

**PURCHASER INFORMATION BOOKLET
FOR
HIGH POINTE RIDGE**

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DISCLOSURE STATEMENT

HIGH POINTE RIDGE

DEVELOPER

**R & H DEVELOPMENT CO., INC.
3123 High Pointe Ridge Drive
Lake Orion, Michigan 48354
(248) 698-4230**

High Pointe Ridge is a 64-unit residential condominium which may not be further expanded. The condominium may be contracted to not less than 4 units on or before September 26, 2003. If contracted, Developer has reserved the right to re-expand the project at a later date (but no later than six years after the date the Master Deed was recorded, being September 26, 1997

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

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

November _____, 1997

DISCLOSURE STATEMENT HIGH POINTE RIDGE

I. Introduction

Condominium development in Michigan is governed largely by Act 59 of the Michigan Public Acts of 1978, as amended (the Condominium Act). As required under the Condominium Act, this Disclosure Statement, together with copies of the legal documents required for the creation and operation of the project, are furnished each purchaser because the Condominium Act requires that the Developer of a condominium project disclose to prospective purchasers the characteristics of the condominium units that are offered for sale.

II. The Legal Concept of Condominiums

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

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

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

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

Except for the year in which the project is established, or, in the case of units added to a project by subsequent amendment to the Master Deed, the year in which such amendment is recorded, real property taxes and assessments are levied individually against each unit in the project. The separate taxes and assessments cover the unit and its proportionate share of the common elements. No taxes or assessments are levied independently against the common elements. In the year in which the project is established or in which an amendment adding units is recorded, the taxes and assessments for the units covered by the Master Deed or amendment

including the number, boundaries, dimensions and area of each Unit therein, are set forth completely in the Condominium Subdivision Plan. Each building contains individual Units for residential purposes and each Unit is capable of individual utilization on account of having its own entrance from and exit to a Common Element of the Condominium Project. Each Co-Owner in the Condominium Project shall have an exclusive right to his or her Unit and shall have undivided and inseparable rights to share with other Co-Owners the Common Elements of the Condominium Project.

ARTICLE II

LEGAL DESCRIPTION

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

Part of the northwest 1/4 of Section 28, T4N, R10E, Orion Township, Oakland County, Michigan, described as:

Commencing at the northwest corner of said Section 28, thence N 89°10'48" E 819.88 feet along the north line of said Section 28, said line being the centerline of Waldon Road, to the point of beginning, thence continuing N 89°10'48" E 349.26 feet along the north line of said Section 28 and said centerline; thence S 00°49'12" E 60.00 feet; thence N 89°10'48" E 143.81 feet; thence S 00°18'05" W 88.81 feet; thence S 89°41'55" E 60.00 feet to a point on the centerline of Joslyn Road; thence S 00°18'05" W 871.59 feet along said centerline; thence S 89°11'01" W 528.12 feet; thence N 01°09'54" W 1021.38 feet to the point of beginning and containing 12.28.

Subject to the rights of the public over the northerly 33.0 feet for Waldon Road and the easterly 33.0 feet for Joslyn Road. Also subject to easements and restrictions of record, if any.

ARTICLE III

DEFINITIONS

Certain terms are utilized not only in this Master Deed and the attached 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 the High Pointe Ridge Association, a Michigan non-profit corporation, and deeds, mortgages, liens, land contracts, easements and other instruments affecting the establishment of, or transfer of, interests in High Pointe Ridge as a condominium. Wherever used in such documents or any other pertinent instruments, the terms set forth below shall be defined as follows:

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

usually are billed to the Association and are paid by the owners of such units in proportion to the percentages of value assigned to the units owned by them.

Although the foregoing is generally accurate as applied to most residential condominium developments, the details of each development may vary substantially. Accordingly, each purchaser is urged to review carefully all of the documents contained in the High Pointe Ridge Purchaser Information Booklet as well as any other documents that the Developer has delivered to the purchaser in connection with this condominium project. Any purchaser having questions pertaining to the legal aspects of the project is advised to consult his or her own lawyer or other professional advisor.

III. Description of the Condominium Project

A. Size, Scope and Physical Characteristics of the Project. High Pointe Ridge is a 64-unit residential condominium project located on the southwest corner of Waldon Road and Joslyn Road in Orion Township, Oakland County, Michigan (the "Project"). The Project is expected to contain 16 buildings with four units in each building with a mixture of ranch, carriage and townhouse units. The ranch and townhouse Units have basements. All Units have a one-car attached garage.

B. Utilities. The Project is served by public roads, water, sanitary and storm sewers, gas, electric, telephone, and (upon activation by the cable company) cable television service. Gas service is furnished by Consumers Energy Company and is individually metered to each unit for payment by the co-owner. Cable television will be provided by TCI Cablevision and will be paid for by each co-owner individually. The activation of the Project's cable television service depends upon the schedule established by the cable television company and is not within the Developer's control. The Developer cannot guarantee cable service will be immediately available. Electricity is furnished by Detroit Edison and telephone service is provided by Ameritech. The costs of these services will also be paid by the co-owner individually. The costs of water and sanitary sewer services will be collected by the Association and paid as an Association expense. Units will not be separately metered for water and sewer charges. The anticipated cost of those services are set forth on the budget attached as Appendix I to this Disclosure Statement. Water charges for common areas (for irrigation, exterior maintenance, etc.) will also be paid by the Association as a common expense. The costs of maintaining the sanitary and storm sewer systems serving the Project, to the extent those systems are located within the Project boundaries, will be borne by the Association.

C. Roads. The roads in High Pointe Ridge are private and will be maintained (including, without limitation, snow removal) by the Association. Replacement, repair and resurfacing will be necessary from time to time as circumstances dictate. It is impossible to estimate with any degree of accuracy future roadway repair or replacement costs. It is the Association's responsibility to inspect and to perform the preventative maintenance of condominium roadways on a regular basis in order to maximize the life of project roadways and to minimize repair and replacement costs.

D. Reserved Rights of Developer.

(1) Contradiction; Withdrawal of Land. The Developer has also reserved the right to contract the Project to not less than four (4) units by recording an amendment to the Master Deed at any time on or before September 26, 2003. The Developer has reserved easements over the Project to serve any land which may be withdrawn. In connection with such contraction the Developer has reserved the right to define and redefine general or limited common elements as may be necessary to adequately service the withdrawn area and to change the nature of any common element previously included in the Project to achieve the purposes of such contraction, including but not limited to connection of existing roadways and sidewalks within the Project or on the land to provide access to the withdrawn land.

(2) Re-Expansion of Project. The Developer has reserved the right to re-expand the Project to no more than 64 units by the reincorporation of land which might be withdrawn any time on or before September 26, 2003. In connection with such re-expansion, the Developer has reserved the right to define and redefine general or limited common elements as may be necessary to adequately describe and service the re-incorporated land and to change the nature of any common element previously included in the Project to achieve the purposes of such re-expansion, including, but not limited to, the connection of existing roadways and sidewalks to any roadways and sidewalks planned for the land, and to provide access to any condominium units over such roadways and sidewalks.

(3) Convertible Areas. The Developer has reserved the right to construct patios or decks within the convertible areas identified as such on the Condominium Subdivision Plan.

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

(5) Conduct of Commercial Activities. The Developer has reserved the right, until all of the units in the Project that may be created have been sold, to maintain in the Project a sales office, a business office, model units, storage areas, reasonable parking incident to the use of such areas, and such access to, from and over the Project as may be reasonable to enable the development and sale of the entire Project. The Developer is obligated to restore the areas so utilized to habitable status upon termination of use.

(6) Right to Amend. The Developer has reserved the right to amend the Master Deed without approval from owners and mortgagees for the purpose of correcting errors and for any other purpose. Any such amendment that would materially alter the rights of an owner or mortgagee may be made only with the approval of 66-2/3% of the owners and first mortgagees. Further, certain provisions of the Master Deed cannot be amended without the Developer's approval.

(7) Easements.

(a) For Maintenance, Repair and Replacement. The Developer has reserved such easements over the Project (including all units and common elements) as may be required to perform any of the Developer's maintenance, repair, decoration or replacement obligations.

(b) For Use of Utilities. The Developer has reserved easements to utilize, tap, tie into, extend and enlarge all utility mains in the Project in connection with the exercise of its rights with respect to the re-expansion and contraction of the Project or the development of separate projects on the withdrawn land. The Developer has also reserved the right to grant easements for utilities to appropriate governmental agencies and public utilities.

(c) For Use of Roads. The Developer has reserved easements and rights of use over any roads and walkways in the Project for the purpose of ingress and egress to and from all or any portion of the land that hereafter may be added or withdrawn from the Project, regardless of how such land ultimately may be used.

(d) Dedications to Public Authorities. The Developer has also reserved the right to make dedications to the public of roads' rights of way and utilities. The Association will also have those rights after the Transitional Control Date.

(8) Enforcement of Bylaws. The Developer has reserved the right to enforce the Bylaws as long as the Developer owns any unit in the project that it offers for sale or until six years after the Master Deed was recorded, whichever is longer.

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

IV. Legal Documentation

A. General. High Pointe Ridge was established as a condominium project pursuant to the Master Deed recorded in the Oakland County Records and contained in the High Pointe Ridge Purchaser Information Booklet. The Master Deed includes the Bylaws as Exhibit A and the Condominium Subdivision Plan as Exhibit B.

B. Master Deed. The Master Deed contains the definitions of certain terms used in the condominium documents, the percentage of value assigned to each unit in the Project, a general description of the units and common elements included in the Project and a statement regarding the relative responsibilities for maintaining the common elements. Article VI of the Master Deed contains the provisions relating to re-expansion of the Project if land is withdrawn, Article VII of the Master Deed contains provisions relating to contraction of the Project, Article

X covers easements, Article XI covers the provisions for amending the Master Deed and Article XII provides that the Developer may assign to the Association or to another entity any or all of its rights and powers granted or reserved in the condominium documents or by law.

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

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

V. The Developer and Other Service Organizations

A. Developer's Background and Experience. R & H Development Co., Inc. is a Michigan corporation which was formed for the purpose of developing condominium projects including High Pointe Ridge. It is a licensed residential builder. Herman Kaplan and Richard Kaplan, the principals of R & H Development, Inc., have been involved in the development of over 200 condominium units in the past several years including Pine Tree Ridge, Hidden Ridge of Waterford and Colonial Oaks. Each of those projects are located in Waterford, Michigan.

B. Affiliates. There are no affiliates of the Developer involved in the Project.

C. Broker. The sales agent for the Project is Lawrence Geelhood, a licensed real estate salesperson. Mr. Geelhood has approximately three years of experience in real estate sales. This is the third condominium Project with which he has been involved.

D. Legal Proceedings Involving the Condominium Project or the Developer. The Developer is not aware of any pending judicial or administrative proceedings involving the Project or the Developer.

VI. Operation and Management of the Condominium Project

A. The Condominium Association. The responsibility for management and maintenance of the Project is vested in the High Pointe Ridge Association, which has been incorporated as a non-profit corporation under Michigan law. The Articles of Incorporation of the Association are contained in the Purchaser Information Booklet. The Bylaws include provisions that govern the procedural operations of the Association. The Association is governed by its Board of Directors, the initial members of which are designees of the Developer.

Within 120 days after closing the sales of 25% of the units that may be created in the Project, one of the five directors of the Board of Directors will be selected by non-developer owners of units in the Project; within 120 days after closing the sales of 50% of the units that may be created in the Project, not less than two of the five directors will be selected by non-developer owners of units in the Project; and within 120 days after closing the sales of 75% of the units that may be created in the Project, the non-developer owners of units in the Project will elect all five directors, except that the Developer will have the right to designate at least one director as long as it owns at least 10% of the units in the Project. Regardless of the number of units conveyed, 54 months after the first conveyance, the non-developer owners of units in the Project may elect directors in proportion to the number of units that they own.

Within 120 days after closing the sales of one third of the units in the Project or one year from the date of the first conveyance of a unit within the Project, whichever first occurs, the Developer must establish an advisory committee to serve as liaison between the non-developer owners of units in the Project and the Developer.

The First Annual Meeting may be convened any time after 50% of the units that may be created in the Project have been sold and must be held on or before the expiration of 120 days after 75% of the units that may be created in the Project have been sold or within 54 months after conveyance of the first unit within the Project, whichever first occurs. At the First Annual Meeting, the members of the Association will elect directors, and the directors in turn will elect officers for the Association.

The Developer's voting rights are set forth in Article VIII, Section 2 of the Bylaws.

B. Percentages of Value. The percentages of value for the units in the Project were assigned based on the area of each unit with a discount factor applied to the basement area because of the lower utility of the basement. While several ranch units in the Project have a larger square footage area, the Developer has assigned the same percentage of value to all of the ranch units. The total percent values assigned to all of the units in the Project must be equal to 100%. The particular assignment of values set forth in the Master Deed was completed so that the values assigned to each unit, when added together, are equal to 100%. The percentage of value assigned to each unit determines, among other things, the value of each owner's vote and his or her proportionate share of regular and special Association assessments and of the proceeds of administration of the Project.

C. Project Finances.

(1) Budget. Article II of the Bylaws requires the Board of Directors to adopt an annual budget for the operation of the Project. The initial budget was formulated by the Developer and is intended to provide for the normal and reasonably predictable expenses of administration of the Project, and includes a reserve for major repairs to and replacement of common elements during the initial years of the Project. For instance, estimates for water and sewer charges may be different from those budgeted once actual levels of use are ascertained. Similarly, costs for maintenance of the buildings and improvements will increase over time;

however, building maintenance expenses should be low initially because the buildings are new and it can reasonably be expected that many repairs (if any are required) will be covered under the warranty described in Article VII, Section C(2) of this Disclosure Statement. Inasmuch as the budget must necessarily be prepared in advance, it reflects estimates of expenses made by the Developer based in part upon experience in similar Projects and in part upon the estimates of others. The estimates recognize that the Project is in the initial stages of development. As a result, costs may increase in subsequent years when the Project is finally developed. To the extent that estimates prove inaccurate during actual operation and to the extent that the goods and services necessary to service the condominium Project change in cost in the future, the budget and the expenses of the Association also will require revision. The current budget of the Association has been included as Appendix I to this Disclosure Statement.

(2) Assessments. Each owner of a unit, including the Developer, must contribute to the Association to defray expenses of administration; while the Developer is obligated to contribute to the Association for such purpose, its contributions are determined differently than the other owners' contributions are determined. See Article II, Section 3 of the Bylaws. Assessments are based upon the percentages of value assigned to the units. The Board of Directors may also levy special assessments in accordance with the provisions of Article II, Section 2(b) of the Bylaws.

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

(4) Other Possible Liabilities. Each purchaser is advised of the possible liability of each owner under Section 58 of the Condominium Act:

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

D. Condominium Association Management Contract. The Association recently entered into a new management agreement with Marcus Management, Inc., a Michigan corporation, whose address is 28545 Orchard Lake Road, Suite A, Farmington Hills, Michigan 48334 (the "Management Agreement"). The Management Agreement has been entered into for an initial term of two years at a fee of \$11.50 per unit per month. The Management Agreement is terminable by either party upon thirty (30) days prior written notice by mutual consent of the parties, with 60 days notice for cause if a default has not been cured, or at the end of two years by

either party within 90 days of the end of the term. The management company is not affiliated with the Developer.

E. Insurance.

(1) Title Insurance. The Purchase Agreement provides that the Developer shall furnish each purchaser a commitment for an owner's title insurance policy issued by Transnation Title Insurance Company at or prior to closing, and that the policy itself shall be provided within a reasonable time after closing. The cost of the commitment and policy is to be borne by the Developer. Each purchaser should review the title insurance commitment with a qualified advisor of his or her choice prior to closing to make certain that it conforms to the requirements of the Purchase Agreement.

(2) Other Insurance. The condominium documents require that the Association carry fire and extended coverage for vandalism and malicious mischief and liability insurance and workers' compensation insurance, if applicable, with respect to all of the common elements of the Project. The insurance policies have deductible clauses and, to the extent thereof, losses will be borne by the Association. The Board of Directors is responsible for obtaining insurance coverage for the Association. Each owner's pro rata share of the annual Association insurance premiums is included in the monthly assessment. The Association insurance policies are available for inspection during normal working hours. A copy of the certificate of insurance with respect to the Project will be furnished to each owner upon request.

Each owner is responsible for obtaining personal property, liability and other individual insurance coverage with respect to his or her unit to the extent indicated in Article IV of the Bylaws. The Association should periodically review all insurance coverage to be assured of its continued adequacy and owners should each do the same with respect to their personal insurance.

F. Restrictions on Ownership, Occupancy and Use. Article VI of the Bylaws sets forth restrictions on the ownership, occupancy and use of a unit in the Project. It is impossible to paraphrase these restrictions without risking the omission of some provision that may be of significance to a purchaser. Consequently, each purchaser should examine the restrictions with care to be sure that they do not infringe upon an important intended use. The following is a list of certain of the more significant restrictions:

(1) Units are to be used only for single-family residential purposes.

(2) Animals may be maintained by any owner only if registered with the Association and there are detailed restrictions applicable to keeping a pet in the Project.

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

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

(5) There are restrictions on parking and vehicle use within the Project.

None of the restrictions apply to the commercial activities or signs of the Developer.

VII. Rights and Obligations as Between Developer and Owners

A. Before Closing. The respective obligations of the Developer and the purchaser of a unit in the Project prior to closing are set forth in the Purchase Agreement and the accompanying Purchase Escrow Agreement. Those documents should be closely examined by all purchasers in order to ascertain the disposition at closing of earnest money deposits advanced by the purchaser, anticipated closing adjustments and other important matters. The Escrow Agreement provides, pursuant to Section 103b of the Condominium Act, that the escrow agent shall maintain sufficient funds or other security to complete those improvements shown as "must be built" on the Condominium Subdivision Plan until such improvements are substantially complete. Absent such security, funds retained in escrow are not to be released to the Developer until issuance of a certificate of occupancy, if applicable, conveyance to a purchaser of title to a unit and confirmation by the escrow agent that all improvements labeled "must be built" are substantially complete. The Developer is providing the funds necessary to complete the construction of all improvements shown on the Condominium Subdivision Plan as "must be built."

B. At Closing. Each purchaser will receive by warranty deed fee simple title to his or her unit subject to no liens or encumbrances other than the condominium documents and those other easements and restrictions that are specifically set forth in the condominium documents and title insurance commitment.

C. After Closing.

(1) General. Subsequent to the purchase of the unit, relations between the Developer and the owner are governed by the Master Deed and the Condominium Act, except to the extent that any contractual provisions of the Purchase Agreement are intended to survive the closing.

(2) Condominium Project Warranties. The only warranty given by the Developer is the Limited Warranty attached to the Purchase Agreement. It should be carefully examined. As is more particularly described in the warranty, the Developer is warranting that for one year from the date of closing of a unit, the unit will be free from defects as provided for in the Limited Warranty. For this reason all warranty claims must be submitted in writing to the Developer at the address appearing on the cover of this Disclosure Statement and in the Limited Warranty. The unit's Limited Warranty is extended to the initial unit Owner only. It is recommended that you examine the Limited Warranty and review it with advisors of your choice prior to the execution of the Purchase Agreement and the closing on the purchase of your unit.

VIII. Purpose of Disclosure Statement

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

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

The descriptions of the Master Deed and other instruments contained herein are in summary form only and may or may not completely and adequately express the content of the various condominium documents. Each purchaser is referred to the original Master Deed and other original instruments as contained in the Purchaser Information Booklet. In accordance with the rules of the Michigan Department of Commerce, legal phraseology, technical terms and terms of art have been minimized and brevity has been the objective to the extent consistent with the purposes of the Disclosure Statement and rules of the Michigan Department of Commerce.

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APPENDIX I

HIGH POINTE RIDGE ASSOCIATION PROJECTED AND ESTIMATED 1997-1998 BUDGET

BASED ON 64 UNITS

ADMINISTRATIVE EXPENSES:

Postage and Mailings	\$ 240.00
Legal Expenses	\$ 400.00
Accounting Fees	\$ 700.00
Management Fees	\$ 8,832.00
Miscellaneous Administrative	\$ 500.00

TOTAL ADMINISTRATIVE EXPENSES: \$ 10,672.00

UTILITY EXPENSES:

Electricity Expenses	\$ 5,000.00
Water and Sewer Expenses	\$ 13,824.00

TOTAL UTILITY EXPENSES: \$ 18,824.00

GROUNDS MAINTENANCE EXPENSES:

Lawn Service - Bed Care	\$ 9,250.00
Snow Removal	\$ 6,800.00
Lawn Fertilization/Weed Control	\$ 800.00
Tree Maintenance	\$ 600.00
Irrigation System	\$ 1,200.00
Miscellaneous Grounds Repairs	\$ 600.00

TOTAL GROUNDS MAINTENANCE EXPENSES: \$ 19,250.00

(Continued)

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STATE OF MICHIGAN
OAKLAND COUNTY
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26 SEP 97 10:04 A.M.

MASTER DEED**HIGH POINTE RIDGE**LYNN D. ALLEN
CLERK/REGISTER OF DEEDS

This Master Deed is made and executed on this 23rd day of September, 1996, by R & H Development Co., Inc., a Michigan corporation (the "Developer"), whose address is 2295 Cameo Lake Drive, Bloomfield Hills, Michigan 48302, in pursuance of the provisions of the Michigan Condominium Act (being Act 50 of the Public Acts of 1978, as amended).

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

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

ARTICLE I**TITLE AND NATURE**

The Condominium Project shall be known as High Pointe Ridge, Oakland County Condominium Subdivision Plan No. _____. The engineering and architectural plans for the Project were approved by, and are on file with, the Township of Orion. The Condominium Project is established in accordance with the Act. The buildings contained in the Condominium,

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

Section 3. Bylaws. "Bylaws" means the attached Exhibit A, being the Bylaws setting forth the substantive rights and obligations of the Co-Owners and required by Section 3(8) of the Act to be recorded as part of the Master Deed. The Bylaws shall also constitute the corporate bylaws of the Association as provided for under the Michigan Nonprofit Corporation Act.

Section 4. Common Elements. "Common Elements," where used without modification, means both the General and Limited Common Elements described in Article IV, below.

Section 5. Condominium Documents. "Condominium Documents" means and includes this Master Deed and the attached Exhibits A and B, and the Articles of Incorporation and rules and regulations, if any, of the Association, as all of the same may be amended from time to time.

Section 6. Condominium Premises. "Condominium Premises" means and includes the land described in Article II above, all improvements and structures thereon, and all easements, rights and appurtenances belonging to High Pointe Ridge as described above.

Section 7. Condominium Project, Condominium or Project. "Condominium Project," "Condominium" or "Project" each mean High Pointe Ridge as a Condominium Project established in conformity with the Act.

Section 8. Condominium Subdivision Plan. "Condominium Subdivision Plan" means the attached Exhibit B.

Section 9. Consolidating Master Deed. "Consolidating Master Deed" means the final amended Master Deed which shall describe High Pointe Ridge as a completed Condominium Project and shall reflect the entire land area added to the Condominium from time to time under Article VI, below, and all Units and Common Elements therein, and which shall express percentages of value pertinent to each Unit as finally readjusted. Such Consolidating Master Deed, when recorded in the office of the Oakland County Register of Deeds, shall supersede the previously recorded Master Deed for the Condominium and all amendments thereto.

Section 10. Construction and Sales Period. "Construction and Sales Period," for the purposes of the Condominium Documents and the rights reserved to the Developer thereunder, means the period commencing with the recording of the Master Deed and continuing for as long as the Developer owns any Unit which it offers for sale or for so long as the Developer is entitled to add Units to the Project as provided in Article VI hereof, whichever is longer.

Section 11. Co-Owner or Owner. "Co-Owner" means a person, firm, corporation, partnership, association, trust or other legal entity or any combination thereof who or which owns

one or more Units in the Condominium Project. The term "Owner," wherever used, shall be synonymous with the term "Co-Owner."

Section 12. Developer. "Developer" means R & H Development Co., Inc., a Michigan corporation, which has made and executed this Master Deed, and its successors and assigns. Both successors and assigns shall always be deemed to be included within the term "Developer" whenever, however and wherever such term is used in the Condominium Documents.

Section 13. First Annual Meeting. "First Annual Meeting" means the initial meeting at which non-developer Co-Owners are permitted to vote for the election of all Directors and upon all other matters which properly may be brought before the meeting. Such meeting is to be held (a) in the Developer's sole discretion after 50% of the Units which may be created are conveyed, or (b) mandatorily within (i) 54 months from the date of the first Unit conveyance, or (ii) 120 days after 75% of all Units which may be created are conveyed, whichever first occurs.

Section 14. Transitional Control Date. "Transitional Control Date" means the date on which a Board of Directors of the Association takes office pursuant to an election in which the votes which may be cast by eligible Co-Owners unaffiliated with the Developer exceed the votes which may be cast by the Developer.

Section 15. Unit or Condominium Unit. "Unit" or "Condominium Unit" each mean the enclosed space constituting a single complete residential Unit in High Pointe Ridge, as such space may be described in the Condominium Subdivision Plan, and shall have the same meaning as the term "Condominium Unit" as defined in the Act.

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 to the plural shall also be included where the same would be appropriate and vice versa.

ARTICLE IV

COMMON ELEMENTS

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

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

- (a) Land. The land described in Article II hereof, including the driveways, roads, sidewalks and parking spaces located thereon not identified as Limited Common Elements.

- (b) Electrical. The electrical transmission system throughout the Project, including that contained within Unit walls and including any electrical meters, up to the point of connection with, but not including, electrical fixtures, plugs and switches within any Unit.
- (c) Exterior Lighting. The exterior lighting system throughout the Project, including all electrical transmission lines, lighting fixtures and related equipment.
- (d) Telephone. The telephone system throughout the Project up to the point of entry to each Unit.
- (e) Gas. The gas distribution system throughout the Project, including that contained within Unit walls and including any gas meters, up to the point of connection with gas fixtures within any Unit.
- (f) Water. The water distribution system throughout the Project, including that contained within Unit walls and including any water meters, up to the point of connection with plumbing fixtures within any Unit.
- (g) Sanitary Sewer. The sanitary sewer system throughout the Project, including that contained within Unit walls, up to the point of connection with plumbing fixtures within any Unit.
- (h) Storm Sewer. The storm sewer system throughout the Project.
- (i) Telecommunications. The telecommunications system throughout the Project, if and when it may be installed, up to, but not including, connections to provide service to individual Units.
- (j) Construction. Foundations, supporting columns, Unit perimeter walls (but not including windows and doors therein), roofs, ceilings, halls, floor construction between Unit levels and chimneys.
- (k) Sump Pumps. The sump pumps, if any, throughout the Project, including all accessories related to their operation, located in some Units.
- (l) Irrigation System. The irrigation system throughout the Project, including all accessories related to their operation, wherever located.
- (m) Other. 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 which are intended for common use or are necessary to the existence, upkeep and safety of the Project.

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

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

- (a) Balconies or Decks. Each individual balcony, deck or patio, if any, in the Project is restricted in use to the Co-Owner of the Unit which opens onto such balcony, deck or patio as shown on Exhibit B hereto.
- (b) Furnace/Air Conditioners. Each individual furnace/air conditioner in the Project is restricted in use to the Co-Owner(s) of the Unit(s) which such furnace/air conditioner services.
- (c) Garage Interiors, Storage Areas and Driveways. Each individual garage interior, adjacent storage area, if any, and adjacent driveway are appurtenant to certain Units as Limited Common Elements as designated on Exhibit "B" attached hereto.
- (d) Interior Surfaces. The interior surfaces of Unit and garage perimeter walls, storage area perimeter walls, windows, doors, ceilings and floors contained within a Unit, storage area perimeter walls, the garage and the storage area shall be subject to the exclusive use and enjoyment of the Co-Owner of such Unit.
- (e) Windows, Storm Windows and Window Screens. All windows, whether fixed or removable, all removable storm windows, all fixed and removable window screens, all door windows and screens and doorwall, doorwall windows and doorwall screens, if any, appurtenant to each Unit shall be subject to the exclusive use and enjoyment of the Co-owner of such Unit.
- (f) Fireplace Combustion Chamber. The fireplace combustion chamber, if any, for a Unit shall be subject to the exclusive use and enjoyment of the Co-Owner of the Unit served thereby.

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

- (a) Balconies, Decks or Patios. The costs of maintenance and decoration of each balcony, deck and patio, if any, described in Article IV, Section 2(a) above shall be borne by the Co-Owner of the Unit which opens into such balcony, deck or

patio (but not the costs of repair and replacement, which shall be the responsibility of the Association).

- (b) Furnace/Air Conditioners. The costs of maintenance, repair and replacement of each individual furnace/air conditioner described in Article IV, Section 2(b) above shall be borne by the Co-Owner(s) of the Unit(s) which such furnace/air conditioner services.
- (c) Interior Surfaces. The costs of decoration and maintenance (but not repair or replacement except in cases of Co-owner fault) of the interior of the garage and storage area, if any, referred to in Article IV, Section 2(c) and all surfaces referred to in Article IV, Section 2(d) above shall be borne by the Co-owner of each Unit to which such Limited Common Elements are appurtenant, and Co-owners shall be solely responsible for decoration, maintenance repair and replacement of the garage floor and storage area floor, if any, appurtenant to their Units.
- (d) Windows, Storm Windows and Window Screens. The cost of maintenance, repair and replacement of all windows (whether fixed or removable), all removable storm windows, all fixed and removable window screens, all windows and screens in doors, and doorwalls, doorwall windows and doorwall screens, if any, referred to in Article IV, Section 2(e) shall be borne by the Co-owner of the Unit to which they are appurtenant.
- (e) Fireplace Combustion Chamber. The costs of maintenance, repair and replacement of each individual fireplace combustion chamber described in Article IV, Section 2(f) above shall be borne by the Co-Owner(s) of the Unit(s) which such fireplace combustion chamber services.
- (f) Other. The costs of maintenance, repair and replacement of all General and Limited Common Elements other than as described above shall be borne by the Association, subject to any provisions of the Bylaws expressly to the contrary.

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

ARTICLE V

UNIT DESCRIPTION AND PERCENTAGE OF VALUE

Section 1. Description of Units. Each Unit in the Condominium Project is described in this paragraph with reference to the Condominium Subdivision Plan of High Pointe Ridge as prepared by Kieft Engineering, Inc. Each Unit shall include: (1) with respect to each Unit

basement, all that space contained within the unpainted surfaces of the basement floor and walls and the uncovered underside of the first-floor joists, and (2) with respect to the upper floors of Units, all that space contained within the interior finished unpainted walls and ceilings and from the finished subfloor, all as shown on the floor plans and sections in the Condominium Subdivision Plan and delineated with heavy outlines. The dimensions shown on basement and foundation plans in the Condominium Subdivision Plan have been or will be physically measured by Kieft Engineering, Inc.

In the event that the dimensions on the measured foundation plan of any specific Unit differ from the dimensions on the typical foundation plan for such Unit shown in the Condominium Subdivision Plan, then the typical upper-floor plans for such Unit shall be deemed to be automatically changed for such specific Unit in the same manner and to the same extent as the measured foundation plan.

Section 2. Percentage of Value. The percentage of value assigned to each Unit is set forth below. The percentages of value were computed on the basis of the relative square foot area of the Units, with the resulting percentages reasonably adjusted to total precisely 100%. 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, the proportionate share of each respective Co-Owner in the proceeds and expenses of the administration and the value of such Co-Owner's vote at meetings of the Association.

Section 3. Percentage of Value Assignment. Set forth below are:

- (a) Each Unit number as it appears on the Condominium Subdivision Plan; and
- (b) The percentage of value assigned to each Unit.

<u>Unit Number</u>	<u>Percentages of Value</u>
1	1.83
2	1.83
3	1.83
4	1.28
5	1.83
6	1.51
7	1.51
8	1.28
9	1.83
10	1.51
11	1.51
12	1.28
13	1.83

14	1.51
15	1.51
16	1.28
17	1.83
18	1.83
19	1.83
20	1.28
21	1.83
22	1.51
23	1.51
24	1.28
25	1.83
26	1.51
27	1.51
28	1.28
29	1.83
30	1.51
31	1.51
32	1.28
33	1.83
34	1.51
35	1.51
36	1.28
37	1.83
38	1.51
39	1.51
40	1.28
41	1.83
42	1.51
43	1.51
44	1.28
45	1.83
46	1.51
47	1.51
48	1.28
49	1.83
50	1.51
51	1.51
52	1.28
53	1.83
54	1.51
55	1.51
56	1.28
57	1.83
58	1.51

59	1.51
60	1.28
61	1.83
62	1.83
63	1.83
64	1.28

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, the proportionate share of each respective Co-Owner in the proceeds and expenses of the administration and the value of such Co-Owner's vote at meetings of the Association of Co-Owners.

ARTICLE VI

EXPANSION OF CONDOMINIUM

Section 1. Area of Future Development. The Condominium Project established pursuant to the initial Master Deed of High Pointe Ridge and consisting of 64 Units is intended to be the a single phase condominium. However, if land is withdrawn from the project as provided for under Article VII, below and such land shall be deemed to be an "area of future development" and the project may be subsequently re-expanded as an Expandable Condominium under the Act to contain in its entirety a maximum of 64 Units.

Section 2. Number of Units. Any other provisions of this Master Deed notwithstanding, the number of Units in the Project may, at the option of the Developer, from time to time, within a period ending no later than 6 years from the date of recording this Master Deed, be re-expanded by the addition to this Condominium of any portion of the area of future development formerly withdrawn and the construction of residential Units thereon. The location, nature, appearance, design (interior and exterior) and structural components of all such additional Units as may be constructed thereon shall be determined by the Developer in its sole discretion subject only to approval by the Township of Orion. All such improvements shall be reasonably compatible with the existing structures in the Project, as determined by the Developer in its sole discretion. No Unit shall be created within the area of future development that is not restricted exclusively to residential use.

Section 3. Expansion Not Mandatory. Nothing herein contained shall in any way obligate the Developer to re-expand the Condominium Project beyond the phase established by this Master Deed and the Developer may, in its discretion, establish all or a portion of said area as a rental development, a separate condominium project (or projects) or any other form of development. There are no restrictions on the election of the Developer to re-expand the Project other than as explicitly set forth herein. There is no obligation on the part of the Developer to add to the Condominium Project all or any portion of the area of future development previously withdrawn as described in this Article VI, nor is there any obligation to add portions back to the

Condominium Project in any particular order nor to construct particular improvements thereon in any specific locations.

ARTICLE VII

CONTRACTION OF CONDOMINIUM

Section 1. Right to Contract. As of the date this Master Deed is recorded, the Developer intends to establish a Condominium Project consisting of 64 Units on the land described in Article II hereof all as shown on the Condominium Subdivision Plan. Developer reserves the right, however, to establish a Condominium Project consisting of fewer Units than described above and to withdraw from the project all or some portion of the following described land: being Units 1 through 28 and Units 33 through 64 and the improvements needed to service those Units. (hereinafter referred to as "contractible area"). Therefore, any other provisions of this Master Deed to the contrary notwithstanding, the number of Units in this Condominium Project may, at the option of the Developer, from time to time, within a period ending no later than 6 years from the date of recording this Master Deed, be contracted to any number determined by the Developer in its sole judgment, but in no event shall the number of buildings be less than one (1) and the number of Units be less than four.

Section 2. Withdrawal of Land. In connection with such contraction, the Developer unconditionally reserves the right to withdraw from the Condominium Project such portion or portions of the land described in this Article VII as is not reasonably necessary to provide access to or otherwise serve the Units included in the Condominium Project as so contracted. Developer reserves the right to use the portion of the land so withdrawn to establish, in its sole discretion, a rental development, a separate condominium project (or projects) or any other form of development. Developer further reserves the right, subsequent to such withdrawal but prior to 6 years from the date of recording this Master Deed, to expand the Project as so reduced to include all or any portion of the land so withdrawn.

ARTICLE VIII

CONVERTIBLE AREAS

Section 1. Designation of Convertible Areas. Certain areas adjacent to individual Units have been designated on the Condominium Subdivision Plan as Convertible Areas within which the Units and Common Elements may be modified as provided herein.

Section 2. Developer's Right to Modify Units and Common Elements. The Developer reserves the right, in its sole discretion, during a period ending no later than six (6) years from the date of recording this Master Deed, to modify the size, location, design or elevation of Units and/or General or Limited Common Elements appurtenant or geographically proximate to such Units within the Convertible Areas designated for such purpose on the

Condominium Subdivision Plan, so long as such modifications do not unreasonably impair or diminish the appearance of the Project or the view, privacy or other significant attribute or amenity of any Unit which adjoins or is proximate to the modified Unit or Common Element.

Section 3. Developer's Right to Construct Patios or Decks. The Developer reserves the right, from time to time, within a period ending no later than six (6) years from the date of recording this Master Deed, to construct patios or decks on all or any portion or portions of the Convertible Areas which will be Limited Common Elements of the Units to which they are appurtenant. The precise number and location of patios or decks which may be constructed shall be determined by Developer to construct any patios or decks whatsoever. The patios or decks shall be assigned by the Developer as appurtenant to individual Units on an equitable basis. Any consideration paid by a Co-owner of the construction and assignment of a patios or decks shall insure solely to the benefit of Developer; provided that such consideration will be returned to the Co-owner if such assignment is not made.

Section 4. Co-owners' Right to construct Patios or Decks. The Developer reserves the right, during the Construction and Sales Period, for individual Co-owners to construct patios or decks containing not more than 200 square feet of area within the convertible Area designated for such purpose, subject to the prior written approval from the Developer of the architectural plans for such improvements. Such enclosed areas shall be Limited Common Elements for the Units to which they are appurtenant. The Association shall have no responsibility for the maintenance, repair, decoration or replacement of such enclosed areas. As provided for under the Act, the Association may specially assess Units with such areas for the cost of their maintenance if the Association undertakes to maintain them. Any such improvements shall be completed by Co-owner prior to the time the Developer files as-built plans for the Condominium pursuant to the Act.

Section 5. Compatibility of Improvements. All improvements constructed within the Convertible Areas described above shall be reasonably compatible with the structures on other portions of the Condominium Project. No improvements, other than as above indicated, may be created on the Convertible Areas.

ARTICLE IX

OPERATIVE PROVISIONS

Any expansion, conversion or contraction in the Project pursuant to Articles VI, VII or VIII above shall be governed by the provisions as set forth below.

Section 1. Amendment of Master Deed and Modification of Percentages of Value. Such expansion or contraction of this Condominium Project shall be given effect by appropriate amendments to this Master Deed in the manner provided by law, which amendments shall be prepared by and at the discretion of the Developer and in which the percentages of value set forth in Article V hereof shall be proportionately readjusted when applicable in order to preserve a

total value of 100% for the entire Project resulting from such amendments to this Master Deed. The precise determination of the readjustments in percentages of value shall be made within the sole judgment of the Developer. Such readjustments, however, shall reflect a continuing reasonable relationship among percentages of value based upon the original method of determining percentages of value for the Project.

Section 2. Redefinition of Common Elements. Such amendments to the Master Deed shall also contain such further definitions and redefinitions of General or Limited Common Elements as may be necessary to adequately describe, serve and provide access to the additional parcel or parcels being added to (or withdrawn from) the Project by such amendments. In connection with any such amendments, the Developer shall have the right to change the nature of any Common Element previously included in the Project for any purpose reasonably necessary to achieve the purposes of this Article, including, but not limited to, the connection of roadways and sidewalks in the Project to any roadways and sidewalks that may be located on, or planned for the area of future development or the contractible area, as the case may be, and to provide access to any Unit that is located on, or planned for the area of future development or the contractible area from the roadways and sidewalks located in the Project.

Section 3. Right to Modify Floor Plans. The Developer further reserves the right to amend and alter the floor plans and/or elevations of any buildings and/or Units described in the Condominium Subdivision Plan attached hereto. The nature and appearance of all such altered buildings and/or Units shall be determined by the Developer in its sole judgment; but, in no event shall such altered buildings and/or Units deviate substantially from the general development plan approved by the Township of Orion. All such improvements shall be reasonably compatible with the existing structures in the Project, as determined by the Developer in its sole discretion. No Unit shall be created within the area of future development that is not restricted exclusively to residential use.

Section 4. Consolidating Master Deed. A Consolidating Master Deed shall be recorded pursuant to the Act when the Project is finally concluded as determined by the Developer in order to incorporate into one set of instruments all successive stages of development. The Consolidating Master Deed, when recorded, shall supersede the previously recorded Master Deed and all amendments thereto.

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

EASEMENTS

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

Section 2. Easements Retained by Developer.

- (a) Roadway Easements. The Developer reserves for the benefit of itself, its successors and assigns, and all future owners of the land described in Articles VI and VII or any portion or portions thereof, an easement for the unrestricted use of all roads and walkways in the Condominium for the purpose of ingress and egress to and from all or any portion of the parcel described in Articles VI and VII. All expenses of maintenance, repair, replacement and resurfacing of any road referred to in this Section shall be shared by this Condominium and any developed portions of the land described in Articles VI and VII whose closest means of access to a public road is over such road or roads. The Co-Owners of this Condominium shall be responsible for payment of a proportionate share of such expenses which share shall be determined by multiplying such expenses by a fraction, the numerator of which is the number of dwelling Units in this Condominium, and the denominator of which is comprised of the numerator plus all other dwelling Units in the land described in Articles VI and VII whose closest means of access to a public road is over such road.
- (b) Dedication to the Public. The Developer reserves the right at any time during the Construction and Sales Period to dedicate to the public a right-of-way of such width as may be required by the local public authority over any or all of the roadways in High Pointe Ridge, shown as General Common Elements in the Condominium Subdivision Plan. Any such right-of-way dedication may be made by the Developer without the consent of any Co-Owner, mortgagee or other person and shall be evidenced by an appropriate amendment to this Master Deed and to the Condominium Subdivision Plan hereto, recorded in the Oakland County Records. All of the Co-Owners and mortgagees of Units and other persons interested or to become interested in the Project from time to time shall be deemed to have irrevocably and unanimously consented to such amendment or amendments of this Master Deed to effectuate the foregoing right-of-way dedication.

- (c) Utility Easements. The Developer also hereby reserves for the benefit of itself, its successors and assigns, and all future owners of the land described in Articles VI and VII or any portion or portions thereof, perpetual easements to utilize, tap, tie into, extend and enlarge all utility mains located in the Condominium, including, but not limited to, water, gas, storm and sanitary sewer mains. In the event Developer, its successors or assigns, utilizes, taps, ties into, extends or enlarges any utilities located in the Condominium, it shall be obligated to pay all of the expenses reasonably necessary to restore the Condominium Premises to their state immediately prior to such utilization, tapping, tying-in, extension or enlargement. All expenses of maintenance, repair and replacement of any utility mains referred to in this Section shall be shared by this Condominium and any developed portions of the land described in Articles VI and VII which are served by such mains. The Co-Owners of this Condominium shall be responsible from time to time for payment of a proportionate share of said expenses which share shall be determined by multiplying such expenses times a fraction, the numerator of which is the number of dwelling Units in this Condominium, and the denominator of which is comprised of the numerator plus all other dwelling Units in the land described in Articles VI and VII that are served by such mains.
- (d) Grant of Easements. The Developer reserves the right at any time during the Construction and Sales Period to grant easements for utilities over, under and across the Condominium to appropriate governmental agencies or public utility companies and to transfer title of utilities to governmental agencies or to utility companies. Any such easement or transfer of title may be conveyed by the Developer without the consent of any Co-Owner, mortgagee or other person and shall be evidenced by an appropriate amendment to this Master Deed and to Exhibit B hereto, recorded in the Oakland County Records. All of the Co-Owners and mortgagees of Units and other persons interested or to become interested in the Project from time to time shall be deemed to have irrevocably and unanimously consented to such amendments to this Master Deed as may be required to effectuate the foregoing grant of easement or transfer of title.

Section 3. Grant of Easements and Dedications by Association. The Association, acting through its lawfully constituted Board of Directors (including any Board of Directors acting prior to the Transitional Control Date) shall be empowered and obligated to grant such easements, licenses, rights-of-entry and rights-of-way over, under and across the Condominium Premises for utility purposes, access purposes or other lawful purposes as may be necessary for the benefit of the Condominium or for the benefit of any other land described in Article VI hereof; subject, however, to the approval of the Developer during the Construction and Sales Period. No easements created under the Condominium Documents may be modified, nor may any of the obligations with respect thereto be varied, without the consent of each person benefitted thereby. The right shall include the right to dedicate roads within the Condominium Project to the public.

Section 4. Easements for Maintenance, Repair and Replacement. The Developer, the Association and all public or private utility companies shall have such easements over, under, across and through the Condominium Premises, including all Units and Common Elements as may be necessary to develop, construct, market and operate any Units within the land described in Article II, VI and VII hereof, and also to fulfill any responsibilities of maintenance, repair, decoration or replacement which they or any of them are required or permitted to perform under the Condominium Documents or by law. These easements include, without any implication of limitation, the right of the Association to obtain access during reasonable hours and upon reasonable notice to water meters, sprinkler controls and valves and other Common Elements located within any Unit or its appurtenant Limited Common Elements.

Section 5. Telecommunications Agreements. The Association, acting through its duly constituted Board of Directors and subject to the Developer's approval during the Construction and Sales Period, shall have the power to grant such easements, licenses and other rights of entry, use and access and to enter into any contract or agreement, including wiring agreements, right-of-way agreements, bulk service 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, satellite communications, 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 affecting the administration of the Condominium Project within the meaning of the Act and shall be paid over to and shall be the property of the Association.

ARTICLE X

AMENDMENT

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

Section 1. Modification of Units or Common Elements. No Unit dimension may be modified in any material way without the consent of the Co-Owner and mortgagee of such Unit nor may the nature or extent of Limited Common Elements or the responsibility for maintenance, repair or replacement thereof be modified in any material way without the written consent of the Co-Owner and mortgagee of any Unit to which the same are appurtenant, except as otherwise expressly provided in this Master Deed or in the Bylaws to the contrary.

Section 2. Mortgagee Consent. Whenever a proposed amendment would materially alter or change the rights of mortgagees generally, then such amendments shall require the approval of 66-2/3% of all first mortgagees of record, allocating one vote for each mortgage held.

Section 3. By Developer. Prior to 1 year after expiration of the Construction and Sales Period, the Developer may, without the consent of any Co-Owner or any other person, amend this Master Deed and the Condominium Subdivision Plan attached as Exhibit B in order to correct survey or other errors made in such documents and to make such other amendments to such instruments and to the Bylaws attached hereto as Exhibit A as do not materially affect any rights of any Co-Owners or mortgagees in the Project.

Section 4. Change in Percentage of Value. The value of the vote of any Co-Owner and the corresponding proportion of common expenses assessed against such Co-Owner shall not be modified without the written consent of such Co-Owner and his or her mortgagee, nor shall the percentage of value assigned to any Unit be modified without like consent, except as provided in this Master Deed or in the Bylaws.

Section 5. Termination, Vacation, Revocation or Abandonment. The Condominium Project may not be terminated, vacated, revoked or abandoned without the written consent of the Developer and 80% of non-developer Co-Owners.

Section 6. Developer Approval. During the Construction and Sales Period, the Condominium Documents shall not be amended nor shall the provisions thereof be modified by any other amendment to this Master Deed without the written consent of the Developer. No easements created under the Condominium Documents may be modified or obligations with respect thereto varied without the consent of each owner benefitted thereby.

ARTICLE XI

ASSIGNMENT

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

IN THE PRESENCE OF:

Gregory J. Gamalski
print: GREGORY J. GAMALSKI

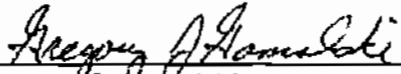
Tina M. Radke
print: TINA M. RADKE

R & H Development Co., Inc., a Michigan corporation

By: Richard Kaplan
Richard Kaplan, President

STATE OF MICHIGAN)
) SS.
COUNTY OF OAKLAND)

The foregoing instrument was acknowledged before me this 23rd day of September, 1997, by Richard Kaplan, President of R&H Development Co., Inc., a Michigan corporation, on behalf of the corporation.



Gregory J. Gamalski, Notary Public
Oakland County, Michigan
My commission expires: December 7, 1998

Master Deed drafted by and
when recorded return to:

GREGORY J. GAMALSKI, Attorney
Maddin, Hauser, Wartell, Roth,
Heller & Pesses, P.C.
28400 Northwestern Hwy., 3rd Floor
Southfield, Michigan 48034
(810) 827-1893

48127

HIGH POINTE RIDGE

**R & H Development Co., Inc.
3123 High Pointe Ridge Dr.
Lake Orion, Michigan 48359**

NOTICE TO CO-OWNER/MORTGAGEE REGARDING PROPOSED AMENDMENTS

Dear Co-Owner/Mortgagee:

Under the Master Deed for the High Pointe Ridge Condominium project, R & H Development Co., Inc., the Developer, has reserved the right to amend the condominium project documents for the purposes of adding units and/or land, or withdrawing units and/or land. As provided for under Section 90 of the Michigan Condominium Act, the Developer is hereby providing notice to you of its intention to further amend the Master Deed for the purposes set forth above. As further required under the Act, the Co-owners and Mortgagees will be provided with copies of any such amendment once it is recorded. At this time, it is impossible to predict the number of amendments which may be made by the Developer for the purposes set forth above, however, you will receive notice of any other amendments for purposes other than those set forth in this notice.

Sincerely,

**R & H Development Co., Inc.
a Michigan corporation**

**FIRST AMENDMENT TO THE
MASTER DEED OF HIGH POINTE RIDGE**

R & H Development Co., Inc., a Michigan corporation (the "Developer"), whose address is 2295 Cameo Lake Drive, Bloomfield Hills, Michigan 48302, being the Developer of High Pointe Ridge, a Condominium Project, established pursuant to the Master Deed recorded on September 26, 1997 in Liber 17626, Pages 98 through, Oakland County Records, and known as Oakland County Condominium Subdivision Plan No. 1073 (the "Master Deed"), as the owner of all of the Units in the Condominium Project amends the Master Deed, pursuant to the authority reserved in Article X, Section 3 of the Master Deed for the purposes adding Article XI which will provide certain rights and privileges for the benefit of public agencies. When this Amendment is recorded in the office of the Oakland County Register of Deeds, the Master Deed shall be amended in the following manner:

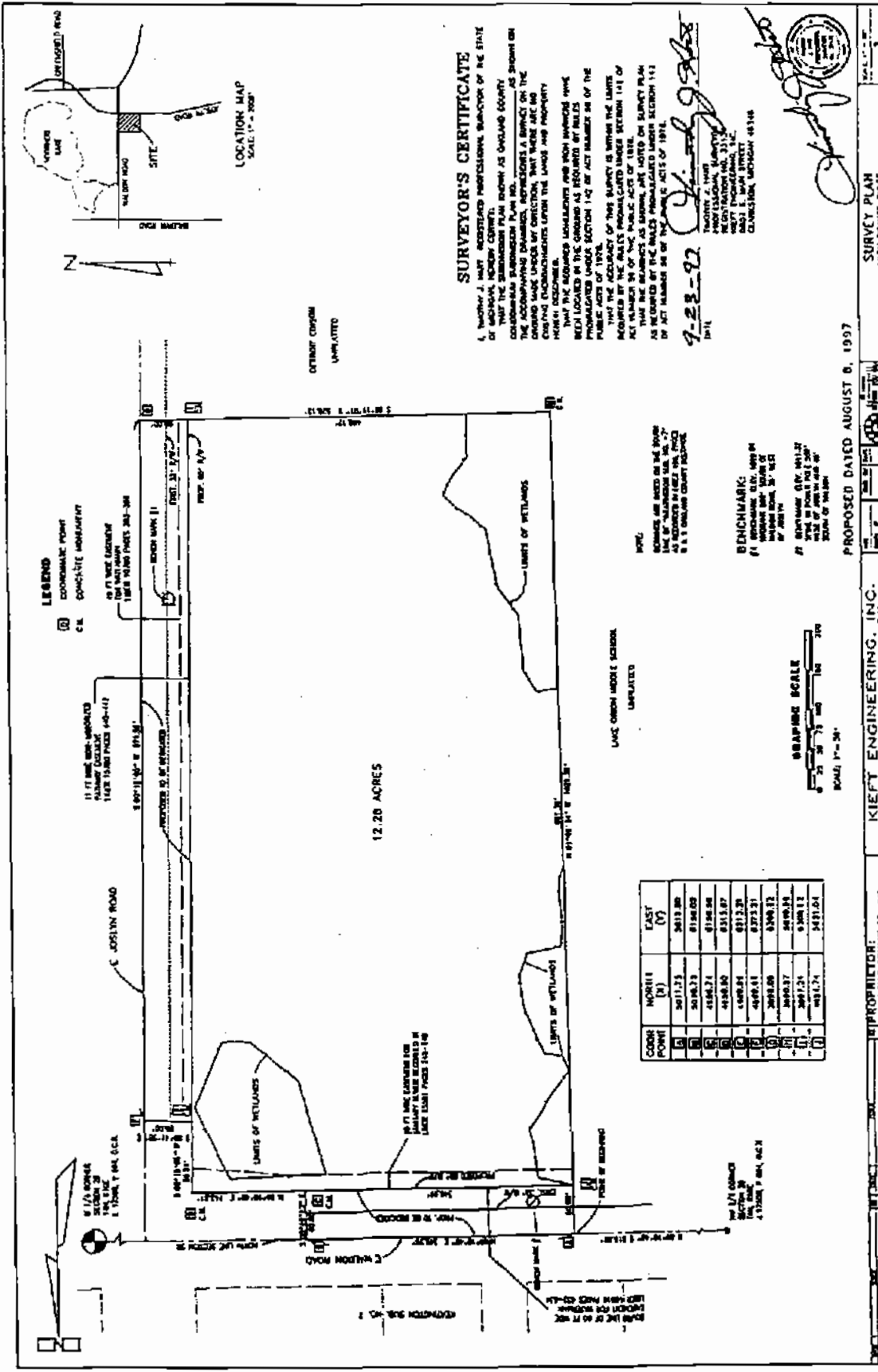
1. Article XI is added to the Master Deed:

**ARTICLE XI
PRIVATE ROADS, STORM DRAINAGE, EMERGENCY VEHICLES.**

The following provisions are added for the benefit of the Charter Township of Orion and all other public agencies having jurisdiction over or providing services to the Condominium Project.

1. Section 1. Private Roads. The private roads as shown on the Condominium Subdivision Plan will be maintained (including, without limitation, snow removal), replaced, repaired, and resurfaced as necessary by the Association. It is the Association's responsibility to inspect and to perform preventative maintenance of the condominium roadways on a regular basis in order to maximize their useful life and to minimize repair and replacement costs. In the event the Association fails to provide adequate maintenance, repair, or replacement of the private roads, the Charter Township of Orion may serve written notice of such failure upon the Association. Such written notice shall contain a demand that the deficiencies of maintenance, repair or replacement be cured within a stated reasonable time period. If such deficiencies are not cured, the Township may undertake such maintenance, repair, or replacement and the costs, plus a 25% administrative fee may be assessed against the co-owners and collected as a special assessment on the next annual Charter Township of Orion tax roll.

2. Section 2. Retention Basin System and Storm Water Drainage. The costs of maintenance, repair, and replacement of any retention basin system and/or storm water drainage system shall be borne by the Association. In the event the Association fails to provide adequate maintenance, repair, or replacement of the retention basin system or the storm water drainage system, the Charter Township of Orion may serve written notice of such failure upon the Association. Such written notice shall contain a demand that deficiencies of maintenance, repair, or replacement be cured within a stated reasonable time period. If such deficiencies are not cured, the Township may undertake such maintenance, repair, replacement and the costs, plus a 25% administrative fee may be assessed against the co-owners and collected as a special assessment on the next annual Charter Township of Orion tax roll.



SURVEYOR'S CERTIFICATE

I, **WALTER J. HART**, REGISTERED PROFESSIONAL SURVEYOR OF THE STATE OF MICHIGAN, HEREBY CERTIFY THAT THE SURVEY MAP SHOWING AS OAKLAND COUNTY, MICHIGAN, THE BOUNDARIES OF THE PARCELS OF LAND, AS SHOWN ON THE ACCOMPANYING MAP, REPRESENTS A SURVEY OF THE LANDS OWNED BY THE STATE OF MICHIGAN, AND THAT THE SURVEY WAS MADE IN ACCORDANCE WITH THE ACTS OF THE PUBLIC ACTS OF 1975.

THAT THE REQUIRED MONUMENTS AND NON-MONUMENTS WERE PLACED IN THE FIELD BY THE SURVEYOR, OR BY A PERSON UNDER HIS CLOSE PERSONAL SUPERVISION, AND THAT THE SURVEY WAS MADE IN ACCORDANCE WITH THE ACTS OF THE PUBLIC ACTS OF 1975.

THAT THE ACCURACY OF THIS SURVEY IS WITHIN THE LIMITS REQUIRED BY THE ACTS OF THE PUBLIC ACTS OF 1975, AND THAT THE SURVEYOR'S CERTIFICATE IS VALID FOR THE PURPOSES OF THE ACTS OF THE PUBLIC ACTS OF 1975.

7-23-97

WALTER J. HART
REGISTERED PROFESSIONAL SURVEYOR
MICHIGAN REGISTRATION NO. 3112
KIEFT ENGINEERING, INC.
10000 W. 100th Ave.
CLINTON, MICHIGAN 48818

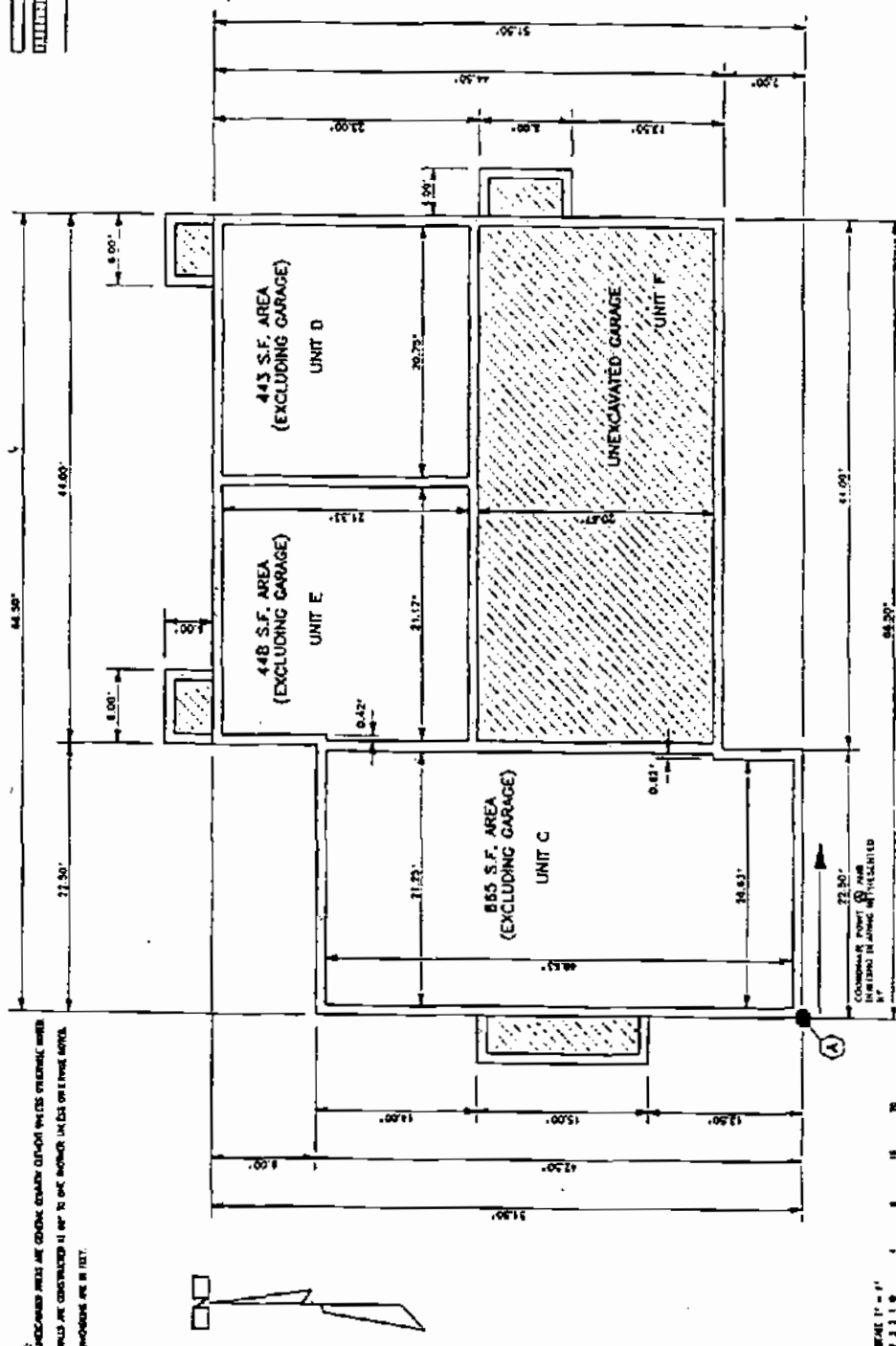


SURVEY PLAN

ALL WILLS ARE OUR FEEL THAT
WILLS NOTED OTHERWISE.

THEY WERE IN THE HOSPITAL FOR TWO WEEKS, AND IN THE MEANTIME, THE POLICE HAD BEEN SEARCHING FOR THE TWO OTHERS. THE POLICE HAD BEEN SEARCHING FOR THE TWO OTHERS.

ANSWERING TO SLIMS
 JAMES TO MONROE SLIMS
 JAMES TO MONROE SLIMS



— 347 —

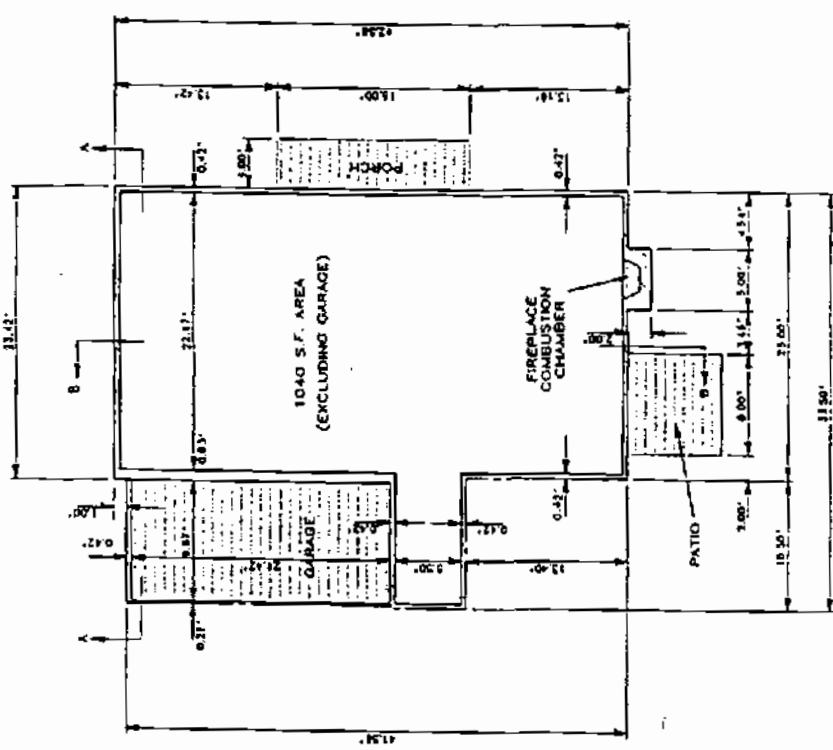
INDICATES EDC. IS REVERSED

HIGH POINTE RIDGE

FOUNDATION PLAN
 FOUNDING NO. 7, 3, 4, 6, 7, 8, 9, 10, 11, 17, 13, 14, 15,

BRIEF ENGINEERING, INC.
 10000 100th Ave. N.E. #100
 Redmond, WA 98073-1100
 (206) 881-1100
 FAX (206) 881-1101
 Telex 170000
 Cable 10000
 10000 100th Ave. N.E. #100
 Redmond, WA 98073-1100
 (206) 881-1100
 FAX (206) 881-1101
 Telex 170000
 Cable 10000[illegible]

SCALE 1" = 4'-0"

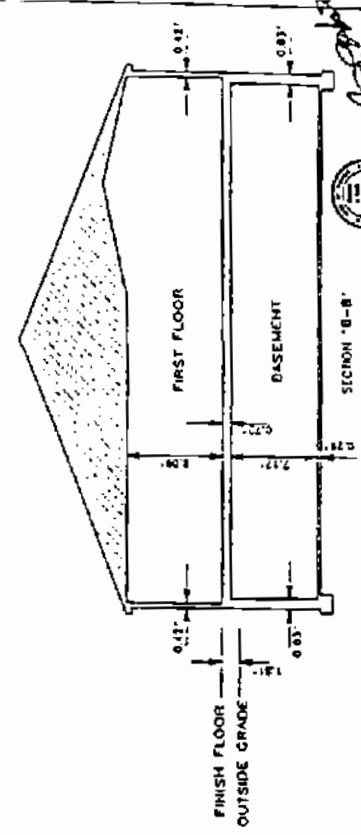
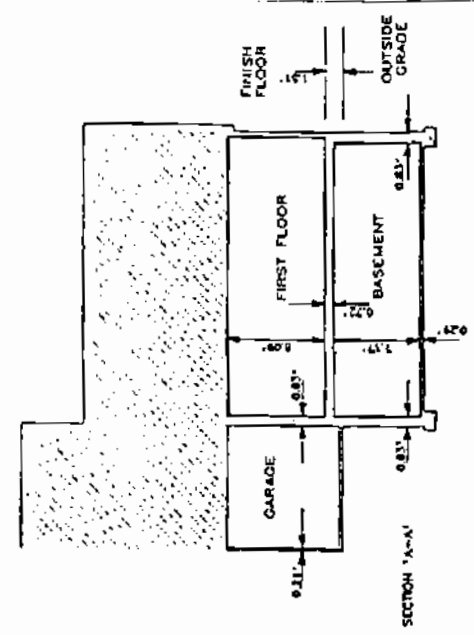


FIRST FLOOR PLAN

NOTE:
ALL WALLS ARE 8.13 INCH THICK
UNLESS NOTED OTHERWISE.
ALL UNFINISHED AREAS ARE EXPOSED CONCRETE UNLESS OTHERWISE NOTED.
ALL WALLS ARE CONSTRUCTED AT 90° TO ONE ANOTHER UNLESS OTHERWISE NOTED.
ALL FINISHES ARE IN FEET.
THE ENTRY "A" INDICATES THE WAY IS REVERSED.

LEGEND

- [---] EXTERIOR CONCRETE ELEMENT
- [---] INTERIOR CONCRETE ELEMENT
- [---] PARTS OF BUILDING



PROPOSED DATED AUGUST 8, 1997

HIGH POINTE RIDGE
TYPICAL UNIT "1"

REVISIONS

KELLY ENGINEERING, INC.

NO.	DATE	DESCRIPTION
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2	8/15/97	REVISIONS
3	8/22/97	REVISIONS
4	8/29/97	REVISIONS
5	9/5/97	REVISIONS
6	9/12/97	REVISIONS
7	9/19/97	REVISIONS
8	9/26/97	REVISIONS
9	10/3/97	REVISIONS
10	10/10/97	REVISIONS
11	10/17/97	REVISIONS
12	10/24/97	REVISIONS
13	10/31/97	REVISIONS
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96	6/4/99	REVISIONS
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100	7/2/99	REVISIONS

THE UNIVERSITY OF CHICAGO

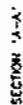
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LIMITED COUNCIL CLIENT	
LIMITS OF OBTAINER	



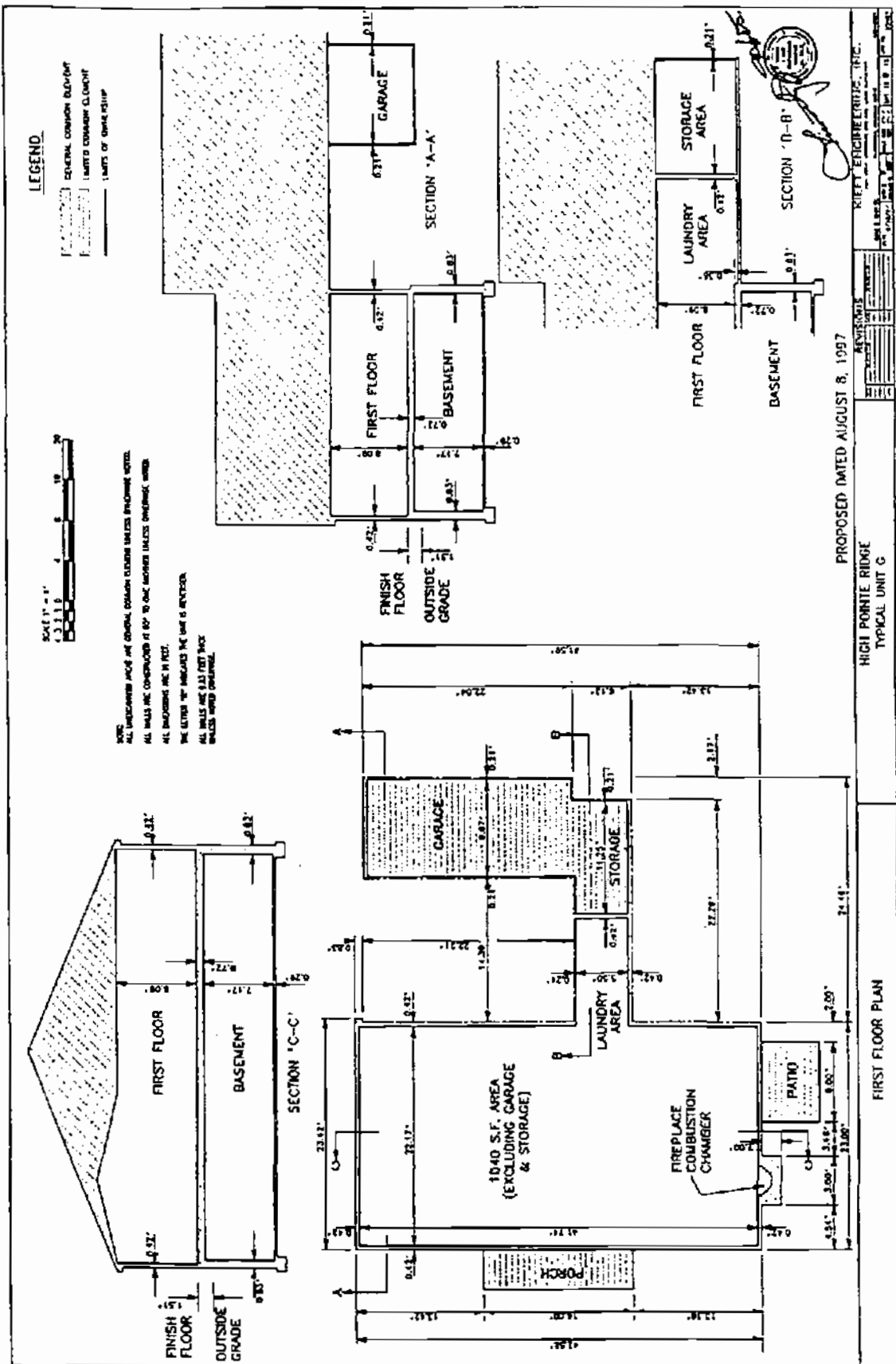
Special Unit 74

THE

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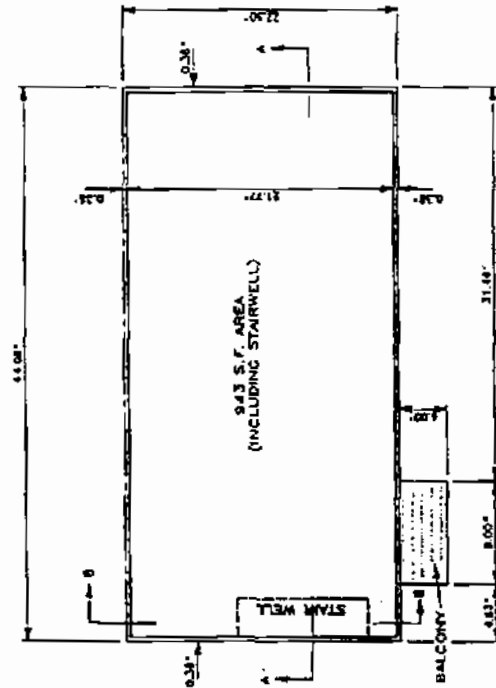
SECTION - B-B-



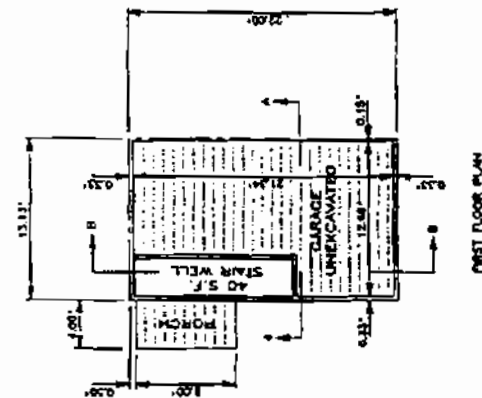
LEGEND

GENERAL COMMON ELEMENT
UNITED COMMON ELEMENT
LIMITS OF OVERLAP

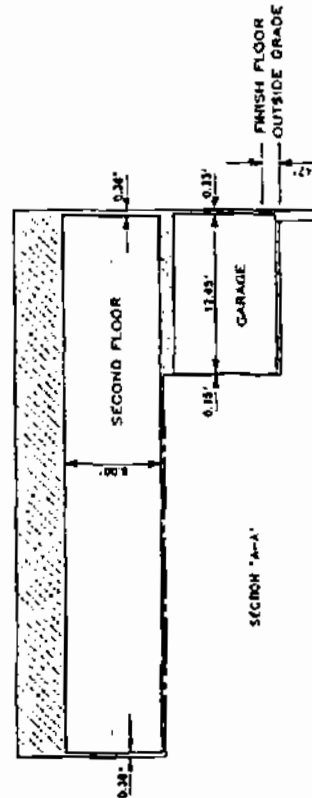
NOTE:
ALL WALLS ARE 8 1/2 FEET THICK
UNLESS NOTED OTHERWISE.
NOT:
ALL UNREINFORCED MASONRY WALLS ARE 8 1/2 FEET THICK
ALL WALLS ARE CONSTRUCTED AT 16" TO ONE HUNDRED BARS PER LINEAL FOOT
ALL WINDOWS ARE 16" TO ONE HUNDRED BARS PER LINEAL FOOT
THE LITER "V" INDICATES THE WALL IS REINFORCED



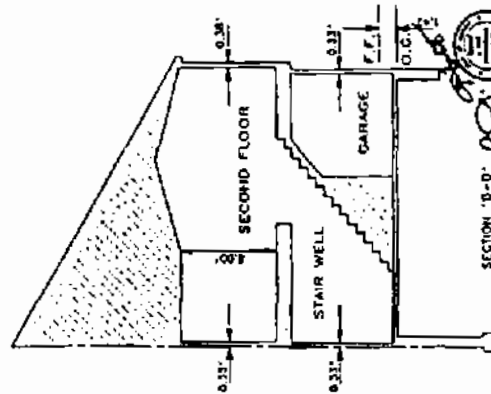
SECOND FLOOR PLAN



FIRST FLOOR PLAN



SECTION "A-A"



SECTION "B-B"

PROPOSED DATED AUGUST 8, 1997

HIGH POINT RIDGE

TYPICAL UNIT "A"

REVISIONS

NO.	DESCRIPTION	DATE
1	ISSUED FOR PERMIT	8/8/97
2	REVISIONS	8/8/97
3	REVISIONS	8/8/97
4	REVISIONS	8/8/97
5	REVISIONS	8/8/97
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7	REVISIONS	8/8/97
8	REVISIONS	8/8/97
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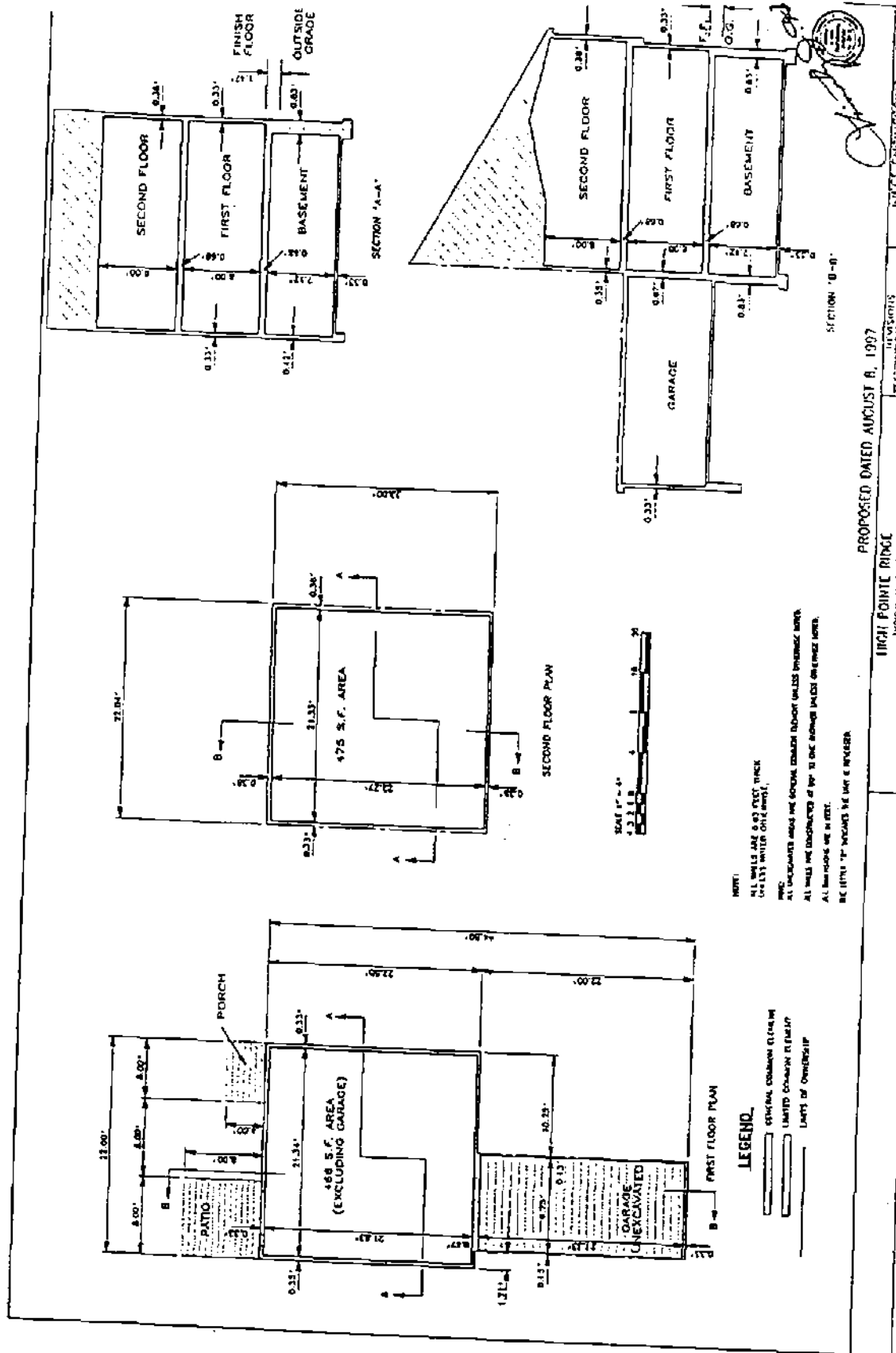
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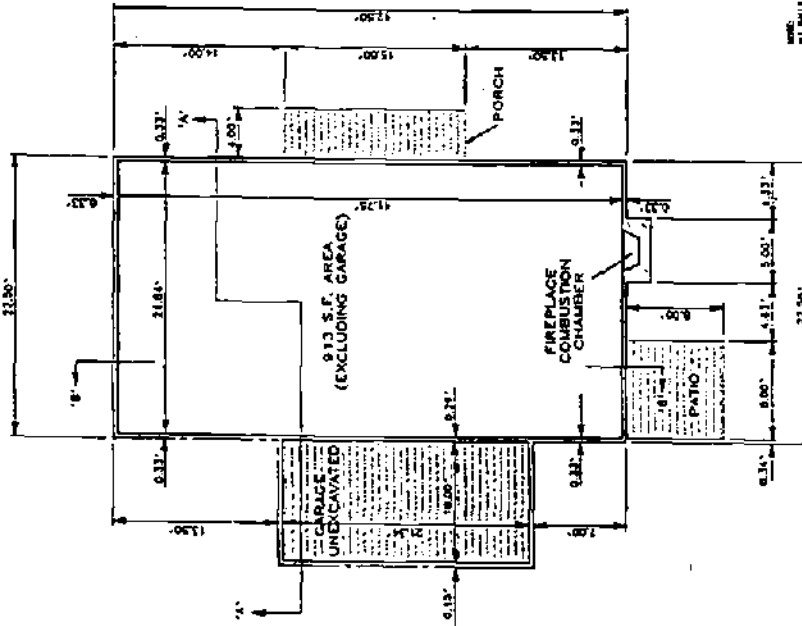
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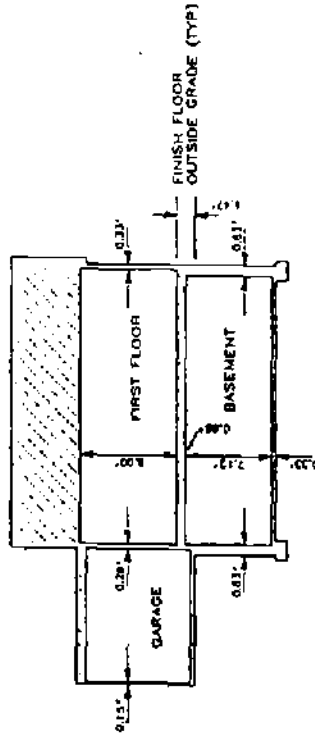


LEGEND

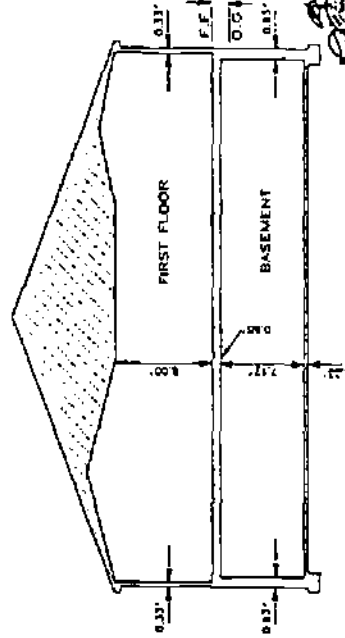
- GENERAL COMMON ELEVATOR
- UNITED COMMON ELEVATOR
- UNITS OF CONSTRUCTION



FIRST FLOOR PLAN



SECTION A-A'



SECTION B-B'

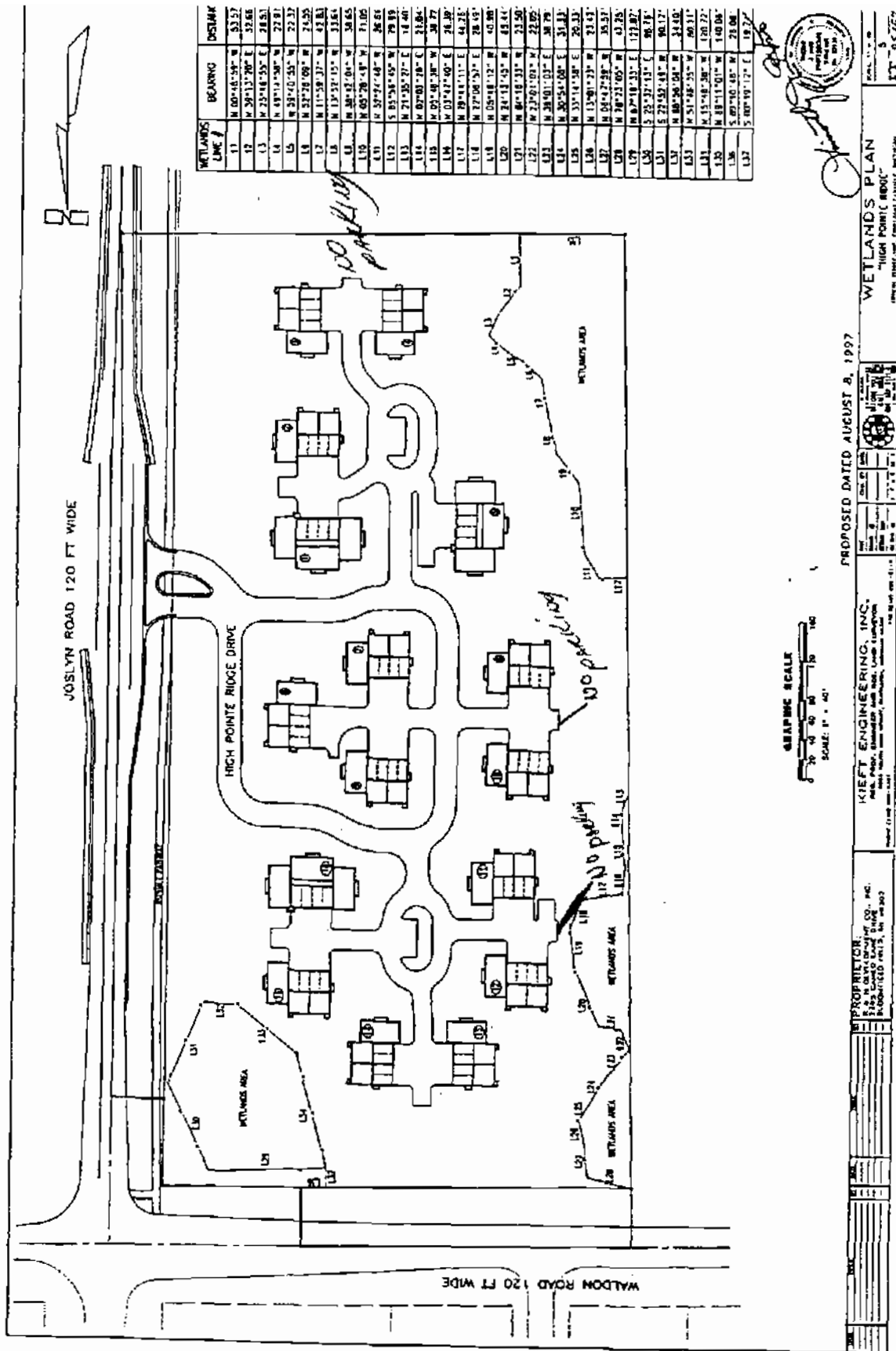
NOTE: ALL WALLS ARE 8 IN. THICK UNLESS OTHERWISE NOTED.
 ALL UNEXCAVATED AREAS ARE COMMON. COMMON ELEVATOR SHAFTS EXCLUDING NOTED.
 ALL WALLS ARE CONSTRUCTED OF 8 IN. THICK CONCRETE WITH 1/2 IN. REINFORCING BARS.
 ALL DIMENSIONS ARE IN FEET.
 THE LETTER "R" INDICATES THE UNIT IS REPEATED.

PROPOSED DATED AUGUST 8, 1997

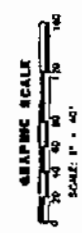
HIGH POINTE RIDGE
 TYPICAL UNIT "C"

KITTY ENGINEERING, INC.

DATE	10/1/97
BY	J. KITTY
CHECKED BY	J. KITTY
SCALE	1/4" = 1'-0"
PROJECT	HIGH POINTE RIDGE
UNIT	TYPICAL UNIT "C"



WETLANDS LINE #	BEARING	DELMET
1	N 80°15'30" E	52.27
2	S 29°12'20" E	52.66
3	S 23°18'55" E	22.81
4	S 49°11'50" W	22.81
5	S 29°10'55" W	22.37
6	S 27°28'00" W	24.55
7	N 11°58'37" W	42.83
8	N 11°57'15" W	31.64
9	S 20°12'00" W	38.65
10	N 60°28'45" W	71.05
11	S 37°27'40" E	26.81
12	S 85°58'50" W	79.99
13	N 21°30'27" E	14.40
14	N 07°00'10" E	31.84
15	N 09°48'30" W	38.77
16	N 01°42'00" E	26.89
17	N 29°14'17" E	54.73
18	N 27°08'50" E	28.15
19	N 05°48'12" W	40.80
20	N 24°11'45" W	43.44
21	N 80°18'33" W	21.50
22	N 23°01'00" W	22.05
23	N 20°01'01" E	38.79
24	N 20°54'00" E	31.11
25	N 33°14'50" E	26.35
26	N 13°00'17" W	23.43
27	N 04°42'20" W	35.37
28	N 20°22'00" W	42.25
29	N 8°27'10" E	12.87
30	S 25°31'31" E	96.18
31	S 22°52'48" W	90.17
32	N 80°26'00" W	24.40
33	N 51°48'55" W	60.11
34	N 15°48'30" W	120.72
35	N 88°11'01" W	140.04
36	S 07°10'40" W	23.04
37	S 00°19'12" E	19.27



[Handwritten signature]

PROPOSED DATED AUGUST 8, 1997

WETLANDS PLAN "HIGH POINTE RIDGE" <small>WETLANDS STUDY AND DELINEATION</small>		SHEET NO. 1 OF 1
CLIENT: KIEFT ENGINEERING, INC. <small>1000 N. 10th St., Suite 100, Fargo, ND 58102</small>		DATE: 8/8/97
PROJECT: 1200 N. 10th St., Suite 100, Fargo, ND 58102		SCALE: 1" = 40'
PROPRIETOR: J. J. Kieft, P.E. 1200 N. 10th St., Suite 100, Fargo, ND 58102		DATE: 8/8/97

OAKLAND COUNTY CONDOMINIUM
SUBDIVISION PLAN NO. _____

EXHIBIT "B" TO THE MASTER DEED OF

HIGH POINTE RIDGE

A CONDOMINIUM
NW 1/4 SECTION 28, ORION TOWNSHIP, T4N-R10E
OAKLAND COUNTY, MICHIGAN

DEVELOPER
RAH DEVELOPMENT CO., INC.
2285 CALEO LAKE DRIVE
BLOOMFIELD HILLS, MI 48302

ENGINEERS & SURVEYORS
KIEFT ENGINEERING, INC.
5852 S. MAIN STREET
CLARKSTON, MICHIGAN 48348

PROPERTY DESCRIPTION

PART OF THE NORTHWEST 1/4 OF SECTION 28, T4N, R10E, ORION TOWNSHIP, OAKLAND COUNTY, MICHIGAN, DESCRIBED AS: COMMENCING AT THE NORTHWEST CORNER OF SAID SECTION 28, THENCE N 89°10'48" E 819.88 FEET ALONG THE NORTH LINE OF SAID SECTION 28, SAID LINE BEING THE CENTERLINE OF WALDON ROAD, TO THE POINT OF BEGINNING, THENCE CONTINUING N 80°10'48" E 349.26 FEET ALONG THE NORTH LINE OF SECTION 28 AND SAID CENTERLINE; THENCE S 00°40'12" E 60.00 FEET; THENCE N 89°10'48" E 143.81 FEET; THENCE S 00°18'05" W 86.81 FEET; THENCE S 89°41'55" E 60.00 FEET TO A POINT ON THE CENTERLINE OF JOSLYN ROAD; THENCE S 00°18'05" W 871.59 FEET ALONG SAID CENTERLINE; THENCE S 89°11'01" W 526.12 FEET; THENCE N 01°09'54" W 1021.38 FEET TO THE POINT OF BEGINNING AND CONTAINING 12.28 ACRES. SUBJECT TO THE RIGHTS OF THE PUBLIC OVER THE NORTHERLY 33.0 FEET FOR WALDON ROAD AND THE EASTERLY 33.0 FEET FOR JOSLYN ROAD. ALSO SUBJECT TO EASEMENTS AND RESTRICTIONS OF RECORD, IF ANY.

ATTENTION: REGISTER OF DEEDS

THE CONDOMINIUM SUBDIVISION PLAN NUMBER MUST BE ASSIGNED IN CONSECUTIVE SEQUENCE, WHEN A NUMBER HAS BEEN ASSIGNED TO THIS PROJECT, IT MUST BE PROPERLY SHOWN IN THE TITLE AND THE SURVEYOR'S CERTIFICATE SHEET 2.

SHEET INDEX

1	COVER SHEET
2	SURVEY PLAN
3	UNIT PLAN AND SITE PLAN
4	UTILITY PLAN
5	WETLANDS PLAN
6	TYPICAL UNIT PLAN C
7	TYPICAL UNIT PLAN D
8	TYPICAL UNIT PLAN E
9	TYPICAL UNIT PLAN F
10	TYPICAL UNIT PLAN G
11	TYPICAL UNIT PLAN H
12	TYPICAL UNIT PLAN I
13	TYPICAL UNIT PLAN J
14	FOUNDATION PLAN UNIT NO 1
15	FOUNDATION PLAN UNIT NO 2

Christy J. Kieft



KIEFT ENGINEERING, INC.	
DATE OF SURVEY	8/1/2017
DATE OF PLOTTING	8/1/2017
DATE OF REVIEW	8/1/2017
DATE OF RECORDING	8/1/2017
DATE OF CLOSING	8/1/2017
DATE OF DEED	8/1/2017
DATE OF TITLE	8/1/2017
DATE OF INDEX	8/1/2017
DATE OF ASSESSMENT	8/1/2017
DATE OF TAXES	8/1/2017
DATE OF RECORDING	8/1/2017
DATE OF CLOSING	8/1/2017
DATE OF DEED	8/1/2017
DATE OF TITLE	8/1/2017
DATE OF INDEX	8/1/2017
DATE OF ASSESSMENT	8/1/2017
DATE OF TAXES	8/1/2017

PROPOSED DATED AUGUST 8, 1997

EXHIBIT A
BYLAWS
HIGH POINTE RIDGE

ARTICLE I

ASSOCIATION OF CO-OWNERS

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

ARTICLE II

ASSESSMENTS

All expenses arising from the management, administration and operation of the Association in pursuance of its authorizations and responsibilities as set forth in the

Condominium Documents and the Act shall be levied by the Association against the Units and the Co-Owners thereof in accordance with the following provisions:

Section 1. Assessments for Common Elements. All costs incurred by the Association in satisfaction of any liability arising within, caused by, or connected with the Common Elements or the administration of the Condominium Project shall constitute expenditures affecting the administration of the Project, and all sums received as the proceeds of, or pursuant to, any policy of insurance securing the interest of the Co-Owners against liabilities or losses arising within, caused by, or connected with the Common Elements or the administration of the Condominium Project shall constitute receipts affecting the administration of the Condominium Project, within the meaning of Section 54(4) of the Act.

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

- (a) Budget: Regular Assessments. The Board of Directors of the Association shall establish an annual budget in advance for each fiscal year and such budget shall project all expenses for the forthcoming year which may be required for the proper operation, management and maintenance of the Condominium Project, including a reasonable allowance for contingencies and reserves. An adequate reserve fund for maintenance, repairs and replacement of those Common Elements that must be replaced on a periodic basis shall be established in the budget and must be funded by regular payments as set forth in Section 2(c) below rather than by special assessments. At a minimum, the reserve fund shall be equal to 10% of the Association's current annual budget on a noncumulative basis. Since the minimum standard required by this subparagraph may prove to be inadequate for this particular project, the Association of Co-Owners should carefully analyze the Condominium Project to determine if a greater amount should be set aside, or if additional reserve funds should be established for other purposes from time to time. Upon adoption of an annual budget by the Board of Directors, copies of the budget shall be delivered to each Co-Owner and the assessment for said year shall be established based upon said budget. The annual assessments as so determined and levied shall constitute a lien against all Units as of the first day of the fiscal year to which the assessments relate. Failure to deliver a copy of the budget to each Co-Owner shall not affect or in any way diminish such lien or the liability of any Co-Owner for any existing or future assessments. Should the Board of Directors at any time decide, in the sole discretion of the Board of Directors: (1) that the assessments levied are or may prove to be insufficient to pay the costs of operation and management of the Condominium, (2) to provide replacements of existing Common Elements, (3) to provide additions to the Common Elements not exceeding \$3000.00 annually for the entire Condominium Project, or (4) that an emergency exists, the Board of Directors shall have the authority to increase the general assessment or to levy such additional assessment or assessments as it shall deem to be necessary. The

Board of Directors also shall have the authority, without Co-Owner consent, to levy assessments pursuant to the provisions of Article V, Section 4 hereof. The discretionary authority of the Board of Directors to levy assessments pursuant to this subparagraph shall rest solely with the Board of Directors for the benefit of the Association and the members thereof, and shall not be enforceable by any creditors of the Association or of the members thereof.

- (b) Special Assessments. Special assessments, in addition to those required in subparagraph (a) above, may be made by the Board of Directors from time to time and approved by the Co-Owners as hereinafter provided to meet other requirements of the Association, including, but not limited to: (1) assessments for additions to the Common Elements of a cost exceeding \$3000.00 for the entire Condominium Project per year, (2) assessments to purchase a Unit upon foreclosure of the lien for assessments described in Section 5 hereof, (3) assessments for any other appropriate purpose not elsewhere herein described. Special assessments referred to in this subparagraph (b) (but not including those assessments referred to in subparagraph 2(a) above, which shall be levied in the sole discretion of the Board of Directors) shall not be levied without the prior approval of more than 60% of all Co-Owners in number and in value. The authority to levy assessments pursuant to this subparagraph is solely for the benefit of the Association and the members thereof and shall not be enforceable by any creditors of the Association or of the members thereof.
- (c) Apportionment of Assessments. All assessments levied against the Co-Owners to cover expenses of administration shall be apportioned among and paid by the Co-Owners in accordance with each Co-Owner's proportionate share of the expenses of administration as provided in Article V, Section 2 of the Master Deed and without increase or decrease for the existence of any rights to the use of Limited Common Elements appurtenant to a Unit except as otherwise specifically provided in the Master Deed. Annual assessments as determined in accordance with Article II, Section 2(a) above shall be payable by Co-Owners in periodic installments, commencing with acceptance of a deed to or a land contract vendee's interest in a Unit, or with the acquisition of fee simple title to a Unit by any other means.

Section 3. Developer's Responsibility for Assessments. During the Construction and Sales Period as defined in Article III, Section 10 of the Master Deed, the Developer of the Condominium, even though a member of the Association, shall not be responsible for payment of the monthly Association assessment. The Developer, however, shall, during the Construction and Sales Period, pay a proportionate share of the Association's current maintenance expenses actually incurred from time to time based upon the ratio of Completed Units owned by Developer at the time the expense is incurred to the total number of Units in the Condominium. In no event shall Developer be responsible for payment, during the Construction and Sales Period, of any assessments for deferred maintenance, reserves for replacement, for capital

improvements or other special assessments, except with respect to Occupied Units owned by it. Developer shall not be responsible at any time for payment of said monthly assessment or payment of any expenses whatsoever with respect to Units not Completed notwithstanding the fact that such Units not Completed may have been included in the Master Deed. Further, the Developer shall in no event be liable for any assessment levied in whole or in part to purchase any Unit from the Developer or to finance any litigation or other claims against the Developer, any cost of investigating and preparing such litigation or claim or any similar or related costs. "Occupied Unit" shall mean a Unit used as a residence. "Completed Unit" shall mean a Unit with respect to which a certificate of occupancy has been issued by the Township of Orion.

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

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

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

Section 7. Enforcement.

- (a) Remedies. In addition to any other remedies available to the Association, the Association may enforce collection of delinquent assessments by a suit at law for a money judgment or by foreclosure of the statutory lien that secures payment of assessments. In the event of default by any Co-Owner in the payment of any installment of the annual assessment levied against his or her Unit, the Association shall have the right to declare all unpaid installments of the annual assessment for the pertinent fiscal year immediately due and payable. The Association also may discontinue the furnishing of any utilities or other services to a Co-Owner in default upon seven days' written notice to such Co-Owner of its intention to do so. A Co-Owner in default shall not be entitled to utilize any of the General Common Elements of the Project and shall not be entitled to vote at any meeting of the Association so long as such default continues; provided, however, this provision shall not operate to deprive any Co-Owner of ingress or egress to and from his or her Unit. In a judicial foreclosure action, a receiver may be appointed to collect a reasonable rental for the Unit from the Co-Owner thereof or any persons claiming under him or her. The Association may also assess fines for late payment or non-payment of assessments in accordance with the provisions of Article XIX, Section 4 of these Bylaws. All of these remedies shall be cumulative and not alternative.
- (b) Foreclosure Proceedings. Each Co-Owner, and every other person who from time to time has any interest in the Project, shall be deemed to have granted to the Association the unqualified right to elect to foreclose the lien securing payment of assessments either by judicial action or by advertisement. The provisions of Michigan law pertaining to foreclosure of mortgages by judicial action and by advertisement, as the same may be amended from time to time, are incorporated herein by reference for the purposes of establishing the alternative procedures to be followed in lien foreclosure actions and the rights and obligations of the parties to such actions. Further, each Co-Owner and every other person who from time to time has any interest in the Project shall be deemed to have authorized and empowered the Association to sell or to cause to be sold the Unit with respect to which the assessment(s) is or are delinquent and to receive, hold and distribute the proceeds of such sale in accordance with the priorities established by applicable law. Each Co-Owner of a Unit in the Project acknowledges that at the time of acquiring title to such Unit, he or she was notified of the provisions of this subparagraph and that he or she voluntarily, intelligently and knowingly waived notice of any proceedings brought by the Association to foreclose by advertisement the lien for nonpayment of assessments and a hearing on the same prior to the sale of the subject Unit.
- (c) Notice of Action. Notwithstanding the foregoing, neither a judicial foreclosure action nor a suit at law for a money judgment shall be commenced, nor shall any notice of foreclosure by advertisement be published, until the expiration of ten days after mailing, by first class mail, postage prepaid, addressed to the delinquent

Co-Owner(s) at Co-Owner's last known address, a written notice that one or more installments of the annual assessment levied against the pertinent Unit is or are delinquent and that the Association may invoke any of its remedies hereunder if the default is not cured within ten days after the date of mailing. Such written notice shall be accompanied by a written affidavit of an authorized representative of the Association that sets forth (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's fees and future assessments), (iv) the legal description of the subject Unit(s), and (v) the name(s) of the Co-Owner(s) of record. Such affidavit shall be recorded in the office of the Oakland County Register of Deeds prior to commencement of any foreclosure proceeding, but it need not have been recorded as of the date of mailing. If the delinquency is not cured within the ten-day period, the Association may take such remedial action as may be available to it hereunder or under Michigan law. In the event the Association elects to foreclose the lien by advertisement, the Association shall so notify the delinquent Co-Owner(s) and shall inform said Co-Owner that he/she may request a judicial hearing by bringing suit against the Association.

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

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

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

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

Section 11. Personal Property Tax Assessment of Association Property. The Association shall be assessed as the person or entity in possession of any tangible personal property of the Condominium owned or possessed in common by the Co-Owners, and personal property taxes based thereon shall be treated as expenses of administration.

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

ARTICLE III

ALTERNATIVE DISPUTE RESOLUTION

In the event of a dispute between the Association and a Co-owner other than the Developer, or a dispute or any claims or grievance between the Co-owners related to the application or enforcement of any Condominium Project documents, any party to the dispute may demand the dispute be resolved by either binding mediation or binding arbitration ("Alternative Dispute Resolution" or "ADR").

1. Demand and Election.

(a) The party making the demand for Alternative Dispute Resolution shall do so before any litigation in the courts is commenced. By commencement of litigation in the courts the right to demand Alternative Dispute Resolution shall be barred to all parties to the litigation.

(b) If the demand for Alternative Dispute Resolution is made, no lawsuit may be commenced in any court.

(c) When the demand is made it shall state that the party on whom the demand is served shall be entitled to elect the form of Alternative Dispute Resolution which shall be used. That election shall be final and binding on all parties.

(d) If the demand is made of more than one other party, the vote of the majority of the affected parties receiving the demand for Alternative Dispute Resolution shall control the election of form. The election of form shall be made within ten business days of the demand. If no election is made, it shall be assumed that arbitration has been elected as the form of Alternative Dispute Resolution.

(e) If only one of several parties makes an election of form, its choice shall decide the form of Alternative Dispute Resolution to be used.

(f) If the rules of the ADR forum elected provide a means for selecting the mediator(s) or arbitrator(s), those rules shall be adopted. If the ADR form selected does not have such rules, for instance if a party elects mediation with a private mediator, the other party shall be entitled to select the mediator or arbitrator. That choice must be made within ten (10) days after receipt of the election of form. In the event more than one party is involved, the majority choice of the responding parties shall control. In the event of a tie in the responses, the first response received shall control the election of forum. If there are no responses the party which chose the form of ADR must choose the mediator, arbitrator or other ADR facilitator.

2. Rules. The commercial arbitration rules of the American Arbitration Association (or any recognized successor or equivalent of the AAA should it no longer exist) shall govern arbitration proceedings if arbitration is elected. The rules of a qualified mediation service shall govern mediation proceedings, including mediation conducted by a mediator not affiliated with such a service.

3. Attorney Fees and Costs. Unless the mediation or arbitration rules specifically provide to the contrary, the prevailing party, as determined by the mediator or arbitrator, shall be reimbursed for its actual costs and attorney fees as part of any award.

4. Enforcement. The decision made in any alternative dispute resolution forum shall be enforceable in circuit court (or district court if a monetary award is below the circuit court jurisdictional amount).

5. Lien Claims Not Subject to ADR Election. Disputes related to assessments and liens for assessments may not be subjected to the provisions of this Article, including contests of the lien or any subsequent foreclosure proceedings, except with the consent of the Association, which may be withheld in the Association's absolute and sole discretion. The consent of the Association in that circumstance must be in writing.

6. Not Applicable to the Developer. The provisions of this Article shall not apply to disputes between the Association and the Developer or between a Co-owner and the Developer unless the Developer has consented to be subject to these provisions in writing.

ARTICLE IV

INSURANCE

Section 1. Extent of Coverage. The Association shall carry fire and extended coverage, vandalism and malicious mischief and liability insurance, and workmen's compensation insurance, if applicable, pertinent to the ownership, use and maintenance of the

Common Elements and certain other portions of the Condominium Project, as set forth below, and such insurance, other than title insurance, shall be carried and administered in accordance with the following provisions:

- (a) Responsibilities of Co-Owners and Association. 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. Each Co-Owner may obtain insurance coverage at Co-Owner's own expense upon his or her Unit. It shall be each Co-Owner's responsibility to determine by personal investigation or from his or her own insurance advisors the nature and extent of insurance coverage adequate to Co-Owner's needs and thereafter to obtain insurance coverage for Co-Owner's personal property and any additional fixtures, equipment and trim (as referred to in subsection (b) below) located within Co-Owner's Unit or elsewhere on the Condominium and for his or her personal liability for occurrences within Co-Owner's Unit or upon Limited Common Elements appurtenant to Co-Owner's Unit, and also for alternative living expense in event of fire, and the Association shall have absolutely no responsibility for obtaining such coverages. The Association, as to all policies which it obtains, and all Co-Owners, as to all policies which they obtain, shall use their best efforts to see that all property and liability insurance carried by the Association or any Co-Owner shall contain appropriate provisions whereby the insurer waives its right of subrogation as to any claims against any Co-Owner or the Association.
- (b) Insurance of Common Elements and Fixtures. All Common Elements of the Condominium Project shall be insured against fire and other perils covered by a standard extended coverage endorsement, in an amount equal to the current insurable replacement value, excluding foundation and excavation costs, as determined annually by the Board of Directors of the Association in consultation with the Association's insurance carrier and/or its representatives in light of commonly employed methods for the reasonable determination of replacement costs. Such coverage shall be effected upon an agreed-amount basis for the entire Condominium Project with appropriate inflation riders in order that no co-insurance provisions shall be invoked by the insurance carrier in a manner that will cause loss payments to be reduced below the actual amount of any loss (except in the unlikely event of total project destruction if the insurance proceeds failed, for some reason, to be equal to the total cost of replacement). All information in the Association's records regarding insurance coverage shall be made available to all Co-Owners upon request and reasonable notice during normal business hours so that Co-Owners shall be enabled to judge the adequacy of coverage and, upon the taking of due Association procedures, to direct the Board at a properly constituted meeting to change the nature and extent of any applicable coverages, if so determined. Upon such annual re-evaluation and

effectuation of coverage, the Association shall notify all Co-Owners of the nature and extent of all changes in coverages. Such coverage shall also include interior walls within any Unit and the pipes, wire, conduits and ducts contained therein and shall further include all fixtures, equipment and trim within a Unit which were furnished with the Unit as standard items in accord with the plans and specifications thereof as are on file with the Township of Orion (or such replacements thereof as do not exceed the cost of such standard items). It shall be each Co-Owner's responsibility to determine the necessity for and to obtain insurance coverage for all fixtures, equipment, trim and other items or attachments within the Unit or any Limited Common Elements appurtenant thereto which were installed in addition to said standard items (or as replacements for such standard items to the extent that replacement cost exceeded the original cost of such standard items) whether installed originally by the Developer or subsequently by the Co-Owner, and the Association shall have no responsibility whatsoever for obtaining such coverage unless agreed specifically and separately between the Association and the Co-Owner in writing.

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

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

ARTICLE V

RECONSTRUCTION OR REPAIR

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

- (a) Partial Damage. If the damaged property is a Common Element or a Unit, the property shall be rebuilt or repaired if any Unit in the Condominium is tenantable, unless it is determined by an affirmative vote of 80% of the Co-Owners in the Condominium that the Condominium shall be terminated.
- (b) Total Destruction. If the Condominium is so damaged that no Unit is tenantable, the damaged property shall not be rebuilt unless 80% or more of the Co-Owners in value and in number agree to reconstruction by vote or in writing within 90 days after the destruction.

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

Section 3. Co-Owner Responsibility for Repair.

- (a) Definition of Co-Owner Responsibility. If the damage is only to a part of a Unit which is the responsibility of a Co-Owner to maintain and repair, it shall be the responsibility of the Co-Owner to repair such damage in accordance with subsection (b) hereof. In all other cases, the responsibility for reconstruction and repair shall be that of the Association.
- (b) Damage to Interior of Unit. Each Co-Owner shall be responsible for the reconstruction, repair and maintenance of the interior of Co-Owner's Unit, including, but not limited to, floor coverings, wall coverings, window shades, draperies, interior walls (but not any Common Elements therein), interior trim, furniture, light fixtures and all appliances, whether free-standing or built-in. In the event damage to interior walls within a Co-Owner's Unit, or to pipes, wires, conduits, ducts or other Common Elements therein, or to any fixtures, equipment and trim which are standard items within a Unit is covered by insurance held by the Association, then the reconstruction or repair shall be the responsibility of the Association in accordance with Section 4 of this Article V. If any other interior portion of a Unit is covered by insurance held by the Association for the benefit of the Co-Owner, the Co-Owner shall be entitled to receive the proceeds of insurance

relative thereto, and if there is a mortgagee endorsement, the proceeds shall be payable to the Co-Owner and the mortgagee jointly. In the event of substantial damage to or destruction of any Unit or any part of the Common Elements, the Association promptly shall so notify each institutional holder of a first mortgage lien on any of the Units in the Condominium.

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

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

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

- (a) Taking of Unit. In the event of any taking of an entire Unit by eminent domain, the award for such taking shall be paid to the Co-Owner of such Unit and the mortgagee thereof, as their interests may appear. After acceptance of such award by the Co-Owner and Co-Owner's mortgagee, they shall be divested of all interest in the Condominium Project. In the event that any condemnation award shall become payable to any Co-Owner whose Unit is not wholly taken by eminent domain, then such award shall be paid by the condemning authority to the Co-Owner and Co-Owner's mortgagee, as their interests may appear.
- (b) Taking of Common Elements. If there is any taking of any portion of the Condominium other than any Unit, the condemnation proceeds relative to such taking shall be paid to the Co-Owners and their mortgagees in proportion to their respective interests in the Common Elements and the affirmative vote of more than 50% of the Co-Owners in number and in value shall determine whether to

rebuild, repair or replace the portion so taken or to take such other action as they deem appropriate.

- (c) Continuation of Condominium After Taking. In the event the Condominium Project continues after taking by eminent domain, then the remaining portion of the Condominium Project shall be resurveyed and the Master Deed amended accordingly, and, if any Unit shall have been taken, then Article V of the Master Deed shall also be amended to reflect such taking and to proportionately readjust the percentages of value of the remaining Co-Owners based upon the continuing value of the Condominium of 100%. Such amendment may be effected by an officer of the Association duly authorized by the Board of Directors without the necessity of execution or specific approval thereof by any Co-Owner.
- (d) Notification of Mortgagees. In the event any Unit in the Condominium, or any portion thereof, or the Common Elements or any portion thereof, is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, the Association promptly shall so notify each institutional holder of a first mortgage lien on any of the Units in the Condominium.

Section 7. Notification of FHLMC and FNMA. In the event any mortgage in the Condominium is held by the Federal Home Loan Mortgage Corporation ("FHLMC") or by the Federal National Mortgage Association ("FNMA") then, upon request therefor by FHLMC, or FNMA, as the case may be, the Association shall give it written notice at such address as it may, from time to time, direct of any loss to or taking of the Common Elements of the Condominium if the loss or taking exceeds \$10,000 in amount or damage to a Condominium Unit covered by a mortgage purchased in whole or in part by FHLMC or FNMA exceeds \$1,000.

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

ARTICLE VI

RESTRICTIONS

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

Section 1. Residential Use. No Unit in the Condominium shall be used for other than single-family residential purposes and the Common Elements shall be used only for purposes consistent with single-family residential use.

Section 2. Leasing and Rental.

- (a) Right to Lease. A Co-Owner may lease his or her Unit for the same purposes set forth in Section 1 of this Article VI; provided that written disclosure of such lease transaction is submitted to the Board of Directors of the Association in the manner specified in subsection (b) below. With the exception of a lender in possession of a Unit following a default of a first mortgage, foreclosure or deed or other arrangement in lieu of foreclosure, no Co-Owner shall lease less than an entire Unit in the Condominium and no tenant shall be permitted to occupy except under a lease the initial term of which is at least 6 months unless specifically approved in writing by the Association. The terms of all leases, occupancy agreements and occupancy arrangements shall incorporate, or be deemed to incorporate, all of the provisions of the Condominium Documents. The Developer may lease any number of Units in the Condominium in its discretion.
- (b) Leasing Procedures. The leasing of Units in the Project shall conform to the following provisions:
 - (i) A Co-Owner desiring to rent or lease a Unit shall supply the Association with a copy of the exact lease form for its review for its compliance with the Condominium Documents. If the Developer desires to rent units before the Transitional Control Date, it shall notify either the Advisory Committee or each Co-Owner in writing.
 - (ii) Tenants and non-owner occupants shall comply with all of the conditions of the Condominium Documents and all leases and rental agreements shall so state.
 - (iii) If the Association determines that the tenant or non-owner occupant has failed to comply with the conditions of the Condominium Documents, the Association shall take the following action:
 - a. The Association shall notify the Co-Owner by certified mail advising of the alleged violation by the tenant.
 - b. The Co-Owner shall have 15 days after receipt of such notice to investigate and correct the alleged breach by the tenant or advise the Association that a violation has not occurred.

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

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

Section 3. Alterations and Modifications. No Co-Owner shall make alterations in exterior appearance or make structural modifications to Co-Owner's Unit (including interior walls through or in which there exist easements for support or utilities) or make changes in any of the Common Elements without the express written approval of the Board of Directors, including without limitation exterior painting or the erection of antennas, lights, aerials, awnings, doors, shutters, newspaper holders, mailboxes, basketball backboards or other exterior attachments or modifications. No Co-Owner shall in any way restrict access to any plumbing, water line, water line valves, water meter, sprinkler system valves or any other element that must be accessible to service the Common Elements or any element which affects an Association responsibility in any way. It shall be permissible for Co-Owners to cause to be installed television antennas in the attic areas above Units; providing, however, that any damage or expense to the Common Elements or to the Association resulting from such installation shall be borne by the Co-Owner performing or authorizing such installation. 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.

Section 4. Activities. No immoral, improper, unlawful or offensive activity shall be carried on in any Unit or upon the Common Elements nor shall anything be done which may be or become an annoyance or a nuisance to the Co-Owners of the Condominium. No unreasonably noisy activity shall occur in or on the Common Elements or in any Unit at any time and disputes

among Co-Owners, arising as a result of this provision which cannot be amicably resolved, shall be arbitrated by the Association. No Co-Owner shall do or permit anything to be done or keep or permit to be kept in his or her Unit or on the Common Elements anything that will increase the rate of insurance on the Condominium without the written approval of the Association, and each Co-Owner shall pay to the Association the increased cost of insurance premiums resulting from any such activity or the maintenance of any such condition even if approved. Activities which are deemed offensive and are expressly prohibited include, but are not limited to, the following: Any activity involving the use of firearms, air rifles, pellet guns, B-B guns, bows and arrows, or other similar dangerous weapons, projectiles or devices.

Section 5. Pets. The following restrictions shall apply to pets:

- (a) No more than two (2) pets may be maintained in a Unit.
- (b) All pets must be registered with the Association prior to being brought onto the Condominium Premises or into a Unit. The Association may adopt a pet registration form.
- (c) All animals must be cared for and restrained so as not to be obnoxious or offensive on account of, by way of illustration and not as limitation, excessive or persistent barking, odor, or unsanitary conditions.
- (d) No animal may be kept or bred for any commercial purpose.
- (e) No animal may be permitted to run loose at any time upon the Common Elements and any animal shall at all times be leashed and attended by some responsible person while on the Common Elements. No pets may be "tied out" on the Common Elements. While on the common Elements, all animals shall be leashed or restrained on a leash not to exceed ten (10) feet in length. When on the Common Elements, all animals must be accompanied by the owner or other responsible adult.
- (f) No savage or dangerous animal shall be kept in the Condominium.
- (g) Any Co-owner who causes any animal to be brought or kept upon the within Condominium shall indemnify and hold harmless the Association for any loss, damage or liability which the Association may sustain as the result of the presence of such animal on the premises, whether or not the Association has given its permission therefore.
- (h) Each Co-owner shall be responsible for collection and disposition of all fecal matter deposited by any animal maintained by such Co-owner.
- (i) The Association may charge all Co-owners maintaining animals a reasonable additional assessment to be collected in the manner provided in Article II of

these Bylaws in the event that the Association determines such assessment necessary to defray the maintenance cost to the Association of accommodating animals within the Condominium.

(j) The Association may, without liability to the owner thereof, remove or cause to be removed any animal from the Condominium which it determines to be in violation of the restrictions imposed by this Section.

(k) The Association shall have the right to adopt such additional reasonable rules and regulations with respect to animals as it may deem proper.

(l) Stray animals and wild animals, such as squirrels, pigeons, chipmunks, raccoons, etc., shall not be fed or housed by Co-owners, nor shall Co-owners allow any condition to exist within their Unit or the Common Elements, Limited or General, appurtenant to their Units, which may attract stray or wild animals.

(m) In the event of any violation of this Section, the Board of Directors of the Association may assess fines for such violation in accordance with these Bylaws and in accordance with duly adopted rules and regulations of the Association.

Section 6. Aesthetics. The Common Elements shall not be used for storage of supplies, materials, personal property or trash or refuse of any kind, except as provided in duly adopted rules and regulations of the Association. No unsightly condition shall be maintained on any patio, porch, balcony or deck and only furniture and equipment consistent with the normal and reasonable use of such areas shall be permitted to remain there during seasons when such areas are reasonably in use and no furniture or equipment of any kind shall be stored thereon during seasons when such areas are not reasonably in use. Trash receptacles shall be maintained in areas designated therefor at all times and shall not be permitted to remain elsewhere on the Common Elements except for such short periods of time as may be reasonably necessary to permit periodic collection of trash. (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 Co-Owner's Unit or upon the Common Elements, which is detrimental to the appearance of the Condominium.

Section 7. Vehicles. The following restrictions shall apply to vehicles:

(a) Any Co-owners must park all of their vehicles in the Limited Common Element garage and parking areas assigned to their Units. Any vehicles parked on the General Common Elements must be moved not less than every 48 hours or they will be deemed abandoned and subject to removal by the Association at the expense of the vehicle's owner.

(b) Any unlicensed or non-operative vehicle parked on within the Condominium Premises for more than 48 hours will also be deemed abandoned and subject to removal at the expense of the owner.

(c) All vehicles regularly parked within the Condominium Premises must be registered with the Association.

(d) No vehicle repair or non-emergency maintenance or similar repairs are allowed on the common elements, except within the garages of the Units.

(e) Washing or polishing of vehicles may only be undertaken in the garage or on the driveway appurtenant to the Co-owner's Unit.

(f) No vehicles may be parked, stored or maintained on any lawn areas within the Condominium Premises.

(g) Any damage to the Condominium Premises or Project caused by violation of these vehicle restrictions are the responsibility of the Co-owner who owns the vehicle or the Co-owner of the Unit which the operator/owner of the vehicle is visiting.

(h) No house trailers, commercial vehicles, boat trailers, boats, camping vehicles, camping trailers, all terrain vehicles, snowmobiles, snowmobile trailers or commercial vehicles, other than automobiles or vehicles used primarily for general personal transportation purposes, may be parked or stored on the Condominium Premises except in the garage appurtenant to a Co-owner's Unit, or parked in an area specifically designated therefor by the Association (however, the Association is not necessarily obliged to designate such an area).

(i) If the prior approval of the Association has been obtained, a Co-owner may park a vehicle of the type listed in subparagraph (h), above, on the Condominium Premises for a period not to exceed 72 consecutive hours not more than once per month.

(j) All other uses of motorized vehicles anywhere on the condominium Premises, other than passenger cars, authorized maintenance vehicles and commercial vehicles as provided in this Section 7, is absolutely prohibited.

(k) It will be the responsibility of the Co-owner to assure that his or her garage is available for parking of the Co-owner's vehicle. The fact that garage is used for storage shall not entitle a Co-owner to park a vehicle on the General Common Elements or to appropriate unassigned parking spaces.

Section 8. Advertising. No signs or other advertising devices of any kind shall be displayed which are visible from the exterior of a Unit or on the Common Elements, including

"For Sale" signs, during the Construction and Sales Period, and, subsequent thereto, only with prior written permission from the Association.

Section 9. Rules and Regulations. It is intended that the Board of Directors of the Association may make rules and regulations from time to time to reflect the needs and desires of the majority of the Co-Owners in the Condominium. Reasonable regulations consistent with the Act, the Master Deed and these Bylaws concerning the use of the Common Elements may be made and amended from time to time by any Board of Directors of the Association, including the first Board of Directors (or its successors) prior to the Transitional Control Date. Copies of all such rules, regulations and amendments thereto shall be furnished to all Co-Owners.

Section 10. Right of Access of Association. The Association or its duly authorized agents shall have access to each Unit and any Limited Common Elements appurtenant thereto from time to time, during reasonable working hours, upon notice to the Co-Owner thereof, as may be necessary for the maintenance, repair or replacement of any of the Common Elements. The Association or its agents shall also have access to each Unit and any Limited Common Elements appurtenant thereto at all times without notice as may be necessary to make emergency repairs to prevent damage to the Common Elements or to another Unit. It shall be the responsibility of each Co-Owner to provide the Association means of access to Co-Owner's 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 Co-Owner's Unit and any Limited Common Elements appurtenant thereto caused thereby or for repair or replacement of any doors or windows damaged in gaining such access.

Section 11. Landscaping. No Co-owner shall perform any landscaping or plant any trees, shrubs or flowers or place any ornamental materials upon the Common Elements without the prior written approval of the Association. *Any landscaping installed by the Co-owner pursuant to this Section 11 shall be maintained by the Co-owner and the Association shall have no responsibility for its maintenance. The Developer shall not be responsible for the death, damage to or the destruction of any tree, shrub or plant growth which is native to the Condominium Project site due to the Developer's activities related to the construction and development of the Project. The Developer makes no warranties with respect to existing trees, shrubs and plant growth.*

Section 12. Common Element Maintenance. Sidewalks, yards, landscaped areas, driveways, roads, parking areas, and porches shall not be obstructed nor shall they be used for purposes other than that for which they are reasonably and obviously intended. No bicycles, vehicles, chairs or other obstructions may be left unattended on or about the Common Elements. Use of any recreational facilities in the Condominium may be limited to such times and in such manner as the Association shall determine by duly adopted rules and regulations.

Section 13. Co-Owner Maintenance. Each Co-Owner shall maintain his or her Unit and any Limited Common Elements appurtenant thereto for which he or she has maintenance responsibility in a safe, clean and sanitary condition. Each Co-Owner shall also use due care to avoid damaging any of the Common Elements including, but not limited to, the telephone, water, gas, plumbing, electrical or other utility conduits and systems and any other Common Elements in any Unit which are appurtenant to or which may affect any other Unit. Each Co-Owner shall be responsible for damages or costs to the Association resulting from negligent damage to or misuse of any of the Common Elements by Co-Owner(s), or Co-Owner's family, guests, agents or invitees, unless such damages or costs are covered by insurance carried by the Association (in which case there shall be no such responsibility, unless reimbursement to the Association is limited by virtue of a deductible provision, in which case the responsible Co-Owner shall bear the expense to the extent of the deductible amount). Any costs or damages to the Association may be assessed to and collected from the responsible Co-Owner in the manner provided in Article II hereof.

Section 14. Reserved Rights of Developer.

- (a) Prior Approval by Developer. During the Construction and Sales Period, no buildings, fences, walls, retaining walls, drives, walks or other structures or improvements shall be commenced, erected, maintained, nor shall any addition to, or change or alteration to any structure be made (including in color or design), except interior alterations which do not affect structural elements of any Unit, nor shall any hedges, trees or substantial plantings or landscaping modifications be made, until plans and specifications, acceptable to the Developer, showing the nature, kind, shape, height, materials, color, scheme, location and approximate cost of such structure or improvement and the grading or landscaping plan of the area to be affected shall have been submitted to and approved in writing by Developer, its successors or assigns, and a copy of said plans and specifications, as finally approved, lodged permanently with Developer. Developer shall have the right to refuse to approve any such plan or specifications, or grading or landscaping plans which are not suitable or desirable in its opinion for aesthetic or other reasons; and in passing upon such plans, specifications, grading or landscaping, it shall have the right to take into consideration the suitability of the proposed structure, improvement or modification, the site upon which it is proposed to effect the same, and the degree of harmony thereof with the Condominium as a whole and any adjoining properties under development or proposed to be developed by Developer. The purpose of this Section is to assure the continued maintenance of the Condominium as a beautiful and harmonious residential development, and shall be binding upon both the Association and upon all Co-Owners.
- (b) Developer's Rights in Furtherance of Development and Sales. None of the restrictions contained in this Article VI shall apply to the commercial activities or signs or billboards, if any, of the Developer during the Construction and Sales

Period or of the Association in furtherance of its powers and purposes set forth herein and in its Articles of Incorporation, as the same may be amended from time to time. Notwithstanding anything to the contrary elsewhere herein contained, Developer shall have the right to maintain a sales office, a business office, a construction office, model units, storage areas and reasonable parking incident to the foregoing and such access to, from and over the Project as may be reasonable to enable development and sale of the entire Project by Developer; and may continue to do so during the entire Construction and Sales Period. Developer shall restore the areas so utilized to habitable status upon termination of use.

- (c) Enforcement of Bylaws. The Condominium Project shall at all times be maintained in a manner consistent with the highest standards of a beautiful, serene, private, residential community for the benefit of the Co-Owners and all persons interested in the Condominium. If at any time the Association fails or refuses to carry out its obligation to maintain, repair, replace and landscape in a manner consistent with the maintenance of such high standards, then Developer, or any entity to which it may assign this right, at its option, may elect to maintain, repair and/or replace any Common Elements and/or to do any landscaping required by these Bylaws and to charge the cost thereof to the Association as an expense of administration. The Developer shall have the right to enforce these Bylaws throughout the Construction and Sales Period notwithstanding that it may no longer own a Unit in the Condominium, which right of enforcement shall include (without limitation) an action to restrain the Association or any Co-Owner from any activity prohibited by these Bylaws.

ARTICLE VII

MORTGAGES

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

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

Section 3. Notification of Meetings. Upon request submitted to the Association, any institutional holder of a first mortgage lien on any Unit in the Condominium shall be entitled to

receive written notification of every meeting of the members of the Association and to designate a representative to attend such meeting.

ARTICLE VIII

VOTING

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

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

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

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

person or by proxy shall be counted in determining the presence of a quorum with respect to the question upon which the vote is cast.

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

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

ARTICLE IX

MEETINGS

Section 1. Place of Meeting. Meetings of the Association shall be held at the principal office of the Association or at such other suitable place convenient to the Co-Owners as may be designated by the Board of Directors. Meetings of the Association shall be conducted in accordance with Sturgis' Code of Parliamentary Procedure, Roberts Rules of Order or some other generally recognized manual of parliamentary procedure, when not otherwise in conflict with the Condominium Documents (as defined in the Master Deed) or the laws of the State of Michigan.

Section 2. First Annual Meeting. The First Annual Meeting of members of the Association may be convened only by Developer and may be called at any time after more than 50% in number of the Units in High Pointe Ridge determined with reference to the recorded Consolidating Master Deed have been conveyed and the purchasers thereof qualified as members of the Association. In no event, however, shall such meeting be called later than 120 days after the conveyance of legal or equitable title to non-developer Co-Owners of 75% in number of all Units that may be created or 54 months after the first conveyance of legal or equitable title to a non-developer Co-Owner of a Unit in the Project, whichever first occurs. Developer may call meetings of members for informative or other appropriate purposes prior to the First Annual Meeting of members and no such meeting shall be construed as the First Annual Meeting of members. The date, time and place of such meeting shall be set by the Board of Directors, and at least 10 days' written notice thereof shall be given to each Co-Owner. The phrase "Units that may be created" as used in this paragraph and elsewhere in the Condominium Documents refers to the maximum number of Units which the Developer is permitted under the Condominium Documents to include in the Condominium.

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

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

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

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

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

Section 8. Action Without Meeting. Any action which may be taken at a meeting of the members (except for the election or removal of Directors) may be taken without a meeting by written ballot of the members. Ballots shall be solicited in the same manner as provided in Section 5 for the giving of notice of meetings of members. Such solicitations shall specify (a)

the number of responses needed to meet the quorum requirements; (b) the percentage of approvals necessary to approve the action; and (c) the time by which ballots must be received in order to be counted. The form of written ballot shall afford an opportunity to specify a choice between approval and disapproval of each matter and shall provide that, where the member specifies a choice, the vote shall be cast in accordance therewith. Approval by written ballot shall be constituted by receipt, within the time period specified in the solicitation, of (i) a number of ballots which equals or exceeds the quorum which would be required if the action were taken at a meeting; and (ii) a number of approvals which equals or exceeds the number of votes which would be required for approval if the action were taken at a meeting at which the total number of votes cast was the same as the total number of ballots cast.

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

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

ARTICLE X

ADVISORY COMMITTEE

Within one year after conveyance of legal or equitable title to the first Unit in the Condominium to a purchaser or within 120 days after conveyance to purchasers of 1/3 of the total number of Units that may be created, whichever first occurs, the Developer shall cause to be established an Advisory Committee consisting of at least 3 non-developer Co-Owners. The Committee shall be established and perpetuated in any manner the Developer deems advisable, except that if more than 50% in number and in value of the non-developer Co-Owners petition the Board of Directors for an election to select the Advisory Committee, then an election for such purpose shall be held. The purpose of the Advisory Committee shall be to facilitate communications between the temporary Board of Directors and the other Co-Owners and to aid in the transition of control of the Association from the Developer to purchaser Co-Owners. The Advisory Committee shall cease to exist automatically when the non-developer Co-Owners have the voting strength to elect a majority of the Board of Directors of the Association. The Developer may remove and replace at its discretion at any time any member of the Advisory Committee who has not been elected thereto by the Co-Owners.

ARTICLE XI

BOARD OF DIRECTORS

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

Section 2. Election of Directors.

- (a) First Board of Directors. The first Board of Directors, or its successors as selected by the Developer, shall manage the affairs of the Association until the appointment of the first non-developer Co-Owners to the Board. Immediately prior to the appointment of the first non-developer Co-Owners to the Board, the Board shall be increased in size from 3 persons to 5 persons. Thereafter, elections for non-developer Co-Owner Directors shall be held as provided in subsections (b) and (c) below.
- (b) Appointment of Non-Developer Co-Owners to Board Prior to First Annual Meeting. Not later than 120 days after conveyance of legal or equitable title to non-Developer Co-Owners of 25% in number of the Units that may be created, 1 of the 5 Directors shall be selected by non-developer Co-Owners. Not later than 120 days after conveyance of legal or equitable title to non-developer Co-Owners of 50% in number of the Units that may be created, 2 of the 5 Directors shall be elected by non-developer Co-Owners. When the required percentage of conveyances have been reached, the Developer shall notify the non-developer Co-Owners and convene a meeting so that the Co-Owners can elect the required Director or Directors, as the case may be. Upon certification by the Co-Owners to the Developer of the Director or Directors so elected, the Developer shall then immediately appoint such Director or Directors to the Board to serve until the First Annual Meeting of members unless he or she is removed pursuant to Section 7 of this Article or he or she resigns or becomes incapacitated.
- (c) Election of Directors at and After First Annual Meeting.
 - (i) Not later than 120 days after conveyance of legal or equitable title to non-developer Co-Owners of 75% in number of the Units that may be created, the non-developer Co-Owners shall elect all Directors on the Board, except that the Developer shall have the

right to designate at least one Director as long as the Units that remain to be created and conveyed equal at least 10% of all Units that may be created in the Project. Whenever the 75% conveyance level is achieved, a meeting of Co-Owners shall be promptly convened to effectuate this provision, even if the First Annual Meeting has already occurred.

- (ii) Regardless of the percentage of Units which have been conveyed, upon the expiration of 54 months after the first conveyance of legal or equitable title to a non-developer Co-Owner of a Unit in the Project, the non-developer Co-Owners have the right to elect a number of members of the Board of Directors equal to the percentage of Units they own, and the Developer has the right to elect a number of members of the Board of Directors equal to the percentage of Units which are owned by the Developer and for which maintenance expenses are payable by the Developer. This election may increase, but shall not reduce, the minimum election and designation rights otherwise established in subsection (i). Application of this subsection does not require a change in the size of the Board of Directors.
- (iii) If the calculation of the percentage of members of the Board of Directors that the non-developer Co-Owners have the right to elect under subsection (ii), or if the product of the number of members of the Board of Directors multiplied by the percentage of Units held by the non-developer Co-Owners under subsection (b) results in a right of non-developer Co-Owners to elect a fractional number of members of the Board of Directors, then a fractional election right of 0.5 or greater shall be rounded up to the nearest whole number, which number shall be the number of members of the Board of Directors that the non-developer Co-Owners have the right to elect. After application of this formula the Developer shall have the right to elect the remaining members of the Board of Directors. Application of this subsection shall not eliminate the right of the Developer to designate one Director as provided in subsection (i).
- (iv) At the First Annual Meeting, 3 Directors shall be elected for a term of two years and 2 Directors shall be elected for a term of one year. At such meeting all nominees shall stand for election as one slate and the 3 persons receiving the highest number of votes shall be elected for a term of two years and the 2 persons receiving the next highest number of votes shall be elected for a term of one year. At each annual meeting held thereafter, either 2 or 3 Directors shall be

elected depending upon the number of Directors whose terms expire. After the First Annual Meeting, the term of office (except for 2 of the Directors elected at the First Annual Meeting) of each Director shall be two years. The Directors shall hold office until their successors have been elected and hold their first meeting.

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

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

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

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

- (h) To make rules and regulations in accordance with Article VI, Section 9 of these Bylaws.
- (i) To establish such committees as it deems necessary, convenient or desirable and to appoint persons thereto for the purpose of implementing the administration of the Condominium and to delegate to such committees any functions or responsibilities which are not by law or the Condominium Documents required to be performed by the Board.
- (j) To enforce the provisions of the Condominium Documents.

Section 5. Management Agent. The Board of Directors may employ for the Association a professional management agent (which may include the Developer or any person or entity related thereto) at reasonable compensation established by the Board to perform such duties and services as the Board shall authorize, including, but not limited to, the duties listed in Sections 3 and 4 of this Article, and the Board may delegate to such management agent any other duties or powers which are not by law or by the Condominium Documents required to be performed by or have the approval of the Board of Directors or the members of the Association. In no event shall the Board be authorized to enter into any contract with a professional management agent, or any other contract providing for services by the Developer, sponsor or builder, in which the maximum term is greater than 3 years or which is not terminable by the Association upon 90 days' written notice thereof to the other party and no such contract shall violate the provisions of Section 55 of the Act. THE DEVELOPER HAS THE RIGHT TO DISAPPROVE ANY DECISION BY THE BOARD OF DIRECTORS TO SELF-MANAGE THE PROJECT WITHOUT THE BENEFIT OF A PROFESSIONAL MANAGEMENT SERVICE. THIS DISAPPROVAL RIGHT SHALL END WHEN THE CONSTRUCTION AND SALES PERIOD EXPIRES.

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

Section 7. Removal. At any regular or special meeting of the Association duly called with due notice of the removal action proposed to be taken, any one or more of the Directors may be removed with or without cause by the affirmative vote of more than 50% in number and in value of all of the Co-Owners and a successor may then and there be elected to fill any vacancy

thus created. The quorum requirement for the purpose of filling such vacancy shall be the normal 35% requirement set forth in Article VIII, Section 4. Any Director whose removal has been proposed by the Co-Owners shall be given an opportunity to be heard at the meeting. The Developer may remove and replace any or all of the Directors selected by it at any time or from time to time in its sole discretion. Likewise, any Director selected by the non-developer Co-Owners to serve before the First Annual Meeting may be removed before the First Annual Meeting in the same manner set forth in this paragraph for removal of Directors generally.

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

Section 9. Regular Meetings. Regular meetings of the Board of Directors may be held at such times and places as shall be determined from time to time by a majority of the Directors, but at least two such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each Director personally, by mail, telephone or telegraph, at least 10 days prior to the date named for such meeting.

Section 10. Special Meetings. Special meetings of the Board of Directors may be called by the President on three days' notice to each Director given personally, by mail, telephone or telegraph, which notice shall state the time, place and purpose of the meeting. Special meetings of the Board of Directors shall be called by the President or Secretary in like manner and on like notice on the written request of two Directors.

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

Section 12. Quorum. At all meetings of the Board of Directors, a majority of the Directors shall constitute a quorum for the transaction of business, and the acts of the majority of the Directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting to a subsequent time upon 24 hours' prior written notice delivered to all Directors not present. At any such adjourned meeting, any business which might have been transacted at the meeting as originally called may be transacted without further notice. The joinder of a Director in the action of a meeting by signing and concurring in the minutes thereof, shall constitute the presence of such Director for purposes of determining a quorum.

Section 13. First Board of Directors. The actions of the first Board of Directors of the Association or any successors thereto selected or elected before the Transitional Control Date shall be binding upon the Association so long as such actions are within the scope of the powers and duties which may be exercised generally by the Board of Directors as provided in the Condominium Documents.

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

ARTICLE XII

OFFICERS

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

- (a) President. The President shall be the chief executive officer of the Association. He or she shall preside at all meetings of the Association and of the Board of Directors. He or she shall have all of the general powers and duties which are usually vested in the office of the President of an association, including, but not limited to, the power to appoint committees from among the members of the Association from time to time as he or she may in his or her discretion deem appropriate to assist in the conduct of the affairs of the Association.
- (b) Vice President. The Vice President shall take the place of the President and perform his or her duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Board of Directors shall appoint some other member of the Board to so do on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him or her by the Board of Directors.
- (c) Secretary. The Secretary shall keep the minutes of all meetings of the Board of Directors and the minutes of all meetings of the members of the Association; he or she shall have charge of the corporate seal, if any, and of such books and papers as the Board of Directors may direct; and he or she shall, in general, perform all duties incident to the office of the Secretary.

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

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

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

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

ARTICLE XIII

SEAL

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

ARTICLE XIV

FINANCE AND RECORDS

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

be audited at least annually by qualified independent auditors; provided, however, that such auditors need not be certified public accountants nor does such audit need to be a certified audit. Any institutional holder of a first mortgage lien on any Unit in the Condominium shall be entitled to receive a copy of such annual audited financial statement within 90 days following the end of the Association's fiscal year upon request therefor. The costs of any such audit and any accounting expenses shall be expenses of administration.

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

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

Section 4. Co-Owner Access to Book and Records: Procedures. Each Co-owner has the right to review the books and records of the Association. The following procedures are to be followed regarding such requests.

(a) In order to review the records the requesting Co-owner must submit a request in writing to the Board of Directors in care of the management agent (or if there is not management agent to the secretary of the Association).

(i) The request must state which books and records the Co-owner seeks to review.

(ii) The request must state whether the Co-owner will require copies of the records which are requested.

(iii) The request must have the name, address and telephone number of the requesting party.

(b) Upon receipt of the request from a Co-owner to review the records, the management agent (or Secretary of the Association if there is not management agent) will advise the Board of Directors of the Association of the request. The management agent (or Secretary if there is no management agent) will then inform the Co-owner of a convenient time, place and date where the requested records may be reviewed. The Co-owner shall be advised of the time place and date within five (5) working days of the

receipt of the Co-owners initial request. The Co-owner shall be advised at that time of the following:

- (i) The Co-Owner will be responsible for payment of the actual costs of all reproductions or copies of the requested documents. The Co-owner shall be informed of the per page copying cost before copies are made.
- (ii) The Co-Owner shall be responsible for payment for time spent by management agent personnel at the rate set by the management contract.
- (c) Each Co-Owner may make only one such request per calendar quarter
- (d) These procedures shall also apply to requests for copies of books and records made by mortgagees of Units.

ARTICLE XV

INDEMNIFICATION OF OFFICERS AND DIRECTORS

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

ARTICLE XVI

AMENDMENTS

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

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

Section 3. Voting. These Bylaws may be amended by the Co-Owners at any regular annual meeting or a special meeting called for such purpose by an affirmative vote of not less than 66-2/3% of all Co-Owners in number and in value. No consent of mortgagees shall be required to amend these Bylaws unless such amendment would materially alter or change the rights of such mortgagees, in which event the approval of 67% of the mortgagees shall be required, with each mortgagee to have one vote for each first mortgage held.

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

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

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

ARTICLE XVII

COMPLIANCE

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

ARTICLE XVIII

DEFINITIONS

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

ARTICLE XIX

REMEDIES FOR DEFAULT

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

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

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

Section 3. Removal and Abatement. The violation of any of the provisions of the Condominium Documents shall also give the Association or its duly authorized agents the right, in addition to the rights set forth above, to enter upon the Common Elements or into any Unit, where reasonably necessary, and summarily remove and abate, at the expense of the Co-Owner in violation, any structure, thing or condition existing or maintained contrary to the provisions of the Condominium Documents. The Association shall have no liability to any Co-Owner arising out of the exercise of its removal and abatement power authorized herein.

Section 4. Assessment of Fines. The violation of any of the provisions of the Condominium Documents by any Co-Owner shall be grounds for assessment by the Association, acting through its duly constituted Board of Directors, of monetary fines for such violations in accordance with Article XX of these Bylaws. No fine may be assessed unless rules and regulations establishing such fine have first been duly adopted by the Board of Directors of the Association and notice thereof given to all Co-Owners in the same manner as prescribed in Article IX, Section 4 of these Bylaws.

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

Section 6. Cumulative Rights, Remedies and Privileges. All rights, remedies and privileges granted to the Association or any Co-Owner or Co-Owners pursuant to any terms, provisions, covenants or conditions of the aforesaid Condominium Documents shall be deemed to be cumulative and the exercise of any one or more shall not be deemed to constitute an election of remedies, nor shall it preclude the party thus exercising the same from exercising such other and additional rights, remedies or privileges as may be available to such party at law or in equity.

Section 7. Enforcement of Provisions of Condominium Documents. A Co-Owner may maintain an action against the Association and its officers and Directors to compel such persons to enforce the terms and provisions of the Condominium Documents. A Co-Owner may maintain an action against any other Co-Owner for injunctive relief or for damages or any combination thereof for noncompliance with the terms and provisions of the Condominium Documents or the Act.

ARTICLE XX

ASSESSMENT OF FINES

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

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

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

- (b) Opportunity to Defend. The offending Co-Owner shall have an opportunity to appear before the Board and offer evidence in defense of the alleged violation. The appearance before the Board shall be at its next scheduled meeting, but in no event shall the Co-Owner be required to appear less than 10 days from the date of the notice.
- (c) Default. Failure to respond to the notice of violation constitutes a default.
- (d) Hearing and Decision. Upon appearance by the Co-Owner before the Board and presentation of evidence of defense, or, in the event of the Co-Owner's default, the Board shall, by majority vote of a quorum of the Board, decide whether a violation has occurred. The Board's decision is final.

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

- (a) First Violation. No fine shall be levied.
- (b) Second Violation. Twenty-Five Dollar (\$25.00) fine.
- (c) Third Violation. Fifty Dollar (\$50.00) fine.
- (d) Fourth Violation and Subsequent Violations. One Hundred Dollar (\$100.00) fine.

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

ARTICLE XXI

RIGHTS RESERVED TO DEVELOPER

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

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

ARTICLE XXII

SEVERABILITY

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

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FILED

DEC 18 1996

Administrator
DEPARTMENT OF CONSUMER & INDUSTRY SERVICES
CORPORATION, SECURITIES & LAND DEVELOPMENT BUREAU

RECEIVED

DEC 12 1996

Administrator
DEPARTMENT OF CONSUMER & INDUSTRY SERVICES
CORPORATION, SECURITIES & LAND DEVELOPMENT BUREAU

**NON-PROFIT
ARTICLES OF INCORPORATION**

HIGH POINTE RIDGE ASSOCIATION 183

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

745-961

ARTICLE I

NAME

The name of the corporation is High Pointe Ridge Association. ✓

ARTICLE II

PURPOSES

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

(a) To manage and administer the affairs of and to maintain High Pointe Ridge, a condominium (hereinafter called "Condominium").

(b) To levy and collect assessments against and from the members of the corporation and to use the proceeds thereof for the purposes of the corporation;

(c) To carry insurance and to collect and allocate the proceeds thereof;

(d) To rebuild improvements after casualty;

(e) To contract for and employ persons, firms or corporations to assist in management, operation, maintenance and administration of said Condominium;

(f) To make and enforce reasonable regulations concerning the use and enjoyment of said Condominium;

(g) To own, maintain and improve, and to buy, sell, convey, assign, mortgage, or lease (as landlord or tenant) any real and personal property, including but not limited to, any Unit in the Condominium, any easements or licenses or any other real property, whether or not contiguous to the Condominium, for the purpose of providing benefit to the members of the corporation and in furtherance of any of the purposes of the corporation;

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

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

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

(k) In general, in connection with the foregoing purposes set forth in Article II, Sections (a) through (j), to enter into any kind of activity, to make and perform any contract and to exercise all powers necessary, incidental or convenient to the administration, management, maintenance, repair, replacement and operation of said Condominium and to the accomplishment of any of the purposes set forth in Article II, Sections (a) through (j), above.

ARTICLE III

ADDRESS

Address of the first registered office is 2295 Cameo Lake Drive Bloomfield Hills, Michigan 48302.

ARTICLE IV

RESIDENT AGENT

The name of the first resident agent is Richard Kaplan.

ARTICLE V

INCORPORATOR

The name of the incorporator is Gregory J. Gamalski and his place of business is 28400 Northwestern Highway, Third Floor Essex Centre, Southfield, Michigan 48034.

ARTICLE VI

BASIS OF ORGANIZATION AND ASSETS

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

The value of assets which said corporation possesses is:

Real Property: None

Personal Property: None

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

ARTICLE VII

EXISTENCE

The term of corporate existence is perpetual.

ARTICLE VIII

MEMBERSHIP AND VOTING

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

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

(b) Membership in the corporation (except with respect to the incorporator, who shall cease to be a member upon the recording of the Master Deed) shall be established by acquisition of fee simple title to a Unit in the Condominium and by

recording with the Register of Deeds of Oakland County, Michigan, a deed or other instrument establishing a change of record title to such unit and the furnishing of evidence of same satisfactory to the corporation (except that the Developer of the Condominium shall become a member immediately upon establishment and the Condominium) the new Co-owner thereby becoming a member of the corporation and the membership of the prior Co-owner thereby being terminated. The Developer's membership shall continue until no Units remain to be created in the Condominium and until the Developer no longer owns any Units in the Condominium.

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

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

ARTICLE IX

LIMITATION OF LIABILITY OF DIRECTORS

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

As provided under MCL 450.2209, and 1996 Public Act 397 the corporation will assume liability for all acts or omissions of a volunteer director, volunteer officer or other volunteer which occurred after the date of these Articles if all of the following conditions are met: (i) the volunteer was acting or reasonably believed he or she was acting within the scope of his or her authority; (ii) the volunteer was acting in good faith, (iii) the volunteer's conduct did not amount to gross negligence or willful and wanton misconduct; (iv) the volunteer's conduct was not an intentional tort, and (v) the volunteer's conduct was not a tort arising out of the ownership,

maintenance, or use of a motor vehicle for which tort liability may be imposed as provided in Section 3135 of the insurance code of 1956, 1956 Public Act 218, being MCL 500.3135.

Signed this 11th day of December, 1996.


GREGORY J. GAMALSKI, Incorporator

When filed, return to:

GREGORY J. GAMALSKI, ESQ.
MADDIN, HAUSER, WARTELL, ROTH,
HELLER & PESSES, P.C.
Third Floor Essex Centre
28400 Northwestern Highway
Southfield, Michigan 48034
810/827-1893

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