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LIBER 29733 PAGE 136
\$133.00 MISC RECORDING
\$4.00 REMONUMENTATION
11/06/2007 03:47:41 P.M. RECEIPT# 113462
PAID RECORDED - OAKLAND COUNTY
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**AMENDED AND RESTATED MASTER DEED OF
BLOOMFIELD CHASE
OAKLAND COUNTY CONDOMINIUM SUBDIVISION PLAN NO. 1030**

This Amended and Restated Master Deed is made on this 30th day of October, 2007, by the Bloomfield Chase Homeowners Association, a Michigan Nonprofit Corporation, herein referred to as "Association", whose office is located c/o 1495 Maple Way, Suite 100, Troy, MI 48084, the ("Association"), represented herein by Albertina Simone, the President, and Anthony Rusciano, the Vice President, who are fully empowered and qualified to act on behalf of the Association, in pursuance of the provisions of the Michigan Condominium Act (being Act 59 of the Public Acts of 1978, as amended), hereinafter referred to as the "Act", and the approval and consent of more than two-thirds (2/3) of the Co-owners entitled to vote thereon.

19-16-102-000ent

WITNESSETH:

WHEREAS, the Association, by recording this Amended and Restated Master Deed, desires to reaffirm the establishment of the real property described in Article II below, together with the improvements located upon such real property and the appurtenances thereto, as a residential condominium project under the provisions of the Condominium Act of Michigan. The original Master Deed, recorded in Liber 16873, Pages 551-606, Oakland County Records, including the Bylaws attached as Exhibit "A" thereto, is superseded and replaced by this Amended and Restated Master Deed and Exhibit "A" hereto, but the Condominium Subdivision Plan attached to the original Master Deed as Exhibit "B" is retained and incorporated herein by reference as Exhibit "B" hereof.

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

**ARTICLE I
TITLE AND NATURE**

Section 1. Condominium Name and Subdivision Plan No. The Condominium shall be known as Bloomfield Chase Condominium, Oakland Condominium Subdivision Plan No. 1030, consisting of Units 1 through 42, inclusive. The Condominium Project is established in accordance with the Act.

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

Section 3. Voting. Co-owners shall have voting rights in the Bloomfield Chase Homeowners Association as set forth herein and in the Bylaws and the Articles of Incorporation.

ARTICLE II LEGAL DESCRIPTION

The land that comprises the Condominium Project established by the Master Deed, as amended, is a parcel of land located in Bloomfield Township, Oakland County, Michigan, particularly described as follows:

The East 600.00 feet of Lots 3 and 5, except the Easterly 54.00 feet taken for highway purposes; the East 655.16 feet of Lot 4, except the Easterly 54.00 feet taken for highway purposes; and Lot 6, except the East 54.00 feet taken for highway purposes, of "Supervisor's Plat of North Devon Acres", as recorded in Liber 60, Page 8, Oakland County Records, a subdivision of part of the West ½ of the Southwest ¼, of Section 9, and part of the Northwest ¼ of the Northwest ¼ of Section 16, Town 2 North, Range 10 East, Bloomfield Township, Oakland County, Michigan, to wit: Beginning at the Northeast corner of Lot 6 of said "Supervisor's Plat of North Devon Acres"; thence South 00°28'30" W. 278.60 feet; thence South 01°32'30" West, 785.40 feet; thence North 88°27'38" West, 600.00 feet; thence North 01°32'30" East, 266.01 feet; thence North 88°27'34" West, 55.15 feet; thence North 01°32'30" East, 266.34 feet; thence South 88°25'48" East, 55.15 feet; thence North 01°32'30" East, 265.98 feet; thence North 88°25'53" West, 4.34 feet; thence North 00°51'00" East, 265.98 feet; thence South 88°25'48" East, 602.36 feet to the Point of Beginning, except the Easterly 54.00 feet thereof taken for Telegraph Road. Containing 596,544 square feet or 13.695 acres, and being subject to that certain Declaration of Restrictive Covenant, easements of record and all governmental limitations.

ARTICLE III DEFINITIONS

Section 1. General Description of Terms Used. Certain terms are utilized not only in this Amended and Restated Master Deed and Exhibits "A" and "B" applicable hereto, but are or may be used in various other instruments such as, by way of example and not limitation, the Articles of Incorporation and any rules and regulations promulgated by the Bloomfield Chase Homeowners Association, and deeds, mortgages, liens, land contracts, easements and other instruments affecting the establishment of, or transfer of, interests in Bloomfield Chase, as a condominium. Wherever used in such documents or any other pertinent instruments, the terms set forth below shall be defined as follows:

- A. "Act" or "Condominium Act" means the Michigan Condominium Act, being Act 59 of the Public Acts of 1978, as amended. If any provision of this Amended and Restated Master Deed or its exhibits is found to conflict with any provision of the Act, or if any provision required by the Act is omitted herefrom, then the provisions of the Act are incorporated herein by reference and shall supersede and cancel any conflicting provision hereof.
- B. "Association" or "Association of Co-owners" means Bloomfield Chase Homeowners Association, a non-profit corporation organized under Michigan law of which all Co-owners are members, which corporation shall administer, operate, manage and maintain the Condominium in accordance with all applicable laws and the Condominium Documents. Any action required of or permitted to the Association shall be exercisable by its Board of Directors unless specifically reserved to its members by the Condominium Documents or the laws of the State of Michigan.
- C. "Unit" or "Condominium Unit" each mean a single complete Unit in Bloomfield Chase, as such may be described in Article VI hereof and on Exhibit B applicable hereto, and shall have the same meaning as the term "Condominium Unit" as defined in the Act.
- D. "Bylaws" means the Amended and Restated Bylaws attached as Exhibit "A" hereto.
- E. "Condominium Documents", wherever used, means and includes this Amended and Restated Master Deed, the Bylaws, the Condominium Subdivision Plan, the Articles of Incorporation and the rules and regulations, if any, of the Association.
- F. "Condominium Premises" means and includes the land, all improvements and structures thereon and all easements, rights and appurtenances belonging to the Condominium described above.
- G. "Condominium Project", "Condominium" or "Project" means Bloomfield Chase as a Condominium Project established in conformity with the provisions of the Act.
- H. "Condominium Subdivision Plan" means the Condominium Subdivision Plan attached to the original Master Deed as Exhibit "B", which is incorporated by reference and made a part hereof.
- I. "Co-owner" means a person, firm, corporation, partnership, association, trust or other legal entity or any combination thereof who or which owns one or more Units in the Condominium. The term "owner", wherever used, shall be synonymous with the term "Co-owner". Both Land Contract vendees and vendors shall be considered Co-owners, and shall be jointly and severally liable for all obligations and responsibilities of Co-owners under the Condominium Documents and the Act.
- J. "Developer" shall refer to Bloomfield Chase Limited Partnership, a Michigan Limited Partnership, which made and executed the original Master Deed, and its successors and assigns.
- K. "Common Elements" where used without modification means both the General and Limited Common Elements described in Article IV hereof, and does not refer to Condominium Units.
- L. "Amended and Restated Master Deed" means this document, when recorded. The Amended and Restated Master Deed includes and incorporates by reference, except as the context otherwise requires, the Bylaws and the Condominium Subdivision Plan.
- M. "Percentage of Value" means the percentage assigned to each Unit in Article VI hereof. The percentages of value of all Units shall total one hundred (100%) percent. Percentages of value shall be determinative only with respect to those matters to which they are specifically deemed

to relate either in the Condominium Documents or in the Act. Percentages of value for each Unit have been determined with reference to reasonably comparative characteristics.

- N. "Person" means an individual, firm, corporation, partnership, association, trust, or other legal entity, or any combination thereof.
- O. "Record" means to record pursuant to the laws of the State of Michigan relating to the recording of deeds.
- P. "Residence" means a residential dwelling together with an attached garage and all related improvements and appurtenances constructed within the perimeter of a Unit.

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

ARTICLE IV COMMON ELEMENTS

Section 1. Common Elements. The Common Elements described below and in the Condominium Subdivision Plan, and the respective responsibilities for their maintenance, decoration, repair and replacement, are as follows:

- A. General Common Elements. The General Common Elements are:
 - (1) Land. The land described in Article II hereof, specifically including the drives, roads, parking areas, walks and landscaped areas, to the extent not occupied by or designated as Condominium Units, Limited Common Elements, or public roadways, as shown on the Condominium Subdivision Plan, and all beneficial easements;
 - (2) Utilities. The storm water drainage (including below ground and above ground systems), electrical, gas, water, sanitary sewer, street lighting, telephone, plumbing and cable television systems throughout the Condominium, including that contained within Units to the extent that the portion within any Unit is a main that also services any other Unit(s) (leads connecting utility mains to residences constructed within Units are not Common Elements), only to the extent the same have not been dedicated to the local public authority;
 - (3) Other. Such other elements of the Project not herein designated as General or Limited Common Elements which are intended for common use or necessary to the existence, upkeep and/or safety of the Project, and which are not located within the perimeter of a Unit;
- B. Limited Common Elements. Limited Common Elements are the areas, if any, so depicted on the Condominium Subdivision Plan, and are subject to the exclusive use and enjoyment of the owner of the Unit(s) to which they are assigned on the Condominium Subdivision Plan.
- C. Responsibility. Subject at all times to the Association's exclusive right and obligation to control and approve the exterior appearance and use of all Units and Common Elements, including structures, landscaping and improvements located therein, as provided herein and in the relevant sections of Article VI of the Bylaws and any rules and regulations promulgated by the

Association in accordance therewith, the respective responsibilities for the maintenance, decoration, repair and replacement of the Units and Common Elements comprising the Condominium are as follows:

(1) Co-owner Responsibilities:

- (a) Unit, Limited Common Elements. The primary responsibility for the decoration, maintenance, repair and replacement, including all associated costs, of a Unit, including the Residence and all landscape, structures, improvements located therein and all personal property of the Co-owner located anywhere within the Project, and for the decoration and maintenance of any appurtenant area that is a Limited Common Element, shall be borne by the Co-owner of the Unit, except as hereinafter described in Subsection (2), below.
- (b) Utility Charges. All costs of electricity, telephone, gas, water and any other utility services billed directly to a Unit shall be borne by the Co-owner of the Unit to which such services are furnished and billed.
- (c) Co-owner Additions, Modifications. Co-owner improvements, additions or modifications, even though approved by the Association, shall not be considered Limited or General Common Elements in any case, and shall be the complete responsibility of the Co-owner. Should the Association require access to any elements of the Project which require the moving or destruction of all or part of any such addition or modification, all costs, damages and expenses involved in providing access and restoring the addition or modification shall be borne by the Co-owner. A Co-owner shall refrain from repairing, altering, replacing, painting, decorating, landscaping or changing the exterior color, type of material or style of a Residence within a Unit or any exterior appendage, without first obtaining the Association's prior written consent pursuant to Article VI of the Bylaws. Any replacement window, door, roof, siding, landscaping or other element visible from the exterior of a Unit shall be identical to the original in all respects, and must be approved by the Association prior to installation.
- (d) Co-owner Fault. Any and all costs for maintenance, decoration, repair and replacement of any Common Element caused by the intentional or unintentional act(s) of any Co-owner, or family, guests, tenants or invitees of a Co-owner, shall be borne by the Co-owner. The Association may incur such costs and charge and collect them from the responsible Co-owner in the same manner as an assessment in accordance with Article II of the Bylaws.
- (e) Repair to Association Specifications. All decoration, maintenance, repair and replacement obligations of the Co-owners as described above and as provided in the Bylaws shall be performed subject to the Association's mandatory prior approval and control with respect to color, style, material and appearance.

(2) Association Responsibilities:

- (a) Common Elements. The Association shall be responsible for the maintenance, decoration, repair and replacement of all General Common Elements and any landscape or improved areas in any public road right-of-way, and for the repair and replacement of any area that is a Limited Common Element, and except as one or more of the Co-owners are responsible to bear the costs thereof pursuant

to this Amended and Restated Master Deed, the Bylaws and Section 69 of the Act, the Association shall bear the expense thereof as an expense of administration.

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

ARTICLE V USE OF PREMISES

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

ARTICLE VI CONDOMINIUM UNIT DESCRIPTION AND PERCENTAGE OF VALUE

Section 1. Condominium Unit Description. Each Unit is described in this paragraph with reference to the Condominium Subdivision Plan of the Bloomfield Chase Condominium as prepared by Nowak and Fraus, and applicable hereto as Exhibit "B". Each Unit shall consist of the land and airspace above said land on which a completed residential structure is constructed, as depicted in the Condominium Subdivision Plan. The Unit depths, heights and boundaries shall be as shown on the Condominium Subdivision Plan. For all purposes, individual Units may hereafter be defined and described by reference to this Master Deed and the individual number assigned to the Unit in the Condominium Subdivision Plan.

Section 2. Calculation of Percentage of Value. The percentage of value assigned to each Unit is set forth in this Paragraph, below. The percentage of value assigned to each Unit shall be determinative of 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 and the undivided interests of the Co-owner in the Common Elements. The total percentage value of the Project is 100. The Developer has determined that the comparative characteristics of residential Units in the Condominium are approximately equal. Therefore, the percentage of value for each of Units 1 through 42 shall be 1/42nd of 100 percent.

ARTICLE VII EASEMENTS

Section 1. Easements For Encroachment, Utilities, and Support. In the event any Unit or Common Element encroaches upon another Unit or Common Element, whether by deviation from the plans in the construction, repair, renovation, restoration, or replacement of any improvement, or by reason of the settling or shifting of any land or improvement, a valid easement for the encroachment shall exist, except to the extent limited by Section 40 of the Act.

There shall be easements to, through and over those portions of the land, structures, buildings, improvements and walls contained therein for the installation, maintenance and servicing of all utilities

in the Condominium, including, but not limited to, lighting, heating, power, sewer, water and communications including telephone and cable television lines.

Section 2. Association's Right to Grant Easements. The Board of Directors of the Association may grant easements over or through any portion of any General Common Element of the Condominium for utility, roadway, construction or safety purposes. The Association further has the right to dedicate all streets and all utilities and utility easements located on the Condominium Premises to the public for such consideration as the Association shall determine in its sole discretion if not already dedicated.

Section 3. Association's Easement For Maintenance, Repair and Replacement. The Association and all public or private utilities shall have such easements over, under, across and through the Condominium Premises, including all Units and Common Elements, as may be necessary to fulfill any responsibilities of maintenance, repair, decoration, replacement or upkeep which they or any of them are required or permitted to perform under the Condominium Documents or by law, or to respond to any emergency or common need of the Condominium.

Section 4. Building Restrictions and Natural Features Protection Zone. The Architectural and Use Restrictions of Article VI of the Restated Bylaws shall govern the use and construction within any Unit in the Condominium, and are fully incorporated herein by reference. A Natural Features Protection Zone and Buffer has been established by the developer for the benefit of the Township and the co-owners of the Condominium as shown on the Condominium Subdivision Plan. This Zone and Buffer shall be preserved in perpetuity in its natural state, and no structures or improvements of any kind may be located therein, with the exception of utility installations that do not harm the landscape screening provided by this area.

ARTICLE VIII AMENDMENTS

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

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

Section 2. Mortgagee Consent. Whenever a proposed amendment would materially alter or change the rights of mortgagees (as defined in Section 90A(9) of the Act), such amendment shall require the consent of not less than two-thirds (2/3) of all mortgagees of record. A mortgagee shall have one (1) vote for each mortgage held. Mortgagee approval shall be solicited in accordance with Section 90A of the Act.

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

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

BLOOMFIELD CHASE HOMEOWNERS ASSOCIATION
 a Michigan Nonprofit Corporation.

BY: *Albertina Simone*
 Albertina Simone
 ITS: President

AND

BY: *Anthony Rusciano*
 Anthony Rusciano
 ITS: Vice President

STATE OF MICHIGAN)
)ss
 COUNTY OF OAKLAND)

On this 30th day of October, 2007, the foregoing Amended and Restated Master Deed was acknowledged before me by Albertina Simone, the President, and Anthony Rusciano, the Vice President, of Bloomfield Chase Homeowners Association, a Michigan nonprofit corporation, on behalf of and by authority of the Corporation.

Stephanie L. Intermaggio

 , Notary Public
 Acting in _____ County, MI
 My commission expires:

Drafted by and when recorded return to:

 David S. Keast, Esq.
 Plunkett Cooney
 38505 Woodward Avenue, Suite 2000
 Bloomfield Hills, MI 48304

STEPHANIE L. INTERMAGGIO
 Notary Public, State of Michigan
 County of Macomb
 My Commission Expires Nov. 15, 2012
 Acting in the County of OAKLAND

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BLOOMFIELD CHASE
AMENDED AND RESTATED BYLAWS
(EXHIBIT "A" TO THE AMENDED AND RESTATED MASTER DEED)

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**AMENDED AND RESTATED BYLAWS
BLOOMFIELD CHASE CONDOMINIUM
(EXHIBIT A TO THE AMENDED AND RESTATED MASTER DEED)**

**ARTICLE I
ASSOCIATION OF CO-OWNERS**

SECTION 1. The Association. Bloomfield Chase Condominium is a residential Condominium project located in the Township of Bloomfield, Oakland County, Michigan, and shall be administered by an association of Co-owners which shall be a nonprofit corporation, hereinafter called the "Association", organized under the applicable laws of the State of Michigan, and responsible for the management, maintenance, operation and administration of the Common Elements, easements and affairs of the Condominium Project, subject to and in accordance with the Amended and Restated Master Deed, these Bylaws, the Articles of Incorporation, and duly adopted Rules and Regulations of the Association, and the laws of the State of Michigan. All Co-owners in the Condominium Project and all persons using or entering upon or acquiring any interest in any Unit therein or the Common Elements thereof shall be subject to the provisions and terms set forth in the aforesaid Condominium Documents.

SECTION 2. Purpose of these Bylaws. These Amended and Restated Bylaws ("these Bylaws") are designated as both the Condominium bylaws, relating to the manner in which the Condominium and the common affairs of the Co-owners of the Units shall be administered, as are required by Act No. 59 of the Public Acts of Michigan of 1978, as amended, and the Association's corporate bylaws, governing the operation of the Association as a corporate entity, as are required by Act No. 162 of the 1982 Public Acts of Michigan, as amended.

**ARTICLE II
ASSESSMENTS**

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

SECTION 2. Assessments for Common Elements. All costs incurred by the Association in satisfaction of any liability or loss arising in connection with the Common Elements or the administration of the Condominium shall be expenses of administration; and all sums received as proceeds of, or pursuant to, any policy of insurance carried by the Association securing the interests of the Co-owners against liabilities or losses arising in connection with the Common Elements or the administration of the Condominium shall be receipts of administration, within the meaning of Section 54(4) of the Act, except as modified by the specific assignment of responsibilities for costs contained in Article IV, Section C of the Amended and Restated Master Deed.

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

- A. Annual Budget. The Board of Directors of the Association shall establish in advance for each fiscal year an annual budget that projects all expenses for the forthcoming year which may be required for the proper operation, management and maintenance of the Condominium, including a reasonable allowance for contingencies and reserves. Any budget adopted shall include an allocation to a reserve fund for repairs to and the replacement of those Common Elements that must be replaced on a periodic basis, in accordance with subsection D. hereof. Upon adoption of an annual budget by the Board of Directors, copies of the budget shall be delivered to each Co-owner and the assessment for the year shall be established based upon said budget, although the failure to deliver a copy of the budget to each Co-owner shall not affect or in any way diminish the liability of any Co-owner for any existing or future assessments.
- B. Additional Assessments. The Board of Directors may increase the general assessment or levy such additional assessment(s) as it deems necessary, provided that the same shall be required for only the following: (i) to meet deficits incurred or anticipated because current assessments are insufficient to pay the costs of operation and maintenance; (ii) to provide replacements of existing Common Elements; or (iii) for any emergencies. The Board also shall have the authority, without the necessity of Co-owner consent, to levy assessments pursuant to Article V., Section 2 hereof. The discretionary authority of the Board to levy assessments pursuant to this subparagraph shall rest with the Board solely for the benefit of the Association and Co-owners and shall not be enforceable by any creditor of the Association or any Co-owner.
- C. Special Assessments. Special assessments, in addition to those described in subparagraph A. above, may be made by the Board of Directors from time to time if approved by the Co-owners as provided herein, to meet other requirements of the Association, including, but not limited to: (i) additions to the Common Elements whose total annual cost exceeds 20% of the annual operating budget annually; (ii) the purchase of a Unit upon foreclosure of the lien for assessments described hereafter; or (iii) any other appropriate purpose not elsewhere described. Special Assessments as provided for by this subparagraph shall not be levied without the prior approval of more than fifty percent (50%) of all Co-owners entitled to vote. The authority to levy assessments pursuant to this subparagraph is solely for the benefit of the Association and its members and is not enforceable by any creditor of the Association or any Co-owner.
- D. Reserve Fund. The Board of Directors shall maintain a reserve fund solely for major repairs and replacements of common elements, which reserve fund shall be in the amount of not less than ten percent (10%) of the Association's annual budget (excluding that portion of the budget allocated to the reserve fund itself) on a noncumulative basis. The Association may increase or decrease the reserve fund but may not reduce it below ten percent (10%) of the annual budget of the Association. The reserve must be funded at least annually from the proceeds of the regular monthly payments set forth in Subparagraph A of this Section, rather than by special assessments, but may be supplemented by additional or special assessments if determined necessary by the Board. The minimum standard required by this subsection may prove to be inadequate. The Board of Directors shall annually consider the needs of the Condominium to determine if a greater amount should be set aside in reserve or if additional reserve funds should be established for any other purposes. The Board from time to time may adopt such rules and regulations consistent with the Act and these Bylaws

as it deems desirable concerning the reserve account(s), including, without limitation, with respect to type and manner of investment and the funding and disposition of the reserves.

SECTION 4. Payment of Assessments and Penalty for Default. All assessments levied against the Co-owners to cover expenses of administration shall be apportioned among and paid by the Co-owners in accordance with the percentage of value allocated to each Unit in the Amended and Restated Master Deed. Annual assessments shall be payable by Co-owners annually or in such installments as may be provided by the Board in its sole discretion, commencing with the acceptance of a deed to or a land contract vendee's interest in a Unit, or with the acquisition of fee simple title to a Unit by any other means. The payment of an assessment shall be in default if such assessment, or any part thereof, is not paid to the Association in full on or before the due date for such payment. Assessments in default shall bear interest at the highest rate allowed by law until paid in full. In addition, all assessments, or installments thereof, which remain unpaid as of ten (10) days after the due date, shall incur a uniform late charge of ten percent (10%) of the assessment not paid to compensate the Association for administrative costs incurred as a result of the delinquency. The Board of Directors may revise said uniform late charge, and may levy additional late fees for special and additional assessments, pursuant to Section 11 of Article VI of these Bylaws, without the necessity of amending these Bylaws. In the event of any delinquency, the Board also shall have the right to accelerate any of the remaining unpaid installments of the annual assessment for that fiscal year and declare them to be immediately due and payable. Each Co-owner (whether one or more persons) shall be personally liable for the payment of all assessments (including late fees and costs of collection and enforcement of payment, including actual attorney's fees) levied against his Unit while such Co-owner has an ownership interest therein. Payments on account of installments of assessments in default shall be applied as follows: first, to costs of collection and enforcement of payment, including attorney's fees; second, to any interest charges, fines and late fees on such installments; and third, to installments in default in order of their due dates. A Co-owner selling a Unit shall not be entitled to any refund whatsoever from the Association with respect to any reserve account or other asset of the Association.

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

SECTION 6. Enforcement.

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

assessments. A Co-owner may not assert in an answer or by set-off to a complaint brought by the Association for non-payment of assessments the fact that the Association or its agents have not provided services or management to a Co-owner. So long as such default continues, a Co-owner in default shall not be entitled to utilize any of the General Common Elements, qualified to run for or function as an officer or director of the Association, entitled to vote at any meeting of the Association and entitled to sign any petition; provided, however, this provision shall not operate to deprive any Co-owner of ingress or egress to and from his Unit. In a judicial foreclosure action, a receiver may be appointed to collect a reasonable rental for the Unit from the Co-owner thereof or any persons claiming under him, and if the Unit is not occupied by the Co-owner, to lease the Unit and collect and apply the rental therefrom. The Association also may assess fines for late payment or non-payment of assessments in accordance with Article XVI of these Bylaws. All remedies shall be cumulative and not alternative.

- C. Foreclosure of Lien. Each Co-owner, and every other person who from time to time has any interest in the Project, shall be deemed to have granted to the Association the unqualified right to elect to foreclose of the lien securing payment of assessments, costs and expenses, either by judicial action or by advertisement. The provisions of Michigan law pertaining to foreclosure of mortgages by judicial action and by advertisement, and the provisions of Section 108 of the Act, as the same may be amended from time to time, are incorporated herein by reference for the purposes of establishing the alternative procedures to be followed in lien foreclosure actions and the rights and obligation of the parties to such actions. Further, each Co-owner and every other person who from time to time has any interest in the Project, shall be deemed to have authorized and empowered the Association to sell or to cause to be sold the Unit (and improvements) with respect to which assessment(s) is or are delinquent and to receive, hold and distribute the proceeds of such sale in accordance with the priorities established by applicable law. Each Co-owner of a Unit acknowledges that at the time of acquiring title to such Unit, he was notified of the provisions of this Section 6 and that he voluntarily, intelligently and knowingly waived notice of any proceedings brought by the Association to foreclose by advertisement the lien for nonpayment of assessments and a hearing on the same prior to the sale of the subject Unit.
- D. Notice of Action. Notwithstanding the foregoing, neither a judicial foreclosure action nor a suit at law for a money judgment shall be commenced, nor shall any notice of foreclosure by advertisement be published, until the expiration of ten (10) days after mailing by first class mail, postage prepaid, addressed to the delinquent Co-owner(s) at his or their last known address, of a written notice that one or more installments of the annual assessment levied against the pertinent Unit is or are delinquent and that the Association may invoke any of its remedies hereunder if the default is not cured within ten (10) days after the date of mailing. Such written notice shall be accompanied by a written affidavit of an authorized representative of the Association that sets forth (i) the affiant's capacity to make the affidavit, (ii) the statutory and other authority for the lien, (iii) the amount outstanding (exclusive of interest, costs, attorney fees and future assessments), (iv) the legal description of the subject Unit(s), and (v) the name(s) of the Co-owner(s) of records. Such affidavit shall be recorded in the Office of the Register of Deeds in the County in which the Project is located prior to the commencement of any foreclosure proceeding, but it need not have been recorded as of the date of mailing as aforesaid. If the delinquency is not cured within the ten (10) day period, the Association may take such remedial action as may be available to it hereunder or under Michigan law. In the event the Association elects to foreclose the lien by advertisement, the Association shall so notify the representative designated above and shall inform such representative that he may request a judicial hearing by bringing suit against the Association.

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

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

SECTION 8. Assessment Status Upon Sale of Unit; Prospective Unit Purchaser Statement. Upon the sale or conveyance of a Unit, any unpaid assessments, interest, late fees, fines, costs and attorney's fees against the Unit shall be paid out of the net proceeds of the sale price or by the purchaser in preference over any other assessments or charges of whatever nature except (a) amounts due the State of Michigan or any subdivision thereof for taxes or special assessments due and unpaid and (b) payments due under first mortgages having priority to the Association's lien for unpaid assessments. A purchaser of a Unit is entitled to a written statement from the Association setting forth the amount of unpaid assessments, interest, late fees, fines, costs and attorney's fees outstanding against the Unit and the purchaser is not liable for any unpaid assessments, interest, late fees, fines, costs and attorney's fees in excess of the amount set forth in such written statement, nor shall the Unit be subject to any lien for any amounts in excess of the amount set forth in the written statement. Any purchaser or grantee who fails to request a written statement from the Association as provided herein at least five (5) days before the conveyance shall be liable for any unpaid assessments, interest, late fees, fines, costs and attorneys' fees that are a lien upon the Unit at the time of its conveyance or transfer.

SECTION 9. Construction Liens. Construction liens attaching to any portion of the condominium premises shall be subject to the following limitations and Section 132 of the Act:

- A. Except as provided herein, a construction lien for work performed upon a Unit or upon a Limited Common Element may attach only to the Unit upon which the work was performed.
- B. A construction lien for work authorized by the Association may attach to each Unit only to the proportionate extent that the Co-owner of the Unit is required to contribute to the expenses of administration as provided by the condominium documents.
- C. A construction lien may not arise or attach to a Unit for work performed on the Common Elements not contracted for by the Association.

ARTICLE III ARBITRATION

SECTION 1. Arbitration. Disputes, claims, or grievances arising out of or relating to the interpretation or application of the Condominium Documents, or any disputes, claims or grievances

arising among or between Co-owners, or between one or more Co-owners and the Association, shall, upon the election and written consent of the parties to any such disputes, claims or grievances and written notice to the Association, if applicable, be submitted to arbitration and parties thereto shall accept the arbitrator's decision as final and binding. The Commercial Arbitration Rules of the American Arbitration Association as amended and in effect from time to time hereafter shall be applicable to any such arbitration.

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

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

ARTICLE IV INSURANCE

SECTION 1. Responsibilities of the Association. 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, insofar as applicable and appropriate, fidelity bond coverage for the members of the Board and any management agent who has access to and authority over any monies received by or payable to the Association, directors and officers liability coverage, and such other insurance as the Board of Directors deems advisable, and all such insurance shall be carried and administered in accordance with the following provisions:

- A. Responsibilities of the Association. All such insurance shall be purchased by the Association for the benefit of the Association, 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. Property casualty coverage shall be carried in an amount equal to the maximum insurable replacement value, excluding foundation and excavation costs, if any, of the Common Elements required to be insured as a whole, as determined annually by the Board of Directors of the Association in consultation with its appropriate professional advisors. The Association shall not be responsible, in any way, for maintaining insurance with respect to the Units.
- B. Cost of Insurance. All premiums for insurance purchased by the Association pursuant to these Bylaws shall be expenses of administration.
- C. Proceeds of Insurance Policies. Proceeds of all insurance policies owned by the Association shall be received by the Association, held in a separate account and distributed to the Association, the Co-owners and their mortgagees as their interests may appear; provided, however, whenever repair or reconstruction of the Condominium shall be required as provided in Article V of these Bylaws, the proceeds of any insurance received by the Association as a result of any loss requiring repair or reconstruction shall be applied for such repair or reconstruction, and in no event shall hazard insurance proceeds be used for any purpose other than for repair, replacement or reconstruction of the Condominium unless all of the institutional holders of first mortgages on Units in the Condominium have given their prior written approval.

SECTION 2. Association as Attorney-in-Fact. Each Co-owner, by the ownership of a Unit, is deemed to appoint the Association as his true and lawful attorney-in-fact to act in connection with all matters concerning the maintenance of fire and extended coverage, vandalism and malicious mischief, liability insurance and workmen's compensation insurance, if applicable, pertinent to the Condominium project and Common Elements. Without limiting the generality of the foregoing, the Association, as said attorney, shall have full power and authority to purchase and maintain such insurance, collect and remit premiums therefor, collect proceeds and distribute the same to the Association, the Co-owners and respective mortgagees, as their interests may appear (subject always to the Condominium Documents), execute releases of liability and execute all documents and to do all things on behalf of such Co-owner and the Condominium as are necessary or convenient to the accomplishment of any of the foregoing.

SECTION 3. Responsibilities of Co-owners. Each Co-owner shall be obligated and responsible to obtain "all-risk" insurance with respect to the Residence and all other improvements constructed or to be constructed within the perimeter of his Unit and any appurtenant Limited Common Elements, and for his personal property located therein or thereon or elsewhere on the Condominium project. All such insurance shall be carried by each Co-owner in an amount equal to the maximum insurable replacement value, excluding foundation and excavation costs. Each Co-owner also shall be obligated to obtain insurance coverage for his personal liability for occurrences within the perimeter of his Unit and appurtenant Limited Common Elements, and also for any other personal or business insurance coverage that the Co-owner wishes to carry. Each Co-owner shall deliver certificates of insurance to the Association from time to time to evidence the continued existence of all insurance required to be maintained by the Co-owner hereunder. In the event of the failure of a Co-owner to obtain such insurance or to provide evidence thereof to the Association, the Association may, but is not required to, obtain such insurance on behalf of such Co-owner and the premiums therefore shall constitute a lien against the Co-owner's Unit which may be collected from the Co-owner in the same manner that Association assessments may be collected in accordance with Article II hereof.

Under no circumstances shall the Association have any obligation to obtain any of the insurance coverage described in this Section 3 or be liable to any person for its failure to do so. To the extent a Co-owner does or keeps, or permits anything to be done or kept, on his Unit and/or the appurtenant Limited Common Elements that will increase the Association's rate of insurance, the increased cost of insurance premiums resulting from any such activity or the maintenance of any such condition shall be charged to the particular Co-owner responsible for such activity or condition.

SECTION 4. Indemnification. Each individual Co-owner shall indemnify and hold harmless every other Co-owner and the Association from all damages and costs, including attorneys' fees, which such other Co-owners or the Association may suffer as a result of defending any claim arising out of an occurrence on or within such individual Co-owner's Unit or any appurtenant Limited Common Elements and shall carry insurance to secure this indemnity if so required by the Association. This Section 4 shall not, however, be construed to give any insurer any subrogation right or other right or claim against any individual Co-owner.

ARTICLE V RECONSTRUCTION OR REPAIR IN CASE OF CASUALTY

SECTION 1. Determination of Responsibility. If any part of the Condominium shall be damaged, the determination of whether or not it shall be reconstructed or repaired shall be made, and the responsibility therefor shall be assigned, as follows:

- A. General Common Element. If the damaged property is a General Common Element, the Association shall be responsible to reconstruct or repair the property and shall bear all of the uninsured costs thereof, unless it is determined by a unanimous vote of all Co-owners that the Condominium shall be terminated, and each institutional holder of a first mortgage lien on any Unit in the Condominium has given prior written approval of such termination.
- B. Unit or Limited Common Element. If the damaged property is a Unit or any Residence or other improvement located thereon, the Co-owner of such Unit alone shall determine whether to reconstruct or repair and shall be responsible for and bear the costs of such reconstruction or repair, subject to the rights of any mortgagee or other person or entity having an interest in such property. The Co-owner shall promptly remove all debris and restore his Unit, any Limited Common Elements and the Residence and all improvements thereon to a condition substantially equal to their original condition, in a manner satisfactory to the Association and in accordance with the provisions of Article VI hereof.

SECTION 2. Association Responsibilities and Funding. Immediately after a casualty causing damage to property for which the Association has the responsibility of repair and reconstruction, the Association shall obtain reliable and detailed estimates of the cost to replace the damaged property in a condition as good as that existing before the damage. If the proceeds of the insurance are not sufficient to defray the estimated costs of reconstruction or repair required to be performed by the Association, or if at any time during such reconstruction or repair, or upon completion of such reconstruction or repair, the funds for the payment of the costs thereof are insufficient, assessments shall be made against 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 the repair. This provision shall not be construed to require replacement of mature trees and vegetation with equivalent trees or vegetation.

SECTION 3. Timing. If damage to the General Common Elements adversely affects the appearance of the Project, the Association shall proceed with replacement of the damaged property without delay.

SECTION 4. Eminent Domain. Section 133 of the Act (to the extent not inconsistent with the following) and the following provisions shall control upon any taking by eminent domain:

- A. Common Elements Taken by Eminent Domain. If any portion of the Common Elements is taken by eminent domain, the award therefor shall be allowed to the Co-owners in proportion to their respective undivided interests in the Common Elements. The Association, acting through its Board of Directors, may negotiate on behalf of all Co-owners for any taking of the Common Elements and any negotiated settlement approved by more than two-thirds (2/3) in number of the Co-owners shall be binding on all Co-owners.
- B. Condominium Unit Taken by Eminent Domain. If a Unit is taken by eminent domain, the undivided interest in the Common Elements appertaining to the Unit shall thenceforth appertain to the remaining Units, being allocated to them in proportion to their respective undivided interests in the Common Elements. The Court shall enter a decree reflecting the reallocation of the undivided interest in the Common Elements as well as for the Unit.
- C. Partial Taking of a Condominium Unit. If portions of a Unit are taken by eminent domain, the court shall determine the fair market value of the portions of the Unit not taken. The undivided interest of such Unit in the Common Elements shall be reduced in proportion to the diminution in the fair market value of such Condominium Unit resulting from the taking. The

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

- D. Impossibility of Use of Portion of Unit not Taken by Eminent Domain. If the taking of a portion of a Unit makes it impractical to use the remaining portion of that Unit for a lawful purpose permitted by the condominium documents, then the entire undivided interest in the Common Elements appertaining to that Unit shall thenceforth appertain to the remaining Units, being allocated to them in proportion to their respective undivided interests in the Common Elements. The remaining portion of that Unit shall thenceforth be a Common Element. The court shall enter an order reflecting the reallocation of undivided interests produced thereby, and the award shall include just compensation to the Co-owner of the Unit for the Co-owner's entire undivided interest in the Common Elements and for the entire Unit.
- E. Future Expenses of Administration Appertaining to Condominium Unit(s) Taken by Eminent Domain. Votes in the Association of Co-owners and liability for future expenses of administration appertaining to a Unit taken or partially taken by eminent domain shall thenceforth appertain to the remaining Units, being allocated to them in proportion to their relative voting strength in the Association. A Unit partially taken shall receive a reallocation as though the voting strength in the Association was reduced in proportion to the reduction in the undivided interests in the Common Elements.
- F. Condominium Continuation after the taking by Eminent Domain. In the event the Condominium continues after a taking by eminent domain, then the remaining portion of the Condominium shall be re-surveyed and the Master Deed amended accordingly. Such amendment may be effected by an officer of the Association duly authorized by the Board of Directors without the necessity of execution or specific approval thereof by any Co-owner, but only with the prior written approval of all holders of first mortgage liens on individual Units in the Condominium.
- G. Condemnation or Eminent Domain Proceeding. In the event any Unit in the Condominium, or any portion thereof, or the Common Elements, or any portion thereof, is made the subject matter of any condemnation or eminent domain proceeding or is otherwise sought to be acquired by a condemning authority, the Association promptly shall so notify each institutional holder of a first mortgage lien on any of the Units in the Condominium.

SECTION 5. Rights of First Mortgagees. Nothing contained in the Condominium Documents shall be construed to give a Unit Co-owner, or any other party, priority over any rights of first mortgagees of Units pursuant to their mortgages in the case of a distribution to Unit Co-owners of insurance proceeds or condemnation awards for losses to or a taking of Units and/or Common Elements.

ARTICLE VI RESTRICTIONS

SECTION 1. Use of Condominium Unit and Common Elements.

- A. Single Family Use. No Unit shall be used for other than single-family residential purposes (as defined by the Township of Bloomfield Zoning Ordinances), and the Common Elements shall be used only for purposes consistent with the use herein stated. No Co-owner shall carry on any commercial activities anywhere on the premises of the Condominium, except that Co-owners shall be allowed to have offices in their homes, provided the same do not constitute a violation of any ordinances or regulations of the Township of Bloomfield, and do not involve additional pedestrian or vehicular traffic and/or congestion within the Condominium, do not disturb other Co-owners, do not involve additional expense to the Association (such as utility charges or for insurance) and do not violate any other provision of or restriction contained in the Condominium Documents.
- B. Occupancy Restrictions. All Units shall be occupied in strict conformance with the restrictions and regulations of the BOCA National Property Maintenance Code and any other codes or ordinances as may be adopted by the Township of Bloomfield from time to time. Accordingly, the number of persons allowed to reside in any Unit shall be restricted by the size of the bedrooms and other sleeping areas of the Residence located on the Unit. Such restrictions shall automatically change, without the necessity of an amendment to this document, upon the adoption of alternative regulations by the Township of Bloomfield, such that the occupancy of all Units shall be in accordance with all Township regulations at all times.

SECTION 2. Leasing and Rental of Units.

- A. Right to Lease. A Co-owner may lease his Unit for the same purposes set forth in Section 1 of this Article VI; provided that written disclosure of such lease transaction is submitted to the Board of Directors of the Association in the same manner as specified in subparagraph B. below. No Co-owner shall lease less than an entire Unit, and all leases shall be for a minimum initial term of one (1) year. Any such lease must be approved by the Association and must: (i) require the lessee to comply with the Condominium Documents and Rules and Regulations of the Association; (ii) provide that failure to comply with the Condominium Documents and Rules and Regulations constitutes a default under the lease; and (iii) provide that the Board of Directors has the power to terminate the lease or to institute an action to evict the tenant and for money damages after 15 days' prior written notice to the Unit Co-owner, in the event of a default by the tenant in the performance of the lease. The Board of Directors may suggest or require a standard form lease for use by all Co-owners. Each Co-owner of a leased Unit shall, promptly following the execution of any such lease, forward a conformed copy thereof to the Board of Directors. Copies of all leases in effect as of the effective date of these Bylaws shall be provided to the Association within 14 days of said effective date. Under no circumstances shall transient tenants be accommodated. For purposes of the Section 2A, a "transient tenant" is a non-Co-owner residing in a Unit for less than sixty days, who has paid consideration therefor. The terms of all leases, occupancy agreements and occupancy arrangements shall incorporate, or be deemed to incorporate, all of the provisions of the Condominium Documents and all leases, rental agreements and occupancy agreements shall so state.
- B. Procedures for Leasing. The leasing of Units shall conform to the following provisions:
- (1) A Co-owner desiring to rent or lease a Unit, shall disclose that fact in writing to the

Association at least twenty-one (21) days before presenting a proposed lease form to a potential lessee, and shall supply the Association with a copy of the exact lease form for its review for its compliance with the Condominium Documents. The Association shall be entitled to disapprove any proposed lease transaction as not being in compliance with the provisions of this Section. If no lease form is to be used, then the Co-owner shall supply the Association with the name and address of the potential lessee or other occupant(s), along with the amount and due dates of any rental or compensation payable to the Co-owner, and the term of the proposed arrangement.

(2) Tenants or Non-Co-owner occupants shall comply with all of the conditions of the Condominium Documents and all leases and rental agreements shall so state.

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

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

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

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

(4) When a Co-owner is in arrears to the Association for assessments, the Association may give written notice of the arrearage to a tenant occupying a Co-owner's Unit under a lease or rental agreement and the tenant, after receiving the notice shall deduct from rental payments due the Co-owner the arrearage and future assessments as they fall due and pay them to the Association. The deductions shall not be a breach of the rental agreement or lease by the tenant. If the tenant, after being notified, fails or refuses to remit rent, otherwise due the Co-owner, to the Association, then the Association may (1) issue a statutory Notice to Quit for non-payment of rent, and enforce that notice by summary proceedings, or (2) initiate proceedings pursuant to Section 112(4)(b) of the Act.

SECTION 3. Architectural Control Provisions:

A. Building Restrictions. Except as otherwise permitted herein, no structure may be constructed, installed or placed on a Unit, except for one detached Residence that does not exceed the Zoning Ordinance height limitation of Bloomfield Township and that includes an attached two-car garage and appropriate driveway and parking areas, subject further to the following restrictions:

- (1) Minimum Residence Size. All Residences shall contain the minimum square footage required at the time of construction by Bloomfield Township and, in addition to the foregoing, at least as much square footage of living space as that which existed prior to destruction or demolition of any previously existing Residence located on the Unit. As used herein, "livable floor area" shall be calculated by measuring from internal wall to internal wall, and shall exclude garages, patios, decks, open porches, terraces, basements, storage sheds and like areas even if attached to the Residence. Livable floor area shall include, however, enclosed porches if the roof of the porch forms an integral part of the Residence. The Association reserves the right, in its sole discretion, to increase the minimum livable floor area for all unbuilt Residences in the Condominium. Finally, the exterior of each Residence shall be identical in appearance, construction and size as that which existed prior to the destruction or demolition of a previously existing Residence located on the Unit.
- (2) Unit Boundary Lines. In no event shall a structure be placed, erected, installed or located on any Unit nearer to the front, side or rear Unit boundary line than is permitted by the ordinances of Bloomfield Township in effect at the time the structure is installed. The Association, in its sole discretion, may allow variances from the minimum seven (7) foot side yard setback shown on the Condominium Plan so long as the side yard meets the ordinance requirements of Bloomfield Township.
- (3) Commencement of Construction and Landscaping. The exterior of all Residences and any other permitted structures must be completed as soon as practical after construction commences, except where such completion is impossible or would result in great hardship to the Co-owner or builder due to strikes, fires, national emergency or natural calamities. All Units shall be sodded and appropriately landscaped following any construction within 90 days of completion of construction.
- (4) Garages. All garages shall be attached to the Residence served. Association shall have the sole and conclusive authority to determine whether a proposed garage design is attached to the Residence.
- (5) Roofs. All roofs shall be covered with cedar shake shingles or such different material of a quality, style and appearance consistent therewith as the Board may specify by any rule or regulation from time to time promulgated in accordance with Section 11 of this Article. Flat roofs shall be prohibited.
- (6) Driveway. All driveways shall be paved with concrete or, if permitted by rule or regulation adopted by the Board of Directors, concrete with a decorative perimeter of brick pavers. Unless otherwise approved in advance by the Board of Directors, all driveways shall be maintained in appearance, color and finish as originally installed.
- (7) Air Conditioners and Similar Equipment. No external air conditioning unit shall be placed in or attached to a window or wall of any Residence. In order to minimize the impact of their appearance and noise upon any adjoining Unit, all compressors and other exterior components of a central air conditioning system (or similar system, such as a heat pump) shall have suitable evergreen screening, and such equipment shall not be installed or relocated upon any Unit after the date these Bylaws are recorded nearer than fifteen (15) feet from the closest Unit boundary line (or greater, if required by Township ordinance), or so as to be visible from the street on which such Unit fronts.
- (8) Tree Protection and Preservation. Trees measuring four (4) inches or more in diameter at 42" above ground level may not be removed from the front or side yard without

the written approval of the Association. Notwithstanding the preceding sentence, the Board of Directors shall approve the removal of any such tree(s) as it determines to be dead or diseased, conditional, where appropriate, upon the Co-owner's installation of such replacement landscaping as the Co-owner shall propose and that the Board reasonably determines to be consistent with the landscaping of adjacent Units and areas and the Condominium as a whole.

(9) Public Utility and Drainage Easement. Easements for the construction, installation and maintenance of public utilities, and for drainage facilities, are reserved as shown on the Plan. Within all of the foregoing easements, unless the necessary approvals are obtained from Bloomfield Township, and except for the paving necessary for each Residence's driveway, no structure, planting or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of such service facilities and utilities, including underground electrical and telephone local distribution systems, or which may change, obstruct or retard the flow or direction of water in and through drainage in the easements, nor shall any change, which may obstruct or retard the flow of surface water or be detrimental to the property of others, be made by the Co-owner in the finished grade of any Unit once established upon completion of construction of the Residence thereon. The easement area of each Unit and all improvements in it shall be maintained (in a presentable condition, continuously) by the Unit Co-owner, and the Unit Co-owner shall be liable for damage to service facilities and utilities thereon, including damage to electric, gas, and telephone distribution lines and facilities therein, which result from his acts or omissions to do so and not from any repair or other action of the servicing utility or the Co-owner who required the repair. Except as may be otherwise provided herein, each Unit Co-owner shall maintain the surface area of the easement within the Co-owner's Unit, to keep weeds out, to keep the area free of trash and debris, and to take such action as may be necessary to eliminate or minimize surface erosion.

(10) Basketball Hoops and Posts. Basketball hoops and posts are prohibited; provided, that any basketball hoop and post that existed on any Unit in compliance with the original Bylaws as in effect on the effective date these Bylaws, may remain (but not be replaced) provided it is properly maintained by the Co-owner in strict compliance with the following restrictions that were then in effect, to wit:

- All basketball hoops shall be on ground mounted posts located at least 25 feet from the curb of the road(s) adjacent to the Unit.
- The ground mounted post for the basketball hoop shall be located at least 5 feet from the side boundary line of the Unit.
- No florescent or bright colors shall be permitted for either the post or the backboard. The ground mounted post shall be painted black and the backboard of the basketball hoop shall be clear.

(11) Dog Kennels and Similar Shelters. Dog kennels or runs or other enclosed shelters for animals, permitted or not, shall be prohibited.

(12) Outbuildings and Other Structures. No Structure of a temporary character shall be placed upon any Unit at any time. No temporary occupancy shall be permitted in an unfinished Residence. The use of a trailer for materials and supplies to be used by a building in the construction of a Residence and which shall be removed from the premises upon enclosure of the Residence, may be allowed with the written consent of the Board of Directors which shall have the sole discretion to approve or disapprove same. No old or used buildings of any kind shall be brought on any Unit or into the Condominium. No accessory buildings shall be permitted on any Unit. No mobile home, trailer, house or camping trailer,

tent, shack, tool storage shed, barn, tree house, or other similar outbuilding or structure shall be placed on any Unit at any time, either temporarily or permanently.

(13) Swimming Pools. No above or in-ground swimming pools shall be erected or maintained on or in any Unit. No hot tubs or spas may be erected, maintained or operated outside the confines of a Residence without the prior written approval of the Board of Directors as to size, location, materials and type of construction, including the design of any fencing required by Bloomfield Township. All permitted hot tubs or spas shall be located in the rear yard behind the Residence, shall extend no more than 12 feet beyond the rear line of the Residence and shall be fully screened with evergreen landscaping from the view of other Units. All hot tub or spa mechanical equipment shall be placed in the rear yard behind the Residence, without any projection into the side yard, and shall be concealed from view from adjoining Units by landscape screening and shall have such insulation as is required to avoid noise impacts on nearby Units.

(14) Fences. No fence or wall of any kind shall be erected or maintained on any Unit without the express prior written consent of the Board of Directors, which shall have the sole and absolute discretion to determine the suitability of the locations, design, shape, height, size and materials for any such fence or wall. No fence, wall or hedge shall be located nearer to any front lot line than is permitted pursuant to the Zoning Ordinance of Bloomfield Township. The maximum height and linear footage of any fencing permitted by this Section shall not exceed the minimum required by the municipality in which the Unit is located. No fence, wall or hedge shall be maintained or erected which blocks or hinders vision at street intersections. No full yard fencing shall be permitted. No chain-link fencing shall be permitted.

(15) Grading and Surface Water Drainage. The grade of any Unit may not be changed from the grading and soil erosion control plans approved by Bloomfield Township (which grading and soil erosion control plans may be subsequently amended from time to time as conditions require and as subsequently approved by Bloomfield Township) without the written consent of the Board of Directors and any governmental authority having jurisdiction. It shall be the responsibility of each Co-owner to maintain the surface drainage grades of the Co-owner's Unit as established by the approved plans filed with Bloomfield Township. Each Co-owner covenants not to change the surface grade of the Co-owner's Unit in a manner which will materially increase or decrease the storm water flowing onto or off of the Co-owner's Unit and will not block, pond or obstruct surface water. The Board of Directors shall enforce this covenant and may enter upon any of the Units to correct any violation of this covenant and shall charge the costs of the correction to the Co-owner and such costs shall be a lien upon the Unit. It shall also be the responsibility of each Co-owner to assure that the footing drains on the Co-owner's Unit, if any, are clear of obstructions and are installed in accordance with the storm sewer plans approved by Bloomfield Township (which storm sewer plans may be subsequently amended from time to time as conditions require and subsequently approved by Bloomfield Township). It shall be the responsibility of each Co-owner to maintain the footing drains, if any, within Co-owner's Unit. If any Co-owner shall fail to maintain the footing drains or shall fail to have the drains properly installed as part of the storm water drainage system, the Association may enter upon the Unit of such Co-owner and perform all necessary connections, repairs and maintenance of the footing drains. The costs for such connections, repairs and maintenance shall be charged to the Co-owner and shall be a lien upon the Unit.

B. Architectural Control and Alterations.

(1) Architectural Control. The Association intends and desires that all Residences and other improvements within Units continue to be architecturally harmonious and pleasing, and

that the design and location of all Residences and improvements take into account the preservation of trees and the natural environment of the Condominium. In order to insure that such goals are accomplished, the Association shall, in its sole discretion, have the right to approve or disapprove the appearance, construction, materials, proposed location, design, specifications and any other attribute of any Structure, Front Landscape or other improvement within a Unit that is visible from the General Common Elements. Therefore, before constructing any Residence or making any exterior improvement, change (color, design or material), or elevation change upon any Unit, a Co-owner shall receive the written approval of the Association. No application for a building permit or application for any other governmental approval or construction shall be filed until written approval of the Association is received.

No Residence may be erected, installed, or placed upon or in any Unit unless the Unit Co-owner has submitted the following documentation to the Association, and the Association has approved all of such documentation in writing:

- Survey. A topographic survey of the Unit prepared and certified by a licensed engineer or architect showing existing and proposed grades, the location of all trees in excess of 3 inches in diameter, and the proposed location of the Residence upon the Unit.
- Architectural Plans. Construction and architectural plans prepared and certified by a licensed engineer or architect including dimensioned floor plans, typical sections and all elevations for the Residence to be constructed upon the Unit.
- Specifications. Specifications prepared and certified by a licensed architect or engineer setting forth the type and quality of all materials and workmanship and including a detailed finish schedule for all exterior materials, products and finishes, with actual samples of all exterior materials.
- Construction Schedule. A construction schedule specifying the commencement and completion dates of construction of the Residence, as well as such other dates as the Association may specify for completion of stages of the Residence.

The Board of Directors from time to time may promulgate rules and regulations establishing such lesser documentation requirements pertaining to other structures and improvements as it determines to be reasonably necessary in order to properly perform its architectural control responsibilities hereunder.

A Unit Co-owner shall submit two copies of the aforescribed documents to the Association, which shall retain one copy of each document for its records. The Association shall have 30 days after the receipt of all required plans and specifications to issue a written approval or denial. If the Association fails to issue a written approval or denial of the plans and specifications within the 30 day period, then written approval will not be required and the plans and specifications submitted shall be deemed to comply with this Section.

(2) Alterations. No Co-owner shall make alterations in exterior appearance or make structural modifications to any structure, or improvement within a Unit or make changes, including changes in color of any exterior building or improvement component, change in use, change in any of the structures, improvements, and landscaping within a Unit or the Common Elements, limited or general, without the express written approval of the Board of Directors, including but not limited to, exterior painting, replacement of windows, or the erection of lights, awnings, shutters, doors, newspaper holders, mailboxes, spas, hot tubs, decks, structures, fences, walls, landscaping or other exterior attachments or modifications. The erection of antennas, DBS reception devices, and other technologies regulated by the Federal Communications Commission, shall be in accordance with duly promulgated rules

and regulations of the Association, which shall at all times be construed so as not to violate FCC regulations applicable thereto. No Co-owner shall in any way restrict access to any plumbing, water line, water line valves, water meter, sprinkler system valves or any other element that must be accessible to service the Common Elements or any element which affects an Association responsibility in any way. Should access to any facilities of any sort be required, the Association 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. The Co-owner shall be responsible for the maintenance and repair of any such modification or improvement. In the event that the Co-owner fails to maintain and/or repair said modification or improvement to the satisfaction of the Association, the Association may undertake to maintain and/or repair same and assess the Co-owner the costs thereof and collect same from the Co-owner in the same manner as provided for the collection of assessments in Article II hereof. The Co-owner shall indemnify and hold the Association harmless from and against any and all costs, damages, and liabilities incurred in regard to said modification and/or improvement.

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

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

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

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

(4) Any Co-owner making an alteration pursuant to this subsection shall maintain liability insurance and provide the Association with proof thereof prior to undertaking the alteration or modification, underwritten by an insurer authorized to do business in this state, in an amount

adequate to compensate for personal injuries caused by the exterior improvement or modification, and naming the Association as an additional insured, but the Co-owner shall not be liable for acts or omissions of the Association with respect to the exterior alteration and shall not be required to maintain liability insurance with respect to any Common Element.

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

(6) A Co-owner having made an improvement or modification allowed by this subsection shall notify the Association in writing of the Co-owner's intention to convey any interest in or lease (if permitted) his or her Unit to another, not less than thirty (30) days before the effective date of the conveyance or permitted lease. Not more than thirty (30) days after receiving such a notice, the Association may require that the Co-owner remove the improvement or modification and restore the premises at the Co-owner's expense. In the absence of the required notice of conveyance or permitted lease, the Association may at any time remove or require the Co-owner to remove the improvement or modification at the Co-owner's expense, however, the Association may not remove or require the removal of an improvement or modification if the Co-owner intends to resume residing in the Unit within 12 months or a Co-owner conveys or leases (if permitted) the Condominium Unit to a person with disabilities who needs the same type of improvement or modification, or who has a person residing with him or her who requires the same type of improvement or modification. As used in this Section, "person with disabilities" means that term as defined in Section 2 of the state construction code act of 1972 – MCL 125.1502.

SECTION 4. Conduct upon the Condominium Premises. No noxious, improper, unlawful or offensive activity shall be carried on or upon the Common Elements, Limited or General, or on or upon any Unit, nor shall anything be done which may be or become an annoyance or a nuisance to any other Co-owner, nor shall any unreasonably noisy activity be carried upon the Common Elements or any Unit. There shall not be maintained any animal otherwise permitted by Section 5 of this Article, nor any device or thing, whose normal activities or existence is in any way noxious, noisy, dangerous, unsightly, unpleasant or of a nature as may diminish or destroy the reasonable enjoyment of any other Unit. The Board of Directors of the Association shall be the final arbiter of whether a particular animal, device, or thing is in violation of the foregoing restrictions. No Co-owner shall do or permit anything to be done or keep or permit to be kept on his Unit or on the Common Elements anything that will increase the Association's rate of insurance on the Common Elements without the written approval of the Association, and each Co-owner who does so shall pay to the Association the increased cost of insurance premiums resulting from any such activity or the maintenance of any such condition.

SECTION 5. Animals upon the Condominium Premises. No animals may be kept or bred for any commercial purpose. No savage or dangerous animal of any type may be brought onto, maintained or kept on the Condominium premises. No other animal, including household pets, shall be brought onto, maintained or kept on the Condominium Premises, except that a Co-owner may bring, maintain and keep not more than two (2) domestic cats or dogs, or one of each, within his Unit. Exotic pets and animals are strictly prohibited. The terms "animal" and "pet" as used in this Section shall not be deemed to include small birds, small fish and small, domesticated animals that are constantly confined to a cage or tank. All animals kept in accordance with this Section shall be licensed to the extent required by the municipal agency having jurisdiction, and proof of the animal's shots shall be provided to the Association.

Any pet that may be kept in the Condominium shall have such care and restraint as not to be

obnoxious on account of noise, odor or unsanitary conditions. No animal that creates noise and can be heard on any frequent or continuing basis shall be kept in any Unit or on the Common Elements. No animal may be permitted to be loose upon the Common Elements, and any animal shall at all times be leashed when outdoors with the leash being held and controlled at all times by a responsible adult person in accordance with this Section and any ordinances of the Township of Bloomfield that may apply. Pets shall be restricted to relieving themselves in any area designated therefor by the Board of Directors; provided, that this sentence shall not be construed to require the Board of Directors to designate any such area. Each Co-owner shall be responsible for the collection and disposition of all fecal matter deposited by any animal maintained by such Co-owner, anywhere in the Condominium Project.

Any Co-owner who causes or allows any animal to be brought, maintained or kept for any length of time shall indemnify and hold harmless the Association for any loss, damage or liability, including attorney fees and costs, which the Association may sustain as a result of the presence of such animal on the Condominium premises, whether such animal is permitted or not, and the Association may assess and collect from the responsible Co-owner such losses and/or damages in the manner provided in Article II hereof. The Association may charge all Co-owners maintaining animals a reasonable additional assessment to be collected in the manner provided in Article II of these Bylaws in the event that the Association determines such assessment necessary to defray the maintenance costs to the Association of accommodating animals within the Condominium. The Board of Directors may adopt such additional reasonable rules and regulations with respect to animals, as it may deem proper.

The limited authority to keep or maintain a permitted animal or household pet in the Condominium, as provided above, is in the nature of a license that may be revoked at any time by the Association upon the repeated failure of the owner of any such animal or household pet to abide by the provisions of this Section and the rules and regulations of the Association pertaining to pets. The Board of Directors may, after notice and hearing, without liability to the owner thereof, remove or cause to be removed any animal from the Condominium which it determines to be in repeated violation of the restrictions imposed by this Section or by any applicable rules and regulations of the Association. The Association may also assess fines for such violation of the restrictions imposed by this Section or by any applicable rules and regulation of the Association.

SECTION 6. Use of Common Elements. The Common Elements 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. All rubbish, trash, garbage and other waste shall be regularly removed from each Unit and shall not be allowed to accumulate therein. Trash receptacles shall be maintained inside each individual garage, and except for such short periods of time established by the Board of Directors as necessary to permit periodic collection of trash, shall not be permitted to remain elsewhere on the Common Elements or Units at any time. It shall be the responsibility of each Co-owner to prevent the development of any unclean, unsightly or unkempt condition of the Residence or the grounds contained within a Unit as tends to decrease the beauty of any part of the Condominium. The yard area within a Unit shall not be used in any way for the drying or airing of clothing or other fabrics. No building materials, landscape materials or firewood shall be stockpiled on any Unit. In general, no activity shall be carried on nor condition maintained by a Co-owner either in his Unit or upon the Common Elements, which detracts from or spoils the appearance of the Condominium.

SECTION 7. Obstruction of Common Elements. The Common Elements shall not be obstructed in any way nor shall they be used for purposes other than for which they are reasonably and obviously intended. No bicycles, vehicles, chairs, benches, toys, baby carriages, obstructions or other personal property may be left unattended on or about the Common Elements.

SECTION 8. Vehicles upon the Condominium Premises. No recreational vehicles, pickup campers, house trailers, boat trailers, watercraft, boats, motor homes, camping vehicles/trailers, snowmobiles, snowmobile trailers, trailers of any other kind, aircraft, off-the-road vehicles, all-terrain vehicles, commercial vehicles or other vehicles, other than automobiles and non-commercial pick-up trucks, SUVs and passenger vans used as a resident's primary means of transportation, and not for any commercial purposes, may be parked or stored upon the Condominium premises except in accordance with the provisions of this Section or unless parked in the garage of an individual Residence. No Co-owner shall use (or permit an occupant, agent, employee, invitee, guest or member of his/her family to use) any casual, personal, motorized transportation or entertainment equipment, including, but not limited to, motorized scooters, mo-peds, go-carts and dirt bikes, anywhere within the Condominium.

- A. Temporary Presence. The Board of Directors shall have discretion to issue rules and regulations that provide for the temporary presence of the above-enumerated recreational/leisure vehicles upon the Condominium Premises for proper purposes, such as loading and unloading. The Association shall not be responsible for any damages, costs, or other liability arising from any failure to approve the parking of such vehicles or to designate an area therefor.
- B. Commercial Vehicles. Commercial vehicles and trucks shall not be parked in or about the Condominium (except as above provided – in an individual Residence garage) unless while making deliveries or pickups in the normal course of business. For purposes of this Section, commercial vehicles shall include vehicles or trucks with a curb weight of more than 10,000 pounds, overall length in excess of 19 feet, or with more than two axles, vehicles with commercial license plates, vehicles with any commercial markings or advertising appearing on the exterior, vehicles not intended for personal transportation, or any vehicle either modified or equipped with attachments, equipment or implements of a commercial trade, including, but not limited to, storage racks, ladder or material racks, snow blades, tanks, spreaders, storage bins or containers, vises, commercial towing equipment or similar items. For purposes of this Section, passenger vans, SUVs and pick-up trucks, used for primary transportation, and no commercial purpose whatsoever, shall not be considered commercial vehicles provided they do not meet the definition of a commercial vehicle contained herein. The Association shall not be responsible for any damages, costs, or other liability arising from any failure to approve the parking of such vehicles or to designate an area thereof.
- C. Standing Vehicles, Repairs. Non-operational vehicles or vehicles with expired license plates shall not be parked or stored on the Condominium Premises. The maintenance or repair of motor vehicles shall not be permitted on the Condominium Premises.
- D. Parking Restrictions. No parking of any vehicles on the roadways within the Condominium shall be allowed overnight, or by Co-owners or other Unit occupants during the day, on any consistent or reoccurring basis, except as may be permitted in rules or regulations of the Association.
- E. Association Rights. The Board of Directors may promulgate reasonable rules and regulations governing the parking and use of vehicles in the Condominium Project consistent with the provisions hereof, and may levy fines for violations of such rules and regulations or this Section. The Association may cause vehicles parked or stored in violation of this Section, or of any applicable rules and regulations of the Association, to be stickered and/or removed (towed) from the Condominium Premises, and the cost of such removal may be assessed to, and collected from, the Co-owner of the Unit responsible for the presence of the vehicle in

the manner provided in Article II hereof. In such cases, the Co-owner shall be responsible for costs incurred in having a towing company responds, even if the vehicle is moved and properly parked before the towing contractor arrives at the Condominium.

SECTION 9. Prohibition of Dangerous Items. No Co-owner shall use, or permit any occupant, agent, employee, invitee, guest or member of his family to use, any firearm, air rifle, pellet gun, B-B gun, bow and arrow, slingshot or similar weapon, projectile or device anywhere on or about the Condominium Premises, nor shall any Co-owner use or permit to be brought into the Condominium any explosives, highly volatile or flammable material or other items deemed to be extra-hazardous to life, limb, or property, without in each case obtaining the written consent of the Association.

SECTION 10. Signs upon the Condominium Premises and Mailboxes. No commercial signs shall be erected or maintained on any Unit except as permitted by rule or regulation promulgated by the Board of Directors or with the written permission of the Board of Directors. In either case, the Board of Directors may restrict the size, color and content of such signs. All mailboxes, delivery receptacles and the like shall be of a standard color, size and style determined by the Board of Directors and shall be erected only in areas designated by the Board.

SECTION 11. Rules and Regulations Consistent with the Act. Reasonable rules or regulations consistent with the Act, the Amended and Restated Master Deed and these Bylaws, concerning the use and operation of the Condominium may be made and amended from time to time by the Board of Directors of the Association. Copies of all such rules and/or regulations and amendments thereto shall be furnished to all Co-owners and, except as a later date is stated in the rule or regulation, shall become effective thirty (30) days after the mailing or delivery thereof to the designated voting representative of each Co-owner. Any such rule or regulation or amendment may be revoked at any time by the affirmative vote of more than fifty percent (50%) of all Co-owners entitled to vote.

SECTION 12. Association Access to Units and/or Limited Commons Elements. The Association or its duly authorized agents shall have access to each Unit and any Limited Common Elements appurtenant thereto from time to time, during reasonable working hours, upon notice to the Co-owner thereof, as may be necessary for the maintenance, repair or replacement of any of the Common Elements or other elements for which the Association has or has assumed responsibility. 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. Each Co-owner shall be responsible to provide the Association with a telephone number and means of access to his Unit and any Limited Common Elements appurtenant thereto for emergency purposes during all periods of absence, and in the event of the Co-owner's failure to provide such means of access, the Association may gain access in any manner as may be reasonable under the circumstances, at the Co-owner's expense, and shall not be liable to such Co-owner for the repair or replacement of any doors or windows or for any other necessary damage to his Unit and any Limited Common Elements appurtenant thereto caused in gaining such access.

SECTION 13. Landscaping and Decoration of Common Elements. No Co-owner shall perform any landscaping, plant or remove any trees or shrubs or place any ornamental materials, including but not limited to statuary, bird feeders, exterior lighting, furniture, implements, rocks or boulders, fencing or other decorative items upon the Common Elements, Limited or General, or in the front yard of any Unit (that yard or yards facing a street within the Condominium) unless the same is approved by the Association in writing, and is in total conformance with the Association's policies on landscaping as are published from time to time. Any landscaping performed by the Co-owner and any such trees or shrubs planted by the Co-owner, if and when approved, shall be the responsibility of the Co-owner to maintain. In the event that such Co-owner fails to adequately maintain such landscaping performed

by the Co-owner and any such trees, shrubs, or flowers planted by the Co-owner to the satisfaction of the Association, the Association shall have the right to perform such maintenance and assess and collect from the Co-owner the cost thereof in the manner provided in Article II hereof. The Co-owner shall also be liable for any damages to the Common Elements or other Units arising from the performance of such landscaping or the planting of such trees or shrubs, or the continued maintenance thereof. Should access to any Common Elements of any sort be required, or should any materials specified in this Section interfere with maintenance or services provided by the Association, the Association may remove any obstruction that restricts such access and/or services and will have no responsibility for repairing, replacing or reinstalling any materials, whether or not installation thereof has been approved hereunder, that are damaged in the course of gaining such access and/or performance of such services, nor shall the Association be responsible for monetary damages of any sort arising out of any such actions.

SECTION 14. Co-owner Maintenance of Unit and Limited Common Elements. Each Co-owner shall maintain his Unit and any Limited Common Elements appurtenant thereto for which he has maintenance responsibility in a safe, clean and sanitary condition, and all Residences, landscaping and other structures and improvements within a Unit shall be maintained at all times in a first class 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, cable TV or other utility conduits, mains and systems and any other Common Elements in any Unit which are appurtenant to or which may affect any other Unit. Each Co-owner shall be responsible for damages or costs to the Association resulting from damage to or misuse of any of the Common Elements by him, or his family, guests, agents or invitees, or by casualties and occurrences, whether or not resulting from Co-owner negligence, involving items or common elements which are the responsibility of the Co-owner to maintain, repair and replace. Any costs or damages to the Association may be assessed to and collected from the responsible Co-owner in the manner provided in Article II hereof. Each individual Co-owner shall indemnify the Association and all other Co-owners against such damages and costs, including attorneys' fees, and all such costs or damages to the Association may be assessed to and collected from the responsible Co-owner in the manner provided in Article II hereof. The Co-owners shall have the responsibility to report to the Association any Common Element which has been damaged or which is otherwise in need of maintenance, repair or replacement as soon as it is discovered.

SECTION 15. Application of Restrictions to the Association. None of the restrictions contained in this Article VI shall apply to the activities of the Association in furtherance of its powers and purposes set forth herein, the Amended and Restated Master Deed and in its Articles of Incorporation, as the same may be amended from time to time.

SECTION 16. Costs of Enforcing Documents. Any and all costs, damages, fines, expenses and/or actual attorneys fees incurred or levied by the Association in enforcing any of the restrictions set forth in this Article VI and/or rules and regulations promulgated by the Board of Directors of the Association under Article VI, Sections 5 and 11 of these Bylaws, and any expenses incurred as a result of the conduct of less than all those entitled to occupy the Condominium Project, or by their licensees or invitees, may be assessed to, secured by the statutory lien on the Unit and collected from the responsible Co-owner or Co-owners in the manner provided in Article II hereof. This specifically includes actual costs and legal fees incurred by the Association in investigating and seeking legal advice concerning violations, and responding to and defending actions relating to violations in small claims court, or any other court of competent jurisdiction.

SECTION 17. Association Approvals Revocable. All approvals of the Association given in accordance with these Bylaws are in the nature of a license conditioned upon compliance with all applicable provisions of this Article and performance of the permitted action within a reasonable

time, and except as a Co-owner has acted in substantial reliance thereupon may be withdrawn upon thirty (30) days' written notice by the Board of Directors.

ARTICLE VII MORTGAGES

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

SECTION 2. Notification to Mortgagee of Insurance Company. The Association shall notify each mortgagee appearing in said book as shall have requested the same of the name of each company insuring the Condominium Common Elements against fire, perils covered by extended coverage, and vandalism and malicious mischief and the amounts of such coverage.

SECTION 3. Notification to Mortgagee of Meetings. Upon 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 MEMBERSHIP AND VOTING

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

- A. Designation of Members. Each Co-owner shall be a member of the Association and no other person or entity shall be entitled to membership.
- B. Co-owner's Share of the Funds. The share of a Co-owner in the funds and assets of the Association cannot be assigned, pledged or transferred in any manner except as an appurtenance to a Unit in the Condominium.
- C. Co-owner Voting Designation. Except as limited in these Bylaws, each Co-owner shall be entitled to one (1) vote for each Unit owned, provided that said Co-owner is in good standing and not in default of any payment of regular or special assessments against said Co-owner's Unit. Voting shall be by number. The voting rights appurtenant to any Unit owned jointly by more than one Co-owner may be exercised only jointly as a single vote.
- D. Evidence of Ownership for Voting Purposes. No Co-owner shall be entitled to vote at any meeting of the Association until he has presented evidence of ownership of a Unit in the Condominium project to the Association. The vote of each Co-owner may be cast only by the Co-owner or by a proxy given by such individual representative.

- E. Designation of Voting Representative. Each corporate, partnership, LLC or other business or legal entity Co-owner, that is not a natural person, shall file a written notice with the Association designating the individual representative who shall vote at meetings of the Association (one vote per Unit) 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, LLC, association, trust or other entity that is the Co-owner. Such notice shall be signed and dated by the Co-owner. The individual representative designated may be changed by the Co-owner at any time by filing a new notice in the manner herein provided. At any meeting the filing of such written notice as a prerequisite to voting may be waived by the chairman of the meeting.
- F. Quorum. The presence in person or by proxy of thirty percent (30%) in number of the Co-owners qualified to vote shall constitute a quorum for holding a meeting of the members of the Association, except for voting on questions specifically required herein to require a greater quorum. The written vote of any person furnished at or prior to any duly called meeting at which meeting said person is not otherwise present in person or by proxy, or by such date as is established for voting in cases where no meeting is held, shall be counted in determining the presence of a quorum with respect to the question upon which the vote is cast.
- G. Voting. Votes may be cast in person, in writing duly signed by the designated voting representative, or by any other means allowed by the voting procedures adopted by the Association for a given vote, provided the same are not in violation of the provisions of these Bylaws. Any proxies, written votes or other votes cast by means allowed hereunder must be filed with the Secretary of the Association at or before the appointed time of each meeting of the members of the Association or voting deadline if no meeting is held. Votes may be cast by mail, fax, delivery, e-mail or any other method approved by the Association in advance of the vote. Cumulative voting shall not be permitted.
- H. Majority. Unless otherwise provided, any action that could be authorized at a meeting of the members shall be authorized by the vote of a simple majority in number of those Co-owners voting in person or by proxy at said meeting, or by alternative means, in accordance with the provisions of these Bylaws. Whenever provided specifically herein, a majority may be required to exceed the simple majority hereinabove set forth.
- I. Action Without Meeting. Any action that may be taken at a meeting of the members (except for the removal of Directors) may be taken without a meeting by written ballot of the members. Ballots shall be solicited in the same manner (with respect to notice) as provided in Article IX, Section 4, hereof. Such solicitations shall specify (a) the number of responses needed to meet the quorum requirements; (b) the percentage of approvals necessary to approve the action; and (c) the time by which 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. Votes may be cast in accordance with this paragraph by mail, hand delivery, electronically or by facsimile.

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

SECTION 2. Records and Books of the Association. The Association shall keep detailed books of account showing all expenditures and receipts of administration and specifying the maintenance and repair expenses of the Common Elements and any other expenses incurred by or on behalf of the Association and the Co-owners. Such accounts and all other Association records shall be open for inspection by the Co-owners and their mortgagees during reasonable working hours. The Association shall prepare and distribute to each Co-owner at least one (1) time a year a financial statement, the contents of which shall be defined by the Association. The books of account shall be "reviewed" 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 ninety (90) days following the end of the Association's fiscal year upon request therefor. The costs of any such audit and any other accounting expenses shall be expenses of administration. The Association also shall maintain on file current copies of the Amended and Restated Master Deed for the Project, any amendments thereto and all other Condominium Documents and shall permit all Co-owners, prospective purchasers and prospective mortgagees interested in the Project to inspect the same during reasonable business hours.

ARTICLE IX MEETINGS

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

SECTION 2. Annual Meetings. The first annual meeting of members of the Association has already been held. Thereafter, the annual meetings of members of the Association shall be held in the month of October each succeeding year at such time and place as shall be determined by the Board of Directors. The Board of Directors may, acting by a majority vote, change the date of the annual meeting in any given year provided that at least one such meeting is held in each calendar year. At the annual meeting, there shall be elected by ballot of the Co-owners a Board of Directors in accordance with the requirements of Article X of these Bylaws. The Co-owners may also transact at annual meetings such other business of the Association as may properly come before them.

SECTION 3. Special Meetings. It shall be the duty of the President to call a special meeting of the Co-owners as directed by resolution of the Board of Directors. The President shall also call a special meeting upon a petition signed by one third (1/3) of the Co-owners in number presented to the Secretary of the Association. Notice of any special meeting shall state the time and place of such meeting and the purpose thereof. No business shall be transacted at a special meeting except as stated in the notice.

SECTION 4. Notice of Meetings. It shall be the duty of the Secretary (or other Association officer in the Secretary's absence) to serve a notice of each annual or special meeting, stating the purpose thereof as well as the time and place where it is to be held, upon each Co-owner. All meeting notices must be given at least ten (10) days, but not more than sixty (60) days, prior to the date of 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 1.E of these Bylaws, or in the absence of any such filing, to the address of the Unit owned by the Co-owner, 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 5. Adjournment for Lack of Quorum. If any meeting of Co-owners cannot be held because a quorum is not in attendance, the Co-owners who are present may adjourn the meeting to a time not less than forty-eight (48) hours from the time the original meeting was called. The quorum for each subsequent meeting shall be reduced by one-half (1/2) from the quorum requirement of the previously scheduled meeting.

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

ARTICLE X BOARD OF DIRECTORS

SECTION 1. Qualification and Number of Directors. The affairs of the Association shall be governed by a Board of Directors all of who must be Co-owners of Units in Bloomfield Chase. The Board shall consist of five (5) members. No two occupants of the same Unit may serve on the Board of Directors at the same time. Directors shall serve without compensation. Any member in good standing wishing to run for election to the Board shall submit his or her name, address, phone number and any biographical (or other qualification or explanatory information that the member wishes to be distributed to the members of the Association) to the Board, on or before the date that is thirty (30) days before the Annual Meeting is to be held. The good standing of candidates shall be determined as of the deadline date for nominations. The Board may also establish a nominating committee for the purpose of identifying candidates for the Board of Directors. At least two weeks before the annual meeting is held, the Board or managing agent shall distribute to all members of the Association a list of candidates and their information (without any distinction between the method of nomination), and the slate of candidates will be thereby stated. No nominations from the floor or write in candidates shall be allowed. Written ballots for voting on Directors shall be accepted from members not attending the Annual Meeting, provided they are submitted to the secretary or managing agent prior to the election, and such ballots shall be counted in determining the presence of a quorum at said Annual Meeting.

SECTION 2. Term of Directors. The terms of office of the directors have been previously staggered. In each year hereafter, either two (2) or three (3) directors shall be elected for two (2) year terms, dependent on how many directorships expire that year. All directors shall serve two (2) year terms and hold office until their successors are elected and hold their first meeting.

SECTION 3. Powers and Duties. The Board of Directors shall have all powers and duties as are necessary for the administration of the affairs of the Association and may do all acts and things necessary thereto, subject always to the Condominium Documents and applicable laws. In addition to the foregoing general powers and duties imposed by these Bylaws, and any further powers and duties imposed by law or by the Articles of Incorporation, the Board shall be responsible for:

- A. Management and Administration. To manage and administer the affairs of and maintenance of the Condominium Project and the Common Elements thereof, all to the extent set forth in the Amended and Restated Master Deed, or elsewhere in the Condominium Documents.
- B. Collecting Assessments. To collect assessments from the members of the Association and to use the proceeds thereof for the purposes of the Association.
- C. Insurance. To carry insurance and collect and allocate the proceeds thereof in the manner set forth in Article IV hereof.
- D. Rebuild Improvements. To rebuild improvements after casualty, subject to the terms hereof.
- E. Contract and Employ Persons. To contract for and employ persons, firms, corporations or other agents to assist in the management, operation, maintenance and administration of the Condominium Project.
- F. Real or Personal Property. To acquire, maintain and improve, and to buy, operate, manage, sell, convey, assign, mortgage or lease any real or personal property (including any Unit in the Condominium and any easements, rights-of-way and licenses) on behalf of the Association in furtherance of any of the purposes of the Association.
- G. Easements and Telecommunications. To grant such easements, licenses and other rights of entry, use and access, and to enter into any contract or agreement, including wiring agreements, utility agreements, right of way agreements, access agreements and multi-unit agreements, and to the extent allowed by law, contracts for sharing of any installation or periodic subscriber fees as may be necessary, convenient or desirable to provide for telecommunications, videotext, broad band cable, satellite dish, earth antenna and similar services (collectively "Telecommunications") to the Condominium or any Unit therein. Notwithstanding the foregoing, in no event shall the Board of Directors enter into any contract or agreement or grant any easement, license or right of entry or do any other act or thing which would violate any provision of any federal, state or local law or ordinance. Any and all sums paid by any Telecommunications or any other company or entity in connection with such service, including fees, if any, for the privilege of installing same, or sharing periodic subscriber service fees, shall be receipts affecting the administration of the Condominium within the meaning of the Act, and shall be paid over and be the property of the Association.
- H. Borrow Money. To borrow money and issue evidences of indebtedness in furtherance of any and all of the purposes of the business of the Association, and to secure the same by mortgage, pledge, or other lien on property owned by the Association, with the approval of fifty percent (50%) of the Co-owners entitled to vote.

- I. Rules and Regulations. To make rules and regulations in accordance with Article VI, Section 11, of these Bylaws.
- J. Committees. To establish such committees as it deems necessary, convenient or desirable and to appoint persons thereto for the purpose of implementing the administration of the Condominium and to delegate to such committees, or any specific Officers or Directors of the Association any functions or responsibilities which are not by law or the Condominium Documents required to be performed by the Board.
- K. Enforce Documents. To enforce the provisions of the Condominium Documents.

SECTION 4. Professional Management. The Board of Directors may employ for the Association a professional management agent at reasonable compensation established by the Board to perform such duties and services as the Board shall authorize, including, but not limited to, the duties listed in Section 3 of this Article X, and the Board may delegate to such management agent any other duties or powers which are not by law or by the Condominium Documents required to be performed by or have the approval of the Board of Directors or the members of the Association. In no event shall the Board be authorized to enter into any contract with a professional management agent in which the maximum term is greater than three (3) years, or which is not terminable by the Association upon thirty (30) days' written notice, with or without cause, to the other party.

SECTION 5. Vacancies. Vacancies in the Board of Directors caused by any reason other than the removal of a director by a vote of the members of the Association shall be filled by vote of the majority of the remaining directors, even though they may constitute less than a quorum. Each person so appointed shall be a director until the end of the term of the Director who he/she replaced and a successor is elected at such annual meeting of the Association.

SECTION 6. Removal of Directors. At any regular or special meeting of the Association duly called and held, any one or more of the directors may be removed with or without cause by the affirmative vote of more than fifty percent (50%) of all Co-owners, and a successor may then and there be elected to fill the vacancy thus created. The quorum requirement for the purpose of filling any vacancy shall be the normal 50% requirement set forth in Article VIII, Section 1F. Any director whose removal has been proposed by the Co-owners shall be given an opportunity to be heard at the meeting. Any director who misses three (3) duly called meetings of the Board of Directors within a continuous 12-month period, without good cause, shall be automatically removed from the Board without the necessity of any further action. The vacancy so created shall be filled by the Board in accordance with this Section.

SECTION 7. First Meeting of New Board. The first meeting of a newly elected Board of Directors shall be held within ten (10) days of election at such place and time as is 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, provided a majority of the Board is present at such meeting.

SECTION 8. Regular Meetings. Regular meetings of the Board of Directors may be held at such times and places as shall be determined from time to time by a majority of the directors. At least two such meetings shall be held during each fiscal year. Notice of regular meetings of the Board of Directors shall be given to each director, personally, or by mail, electronically or by telephone prior to the date named for such meeting, unless waived by said director.

SECTION 9. Special Meetings. Special meetings of the Board of Directors may be called by the president on notice to each director, given personally, or by mail, electronically or by telephone,

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 on like notice on the written request of any two (2) directors.

SECTION 10. Waiver of Notice. Before or at any meeting of the Board of Directors, any director may, in writing or orally, waive notice of such meeting, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a director at any meeting of the Board shall be deemed a waiver of notice by that director of its time and place. 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 11. Quorum. At all meetings of the Board of Directors, a majority of the directors shall constitute a quorum for the transaction of business, and the acts of the majority of the directors present at a meeting at which a quorum is present shall be the acts of the Board of Directors. A Director will be considered present and may vote on matters before the Board by proxy, by teleconference, electronically or by any other method giving the remainder of the Board sufficient notice of the absent Director's vote and position on any given matter, provided however, that any vote not in writing is confirmed in writing not later than the next meeting of the Board. If, at any meeting of the Board of Directors, there be less than a quorum present, the majority of those present may adjourn the meeting from time to time. At any such adjourned meeting, any business that might have been transacted at the meeting as originally called may be transacted without further notice. The joinder of a director in the action of a meeting by signing and concurring in the minutes thereof, shall constitute the presence of such director for purposes of determining a quorum.

SECTION 12. Action Without Meeting. Any action that may be taken by the Board of Directors at a meeting of the Board shall be valid if consented to in writing by the requisite majority of the Board of Directors. Further, the presiding officer of the Association, in exceptional cases requiring immediate action, may poll all Directors by phone for a vote, and provided the action is consented to by the requisite number of Directors, such vote shall constitute valid action by the Board, provided the results of the vote and the issue voted upon are noted in the minutes of the next Board meeting to take place.

SECTION 13. Closing of Board of Directors' Meetings to Members; Privileged Minutes. The Board of Directors, in its discretion, for good and sufficient reason, may close a portion or all of any meeting of the Board of Directors to the members of the Association or may permit members of the Association to attend a portion or all of any meeting of the Board of Directors. Any member of the Association shall have the right to inspect, and make copies of, the minutes of the meetings of the Board of Directors; provided, however, that no member of the Association shall be entitled to review or copy any minutes of meetings of the Board of Directors to the extent that said minutes reference privileged communications between the Board of Directors and counsel for the Association, or any other matter to which a privilege against disclosure pertains under Michigan Statute, common law, the Michigan Rules of Evidence, or the Michigan Court Rules.

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

ARTICLE XI OFFICERS

SECTION 1. Designation. The principal officers of the Association shall be a president, vice

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

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

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

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

SECTION 5. Vice-President. The vice president shall take the place of the president and perform the president's 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 by the Board of Directors.

SECTION 6. Secretary. The secretary shall keep the minutes of all Board and Association meetings, have charge of the corporate minute book, and of such books and papers as the Board of Directors may direct; and shall in general, perform all duties incident to the office of the secretary.

SECTION 7. Treasurer. The treasurer or management agent shall have responsibility for all Association funds and securities and shall be responsible for keeping full and accurate accounts of all receipts and disbursements in books belonging to the Association. The treasurer or management agent shall be responsible for the deposit of all monies and other valuable papers of the Association, in the name of and to the credit of the Association, in such depositories as may from time to time be designated by the Board of Directors.

ARTICLE XII FINANCES

SECTION 1. Fiscal Year. The fiscal year of the Association shall be an annual period commencing on such date as may be initially determined by the Board of Directors. The commencement date of the fiscal year of the Association shall be subject to change by the Board of Directors for accounting reasons or other good cause.

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

SECTION 3. Investment of Funds. The Association's funds shall be held and invested only in accounts fully insured and/or backed by the full faith and credit of the United States Government.

ARTICLE XIII INDEMNIFICATION

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

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

ARTICLE XIV COMPLIANCE

SECTION 1. Compliance With The Documents. The Association of Co-owners and all present or future Co-owners, tenants, future tenants and other persons acquiring an interest in or using the Condominium premises in any manner are subject to and shall comply with the provisions of the Act, the Amended and Restated Master Deed, these Bylaws and the Association's Articles of Incorporation and rules and regulations, if any. If any provision of the Amended and Restated Master Deed, these Bylaws, the Articles of Incorporation or any rule or regulation conflict with the provisions of any statute, the statute shall control. If any provision of these Bylaws or of any rule or regulation conflicts with a provision of the Amended and Restated Master Deed, the Amended and Restated Master Deed shall control.

SECTION 2. Amendment. These Bylaws may be amended in accordance with the Act and the provisions of Article VIII of the Amended and Restated Master Deed for Bloomfield Chase.

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

ARTICLE XV REMEDIES FOR DEFAULT

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

- A. Remedies for Default by a Co-owner to Comply with the Documents. Failure to comply with any of the terms or provisions of the Condominium Documents shall be grounds for relief, which may include without intending to limit the same, an action to recover sums due for damages, injunctive relief, foreclosure of lien (if default in payment of assessment) or any combination thereof, and such relief may be sought by the Association, or, if appropriate, by an aggrieved Co-owner or Co-owners.
- B. Costs Recoverable From Co-owner. Failure of a Co-owner and/or non-Co-owner resident or guest to comply with the Condominium Documents shall entitle the Association to recover from such Co-owner or non-Co-owner resident or guest the pre-litigation costs and actual reasonable attorneys' fees incurred in obtaining their compliance with the Condominium Documents. In addition, in any proceeding arising because of an alleged default by any Co-owner, or in cases where the Association must defend an action brought by any Co-owner(s) or non-Co-owner resident or guest, (regardless if the claim is original or brought as a defense, a counterclaim, cross claim or otherwise), the Association, if successful, shall be entitled to recover from such Co-owner or non-Co-owner resident or guest pre-litigation costs, the costs of the proceeding and actual attorney's fees (not limited to statutory fees), incurred in defense of any claim or obtaining compliance or relief, but in no event shall any Co-owner be entitled to recover such attorney's fees or costs against the Association.
- C. Association's Right to Abate. The violation of any of the provisions of the Condominium Documents shall also give the Association or its duly authorized agents the right, in addition to the rights set forth above, to enter upon the Common Elements, limited or general, or into any Unit, where reasonably necessary, and summarily remove and abate, at the expense of the Co-owner in violation, any structure, thing or condition existing or maintained contrary to the provisions of the Condominium Documents. The Association shall have no liability to any Co-owner arising out of its exercise of its removal and abatement power granted hereunder.
- D. Assessment of Fines. The violation of any of the provisions of the Condominium Documents by any Co-owner shall be grounds for assessment by the Association, acting through its duly constituted Board of Directors, of monetary fines for such violations in accordance with Article XVI of these Bylaws. Fines may be assessed only upon notice to the offending Co-owners as prescribed in said Article XVI. Section 2, and an opportunity for such Co-owner to appear before and/or respond to the Board no less than 7 days from the date of the notice and offer evidence in defense of the alleged violation. All fines duly assessed may be collected in the same manner as provided in Article II of these Bylaws.

SECTION 2. Failure to Enforce Rights. The failure of the Association or of any Co-owner to enforce any right, provision, covenant or condition 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, provisions, covenant or condition in the future.

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

SECTION 4. Rights of Co-owners. A Co-owner may maintain an action against the Association to compel enforcement of the provisions of the Condominium Documents, and may maintain an action for injunctive relief or damages against any other Co-owner for noncompliance with the Condominium Documents. Even if successful, Co-owners may not recover attorneys' fees from the Association.

ARTICLE XVI FINES

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

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

- A. Notice. Notice of the violation, including the Condominium Document provision violated, together with a description of the factual nature of the alleged offense set forth with such reasonable specificity as will place the Co-owner on notice as to the violation, shall be sent by first class mail, postage prepaid, or personally delivered to the Co-owner at the address on file with the Association.
- B. Hearing. The offending Co-owner shall be scheduled for a hearing before the Board of Directors, at which time the Co-owner shall have an opportunity to offer evidence in defense of the alleged violation. The appearance before the Board shall be at its next scheduled meeting or the Board's earliest convenience, but in no event shall the Co-owner be required to appear less than 10 days from the date of the notice.
- C. Default. Failure to appear at the hearing or respond to the notice of violation by the date set for the hearing constitutes a default.
- D. Hearing and Decision. Upon appearance by the Co-owner before the Board and presentation of evidence of defense, or, in the event of the Co-owner's default, the Board shall, by majority vote of a quorum of the Board, decide whether a violation has occurred. The Board' decision is final.

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

- | | | |
|----|---|------------------------|
| 1. | FIRST VIOLATION | No fine will be levied |
| 2. | SECOND VIOLATION | \$50.00 Fine |
| 3. | THIRD VIOLATION | \$100.00 Fine |
| 4. | FOURTH VIOLATION
AND ALL SUBSEQUENT VIOLATIONS | \$200.00 Fine |

The Board of Directors, without the necessity of an amendment to these Bylaws, may make such changes in said fines or adopt alternative fines, including the indexing of such fines to the rate of inflation, in accordance with duly adopted Rules and Regulations promulgated in accordance with Article VI, Section 11 of these Bylaws. For purposes of this Section, the number of the violation (i.e., first, second, etc.) is determined with respect to the number of times that a Co-owner violates the same provision of the Condominium Documents, as long as that Co-owner may be an owner of a Unit or occupant of the Project, and is not based upon time or violations of entirely different provisions. In the case of continuing violations, a new violation will be deemed to occur in each successive 7 day period for which a violation continues. Nothing in this Article shall be construed as to prevent the Association from pursuing any other remedy under the Condominium Documents and/or the Act for such violations, or from combining a fine with any other remedy or requirement to redress any violation.

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

**ARTICLE XVII
SEVERABILITY**

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