixtures from and including the main shut-off for the Unit, with the exception of mains serving other Units, even though part of the system may be designated as a General Common Element;

(v) All drain lines from the point that such line first enters a Unit (protruding from the wall), even though part of the system may be designated as a General Common Element;

(vi) All cabinets, counters, interior doors, closet doors, sinks, tile (either floor or wall) and related hardware;

(vii) Interior wall construction and finished flooring (even though some of these elements may be designated as a General Common Element);

(viii) Garage door openers and remotes and all related hardware;

(ix) All improvements or decorations, including, but not limited to, paint, wallpaper, window treatments, carpeting or other floor coverings and trim, regardless if the same is damaged or removed as a result of the malfunction of a General Common Element or as a result of the Association performing its maintenance, repair or replacement responsibilities as to a General Common Element;

(x) Co-owner installed landscaping and plantings;

(xi) The cost of maintenance, repair and replacement of all items referred to in Article V, Section 3 of the Amended and Restated Condominium Bylaws, Exhibit A hereto, shall be borne by the Co-owner, except as otherwise provided in the Condominium Documents.

(xii) All other items not specifically enumerated above which may be located within the space constituting an individual Unit.

(b) Utility Charges. All costs of electricity, telephone, gas and any other utility services individually metered and billed to a Unit shall be borne by the Co-owner of the Unit to which such services are furnished, without right of reimbursement for services rendered to Common Element areas. All common utility charges shall be expenses of administration of the Association.

(c) Co-owner Additions, Modifications. Co-owner improvements, additions or modifications of whatever nature, even though approved by the Association or installed initially by the Developer, shall not be considered Limited or General Common Elements in any case, and shall be the complete responsibility of the Co-owner. Should the Association require access to any elements of the Project which require the moving or destruction of all or part of any such addition or modification, all costs, damages and expenses involved in providing access and restoring the addition or modification shall be borne by the Co-owner.

(d) Co-owner Fault. Any and all costs for maintenance, decoration, repair and replacement of any Common Element caused by the intentional or unintentional act(s) of any Co-owner, or family, guests, tenants or invitees of a Co-owner, shall be borne by the Co-owner. The Association may incur such costs and charge and collect them from the responsible Co-owner in the same manner as an assessment in accordance with Article II of the Amended and Restated Condominium Bylaws.

(e) Repair to Association Specifications. All maintenance, repair and replacement obligations of the Co-owners as described above and as provided in the Condominium Bylaws shall be performed subject to the Association's mandatory prior approval and control with respect to color, style, material and appearance.

(2) Association Responsibilities:

(a) General Common Elements. The costs of maintenance, decoration, repair and replacement of all General Common Elements (except those assigned to the Co-owners in Subparagraph C.(1)(a)(II) above), and those responsibilities for Limited Common Elements specified in Subparagraph C.(1)(a)(I), above, shall be borne by the Association, subject to any provisions of this Article and the Amended and Restated Condominium Bylaws expressly to the contrary.

(b) Unauthorized Repair. The Association shall not be obligated to reimburse Co-owners for repairs that the Co-owner makes or contracts for. The Association shall only be responsible for payments to contractors for work authorized by the Board of Directors or by the management company hired by the Association.

(3) Unusual Expenses. Any other unusual common expenses benefiting less than all of the Condominium Units, or any expenses incurred as a result of the conduct of less than all of those entitled to occupy the Condominium Project, or by their licensees or invitees, shall be specifically assessed against the Condominium Unit or Condominium Units involved in accordance with Section 69 of the Michigan Condominium Act.

## **ARTICLE V**

### **USE OF PREMISES**

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

## **ARTICLE VI**

### **CONDOMINIUM UNIT DESCRIPTION AND PERCENTAGE OF VALUE**

**Section 1.** Condominium Unit Description. The Condominium consists of 29 units numbered and described on the Condominium Subdivision Plan from 1-29. Each Unit in the Project is described in this paragraph with reference to the Condominium Subdivision Plan of Carola Condominiums prepared by Mason Browns Associates, made applicable hereto as Exhibit "B". Each Unit shall include all that space contained within the interior finished unpainted walls and ceilings and from the finished sub-floor all as shown on the floor plans and sections in Exhibit "B" applicable hereto and delineated with heavy outlines.

**Section 2.** Percentages of Value. The percentage of value assigned to each Unit shall be determinative of each Co-owner's respective share of the Common Elements of the Condominium Project and the proportionate share of each respective Co-owner in the proceeds and expenses of the administration. The value of each Co-owner's vote at

meetings of the Association shall be equal. The total value of the Project is one hundred (100%) percent. The percentages of value for each of the Units is based on relative size, maintenance responsibility and other comparative factors. The Percentages of Value for each Unit and the assignment of Limited Common Element Garage Spaces are as follows:

Unit Number	Building Name	Percentage of Value	Limited Common Element Garage Space Assigned
1	Carola	3.614	
2	Carola	3.614	
3	Carola	3.614	
4	Carola	3.614	2
5	Carola	3.614	3
6	Carola	3.614	5
7	Carola	3.614	12
8	Carola	3.614	14
9	Carola	3.614	1
10	Carola	3.614	13
11	Carola	3.614	
12	Carola	3.614	4
13	Carola	3.614	11
14	Carola	3.614	8
15	Carola	3.614	6, 7, 15
16	Carola	3.614	9
17	Carola	3.614	10
18	Carola	3.614	
19	Carola	3.614	16
20	Lamar	3.1334	
21	Lamar	3.1334	
22	Lamar	3.1334	
23	Lamar	3.1334	
24	Lamar	3.1334	
25	Lamar	3.1334	
26	Lamar	3.1334	
27	Lamar	3.1334	
28	Lamar	3.1334	
29	Lamar	3.1334	

## ARTICLE VII

### EASEMENTS

**Section 1.** Easements For Encroachment, Utilities, and Support. In the event any Condominium Unit or Common Element encroaches upon another Unit or Common Element, whether by deviation from the plans in the construction, repair, renovation, restoration, or

replacement of any improvement, or by reason of the settling or shifting of any land or improvement, a valid easement for the encroachment shall exist, except to the extent limited by Section 40 of the Act.

There shall be easements to, through and over those portions of the land, structures, buildings, improvements and walls contained therein for the installation, maintenance and servicing of all utilities in the Condominium, including, but not limited to, lighting, heating, power, sewer, water and communications including telephone and cable television lines.

There shall exist easements of support with respect to any Unit wall which supports a Common Element.

**Section 2. Association's Right to Grant Easements.** The Board of Directors of the Association may grant easements over or through any portion of any General Common Element of the Condominium for utility, roadway, construction or safety purposes. The Association further has the right to dedicate all streets and all utilities and utility easements located on the Condominium Premises to the public for such consideration as the Association shall determine in its sole discretion.

**Section 3. Association's Easement For Maintenance, Repair and Replacement.** The Association and all public or private utilities shall have such easements over, under, across and through the Condominium Premises, including all Units and Common Elements, as may be necessary to fulfill any responsibilities of maintenance, repair, decoration, replacement or upkeep which they or any of them are required or permitted to perform under the Condominium Documents or by law, or to respond to any emergency or common need of the Condominium. It is a matter of concern that a Co-owner may fail to properly maintain his Unit or any Limited Common Elements appurtenant thereto in a proper manner and in accordance with the standards set forth in this Amended and Restated Master Deed, the Amended and Restated Condominium Bylaws and any Rules and Regulations promulgated by the Association. Therefore, in the event a Co-owner fails, as required by this Amended and Restated Master Deed, the Restated Bylaws or any Rules and Regulations of the Association, to properly and adequately maintain, decorate, repair, replace or otherwise keep his Unit or any improvements or appurtenances located therein, or any Limited Common Elements appurtenant thereto, the Association shall have the right, and all necessary easements in furtherance thereof, (but not the obligation) to take whatever action or actions it deems desirable to so maintain, decorate, repair or replace the Unit, its appurtenances or any of its Limited Common Elements, all at the expense of the Co-owner of the Unit. The Association shall not be liable to the Co-owner of any Unit or any other person, in trespass or in any other form of action, for the exercise of rights pursuant to the provisions of this Section or any other provision of the Condominium Documents which grant such easements, rights of entry or other means of access. Failure of the Association to take any such action shall not be deemed a waiver of the Association's right to take any such action at a future time. All costs incurred by the Association in performing any responsibilities which are required, in the first instance to be borne by any Co-owner, shall be assessed against such Co-owner and shall be due and payable with his monthly assessment next falling due, in accordance with Article II of the Amended and Restated Condominium Bylaws; 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 4. Telecommunications Agreements.** The Association, acting through its duly constituted Board of Directors shall have the power to make or cause to be made such installations and/or grant such easements, licenses and other rights of entry, use and access and to enter into any contract or agreement, including wiring agreements, right-of-way agreements, access agreements and multi-unit agreements and, to the extent allowed by law, contracts for sharing of any installation or periodic subscriber service fees as may be necessary, convenient or desirable to provide for telecommunications, videotext, broad band cable, satellite dish, earth antenna and similar services (collectively "Telecommunications") to the Project or any Unit therein. Notwithstanding the foregoing, in no event shall the Board of Directors enter into any contract or agreement or grant any easement, license or right of entry or do any other act or thing which will violate any provision of any federal, state or local law or ordinance. Any and all sums paid by any Telecommunications or other company or entity in connection with such service, including fees if any, for the privilege of installing same or sharing periodic subscriber service fees, shall be receipts of administration of the Condominium Project within the meaning of the Act and shall be paid over to and shall be the property of the Association.

## **ARTICLE VIII**

### **AMENDMENTS**

This Amended and Restated Master Deed and any Exhibit hereto may be amended as provided in the Act in the following manner.

**Section 1. Co-owner Approval.** Amendments may be made and recorded by the Association upon being approved by the Co-owners of a simple two-thirds (2/3) of the Units in the Condominium entitled to vote as of the record date for such vote, except as hereinafter provided.

**Section 2. Mortgagee Consent.** Whenever a proposed amendment would materially alter or change the rights of mortgages (as defined in Section 90a(9) of the Act), such amendment shall require the consent of not less than two-thirds (2/3) of all mortgagees of record. A mortgagee shall have one vote for each mortgage held. Mortgagee approval shall be solicited in accordance with Section 90a of the Act.

**Section 3. Modification of Units, Common Elements and Percentage of Value.** Notwithstanding any other provision of this Article VIII, the method or formula used to determine the percentages of value of Units in the Condominium, as described in Article VI hereof, may not be modified without the consent of each affected Co-owner and mortgagee, except as permitted by the provisions of the Michigan Condominium Act, as amended. A Co-owner's Condominium Unit dimensions or appurtenant Limited Common Elements may not be modified without the Co-owner's consent. The Condominium may be terminated only in accordance with Section 50 of the Act. Common Elements can be assigned and re-assigned only in accordance with Section 39 of the Act, except that Limited Common Element garage spaces may be reassigned by separate recorded instrument among any

Units within the Condominium without the necessity of an amendment to this Master Deed or its Exhibits, upon the consent of the unit owners involved.

[Signature and Acknowledgement on Following Page]



IN WITNESS WHEREOF, the Association has caused this Amended and Restated Master Deed to be executed the day and year first above written.

CAROLA CONDOMINIUM ASSOCIATION, a  
Michigan Nonprofit Corp.

By: Todd Wenzel  
Todd Wenzel, its President

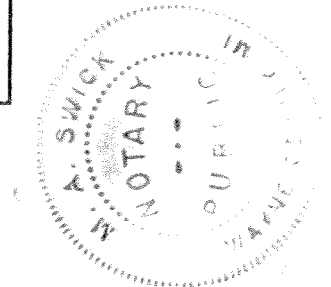
STATE OF MICHIGAN     )  
                                      ) ss  
COUNTY OF WAYNE     )

On this 4 day of June, 2014, the foregoing Amended and Restated Master Deed was acknowledged before me by Todd Wenzel, President of Carola Condominium Association, a Michigan nonprofit corporation, on behalf of and by authority of the Corporation.

Drafted by and when  
**recorded return to:**  
Mark F. Makower, Esq.  
30140 Orchard Lake Rd.  
Farmington Hills, MI 48334

M.A. Swick  
M.A. SWICK, Notary Public  
WAYNE, County, Michigan  
Acting in N/A, County, MI  
My commission expires: 12-07-2018

M. A. SWICK  
Notary Public, State of Michigan  
County of Wayne  
My Commission Expires Dec. 07, 2018  
Acting in the County of



## CERTIFICATION


STATE OF MICHIGAN                    )  
  )SS  
COUNTY OF OAKLAND                )

I, Kathleen LaBrosse, being first duly sworn, depose and state as follows:


That I am the Property Manager for Carola Condominium Association, the corporation named in and which executed the Amended and Restated Master Deed of Carola Condominiums.

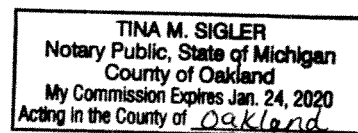
That the Amended and Restated Master Deed for Carola Condominiums was submitted to all Co-owners of Units in Carola Condominiums for the purpose of voting thereon, and that said Co-owners approved said documents by a vote of more than two-thirds of all Co-owners entitled to vote.

That the records of said consents are maintained at the offices of the Carola Condominium Association at 3080 Orchard Lake Road, Suite J, Keego Harbor, MI 48320.

  
Kathleen LaBrosse

Acknowledged, subscribed and sworn to before  
me this 3<sup>rd</sup> day of June, 2014.

  
\_\_\_\_\_  
Tina M. Sigler                   Notary Public  
                                  Oakland County, Michigan  
Acting in Oakland County  
My Commission Expires: 01/24/2020



### CERTIFICATION

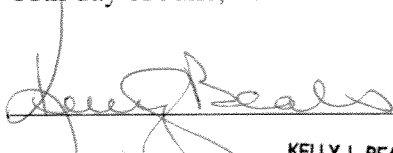
STATE OF MICHIGAN     )  
                                      )SS  
COUNTY OF OAKLAND    )

I, Catherine E. Mills, being first duly sworn, depose and state as follows:

1. That I am the attorney for Carola Condominium Association, the Corporation named in and which executed the attached Amended and Restated Master Deed and Condominium Bylaws of Carola Condominium.
2. That I personally sent a copy of the attached Amended and Restated Master Deed and Condominium Bylaws of Carola Condominium and the ballot and notice required under Section 90a of the Michigan Condominium Act, to all mortgagees of record of those units qualified to vote, as listed in the records of the Wayne County Register of Deeds for the purpose of obtaining approval of said mortgagees to the Amended and Restated Master Deed and Condominium Bylaws of Carola Condominium.
3. That (2/3) of said mortgages have consented to the attached Amended and Restated Master Deed and Condominium Bylaws of Carola Condominium in accordance with the provisions of Section 90a of the Michigan Condominium Act. Said consents will be maintained for a period of two years in the Carola Condominium file located in my office at 30140 Orchard Lake Rd., Farmington Hills, MI 48334.

  
Catherine E. Mills

Subscribed and sworn to before me this  
11th day of June, 2014.

  
KELLY J. BEALS  
NOTARY PUBLIC, STATE OF MI  
COUNTY OF OAKLAND  
MY COMMISSION EXPIRES Oct 27, 2018  
ACTING IN COUNTY OF Oakland

**EXHIBIT A**  
**AMENDED AND RESTATED CONDOMINIUM BYLAWS FOR**  
**CAROLA CONDOMINIUMS**

**ARTICLE I**

**ASSOCIATION OF CO-OWNERS**

**Section 1.** The Association. Carola Condominiums, a residential Condominium project located in the City of Detroit, Wayne County, Michigan, shall be administered by an association of Co-owners which shall be a nonprofit corporation, hereinafter called the "Association", organized under the applicable laws of the State of Michigan, and responsible for the management, maintenance, operation and administration of the Common Elements, easements and affairs of the Condominium Project, subject to and in accordance with the Amended and Restated Master Deed, these Bylaws, the Articles of Incorporation, and duly adopted Rules and Regulations of the Association, and the laws of the State of Michigan. 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 previously mentioned Condominium Documents.

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

**ARTICLE II**

**ASSESSMENTS**

**Section 1.** Taxes and Assessments; Expenses of Administration. The Association shall be assessed as the person or entity in possession of any tangible personal property of the Condominium owned or possessed in common by the Co-owners, and personal property taxes based thereon shall be treated as expenses of administration. Municipal special assessments and property taxes shall be assessed against the individual Condominium Units identified as Units on the Condominium Subdivision Plan and not on the total property of the Project or any other part thereof. Special assessments and property taxes in any year in which the property existed as an established Condominium Project on the tax day shall be assessed against the individual Condominium Unit, notwithstanding any subsequent vacation of the Condominium Project. The levying of all property taxes and special assessments shall comply with Section 131 of the Act.

**Section 2.** Assessments for Common Elements. All costs incurred by the Association in satisfaction of any liability arising within, caused by or in connection with the Common Elements, or the administration of the Condominium shall be expenses of administration; and all sums received as proceeds of, or pursuant to, any policy of insurance carried by the Association securing the interests of the Co-owners against liabilities or losses arising within, caused by or connected with the Common Elements or the administration of

the Condominium shall be receipts of administration, within the meaning of Section 54(4) of the Act, except as modified by the specific assignment of responsibilities for costs contained in Article IV, subsection C of the Amended and Restated Master Deed.

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

A. Annual Budget. The Board of Directors of the Association shall establish an annual budget in advance for each fiscal year and such budget shall project all expenses for the forthcoming year that may be required for the proper operation, management and maintenance of the Condominium, including a reasonable allowance for contingencies and reserves. Any budget adopted shall include an allocation to reserve funds for maintenance, repairs and replacement of those Common Elements that must be replaced on a periodic basis, in accordance with subsection D hereof. Upon adoption of an annual budget by the Board of Directors, copies of the budget shall be delivered to each Co-owner and the assessment for the year shall be established based upon said budget, although the failure to deliver a copy of the budget to each Co-owner shall not affect or in any way diminish the liability of any Co-owner for any existing or future assessments. Failure or delay of the Board of Directors to prepare or adopt a budget for any fiscal year shall not constitute a waiver or release in any manner of a Unit Co-owner's obligation to pay the allocable share of the common expenses as herein provided whenever the same shall be determined and, in the absence of any annual budget or adjusted budget each Unit Co-owner shall continue to pay each monthly installment at the monthly rate established for the previous fiscal year until notified of any change in the monthly payment which shall not be due until at least ten (10) days after such new annual or adjusted budget is adopted Co-owners shall have a ten (10) day grace period commencing with notice from the Board of Directors in which to submit his new or adjusted monthly assessment payment.

B. Additional Assessments. The Board of Directors shall have the authority to increase the general assessment or to levy such additional assessment or assessments as it shall deem to be necessary in the Board's sole discretion, provided that the same shall be required for only the following: (i) to meet deficits incurred or anticipated because current assessments are insufficient to pay the costs of operation and maintenance; (ii) to provide replacements of existing Common Elements; (iii) to provide additions to the Common Elements at a total annual cost not exceeding 10% of the annual operating budget; or (iv) for any emergencies. The Board of Directors shall also have the authority, without the necessity of Co-owner consent, to levy assessments pursuant to the provisions of Article V, Section 4 hereof. The discretionary authority of the Board of Directors to levy assessments pursuant to this subsection shall rest solely with the Board of Directors for the benefit of the Association and its members, and shall not be enforceable by any creditors of the Association or its members.

C. Special Assessments. Special assessments, in addition to those described in subsection A above, may be made by the Board of Directors from time to time and approved by the Co-owners as provided herein, to meet other requirements of the Association, including, but not limited to: (i) assessments for additions to Common Elements whose total annual cost exceeds 10% of the annual operating budget annually; (ii) assessments to purchase a Unit upon foreclosure of the lien for assessments described hereafter; (iii) assessments for social activities; or (iv) assessments for any other appropriate purpose not

elsewhere described. Special Assessments as provided for by this subsection shall not be levied without the prior approval of more than fifty percent (50%), in number, of all Co-owners entitled to vote. The authority to levy assessments pursuant to this subsection is solely for the benefit of the Association and its members and shall not be enforceable by any creditors of the Association or its members.

D. Reserve Fund. The Board of Directors shall maintain a reserve fund or funds solely for major repairs and replacements of common elements and emergency expenditures, which reserve funds shall be funded annually in the aggregate of an amount of not less than ten percent (10%) of the Association's annual budget (excluding that portion of the budget allocated to the reserve fund itself). The Association may increase or decrease the reserve fund but may not reduce it below ten percent (10%) of the annual budget of the Association. The reserves must be funded at least annually from the proceeds of the regular monthly payments set forth in Subsection A of this Section rather than by special assessments, but may be supplemented by additional or special assessments if determined necessary by the Board of Directors. The minimum standard required by this subsection may prove to be inadequate. The Board of Directors shall annually consider the needs of the Condominium to determine if a greater amount should be set aside in the reserves or if additional reserve funds should be established for any other purposes. The Board may adopt such rules and regulations as it deems desirable from time to time with respect to type and manner of investment, funding of the reserves, disposition of reserves or any other matter concerning the reserve account(s). At least two (2) Directors must sign any checks drawn on the reserve fund account.

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

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

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

(3) Use of Reserve Accounts. The designated reserve accounts established by the Board of Directors under the five-year plan and under the annual budget shall be used exclusively for the respective purposes of the reserves; provided, however, that designated reserves maybe used for such other purposes as may be necessitated by emergency without liability to the Board. The Board of Directors shall notify the Co-owners in writing of any such diversion from any designated reserve account and the reasons thereof within thirty (30) days of the Board's decision to divert the same. Electronic transmission of such notice may also be given in any such manner authorized by the person entitled to receive the notice which does not directly involve the physical transmission of paper, which creates a record that may be retrieved and retained by the recipient, and which may be directly reproduced In paper form by the recipient through an automated process.

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

**Section 4.** Payment of Assessments and Penalty for Default. All assessments levied against the Co-owners to cover expenses of administration shall be apportioned among and paid by the Co-owners equally, without increase or decrease for the existence of any rights to the use of Limited Common Elements appurtenant to a Condominium Unit. Annual assessments shall be payable by Co-owners in periodic installments (as determined by the Board in its sole discretion), commencing with acceptance of a deed to or a land contract vendee's interest in a Unit, or with the acquisition of fee simple title to a Unit by any other means. The payment of an assessment shall be in default if such assessment, or any part thereof, is not paid to the Association in full on or before the due date for such payment, which shall be the first day of each calendar month or such other date as is established by the Board of Directors for any assessment. Assessments in default shall bear interest at the highest rate allowed by law until paid in full. In addition, all assessments, or installments thereof, which remain unpaid ten (10) days after the due date, shall incur a uniform late charge of 10% of the unpaid amount (with a minimum of \$25.00) to compensate the Association for administrative costs incurred as a result of the delinquency. The Board of Directors may revise said uniform late charges, and may levy additional late fees for special and additional assessments, pursuant to Section 11 of Article VI of these Bylaws, without the necessity of amending these Bylaws. Once any delinquency reaches a level equal to or exceeding two monthly installments of the annual assessment, the remaining unpaid installments of the annual assessment for that fiscal year shall be automatically accelerated and shall be immediately due and payable. Each Co-owner (whether one or more persons) shall be personally liable for the payment of all assessments (including late fees and costs of collection and enforcement of payment) levied against his Unit while such Co-owner has an ownership interest therein. Payments on account of installments of assessments in default shall be applied as follows: first, to costs of collection and enforcement of payment, including attorney's fees; second, to any interest charges, fines and late fees on such installments; and third, to installments in default in order of their due dates. A Co-owner selling a Unit shall not be entitled to any refund whatsoever from the Association with respect to any reserve account or other asset of the Association.



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

**Section 6. Enforcement.**

A. **Statutory Lien.** Sums assessed to a Co-owner which are unpaid, together with interest on such sums, collection and late charges, advances made by the Association for taxes or other liens to protect its lien, attorney's fees and fines (as allowed by the Condominium Documents or the Act), constitute a lien upon the Unit or Units in the Project owned by the Co-owner at the time of the assessment before other liens except tax liens on the Condominium Unit in favor of any state or federal taxing authority and sums unpaid on the first mortgage of record, except that past due assessments which are evidenced by a notice of lien, recorded as provided hereafter in this Section 6, have priority over a mortgage recorded subsequent to the recording of the notice and affidavit of lien. The lien upon each Condominium Unit owned by the Co-owner shall be in the amount assessed against the Condominium Unit, plus a proportionate share of the total of all other unpaid assessments attributable to Condominium Units no longer owned by the Co-owner but which became due while the Co-owner had title to the Condominium Units. The lien may be foreclosed by judicial action or by advertisement in the name of the Condominium Project on behalf of the other Co-owners as hereinafter provided.

B. **Remedies.** The Association may enforce collection of delinquent assessments by a suit of law for money judgment or by foreclosure of the statutory lien that secures payment of assessments. A Co-owner may not withhold or escrow assessments, or assert in an answer or set-off to a complaint brought by the Association for non-payment of assessments, the fact that the Association or its agents have not provided services or management to a Co-owner. The Association also may, without prior notice, discontinue the furnishing of any services to a Co-owner in default. A Co-owner in default shall not be entitled to utilize any of the General Common Elements of the Project, shall not be qualified to run for or function as an officer or Director of the Association, and shall not be entitled to vote at any meeting of the Association so long as such default continues; provided, however, this provision shall not operate to deprive any Co-owner of ingress or egress to and from his Unit. In a judicial foreclosure action, a receiver may be appointed to collect a reasonable rental for the Unit from the Co-owner thereof or any persons claiming under him, and if the Unit is not occupied by the Co-owner, to lease the Condominium Unit and collect and apply the rental therefrom. The Association may also assess fines for late payment or non-payment of assessments in accordance with the provisions of Article XVI of these Bylaws. All remedies shall be cumulative and not alternative.

C. **Foreclosure of Lien.** Each Co-owner, and every other person who from time to time has any interest in the Project, shall be deemed to have granted to the Association the unqualified right to elect to foreclose of the lien securing payment of assessments, costs and expenses, either by judicial action or by advertisement. The provisions of Michigan law pertaining to foreclosure of mortgages by judicial action and by advertisement, and the provisions of Section 108 of the Act, as the same may be amended from time to time, are incorporated herein by reference for the purposes of establishing the alternative procedures to be followed in lien foreclosure actions and the rights and obligation of the parties to such actions. Further, each Co-owner and every other person who from time to time has any

interest in the Project, shall be deemed to have authorized and empowered the Association to sell or to cause to be sold the Unit (and improvements) with respect to which assessment(s) is or are delinquent and to receive, hold and distribute the proceeds of such sale in accordance with the priorities established by applicable law. Each Co-owner of a Unit in the Project acknowledges that at the time of acquiring title to such Unit, he was notified of the provisions of this Section 6 and that he voluntarily, intelligently and knowingly waived notice of any proceedings brought by the Association to foreclose by advertisement the lien for nonpayment of assessments and a hearing on the same prior to the sale of the subject Unit.

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

E. Expenses of Collection. All expenses incurred in collecting unpaid assessments, including interests, fines, costs, actual attorney's fees (not limited to statutory fees) and advances for taxes or other liens or costs paid by the Association to protect its lien, shall be chargeable to the Co-owner in default and shall be secured by the lien on his Unit.

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

**Section 8.** Assessment Status Upon Sale of Unit. Upon the sale or conveyance of a Condominium Unit, any unpaid assessments, interest, late fees, fines, costs and attorney's

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

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

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

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

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

### **ARTICLE III**

#### **ARBITRATION**

**Section 1. Arbitration.** Disputes, claims, or grievances arising out of or relating to the interpretation or the application of the Condominium Documents, or any disputes, claims or grievances arising among or between Co-owners, or between a Co-owner or Co-owners and the Association shall, upon the election and written consent of the parties to any such disputes, claims or grievances and written notice to the Association, if applicable, be submitted to arbitration and parties thereto shall accept the arbitrator's decision as final and binding. The provisions of the Uniform Arbitration Act (PA 369 of 2012) will apply to any such arbitration proceeding.

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

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

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

## ARTICLE IV

### INSURANCE

**Section 1. Association Coverage.** The Association shall carry fire and extended coverage, vandalism and malicious mischief (the maximum deductible amount must be no greater than 5% of the face amount of the policy) and liability insurance (minimum coverage of not less than \$1,000,000.00 for a single occurrence), and workmen's compensation insurance, if applicable, pertinent to the ownership, use and maintenance of the Common Elements of the Condominium, Fidelity Bond coverage in an amount no less than a sum equal to three months aggregate assessments on all units plus reserve funds on hand, such Fidelity Bond insurance to cover all officers, directors and employees of the Association and for all other persons, including any management agent, handling or responsible for any monies received by or payable to the Association (it being understood that if the management agent or others cannot be added to the Association's coverage, they shall be responsible for obtaining the same type and amount of coverage on their own before handling any Association funds), Directors and Officers Liability coverage, and such other insurance as the Board of Directors deems advisable, and all such insurance shall be carried and administered in accordance with the following provisions:

A. **Respective Responsibilities.** All such insurance shall be purchased by the Association for the benefit of the Association, and the Co-owners and their mortgagees, as their interests may appear, and provision shall be made for the issuance of certificates of mortgagee endorsements to the mortgagees of Co-owners. Co-owners must obtain additional insurance upon the interior of their Unit, at their own expense, in addition to the coverage carried by the Association. It shall be each Co-owner's responsibility to obtain insurance coverage for the interior of the Unit (everything including drywall), personal property located within a Unit or elsewhere in the Condominium, fixtures, equipment and trim within a Unit, as well as for all improvements and betterments to the Unit and Limited Common Elements for which the Co-owner is assigned direct responsibility, and for personal liability and property damage for occurrences within a Unit or upon Limited Common Elements appurtenant to a Unit for which the Co-owner is directly responsible for maintaining, repairing or replacing pursuant to Article IV of the Amended and Restated Master Deed, and also for alternative living expense in event of fire and other casualty, and the Association shall have absolutely no responsibility for obtaining such coverages. **Co-owners are strongly advised to consult their insurance advisors to make sure they have all necessary and appropriate coverage required by this Article.** Each Co-owner shall deliver certificates of insurance to the Association from time to time to evidence the continued existence of all insurance

required to be maintained by the Co-owner hereunder. In the event of the failure of a Co-owner to obtain such insurance or to provide evidence thereof to the Association, the Association may, but is not required to, obtain such insurance on behalf of such Co-owner and the premiums therefore shall constitute a lien against the Co-owner's Unit which may be collected from the Co-owner in the same manner that Association assessments may be collected in accordance with Article II hereof. The Association and all Co-owners shall use their best efforts to obtain property and liability insurance containing appropriate provisions whereby the insurer waives its right of subrogation as to any claims against any Co-owner or the Association. The liability insurance carried by the Association shall, where appropriate, contain cross-liability endorsements to cover liability of the Co-owners as a group to another Co-owner. Any insurance policy carried by the Association shall not be cancelled or substantially modified without at least ten (10) days prior written notice to the Association and each holder of a first mortgage.

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

(2) All non-sensitive and non-confidential information in the Association's records regarding Common Element insurance coverage shall be made available to all Co-owners and mortgagees upon request and reasonable notice during normal business hours so that Co-owners shall be enabled to judge the adequacy of coverage and, upon the taking of due Association procedures, to direct the Board at a properly constituted meeting, to change the nature and extent of any applicable coverages, if so determined. Upon such annual reevaluation and effectuation of coverage, the Association shall notify all Co-owners of the nature and extent of all changes in coverages.

B. Mandatory Coverage of Co-owner. Each Co-owner shall obtain and continuously maintain in effect at his own expense liability and property casualty insurance coverage (generally in the form of an "HO-6" or "HO-4" insurance policy, as applicable, or such other specifications as the Board of Directors may prescribe, or as may be commonly extant from time to time), which affords coverage against "all-risks" of loss due to:

(1) casualty to the Co-owner's personal property located anywhere in the Condominium; and, his/her Unit, including, without limitation, its standard features, as well as all appliances, interior walls, electrical fixtures, heating and air conditioning equipment, wall coverings, window treatments and floor coverings; and, all Limited Common Elements for which the Co-owner is responsible pursuant to Article IV of the Amended and Restated Master Deed, and also

(2) liability for injury to property and persons occurring in the Unit or upon any Limited Common Element for the maintenance of which the Co-owner is responsible pursuant to Article IV of the Amended and Restated Master Deed.

All such coverages shall contain a clause or endorsement that requires that the insurer mail to the Association notice of cancellation not less than ten (10) days prior to any policy cancellation. Such coverages shall be in amounts prescribed from time to time by the Board of Directors of the Association but in no event shall coverage for the interior of the Unit and all personal property be less than the current insurable replacement value, nor shall liability

coverage be on a "per occurrence" basis in an amount which is less than One Hundred Thousand Dollars (\$100,000.00) for damage to property and Five Hundred Thousand Dollars (\$500,000.00) for injury to persons. In addition, each Co-owner shall maintain "loss assessment" insurance coverage for his Unit. A "loss assessment" endorsement provides coverage for the Co-owner's share, if any, of any property damage or liability loss for which there may be no coverage, or inadequate coverage, under the applicable Association insurance policy.

Each Co-owner shall also maintain "additions and betterments" insurance coverage for his Unit. Whenever used in these Bylaws, "additions and betterments" shall mean and includes all fixtures, equipment, decorative trim and furnishings that are located within the Unit or within any Limited Common Element appurtenant to the Unit, which are not a "standard feature" of the Unit.

C. Insuring of Common Elements. All Common Elements of the Condominium and those Limited Common Elements for which the Association is assigned responsibility in Article IV of the Amended and Restated Master Deed shall be insured against fire and other perils covered by a standard extended coverage endorsement, in an amount equal to the maximum insurable replacement value, excluding foundation and excavation costs, as determined annually by the Board of Directors of the Association in consultation with its appropriate professional advisors. Such coverage may also include as secondary coverage pursuant to Subparagraph E, below, interior walls within any Unit. The policy shall include a "Guaranteed Replacement Cost Endorsement" or a "Replacement Cost Endorsement" and, if the policy includes a coinsurance clause, an "Agreed Amount Endorsement". The policy shall also include an "Inflation Guard Endorsement", if available, and a "Building Ordinance and Law Endorsement". Any other improvements made by a Co-owner within a unit shall be covered by insurance obtained by and at the expense of said Co-owner; provided that, if the Association elects to include such improvements under its insurance coverage, any additional premium cost to the Association attributable thereto may be assessed to and borne solely by said Co-owner and collected as part of the assessments against said Co-owner under Article II hereof.

D. Cost of Insurance. All premiums for insurance purchased by the Association pursuant to these Bylaws shall be expenses of administration.

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

F. Determination of Primary Carrier. It is understood that there may be overlapping coverage between the Co-owners' policies and those of the Association, as required to be carried pursuant to this Article. In situations where both coverages/policies are applicable to a



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

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

**Section 3. Indemnification.** Each individual Co-owner shall indemnify and hold harmless every other Co-owner and the Association for all damages and costs, including attorneys' fees, which such other Co-owners or the Association may suffer as a result of defending any claim arising out of an occurrence on or within such individual Co-owner's Unit



or appurtenant Limited Common Elements and shall carry insurance to secure this indemnity if so required by the Association. This Section 3 shall not be construed to give any insurer any subrogation right or other right or claim against any individual Co-owner.

## **ARTICLE V**

### **RECONSTRUCTION OR REPAIR IN CASES OF CASUALTY**

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

A. Repair or Reconstruction. If the damaged property is a Common Element or a Unit, the property shall be rebuilt or repaired if any Unit in the Condominium is tenantable, unless it is determined by the affirmative vote of eighty (80%) percent of the Co-owners in the Condominium that the Condominium shall be terminated, and each institutional holder of a first mortgage lien on any Unit in the Condominium has given prior written approval of such termination.

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

**Section 2.** Repair and Reconstruction To Condition Existing Prior to Damage. Any such reconstruction or repair shall be substantially in accordance with the Amended and Restated Master Deed and the plans and specifications for the Condominium to a condition as comparable as possible to the condition existing prior to damage unless the Co-owners shall unanimously decide otherwise.

**Section 3.** Co-owner Responsibility for Reconstruction or Repair.

A. Definition of Responsibility. If the damage is only to a part of a Unit or common elements which are the responsibility of a Co-owner to maintain and repair and/or insure, 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, although not necessarily the costs thereof, shall be that of the Association.

B. Co-owner Items. Regardless of the cause or nature of any damage or deterioration, including but not limited to incidents where the damage is incidental or caused by a general common element or the repair or replacement thereof, each Co-owner shall be responsible for the reconstruction and repair of the interior of the Co-owner's Unit and all fixtures, equipment, trim and personal property, including, but not limited to, all drywall, interior walls, floor coverings, window shades, draperies, interior walls (but not any General Common Elements therein), wall coverings, interior trim, furniture, light fixtures, and all appliances, whether freestanding or built-in. Each Co-owner shall be further responsible for the repair, reconstruction and maintenance of all items for which the Co-owner is assigned such responsibility in Article IV of the Amended and Restated Master Deed. In the event any

damage to Common Elements is the responsibility of the Association's insurance carrier pursuant to the provisions of Article IV, Section 1F hereof, then the reconstruction or repair of the same shall be the responsibility of the Association in accordance with Section 4 of this Article, although the responsibility for costs thereof shall be allocated in accordance with the provisions of this Section and Section 4. If any interior portion of a Unit is covered by insurance held by the Association for the benefit of the Co-owner, and the carrier of such insurance is responsible for paying a claim pursuant to the provisions of Article IV, Section 1F hereof, the Co-owner shall be entitled to receive the proceeds of insurance relative thereto, only in the absence of Co-owner coverage, (but the Co-owner shall be responsible for any deductible amount), and if there is a mortgagee endorsement, the proceeds shall be payable to the Co-owner and the mortgagee jointly, to be used solely for the necessary repairs. In the event of substantial damage to or destruction of any Unit or any part of the Common Elements, the Association promptly shall so notify each institutional holder of a first mortgage lien on any Unit in the Condominium.

**Section 4. Association Responsibility for Reconstruction or Repair of Common Elements.** Subject to the responsibility of the individual Co-owners as outlined in Section 3 above, and other provisions of these Bylaws or the Amended and Restated Master Deed applicable to such situations, the Association shall be responsible for the reconstruction and repair of the General Common Elements and those Limited Common Elements for which it is responsible. Immediately after a casualty causing damage to property for which the Association has the responsibility of maintenance, repair or reconstruction, the Association shall obtain reliable and detailed estimates of the cost to place the damaged property in a condition as good as that existing before the damage. If the proceeds of insurance are not sufficient to defray the estimated costs of reconstruction or repair required to be performed by the Association, or if at any time during such reconstruction or repair, or upon completion of such reconstruction or repair, the funds for the payment of the costs thereof are insufficient, assessments shall be made against the Co-owners who are responsible for the costs of reconstruction or repair of the damaged property (as provided in Article IV of the Amended and Restated Master Deed) in sufficient amounts to provide funds to pay the estimated or actual costs of repair.

**Section 5. Timely Reconstruction.** 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 the replacement or repair of the damaged property without delay, and shall complete such replacement or repair within six (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. **Common Elements Taken by Eminent Domain.** If any portion of the Common Elements is taken by eminent domain, the award therefor shall be allowed to the Co-owners in proportion to their respective undivided interests in the Common Elements. The Association, acting through its Board of Directors, may negotiate on behalf of all Co-owners for any taking of the Common Elements and any negotiated settlement approved by more than two-thirds (2/3) of the Co-owners shall be binding on all Co-owners.

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

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

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

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

F. Condominium Continuation after the taking by Eminent Domain. In the event the Condominium continues after a taking by eminent domain, then the remaining portion of the Condominium shall be re-surveyed and the Amended and Restated Master Deed amended accordingly. Such amendment may be effected by an officer of the Association duly authorized by the Board of Directors without the necessity of execution or specific approval



thereof by any Co-owner, but only with the prior written approval of all holders of first mortgage liens on individual Units in the Condominium.

G. Condemnation or Eminent Domain Proceeding. 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.** Notice to Mortgagees. In the event that any Unit, common elements or any portion thereof, is made subject to any condemnation or eminent domain proceeding, or is otherwise sought to be acquired by a condemning authority, the Association shall give each institutional holder of a first mortgage lien 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, or any loss to or taking of any Unit, or part thereof.

**Section 8.** Rights of First Mortgagees. Nothing contained in the Condominium Documents shall be construed to give a Condominium Unit Owner, or any other party, priority over any rights of first mortgagees of Condominium Units pursuant to their mortgages in the case of a distribution to Condominium Unit Owners of insurance proceeds or condemnation awards for losses to or a taking of Condominium Units and/or Common Elements.

## ARTICLE VI

### RESTRICTIONS

**Section 1.** Use of Condominium Unit.

A. Single Family Use. No Unit in the Condominium shall be used for other than single-family residential purposes, and the related Common Elements shall be used only for purposes consistent with the use herein stated. No Co-owner shall carry on any business enterprise or commercial activities anywhere on the Common Elements or within the Units, specifically including for profit day care, adult foster care, nursing facilities, transitional housing and similar enterprises, except that Co-owners shall be allowed to have home offices in their Units, provided the same (1) do not involve additional pedestrian or vehicular traffic by customers, users or beneficiaries of the services being performed and/or congestion within the Condominium, (2) do not utilize or involve the presence of any employees within the Unit other than the individual Co-owner(s) and their families, (3) do not disturb other Co-owners, (4) do not involve additional expense to the Association (such as utility charges and insurance), and (5) do not violate any other provision or restriction contained in the Condominium Documents, (6) do not involve the storage of bulk goods for resale, and (7) do not constitute a violation of any ordinances or regulations of the City of Detroit. Neither the Units nor the Common Elements shall be used in violation of applicable zoning or other ordinances of the City of Detroit or in violation of other pertinent laws or regulations and all Co-owners and the Association shall, whenever required, obtain affirmative approvals or permits from the City of Detroit as may be required by applicable ordinances.

B. Occupancy Restrictions. All Units shall be occupied in strict conformance with the restrictions and regulations of the BOCA National Property Maintenance Code, or such

other codes or ordinances that may be adopted by the City of Detroit from time to time. Accordingly, the number of persons allowed to reside in any Unit shall be restricted by the size of the bedrooms and other areas of said Unit. Such restrictions shall automatically change, without the necessity of an amendment to this document, upon the adoption of alternative regulations by the City of Detroit, such that the occupancy of all Units in the Condominium shall be in accordance with all City regulations at all times.

## **Section 2. Leasing and Rental of Units.**

A. Right to Lease. After these Bylaws become effective, no Co-owner may lease any Unit within the Condominium, with the exception of those Units properly under an approved lease as of that date (meaning the Unit has been registered as a rental with the Association and the Association has been provided with and approved an exact copy of the lease then in force), except upon the written approval of the Association, which approval shall **not** be given if leasing of such unit would result in any one person (including spouses and family members) or entity (including affiliates or commonly owned entities) leasing more than two (2) Units at any time. Co-owners leasing their Units as of the date of recording of this Amendment shall be entitled to continue leasing their Units, provided the provisions of this Section, Section 1 of this Article VI and the Association Rules and Regulations are strictly followed and an approved lease (as defined above) is on file with the Association prior to the effective date of this Amendment. In the event of a sale or transfer of ownership of a leased Unit, all automatic rights to lease the Unit shall terminate and no further leasing of the Unit shall take place without full compliance with the provisions hereof. In addition to the aforementioned prerequisites and limitations for leased Units, no Co-owner shall lease less than an entire Unit in the Condominium. All leases shall (i) be for an initial term of no less than one (1) year; (ii) require the lessee to comply with the Condominium Documents and Rules and Regulations of the Association; (iii) provide that failure to comply with the Condominium Documents and Rules and Regulations constitutes a default under the lease, and (iv) provide that the Board of Directors has the power to terminate the lease or to institute an action to evict the tenant and for money damages after 15 days' prior written notice by certified mail to the Condominium Unit Co-owner, in the event of a default by the tenant in the performance of the lease.

All Unit Co-owners who rent to a tenant shall: (i) provide the tenant with a copy of the Bylaws and Rules and Regulations, (ii) include in the lease agreement a provision that the tenant has been given said copies, has read and understood, and agrees to abide by these documents, (iii) notify the Board of Directors in writing that the Unit is tenant-occupied giving the name(s), e-mail address and phone number of the occupant(s), and (iv) provide to the Management Agent and/or the Board the name of any agent retained by the Co-owner to manage the Unit for him/her. The Co-owner is responsible at all times for the enforcement of the established guidelines.

The Board of Directors may suggest or require a standard form lease or addendum for use by all Unit Co-owners. Each Co-owner of a Condominium Unit shall, promptly following the execution of any approved lease of a Condominium Unit, forward a conformed copy thereof to the Board of Directors. Under no circumstances shall transient tenants be accommodated. For purposes of this Section 2, a "transient tenant" is a Non-Co-owner residing in a Condominium Unit for less than sixty days, who has paid consideration therefor. For the purposes of this Section 2, "lease" shall refer to any occupancy agreement, whereby anyone

other than the Co-owner and the Co-owner's family shall occupy a Unit, whether or not in writing, where the Unit is not also occupied by the Co-owner thereof as a primary or secondary residence for a majority of the year. The terms of all leases, occupancy agreements and occupancy arrangements shall incorporate, or be deemed to incorporate, all of the provisions of the Condominium Documents and all leases, rental agreements and occupancy agreements shall so state.

B. Approval of Leases. A Co-owner desiring to rent or lease a Condominium Unit, shall disclose that fact in writing to the Association at least ten (10) days before presenting a Lease Form to a potential lessee, and shall supply the Association with a copy of the exact lease form to be used for its review for its compliance with the Condominium Documents and provide information establishing that the conditions set forth in subparagraph (a) have been met. The Association shall be entitled to disapprove any such proposed lease form that is not in compliance with the Condominium Documents and/or the Michigan Condominium Act in accordance with the provisions of this Section. The Co-owner shall be responsible for all costs incurred by the Association in reviewing, approving or conforming any defective lease form and the same shall be assessed to the Co-owner's account and secured by the statutory lien on the Unit. If no lease form is to be used, then the Co-owner shall supply the Association with the name and address of the potential lessee or other occupant(s), along with the amount and due dates of any rental or compensation payable to the co-owner, and the term of the proposed arrangement.

C. Default Provisions. If the Association determines that the tenant or Non-Co-owner occupant has failed to comply with the conditions of the Condominium Documents, the Association shall take the following action:

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

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

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

D. Co-owner Arrearages. 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 Condominium Unit under a lease or rental agreement and the tenant, after receiving the notice shall deduct from rental payments due the Co-owner the arrearage and future assessments as they fall due and pay them to the Association. The deductions shall not be a breach of the rental agreement or lease by the tenant. If the tenant , after being

notified, fails or refuses to remit rent, otherwise due the co-owner, to the Association, then the Association may (1) issue a statutory Notice to Quit for non-payment of rent, and enforce that notice by summary proceedings, or (2) initiate proceedings pursuant to Section 112(4)(b) of the Act.

E. Not Applicable to Lenders. Notwithstanding anything to the contrary herein, in the event that a Lender acquires title to a Unit after foreclosure or by deed delivered in lieu of foreclosure, said Lender shall not be subject to any restriction contained in this Article VI, Section 2, which relates to anything but the term or content of any lease or rental agreement.

### **Section 3. Alterations and Modifications.**

A. Alterations. No Co-owner shall make alterations in exterior appearance or make structural modifications to any Unit (including interior walls through or in which there exist easements for support or utilities) or make changes in the appearance or use of any of the Common Elements, limited or general, without the express written approval of the Board of Directors, including but not limited to, exterior painting, replacement of windows, the installation of electric vehicle charging facilities or the erection of lights, security features, awnings, shutters, doors, newspaper holders, mailboxes, spas, hot tubs, decks, structures, fences, walls, landscaping, or other exterior attachments or modifications. All requests for installation of electric vehicle charging stations shall be handled according the same procedures applicable to any other alteration as to plans, specifications and approvals, however, in addition to any other requirements imposed by the Association, any Co-owner wanting to install such facilities shall be required to provide for separately metered electricity to such charging facilities that are billed to and paid solely by the Co-owner of the Unit which desires such an installation. The erection of antennas, DBS reception devices, and other technologies regulated by the Federal Communications Commission are governed by the subsections immediately following this Section. No buildings, fences, walls, retaining walls, banners, 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 not affecting any Common Elements, until plans and specifications acceptable to the Association showing the nature, kind, shape, height, materials, color scheme, location and approximate cost of such structure or improvement shall have been submitted to and approved in writing by the Association, and a copy of said plans and specifications, as finally approved, delivered to the Association. The Association shall have the right to refuse to approve any such plans or specifications which are not suitable or desirable in its opinion for aesthetic or any other reasons. In the event that any application for changes are approved by the Board of Directors, such approval shall be subject to a recordable, written undertaking by the Co-owner acknowledging that installation, maintenance and insuring of all of the improvements are to be at the Co-owner's sole expense, and that injury, if any, to the Common Elements will be repaired promptly by the Co-owner at his sole expense, that the improvements will be completed by a date to be determined and established by the Board of Directors. In the event that the Co-owner fails to maintain and/or repair said modification or improvement to the satisfaction of the Association, the Association may undertake to maintain and/or repair same and assess the Co-owner the costs thereof and collect same from the Co-owner in the same manner as provided for the collection of assessments in Article II hereof. The Co-owner shall indemnify and hold the Association harmless from and against all costs, damages, and liabilities incurred with respect to said modification and/or improvement. No Co-owner shall in any way restrict

access to any plumbing, water line, water line valves, water meter, sump pump, sprinkler system valves or any other element that must be accessible to service the Common Elements or any element which affects an Association responsibility in any way. Should access to any facilities of any sort be required, the Association may remove any coverings or attachments of any nature that restrict such access and will have no responsibility for repairing, replacing or reinstalling any materials, whether or not installation thereof has been approved hereunder, that are damaged in the course of gaining such access, nor shall the Association be responsible for monetary damages of any sort arising out of actions taken to gain necessary access.

(1) A Co-owner, or a tenant occupying a Unit in compliance with the requirements of Article VI, Section 2, above, may install and maintain in a Unit, or on a Limited Common Element appurtenant or assigned to the Unit, in which he/she has a direct or indirect ownership or leasehold interest, and which is within his/her exclusive use or control, an antenna, and/or a mast that supports an antenna, of any of the types and sizes described in paragraph (a) of the Federal Communication Commission's Over-the-Air Reception Devices (OTARD) Rule, 47 C F R Section 1 4000, as amended (the "FCC Rule"), but every such installation shall be made in conformance with the limitations and procedures of this Section and all applicable written rules and regulations with respect to the installation, maintenance and/or removal of such antennas by a Co-owner as from time to time may be promulgated by the Board of Directors of the Association under this Section and Article VI, Section 11, of these Bylaws, except in either case to the extent that they are construed to conflict with the federal Telecommunications Act of 1996, as amended, or the FCC Rule. The rules and regulations promulgated by the Board of Directors governing installation, maintenance or use of antennas shall not impair the reception of an acceptable quality signal and shall not unreasonably prevent or delay, or increase the cost, of the installation, maintenance or use of any such antenna. Such rules and regulations may provide for, among other things; placement preferences, screening and camouflaging or painting of antennas. Such rules and regulations may contain exceptions or provisions related to safety, provided that the safety rationale is clearly articulated therein.

(2) Antenna installation on a General Common Element is prohibited, except in strict conformance with the limitations and requirements of any rule or regulation regarding the permissible or preferred location(s) for antenna installations as may be promulgated by the Board of Directors in its sole discretion, or unless approved in writing by the Board of Directors in its sole discretion. The preceding sentence shall not be construed to require that the Board of Directors promulgate any rule or regulation permitting the installation of antennas or masts on any General Common Element. Antenna masts, if any are permitted, may be no higher than is necessary to receive an acceptable quality signal, and may not extend more than twelve (12) feet above the roofline without preapproval, due to safety concerns. The Association may prohibit Co-owners from installing an antenna otherwise permitted by this subsection if the Association provides the Co-owner(s) with access to a central antenna facility that does not impair the viewers' rights under the FCC Rule.

(3) A Co-owner, if an antennae or dish installation may not proceed as a matter of right under the FCC Rules and orders, must complete and submit to the Association the form of antenna notice prescribed by the Board of Directors before an antenna may be installed. Such form of antenna notice may require such detailed information concerning the proposed installation as the Board reasonably requires to determine whether the proposed



installation is permitted by this Section 3A and all valid rules and regulations promulgated by the Board regarding the installation and placement of antennas. The Co-owner shall not proceed with the installation sooner than ten (10) days after the Association receives an antenna notice, which time period is intended to afford the Association a reasonable opportunity to determine whether the Association's approval of the proposed installation may be granted. In lieu of such approval, the Association may during the ten (10) day time period, in writing:

- (a) request from the Co-owner such additional relevant information as the Board reasonably determines in order to determine whether the Association will approve or deny the proposed installation, in which case the ten (10) day time period automatically shall be deemed extended to a date which is five (5) days after all such information is received by the Association; or,
- (b) notify the Co-owner that Association approval of the proposed installation is withheld, specify in general terms the aspects of the proposed installation which the Association believes are not permitted and inform the Co-owner that he may appear before and be heard by the Board (or a committee of the Board) to justify the proposed installation, or to propose modifications to the proposed installation which the Co-owner believes will be either permissible or otherwise acceptable to both the Association and Co-owner. At the request of the Co-owner, the date certain may be adjourned from time to time to a date and time mutually convenient to the Co-owner and Board (or committee of the Board).

Except as the Board of Directors (or a committee of the Board) has declared its approval of a proposed antenna installation in a signed writing, and the installation has been made substantially in the manner approved by the Board, the Association may exercise all, or any, of the remedies of Article XV, below, with respect to an antenna installation later determined not to be permitted by this Section 3A and all valid rules and regulations as have been promulgated by the Board of Directors regarding the installation and placement of antennas, including, without limitation, to assess to the responsible Co-owner all costs incurred by the Association for the removal of such antenna, and/or for the repair of the Common Elements, together with the Association's attorneys fees and other costs of collections, in accordance with Article II of these Bylaws.

C. Modifications or Improvements to Accommodate the Disabled. Notwithstanding the previous subparagraph A, a Co-owner may make improvements or modifications to the Co-owner's Condominium Unit, including Common Elements and the route from the public way to the door of the Co-owner's Condominium Unit, at the Co-owner's expense, if the purpose of the improvement or modification is to facilitate access to or movement within the Unit for persons with disabilities who reside in or regularly visit the unit or to alleviate conditions that could be hazardous to persons with disabilities who reside in or regularly visit the unit, subject to the following:

(1) The improvement or modification shall not impair the structural integrity of a structure or otherwise lessen the support of a portion of the Condominium Project, nor unreasonably prevent passage by other residents of the Condominium Project upon the Common Elements.

(2) The Co-owner shall be liable for the cost of repairing any damage to a Common Element caused by building or maintaining the improvement or modification, and such improvement or modification shall comply with all applicable state and local building requirements and health and safety laws and ordinances and shall be made as closely as possible in conformity with the intent of applicable prohibitions and restrictions regarding safety and aesthetics of the proposed modification.

(3) Before an improvement or modification allowed by this subsection is made the Co-owner shall submit plans and specifications for such alteration to the Association for approval. If the proposed alteration substantially conforms to the requirements of this subsection, the Association shall not deny the same without good cause. A denial shall be in writing, delivered to the Co-owner, listing the changes needed for the proposed alteration to conform. Any requests for approval by the Association under this subsection shall be acted upon not later than sixty (60) days after the required plans and specifications are submitted. Failure of the Association to approve or deny a request within the sixty (60) day period shall entitle the Co-owner to undertake the alteration without the approval of the Association.

(4) Any Co-owner making an alteration pursuant to this subsection shall maintain liability insurance and provide the Association with proof thereof prior to undertaking the alteration or modification, underwritten by an insurer authorized to do business in this state, in an amount adequate to compensate for personal injuries caused by the exterior improvement or modification, and naming the Association as an additional insured, but the Co-owner shall not be liable for acts or omissions of the Association with respect to the exterior alteration, and the Co-owner shall not be required to maintain liability insurance with respect to any Common Element.

(5) Responsibility for the cost of any maintenance, repair or replacement of an exterior alteration allowed by this Section shall be in accordance with the provisions of Section 47(a) of the Michigan Condominium Act.

(6) A Co-owner having made an improvement or modification allowed by this subsection shall notify the Association in writing of the Co-owner's intention to convey any interest in or lease his or her Condominium Unit to another, not less than thirty (30) days before the effective date of the conveyance or lease. Not more than thirty (30) days after receiving such a notice, the Association may require that the Co-owner remove the improvement or modification and restore the premises at the Co-owner's expense. In the absence of the required notice of conveyance or lease, the Association may at any time remove or require the Co-owner to remove the improvement or modification at the Co-owner's expense, however, the Association may not remove or require the removal of an improvement or modification if the Co-owner intends to resume residing in the Unit within 12 months or a Co-owner conveys or leases the Condominium Unit to a person with disabilities who needs the same type of improvement or modification, or who has a person residing with him or her who requires the same type of improvement or modification. As used in this

Section, "person with disabilities" means that term as defined in Section 2 of the State Construction Code Act of 1972 – MCL 125.1502.

**Section 4. Conduct upon the Condominium Premises.** No immoral, improper, unlawful or offensive activity, including but not limited to speeding or other vehicular infractions, shall be carried on or upon the Common Elements, limited or general, or any Unit, nor shall anything be done which may be or become an annoyance or a nuisance to the Co-owners of the Condominium, nor shall any unreasonably noisy activity be engaged in on the Common Elements or in any Unit. Any disputes among Co-owners that cannot be amicably resolved shall be mediated by the disputing Co-owners. No Co-owner shall do or permit anything to be done or keep or permit to be kept in his Unit or on the Common Elements anything that will increase the rate of insurance on the Condominium without 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. The ordinances of the City of Detroit related to "quiet time" are hereby incorporated by reference and may also be enforced by the Association as restrictions contained within these Bylaws.

**Section 5. Animals upon the Condominium Premises.** No animal, including household pets, except a maximum of two (2) household pets of appropriate size and demeanor, shall be kept or allowed on the Condominium Premises by any Co-owner without the written approval of the Board of Directors, which approval will only be given for such pets (type, size and disposition) as are consistent with the close, community living environment of Carola Condominiums. Pit Bull Terriers, Rottweilers and any other breed with a known propensity for aggressive or violent behavior shall be prohibited. Any such approval shall be revocable at any time by the Association for failure of such pets or their owners to abide by the provisions of this Section and the Rules and Regulations of the Association pertaining to the keeping of pets.

A. **Restrictions Applicable to Pets in the Project.** Before an existing pet can be maintained, it **SHALL BE REGISTERED WITH THE ASSOCIATION.** The registration shall include a complete description of the pet, its name, the name and telephone number of the adult person responsible for the pet at all times and the name, address and telephone number of the veterinarian or veterinary clinic which maintains the pet's health and immunization records, and a current picture.

No animals may be kept or bred for any commercial purpose. Any pets permitted to be kept in the Condominium shall have such care and restraint as not to be obnoxious on account of noise, odor or unsanitary conditions. No animal may be permitted to be loose or tethered upon the Common Elements and any animal shall at all times be leashed attended by some responsible person while on the Common Elements. All pets shall be curbed and/or restricted to relieving themselves in any area designated therefor by the Board of Directors. Each Co-owner shall be responsible for the immediate collection and disposition of all fecal matter deposited by any animal maintained by such Co-owner, anywhere in the Condominium Project. No savage or dangerous animal of any type shall be kept and any Co-owner who causes any animal to be brought, maintained or kept on the premises of the Condominium for any length of time shall indemnify and hold harmless the Association for any loss, damage or liability, including attorney fees and costs, which the Association may sustain as a result of the presence of such animal on the premises, whether such animal is

permitted or not, and the Association may assess and collect from the responsible Co-owner such losses and/or damages in the manner provided in Article II hereof. No animal, which creates noise and can be heard on any frequent or continuing basis, shall be kept in any Unit or on the Common Elements. In the event a Co-owner's pet causes unnecessary and unreasonable disturbance or annoyance to other Co-owners, one or more, and such Co-owner files a written complaint with the Association specifying the cause of such disturbance or annoyance, the Board of Directors, after notice and opportunity for hearing before the Board of the Co-owner keeping the pet, may, if it determines that such pet is annoyance, require the Co-owner to remove the pet from his Unit and the Condominium, or impose such other restrictions on the keeping of the pet as are reasonable. 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 costs to the Association of accommodating animals within the Condominium. All animals kept in accordance with this Section shall be licensed by the municipal agency having jurisdiction, and proof of the animal's shots shall be provided to the Association. The term "animal" or "pet" as used in this section shall not include fish or small constantly caged pets such as small birds, hamsters and gerbils. Any exotic pets or animals are strictly prohibited.

B. Association Remedies. The Association may adopt such additional reasonable rules and regulations with respect to animals, as it may deem proper. The Association may, after notice and hearing, without liability to the owner thereof, remove or cause to be removed any animal from the Condominium that it determines to be in violation of the restrictions imposed by this Section or by any applicable rules and regulations of the Association. The Association may also assess fines for such violation of the restrictions imposed by this Section or by any applicable rules and regulation of the Association.

**Section 6.** Use of Common Elements. The Common Elements, limited or general, shall not be used for storage of supplies, materials, personal property or trash or refuse of any kind, except as provided in duly adopted rules and regulations of the Association. Disposal of refuse shall comply with all ordinances and Rules and regulations of the Association. Trash receptacles shall be maintained in areas designated for such purposes and trash or other refuse shall not be permitted to remain elsewhere on the Common Elements at any time. Balconies shall only be used for purposes consistent with the normal daily use thereof and storage of items such as trash, toys, animal litter boxes, or other items other than typical patio furniture, shall not be permitted in/on such areas. When residents leave for extended periods (7 days), all items located on the terraces and/or balconies, which are not securely affixed to the building/balcony, must be placed inside the Unit. No personal property shall be placed, kept or stored in common hallways and entryways, except as permitted by Rules and Regulations of the Association. Building entrances, stairwell accesses, and any other security doors are not to be propped open and left unattended. Unit entry doors will be kept closed at all times when not in use. 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 Unit or upon the Common Elements, which detracts from or spoils the appearance of the Condominium. No unsightly condition shall be maintained on any balcony or porch. All municipal ordinances pertaining to the use of the Common Elements shall be followed at all times.



**Section 7. Obstruction of Common Elements.** The Common Elements, including without limitation, walks, yards, landscaped areas, driveways, parking areas, entry ways, and porches, shall not be obstructed in any way nor shall they be used for purposes other than for which they are reasonably and obviously intended. No bicycles, vehicles, chairs, benches, toys, baby carriages, obstructions or other personal property may be left unattended on or about the Common Elements, except as specifically allowed in these Bylaws and Rules and Regulations of the Association. Use of all General Common Elements may be limited to such times and in such manner as the Board of Directors shall determine by duly adopted regulations.

**Section 8. Vehicles upon the Condominium Premises.** No house trailers, commercial vehicles, boat trailers, watercraft, motor homes, camping or house vehicles/trailers, other trailers, snowmobiles, snowmobile trailers, recreational vehicles, off-the-road vehicles, all terrain vehicles or vehicles other than automobiles and non-commercial pick-up trucks, SUVs and passenger vans, not exceeding 19 feet in overall length, used as an occupant's primary means of transportation, and not for any commercial purposes, may be parked or stored upon the premises of the Condominium, unless parked in a garage with the door closed or otherwise in accordance with the provisions of this Section. Motorcycles may be kept and operated within the Condominium to provide ingress and egress to the Project as long as the same do not create a nuisance on account of noise or irresponsible operation.

A. **Temporary Presence.** The Board of Directors shall have discretion to issue rules and regulations which provide for the temporary presence of the above-enumerated recreational/leisure vehicles upon the Condominium Premises, in areas specified by the Board of Directors, for proper purposes, such as loading and unloading of said vehicles. The temporary presence of said vehicles shall not be allowed for more than 48 hours.

B. **Commercial Vehicles.** 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. For purposes of this Section, commercial vehicles shall include vehicles or trucks with a curb weight of more than 10,000 pounds, overall length in excess of 19 feet, or with more than two axles, vehicles with commercial license plates, vehicles with any commercial markings or advertising appearing on the exterior body surfaces, vehicles not intended for personal transportation, or any vehicle either modified or equipped with attachments, equipment or implements of a commercial trade, including, but not limited to, storage racks, ladder or material racks, snow blades, tanks, spreaders, storage bins or containers, vises, commercial towing equipment or similar items. For purposes of this Section, passenger vans, SUVs and pick-up trucks, used for primary transportation, and no commercial purpose whatsoever, shall not be considered commercial vehicles provided they do not meet the definition of a commercial vehicle contained herein. The Association shall not be responsible for any damages, costs, or other liability arising from any failure to approve the parking of such vehicles or to designate an area thereof.

C. **Standing Vehicles, Repairs.** Non-operational vehicles or vehicles with expired license plates shall not be parked or stored on the Condominium Premises. Maintenance or repair of motor vehicles shall not be permitted on the Condominium Premises.

D. Association Rights. Certain open General Common Element parking spaces are designated on the Condominium Subdivision Plan for use of those Units not having an assigned garage. Those spaces shall only be used by those having the permission of the unit owner to which use has been assigned. The Association's Board of Directors may change such assignments at any time in its sole discretion, provided all units have at least one designated parking space on the Lot or in a garage. Handicap spaces, if and when established, shall be useable by any Co-owner or guest with a handicap sticker/plate on a first come first served basis. Violations should be reported to the municipal police department. Except in extenuating circumstances handicap parking spaces shall not be assigned to specific Units. Subject to the notice location and content requirements of Section 252(k) of the 2004 Public Act 493 of the Michigan Compiled Laws, the Association may cause vehicles parked or stored in violation of this Section, or of any applicable rules and regulations of the Association, to be stickered and/or removed (towed) from the Condominium Premises, and the cost of such removal may be assessed to, and collected from, the Co-owner of the Unit responsible for the presence of the vehicle in the manner provided in Article II hereof. In such cases, the Co-owner shall be responsible for costs incurred in having a towing company respond, even if the vehicle is moved and properly parked before the towing contractor arrives at the Condominium. The Board of Directors may promulgate reasonable rules and regulations governing the parking and use of vehicles in the Condominium Project consistent with the provisions hereof, and may levy fines for violations of such rules and regulations or this Section. The Board of Directors may promulgate reasonable rules and regulations governing the parking and use of vehicles in the Condominium Project consistent with the provisions hereof, and may levy fines for violations of such rules and regulations or this Section.

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

**Section 10.** Signs upon the Condominium Premises. No signs or other advertising devices, except a US flag no larger than 3' x 5', shall be displayed which are visible from the exterior of a Unit or the Common Elements, including "for sale" and political signs, without written permission from the Board of Directors.

**Section 11.** Regulations Consistent with the Act. Reasonable regulations consistent with the Act, the Amended and Restated Master Deed, and these Bylaws, concerning the use of the Common Elements or the rights and responsibilities of the Co-owners and the Association with respect to the Condominium or the manner of operation of the Association and of the Condominium may be made and amended from time to time by any Board of Directors of the Association. Copies of all such regulations and amendments thereto shall be furnished to all Co-owners and shall become effective as stated in said rule or regulation. Regulations may be revoked at any time by the affirmative vote of more than fifty (50%) percent of all Co-owners.

**Section 12. Association Access to Units and/or Limited Commons Elements.** 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 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 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 13. Landscaping and Decoration of Common Elements.** No Co-owner shall perform any landscaping or plant any trees or shrubs or place any ornamental materials, including but not limited to statuary, bird feeders, exterior lighting, furniture, implements, rocks or boulders, fencing or other decorative items upon the Common Elements, Limited or General, unless the same is approved by the Association in writing, and is in total conformance with the Association's policies on landscaping as are published from time to time. Any permitted landscaping performed by the Co-owner shall be the responsibility of the Co-owner to maintain. In the event that such Co-owner fails to adequately maintain such landscaping performed by the Co-owner to the satisfaction of the Association, the Association shall have the right to perform such maintenance or remove and restore any ill maintained areas to lawn and assess and collect from the Co-owner the cost thereof in the manner provided in Article II hereof. The Co-owner shall also be liable for any damages to the Common Elements arising from the performance of such landscaping or the Co-owner's continued maintenance thereof. Should access to any Common Elements of any sort be required, or should any materials specified in this Section interfere with maintenance or services provided by the Association, the Association may remove any obstructions of any nature that restrict such access and/or services and will have no responsibility for repairing, replacing or reinstalling any materials, whether or not installation thereof has been approved hereunder, that are damaged in the course of gaining such access and/or performance of such services, nor shall the Association be responsible for monetary damages of any sort arising out of any such actions.

**Section 14. Co-owner Maintenance of Unit and Limited Common Elements.** Each Co-owner shall maintain his Unit and any Limited Common Elements appurtenant thereto for which he has maintenance responsibility in a safe, clean and sanitary condition and all major appliances, including, without limitation, furnaces, ovens, refrigerators, dishwashers, radiant flooring systems, hot water heaters and air conditioning units, shall be operable, and operated, in their intended and recommended manner. Thermostats serving any Unit shall be maintained at not lower than sixty (60) degrees Fahrenheit and the Co-owner shall implement such other reasonable precautionary maintenance measures with respect to his Unit and the Limited Common Elements appurtenant or assigned to the Unit at times when the Unit is to be vacant, as the Board of Directors from time to time shall require. All Units must have operational smoke detectors installed at all times. Each Co-owner shall also use due care to



avoid damaging any of the Common Elements, including, but not limited to, the telephone, water, gas, plumbing, electrical, cable TV or other utility conduits and systems and any other Common Elements in any Unit which are appurtenant to or which may affect any other Unit. Each Co-owner shall be responsible for damages or costs to the Association resulting from damage to or misuse of any of the Common Elements by him, or his family, guests, agents or invitees, or by casualties and occurrences, whether or not resulting from Co-owner negligence, involving items or common elements which are the responsibility of the Co-owner to maintain, repair and replace, unless such damages or costs are covered by insurance carried by the Association, in which case there shall be no such responsibility (unless reimbursement to the Association is excluded by virtue of a deductible provision, in which case the responsible Co-owner shall bear the expense to the extent of the deductible amount.) Any costs or damages to the Association may be assessed to and collected from the responsible Co-owner in the manner provided in Article II hereof. Each individual Co-owner shall indemnify the Association and all other Co-owners against such damages and costs, including attorney's fees, and all such costs or damages to the Association may be assessed to and collected from the responsible Co-owner in the manner provided in Article II hereof. The Co-owners shall have the responsibility to report to the Association any Common Element which has been damaged or which is otherwise in need of maintenance, repair or replacement.

**Section 15. Smoking Prohibited in the Condominium.** The hallways, elevators stairwells and similar common facilities within the Buildings are hereby designated as "no smoking". Co-owners shall also exercise care smoking in their Units so as not to allow irresponsible drifting or transmission of smoke to other units or Common Elements.

**Section 16. Marketing of Units; Open Houses.** All solicitation for the purpose of marketing a Unit must occur within the Unit and not in the Common Areas of the Buildings. The Board of Directors must give advance written approval of any "open house" for sale of a Unit and must be notified at least forty-eight (48) hours in advance of approved "open house" being held. No "open house" visitors will be permitted in the Buildings without an escort at any time. Co-owners or realtors must meet their visitors at the Buildings' main entrance when arriving and return them to that entrance when leaving.

**Section 17. Costs of Enforcing Documents.** Any and all costs, damages, fines, expenses and/or actual attorneys fees incurred or levied by the Association in enforcing any of the restrictions set forth in this Article VI and/or rules and regulations promulgated by the Board of Directors of the Association pursuant hereto, and any expenses incurred as a result of the conduct of less than all those entitled to occupy the Condominium Project, or by their licensees or invitees, may be assessed to, secured by the statutory lien on the Unit and collected from the responsible Co-owner or Co-owners in the manner provided in Article II hereof. This specifically includes actual costs and legal fees incurred by the Association in investigating and seeking legal advice concerning violations, and responding to and defending actions relating to violations in small claims court, or any other court of competent jurisdiction.

**Section 18. Application of Restrictions to the Association.** None of the restrictions contained in this Article VI shall apply to the activities of the Association in furtherance of its powers and purposes set forth herein, the Amended and Restated Master Deed and in its Articles of Incorporation, as the same may be amended from time to time.

## ARTICLE VII

### MORTGAGES

**Section 1. Notification of Mortgage.** Any Co-owner who mortgages his Unit shall notify the Association of the name and address of the mortgagee and the Association shall maintain such information in a book entitled "Mortgages of Units." The Association may, at the written request of a mortgagee of any such Unit, report any unpaid assessments due from the Co-owner of such Unit. The Association may give to any mortgagee of 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. Notification to Mortgagee of Insurance Company.** The Association shall notify each mortgagee appearing in said book of the name of each company insuring the Condominium Common Elements against fire, perils covered by extended coverage, and vandalism and malicious mischief and the amounts of such coverage.

**Section 3. Notification to Mortgagee of Meetings.** Upon written request submitted to the Association, any institutional holder of a first mortgage lien on any Unit 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.

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

## ARTICLE VIII

### MEMBERSHIP AND VOTING

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

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

B. **Co-owner's Share of the Funds.** The share of a Co-owner in the funds and assets of the Association cannot be assigned, pledged or transferred in any manner except as an appurtenance to a Unit in the Condominium.

C. **Co-owner Voting Designation.** Except as limited in these Bylaws, each Co-owner shall be entitled to one vote for each Condominium Unit owned, the value of which will be equal, provided that said Co-owner is in good standing (meaning that the Co-owner is not in default in the payment of any sums owed to the Association and not in default of any

provision of the Condominium Documents). Voting shall be by number. In the case of any Unit owned jointly by more than one Co-owner, the voting rights appurtenant to that Unit may be exercised only jointly as a single vote.

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

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

F. Quorum. The presence in person or by proxy of thirty percent (30%) in number of the Co-owners qualified to vote shall constitute a quorum for holding a meeting of the members of the Association, except for voting on questions specifically required herein to require a greater quorum. The written vote of any person furnished at or prior to any duly called meeting at which meeting said person is not otherwise present in person, by proxy or other allowed means of voting shall be counted in determining the presence of a quorum with respect to the question upon which the vote is cast.

G. Voting. Votes may be cast in person, in writing duly signed by the designated voting representative, or by any other means allowed by the voting procedures adopted by the Association for a given vote, provided the same are not in violation of the provisions of these Bylaws. Any proxies, written votes or other votes cast by means allowed hereunder must be filed with the Secretary of the Association at or before the appointed time of each meeting of the members of the Association or voting deadline if no meeting is held. Votes may be cast by mail, fax, delivery, e-mail, instant messaging, electronically or any other method approved by the Association in advance of the vote. Cumulative voting shall not be permitted.

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

I. Action Without Meeting. Any action that may be taken at a meeting of the members (except for the election or removal of Directors) may be taken without a meeting by written vote of the members. Votes shall be solicited in the same manner (with respect to

notice) as provided in Article IX, Section 4, hereof. 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 votes must be received in order to be counted. The form of written vote shall afford an opportunity to specify a choice between approval and disapproval of each matter and shall provide that, where the member specifies a choice, the vote shall be cast in accordance therewith. Approval by written vote shall be constituted by receipt, within the time period specified in the solicitation, of (i) a number of votes which equals or exceeds the quorum which would be required if the action were taken at a meeting; and (ii) a number of approvals which equals or exceeds the number of votes which would be required for approval if the action were taken at a meeting at which the total number of votes cast was the same as the total number of written votes cast. Votes may be cast in accordance with this subsection by mail, hand delivery, or by facsimile.

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

K. Remote Communication Attendance; Remote Communication Meetings. A member may participate in a meeting of the members by a conference telephone or by other means of remote communication through which all persons participating in the meeting may hear each other, if the Board determines to permit such participation and (a) the means of remote communication permitted are included in the notice of the meeting or (b) if notice is waived or not required. All participants shall be advised of the means of remote communication in use and the names of the participants in the meeting shall be divulged to all participants. Members participating in a meeting by means of remote communication are considered present in person and may vote at such meeting if all of the following are met: (a) the Association implements reasonable measures to verify that each person considered present and permitted to vote at the meeting by means of remote communication is a member or proxy holder; (b) the Association implements reasonable measures to provide each member and proxy holder a reasonable opportunity to participate in the meeting and to vote on matters submitted to the members, including an opportunity to read or hear the proceedings of the meeting substantially concurrently with the proceedings; and (c) if any member or proxy holder votes or takes other action at the meeting by means of remote communication, a record of the vote or other action is maintained by the Association. A member may be present and vote at an adjourned meeting of the members by means of remote communication if they were permitted to be present and vote by the means of remote communication in the original meeting notice given. The Board may hold a meeting of the members conducted solely by means of remote communication.

**Section 2.** Records and Books of the Association. The Association shall keep detailed books of account showing all expenditures and receipts of administration that shall specify the maintenance and repair expenses of the Common Elements and any other expenses incurred by or on behalf of the Association and the Co-owners. Such accounts and all other Association records shall be open for inspection by the Co-owners and their mortgagees during reasonable working hours. The Association shall prepare and distribute

to each Co-owner at least one (1) time a year a financial statement, the contents of which shall be defined by the Association which may be distributed by electronic transmission given in any such manner authorized by the person entitled to receive the financial statement which does not directly involve the physical transmission of paper, which creates a record that may be retrieved and retained by the recipient, and which may be directly reproduced in paper form by the recipient through an automated process, or by making the report available for electronic transmission, provided that any member may receive a written report upon request. If the annual revenues of the Association exceed twenty thousand Dollars (\$20,000.00), the Association shall have its books, records, and financial statements independently audited or reviewed by a certified public accountant, as defined in Section 720 of the occupational code, 1980 PA 299, MCL 339.720. The audit or review shall be performed in accordance with the statements on auditing standards or the statements on standards for accounting and review services, respectively, of the American Institute of Certified Public Accountants. The Association may opt out of the requirements imposed by the preceding sentence on an annual basis by an affirmative vote of a majority of its members. Any institutional holder of a first mortgage lien on any Unit in the Condominium shall be entitled to receive a copy of such annual audited financial statement within one hundred twenty (120) 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. The Association also shall maintain on file current copies of the Amended and Restated Master Deed for the Project, any amendments thereto and all other Condominium Documents and shall permit all Co-owners, prospective purchasers and prospective mortgagees interested in the Project to inspect the same during reasonable business hours.

## **ARTICLE IX**

### **MEETINGS**

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

**Section 2. Annual Meetings.** Annual meetings of members of the Association shall be held in the month of March each succeeding year at such time and place as shall be determined by the Board of Directors. The Board of Directors may, acting by a majority vote, change the date of the annual meeting in any given year provided that at least one such meeting is held in each calendar year. Written notice of each annual meeting, as well as any change in the date of the annual meeting as provided for herein, shall be given to all Co-owners at least ten (10) days before the date for which the meeting is or was originally scheduled. At the annual meeting, there shall be elected by ballot of the Co-owners a Board of Directors in accordance with the requirements of Article X of these Bylaws. The Co-

owners may also transact at annual meetings such other business of the Association as may properly come before them.

**Section 3. Special Meetings.** It shall be the duty of the President to call a special meeting of the Co-owners as directed by resolution of the Board of Directors. The President shall also call a special meeting upon a petition signed by one third (1/3) of the Co-owners in number presented to the Secretary of the Association. In the event the President shall fail or refuse for any reason to call a special meeting as required hereby within sixty (60) days of a request therefore, then any director or Co-owner who requested such meeting shall be entitled to call and convene the same by providing notice of such meeting to all Co-owners in accordance with these Bylaws. This provision shall in no way be construed to validate any action allegedly taken at such special meeting if the action was beyond the authority of the persons purporting to take such action. Notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

**Section 4. Notice of Meetings.** It shall be the duty of the Secretary (or other Association officer in the Secretary's absence) to serve a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, upon each Co-owner, at least ten (10) days, but not more than sixty (60) days, prior to such meeting. The mailing, postage prepaid, of a notice to the representative of each Co-owner at the address shown in the notice required to be filed with the Association pursuant to Article VIII, Section 1F of these Bylaws or to the address of the Unit owned by the Co-owner shall be deemed notice served. In lieu thereof, said notice may also be hand delivered to a Unit if the Unit address is designated as the voting representative's address, and/or the Co-owner is a resident of the Unit. Electronic transmittal of such notice, may also be given in any such manner authorized by the person entitled to receive the notice which does not directly involve the physical transmission of paper which creates a record that may be retrieved and retained by the recipient and which may be directly reproduced in paper form by the recipient through an automated process. Any member may, by written waiver of notice signed by such member, waive such notice, and such waiver when filed in the records of the Association shall be deemed due notice.

**Section 5. Adjournment for Lack of Quorum.** If any meeting of owners cannot be held because a quorum is not in attendance, the owners who are present may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called. The quorum for each subsequent meeting shall be reduced by one-half from the quorum requirement of the previously scheduled meeting.

**Section 6. Minutes.** Minutes or a similar record of the proceedings of meetings of members, or of the Board of Directors, when signed by the President or Secretary, shall be presumed truthfully to evidence the matters set forth therein. A recitation in the minutes of any such meeting that notice of the meeting was properly given shall be prima facie evidence that such notice was given.



## ARTICLE X

### BOARD OF DIRECTORS

**Section 1. Qualification and Number of Directors.** The affairs of the Association shall be governed by a Board of Directors all of who must be Co-owners of Units in Carola Condominiums in Good Standing. A Co-owner with a record of one or more convictions for a crime involving fraud, theft or dishonesty shall not be qualified to run for or function as an officer or Director of the Association. Good standing shall be deemed to include a member who is current in all financial obligations owing to the Association and who is not in default of any of the provisions of the Condominium Documents. Any director who is delinquent in any financial obligation owed to the Association, including late fees, shall pay in full the amount due within sixty (60) days of the delinquency. During the period of delinquency, the director shall not be permitted to vote on any delinquency matter of another Co-owner, including matters that may affect the director's own Unit. If the director does not comply with the delinquency cure time period, the director shall be deemed removed from the Board of Directors for the remainder of the director's term and the vacancy shall be filled in accordance with Section 5 of this Article X. The Board shall consist of three (3) members, preferably with at least one member from each Building. All directors must be Co-owners, trustees of trusts owning Units or officers, directors, members or employees of business entities owning Units. No two occupants of the same Unit may serve on the Board of Directors at the same time. Directors shall serve without compensation.

**Section 2. Term of Directors.** At the first Annual Meeting held after these Bylaws become effective, all candidates for the Board of Directors shall stand for election as a single slate. The two (2) candidates receiving the highest number of votes shall be elected for two (2) year terms. The candidate receiving the next highest number of votes shall be elected for a one (1) year term. In each year thereafter, either two (2) or one (1) director shall be elected for two (2) year terms depending on how many directorships expire that year, provided that at all times there remains at least one director from each Building. All directors shall hold office until their successors have been elected and hold their first meeting.

**Section 3. Powers and Duties.** The Board of Directors shall have all powers and duties necessary for the administration of the affairs of the Association and may do all acts and things as are not prohibited by the Condominium Documents or required thereby to be exercised and done by the Co-owners. In addition to the foregoing general powers and duties imposed by these Bylaws, or any further powers and duties that may be imposed by law or the Articles of Incorporation, the Board of Directors shall be responsible specifically for the following:

A. Management and Administration. To manage and administer the affairs of and maintenance of the Condominium Project and the Common Elements thereof, all to the extent set forth in the Amended and Restated Master Deed, or elsewhere in the Condominium Documents.

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



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

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

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

F. Real or Personal Property. To acquire, maintain and improve, and to buy, operate, manage, sell, convey, assign, mortgage or lease any real or personal property (including any Unit in the Condominium and any easements, rights-of-way and licenses) on behalf of the Association in furtherance of any of the purposes of the Association, including (but without limitation) the lease or purchase of any Unit in the Condominium for use by a resident manager.

G. Easements and Telecommunications. To grant such easements, licenses and other rights of entry, use and access, and to enter into any contract or agreement, including wiring agreements, utility agreements, right of way agreements, access agreements and multi-unit agreements, and to the extent allowed by law, contracts for sharing of any installation or periodic subscriber fees as may be necessary, convenient or desirable to provide for telecommunications, videotext, broad band cable, satellite dish, earth antenna and similar services (collectively "Telecommunications") to the Condominium or any Unit therein. Notwithstanding the foregoing, in no event shall the Board of Directors enter into any contract or agreement or grant any easement, license or right of entry or do any other act or thing which would violate any provision of any federal, state or local law or ordinance. Any and all sums paid by any Telecommunications or any other company or entity in connection with such service, including fees, if any, for the privilege of installing same, or sharing periodic subscriber service fees, shall be receipts affecting the administration of the Condominium, within the meaning of the Act, and shall be paid over to and shall be the property of the Association.

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

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

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

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

**Section 4. Professional Management**. The Board of Directors may employ for the Association a professional management agent at reasonable compensation established by the Board to perform such duties and services as the Board shall authorize, including, but not limited to, the duties listed in Section 3 of this Article X, and the Board may delegate to such management agent any other duties or powers which are not by law or by the Condominium Documents required to be performed by or have the approval of the Board of Directors or the members of the Association. In no event shall the Board be authorized to enter into any contract with a professional management agent in which the maximum term is greater than three (3) years, or which is not terminable by the Association upon sixty (60) days' written notice thereof to the other party. In the event the Board does employ professional management for the Association, the Board shall secure the written approval of each institutional holder of a first mortgage lien on any Unit in the Condominium prior to terminating professional management and assuming self-management.

**Section 5. Vacancies**. Vacancies in the Board of Directors caused by any reason other than the removal of a director by a vote of the members of the Association shall be filled by vote of the majority of the remaining directors, even though they may constitute less than a quorum, provided that at all times there remains at least one director from each Building. Each person so appointed shall be a director until the end of the term of the Director who he/she replaced and a successor is elected at such annual meeting of the Association.

**Section 6. Removal of Directors**. At any regular or special meeting of the Association duly called and held, any one or more of the directors may be removed with or without cause by the affirmative vote of more than fifty (50%) percent of all Co-owners, and a successor may then and there be elected to fill the vacancy thus created for the remainder of the removed Director's term, provided that at all times there remains at least one director from each Building. The quorum requirement for the purpose of filling any vacancy shall be the normal 30% requirement set forth in Article VIII, Section 1F. Any director whose removal has been proposed by the Co-owners shall be given an opportunity to be heard at the meeting and only one spokesperson for any group requesting removal shall be entitled to speak.

**Section 7. Regular Meetings**. Regular meetings of the Board of Directors may be held at such times and places as shall be determined from time to time by a majority of the directors. At least two such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each director, personally, or by mail, facsimile, or telegraph at least ten (10) days prior to the date of the meeting, unless waived by said director. Electronic transmission of such notice may also be given in any such manner authorized by the director entitled to receive the notice which does not directly involve the physical transmission of paper, which creates a record that may be retrieved and retained by the director, and which may be directly reproduced in paper form by the director through an automated process.

**Section 8. Special Meetings**. Special meetings of the Board of Directors may be called by the president upon three (3) days' notice to each director, given personally, or by mail, facsimile, or by telephone, which notice shall state the time, place and purpose of the

meeting. Electronic transmission of such notice may also be given in any such manner authorized by the director entitled to receive the notice which does not directly involve the physical transmission of paper, which creates a record that may be retrieved and retained by the director, and which may be directly reproduced in paper form by the director through an automated process. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of two Directors.

**Section 9. Waiver of Notice.** Before or at any meeting of the Board of Directors, any director may, in writing or orally, waive notice of such meeting and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meetings of the Board shall be deemed a waiver of notice by that director of the time and place thereof. If all the directors are present at any meeting of the Board, no notice shall be required and any business may be transacted at such meeting.

**Section 10. Quorum.** At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the acts of the majority of the directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. A Director will be considered present and may vote on matters before the Board by teleconference, instant messaging, electronically or by any other method giving the remainder of the Board sufficient notice of the absent Director's vote and position on any given matter, provided, however, that any vote not in writing is confirmed in writing not later than the next meeting of the Board. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business that might have been transacted at the meeting as originally called may be transacted without further notice. 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 11. Action Without Meeting.** Any action permitted to be taken by the Board of Directors at a meeting of the Board shall be valid if consented to in writing by the requisite majority of the Board of Directors. Further, the presiding officer of the Association, in exceptional cases requiring immediate action, may poll all Directors by phone or e-mail for a vote, and provided the action is consented to by the requisite number of Directors, such vote shall constitute valid action by the Board, provided the results of the vote and the issue voted upon are noted in the minutes of the next Board meeting to take place.

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

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

shall be entitled to review or copy any minutes of meetings of the Board of Directors to the extent that said minutes reference privileged communications between the Board of Directors and counsel for the Association, or any other matter to which a privilege against disclosure pertains under Michigan Statute, common law, the Michigan Rules of Evidence, or the Michigan Court Rules.

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

**Section 15. Minutes.** Minutes or a similar record of the proceedings of meetings of members shall be kept and when signed by the President or Secretary, shall be presumed truthfully to evidence the matters set forth therein. A recitation in the minutes of any such meeting that notice of the meeting was properly given shall be prima facie evidence that such notice was given.

## **ARTICLE XI**

### **OFFICERS**

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

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

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

**Section 4. President.** The president shall be the chief executive officer of the Association, and shall preside at all meetings of the Association and of the Board of Directors. The president shall have all of the general powers and duties which are usually vested in the office of the president of a corporation, including, but not limited to, the power to appoint committees from among the members of the Association from time to time in the president's discretion as may be deemed appropriate to assist in the conduct of the affairs of the Association.

**Section 5. Secretary.** The secretary shall keep the minutes of all Board and Association meetings, have charge of the corporate minute book and of such books and papers as the Board of Directors may direct; and shall in general, perform all duties incident to the office of the secretary.

**Section 6. Treasurer.** The treasurer shall have responsibility for all Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. The treasurer shall be responsible for the deposit of all monies and other valuable papers of the Association, in the name of and to the credit of the Association, in such depositories as may from time to time be designated by the Board of Directors.

## **ARTICLE XII**

### **FINANCES**

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

**Section 2. Banking.** The funds of the Association shall be deposited in such bank or other depository as may be designated by the Board of Directors and shall be withdrawn only upon the check or order of such officers, employees or agents as are designated by resolution of the Board of Directors from time to time.

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

## **ARTICLE XIII**

### **INDEMNIFICATION**

**Section 1. Indemnification of Directors and Officers.** Every director and every officer of the Association shall be indemnified by the Association against all expenses and liabilities, including actual and reasonable counsel fees and amounts paid in settlement incurred by or imposed upon the director or officer in connection with any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative and whether formal or informal, to which the director or officer may be a party or in which he/she may become by reason of his/her being or having been a director or officer of the Association, whether or not he/she is a director or officer at the time such expenses are incurred, except in such cases wherein the director or officer is adjudged guilty or willful or wanton misconduct or gross negligence in the performance of the director's or officer's duties, and except as otherwise prohibited by law; provided that, in the event of any claim for reimbursement or indemnification hereunder based upon a settlement by the director or officer seeking such reimbursement or indemnification, the indemnification herein shall apply only if the Board of Directors (with the director seeking reimbursement abstaining) approves such settlement and reimbursement as being in the best interest of the Association. The foregoing right of indemnification shall be in addition to and not exclusive of all other rights to which such director or officer may be entitled. At least ten (10) days prior to payment of any indemnification that it has approved, the Board of Directors shall notify all Co-owners thereof.

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

## **ARTICLE XIV**

### **COMPLIANCE**

**Section 1. Compliance With The Documents.** The Association of Co-owners and all present or future Co-owners, tenants, future tenants, or any other persons acquiring an interest in or using the facilities of the Condominium in any manner are subject to and shall comply with the provisions of the Act, Amended and Restated Master Deed, these Bylaws, the Articles of Incorporation and the Rules and Regulations of the Condominium. In the event that such Amended and Restated Master Deed, these Bylaws or Articles of Incorporation conflict with the provisions of any Statute, the Statute shall govern. If any provision of these Bylaws conflicts with any provision of the Amended and Restated Master Deed, the Amended and Restated Master Deed shall govern.

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

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

## **ARTICLE XV**

### **REMEDIES FOR DEFAULT**

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

A. **Remedies for Default by a Co-owner to Comply with the Documents.** Failure to comply with any of the terms or provisions of the Condominium Documents shall be grounds for relief, which may include without intending to limit the same, an action to recover sums due for damages, injunctive relief, foreclosure of lien (if default in payment of assessment) or any combination thereof, and such relief may be sought by the Association, or, if appropriate, by an aggrieved Co-owner or Co-owners.

B. **Costs Recoverable From Co-owner.** Failure of a Co-owner and/or non-Co-owner resident or guest to comply with the Condominium Documents shall entitle the

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

C. Association's Right to Abate. The violation of any of the provisions of the Condominium Documents shall also give the Association or its duly authorized agents the right, in addition to the rights set forth above, to enter upon the Common Elements, limited or general, or into any Unit, where reasonably necessary, and summarily remove and abate, at the expense of the Co-owner in violation, any structure, thing or condition existing or maintained contrary to the provisions of the Condominium Documents. The Association shall have no liability to any Co-owner arising out of its exercise of its removal and abatement power granted hereunder.

D. Assessment of Fines. The violation of any of the provisions of the Condominium Documents by any Co-owner shall be grounds for assessment by the Association, acting through its duly constituted Board of Directors, of monetary fines for such violations in accordance with Article XVI of these Bylaws. Fines may be assessed only upon notice to the offending Co-owners as prescribed in said Article XVI, Section 2, and after a hearing at which such Co-owner may offer evidence in defense of the alleged violation. All fines duly assessed may be collected in the same manner as provided in Article II of these Bylaws.

**Section 2.** Failure to Enforce Rights. The failure of the Association or of any Co-owner to enforce any right, provision, covenant or condition that may be granted by the Condominium Documents shall not constitute a waiver of the right of the Association or of any such Co-owner to enforce such right, provisions, covenant or condition in the future.

**Section 3.** Cumulative Rights. All rights, remedies and privileges granted to the Association or any Co-owner or Co-owners pursuant to any terms, provisions, covenants or conditions of the aforesaid Condominium Documents shall be deemed to be cumulative and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be available to such party at law or in equity.

## ARTICLE XVI

### FINES

**Section 1.** General. The violation by any Co-owner, occupant or guest of any of the provisions of the Condominium Documents including any duly adopted rules and regulations shall be grounds for assessment by the Association, acting through its duly constituted Board



of Directors, of monetary fines against the involved Co-owner. Such Co-owner shall be deemed responsible for such violations whether they occur as a result of his personal actions or the actions of his family, guests, tenants or any other person admitted through such Co-owner to the Condominium Premises.

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

A. Notice. Notice of 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 I, Section 3 E. of these Bylaws.

B. Hearing. The offending Co-owner shall be scheduled for a hearing before the Board of Directors, at which time the Co-owner shall have an opportunity to offer evidence in defense of the alleged violation. The appearance before the Board shall be at its next scheduled meeting or the Board's earliest convenience, but in no event shall the Co-owner be required to appear less than 10 days from the date of the notice.

C. Default. Failure to appear at the hearing or respond to the notice of violation by the date set for the hearing constitutes a default.

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

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

- |    |                  |                        |
|----|------------------|------------------------|
| 1. | FIRST VIOLATION  | No fine will be levied |
| 2. | SECOND VIOLATION | \$50.00 Fine           |
| 3. | THIRD VIOLATION  | \$100.00 Fine          |
| 4. | FOURTH VIOLATION | \$150.00 Fine          |

AND ALL SUBSEQUENT VIOLATIONS

The Board of Directors, without the necessity of an amendment to these Bylaws, may make such changes in said fines or adopt alternative fines, including the indexing of such fines to the rate of inflation, in accordance with duly adopted Rules and Regulations promulgated in accordance with Article VI, Section 11 of these Bylaws. For purposes of this Section, the number of the violation (i.e. first, second etc.) is determined with respect to the number of times that a Co-owner violates the same provision of the Condominium Documents, as long as that Co-owner may be an owner of a Unit or occupant of the Project,

and is not based upon time or violations of entirely different provisions. In the case of continuing violations, a new violation will be deemed to occur each successive seven (7) day period during which a violation continues. In the case of continuing violations, no further hearing other than the first will be necessary or afforded, and fines will continue to accrue according to the above schedule until the continuing violation is cured. Nothing in this Article shall be construed as to prevent the Association from pursuing any other remedy under the Condominium Documents and/or the Act for such violations, or from combining a fine with any other remedy or requirement to redress any violation.

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

## **ARTICLE XVII**

### **SEVERABILITY**

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