

Bernard J. Youngblood
Wayne County Register of Deeds
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EXAMINED AND APPROVED
DATE AUG 25 2015
BY SJK N/C
AMY L. MILLER-VANDAWAKER
PLAT ENGINEER

WAYNE COUNTY REGISTER OF DEEDS
CB N/C 8-25-15

CANFIELD LOFTS CONDOMINIUM

Second Amendment to Master Deed

This Second Amendment to Master deed is made on August ~~18th~~ 2015 by Canfield Lofts Association, a Michigan domestic nonprofit corporation, whose address is 2391 Pontiac Road, Auburn Hills, Michigan 48326.

RECITALS

- A. Developer established the Canfield Lofts Association (the "Association") pursuant to the terms of the Michigan Condominium Act (the "Act") by recording the Master Deed, Bylaws, and Condominium Subdivision Plan on January 29, 1999 in Liber 30055, Page 979, Wayne County Records, being Wayne County Condominium Subdivision No. 503 ("Master Deed").
- B. The Association amended the Master Deed pursuant to the terms of the First Amendment to the Master Deed Canfield Lofts Condominium on April 29, 2011 by recording the First Amendment to the Master Deed on October 27, 2011 in Liber 49438, Page 985, Wayne County Records.
- C. The Master Deed and Bylaws provide for amendment by the Association pursuant to Article IX of the Master Deed, Article XV of the Bylaws and pursuant to the Act with the consent of 66 2/3 % vote of the Co-owners.
- D. Pursuant to the provisions of the Master Deed, Bylaws and the Act, and with the consent of more than 66 2/3 % vote of the Co-owners, the Association wishes to amend the Master Deed and Bylaws as set forth in this Amendment.

NOW, THEREFORE, the Association hereby amends the Master Deed of Canfield Lofts Condominium, a Condominium Project established pursuant to the Master Deed thereof,

for the purpose of stabilizing the number of owner-occupied units within the Condominium and reducing the number of investors who purchase units with the intention of leasing units to third-parties. Upon recordation of this Amendment, Canfield Lofts Condominium Master Deed is amended in the following manner:

Amended Article VI, Section 2 Leasing and Rental of the Bylaws, as set forth below, shall replace and supersede Article VI, Section 2 of the Bylaws governing Leasing and Rentals as originally recorded and as amended by the First Amendment to Master Deed, and such previously recorded Article VI, Section 2 of the Bylaws shall be of no further force or effect.

ARTICLE VI RESTRICTIONS

Section 2. Leasing and Rental

- (a) **Right to Lease.** No Unit Owner may lease any Unit to any third-party until the Unit has been occupied by the acquiring Co-owner for a period of twenty four months from the date that the deed conveying the Unit to the acquiring Co-owner is recorded among the land records of the Wayne County Register of Deeds, Wayne County, Michigan and until satisfactory documentation of such continuous occupancy has been provided to the Association or the Association's managing agent.
- (b) **Lease Term.** 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 the entire Unit in the Condominium and no tenant shall be permitted to occupy except under a lease with an initial term which is at least one year in length unless specifically approve by the Association in writing.
- (c) **Lease Approval.** A Co-owner, including the Developer, desiring to rent or lease a Unit, shall disclose that fact in writing to the Association, requesting approval for the Unit to be leased and providing an acknowledgement to the Association that the twenty four month owner-occupancy period has been met for the Unit or that an exception (described below) applies. Within ten days of receipt of such request, the Association shall review the request and approve or deny the right to lease based on (a) the Association's Board review of the receipt of written acknowledgement provided by the Co-owner that the twenty four month owner-occupancy period has been met; or (b) certification that a qualifying exception applies, as determined in the sole discretion of the Association's Board of directors.

1) Leasing Procedure.

- i. A Co-owner that has received written approval from the Association to lease a Unit, must supply the Association with

a copy of the exact lease form for its review for compliance with the Condominium Documents at least ten days before presenting a lease to a potential lessee. 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.

- ii. 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 in writing of the alleged violation of 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, 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.
- iii. 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.

(b) **Grandfather Clause.** The Right to Lease and Limits on Rental Units shall not affect any current owner-occupied or leased/rental units existing at the time of adoption of this Amendment. The occupancy requirement shall only apply to future unit Co-owners who acquire their unit after recording of this Amendment.

- (c) **Exceptions.** The terms of this Section shall not apply to restrict the rental of Units owned by the Association or by an institutional Mortgagee in possession of a Unit as a result of foreclosure, judicial sale, power of sale or a proceeding in lieu of foreclosure. In addition, a Unit will not be deemed to be leased for the purposes of this Section, if the Unit is occupied solely by the spouse, children, grandparents, grandchildren or other direct lineal relatives of the Owner (i.e., the Unit Owner's "immediate family" as that term is defined in 29 C.F.R. 780.308). Further, on a finding of good cause, the Association may grant an exception for other good cause, such as death of a Unit Co-owner, confinement to a nursing home or assisted-living facility, relocation necessary because of unemployment, compliance with FHA, VA or other policies, or other demonstrated and severe hardship, as determined in the sole discretion of the Association's Board of directors.
- (d) **Violations.** In the event that a Unit is leased without having first gained the Board's required submissions, reviews, and approvals as set forth in this Section, the Board may (i) assess a fine of up to \$50.00 per day against the owner of a unit for each day that the unit is occupied in violation of this Bylaw; (ii) in addition, the Association may seek other enforcement action as provided herein. Any fine assessed under this section and the costs of any action taken by the Association to enforce the provisions of this section, including reasonable attorney fees, shall be the personal obligation of the Unit Owner and the Board may elect to file a lien on the Unit owner's property for any violation of this paragraph and collect such fines and costs in the same manner as assessments.
- (e) **Enforcement.** Enforcement of these provision regarding the rental or leasing of units shall be by any proceeding at law or in equity, to enjoin an existing or intended violation, and/or to recover damages, if any, or by any means or remedies authorized by the condominium documents or the Act (including the imposition of monetary charges, suspension of use of Association facilities or such other action as may be necessary). Failure to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to do so. The Association shall be entitled to reimbursement for all attorney's fees and costs of its legal representation in any actions at law or equity necessary to enforce this leasing limitation.

PURSUANT TO THE CONSENT OF THE CO-OWNERS, THE UNDERSIGNED BY ITS SIGNATURE BELOW AND BY RECORDING OF THIS SECOND AMENDMENT TO THE CANFIELD LOFTS CONDOMINIUM MASTER DEED DOES HEREBY CONSENT TO AND ACKNOWLEDGES THE FOREGOING SECOND AMENDMENT TO THE CANFIELD LOFTS CONDOMINIUM MASTER DEED AND EXCEPT AS MODIFIED OR AMENDED BY THIS SECOND AMENDMENT ALL TERMS, CONDITIONS, CONVENANTS, AND REPRESENTATIONS CONTAINED IN THE CANFIELD LOFTS CONDOMINIUM MASTER DEED AS ORIGINALLY RECORDED AND AMENDED SHALL REMAIN IN FULL FORCE AND EFFECT.

CANFIELD LOFTS ASSOCIATION
a Michigan nonprofit corporation

By: [Signature]
Randall Fogelman
Its: President

STATE OF MICHIGAN)
COUNTY OF WAYNE) SS.

On this 18th day of August, 2015, the foregoing Canfield Lofts Condominium Second Amendment to Master Deed was acknowledged before me by Randall Fogelman, the president of the Canfield Lofts Association, a Michigan nonprofit corporation.



[Signature]
Christopher A. Hajek, Notary Public,
Oakland County, Michigan
My commission expires: Jan. 13, 2021
Acting in Wayne County

NO INTEREST IN REAL ESTATE IS BEING CONVEYED BY THIS FIRST AMENDMENT TO MASTER DEED. NO REVENUE STAMPS ARE REQUIRED.

Canfield Lofts Condominium Second Amendment to Master Deed drafted by:

Christopher A. Hajek, Esq.
The Hajek Firm, PLLC
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When recorded, return to drafter.